

EASTERN BAY ENERGY TRUST
GROUP FINANCIAL STATEMENTS

Incorporating:
Eastern Bay Energy Trust
Development Enterprises Limited
Energy Options Limited
Energy Options Charitable Company Limited

For the Year Ended 31 March 2005

EASTERN BAY ENERGY TRUST (GROUP)

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

For the Year ended 31 March 2005

	NOTE	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Operating Revenue	2,3	4,741	9	2,078	821	7,637
Operating Expenses	2,3	(358)	(92)	(1,926)	-732	(3,096)
Operating Surplus before Taxation	2,3	4,383	(83)	152	89	4,541
Income Tax Expense	4	-	27	-	-38	(11)
Surplus after Taxation		4,383	(56)	152	51	4,530
Less Minority Interest	23	-	-	-		-
Surplus Attributable to the Trustees of Eastern Bay Energy Trust		4,383	(56)	152	51	4,530

EASTERN BAY ENERGY TRUST (GROUP)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 31 March 2005

	NOTE	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Trust Equity						
Share Capital	5	-	120	-	120	-
Capital Account	5	23,475	-	-	-	23,475
Retained Earnings	6	15,101	(56)	275	51	15,371
Asset Revaluation Reserve	7	-	-	-	-	-
Minority Interest	23	-	-	-	-	-
Total Trustees' Funds		38,576	64	275	171	38,846
<i>Represented by:</i>						
Current Assets						
Cash at Bank		1,230	27	191	105	1,553
Tax Refund Due	4	313	28	2	22	327
Accounts Receivable	8	-	5	48	235	288
Inventory		-	-	-	61	61
Total Current Assets		1,543	60	241	423	2,229
Non Current Assets						
Goodwill	9	-	-	-	67	67
Fixed Assets	10	6	5	12	182	205
Loans to Related Entities		160	-	181	-	-
Investments	11, 24	38,424	120	-	-	38,304
Total Non Current Assets		38,590	125	193	249	38,576
Total Assets		40,133	185	434	672	40,805
Current Liabilities						
Accounts Payable and Accruals	12	39	21	159	222	441
Loan EBET		-	100	-	-	-
Grant Payments Owing		1,518	-	-	-	1,518
Taxation Payable	4	-	-	-	38	-
Total Current Liabilities		1,557	121	159	260	1,959
Non Current Liabilities						
Term Loans	13	-	-	-	-	-
Loan EBET		-	-	-	60	-
Loan EOCCL		-	-	-	181	-
Deferred Taxation	4	-	-	-	-	-
Total Non Current Liabilities		-	-	-	241	-
Total Liabilities		1,557	121	159	501	1,959
Net Assets		38,576	64	275	171	38,846

EASTERN BAY ENERGY TRUST (GROUP)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 31 March 20045

NOTE	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Cash Flow from Operating Activities					
Cash was provided from:					
Receipts from Customers	-	4	1,288	644	1,936
Dividends Received	4,444	-	-	-	4,444
Net Goods and Services Tax Received (Paid)	-	5	26	-14	17
Interest from Short Term Deposits	287	1	3	-	3
	4,731	10	1,317	630	6,400
Cash was applied to:					
Payments to Suppliers and Employees	(333)	(78)	(980)	-595	(1,698)
Interest Paid	-	-	(7)	-6	(13)
Income Tax Paid	(262)	-	-	-22	(284)
	(595)	(78)	(987)	-623	(1,995)
Net Cash Inflow from Operating Activities	4,136	(68)	330	7	4,405
Cash Flow from Investing Activities					
Cash was provided from:					
Proceeds from the Sale of Fixed Assets	-	-	-	14	14
Proceeds from the Sale of Energy Options Business	-	-	(246)	-	-
Cash was applied to:					
Purchases of Investments	(1,566)	(120)	-	-	(1,286)
Purchases and Construction of Fixed Assets	(4)	(5)	(73)	-210	(538)
Purchase of Goodwill	-	-	-	-67	(67)
Net Cash Outflow to Investing Activities	(1,570)	(125)	(319)	(196)	(1,877)
Cash Flow From Financing Activities					
Cash was provided from:					
Additional Term Debt	-	-	-	-	-
Loan from EBET	-	100	-	60	-
Loan from EOCCL	180	-	-	180	-
Share capital from parent	-	120	-	120	-
Cash was applied to:					
Repayment of Term Debt	-	-	180	-	-
Grants paid	(2,470)	-	-	-	(2,470)
Dividends Paid	-	-	-	-	-
Net Cash Inflow from (Outflow to) Financing Activities	(2,290)	220	180	360	(2,470)
Net Movement in Cash Held	276	27	191	105	599
Add Opening Cash	1,134	-	-	-	1,134
Closing Cash Carried Forward	1,410	27	191	105	1,733
<i>Represented by:</i>					
Cash at Bank	1,230	27	39	105	1,401
Short Term Deposits	-	-	152	0	152
Closing Cash Carried Forward	1230	27	191	105	1553

