

Green Globe Manager powered by bio-fuel

Chris Tobias was offered a position late last year as business development manager with Green Globe New Zealand, an eco-tourism accreditation agency. He needed a car for this new position and decided he really wanted something that would be eco-friendly in line with the aims and objectives of his new job. So he approached Prometheus for a loan to enable him to purchase a second-hand Toyota Caldina diesel and have it converted by Envirocar Ltd to run on bio-fuel.

As reported in our last issue of Profile, New Zealand company Envirocar Ltd has developed a computer-controlled technology which can be easily fitted to modern fuel-efficient diesels to enable them to run on recycled and filtered cooking oil. The oil is collected from restaurants and fast food outlets throughout the country and cleaned at the company's facility in Wellington and delivered to storage tanks at client's properties as needed.

This is an almost carbon-neutral form of transport as the carbon released in the combustion of this bio-fuel is entirely the product of carbon previously captured from the atmosphere when the oil plants were growing. The newer diesel conversions do, however, have a small secondary tank for mineral diesel for initial start-up and run-down and to that extent are not entirely carbon-neutral in operation. In Chris' case the particular make of car enabled the conversion without the need for a secondary tank.



Of course, no vehicle can yet be entirely carbon neutral over its lifetime even if running 100% on bio-fuels as the vehicle manufacture and fuel production processes currently use significant amounts of fossil fuel. Nevertheless, Envirocar and its clients like Chris are taking what steps they can to help us reduce our petroleum dependence and the ecological footprint of our transport system. We can all contribute to these goals by at least choosing a more fuel-efficient vehicle next time we buy a car and by looking for ways to reduce the number of trips we take even then.



NEW ZEALAND

Green Globe is the global performance brand for sustainable travel and tourism.

Its membership in New Zealand consists of top-notch tourism operators who are dedicated to running responsible, sustainable businesses.

To learn more about Green Globe and its participants, visit the new website at www.greenglobenz.org or contact **Chris Tobias** on **027 282 2234**.

NEWEST ACCOUNT

We established a new Climate Saver term account last year to help attract funds for the large number of solar water heating installations and other carbon emissions reducing loan projects we expected to finance over the year ahead. That new higher interest term investment account has a minimum deposit of \$10,000, a 2-year term and a fixed interest rate of 7.0% p.a.

The account was promoted at that time to existing investors and generated a very positive response. It has since proven to be very popular with new investors as well who are keen to see their funds supporting emissions reduction projects and technologies, including: solar water heating, hybrid petrol-electric vehicles, bio-fuel vehicles, solar photo-voltaics, insulation retrofits, micro-hydro and energy-efficiency upgrades,

climate saver
TERM ACCOUNT **7.0%pa**

Secured term investment - 2 year fixed rate
Supporting renewable energy projects, energy efficiency upgrades and low emission fuel-efficient hybrid and bio-fuel vehicles.



Working bee on community



New baling

Earthsong Community

What are the defining characteristic of a healthy community? I'm sure there are a range of answers to that question but amongst those answers I would expect to see such elements as: supporting fellow community members; combining resources to meet challenges; sharing each other's successes and good fortune; and caring enough to go out of one's way to help others.

A recent loan application from members of the Earthsong Eco-Neighbourhood in Ranui, Waitakere City, suggests that Earthsong has clearly got something important right in developing the 'community' part of this community development.

The application, from community members David Williams and Helen McNeil was for a loan so that they could support another intending member to purchase a house at Earthsong. The intending member had arranged finance for the majority of the funds needed to purchase their unit but was restricted by their Bank's lending limits from reaching the total necessary. David and Helen offered to help out by providing the remaining portion of the funds and becoming a co-owner of the unit.

This offer made it possible for the purchase to go ahead and was a wonderfully constructive way of getting around some of the challenges that have resulted for home buyers from the surging house prices we have experienced in New Zealand over recent years.

This is not the first example of such collaboration that we have seen at Earthsong. Over the past few years since the completion of the first 17 units in Stage I of this project we have witnessed a number of collaborative purchases in different forms as people have found ways to pool their resources to achieve their goal of being part of this path-breaking community.

Despite the multitude of challenges that have been faced in the lengthy process of creating New Zealand's first urban co-housing community, they have clearly got some important things right at Earthsong. We at Prometheus again felt privileged to be able to facilitate yet another aspect of this positive community development.

