

Albania: CEZ scandalous financial records in 2012, loss of 269MEUR

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CEZ scandalous record in 2012, the costs were double the income. Power purchase costs and other expenses sank the company.

Distribution company CEZ has published its annual balance for 2013, data indicate a worsening of the company's activities especially in 2012, which coincides with the last year that the company was managed by CEZ..

The data show that in the two years (2012-2013), the company had resulted in a colossal loss of 450 million euros out from 540 million euros in revenue that has failed to provide the relevant period (2012 + 2013). Albanian magazine Monitor and its financial expert performed the analysis of 2012 and 2013 business results

According to the balance sheet, the company's revenues in 2012 were 269.8 million euros. Meanwhile, costs were twice as high, main reason was the purchasing of power of euro 285 million (slightly higher than the income that the company manages to collect all year) and other expenses of 165.5 million euros, including fines of penalties, creation and reversal of provisioning and creation of accounts receivable deductions.

Other administrative costs(including tariff and transmission) were lower at 88 million euros.

As a result of these two items (energy purchases and other expenses), total expenses for 2012 amounted to 539 million euros, making the company result in a colossal loss of 269 million euros.

2013, net losses cost the company 67 million euros.

In 2013, coinciding with the period when the company was taken into administration by the Berisha government, company performance improved quite a bit, dropping some items of expenditure, while revenues were just alike.

According to the data sheet, earnings in 2013 were EUR 269.3 million, equal to a year ago.

Power purchase costs were 214 million euros, 25% less than a year ago.

Other costs (fines of penalties, creation and reversal of provisioning and creation of accounts receivable deductions) were reduced less by 4.6%, to 158 million euros, which accounted for the major share of voice "for the creation of accounts receivable deductions "with that money means that the company fails to collect from customers (energy losses).

Other administrative expenses decreased by 6.2% to 82.3 million euros. As a result the company resulted in a loss of 185.7 million euros in 2013.