EASTERN BAY ENERGY TRUST (GROUP)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 31 March 2005

Reconciliation of Surplus Attributable to Trustees to Cash Flow From Operating Activities

	NOTE	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Reported surplus after tax		4,383	(56)	152	51	4,530
Minority interest share of surpluses			-	-	-	-
		4,383	(56)	152	51	4,530
Add/(Less) Items Classified as Investing and Financing Activities:						
Gain on Sale of Fixed Assets	2	-	-	(34)	-	(32)
Accounts Payable and Accruals that relate to the Purchase of Fixed Assets			-	-	-8	(8)
Add/(Less) Non-Cash Items:						
Depreciation	3	-	-	2	22	27
Increase/(Decrease) in Deferred Taxation			-	-	-	-
		5	-	(32)	14	(13)
Add/(Less) Movements in Working Capital Items:						
Decrease/(Increase) in Accounts Receivable		-	(5)	155	-235	(85)
Increase/(Decrease) in Accounts Payable and Accruals		19	21	(13)	222	249
Decrease/(Increase) in Inventory		-	-	59	-61	(2)
Increase/(Decrease) in Income Tax Payable		(271)	(28)	9	16	(274)
		(252)	(12)	210	-58	(112)
Net Cash Flow from Operating Activities		4,136	(68)	330	7	4,405

EASTERN BAY ENERGY TRUST (GROUP)

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY

For the Year Ended 31 March 2005

	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Opening Equity	36,973	-	136	-	37,109
Plus					
Net Surplus for the Year	4,383	(56)	152	51	4,530
New Equity Capital Introduced	-	120	-	120	-
Revaluation of Fixed Assets	-	-	-	-	-
Less					
Grants Paid and Proposed	(2,780)	-	-	-	(2,780)
Movements in minority interest	23	-	-	-	-
Goodwill written off	-	-	(13)	-	(13)
Equity as at 31 March	38,576	64	275	171	38,846

EASTERN BAY ENERGY TRUST (GROUP)

Notes to the Financial Statements

For the Year Ended 31 March 2005

1. Statement of Accounting Policies

The Group financial statements are for Eastern Bay Energy Trust plus all its wholly owned entities. The separate entities are Eastern Bay Energy Trust (EBET), Development Enterprises Limited (DEL), Energy Options Charitable Company Limited (EOCCL) and Energy Options Limited (EOL).

A. General Accounting Policies

The general accounting policies recognised as appropriate for the measurement and reporting of financial performance, cash flows, and the financial position, have been followed in the preparation of these financial statements under the historical cost method, as modified by the revaluation of certain assets.

Reliance has been placed on the fact that the business and undertakings of Eastern Bay Energy Trust are a going concern.

B. Particular Accounting Policies

The following particular accounting policies, which significantly affect the measurement of financial performance, cash flows, and financial position, have been consistently applied:

i) Revenue

Revenue shown in the statement of financial performance comprises amounts received and receivable for goods and services supplied to customers in the ordinary course of business. Revenue is stated exclusive of Goods and Services Tax collected from customers. Dividend income is accounted for on a cash basis.

ii) Principles of Consolidation

The consolidated financial statements are prepared from the financial statements of the Trust and its subsidiaries as at 31 March 2005 using the purchase method. The consolidated statement of financial performance includes the Group's share of the tax-paid surpluses of associate entities. The equity method has been used for those associate entities in which the Group has a significant, but not a controlling interest.

