



FINANCIALS 2006 : 07

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STATEMENTS OF FINANCIAL PERFORMANCE

For the year ended 31 March 2007

	Note	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Revenue	2	65,207	60,605	65,207	60,605
Expenses		(45,671)	(40,758)	(45,671)	(40,758)
Surplus Before Taxation	3	19,536	19,847	19,536	19,847
Income Tax Expense	5	(5,119)	(5,527)	(5,119)	(5,527)
Surplus After Taxation		14,417	14,320	14,417	14,320

STATEMENTS OF MOVEMENTS IN EQUITY

For the year ended 31 March 2007

	Note	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Equity as at 1 April 2006		177,587	163,267	177,587	163,267
Net Surplus for the year		14,417	14,320	14,417	14,320
Revaluation of Assets	8	53,605	-	53,605	-
Total Recognised Revenue and Expenses		68,022	14,320	68,022	14,320
Equity as at 31 March 2007		245,609	177,587	245,609	177,587

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2007

	Note	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Equity					
Paid In Capital	7	92,442	92,442	92,442	92,442
Reserves	8	164,992	111,387	162,884	109,279
Retained Earnings	9	(11,825)	(26,242)	(9,717)	(24,134)
Total Equity		245,609	177,587	245,609	177,587
Represented by:					
Current Assets	10	23,825	22,987	23,825	22,987
Other Assets		24	32	24	32
Fixed Assets	12	310,565	238,999	310,565	238,999
Total Assets		334,414	262,018	334,414	262,018
Current Liabilities	13	31,416	28,035	31,416	28,035
Deferred Tax Liability	14	19,989	18,996	19,989	18,996
Convertible Note	15	37,400	37,400	37,400	37,400
Total Liabilities		88,805	84,431	88,805	84,431
Net Assets		245,609	177,587	245,609	177,587

For, and on behalf of, the Board



Rodger Fisher, Chairman
22 May 2007



Brian Walsh, Director
22 May 2007

STATEMENTS OF CASH FLOWS For the year ended 31 March 2007

	Group	Group	Parent	Parent
	2007	2006	2007	2006
	(\$000s)	(\$000s)	(\$000s)	(\$000s)
Cash Flows From Operating Activities				
Cash received from operations				
Receipts from customers	65,113	60,331	65,113	60,331
Interest received	468	635	468	635
Total cash received from operations	65,581	60,966	65,581	60,966
Cash disbursed on operations				
Payments to employees and suppliers	(30,952)	(27,459)	(30,952)	(27,459)
Interest paid	(3,258)	(3,109)	(3,258)	(3,109)
Income tax paid	(3,978)	(1,597)	(3,978)	(1,597)
Total cash disbursed on operations	(38,188)	(32,165)	(38,188)	(32,165)
Net cash flow from operations (refer to reconciliation below)	27,393	28,801	27,393	28,801
Cash Flows From Investing Activities				
Cash received from investing activities				
Sale of fixed assets	16	54	16	54
Term deposits maturing	8	190	8	190
Total cash from investing activities	24	244	24	244
Cash disbursed on investing activities				
Fixed asset purchases	(34,511)	(28,877)	(34,511)	(28,877)
Total cash disbursed on investing activities	(34,511)	(28,877)	(34,511)	(28,877)
Net cash flow from/(applied to) investing activities	(34,487)	(28,633)	(34,487)	(28,633)
Cash Flows From Financing Activities				
Total cash received from financing activities	-	-	-	-
Total cash disbursed on financing activities	-	-	-	-
Net cash flow from/(applied to) financing activities	-	-	-	-
Net increase/(decrease) in cash held	(7,094)	168	(7,094)	168
Cash at the beginning of the year	14,412	14,244	14,412	14,244
Cash at the end of the year	7,318	14,412	7,318	14,412

STATEMENTS OF CASH FLOWS (CONTINUED)