David and Helen at Earthsong



Recycling the Far North

Late last year Prometheus received another loan application from Far North recycling company, Clean Stream Northland (CSN). This is the latest in a series of loans to the organisation as it continues to go from strength to strength and builds a solid business foundation for its resource recovery and recycling operations in Northland.

As noted in earlier newsletters the company was originally established in 2003 as a joint venture between the Community Business & Environment Centre (CBEC) in Kaitiāia and local iwi organisation Te Runanga O Te Rarawa. CSN have been successful in the last two Far North District Council waste management contract tenders for the 'Northern Area' and have a further year to run on their current contract with an extension available of a further 20 months.

CSN have been performing strongly both operationally and financially under the current contract. They have been consistently achieving all the monthly Key Performance Indicators and have built up a strong management team with excellent personnel in key positions.

As a result of this solid performance over the previous three years the CSN management decided to upgrade their plant by purchasing a larger baling press and conveyor feed system and to apply to Prometheus for a loan to finance that. The upgrade was aimed at improving the efficiency of current material handling, baling and freight of recyclables destined for export.

There wasn't expected to be any reduction in staffing but a major increase in the volume of materials they could process.

CSN has an impressive track record of success in introducing a resource recovery and waste minimisation focus into the far North District Council waste management operation. That background together with their ongoing solid management and financial performance meant that we had no hesitation in approving this latest loan application.

Members of the CSN team



celtic Roundhouse

Robina McCurdy and her partner Huckleberry Leonard started building their earth home in early 2005, with the help of a number of interns attending Robina's ecological building course. The house is a reciprocating roundhouse structure, based on an ancient Celtic design.

That design was researched and documented by Welshman Tony Wrench in his book "The Low Impact Roundhouse". Tony guided the initial stages of the process long-distance and local earth building architect and engineer, Richard Walker, acted as consultant on the project, drawing up the plans and submitting them for building consent. Richard also tutored the team in earth building methods.

The house is 7 metres in diameter, has 13 poles and a skylight with an extension for a semi-outdoor kitchen and bathroom. The walls are partly adobe (mud-brick) and partly cobb while the extension walls are partly stone. The roundhouse floor is made of hexagonal earth tiles. Other features of the design include rainwater collection, a greywater treatment system and a composting toilet (similar in design to the DoC toilets in our National parks).

The roundhouse is being built on Tui Community in Golden Bay and the building process is being used as a learning experience for people wanting to gain hands-on ecological building skills. In the past two years 60 people from a diversity of countries around the world, most in their 20's, have participated in the building project. They have left the course with building skills, community experience and, according to Robina, in many cases with a clearer sense of their life direction.

Robina applied for a loan from us in mid-2006 for finance to complete this building project. As the roundhouse is being built on land owned by the Tui Spiritual and Educational Trust the land itself could not be used as equity and so we had to be more flexible in how we arranged the security for this loan.

A Sustainability Catalyst

Robina has been involved all her life in community educational activities and establishing practical demonstration models of sustainable systems and sees herself as a "sustainability catalyst".

She has worked for three decades in community development, teaching permaculture design and organic growing, developing environmental education resources and creating participatory decision-making processes.

Robina has worked in these fields around the globe with organisations such as: the NZ High Commission, DANIDA (Denmark), Fundacio Gaia (Brazil), Global Ecovillage Network (Australia), Village Development, Novalis Institute and Abalimi Bezekhaya (South Africa), PELUM (Zimbabwe), Context Institute (USA) and the British High Commission.

Her State and Steiner education training has given her the background to teach in the International School in Laos, work as an environmental educator/researcher with NZ Natural Heritage Foundation, develop and teach literacy based on Steiner principles of reading/writing/spelling in African villages and establish a rural Steiner-based kindergarten at Tui Community.

Robina was a founder of Tui Community and initiated and tutored in the 'Planet Organic' course in Golden Bay. That course has now been modified and compressed into a 6 week format and is being offered on the Tui Trust property.

