

Company Registration No 3738110

CHARTERING INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006



Registered Office
86 Jermyn Street
St James
London
England
SW1Y 6AW

CHARTERING INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

The directors present their report and financial statements for the year ended 31 December 2006

Principal activities and review of the business

The principal activity of the company was that of the provision of yacht chartering services

Results and dividends

The results for the year are set out on page 4

The directors do not recommend the payment of a dividend (2005 £nil)

Directors

The following directors have held office since 1 January 2006

J Bradshaw
B A Safa
A McBarnet
S E McGowan
Steve Malley

The directors have no interest in the issued share capital of the company

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that KPMG Audit LLC be reappointed as auditors of the company will be put to the Annual General Meeting

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

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable laws and regulations

Company law requires the Directors to prepare financial statements, which meet the requirements of United Kingdom company law. In addition, the Directors have elected to prepare the financial statements in accordance with UK accounting standards

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company 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, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

On behalf of the board



A McBarnet (Director)

Date 04/05/2007

CHARTERING INTERNATIONAL LIMITED

Report of the Independent Auditors, KPMG Audit LLC, to the members of CHARTERING INTERNATIONAL LIMITED

We have audited the financial statements of Chartering International Limited on pages 4 to 10 for the year ended 31 December 2006, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 1.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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' transactions and remuneration with the Company is not disclosed.

We read the Directors' Report and any other information accompanying the financial statements and consider the implications for our report if we become aware of any apparent misstatements or inconsistencies within it.

Basis of audit opinion

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

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

CHARTERING INTERNATIONAL LIMITED

**Report of the Independent Auditors, KPMG Audit LLC,
to the members of CHARTERING INTERNATIONAL LIMITED**

Opinion

In our opinion the financial statements

-) give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended, and

-) have been properly prepared in accordance with the Companies Act 1985

The information given in the Directors' Report is consistent with the financial statements

KPMG Audit LLC

KPMG Audit LLC
Chartered Accountants
Registered Auditor

11 May 2007

Heritage Court, 41 Athol Street
Douglas
Isle of Man
IM99 1HN

CHARTERING INTERNATIONAL LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Notes	2006 £	2005 £
Turnover	2	170	47,959
Cost of sales		-	(45,676)
Gross profit		170	2,283
Administrative expenses		(218)	(1,717)
Operating (loss)/profit	3	(48)	566
Other interest receivable and similar income	4	230	184
Interest payable and similar charges	5	(46)	-
Profit on ordinary activities before taxation		136	750
Tax on profit on ordinary activities	6	7,256	(250)
Profit on ordinary activities after taxation	11	7,392	500
Profit brought forward		13,162	12,662
Profit carried forward		20,554	13,162

All of the company's activities are derived from continuing operations

In both the current and preceding year there were no recognised gains and losses other than those passing through the profit and loss account

The notes on pages 6 to 10 form part of these financial statements

CHARTERING INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
Current assets					
Debtors	8	7,747		1,999	
Cash at bank and in hand		42,297		40,350	
		<u>50,044</u>		<u>42,349</u>	
Creditors amounts falling due within one year	9	<u>(29,488)</u>		<u>(29,185)</u>	
Net assets			<u>20,556</u>		<u>13,164</u>
Capital and reserves					
Called up share capital	10		2		2
Profit and loss account	11		20,554		13,162
Shareholders' funds - equity interests	12		<u>20,556</u>		<u>13,164</u>

The notes on pages 6 to 10 form part of these financial statements

The financial statements were approved by the Board on 04/05/2007



A McBarnet
Director

CHARTERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with applicable financial reporting and accounting standards generally accepted in the United Kingdom

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Office equipment	20% - straight line basis
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1.3 Taxation

The charge for taxation is based on the profit for the year, amended for permanent differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is fully provided (in accordance with FRS 19) on timing differences using tax rates which are expected to apply on crystallisation of the timing differences. Deferred tax assets are recognised to the extent they are more likely than not to be recovered. The Company does not discount deferred tax balances.

1.4 Foreign currency translation

The Company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Gains or losses resulting from the translation are taken to the profit and loss account.

1.5 Cash flow statement

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.6 Income

Income is accounted for on an accruals basis.

2 Turnover

Turnover represents income derived from the company's principal activity.

3 Operating (loss)/profit	2006	2005
	£	£
Operating (loss)/profit is stated after charging		
Loss on foreign exchange transactions	44	-
and after crediting		
Profit on foreign exchange transactions	-	(167)

Auditors' remuneration is borne by the ultimate parent company.

