Northern Ireland Electricity
(The NIE Transmission, Distribution and Landbank Businesses)
31 March 2010

Summary Regulatory Accounts

NORTHERN IRELAND ELECTRICITY
Summary Regulatory Accounts
31 March 2010

CONTENTS

IMPORTANT NOTE AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

The summary regulatory accounts have been extracted from the full regulatory accounts for the year ended 31 March 2010, prepared by Northern Ireland Electricity plc (the Company) for submission to the Northern Ireland Authority for Utility Regulation (NIAUR) in accordance with Condition 2 of the Company's licence to participate in the transmission of electricity (the Licence). For further information the full regulatory accounts and the auditors' report on those accounts should be consulted. The auditor has issued an unqualified report on the full regulatory accounts. All references in the accounts to "NIE" denote the Company's Transmission Owner, Distribution and Landbank businesses. All income, expenditure, assets and liabilities of NIE's Transmission Owner Business and Distribution Business taken together have been split between the Transmission Owner Business and the Distribution Business in the ratio 18% to 82%, which is in line with the allocation used in use of system and transmission services charge tariff setting.

The Company is required under the Licence to prepare regulatory accounts for each financial year which present fairly the assets, liabilities, reserves and provisions of, or reasonably attributable to, the separate businesses as defined for that purpose in the Licence and of the revenues, costs and cash flows of, or reasonably attributable to, those businesses for that period. In preparing those accounts, the Company is required :

- to conform to the best commercial accounting practices including International Accounting Standards and International Financial Reporting Standards issued by the International Accounting Standards Board;
- to state the accounting policies adopted;
- not to change the bases of charge, apportionment or allocation from those applied in respect of the previous financial year unless previously directed by NIAUR.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of NIE and which enable them to ensure that the regulatory accounts comply with the Licence. They are also responsible for safeguarding the assets of NIE, which may for regulatory accounting purposes be allocated or apportioned to the separate businesses, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' STATEMENT TO THE DIRECTORS OF NORTHERN IRELAND ELECTRICITY PLC (THE COMPANY)

We have examined the summary regulatory accounts of NIE for the year ended 31 March 2010 which comprise the Income Statement, Net Asset Statement, Cash Flow Statement and the related notes 1 to 16.

This statement is made solely to the Company's directors, as a body. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an auditors' statement 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 its directors as a body, for our work, for this statement or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation and submission of the summary regulatory accounts to NIAUR as required by the Licence.

Our responsibility is to report to you our opinion on the consistency of the summary regulatory accounts with the full regulatory accounts.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the full regulatory accounts describes the basis of our opinion on those financial statements.

OPINION

In our opinion the summary regulatory accounts are consistent with the full regulatory accounts for the year ended 31 March 2010.

Ernst & Young LLP
Belfast

Date: 22 July 2010

NORTHERN IRELAND ELECTRICITY
Summary Regulatory Accounts
31 March 2010

INCOME STATEMENT
for the year ended 31 March 2010

	Note	Transmission		Distribution		Landbank	
		2010 £m	2009 £m	**2010 £m**	2009 £m	**2010 £m**	2009 £m
Revenue							
External							
Sales within Viridian group:							
Sales to NIE Energy Supply		**19.2**	20.4	**87.6**	93.0	**-**	-
Sales to NIE Energy PPB		**12.0**	7.3	**54.8**	33.6	**-**	-
Sales to SONI *		**-**	6.3	**-**	28.7	**-**	-
Sales to other Viridian Group Companies		**2.3**	3.4	**10.2**	15.5	**-**	-
		33.5	37.4	**152.6**	170.8	**-**	-
Sales outside Viridian Group		**10.1**	6.0	**45.7**	27.2	**0.2**	-
Internal							
Sales to NIE businesses		**-**	-	**0.1**	0.1	**-**	0.1
'K' correction PSO		**(0.2)**	(1.1)	**(0.7)**	(5.0)	**-**	-
'K' correction UoS		**(0.9)**	(0.4)	**(4.0)**	(2.0)	**-**	-
		(1.1)	(1.5)	**(4.6)**	(6.9)	**-**	0.1
Total Revenue		**42.5**	41.9	**193.7**	191.1	**0.2**	0.1
Operating costs	5	**(23.1)**	(22.1)	**(105.4)**	(100.8)	**(0.2)**	(0.1)
OPERATING PROFIT		**19.4**	19.8	**88.3**	90.3	**-**	-
Interest receivable		**-**	0.5	**0.1**	2.4	**-**	-
Finance costs		**-**	-	**(0.1)**	(0.3)	**-**	-
Net pension scheme interest		**(1.5)**	(1.1)	**(6.6)**	(4.8)	**-**	
Net finance costs		**(1.5)**	(0.6)	**(6.6)**	(2.7)	**-**	-
PROFIT FROM OPERATING ACTIVITIES BEFORE TAX CHARGE		**17.9**	19.2	**81.7**	87.6	**-**	-

* The Company completed the sale of SONI on 11 March 2009.