For more on Robin's work see www.greenworld-earthcare.org

Tui Spiritual & Educational Trust

The Tui Spiritual & Educational Trust is a registered charitable trust. Its purposes and objects can be summarised as follows:

- to promote and provide seminars and workshops on the design and function of intentional communities and to promote the establishment of such communities.
- to promote a holistic approach to education through teaching the principles of community and co-operation, the need for social and environmental awareness and the importance of physical and spiritual health and well-being.
- to promote and provide vocational training and research in the practise of permaculture, organic agriculture, horticulture, arts and music, cottage industries and manual trades.
- to promote research on the development and production of environmentally appropriate technology.
- to promote physical, mental and spiritual well-being and provide facilities for healing and relief of suffering through education and the provision of life skills, healing practises, specialised therapies and counselling services.

Please note that the above is only a synopsis of the Trust's aims, for further information about Tui Community and the Trust please visit www.tuitrust.org.nz



Making the mud . . .

• bricks

Self reciprocating roof

Building walls

Cobbing the kitchen wall

Sealing the earth floor

Relaxing!



Geraldine Downs Eco-Home



Rhys Taylor and Anne Griffiths are building a two-stage low visual impact home on their property in the Geraldine Downs with a number of eco-features that they were keen to have financed by a loan from Prometheus.

Their property is a lifestyle block of just over 6ha, a few kms west of Geraldine, which borders farmland to the south and west with gorgeous views of the Four Peaks range. Due to the sensitivity of the Downs landscape Rhys and Anne commissioned an assessment from local landscape architect Ines Stager, of Lucas Associates, to assess the effects of the proposed dwelling they had had designed on the surrounding landscape and to propose a landscape design to mitigate any effects.

Their site is in the Pareora Ecological Region which used to support typical downland podocarp forest of totara, kahikatea, and matai with broadleaf, mahoe, kaikomako, rohutu and pokaka. Nearby Talbot Forest is the only substantial remnant of this forest on the Downs, a further two forest remnants (protected by QE II covenant) are immediately to the west and south-west on neighbouring farmland.

Rhys and Anne have adopted a management plan for a native bush restoration project covering nearly half the property which involves controlling weed species and encouraging natural regeneration. They are also planting the bush margins. They have established a pip fruit orchard with over 20 heritage varieties and a large organic vegetable garden.

Their house is being built in two stages to make the development process more affordable. Stage 1 is just intended as short-stay accommodation initially - a weekend and holiday base to visit the property and continue with the bush restoration and other planting and development of the site. When finances allow Stage 2 to be built that will enable Rhys and Anne to relocate their home and office to Geraldine full-time.

Stage 1 is an architect and engineer designed self-contained one-bedroom dwelling with shower room/WC and kitchen/living space. This first stage is recessed into the contour of the land at the East to avoid it standing out on the neighbours' skyline and will have an earth-bermed roof which will be planted in low growing native plants. Rainwater from the roof will be captured and used for watering gardens.

The house will have solar water heating, with units manufactured by Christchurch company, Thermocell, and an engineer-designed eco-friendly effluent disposal system, consisting of a septic tank, subsurface wetland and dispersal fields which irrigate shelter plantings. The Roger Buck design uses high thermal mass concrete floor, wall and roof construction with double glazing and good insulation on exterior walls for passive solar gain through north and west facing windows. The Holcim concrete incorporates waste fly-ash for lower embodied energy.

The proposed colours and materials are predominantly natural and are intended to blend into the landscape. Windows and flashings are in colours to minimise visual impact and the dwelling will be clad in limestone (Oamaru stone, which they believe is more energy-efficient than concrete), and all

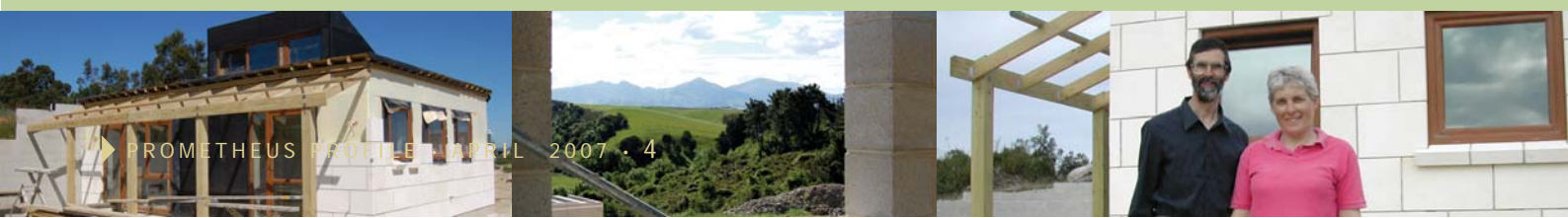
power and phone lines will be underground.

