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Company Registration No. 3504828

Cinergy Global Power (UK) Limited

Report and Financial Statements

31 December 2004



Cinergy Global Power (UK) Limited

Report and financial statements 2004

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Cinergy Global Power (UK) Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activity

The principal activity of the group is the engagement in energy trading contracts.

Review of business and future prospects

A decision was made during 2004 by the ultimate parent company that Cinergy Global Power (UK) Limited and its subsidiaries should cease operations in the United Kingdom. It is the opinion of the Directors that the group and company can continue to exist as a going concern for the foreseeable future as its operations wind down, but they have sought to let the current trading portfolio expire and have not entered into any new trading contracts.

Results and dividends

The consolidated profit and loss account is set out on page 5. The directors do not recommend the payment of a dividend (2003: £nil) and the profit for the financial year has been transferred to reserves.

Directors and their interests

The directors who served throughout the year (including subsequent changes) were:

H C Hamilton (resigned 10 June 2005)
J Bryant (resigned 10 June 2005)
B K Stallman (appointed 10 June 2005)
J E Rogers
D L Wozny (resigned 1 May 2006)

No director had any disclosable interests in the share capital of the company or any other United Kingdom group company during the year ended 31 December 2004 or the prior year.

Auditors

A resolution to re-appoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



B K Stallman
Director

22 December 2006

Cinergy Global Power (UK) Limited

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company, and the group, as at the end of the financial year and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, and the group, and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company, and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Cinergy Global Power (UK) Limited

We have audited the financial statements of Cinergy Global Power (UK) Limited for the year ended 31 December 2004 which comprise the consolidated profit and loss account, the consolidated balance sheet, the company balance sheet and the related notes 1 to 19. 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 section 235 of the Companies Act 1985. 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 auditors' 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 auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 Act 1985. We also report 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 transactions with the company and other members of the group is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards 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 circumstances of the company and the group, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 2004 and of the profit for the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

22 December 2006

Cinergy Global Power (UK) Limited

Consolidated profit and loss account Year ended 31 December 2004

	Note	2004 £'000	2003 £'000
Turnover	1	5,495	27,248
Cost of sales		(4,476)	25,924
Gross profit before net trading margin		1,019	1,326
Net trading margin	1	6,566	7,598
Gross profit		7,585	8,924
Other operating expenses		(4,428)	(5,041)
Operating profit		3,157	3,883
Finance income (net)	3	714	37
Profit on ordinary activities before taxation	2	3,871	3,920
Tax charge on profit on ordinary activities	6	(1,254)	(1,316)
Profit on ordinary activities after taxation for the financial year	15	2,617	2,604

The results for the year ended 31 December 2004 and for the prior year were derived from discontinuing operations.

There are no recognised gains or losses other than those presented above. Accordingly, a statement of total recognised gains and losses has not been presented.

Cinergy Global Power (UK) Limited

Consolidated balance sheet 31 December 2004

	Note	2004 £'000	2003 £'000
Fixed assets			
Investments	7	-	-
Tangible assets	8	25	82
		<u>25</u>	<u>82</u>
Current assets			
Stocks	9	352	2,501
Debtors	10	19,082	66,895
Cash at bank and in hand		19,533	20,697
		<u>38,967</u>	<u>90,093</u>
Creditors: amounts falling due within one year	11	(22,436)	(72,071)
Net current assets		<u>16,531</u>	<u>18,022</u>
Total assets less current liabilities		16,556	18,104
Creditors: amounts falling due after more than one year	11	(312)	(4,634)
Provisions for liabilities and charges	12	(754)	(713)
Net assets		<u>15,490</u>	<u>12,757</u>
Capital and reserves			
Called up share capital	13	8,658	8,658
Share premium account	1	1,829	1,829
Profit and loss account	15	5,003	2,270
Equity shareholders' funds	16	<u>15,490</u>	<u>12,757</u>

These financial statements were approved by the Board of Directors on 22 December 2006.

