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Dalkia Energy & Facilities
Limited

Directors' report and
financial statements

Year ended 31 December 2007

Registered number: NI57012

Dalkia Energy & Facilities Limited

Directors' report and financial statements

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Dalkia Energy & Facilities Limited

Directors and other information

Directors

William P. Connellan (Irish)
Luis Correia (Portuguese)
Patrick Gilroy (Irish)

Secretary

Paul Stevens

Registered office

Unit 7, Factory 5
Lissue Industrial Estate West
Moir Road
Lisburn
BT28 3JU

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Solicitors

Elliott Duffy Garrett
Royston House
34 Upper Queen Street
Belfast BT1 6FD

Bankers

First Trust
34-36 Market Square
Lisburn
BT28 1AG

Dalkia Energy & Facilities Limited

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2007.

Principal activities, business review and future developments

The principal activities of the Company are the supply and management of energy (including the design, installation, financing, operating and management of combined heat and power and steam raising facilities, industrial maintenance), facilities management, planned lighting maintenance and repair and all other services which may reasonably be considered to be ancillary of those businesses.

The directors have no plans to change significantly the activity and operations of the Company in the foreseeable future.

The Company has been set up to supply the services of its principal activities into the Northern Ireland market. A fellow group undertaking, Dalkia Ireland Limited, is currently a leading supplier of energy, facilities and utilities services in the Republic of Ireland market. The creation of Dalkia Energy & Facilities Limited gives Dalkia the ability to service the 'whole of Ireland' market with its service capabilities.

In the coming year, the Company will continue to look at growth opportunities in the Northern Ireland market that are within its principal activities.

The Company will continue to face the normal business risks associated with the industry in which it operates. Although many of the risk factors influencing our performance are macroeconomic and likely to affect the performance of businesses generally, others are particular to our operations. These risks and uncertainties include the relocation of client businesses out of Northern Ireland, the unsuccessful renewal of existing contracts on maturity and failure to perform on major contracts. We have a structured and formal project authorisation and review procedure which aims to ensure that all legal, operational and commercial risks are properly considered before exchange of contracts with our customers. The continued growth of the economy and outsource market are expected to mitigate the business risks associated with the industry. These factors are expected to translate into continued strong organic growth in the forthcoming year.

Results and dividends

The results for the year are set out on page 11. The directors do not recommend the payment of a dividend (*2006: period ended 31 December STG£Nil*).

Directors, secretary and their interests

On 30 June 2007, Frank Moran resigned as director of the Company. In accordance with the Articles of Association, Luis Correia, Patrick Gilroy and William Connellan will retire at the next Annual General meeting, and being eligible, will offer themselves for re-appointment.

The directors had no interests in the share capital of the Company at any time during the current year or preceding period.

Post balance sheet events

No significant events affecting the Company have occurred since the balance sheet date.

Dalkia Energy & Facilities Limited

Directors' report *(continued)*

Supplier payment policy

The Company's procurement policy is to source goods and services from a wide range of suppliers in accordance with commercial practices based on fairness and transparency. The Company works to ensure that payments are made to them in accordance with agreed contractual terms.

Charitable and political donations

The Company made no charitable or political donations during the year.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

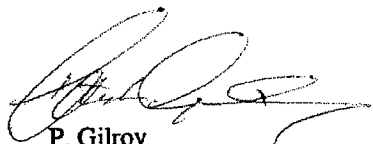
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG, Chartered Accountants, have expressed their willingness to continue as auditor. In accordance with the Companies (Northern Ireland) Order, 1986, a resolution was passed to dispense with the obligation to reappoint the auditor at each Annual General Meeting.

On behalf of the board



P. Gilroy
Director



W.P. Connellan
Director

2 April 2008

Dalkia Energy & Facilities Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and IFRS as adopted by the EU.

The directors are required to prepare financial statements for each financial year which present fairly the financial position of the Company and the financial performance and cash flows of the Company for that year.