Given that the limestone cladding is of somewhat lighter hue than the tones of the landscape, it will be screened by locally sourced native plantings.

The builders are local firm Hendersons of Washdyke who seemed genuinely interested in gaining experience with environmental features having been impressed by a presentation on sustainability at the 2006 Master Builders annual conference.

Anne teaches mathematics at Hagley Community College in Christchurch and has been involved in their school environmental group and as staff rep on the School Board. Rhys works as an environmental consultant for local government and Crown Research Institute clients, he co-ordinates the NZ Sustainable Living Programme (see www.sustainableliving.org.nz) and is contracted to do long-term research on scenarios for New Zealand's future as 'capacity building for sustainability' with Landcare research. He is also involved with the NZ Association for Environmental Education and Sustainable Otago Christchurch (www.sustainablechristchurch.org.nz) and is a member of the Sustainable Business Network (www.sustainable.org.nz).

Rhys and Anne applied for a large part of the necessary funds for the building project from their local building society and the remainder from Prometheus. They saw this as a way of involving both NZ financial organisations that they support and in particular, saw the Prometheus loan as financing the explicitly environmental features of the project. We were very open to this shared financing arrangement, as was the Canterbury Building society who, according to Rhys: "... understand our wish to work with Prometheus as the financier of the 'environmental features' that distinguish this project from more conventional house building ventures".



Awhitu Organics



Foraging chickens



Kathy and Grant's new tractor

One of the early movers in the organic sector in New Zealand, Viv Rutherford, started by growing organic garlic in 1981 on 3 ha of his 240 ha sheep farm on the Awhitu Peninsula west of Auckland. The business, Awhitu Organics, is now run by his daughter Kathy and her partner Grant with ongoing help from Viv and his wife Robyn and grows a wide range of organic vegetables for the local market.

Viv's motivation was partly to have a retirement business when his son took over the farm and partly because he disliked the use of sprays and artificial fertilisers on the farm. He is passionate about soil health and believes excessive poisons will eventually destroy the soil. In his view, once damaged, the 'living' soil can take a long time to restore.

At the same time as starting Awhitu Organics Viv helped set up an organic farmer's co-operative in Auckland called "Ceres Organics". That farmer's co-op has grown to be one of New Zealand's largest organic wholesalers and distributors, Ceres Enterprises Ltd.

Meanwhile, Awhitu Organics developed its organic garlic production, gained Bio-Grow certification in 1985 (one of the first 50 organisations to do so) and continued to develop over the subsequent years. In the early stages the key achievement was the improvement of the property with shelter belts, drainage and application of compost and organic fertilisers to improve soil quality and vitality.

Viv and Robyn's daughter Kathy joined Awhitu in 1993 to manage a new nursery propagating and growing herbs and native trees. Kathy built demand for Awhitu's organic herbs by successfully marketing directly to Auckland restaurants.

Over the years the Awhitu team have continued to improve the property, expand the range of produce and build experience and knowledge around organic production systems through a largely "learn-as-you-go" approach. Kathy's partner Grant joined the team in the late 90s and the two of them completed a Permaculture course, run by Robin Francis from the Permaculture Institute of Australia. This proved a turning point for Awhitu as it supported Kathy's belief that the garden had to be managed as a whole ecosystem.

Awhitu sells its expanded range of organic vegetables and herbs through Ceres, via farm gate sales and via direct delivery throughout the Franklin District. Kathy and Grant had a loan approved from Prometheus early this year to help them buy a new tractor and a much needed heavier-duty mulcher/mower attachment to help with their ongoing plans for Awhitu. We wish them all the best in their on-going development.

If you would like to contact Awhitu Organics to enquire about ordering organic vegetables from them please call 09 235 1235

Lyttelton Harbour RETREAT



David Mason has built a modest retreat on his property in Governors Bay which comprises a cluster of small eco-chalets nestled above sumptuous views over Lyttelton Harbour. He established the retreat, named The Inner Peace Sanctuary: "To give people a place to stay so they could step out of their lives in order to re-evaluate their circumstances and decide on a plan to go back to their lives and make the changes they would like, to have the life they require".