NORTHERN IRELAND ELECTRICITY
Summary Regulatory Accounts
31 March 2010

NET ASSET STATEMENT AS AT 31 MARCH 2010

	Note	Transmission		Distribution		Landbank	
		2010	2009	**2010**	2009	**2010**	2009
		£m	£m	**£m**	£m	**£m**	£m
Non-current assets							
Property, plant and equipment	6	**191.3**	181.6	**871.6**	827.2	**-**	-
Intangible assets	7	**6.9**	7.9	**31.6**	35.9	**-**	-
Deferred tax asset	8	**-**	-	**-**	-	**4.7**	4.7
Financial assets	11	**-**	-	**0.1**	0.2	**-**	-
		198.2	189.5	**903.3**	863.3	**4.7**	4.7
Current assets							
Inventories	9	**1.1**	1.1	**4.9**	5.0	**-**	-
Trade and other receivables	10	**7.8**	8.2	**35.5**	37.3	**0.1**	0.1
Financial assets	11	**34.7**	21.6	**158.2**	98.7	**-**	1.8
Cash and cash equivalents	12	**-**	0.3	**0.2**	1.3	**-**	-
		43.6	31.2	**198.8**	142.3	**0.1**	1.9
TOTAL ASSETS		**241.8**	220.7	**1,102.1**	1,005.6	**4.8**	6.6
Current liabilities							
Trade and other payables	13	**17.9**	15.6	**81.5**	70.8	**1.2**	1.2
Deferred income	14	**1.4**	1.3	**6.4**	6.0	**-**	-
Financial liabilities	15	**-**	-	**-**	-	**1.0**	-
Short-term provisions	16	**0.2**	0.3	**1.0**	1.5	**0.4**	1.9
		19.5	17.2	**88.9**	78.3	**2.6**	3.1
Non-current liabilities							
Deferred income	14	**39.5**	38.3	**179.8**	174.5	**-**	-
Deferred tax liability	8	**16.6**	18.5	**75.5**	84.0	**-**	-
Long-term provisions	16	**0.3**	0.2	**1.8**	0.9	**0.3**	1.6
Pension liability		**20.6**	11.8	**94.0**	53.7	**-**	-
		77.0	68.8	**351.1**	313.1	**0.3**	1.6
TOTAL LIABILITIES		**96.5**	86.0	**440.0**	391.4	**2.9**	4.7
NET ASSETS		**145.3**	134.7	**662.1**	614.2	**1.9**	1.9

The accounts on pages 4 -15 were approved by the Company's Board of directors and signed on its behalf by:

