

MARLBOROUGH LINES LIMITED - LINES BUSINESS
FORM FOR THE DERIVATION OF FINANCIAL PERFORMANCE MEASURES FROM FINANCIAL STATEMENTS

<u>Derivation Table</u>	<u>Input and Calculations</u>	<u>Symbol in formula</u>	<u>ROF</u>	<u>ROE</u>	<u>ROI</u>
Operating surplus before interest and income tax from financial statements	3,259				
Operating surplus before interest and income tax adjusted pursuant to regulation 18 (OSBIT)	3,259				
Interest on cash, bank balances, and short-term investments (ISTI)	255				
OSBIT minus ISTI	3,004	a	3,004		3,004
Net surplus after tax from financial statements	1,344				
Net surplus after tax adjusted pursuant to regulation 18 (NSAT)	1,344	n		1,344	
Amortisation of goodwill and amortisation of other intangibles	567	g	add 567	add 567	add 567
Subvention payment	0	s	add 0	add 0	add 0
Depreciation of SFA at BV (x)	3,886				
Depreciation of SFA at ODV (y)	4,710				
ODV depreciation adjustment	-824	d	add -824	add -824	add -824
Subvention payment tax adjustment	0	s*t		deduct 0	deduct 0
Interest tax shield	299	q			deduct 299
Revaluations	17,745	r			add 17,745
Income tax	754	p			deduct 754
			2,747	1,087	19,438
Numerator			OSBIT ^{ADJ} = a+g+s+d	NSAT ^{ADJ} = n+g+s-s*+d	OSBIT ^{ADJ} = a+g-q+r+s+d-p-s*t
Fixed assets at end of previous financial year (FA ₀)	17,812				
Fixed assets at end of current financial year (FA ₁)	111,785				
Adjusted net working capital at end of previous financial year (ANWC ₀)	321				
Adjusted net working capital at end of current financial year (ANWC ₁)	980				
Time-weighted average total funds employed (ATFE)	89,107	c	89,107		89,107
Total equity at end of previous financial year (TE ₀)	22,946				
Total equity at end of current financial year (TE ₁)	104,029				
Time-weighted average total equity	83,758	k		83,758	
WUC at end of previous financial year (WUC ₀)	214				
WUC at end of current financial year (WUC ₁)	1,191				
Time-weighted average total works under construction	947	e	deduct 947	deduct 947	deduct 947
Revaluations	17,745	r			
Half of revaluations	8,872	r/2			deduct 8,872
Intangible assets at end of previous financial year (IA ₀)	0				
Intangible assets at end of current financial year (IA ₁)	14,572				
Time-weighted average total intangible asset	10,929	m		deduct 10,929	
Subvention payment at end of previous financial year (S ₀)	0				
Subvention payment at end of current financial year (S ₁)	0				
Subvention payment tax adjustment at end of previous financial year	0				
Subvention payment tax adjustment at end of current financial year	0				
Time-weighted average subvention payment & related tax adjustment	0	v		add 0	
System fixed assets at end of previous financial year at book value (SFA _{bv,0})	14,413				
System fixed assets at end of current financial year at book value (SFA _{bv,1})	106,657				
Time-weighted average value of system fixed assets at book value	83,596	f	deduct 83,596	deduct 83,596	deduct 83,596
System Fixed assets at year beginning at ODV value (SFA _{odv,0})	70,828				
System Fixed assets at end of current financial year at ODV value (SFA _{odv,1})	143,700				
Time-weighted average value of system fixed assets at ODV value	125,482	h	add 125,482	add 125,482	add 125,482
			130,046	113,768	121,174
Denominator			ATFE ^{ADJ} = c-e-f+h	AveTE ^{ADJ} = k-e-m+v-f+h	ATFE ^{ADJ} = c-e-r-f+h
Financial Performance Measure:			2.1	1.0	16.0
			ROF = OSBIT ^{ADJ} / ATFE ^{ADJ} x 100	ROE = NSAT ^{ADJ} / ATE ^{ADJ} x 100	ROI = OSBIT ^{ADJ} / ATFE ^{ADJ} x 100

t = maximum statutory income tax rate applying to corporate entities bv = book value ave = average odv = optimised deprival valuation subscript '0' = end of the previous financial year subscript '1' = end of the current financial year ROF = return on funds ROE = return on equity ROI = return on investment