For the year ended 31 March 2007

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Reconciliation of net cash flows from operating activities with surplus after taxation.				
Surplus after taxation	14,417	14,320	14,417	14,320
Non cash items				
Depreciation	9,083	7,910	9,083	7,910
(Increase)/decrease in working capital				
Trade debtors	557	(1,538)	557	(1,538)
Discount provision	1,146	4,425	1,146	4,425
Work in progress	151	(117)	151	(117)
Prepayments	(166)	3	(166)	3
Trade creditors	95	(650)	95	(650)
Annual and long service leave provision	145	16	145	16
Provision for taxation	148	660	148	660
Deferred tax liability	994	3,271	994	3,271
Net (increase)/decrease in working capital	3,070	6,070	3,070	6,070
Items classified as investing activities				
Net loss/(gain) on sale of assets	823	501	823	501
Net cash inflow from operating activities	27,393	28,801	27,393	28,801

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 March 2007

These financial statements have been prepared in accordance with the Financial Reporting Act 1993. The Parent Company's financial statements are for WEL Networks Limited as a separate entity and the consolidated financial statements are for the WEL Networks Group, which includes all its subsidiaries and associate entities as disclosed in Note 11. WEL Networks Limited, parent company, is registered under the Companies Act 1993.

1 GENERAL ACCOUNTING POLICIES

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

2 PARTICULAR ACCOUNTING POLICIES

The particular accounting policies which have a significant effect on the financial performance, cash flows, and the financial position are as follows:

(a) Principles of consolidation

The consolidated financial statements include those of the parent company and its subsidiaries accounted for using the purchase method. The consolidated Statement of Financial Performance includes the Group's share of the tax-paid surpluses of associate entities as disclosed in the most recent audited financial statements.

All significant transactions between Group companies are eliminated on consolidation.

(b) Investments

Investments in subsidiaries are stated at net asset backing.

The equity method has been used for those associate entities in which the Group has a significant, but not a controlling interest.

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

Dividend income is not recognised until it is declared by the investee. Interest and rental income are accounted for as earned.

(c) Inventories

Inventories are valued at the lower of weighted average cost and net realisable value. Work-in-progress is valued at cost comprising direct labour, contractors' costs, materials and freight.

(d) Income Tax

The income tax expense charged to the Statement of Financial Performance includes both current and deferred tax. Deferred tax is calculated using the liability method, and is accounted for using the comprehensive basis, except that deferred tax is not provided on asset revaluations of the distribution system. Future tax benefits attributable to timing differences or losses carried forward are only recognised where there is a virtual certainty that the benefit will be utilised by the Group.

(e) Trade Debtors

Trade debtors are stated at their estimated realisable value after adequate provision for doubtful debts. Bad debts are written off in the period they are identified.

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 March 2007

(f) Revenue Recognition

Revenues from line sales include an accrual for units sold but not billed at balance date.

(g) Fixed Assets

Land and buildings are revalued every three years on the basis of open market value for highest and best use. Valuations are performed by independent valuers.

The distribution system is revalued every three years on the basis of Depreciated Replacement Cost. Valuations are performed by independent valuers.

Costs for internally constructed assets comprise direct labour, contractors' costs, materials and a proportion of production overheads based on a normal level of activity.

All other fixed assets and additions to the distribution system, land and buildings since the last valuation are recorded at cost.

Feasibility study costs associated with the wind farm project are recognised as an expense in the period while direct costs of obtaining resource consents, design and constructing the assets are capitalised.

(h) Depreciation of Fixed Assets

Depreciation is not provided on freehold land.

Depreciation of buildings and the distribution system is provided for on a straight line basis over their remaining estimated useful lives as follows:

Buildings	3.0%
Distribution System	2.9%

Depreciation of other fixed assets is provided for on a diminishing value basis over their remaining estimated useful lives as follows:

Computer Equipment	35%
Furniture, Plant and Equipment	20 - 50%
Vehicles	25%
Generation Assets	20%

(i) Research and Development Expenditure

Research and development expenditure is charged to operating expense except that expenditure incurred on development projects is deferred to future periods to the extent that such expenditure is expected to be recoverable from related future revenues. Deferred development expenditure is amortised over future periods on a basis related to expected future revenues.