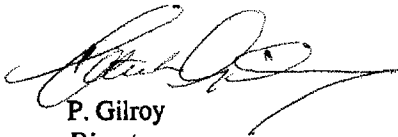
In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance of the Company, and disclose and explain any departure from IFRS where, in their view, compliance would be so misleading as to conflict with a fair presentation; and
- state that (except for any such departure), the financial statements have been prepared in accordance with IFRS as adopted by the EU.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies (Northern Ireland) Order 1986 and Article 4 of the International Accounting Standards (IAS) Regulation. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the Companies (Northern Ireland) Order 1986.

On behalf of the board


P. Gilroy
Director


W.P. Connellan
Director



KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Independent auditor's report to the members of Dalkia Energy & Facilities Limited

We have audited the financial statements of Dalkia Energy & Facilities Limited for the year ended 31 December 2007 which comprises the Income Statement, the Statement of Recognised Income and Expense, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Article 243 of the Companies (Northern Ireland) Order 1986. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the Statement of Directors' Responsibilities on page 4, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986 and Article 4 of the International Accounting Standards (IAS) Regulation. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.



Independent auditor's report to the members of Dalkia Energy & Facilities Limited *(continued)*

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRS adopted by the EU as applied in accordance with the provisions of the Companies (Northern Ireland) Order 1986, of the state of the Company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the provisions of the Companies (Northern Ireland) Order 1986 and Article 4 of the IAS Regulation; and
- the information in the Directors' Report is consistent with the financial statements.

*Chartered Accountants
Registered Auditor*

2 April 2008

Dalkia Energy & Facilities Limited

Statement of accounting policies

for the year ended 31 December 2007

Dalkia Energy & Facilities Limited (the 'Company') is a private limited company domiciled and incorporated in Northern Ireland. The Company is engaged in the supply and management of energy (including the design, installation, financing, operating and management of combined heat and power and steam raising facilities, industrial maintenance), facilities management, planned lighting maintenance and repair and all other services which may reasonably be considered to be ancillary of those businesses.

The financial statements of the Company were authorised for issue by the directors on 2 April 2008. These financial statements have been prepared in accordance with IFRS as adopted by the EU, as defined below. The accounting policies applied in the preparation of the financial statements for the year ended 31 December 2007 are also set out below.

Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting standards Board (IASB) as adopted by the EU and which were effective at 31 December 2007 further to the IAS regulations (EC 1606/2002).

The following provides a brief outline of the likely impact on future financial statements of relevant IFRSs adopted by the EU which are not yet effective and have not been early adopted in these financial statements:

- IFRS 8 *Operating Segments* (effective date: financial periods beginning on or after 1 January 2009). This is not likely to have any impact on the Company.
- Amendments to IFRIC interpretations are being considered by management and are not expected to significantly impact on the Company.

Dalkia Energy & Facilities Limited

Statement of accounting policies *(continued)*

Basis of preparation

The Company's financial statements are prepared under the historical cost convention. The financial statements are presented in Sterling (STG£), being the functional currency of the Company's business operations.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ materially from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Judgements made by the management in the applications of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the notes to the financial statements.

Income tax

Income tax expense on the profit or loss for the year comprises current and deferred tax. Current tax is calculated based on the results for the period using tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of certain assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Temporary differences are not provided for to the extent that they will probably not reverse in the foreseeable future. Deferred tax on current period losses is provided to the extent that it is expected to be recovered in the following period.

Revenue

Revenue, which is stated net of VAT, represents the fair value of services provided to third party customers in the financial reporting period. The fair value of services rendered is recognised in the income statement in proportion to the stage of completion of the related contract or fully when no further obligations arise on the related service contract.

Non-derivative financial instruments

Non-derivative financial instruments comprise investment in equity, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Dalkia Energy & Facilities Limited

Statement of accounting policies *(continued)*

Non-derivative financial instruments *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Finance expense

Finance expense comprises interest expense on borrowings. All borrowing costs are recognised in the profit or loss using the effective interest method.