The chalets are small, being approximately 3.6m x 5.7m downstairs with a loft bed space and their own shower and toilet and kitchen facilities. The chalets are currently rented out longer-term to help David cover the costs of financing the project though he plans to convert them to short-stay retreat accommodation in line with his original aim as he can afford to and as demand for retreat space increases.

Andrew managed to build each chalet for around \$16,000 by doing the work himself, using recycled building materials as much as possible, making his own joinery and "being a bit innovative like using clay to line each chalet".

He has only accepted tenants who have a spiritual outlook on life and as a result notes that the property has become a mini spiritual community. David observes that the tenants seem to need this kind of place to stay as they are mostly in transition in their own lives and need a relaxed and unpressured place to be while they adjust to those changes.

David applied for a loan from Prometheus late last year to re-finance this project as his original private loan needed to be repaid. Given the supportive and nurturing aims of this sanctuary and its beautiful realisation through David's craftsmanship we were delighted to provide that support.



Access road

Trinity & Grayham tree planting

View of Anatoki Valley



Vesta on the porch of her cottage

Shed

The Sanctuary Trust

Kathryn (Vesta) Rivers is a joint owner of a property called 'The Sanctuary' set at the base of the Southern Alps in the Anatoki Valley in Golden Bay. Vesta approached us in October last year seeking to refinance her existing loan for the property and extend that slightly to repay other debts and to help her cover the legal costs of putting her share of the property into a family trust, The Sanctuary Trust, for her two sons.

This type of refinancing is not something that we normally do, however once we looked at what had been achieved on the property and what was hoped for it we were happy to approve Vesta's loan.

Vesta and Andrew each have a dwelling, a cottage and house respectively, on the 4.4 hectare property and are self-sufficient in electricity as a result of a micro-hydro system that Andrew part-built and installed. Vesta's cottage and her 'whare' both have solar hot water and 12 volt solar electric systems, backed up by the 240 volt micro-hydro scheme. Andrew's house has a slow combustion oven with wetback and radiators for heating in winter in addition to the ample electricity from his hydro plant.

The land itself is multi-levelled with a series of pathways through regenerating native bush and a stream at the boundary flowing

from the Kahurangi National Park 200 metres away. Vesta has begun a small heritage orchard and is hoping to expand that and add some experimental nut trees and has planted a small woodlot of silver wattle.

They have had several ponds dug to develop the ecosystems on the property, encourage ducks and use the water from the micro-hydro scheme before it is returned to the stream. There is a small lake for swimming and another pond which they are thinking of stocking with fresh water crayfish as a profitable food source. The land has been organic by default in the past due to its inaccessibility and Andrew and Vesta plan to keep it that way.

Long-time friends Lolly, Simon and family are planning to become partners in the venture and build their own home on the property and help expand the community there. Vesta aims to build another home on the property in due course to increase the available accommodation. They hope to be able to make available some of the accommodation space to people seeking a retreat space, either as a writer's and artists retreat or for people needing rest and recovery from a busy lifestyle and who want to come to enjoy all that this sanctuary has to offer.

UPDATE Solar Water Heating loans



We reported in our October 2006 newsletter that the Energy Efficiency and Conservation Authority (EECA) had chosen Prometheus as the preferred provider for their solar water heating finance assistance programme for 2006/07. Under this program we have, as at 5 March 2007, advanced nearly \$2.5 million in solar water heating loans, helping to finance just under 600 SWH installations so far.

In addition, we have pre-approved a further \$1 million in loans which will be advanced once the systems are installed. We are very much on track to reach our projected target of around \$5 million in loans for solar water heating (or around 1100 installations) over the course of the current scheme, which ends in June this year.

EECA announced late last year some amendments to the current scheme to increase their finance assistance subsidy from \$300 per installation to \$500 for SWH systems that have been tested and meet cost-effectiveness requirements. This is part of their efforts to ensure that systems that receive the larger subsidy give a good return in terms of electricity savings. This addition to the current scheme was initially hoped to start in early February but has been delayed by the logistics of getting systems tested and is now hoped to start in early April.