Signed on behalf of the Board of Directors



B K Stallman
Director

Cinergy Global Power (UK) Limited

Company balance sheet 31 December 2004

	Note	2004 £'000	2003 £'000
Fixed assets			
Investments	7	9,630	9,630
Tangible assets	8	25	26
		<u>9,655</u>	<u>9,656</u>
Current assets			
Stocks	9	72	29
Debtors	10	129	391
Cash at bank and in hand		1,507	910
		<u>1,708</u>	<u>1,330</u>
Creditors: amounts falling due within one year	11	<u>(1,336)</u>	<u>(1,119)</u>
Net current assets		<u>372</u>	<u>211</u>
Net assets		<u>10,027</u>	<u>9,867</u>
Capital and reserves			
Called up share capital	13	8,658	8,658
Share premium account	14	1,829	1,829
Profit and loss account	15	(460)	(620)
Equity shareholders' funds	16	<u>10,027</u>	<u>9,867</u>

These financial statements were approved by the Board of Directors on 20 December 2005.

Signed on behalf of the Board of Directors

B K Stallman
Director

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

1. Accounting policies

Principal accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. Certain comparative information has been reclassified to better reflect the operations of the company.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standard, as modified by the marking to market of trading positions. The group accounts consolidate the accounts of Cinergy Global Power (UK) Limited and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date at which control passed. Acquisitions are accounted for under the acquisition method.

Cashflow statement

Under the provisions of Financial Reporting Standard No.1 (Revised), the company and group are exempt from preparing a cashflow statement because the ultimate holding company (see note 19) publicly produces a consolidated cashflow statement.

Turnover and net trading margin

Turnover primarily comprises the gross value of electricity supplies made to customers through the groups subsidiary engaged in retail activity, net of VAT.

Net trading margin comprises the net value of physical sales, futures trades, option premiums and amounts receivable from group companies for agency trading, occurring in the normal course of business, net of value added tax and other sales related taxes.

Having regard to the overriding requirement under section 227(6) of the Companies Act 1985 for the financial statements to give a true and fair view of the group's results and financial position, the directors have adopted mark-to-market accounting principles in drawing up these financial statements.

Net trading margin primarily consists of recognised gains and losses, mark to market unrealised profits and losses from exchange traded futures and options, over-the-counter swaps, forwards and options contracts with counterparties on a net present value basis.

Trading assets and trading liabilities are recorded on a trade date basis at fair value and include option premiums paid and received, unrealised gains and losses from exchange traded futures and options, over the counter ("OTC") swaps, forwards and options. Unrealised gains and losses on OTC transactions reflect amounts that would be received from or paid to a third party upon liquidation of these contracts. Unrealised gains and losses on OTC transactions are reported separately as assets and liabilities unless a legal right of setoff exists. Futures and exchange traded option transactions are recorded as contractual commitments on a trade date basis and are carried at fair value based on closing exchange quotations. Commodity swaps and forward transactions are accounted for as contractual commitments on a trade date basis and are carried at fair value derived from dealer quotations and underlying commodity exchange quotations. Given the nature, size and timing of transactions, estimated values may differ from realised values. Changes in the fair value are recorded in turnover.

The group has only one major class of business as described in the Directors' Report. The majority of operating profit is derived from trading activities in the United Kingdom.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is not provided on freehold land. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight line basis over its estimated useful life as follows:

Plant and machinery	33% per annum
Fixtures and fittings	33% per annum
Computer equipment	20% – 50% per annum

Stocks

Stock comprises Renewable Obligation Certificates and heavy fuel oil, both of which are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognized only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

1. Accounting policies (continued)

Pension costs and other post-retirement benefits

The group provides pension arrangements through the Cinergy Corp. UK Pension Scheme, which is operated by a non-group company, Cinergy Global Power Services Limited. The scheme has defined benefit and defined contribution arrangements as appropriate to relevant employees.