All significant transactions between Group entities are eliminated on consolidation.

Upon acquisition of subsidiaries fair values are assigned to the specific assets and liabilities taken over. Where the purchase price paid for the acquisition exceeds the fair value of net assets acquired the difference is shown as goodwill and is amortised over a period of 20 years.

iii) Investments

Investments in associate entities are stated at the fair value of the net tangible assets at acquisition plus the share of post-acquisition increases in reserves.

In the Trust financial statements, investments in subsidiaries are stated at cost.

Dividend income is accounted for on a cash basis.

Other investments are stated at the lower of cost or net realisable value.

iv) Fixed Assets

The cost of purchased fixed assets is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

The cost of assets constructed by the Group includes the cost of all materials used in construction, direct labour on the project, and financing costs that are directly attributable to the project. Costs cease to be capitalised as soon as the asset is ready for productive use and do not include any inefficiency costs.

v) Depreciation

Depreciation is charged so as to write off the cost of the fixed assets to their estimated residual value over their remaining useful lives.

vi) Inventories

Inventories are stated at the lower of average cost and net realisable value, with obsolete stock written off.

vii) Accounts Receivable

Accounts receivable are stated at estimated realisable value after providing for debts where collection is considered doubtful.

EASTERN BAY ENERGY TRUST (GROUP)

Notes to the Financial Statements

For the Year Ended 31 March 2005

viii) Taxation

The Group follows the liability method of accounting for deferred taxation.

The taxation charge against the surplus for the year is the estimated liability in respect of that surplus after allowance for all permanent differences. This is the comprehensive basis for the calculation of deferred taxation.

Future taxation benefits attributable to timing differences or losses carried forward are recognised in the financial statements only where there is virtual certainty that the benefit of the timing differences will be utilised by the Group.

ix) Statement of Cash Flows

The following are the definitions of the terms used in the Statement of Cash Flows:

- a) Cash is considered to be cash on hand, short term deposits and current accounts in banks, net of bank overdrafts.
- b) Investing activities are those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash.
- c) Financing activities are those activities which result in changes in the size and composition of the capital of the group. This includes both equity and debt not falling within the definition of cash. Dividends paid in relation to the capital structure are included in financing activities.
- d) Operating activities include all transactions and other events that are not investing or financing activities.

x) Financial Instruments

Financial instruments with off-balance sheet risk have been entered into for the primary purpose of reducing exposure to fluctuations in foreign exchange rates and interest rates. While financial instruments are subject to risk that market rates may change subsequent to acquisition, such changes would generally be offset by opposite effects on the items hedged.

Financial instruments entered into with no underlying exposure are accounted for on a mark to market basis.

xi) Research and Development

Costs incurred on all research and development projects are written off as incurred, except that development costs are capitalised to the extent that such costs are expected, beyond any reasonable doubt, to be recovered.

xii) Foreign Currency

Foreign currency transactions are recorded at exchange rates in effect at the date of settlement, except where forward contracts have been taken out to cover future commitments. Where forward contracts have been taken out, the transaction is translated at the rate contained in the contract. Monetary assets and liabilities arising from trading transactions are translated at closing rates. Gains or losses due to currency fluctuations on these items are included in the statement of financial performance.

xiii) Grants

Grants paid are recognised in the statement of movements in equity when the requirements under the grant agreement have been met.

C. Changes in Accounting Policies

There have been no changes in accounting policy during the year.