EECA has also launched an updated website to provide information to householders, the building industry and the solar water heating industry (www.solarsmarter.org.nz). The section of the website devoted to information for consumers gives a good general introduction to the range of options and choices householders will face when considering what system to purchase and what questions they should be asking installers before making a final decision. This website will also carry information on the performance results of the tested systems as well when that is completed.

Prometheus News

Sustainability is gaining traction in New Zealand as a concept while ethical investment is starting to get the media attention it has long deserved. These developments reflect the growing awareness we have been expecting and which has contributed to a period of very strong growth for Prometheus.

Financial results

Recent consolidated figures for Prometheus show even stronger growth in deposits this year than last. In the eleven months to end February 2007 deposits had grown \$2.5 million to \$12.1 million.

Over the same period loans have grown in tandem, by \$2.4 million to just over \$9.4 million. This is the net result of \$2.1 mn in solar water heating loans under the EECA finance assistance scheme (currently outstanding) and other new loans which have more than offset a number of loans which have been repaid early.

New Account

We introduced another new investment account, the Climate Saver term account (see front page) to attract funds for our solar water heating loans. The strong response from both existing and new investors to this account contributed significantly to the strong growth in deposits over the latter part of this year. The account is yet further evidence that we are following through on our aim of offering more attractive rates to our depositors as we are able to afford that.

Marketing update

Our brand/image and marketing review process is nearing completion. We had an interesting range of responses to our on-line marketing survey and we are currently using some of that information to help with

the redesign of our website. We hope that this part of the project will be completed shortly after this newsletter goes to print so keep an eye out for our new, and we hope improved, website.

Another new colleague

Our colleague Geoff Burke, who has been with us for the past three years, left in February this year to return to the UK with his family. His replacement is Janice Sherlock, a Canadian who had worked for 16 years with VanCity Credit Union in Vancouver. Janice has loan administration and loan management experience and some experience in the ethical investment sector having worked for VanCity subsidiary, The Ethical Money Fund.

In prospect

As announced in our last newsletter we have been investigating the possibility of establishing an ethical super fund to participate in the Kiwi Saver scheme. There appears to be something of a size-bias in that scheme which makes it expensive and difficult for smaller players to qualify but we are persisting with our research and will keep you informed.

We are also looking seriously at how feasible it now is, given our more solid foundation, to establish a general ethical share fund. Existing Prometheus investors will be the first to know if we decide to go ahead with that.

Equity News

As a result of Prometheus' good performance over recent years our equity levels have now passed \$1 million. This gives Prometheus a Total Liabilities/Equity ratio of 12.19, currently, well below the upper limit set by our trust deed which requires that total liabilities (i.e. mainly deposits but includes some other balance sheet items) not exceed 15 times our equity level.

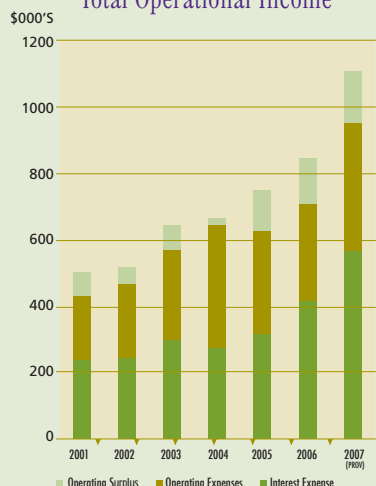
As explained in earlier newsletters, Prometheus' equity is an important part of the security for investors funds. Of course, as deposit levels grow we need to increase equity levels in line with that to maintain appropriate equity ratios.

The key reason Prometheus restructured to become a finance company was to allow us to bring in outside equity as necessary to protect depositor's funds as our balance sheet grew. Given our recent and prospective growth we felt it prudent to seek additional equity so that Prometheus could continue to grow in a balanced and unfettered way over the next 2-5 years.

Consequently, at the end of last year we approached two of the largest and longest established ethical banks in Europe for the desired injection of equity. The two banks we approached were Triodos Bank (with branches in the Netherlands, UK, Belgium and Spain) and GLS Gemeinschafts Bank (Germany). Their establishment in Europe in the early 1980's was the inspiration for the development of Prometheus here in New Zealand. We have had a close but informal relationship with both banks since then and they have been supportive of Prometheus since its inception.