Other

Other non-derivative financial instruments are measured at amortised cost using effective interest method, less any impairment losses.

Impairment

The carrying amount of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Operating lease payments

Leases are classified as operating lease contracts whenever the terms of the lease do not transfer substantially all the risks and benefits of ownership to the lessee.

Payments made under operating leases are recognised in the Income Statement on a straight-line basis over the term of the lease.

Foreign currency transactions

Transactions during the year have been translated at the rate of exchange prevailing at the date of transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the Balance Sheet date. The resulting profits or losses are dealt with in the Income Statement.

Dalkia Energy & Facilities Limited

Statement of accounting policies *(continued)*

Trade and other receivables

Trade and other receivables do not carry any interest and are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the asset is impaired. Balances are written off when the probability of recovery is assessed as being remote.

Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Employee benefits - pension obligations

The Company operates a defined contribution pension plan for its staff. Obligations for contributions for the year are recognised as an expense in the income statement as incurred.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Any profit attributable to work in progress is recognised when the work is complete and invoiced. Any irrecoverable work in progress is written off to the Income Statement.

Dalkia Energy & Facilities Limited

Income statement for the year ended 31 December 2007

	<i>Notes</i>	Year ended 31 December 2007 STG£	14 month period ended 31 December 2006 STG£
Revenue	1	3,895,523	2,209,050
Cost of sales		(3,211,471)	(1,672,262)
		<hr/>	<hr/>
Gross profit		684,052	536,788
Operating expenses		(377,871)	(421,493)
		<hr/>	<hr/>
Operating profit	2	306,181	115,295
Finance costs	4	(1,772)	(967)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		304,409	114,328
Income tax expense	5	(91,428)	(34,298)
		<hr/>	<hr/>
Profit for the financial year attributable to the equity holders of the Company	10	212,981	80,030
		<hr/> <hr/>	<hr/> <hr/>

On behalf of the board


P. Gilroy
Director


W.P. Connellan
Director

Dalkia Energy & Facilities Limited

Statement of recognised income and expense *for the year ended 31 December 2007*

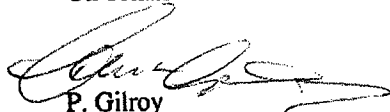
	Year ended 31 December 2007 STG£	period ended 31 December 2006 STG£
Profit for the financial year	212,981	80,030
Total recognised gains and losses for the year, attributable to equity holders of the Company	212,981	80,030

Dalkia Energy & Facilities Limited

Balance sheet at 31 December 2007

	<i>Notes</i>	2007 STG£	2006 STG£
Assets			
Non-current assets			
Deferred tax asset	9	8,441	8,441
Total non-current assets		<u>8,441</u>	<u>8,441</u>
Current assets			
Work in progress		139,273	-
Trade and other receivables	6	1,894,303	764,845
Cash and cash equivalents		702,485	399,680
Total current assets		<u>2,736,061</u>	<u>1,164,525</u>
Total assets		<u><u>2,744,502</u></u>	<u><u>1,172,966</u></u>
Equity			
Called up share capital	8	10	10
Retained earnings	10	293,011	80,030
Total equity attributable to equity holders	11	<u>293,021</u>	<u>80,040</u>
Current liabilities			
Trade and other payables	7	2,352,870	1,050,187
Current tax liability		98,611	42,739
Total current liabilities		<u>2,451,481</u>	<u>1,092,926</u>
Total equity and liabilities		<u><u>2,744,502</u></u>	<u><u>1,172,966</u></u>