EASTERN BAY ENERGY TRUST (GROUP)

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 March 2005

	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
2 OPERATING SURPLUS BEFORE TAXATION					
Operating revenue and expenditure includes the following items:					
Dividends from HEDL	(4,443)	-	-	-	(4,443)
Other Dividends	(2)	-	-	-	(2)
Depreciation (refer to note 10)	3	-	2	22	27
Amortisation of goodwill	-	-	13	-	13
Net Gain on Sale of Fixed Assets	2	-	34	-	36
Movement in Doubtful Debts Provision	-	-	-	-	-
Trustee Fees	100	-	-	-	100
Rental and Operating Lease Expenses (also refer to note 15)	-	-	12	10	22
Directors' Remuneration and Retirement	-	20	21	16	57
Auditors' Remuneration (refer to note 16)	11	-	-	-	11
3 INTEREST					
Net Interest comprises:					
Interest Expense	-	3	7	8	18
Interest Income	(291)	(1)	(3)	-	(295)
Net Interest	(291)	2	4	8	(277)
4 INCOME TAX					
<i>Income Tax Expense</i>					
The taxation expense has been calculated as follows:					
Operating Surplus before Taxation	4,373	(83)	152	89	4,531
Income Tax on Surplus for the year at 33%	1,443	(27)	50	29	1,495
Plus Under/(Over) provision in Prior Years	-	-	-	-	-
Plus/(Less) Permanent Differences	-	-	-	-	-
Imputation Credits on Taxable Dividends	(1,443)	-	-	-	(1,443)
Non-Deductible Depreciation on revalued portion of fixed assets	-	-	-	-	-
Non-Deductible Expenses	-	-	-	9	9
Non-Taxable Income	-	-	(50)	-	(50)
Income Tax Expense	0	(27)	0	38	11
Income Tax Expense comprises:					
Tax Payable in respect of current year	(313)	(27)	0	38	(302)
Tax Payable in respect of prior year	-	-	-	-	-
Deferred Taxation	-	-	-	-	-
Income Tax Expense	(313)	(27)	0	38	(302)
<i>Deferred Taxation</i>					
Opening Balance	-	-	-	-	-
Deferred tax in respect of prior year	-	-	-	-	-
Deferred tax in respect of current year	-	-	-	-	-
Loss carry forward available	-	-	-	-	-
Balance as at 31 March	-	-	-	-	-

EASTERN BAY ENERGY TRUST (GROUP)

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 March 2005

	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
5 SHARE CAPITAL					
Opening Balance	23,475	-	-	-	23,475
Share Capital Issued and Paid Up		120		120	-
Balance as at 31 March	23,475	120	-	120	-
6 RETAINED EARNINGS					
Opening Retained Earnings	13,497	-	136	-	13,633
Surplus after Taxation	4,384	(56)	152	51	4,531
Less goodwill writtten off	-	-	(13)	-	(13)
Less Grants Made	(2,780)	-	-	-	(2,780)
Balance as at 31 March	15,101	(56)	275	51	15,371
7 ASSET REVALUATION RESERVE					
Opening Balance	-	-	-	-	-
Revaluation of fixed assets	-	-	-	-	-
Balance as at 31 March	-	-	-	-	-
8 ACCOUNTS RECEIVABLE					
Accounts Receivable comprises:					
Trade Receivables	-	5	48	232	285
Other Receivables and Prepayments	-	-	-	3	3
Balance as at 31 March	-	5	48	235	288
9 GOODWILL					
At Cost	-	-	-	67	67
Accumulated amortisation	-	-	-	-	-
Balance as at 31 March	-	-	-	67	67

EASTERN BAY ENERGY TRUST (GROUP)