CHARTERING INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

4	Interest receivable and similar income	2006	2005
		£	£
	Bank interest	-	17
	Other interest	230	-
	Profit on foreign exchange	-	167
		<u>230</u>	<u>184</u>
5	Interest payable and similar charges	2006	2005
		£	£
	On overdue tax	2	-
	Loss on foreign exchange	44	-
		<u>46</u>	<u>-</u>
6	Taxation	2006	2005
(a)	Analysis of charge in year	£	£
	Domestic current year tax		
	Corporation tax at 30.00% (2005 - 30.00%)	32	250
	Adjustment for prior years	(7,288)	-
		<u>(7,256)</u>	<u>250</u>
	Current tax charge		
		<u>(7,256)</u>	<u>250</u>
(b)	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>136</u>	<u>750</u>
	Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 30.00% (2005 - 30.00%)	<u>41</u>	<u>225</u>
	Effects of		
	Non deductible expenses	-	30
	Capital allowances	(9)	-
	Adjustments to previous periods	(7,288)	-
	Other tax adjustments	-	(5)
		<u>(7,256)</u>	<u>250</u>
	Current tax charge		
		<u>(7,256)</u>	<u>250</u>

CHARTERING INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

7 Tangible fixed assets

	Office equipment £
Cost	
At 1 January 2006 & at 31 December 2006	1,438
Depreciation	
At 1 January 2006 & at 31 December 2006	1,438
Net book value	
At 31 December 2006	-
At 31 December 2005	-

8 Debtors	2006	2005
	£	£
Trade debtors	-	1,999
Corporation tax	7,747	-
	<u>7,747</u>	<u>1,999</u>

9 Creditors, amounts falling due within one year	2006	2005
	£	£
Amounts owed to parent and fellow subsidiary undertakings	29,456	21,653
Corporation tax	32	7,532
	<u>29,488</u>	<u>29,185</u>

Amounts owed to parent and fellow subsidiary undertakings are unsecured, interest free and repayable on demand. Intercompany balances are shown on a net basis with the Fortis Intertrust (Jersey) Limited Group.

CHARTERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

10 Share capital	2006 No	2005 No.
Authorised		
10,000 ordinary £1 shares	10,000	10,000

	2006 £	2005 £
Allotted, called up and fully paid		
2 ordinary £1 shares	2	2

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2006	13,162
Profit for the year	7,392
Balance at 31 December 2006	20,554

12 Reconciliation of movements in equity shareholders' funds	2006 £	2005 £
Profit for the financial year	7,392	500
Opening shareholders' funds	13,164	12,664
Closing shareholders' funds	20,556	13,164

13 Contingent liabilities

There were no known contingent liabilities at the balance sheet date (2005 None)

14 Capital commitments

There were no major capital commitments as at the balance sheet date (2005 None)

15 Employees

Number of employees

There were no employees during the year apart from the directors, who received no remuneration

CHARTERING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

16 Immediate and ultimate parent company

The immediate parent company is Fortis Intertrust (Jersey) Limited , a company incorporated in Jersey (2005 Fortis Intertrust (Jersey) Limited) The Company's ultimate parent undertaking is Fortis Group jointly registered in Belgium and Netherlands (2005 Fortis Group) The smallest and largest group in which the results of the Company and its subsidiary undertakings are consolidated is that by headed by Fortis Group, which is the ultimate controlling party of the Company

17 Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company Fortis is jointly registered in Belgium and Netherlands and consolidated financial statements are publicly available from Rue Royale 20, 1000 Brussels, Belgium and Archimedeslaan 6, 3584 Utrecht, Netherlands

CHARTERING INTERNATIONAL LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006**

		2006	2005
		£	£
Turnover		170	47,959
Cost of sales		-	(45,676)
Gross profit		170	2,283
Administrative Expenses			
Bad debt charges	-	1,617	
Bank Charges	218	-	
Penalty on late payment of tax	-	100	
		(218)	(1,717)
Operating (loss)/profit		(48)	566
Other interest receivable and similar income			
Exchange gain	-	167	
Bank Interest	-	17	
Other Interest	230	-	
		230	184
Interest payable and similar expenditure			
Interest payable on overdue tax	(2)	-	
Exchange loss	(44)	-	
		(46)	-
Profit on ordinary activities before taxation		136	750

This page is supplementary to and does not form part of the statutory financial statements