(j) Statement of Cash Flows

The terms used in the Statement of Cash Flows are defined as follows:

- (i) Cash means bank overdraft and cash deposits with financial institutions which the Group regards as part of its day-to-day cash management;
- (ii) Investing activities comprise the purchase of fixed assets and investments; and
- (iii) Financing activities comprise the change in equity and debt capital structure of the Group and the payment of dividends;
- (iv) Operating activities include all transactions that are not investing and financing activities.

(k) 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, electricity prices 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.

STATEMENT OF ACCOUNTING POLICIES

For the year ended 31 March 2007

(l) Foreign Currencies

Foreign currency transactions are recorded at the exchange rates in effect at the date of the transaction except where forward currency contracts have been taken out to cover short term forward currency commitments.

Where short term forward currency contracts have been taken out, the transaction is translated at the rate contained in the contract. Monetary assets and liabilities arising from trading transactions or overseas borrowings are translated at closing rates. Gains and losses due to currency fluctuations on these items are included in the Statement of Financial Performance except where monetary liabilities are identified as a hedge against a foreign operation.

(m) Construction Contracts

Profits on construction contracts are determined using the percentage of completion method. Profits are recognised only when the outcome of the contract can be reasonably estimated. Foreseeable losses on a contract are recognised immediately.

(n) Leased Assets**Operating Leases**

Operating Lease payments are recognised as an expense in the period the amount is payable.

(o) Joint ventures

When a member of the Group participates in a joint venture arrangement, that member recognises its proportionate interest in the individual assets, liabilities and expenses of the joint venture. The liabilities recognised include its share of those for which it is jointly liable.

3 CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies applied during the year under review.

Certain comparatives have been re-classified to ensure greater transparency and comparability between periods.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2007

1 Discontinued Activities

There have been no activities discontinued during the year.

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
2 Revenue				
Gross line revenues	67,697	63,162	67,697	63,162
Discount	(19,198)	(18,381)	(19,198)	(18,381)
Net line revenues	48,499	44,781	48,499	44,781
Contracting sales	3,452	3,840	3,452	3,840
Rental income	892	836	892	836
Interest on investments	468	635	468	635
Third Party Contributions	9,598	7,168	9,598	7,168
Other income	2,298	3,345	2,298	3,345
Total Operating Revenue	65,207	60,605	65,207	60,605

3 Net Operating Surplus

The Surplus Before Taxation is stated after charging/(crediting):

Continuing Activities				
Transmission costs	15,032	12,950	15,032	12,950
Wages and salaries	9,665	4,766	9,665	4,766
Materials and services	8,327	7,830	8,327	7,830
Depreciation of property, plant and equipment				
Buildings	296	281	296	281
Vehicles	193	116	193	116
Computers, furniture, plant and equipment	1,477	1,086	1,477	1,086
Distribution system	6,937	6,232	6,937	6,232
Land Fill Generation	140	154	140	154
Other fixed assets	40	41	40	41
Total Depreciation	9,083	7,910	9,083	7,910
Directors' fees	235	235	235	235
Interest payments	3,258	3,109	3,258	3,109
Net loss/(gain) on disposal of fixed assets	823	501	823	501
Research and development	273	354	273	354
Bad debts written off	244	217	244	217
Change in provision for doubtful debts	(12)	(12)	(12)	(12)
Rental and operating lease payments	239	114	239	114
Write down/(up) in value of investments	-	20	-	20
4 Remuneration of Auditors				
Auditing the financial statements	54	42	54	42
Other assurance services	66	48	66	48
Other services	2	10	2	10
Total Remuneration	122	100	122	100

PricewaterhouseCoopers were the only auditors employed during the year.