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 March 2005

		Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
10 FIXED ASSETS						
Fixed Assets comprise:						
Land	<i>Cost</i>	-	-	-	-	-
Buildings	<i>Cost</i>	-	-	-	-	-
	<i>Accumulated Depreciation</i>	-	-	-	-	-
	<i>Net book value</i>	-	-	-	-	-
Plant and Equipment	<i>Cost</i>	-	5	-	23	28
	<i>Accumulated Depreciation</i>	-	-	-	(4)	(4)
	<i>Net book value</i>	-	5	-	19	24
Furniture and Fittings	<i>Cost</i>	11	-	-	87	98
	<i>Accumulated Depreciation</i>	(5)	-	-	(6)	(11)
	<i>Net book value</i>	6	-	-	81	87
Motor Vehicles	<i>Cost</i>	-	-	14	94	108
	<i>Accumulated Depreciation</i>	-	-	(2)	(12)	(14)
	<i>Net book value</i>	-	-	12	82	94
Distribution System - Work in progress						
	<i>Cost</i>	-	-	-	-	-
	<i>Accumulated Depreciation</i>	-	-	-	-	-
	<i>Net book value</i>	-	-	-	-	-
Distribution System						
	<i>Cost or valuation</i>	-	-	-	-	-
	<i>Accumulated Depreciation</i>	-	-	-	-	-
	<i>Net book value</i>	-	-	-	-	-
Total	<i>Cost or Valuation</i>	11	5	14	204	234
	<i>Accumulated Depreciation</i>	(5)	-	(2)	(22)	(29)
Total	Net book value	6	5	12	182	205
Depreciation Expense						
Buildings		-	-	-	-	-
Plant and Equipment		-	-	-	4	4
Furniture and Fittings		3	-	-	6	9
Motor Vehicles		-	-	2	12	14
Distribution System		-	-	-	-	-
Total		3	-	2	22	27

EASTERN BAY ENERGY TRUST (GROUP)**NOTES TO THE FINANCIAL STATEMENTS**

For the Year ended 31 March 2005

Useful lives and Depreciation Methods	Useful Lives 2005 In Years	Useful Lives 2004 In Years
Buildings	40-100	40-100
Distribution System	8-70	8-70
Plant and Equipment	2-10	2-10
Motor Vehicles	5-10	5-10
Furniture and Fittings	10	10

All assets are depreciated on a straight line basis.

	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
11 INVESTMENTS					
Shares - Horizon Energy Distribution Limited	33,915	-	-	-	33,915
Shares - Energy Options Limited (refer Note 24)	-	120	-	-	-
Shares - Development Enterprises Limited	120	-	-	-	120
Short Term Investments	4,389	-	-	-	4,229
					-
Balance as at 31 March	38,424	120	-	-	38,264

12 ACCOUNTS PAYABLE AND ACCRUALS

Accounts Payable and Accruals comprise:

Trade Creditors and Accruals	39	11	156	192	398
Employee Entitlements	-	10	3	30	43
Balance as at 31 March	39	21	159	222	441

13 TERM LOANS

Term loans fall due for repayment in the following periods:

Within One Year	-	-	-	-	-
Within One to Two Years	-	-	-	-	-
Within Two to Three Years	-	-	-	-	-
Within Three to Four Years	-	-	-	-	-
Within Four to Five Years	-	-	-	-	-
Balance as at 31 March	-	-	-	-	-

Disclosed in Balance Sheet as:

Current Portion of Term Loans	-	-	-	-	-
Term Loans	-	-	-	-	-
Balance as at 31 March	-	-	-	-	-

EASTERN BAY ENERGY TRUST (GROUP)**NOTES TO THE FINANCIAL STATEMENTS**

For the Year ended 31 March 2005

	Trust	DEL	EOCCL	EOL	Group
	2005	2005	2005	2005	2005
	\$000	\$000	\$000	\$000	\$000
14 IMPUTATION CREDIT ACCOUNT					
Opening Balance	-	-	-	-	-
Plus: Income Tax Paid	-	-	-	22	22
Plus : Imputation credits attached to dividends received	-	-	-	-	-
Less: Imputation credits utilised	-	-	-	-	-
Less: Imputation Credits attached to dividends paid	-	-	-	-	-
Balance as at 31 March	-	-	-	22	22

15 OPERATING LEASES

Operating lease commitments fall due for repayment in the following periods:

Within One Year	-	-	-	4	4
Within One to Two Years	-	-	-	-	-
Within Two to Five Years	-	-	-	-	-
Within Five to Eight Years	-	-	-	-	-
	-	-	-	4	4

16 REMUNERATION OF AUDITORS

Amounts received, or due and receivable, by the auditors for:

Auditing the Financial Statements:	11	-	-	-	11
Other Services:					
Assurance related	-	-	-	-	-
	11	-	-	-	11

17 RELATED PARTY TRANSACTIONS

All members of the Group are considered to be related parties of the Trust, and this includes the subsidiaries identified in Note 11. The Group conducts business predominantly in the Eastern Bay of Plenty and undertakes transactions with shareholders, company officers and other related parties that reside in the region. All transactions with related parties have been carried out on a commercial and "arms length" basis.