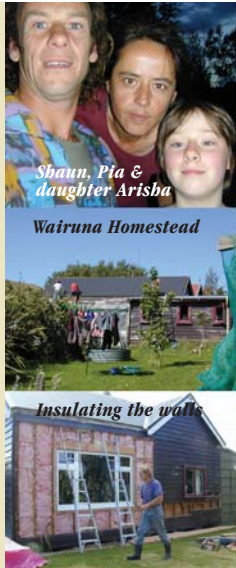
Triodos and GLS have recently completed their due diligence review of Prometheus' balance sheet and financial performance and have approved our request. This is both a strong expression of confidence in Prometheus' financial stability and management as well as being a fantastic foundation for our ongoing development. We will report further in the next newsletter on the implications for our total equity position when the details of this arrangement are finalised.

Total Operational Income



Loans & Entrusted Funds





Home and Organic Farm Improvement

Shaun McVicker and Pia Dickhaut own an organic small-holding in Clinton, South Otago, covering 3.5 ha and producing a variety of organic vegetables and fruit. They also operate an organic farm-stay at their property. The property is fully certified under its trading name 'Wairuna Organics' through the OrganicFarmNZ certification scheme for small organic producers.

Pia and Shaun have had a series of loans from us in the past. The first of these was to develop the property a little and the latest in mid-2004 was to allow them to complete the purchase of the farm from the family trust which had owned it and from whom they were leasing it with an agreement to purchase.

With business continuing to build steadily they felt able to approach us again late last year for a home and farm improvement loan extension. The home improvement part of the project included re-roofing their old cottage, removing all the weatherboards to fit insulation and refit and repair the exterior, and fitting carpet for a couple of the rooms.

These refurbishments, along with the work already done to install wood-burners and a new electric hot water cylinder, are expected to substantially improve the warmth and comfort factor in their home. The changes will also reduce their carbon footprint substantially as the wood-burners replace two multi-fuel burners and the electric HW cylinder replaces an old coal range.

The farm improvement part of the project included the plastic cover and airpump for the twin-skinned tunnel house they had already built the frame for, and a new tunnel house to supplant the conservatory. The twin-skinned tunnel house is to allow early spring germination while the conservatory will be adapted to be the new lounge in the house and allow some passive solar gain for their home.

Along with the application Shaun reported that the previous tunnel house we provided finance for had performed extremely well, standing up through exceptional 140 km/h winds that the region was hit with last year. We have been excited to see Wairuna going from strength to strength and felt privileged to be able to help Shaun and Pia further with this loan.

Loans in Brief

The Clean Green Car Company extended its working capital loan late last year. This was primarily to build up stock following their move to a new and larger yard in Beach Road, Parnell. The extended finance facility has also enabled them to make the most of opportunities over the past six months to purchase a number of vehicles at lower prices when these became available. The CGCC is also currently stocking a small range of electric scooters to test market interest. The scooters are rechargeable at home and a good, though exposed, inner-city transport alternative.

Individual loans for Hybrid vehicles have continued to grow steadily over the past six months and we have now financed 24 people into these very low emission fuel-efficient vehicles since we started providing this form of eco-purchase finance at the beginning of last year. As noted in our last newsletter the feedback from these new hybrid owners has been overwhelmingly positive, reporting a high level of satisfaction with the performance, fuel economy and cost savings they have experienced.

The Waiohiki Community Charitable Trust, which we reported on in detail in the October 2006 newsletter, has extended its existing loan to purchase some second-hand buildings and move them on to its property just north of Taradale in the Hawkes Bay. The relocated buildings will be refurbished and used as additional workshop space for the growing number of artists and artisans operating from the Trust's Community Arts Centre.

It is the Trust's intention to build further display space onto the main building, a renovated dairy factory, to give the other artists working on site better exposure to the public.

Ali Majid and Mahieh Amin are elderly Iraqi refugees who were granted permanent residency in New Zealand in the late 1990's along with some of their children. They had received a loan from us several years ago to help support family members who were still stuck in rather unenviable situations overseas. Their daughter Jaanei approached us again last year for a further loan to help with the next stages of assisting these family members on their journey from the UN refugee camp they've been living in recently.



Investors may obtain a free copy of our investment statement and registered prospectus from our office.

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