On behalf of the board


P. Gilroy
Director


W.P. Connellan
Director

Dalkia Energy & Facilities Limited

Cash flow statement

for the year ended 31 December 2007

	Year ended 31 December 2007 STG£	14 month period ended 31 December 2006 STG£
Cashflows from operating activities		
Profit for the year	212,981	80,030
<i>Adjustments for:</i>		
Net finance costs	1,772	967
Income tax expense	91,428	34,298
Interest paid	(1,772)	(967)
(Increase) in trade and other receivables	(1,268,731)	(764,845)
Increase in trade and other payables	1,302,683	1,050,187
Tax paid	(35,556)	-
	<hr/>	<hr/>
Net cash inflow from operating activities	302,805	399,670
	<hr/>	<hr/>
Net cashflows from investing activities	-	-
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from issue of share capital	-	10
	<hr/>	<hr/>
Net cash inflow from financing activities	-	10
	<hr/>	<hr/>
Net increase in cash and cash equivalents	302,805	399,680
Cash and cash equivalents at beginning of year	399,680	-
	<hr/>	<hr/>
Cash and cash equivalents at end of year	702,485	399,680
	<hr/> <hr/>	<hr/> <hr/>

Dalkia Energy & Facilities Limited

Notes

forming part of the financial statements

1 Revenue

Revenue arises solely in Northern Ireland and is derived from the principal activities of the Company.

2 Operating profit

	Year ended 31 December 2007 STG£	14 month period ended 31 December 2006 STG£
This is stated after charging the following:		
Auditor's remuneration	2,000	2,000
Operating lease rentals:		
- Plant, machinery and other assets	59,976	56,800
- Land and buildings	34,441	14,525
	<u> </u>	<u> </u>

3 Staff numbers and costs

The average monthly number of employees (including the directors) during the year, analysed by function, were:

	Year ended 31 December 2007 Number	14 month period ended 31 December 2006 Number
Management	7	3
Administration	6	2
Sales and marketing	1	1
Operations	33	30
	<u> </u>	<u> </u>
	47	36
	<u> </u>	<u> </u>

	Year ended 31 December 2007 STG£	14 month period ended 31 December 2006 STG£
Wages and salaries	677,088	647,126
Social welfare	48,971	571
Pension	44,099	8,245
	<u> </u>	<u> </u>
	770,158	655,942
	<u> </u>	<u> </u>

Dalkia Energy & Facilities Limited

Notes (continued)

4 Finance costs	Year ended 31 December 2007 STG£	14 month period ended 31 December 2006 STG£
Bank interest payable	1,772	967
	<u> </u>	<u> </u>
5 Income tax expense	Year ended	14 month
	31 December	period ended
	2007	31 December
	STG£	2006
		STG£
Recognised in the income statement		
<i>Current tax:</i>		
UK Corporation tax on profits for the year	91,428	42,739
<i>Deferred tax:</i>		
Origination and reversal of temporary differences (note 9)	-	(8,441)
	<u> </u>	<u> </u>
Income tax expense	91,428	34,298
	<u> </u>	<u> </u>
Reconciliation of total tax expense		
Profit before tax	304,409	114,328
	<u> </u>	<u> </u>
Profit before tax multiplied by the UK Standard rate of corporation tax of 30% (<i>period ended 31 December 2006: 30%</i>)	91,323	34,298
Expenses not deductible for tax purposes	105	8,441
Other adjustments	-	(8,441)
	<u> </u>	<u> </u>
Tax charge for the year	91,428	34,298
	<u> </u>	<u> </u>
6 Trade and other receivables: amounts falling due within one year	2007	2006
	STG£	STG£
Trade receivables	1,099,941	583,018
Other receivables	17,599	181,827
Amounts due from related undertakings	776,763	-
	<u> </u>	<u> </u>
	1,894,303	764,845
	<u> </u>	<u> </u>

Dalkia Energy & Facilities Limited

Notes (continued)

6 Trade and other receivables: amounts falling due within one year (continued)

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain limit. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet.