	Trust	DEL	EOCCL	EOL
	2005	2005	2005	2005
	\$000	\$000	\$000	\$000
Transactions				
Dividend paid by HEDL to EBET	4,443			-
Interest on intercompany loan between EBET and EOCCL	(7)		7	
Sale of Energy Options' Business			246	(246)
Interest on intercompany loan between EOCCL and EOL			6	(6)
Interest on intercompany loan between EBET and Energy Options Ltd	(2)			2
Interest on intercompany loan between EBET and Development Enterprises Limited	(3)	3		
Balances				
Loan from EBET to Energy Options Limited	60			(60)
Loan from EBET to EOCCL	-		0	
Loan from EOCCL to Energy Options Limited			181	(181)
Loan from EBET to Development Enterprises Limited	100	(100)		

18 CAPITAL COMMITMENTS

The Group has no commitments for future capital expenditure (\$nil in 2004).

EASTERN BAY ENERGY TRUST (GROUP)

NOTES TO THE FINANCIAL STATEMENTS

For the Year ended 31 March 2005

19 FINANCIAL INSTRUMENTS

The nature of activities and management policies with respect to financial instruments is described as follows:

(i) Interest Rates

The Group generally uses swaps to manage interest rate risk.

As at 31 March 2004, the face value of the swaps the Group held were as follows:

Rate	Term	Commencement Date	2005 \$000
	Nine Years		nil
	45 Months		nil
	66 Months		nil
	Six Years		nil
	Seven Years		nil
	One Year		nil

The mark to market value of the interest rate swap agreements as at 31 March 2005 showed a loss of \$Nil (2004 - loss of \$Nil). No provision is made for any potential loss.

(ii) Credit

In the normal course of its business the Group incurs credit risk from trade debtors and financial institutions. The Group has a credit policy which is used to manage this exposure to credit risk. As part of this policy, limits on exposures have been set and are monitored on a regular basis.

20 PROVISIONS	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Balance at the beginning of the year	-	-	-	-	-
Current year provision	-	-	-	-	-
Provision released	-	-	-	-	-
Balance at the end of the year	-	-	-	-	-

The provision includes allowances for costs associated with disputes

21 SEGMENTAL

The Group operates predominantly in one industry, the distribution of electricity. Its operations are carried out solely in New Zealand and are therefore within one geographical segment for reporting purposes.

22 CONTINGENT LIABILITIES

There are no known contingent liabilities at the 31st March 2005 (2004:nil)

EASTERN BAY ENERGY TRUST (GROUP)**NOTES TO THE FINANCIAL STATEMENTS**

For the Year ended 31 March 2005

23 MINORITY INTERESTS	Trust 2005 \$000	DEL 2005 \$000	EOCCL 2005 \$000	EOL 2005 \$000	Group 2005 \$000
Balance at the beginning of the year	-	-	-	-	-
Share of surplus in subsidiaries	-	-	-	-	-
Share of revaluation gain	-	-	-	-	-
Dividends paid and provided to minority interests	-	-	-	-	-
Balance at the end of the year	-	-	-	-	-

24 ACQUISITION OF SUBSIDIARY**ACQUISITION OF SUBSIDIARY**

On 29 October 2004 the Group acquired the business of Energy Options Limited from Energy Options Charitable Company Limited.

From 29 October 2004, the acquired business has been trading under the 100% owned subsidiary Energy Options Limited and the results and financial position have been included in the Group statements together with that of the parent.

The Group did not acquire any other subsidiaries or businesses in 2004 or 2005.

Summary of the effect of the acquisition of subsidiary

Net assets acquired/sold:	\$000
Inventory	45
Plant, motor vehicles, fittings and fixtures and leasehold improvements	179
Trade creditors, accruals and provisions	(45)
	179
Goodwill on acquisition/sale	67
Consideration paid/received	246