Director: H McCracken
Date: 21 July 2010

NORTHERN IRELAND ELECTRICITY
Summary Regulatory Accounts
31 March 2010

CASH FLOW STATEMENT
for the year ended 31 March 2010

	Transmission		Distribution		Landbank	
	2010 £m	2009 £m	**2010 £m**	2009 £m	**2010 £m**	2009 £m
Cashflows from operating activities:						
Profit before tax	**17.9**	19.2	**81.7**	87.6	**-**	-
Adjustments for:						
Net finance costs/ (income)	**1.5**	0.6	**6.6**	2.7	**-**	-
Depreciation of property, plant and equipment	**7.4**	6.9	**33.4**	31.5	**-**	-
Amortisation of customer contributions	**(1.4)**	(1.3)	**(6.4)**	(6.0)	**-**	-
Amortisation of intangible assets	**1.0**	1.0	**4.5**	4.7	**-**	-
Loss on disposal of property, plant and equipment	**-**	-	**0.1**	-	**-**	-
Defined benefit pension charge less contributions paid	**(1.4)**	(1.3)	**(6.2)**	(5.9)	**-**	-
Net movement in provisions	**-**	-	**0.4**	-	**(2.8)**	(3.4)
Operating cash flows before movement in working capital	**25.0**	25.1	**114.1**	114.6	**(2.8)**	(3.4)
Decrease/ (increase) in working capital	**1.7**	1.1	**7.9**	4.8	**-**	(1.4)
Cash generated from/ (used in) operations	**26.7**	26.2	**122.0**	119.4	**(2.8)**	(4.8)
Interest received	**-**	0.5	**0.1**	2.4	**-**	-
Interest paid	**-**	(0.1)	**-**	(0.6)	**-**	-
Net cash flows from/(used in) operating activities	**26.7**	26.6	**122.1**	121.2	**(2.8)**	(4.8)
Cash flows from investing activities:						
Purchase of property, plant and equipment	**(16.6)**	(18.9)	**(75.7)**	(85.9)	**-**	-
Purchase of intangible assets	**-**	(0.1)	**(0.2)**	(0.5)	**-**	-
Contributions in respect of property, plant and equipment	**2.7**	3.8	**12.1**	17.5	**-**	-
Loans made to fellow NIE undertakings	**(13.1)**	(11.1)	**(59.4)**	(50.8)	**-**	-
Net cash flows used in investing activities	**(27.0)**	(26.3)	**(123.2)**	(119.7)	**-**	-
Cash flows from financing activities:						
Proceeds from borrowings	**-**	-	**-**	-	**2.8**	4.8
Net cash flows from financing activities	**-**	-	**-**	-	**2.8**	4.8
Net (decrease)/increase in cash and cash equivalents	**(0.3)**	0.3	**(1.1)**	1.5	**-**	-
Cash and cash equivalents at the beginning of year	**0.3**	-	**1.3**	(0.2)	**-**	-
Cash and cash equivalents at the end of year	**-**	0.3	**0.2**	1.3	**-**	-

NORTHERN IRELAND ELECTRICITY
Notes to the Summary Regulatory Accounts
31 March 2010

1. GENERAL INFORMATION

Northern Ireland Electricity plc is a public limited company incorporated and domiciled in Northern Ireland.

The accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and applied in accordance with the provisions of the Companies Act 2006. The accounts are presented in Sterling (£) with all values rounded to the nearest £100,000 except where otherwise indicated.

2. EVENTS SINCE THE YEAR END

On 6 July 2010, Viridian Group Limited (Viridian), the immediate parent undertaking of the Company, entered into a conditional agreement to sell the Company to ESB. The sale is subject to a number of conditions including Republic of Ireland and United Kingdom competition clearance and new financing arrangements being put in place for the remaining Viridian group businesses. Subject to fulfilment of the conditions, the transaction is expected to complete by the end of 2010.

3. ACCOUNTING POLICIES

Adoption of new and revised accounting standards and interpretations
In its statutory accounts for the year ended 31 March 2010 the Company has adopted the following revised accounting standards:

- IAS 1 (revised) "Presentation of Financial Statements". The reconciliation of movements in equity is now a primary statement entitled "Statement of Changes in Equity" and the Statement of Recognised Income and Expense has been replaced with the Statement of Comprehensive Income resulting in some presentational changes from the previous statement.

- Amendment to paragraph 23 of IFRS 8 'Operating Segments' in the Improvements to IFRS April 2009. The Company has early adopted the amendment and not disclosed total assets information for each reportable segment.

Neither of these has any impact on the presentation of the regulatory accounts.

The following amendments to existing standards and interpretations were also effective for the current period, but did not have a material impact on the Company's statutory or regulatory accounts:

IAS 1 and IAS 32	Amendment - Financial Instruments Puttable at Fair Value and Obligations Arising on Liquidation (effective for accounting periods beginning on or after 1 January 2009)
IAS23	Borrowing Costs (revised)
IFRS 7	Amendments to IFRS 7 Improving Disclosures about Financial Instruments
IFRIC 14	The Limit in a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRS 1 and IAS 27	Amendment – Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate
IFRS 2	Amendment - Vesting Conditions and Cancellations (effective for accounting periods beginning on or after 1 July 2008)
IFRIC 13	Customer Loyalty Programmes (effective for accounting periods beginning on or after 1 July 2008)
IFRIC 15	Agreements for the Construction of Real Estate (effective for accounting periods beginning on or after 1 January 2009)
IFRIC 16	Hedges of a Net Investment in a Foreign Operation (effective for accounting periods beginning on or after 1 October 2008)
IFRIC 17	Distribution of Non-Cash Assets to Owners (effective for accounting periods beginning on or after 1 July 2009)