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
5 Taxation expense				
Surplus before taxation	19,536	19,847	19,536	19,847
Permanent differences	(4,024)	(2,917)	(4,024)	(2,917)
Gain on disposal of investments	-	20	-	20
Surplus subject to tax	15,512	16,950	15,512	16,950
Tax at 33%	5,119	5,593	5,119	5,593
Under/(over) provision previous year	-	(66)	-	(66)
Taxation expense	5,119	5,527	5,119	5,527
Represented by:				
Deferred income tax liability	2,400	3,271	2,400	3,271
Current taxation provision	2,719	2,256	2,719	2,256
	5,119	5,527	5,119	5,527
6 Imputation credit memorandum account			Parent 2007 (\$000s)	Parent 2006 (\$000s)
Balance at the beginning of the year			1,987	397
Taxation paid			4,005	1,800
Taxation refunds received			(27)	(210)
Balance at the end of the year			5,965	1,987
7 Paid In capital				
Issued and paid in capital 7,801,754 ordinary shares (2006: 7,801,754)	92,442	92,442	92,442	92,442

All ordinary shares carry equal voting rights.

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
8 Reserves				
Revaluation of Assets Reserve				
Balance at the beginning of the year	111,387	111,387	109,279	109,279
Asset revaluation - network	49,851	-	49,851	-
Asset revaluation - land	1,926	-	1,926	-
Asset revaluation - buildings	1,828	-	1,828	-
Balance at the end of the year	164,992	111,387	162,884	109,279
9 Retained Earnings				
Balance at the beginning of the year	(26,242)	(40,562)	(24,134)	(38,454)
Surplus after taxation	14,417	14,320	14,417	14,320
Balance at the end of the year	(11,825)	(26,242)	(9,717)	(24,134)
10 Current Assets				
Cash and bank	7,318	14,412	7,318	14,412
Trade debtors	6,674	7,231	6,674	7,231
Prepayments	171	5	171	5
Work in progress	-	151	-	151
Current tax receivable	1,041	1,188	1,041	1,188
Property intended for sale	8,621	-	8,621	-
Total Current Assets	23,825	22,987	23,825	22,987

11 Investments**Operating Subsidiaries**

There are no operating subsidiaries

Non Operating Subsidiaries

WEL International Limited
WEL Electricity Limited
WEL Power Limited
WEL Energy Group Limited (formerly WEL Networks Limited)
WEL Resource Limited
Waikato Electricity Limited
WEL Generation Limited

All subsidiaries have balance dates of 31 March. The parent company has a 100% interest in all subsidiaries. No subsidiaries have assets exceeding 5% of the Group's total assets.

		Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
12	Fixed Assets				
	Freehold Land and Buildings				
	Land				
	At cost	190	361	190	361
	At valuation	3,712	2,546	3,712	2,546
	Buildings				
	At cost	195	647	195	647
	At valuation	3,598	8,782	3,598	8,782
		7,695	12,336	7,695	12,336
	Accumulated depreciation - Buildings				
	At cost	-	(28)	-	(28)
	At valuation	-	(521)	-	(521)
	Net book value	7,695	11,787	7,695	11,787
	Generation Assets				
	Cost	1,774	1,774	1,774	1,774
	Accumulated depreciation	(364)	(224)	(364)	(224)
	Net book value	1,410	1,550	1,410	1,550
	Wind Farm				
	Cost	1,665	250	1,665	250
	Accumulated depreciation	-	-	-	-
	Net book value	1,665	250	1,665	250
	Vehicles				
	Cost	1,055	649	1,055	649
	Accumulated depreciation	(351)	(199)	(351)	(199)
	Net book value	704	450	704	450
	Computers, Furniture, Plant and Equipment				
	Cost	16,102	14,470	16,102	14,470
	Accumulated depreciation	(13,296)	(12,167)	(13,296)	(12,167)
	Net book value	2,806	2,303	2,806	2,303
	Distribution System				
	Cost	-	42,905	-	42,905
	Valuation	282,788	182,188	282,788	182,188
		282,788	225,093	282,788	225,093
	Accumulated depreciation				
	At cost	-	(4,088)	-	(4,088)
	At Valuation	-	(7,921)	-	(7,921)
	Net book value	282,788	213,084	282,788	213,084
	Other Fixed Assets				
	Cost	1,355	1,355	1,355	1,355
	Accumulated depreciation	(718)	(678)	(718)	(678)
	Net book value	637	677	637	677