The maximum exposure to credit risk for trade receivables at the reporting date by business segment was:

	2007 STG£	2006 STG£
Commercial	225,467	-
Industry and healthcare	588,592	425,453
Lighting and electrical	285,882	157,565
	<u>1,099,941</u>	<u>583,018</u>

The ageing of trade receivables at the reporting date was:

	2007 STG£	2006 STG£
Not past due	269,712	427,527
Past due 0-30 days	101,396	135,581
Past due 31-90 days	582,862	15,975
Past due 91-180 days	31,763	3,935
Past due 181-365 days	80,365	-
More than 1 year	33,843	-
	<u>1,099,941</u>	<u>583,018</u>

Based on past experience, the directors believe that no impairment allowance is necessary in respect of trade receivables not past due. Therefore there is no bad debt provision included in the accounts.

Dalkia Energy & Facilities Limited

Notes (continued)

7 Trade and other payables: amounts falling due within one year	2007	2006
	STG£	STG£
Trade payables	15,890	34,446
Accruals and deferred income	839,222	295,728
VAT	210,954	84,385
Amounts due to fellow group undertakings	1,286,804	635,628
	<hr/>	<hr/>
	2,352,870	1,050,187
	<hr/> <hr/>	<hr/> <hr/>

Liquidity risk

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting arrangements:

	Trade and other payables STG£	Total STG£
At 31 December 2007		
Carrying amount	2,352,870	2,352,870
	<hr/>	<hr/>
Contractual cash flows 6 months or less	2,352,870	2,352,870
	<hr/>	<hr/>
At 31 December 2006		
Carrying amount	1,050,187	1,050,187
	<hr/>	<hr/>
Contractual cash flows 6 months or less	1,050,187	1,050,187
	<hr/>	<hr/>

Dalkia Energy & Facilities Limited

Notes (continued)

7 Trade and other payables: amounts falling due within one year (continued)

Foreign currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than STG£. The currency that gives rise to this risk is primarily the euro. It is estimated that a general increase of one percentage point in the value of STG£ against the euro would have increased/(decreased) the Company's profit before tax by approximately STG£17,000 for the year ended 31 December 2007 (2006: STG£9,000).

Interest rate risk

The Company has no group or third party borrowings and therefore at 31 December 2007, had no significant exposure to interest rate risk (2006: STG£Nil).

Fair value

There is no significant difference between the book value and the fair value of the financial instruments issued by the Company.

8 Share capital	2007	2006
	STG£	STG£
<i>Authorised</i>		
100,000 ordinary shares of STG£1 each	100,000	100,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
10 ordinary shares of STG£1 each	10	10
	<hr/>	<hr/>
9 Deferred tax asset	2007	2006
	STG£	STG£
Other temporary differences	8,441	8,441
	<hr/>	<hr/>
Movement in temporary differences during the year	Balance	Recognised
	1 January	in income
	2007	statement
	STG£	STG£
Other temporary differences	8,441	-
	<hr/>	<hr/>
		Balance
		31 December
		2007
		STG£
		8,441
		<hr/>

Dalkia Energy & Facilities Limited

Notes (continued)

10 Reconciliation of movements in retained earnings	2007	2006
	STG£	STG£
At beginning of year	80,030	-
Profit for the financial year	212,981	80,030
	<hr/>	<hr/>
At 31 December	293,011	80,030
	<hr/> <hr/>	<hr/> <hr/>
11 Reconciliation of movements in shareholders' equity	2007	2006
	STG£	STG£
At beginning of year	80,040	-
Total recognised gains and losses for the year	212,981	80,030
Equity shares issued	-	10
	<hr/>	<hr/>
Closing shareholders' equity	293,021	80,040
	<hr/> <hr/>	<hr/> <hr/>

12 Operating leases

Non-cancellable operating lease rentals are payable as set out below. These amounts represent the minimum future lease payments, in aggregate, that the Company is required to make under existing lease agreements.