It is not possible to identify the share of the underlying assets and liabilities in the defined benefit scheme which is attributable to the group on a consistent and reasonable basis. Therefore, the group has applied the provisions in FRS 17 to account for the scheme as if it was a defined contribution scheme.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Related party transactions

Under the provisions of Financial Reporting Standard No. 8, the group has not disclosed details of related party transactions with group undertakings as its ultimate parent undertaking prepares consolidated financial statements which include the results of the group and those of the related parties with which transactions were undertaken during the period and these financial statements are made available to the public on an annual basis.

2. Profit on ordinary activities before taxation

	2004 £'000	2003 £'000
This is stated after charging:		
Depreciation – owned assets	57	213
Impairment of tangible fixed assets	-	102
Amortisation of goodwill	-	20
Impairment of goodwill	-	23
Operating lease rentals - other	125	125
Auditors' remuneration (group):		
- audit fees	69	65
- taxation fees	15	15

Audit fees include £10,000 (2003: £7,000) in respect of the company.

Operating lease rentals are charged for land and buildings and office equipment.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

3. Finance income (net)

	2004 £'000	2003 £'000
Interest payable on parent company loans	-	(316)
Bank interest receivable and similar income	779	394
Mark to market finance charges	(65)	(41)
	<u>714</u>	<u>37</u>

4. Staff costs

	2004 £'000	2003 £'000
Wages and salaries	1,777	2,695
Social security costs	231	292
Contributions to money purchase pension scheme (see note 18)	80	93
	<u>2,088</u>	<u>3,080</u>

The average number of employees (including directors) employed by the group during the year was 27 (2003: 33), of which 4 worked in trading (2003: 6), 3 in marketing (2003: 6) and 20 in administration (2003: 21).

One director, being the highest paid, received total emoluments of £363,739 (including defined contribution pension contributions) during the year (2003: £456,631), of which approximately 55% (2003: 40%) relate to the group. These emoluments are recorded and disclosed in the accounts of Cinergy Global Power Services Limited. No other directors received any remuneration for services to the group. There were no directors in a defined benefit pension scheme in the year (2003: one).

5. Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the parent company's profit and loss account has not been included in these financial statements. The parent company's profit for the financial year was £160,000 (2003: £357,000).

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

6. Tax on profit on ordinary activities

	2004 £'000	2003 £'000
Current Tax		
UK Corporation tax charge for the year	(1,167)	(1,108)
UK Corporation tax adjustment in respect of prior years	70	49
	<u>(1,097)</u>	<u>(1,059)</u>
Deferred Tax		
Origination and reversal of timing differences	(157)	(257)
	<u>(1,254)</u>	<u>(1,316)</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of corporation tax to the profit before tax is as follows:

	2004 £'000	2003 £'000
Profit on ordinary activities before tax	<u>3,871</u>	<u>3,920</u>
Tax on profit on ordinary activities at standard UK corporation Tax rate of 30% (2003: 30%)	1,161	1,176
Effects of:		
Excess depreciation over capital allowances	(77)	45
Disallowable expenses	29	28
Other timing differences	(377)	93
Mark to market income adjustment	431	431
Effect of losses	-	(665)
Adjustment in respect of prior years	(70)	(49)
	<u>1,097</u>	<u>1,059</u>

7. Investments

Company	£'000
Cost and net book value at 1 January 2004	9,630
Additions during the year	-
	<u>9,630</u>
Cost and net book value at 31 December 2004	<u>9,630</u>

This represents the company's investment in its wholly owned subsidiary Cinergy Global Trading Limited, a company incorporated in Great Britain and engaged in energy trading.