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Fixed Assets continued				
Capital Spares	865	944	865	944
Capital Work In Progress	11,995	7,954	11,995	7,954
Total net book value	310,565	238,999	310,565	238,999
Fixed Asset total cost	35,196	71,310	35,196	71,310
Fixed Asset total valuation	290,098	193,516	290,098	193,516
Fixed Assets total accumulated depreciation	(14,729)	(25,827)	(14,729)	(25,827)
Total net book value	310,565	238,999	310,565	238,999

Land and Buildings were revalued to market value on 31 March 2007 by DTZ New Zealand Ltd Registered Valuers. The distribution system was revalued on 31 March 2007 by Sinclair Knight Merz (NZ) Limited Registered Engineers. The value adopted is Depreciated Replacement Cost.

Other Fixed Assets represents the amount paid to Hamilton City Council in 1989 for the use of substations buildings. This amount is being depreciated over a period of 33 years.

13 Current liabilities

Trade creditors	11,255	9,165	11,255	9,165
Discount Provision	19,750	18,604	19,750	18,604
Customer deposits	13	13	13	13
Provision for annual and long service leave	398	253	398	253
Total current liabilities	31,416	28,035	31,416	28,035

14 Deferred income tax liability

Balance at the beginning of the year	18,996	15,725	18,996	15,725
Current year timing differences	2,400	3,294	2,400	3,294
Adjustment for previous year	(1,407)	(23)	(1,407)	(23)
Balance at the end of the year	19,989	18,996	19,989	18,996

The tax effect of timing differences arising from asset revaluations of the distribution system approximating \$30,553,000 (2006 \$28,036,000) which would only crystallise on disposal, have not been recognised.

15 Convertible Note

On 30 June 2004 the Company paid a dividend of \$37.4m to its 100% shareholder, WEL Energy Trust. On the same day the Company issued a \$37.4m convertible note to the WEL Energy Trust. The Note is subordinated to all other forms of debt. It is unsecured and bears interest of 8.3% p.a, accrued monthly. The Note is convertible into an amount of ordinary shares equal to the face value of the Note, divided by the assessed fair value of WEL shares at the date of conversion. Conversion is at the discretion of the Directors provided 30 business days notice is given.

16 Capital commitments

Capital expenditure

The parent company and the group had commitments for future capital expenditure at 31 March 2007 of \$1,124,000 (2006 \$1,499,000).

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Operating leases				
Non-cancellable operating lease commitments:				
Within one year	246	54	246	54
Later than one, not later than two years	785	43	785	43
Later than two, not later than five years	2,344	120	2,344	120
Later than five years	6,449	759	6,449	759
Total Operating Leases	9,824	976	9,824	976

The Group leases land and premises. Operating leases held over properties give the Group the right to renew the lease subject to a predetermination of the lease rental by the lessor. There are no options to purchase in respect of land and premises held under operating leases.

In February 2007 the company entered into 12 year leases for the rental of a new company site.

17 Financial Instruments

(a) Currency, Electricity Price and Interest Rate Risk

Nature of activities and management policies with respect to financial instruments:

(i) Concentrations of Credit Risk

In the normal course of its business, the company incurs credit risk from trade receivables from energy customers and transactions with financial institutions. A provision has been set up for trade receivables which are unlikely to be collected.

The company has a credit policy which is used to manage this exposure to credit risk. As part of this policy, limits on exposures with counterparties have been set and are monitored on a regular basis.