3. ACCOUNTING POLICIES (continued)

At the date of authorisation of these accounts, the following standards and interpretations were in issue but not yet effective:

IAS 27 (revised)	Consolidated and Separate Financial Statements (effective for accounting periods beginning on or after 1 July 2009)
IAS 24	Revised Related Party Disclosures (effective for accounting periods beginning on or after 1 January 2011)
IAS 39	Amendment - Eligible Hedged Items (effective for accounting periods beginning on or after 1 July 2009)
IFRS 3 (revised)	Business Combinations (effective for accounting periods beginning on or after 1 July 2009)
IFRS 9	Financial Instruments: Classification and Measurement (effective for accounting periods beginning on or after 1 January 2013)
Improvements	Improvements to IFRS (April 2009) (various effective dates)
IFRIC 9 and IAS 39	Embedded Derivatives (effective for accounting periods beginning on or after 30 June 2009)
IFRIC 14	Amendment - Prepayments of a Minimum Funding Requirement (effective for accounting periods beginning on or after 1 January 2011)
IFRIC 18	Transfers of Assets from Customers (effective for accounting periods beginning after 31 October 2009 in respect of transfers of assets on or after 1 July 2009)

Whilst the directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's statutory and regulatory accounts in the period of initial application, the adoption of the standards and interpretations may result in certain changes in the presentation of the statutory and regulatory accounts.

The principal accounting policies are set out below:

Basis of preparation
The accounts are prepared on the basis of the accounting policies set out below which are consistent with the policies adopted in the Company's statutory accounts.

Foreign currency translation
The functional and presentation currency of the Company is Sterling (£).

Foreign currency transactions are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates prevailing at the balance sheet date are recognised in the income statement.

Property, plant and equipment
Property, plant and equipment are included in the balance sheet at cost, less accumulated depreciation and any recognised impairment loss. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate portion of overheads. Interest on funding attributable to significant capital projects is capitalised during the period of construction provided it meets the recognition criteria in IAS 23 and is written off as part of the total cost of the asset.

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis so as to write off the cost, less estimated residual values, over their estimated useful economic lives as follows:

Infrastructure assets - up to 40 years
Non-operational buildings - freehold and long leasehold - up to 50 years
Fixtures and equipment - up to 25 years

3. ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)
The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Where the carrying value exceeds the estimated recoverable amount, the asset is written down to its recoverable amount.

The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment losses are recognised in the income statement.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net selling price and the carrying amount of the asset.

Computer Software
The cost of acquiring computer software is capitalised and amortised on a straight-line basis over its estimated useful economic life which is between five and ten years. Costs include direct labour relating to software development and an appropriate portion of directly attributable overheads. Interest on funding attributable to significant capital projects is capitalised during the period of construction provided it meets the recognition criteria in IAS 23 and is written off as part of the total cost of the asset.

The carrying value of computer software is reviewed for impairment annually when the asset is not yet in use and subsequently when events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains or losses arising from derecognition of computer software are measured as the difference between the net selling price and the carrying amount of the asset.

Inventories
Inventories are stated at the lower of average purchase price and net realisable value.

Financial instruments

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand and short term deposits with maturities of three months or less.

Loans and receivables
Loans and receivables are initially recorded at fair value. After initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

Interest bearing loans and overdrafts
Interest bearing loans and overdrafts are initially recorded at fair value, being the proceeds received net of direct issue costs. After initial recognition, interest bearing loans are subsequently measured at amortised cost using the effective interest method. Except for interest capitalised in relation to significant capital projects, interest payable is reflected in the income statement as it arises.

Trade and other receivables
Trade 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.

3. ACCOUNTING POLICIES (continued)

Borrowing costs
Borrowing costs attributable to significant capital projects are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Operating lease contracts
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. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the lease term.

Revenue
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, exclusive of value added tax and other sales related taxes.

The following specific recognition criteria must also be met before revenue is recognised:

Interest receivable
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Use of System and Public Service Obligation (PSO) revenue
Revenue is recognised on the basis of units distributed during the period. Revenue includes an assessment of the volume of electricity distributed, estimated using historical consumption patterns.

Transmission service revenue
Revenue is recognised in accordance with the schedule of entitlement set by NIAUR for each tariff period.

Government grants and customer contributions
Government grants and customer contributions received in respect of property, plant and equipment are deferred and released to the income statement by instalments over the estimated useful economic lives of the related assets. Grants received in respect of expenditure charged to the income statement during the year are included in the income statement.