	Land & buildings	Plant, machinery and other assets	Land & buildings	Plant, machinery and other assets
	2007	2007	2006	2006
	STG£	STG£	STG£	STG£
Less than one year	34,441	23,990	14,525	56,800
Between two and five years	48,693	11,995	14,525	40,800
	<hr/>	<hr/>	<hr/>	<hr/>
	83,134	35,985	29,050	97,600
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Dalkia Energy & Facilities Limited

Notes *(continued)*

13 Related party transactions

Dalkia Energy & Facilities Limited is a 100% subsidiary of Dalkia Ireland Holdings Limited. Dalkia Ireland Holdings Limited is a 100% subsidiary of Dalkia Plc. Both of these companies are incorporated and operate in the United Kingdom.

The Company did not enter into any transactions with Dalkia Ireland Holdings Limited during the year. At 31 December 2007, there were no amounts owing to or from the Company and Dalkia Ireland Holdings Limited (2006: *STG£Nil*).

During the year, Dalkia Plc and certain of its subsidiary undertakings, entered into transactions with the Company, as follows:

Dalkia Plc incurred expenditure amounting to STG£704,882 (*period ended 31 December 2006: STG£Nil*) on behalf of the Company. At 31 December 2007, the amount owed to Dalkia Plc was STG£704,882 (2006: *STG£Nil*).

Dalkia Utilities Services Limited incurred expenditure amounting to STG£735,210 (*period ended 31 December 2006: STG£688,478*) on behalf of the Company. At 31 December 2007, the amount owed to Dalkia Utilities Services Limited was STG£307,995 (2006: *STG£475,921*).

Dalkia Limited incurred expenditure amounting to STG£163,463 (*period ended 31 December 2006: STG£277,818*) on behalf of the company. At 31 December 2007, the amount owed to Dalkia Limited was STG£15,644 (2006: *STG£141,687*).

Dalkia Ireland Limited incurred expenditure of STG£15,682 on behalf of the company (*period ended 31 December 2006: STG£Nil*). At 31 December 2007, the amount owed to Dalkia Ireland Limited was STG£15,682 (2006: *STG£Nil*).

Dalkia (Lighting & Electrical) Services Limited incurred expenditure amounting to STG£358,067 (*period ended 31 December 2006: STG£18,020*) on behalf of the Company. At 31 December 2007, the amount owed from Dalkia (Lighting & Electrical) Services Limited was STG£358,067 (2006: *STG£18,020*).

Dalkia Energy & Facilities Limited incurred expenditure amounting to STG£146,100 (*period ended 31 December 2006: STG£Nil*) on behalf of Dalkia Energy and Technical Services Limited (a company incorporated in the UK). At 31 December 2007, the amount owed to Dalkia Energy & Facilities Limited by Dalkia Energy and Technical Services Limited was STG£146,100 (2006: *STG£Nil*).

Transactions with key management

The Company did not enter into any transactions with persons regarded as key management of the Company, during the year.

The remuneration of key management is borne by other group undertakings and is not recharged to the Company.

Dalkia Energy & Facilities Limited

Notes *(continued)*

14 Immediate and ultimate controlling parties

The immediate parent undertaking is Dalkia Ireland Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The most immediate parent undertaking that prepares consolidated financial statements that are publicly available is Dalkia Plc, a company incorporated in Great Britain and registered in England and Wales. The largest ultimate controlling entity is Dalkia International SA. Dalkia International SA is a joint venture between Veolia Environnement SA and Electricité de France. Veolia Environnement SA, Dalkia International SA and Electricité de France are incorporated in France. Copies of the accounts of each company can be obtained from:

Dalkia Ireland Holdings Limited
Elizabeth House
56 -60 London Road
Staines
Middlesex
TW18 4BQ
United Kingdom

Dalkia Plc
Elizabeth House
56 -60 London Road
Staines
Middlesex
TW18 4BQ
United Kingdom

Dalkia International S.A.
Quartier Valmy
33, Place Ronde
92981 Paris La Défense
France

Veolia Environnement S.A.
36-38 avenue Kléber
75116 Paris
France

Electricité de France
22-30 avenue de Wagram
75382 Paris Cedex 08
France