Interests in group undertakings

The results of Cinergy Global Trading Limited, UK Electric Power Limited (electricity marketing), Renewable Trading Limited (non-trading) and Commercial Electricity Supplies Limited (non-trading) are included in the group accounts. All of these subsidiary undertakings are wholly owned by ordinary shares and are incorporated and operate in Great Britain. Only Cinergy Global Trading Limited is owned directly by the company.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

8. Tangible fixed assets

Group	Freehold land £'000	Fixtures and fittings £'000	Computer equipment £'000	Plant and machinery £'000	Total £'000
Cost					
At 1 January 2004	25	89	814	116	1,044
Additions during year	-	-	-	-	-
At 31 December 2004	25	89	814	116	1,044
Depreciation					
At 1 January 2004	-	87	759	116	962
Charge for the year	-	2	55	-	-
At 31 December 2004	-	89	814	116	962
Net book value					
At 31 December 2004	25	-	-	-	25
At 31 December 2003	25	2	55	-	82

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

9. Tangible fixed assets (continued)

Company	Freehold land £'000	Computer equipment £'000	Plant and machinery £'000	Total £'000
Cost				
At 1 January 2004	25	15	116	156
Additions during year	-	-	-	-
At 31 December 2004	25	15	116	156
Depreciation				
At 1 January 2004	-	14	116	130
Charge for the year	-	1	-	1
At 31 December 2004	-	15	116	131
Net book value				
At 31 December 2004	25	-	-	25
At 31 December 2003	25	1	-	26

9. Stocks

	Group		Company	
	2004 £'000	2003 £'000	2004 £'000	2003 £'000
Renewable Obligation Certificates	280	2,472	-	-
Heavy fuel oil	72	29	72	29
	352	2,501	72	29

10. Debtors

	Group		Company	
	2004 £'000	2003 £'000	2004 £'000	2003 £'000
Amounts falling due within one year				
Trade debtors	4,816	42,301	53	220
Mark-to-market asset	10,484	16,124	-	-
Amounts owed by group undertakings	2,738	889	8	-
Other debtors	235	-	14	-
Deferred tax (see note 13)	-	-	5	9
VAT	-	-	5	-
Prepayments and accrued income	666	2,772	44	162
	18,939	62,086	129	391
Mark-to-market asset	143	4,809	-	-
Total debtors	19,082	66,895	129	391

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

11. Creditors

	Group		Company	
	2004	2003	2004	2003
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade creditors	1,930	43,394	56	172
Mark-to-market liability	11,692	15,608	-	-
Amount due to group undertakings	563	5,103	1,063	768
Corporation tax	766	666	173	121
VAT	4,389	892	-	18
Other creditors	8	124	-	26
Accruals and deferred income	3,088	6,284	44	14
	<u>22,436</u>	<u>72,071</u>	<u>1,336</u>	<u>1,119</u>
Amounts falling due after one year				
Mark-to-market liability	<u>312</u>	<u>4,634</u>	<u>-</u>	<u>-</u>

12. Provision for liabilities and charges

Deferred taxation

The movements on the group deferred tax balance are as follows:

	£'000
At 1 January 2004	(713)
Charged to the profit and loss account in respect of:	
Origination and reversal of timing differences (see note 6)	(157)
At 31 December 2004	<u>(870)</u>

The deferred tax liability is constituted as follows:

	2004	2003
	£'000	£'000
Tax effect of timing differences		
Excess depreciation over capital allowances	107	195
Tax losses available	-	17
Mark to market income adjustment	(861)	(1,292)
Other	(116)	367
	<u>(870)</u>	<u>(713)</u>

In the company only accounts of Cinergy Global Power (UK) Limited, there is a potential deferred tax asset of £5,301 (2003: £9,327) representing excess depreciation over capital allowances and losses carried forward. This deferred tax asset has been recognised in the company only balance sheet as the company believes that it will be recoverable in the future.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

13. Called up share capital

	2004 £'000	2003 £'000
Authorised		
8,700,000 ordinary shares of £1 each (2003: 8,700,000)	8,700	8,700
Allotted and called up		
8,658,000 ordinary shares of £1 each (2003: 8,658,242)	8,658	8,658

14. Share premium account

	2004 £'000	2003 £'000
Group and company		
At 1 January 2004 and 31 December 2004	1,829	1,829