Tax
The tax charge represents the sum of tax currently payable and deferred tax. Tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

Tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes both items of income or expense that are taxable or deductible in other years as well as items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax payable or recoverable on differences between the carrying amount of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

3. ACCOUNTING POLICIES (continued)

Tax (continued)
Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Provisions
Provisions are recognised when (i) the Company has a present obligation (legal or constructive) as a result of a past event (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and (iii) a reliable estimate can be made of the amount of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is included within finance costs.

Pensions and other post-retirement benefits
Employees of the Company are entitled to membership of Viridian Group Pension Scheme (VGPS), which has both defined benefit and defined contribution pension arrangements. The amount recognised in the balance sheet in respect of liabilities represents the present value of the obligations offset by the fair value of assets.

Pension scheme assets are measured at fair value and liabilities are measured using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the liabilities. Full actuarial valuations are obtained at least triennially and updated at each balance sheet date. Actuarial gains and losses are recognised in full in the period in which they occur and are recognised outside the income statement.

The cost of providing benefits under the defined benefit scheme is charged to the income statement over the periods benefiting from employees' service. Past service cost is recognised immediately to the extent that the benefits are already vested. Curtailment losses are recognised in the income statement in the period they occur. The expected return on pension scheme assets and the interest on pension scheme liabilities are included within finance costs.

Pension costs in respect of defined contribution arrangements are charged to the income statement as they become payable.

The Company has adopted the exemption allowed in IFRS 1 to recognise all cumulative actuarial gains and losses at the transition date in reserves.

4. PRIOR YEAR ADJUSTMENT

In prior years the amount of deferred tax recognised within the regulatory accounts was limited solely to that arising in respect of pension liabilities. In preparing the regulatory accounts for the current year the directors have recognised that element of the amount of deferred tax recognised within the statutory accounts which is attributable to assets and liabilities recognised within the regulatory accounts. The directors consider that this provides a more meaningful representation of the deferred tax attributable to the separate businesses. This has resulted in the comparative balances of deferred tax for the year ended 31 March 2009 in the Net Asset Statement being restated by derecognising deferred tax assets of £5.8m and £26.4m respectively attributed to the Transmission and Distribution businesses and deferred tax liabilities of £18.5m and £84.0m respectively recognised in respect of these businesses. A deferred tax asset of £4.7m has also been recognised in the Net Asset Statement in respect of the Landbank business as at 31 March 2009. The Income and Cash Flow Statements are unaffected by this restatement.

5. OPERATING COSTS

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Staff costs	**1.5**	1.4	**6.7**	6.3	**-**	-
Depreciation and amortisation	**7.0**	6.6	**31.5**	30.1	**-**	-
NIE Energy Supply charges	**1.6**	1.7	**7.6**	7.9	**-**	-
NIE Energy PPB charges	**2.8**	2.5	**12.7**	11.2	**-**	-
NIE Transmission and Distribution (T&D) charges	**-**	-	**-**	-	**1.4**	0.1
Landbank charges / (credit)	**(0.2)**	-	**(1.1)**	0.1	**-**	-
Other operating costs / (credit)	**10.4**	9.9	**48.0**	45.2	**(1.2)**	-
	23.1	22.1	**105.4**	100.8	**0.2**	0.1

6. PROPERTY, PLANT AND EQUIPMENT

	Transmission	**Distribution**	**Landbank**
	£m	£m	£m
Cost:			
At 1 April 2009	282.7	1,288.1	-
Additions	17.1	77.8	-
Disposals	(0.1)	(0.6)	-
At 31 March 2010	299.7	1,365.3	-
Depreciation:			
At 1 April 2009	101.1	460.9	-
Charge for year	7.4	33.3	-
Disposals	(0.1)	(0.5)	-
At 31 March 2010	108.4	493.7	-
Net Book Value:			
At 1 April 2009	181.6	827.2	-
At 31 March 2010	**191.3**	**871.6**	-

7. INTANGIBLE ASSETS

	Transmission	Distribution	Landbank
	£m	£m	£m
Cost:			
At 1 April 2009	11.2	50.9	-
Additions	-	0.2	-
At 31 March 2010	11.2	51.1	-
Amortisation:			
At 1 April 2009	3.3	15.0	-
Amortisation charge for year	1.0	4.5	-
At 31 March 2010	4.3	19.5	-
Net Book Value:			
At 1 April 2009	7.9	35.9	-
At 31 March 2010	**6.9**	**31.6**	**-**