The Group has in excess of 80% of its trade debtors owing from the incumbent retailer. This debt is subject to a written agreement that requires an investment grade credit rating to be maintained. If the credit rating falls below investment grade then a bond will be required as collateral.

b) Fair Values

The Directors estimate that the carrying amounts of financial instruments in the Statement of Financial Position equal their fair values.

18 Segment Information

The Group operates primarily in the energy reticulation industry predominantly within New Zealand.

19 Contingencies

There are no contingent liabilities as at 31 March 2007 (2006 NIL).

20 Related Party Disclosures

The ultimate parent of WEL Networks Limited is the WEL Energy Trust which owns 100% of its shares. All members of the Group are considered related parties of WEL Networks Limited. This includes the subsidiaries and associated companies listed in note 11.

Other than the payment of directors fees (refer note 3) the Group has not entered into any transactions with Directors.

No related party debts were forgiven or written off during 2007 or 2006.

21 Joint Venture

The Company has a 99.9% interest in a land fill gas generation venture called Horotiu Landfill Gas Project. The venture was formed to operate the landfill gas generation plant owned by the Company. The venture commenced operation in November 2004.

	Group 2007 (\$000s)	Group 2006 (\$000s)	Parent 2007 (\$000s)	Parent 2006 (\$000s)
Financial performance				
The share of revenues and expenditure proportionally consolidated was:				
Revenue	360	355	360	355
Expenditure	(375)	(331)	(375)	(331)
Net contribution to Operating surplus	(15)	24	(15)	24

Financial position

The share of assets and liabilities proportionally consolidated was:

Trade receivables	165	112	165	112
Net assets	165	112	165	112

22 International Financial Reporting Standards

In December 2002 the New Zealand Accounting Standards Review Board (ASRB) announced that New Zealand entities required to comply with NZ GAAP under Financial Reporting Act 1993 would be required to apply International Financial Reporting Standards (IFRS) for financial periods commencing on or after 1 January 2007 with earlier adoption permitted from 1 January 2005. The new standards that have been approved by the ASRB for application in New Zealand are referred to as New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as certain adaptations have been made to reflect New Zealand circumstances.

The Company has commenced reviewing its accounting policies and financial reporting to comply with NZ IFRS. The Company has allocated internal resources and is carrying out impact assessments to isolate key areas that will be impacted by the transition to NZ IFRS and to facilitate adoption of NZ IFRS across the Company. The Company will publish its first set of annual financial statements prepared under NZ IFRS for the year ending 31 March 2008.

International Financial Reporting Standards continued

The key areas of difference in accounting policies between existing NZ FRS and NZ IFRS, that have been identified as relevant to the Company to date, are set out below. The differences identified are based on work-in-progress as at the reporting date.

Deferred tax

Deferred tax will be calculated using a balance sheet approach. It will equal the tax effect of the difference between the book value of balance sheet items and their tax value.

The deferred tax liability will increase by \$23,395,000 to \$42,391,000 at 31 March 2006, and increase by \$40,030,000 to \$60,016,000 at 31 March 2007. This effect arises from revaluations of property, plant and equipment and as a result the asset revaluation reserve will be decreased by these amounts at the respective balance dates. Net profit will not be affected by these adjustments.

Third Party Contributions

Third party contributions revenue includes some items which are not construction contracts and recognised on a percentage of completion basis. Under NZ IFRS, the percentage of completion is likely to be applied to all third party contributions. Any adjustment to third party contributions revenue is likely to result in the creation of an accrued revenue asset.

The effect of this change has not yet been quantified.

Employee benefits

Under NZ IFRS full service costs from employees is required to be recognised including, for example, provisions for sick leave. Any adjustment to employee provisions on transition at 31 March 2006 will be taken directly to equity, with the effect of any movement for the year ended 31 March 2007 flowing through profit.

The effect of this change has yet to be quantified.

The information provided in this note addresses significant items but does not represent a complete list of expected adjustments. The actual impact of adopting NZ IFRS may vary from the information presented and that variation may be material.