15. Profit and loss account

	Group		Company	
	2004 £'000	2003 £'000	2004 £'000	2003 £'000
At 1 January	2,270	(334)	(620)	(977)
Profit/(loss) for the financial year	2,617	2,604	160	357
At 31 December	4,887	2,270	(460)	(620)

16. Reconciliation of movements in equity shareholders' funds

	Group		Company	
	2004 £'000	2003 £'000	2004 £'000	2003 £'000
Opening equity shareholders' funds	12,757	10,153	9,867	9,510
Profit / (loss) for the financial year	2,617	2,604	160	357
Closing equity shareholders' funds	15,374	12,757	10,027	9,867

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

17. Financial commitments

Operating leases

The company has no commitments under operating leases. At 31 December 2004, the group had commitments to make payments during the next twelve months under non-cancellable operating leases which expire as follows:

	2004		2003	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expires within one year	-	2	4	2
Expires between two and five years	106	-	106	-
	<u>110</u>	<u>2</u>	<u>110</u>	<u>2</u>

Leases of land and buildings are typically subject to rent reviews at specific intervals and provide for the lease to pay all insurance maintenance and repair costs.

The Group also enters into gas and power commitments in the ordinary course of business.

18. Pension commitments and similar obligations

Pension arrangements are provided by the Cinergy Corp. UK Pension Scheme, which is operated by its sister company, Cinergy Global Power Services Limited. The scheme has defined benefit and defined contribution arrangements as appropriate to relevant employees.

It is not possible to identify the share of the underlying assets and liabilities in the defined benefit scheme which is attributable to the company on a consistent and reasonable basis. Therefore, the company has applied the provisions in FRS 17 to account for the scheme as if it was a defined contribution scheme.

The scheme, established as the Cinergy Corp. UK Pension Scheme, has defined benefit pension arrangements, which are funded in accordance with the recommendations of an independent actuary.

Details of the most recent actuarial valuation of the defined benefit arrangements, which was conducted as at 31 December 2000 by independent actuaries using the attained age method, is as follows:

Main assumptions (% pa):

rate of increase in salaries	7.96
rate of increase in pensions in payment	4.33
rates of increase in deferred pensions	5.00
rate of dividend increase	3.50
return on scheme investments	8.50

Results:

Value of scheme's assets (\$)	3,553,750
Level of funding (%)	76

The scheme closed to contributions from members as at 31 December 2002, at which point, on an ongoing basis, the scheme was considered to be in surplus. The trustees are in the process of winding up the scheme and during 2003 reassessed the scheme liabilities on this basis. The scheme assets, together with further company contributions, were applied by the trustees to acquire annuities intended to cover the reassessed scheme liabilities. At 31 December 2004, the scheme is considered to be in balance and no FRS 17 disclosures in respect of the current year or prior year are required as the scheme is now closed.

Cinergy Global Power (UK) Limited

Notes to the accounts

Year ended 31 December 2004

18. Pension commitments and similar obligations (continued)

The pension cost charge for the year for defined benefit arrangements was \$Nil (2003: \$1,126,396).

The group also contributes to money purchase arrangements in respect of its existing employees. The pension cost charge for the year for defined contribution arrangements was £79,814 (2003 - £93,000).

There are no amounts outstanding in either scheme at the year end.

19. Ultimate holding company

During the year, the directors regarded Cinergy Corp, a company incorporated in the United States of America, as the ultimate parent company and the ultimate controlling party. This is the largest company into which Cinergy Global Trading Limited is consolidated. Copies of the financial statements are available from The Secretary, Cinergy Global Trading Limited, c/o PricewaterhouseCoopers, PO Box 88, Queen Victoria House, Guildhall Road, Hull, HU1 1HH, United Kingdom.

Subsequent to the year-end, the ultimate holding company became Duke Energy Corporation after a merger in May 2005 between Duke Energy and Cinergy.

The immediate holding company of Cinergy Global Power (UK) Limited is Cinergy Global Power Inc., which is incorporated in the USA. This is the smallest company into which Cinergy Global Trading Limited is consolidated.