8. DEFERRED TAX

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Deferred tax assets						
At 1 April	**-**	-	**-**	-	4.7	4.7
Increase in provision	**-**	-	**-**	-	-	-
At 31 March	**-**	-	**-**	-	4.7	4.7
Deferred tax liabilities						
At 1 April	**18.5**	18.5	**84.0**	84.0	-	-
Decrease in provision	**(1.9)**	-	**(8.5)**	-	-	-
At 31 March	**16.6**	18.5	**75.5**	84.0	-	-

9. INVENTORIES

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Materials and consumables	**0.7**	0.7	**3.1**	3.2	-	-
Work in progress	**0.4**	0.4	**1.8**	1.8	-	-
	1.1	1.1	**4.9**	5.0	-	-

10. TRADE AND OTHER RECEIVABLES

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Trade receivables (incl unbilled consumption)	**1.9**	1.7	**8.4**	7.5	**0.1**	0.1
Other receivables	**-**	0.1	**0.3**	0.5	**-**	-
Amounts owed by fellow Viridian undertakings	**5.8**	6.4	**26.5**	29.1	**-**	-
Prepayments and accrued income	**0.1**	-	**0.3**	0.2	**-**	-
	7.8	8.2	**35.5**	37.3	**0.1**	0.1

11. FINANCIAL ASSETS

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Non-current						
Loan receivables	**-**	-	**0.1**	0.2	**-**	-
Current						
Intra-group loans	**34.7**	21.6	**158.0**	98.6	**-**	1.8
Loan receivables	**-**	-	**0.2**	0.1	**-**	-
	34.7	21.6	**158.2**	98.7	**-**	1.8

12. CASH AND CASH EQUIVALENTS

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Cash at bank and in hand	**-**	0.3	**0.2**	1.3	-	-
	-	0.3	**0.2**	1.3	-	-

13. TRADE AND OTHER PAYABLES

	Transmission		Distribution		Landbank	
	2010	2009	**2010**	2009	**2010**	2009
	£m	£m	**£m**	£m	**£m**	£m
Trade payables	**1.2**	2.0	**5.6**	9.1	**0.1**	0.3
Other payables	**-**	-	**0.1**	0.2	**-**	-
Payments received on account	**5.0**	4.2	**22.8**	18.9	**-**	-
Amounts owed to fellow Viridian undertaking	**5.9**	6.3	**26.6**	28.6	**0.7**	0.1
Taxation and social security	**0.4**	0.1	**1.8**	0.3	**-**	-
Accruals	**3.9**	2.5	**17.8**	11.2	**0.4**	0.8
K correction over-recovery	**1.5**	0.5	**6.8**	2.5	**-**	-
	17.9	15.6	**81.5**	70.8	**1.2**	1.2

14. DEFERRED INCOME

	Transmission £m	Distribution £m	Landbank £m
Current	1.3	6.0	-
Non-current	38.3	174.5	-
Total at 31 March 2009	39.6	180.5	-
Receivable	2.7	12.1	-
Released to income statement	(1.4)	(6.4)	-
Current	1.4	6.4	-
Non-current	39.5	179.8	-
Total at 31 March 2010	**40.9**	**186.2**	**-**
Deferred income at 31 March 2010 comprises:			
Grants	1.6	7.5	-
Customer contributions	39.3	178.7	-
	40.9	**186.2**	**-**

15. FINANCIAL LIABILITIES

	Transmission		Distribution		Landbank	
	2010 £m	2009 £m	**2010 £m**	2009 £m	**2010 £m**	2009 £m
Current						
Amounts owed to fellow Viridian undertakings	**-**	-	**-**	-	**1.0**	-

16. PROVISIONS

	Transmission £m	Distribution £m	Landbank £m
Current	0.3	1.5	1.9
Non-current	0.2	0.9	1.6
Total at 1 April 2009	0.5	2.4	3.5
Applied in the year	(0.1)	(0.5)	(1.5)
Increase in provision	0.2	1.2	0.2
Released to income statement	(0.1)	(0.3)	(1.5)
Current	0.2	1.0	0.4
Non-current	0.3	1.8	0.3
Total at 31 March 2010	**0.5**	**2.8**	**0.7**
Provisions at 31 March 2010 comprise:			
Reorganisation and restructuring	-	0.4	-
Environmental	0.1	0.4	0.7
Liability and damage claims	0.4	2.0	-
	0.5	**2.8**	**0.7**