

COMPANY REGISTRATION NUMBER 3926625

EURO ALLIANCE STRUCTURED FINANCE LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2003

SLAVEN JEFFCOTE LLP

Chartered Certified Accountants & Registered Auditors
1 Lumley Street
Mayfair
London
W1K 6TT



EURO ALLIANCE STRUCTURED FINANCE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditors' report to the shareholders	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8
The following page does not form part of the financial statements	
Detailed profit and loss account	14

EURO ALLIANCE STRUCTURED FINANCE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Jacques Chouraki Lumley Management Limited
Company secretary	JD Secretariat Limited
Registered office	1 Lumley Street Mayfair London W1K 6TT
Auditors	Slaven Jeffcote LLP Chartered Certified Accountants & Registered Auditors 1 Lumley Street Mayfair London W1K 6TT
Bankers	Allied Irish Bank (GB) 10 Berkeley Square London W1X 6DN

EURO ALLIANCE STRUCTURED FINANCE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2003

The directors present their report and the financial statements of the company for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was that of an investment holding company.

The Company has invested in two french companies, incorporated in Guadeloupe, French West Indies.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2003	At 1 January 2003
Jacques Chouraki	—	—
Lumley Management Limited	—	—

DIRECTORS' RESPONSIBILITIES

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 8, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint Slaven Jeffcote LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

EURO ALLIANCE STRUCTURED FINANCE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2003

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

1 Lumley Street

Mayfair

London

W1K 6TT

Signed by order of the directors



JD SECRETARIAT LIMITED

Company Secretary

Approved by the directors on 14/01/05

EURO ALLIANCE STRUCTURED FINANCE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
EURO ALLIANCE STRUCTURED FINANCE LIMITED
YEAR ENDED 31 DECEMBER 2003

We have audited the financial statements of Euro Alliance Structured Finance Limited for the year ended 31 December 2003 on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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 law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you 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 is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants
& Registered Auditors

1 Lumley Street
Mayfair
London
W1K 6TT

14/1/05.....

EURO ALLIANCE STRUCTURED FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2003

	Note	Year to 31 Dec 03 £	Period from 1 Mar 02 to 31 Dec 02 £
TURNOVER		—	—
Administrative expenses		24,343	21,211
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(24,343)</u>	<u>(21,211)</u>
Tax on loss on ordinary activities	3	—	—
LOSS FOR THE FINANCIAL YEAR		<u>(24,343)</u>	<u>(21,211)</u>
Balance brought forward		(34,393)	(13,182)
Balance carried forward		<u>(58,736)</u>	<u>(34,393)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

EURO ALLIANCE STRUCTURED FINANCE LIMITED

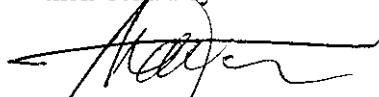
BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Investments	4	141,396	39,672
CURRENT ASSETS			
Debtors	5	26,957	26,957
Cash at bank		36	200
		<u>26,993</u>	<u>27,157</u>
CREDITORS: Amounts falling due within one year	6	<u>222,125</u>	<u>96,222</u>
NET CURRENT LIABILITIES		<u>(195,132)</u>	<u>(69,065)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(53,736)</u>	<u>(29,393)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	5,000	5,000
Profit and loss account		(58,736)	(34,393)
DEFICIENCY	9	<u>(53,736)</u>	<u>(29,393)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 14/01/05 and are signed on their behalf by:



.....
LUMLEY MANAGEMENT LIMITED

EURO ALLIANCE STRUCTURED FINANCE LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2003

	Note	Year to 31 Dec 03 £	£	Period from 1 Mar 02 to 31 Dec 02 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	10		101,560		25,160
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	10		(101,724)		(28,604)
DECREASE IN CASH	10		<u>(164)</u>		<u>(3,444)</u>

EURO ALLIANCE STRUCTURED FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, subject to the departures referred to below.

The financial statements have been prepared under the going concern basis dependent upon the continuing support of its shareholders.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Fixed assets

All fixed assets are initially recorded at cost.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. OPERATING LOSS

Operating loss is stated after charging:

	Year to 31 Dec 03 £	Period from 1 Mar 02 to 31 Dec 02 £
Directors' emoluments	19,931	12,713
Auditors' fees	1,762	1,762
Net loss on foreign currency translation	<u>1</u>	<u>167</u>

EURO ALLIANCE STRUCTURED FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

3. TAXATION ON ORDINARY ACTIVITIES

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2002 - 19%).

	Year to 31 Dec 03 £	Period from 1 Mar 02 to 31 Dec 02 £
Loss on ordinary activities before taxation	<u>(24,343)</u>	<u>(21,211)</u>
Profit/(loss) on ord actvs by rate of tax	(4,625)	(4,030)
Tax losses carried forward	<u>4,625</u>	<u>4,030</u>
Total current tax	<u>—</u>	<u>—</u>

4. INVESTMENTS

	WIDER £	Caribbean Ferries £	Total £
COST			
At 1 January 2003 and 31 December 2003	<u>11,068</u>	<u>28,604</u>	<u>39,672</u>
LOANS			
Advanced in year	<u>101,724</u>	<u>—</u>	<u>101,724</u>
At 31 December 2003	<u>101,724</u>	<u>—</u>	<u>101,724</u>
NET BOOK VALUE			
At 31 December 2003	<u>112,792</u>	<u>28,604</u>	<u>141,396</u>
At 31 December 2002	<u>11,068</u>	<u>28,604</u>	<u>39,672</u>

EURO ALLIANCE STRUCTURED FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

4. INVESTMENTS *(continued)*

The company owns 60% of the issued share capital of the West Indies Developpement Environnement et Recyclage (WIDER) SARL, a company incorporated in Guadeloupe, French West Indies.

	2003 £	2002 £
Aggregate capital and reserves		
West Indies Developpement Environnement et Recyclage	45,414	46,428
Profit and (loss) for the year		
West Indies Developpement Environnement et Recyclage	2,788	11,673

The company has acquired a 22.82% stake in Caribbean Ferries, a company incorporated in Guadeloupe, French West Indies.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

5. DEBTORS

	2003 £	2002 £
Other debtors	<u>26,957</u>	<u>26,957</u>

6. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Other creditors	<u>222,125</u>	<u>96,222</u>

Included in other creditors is loan from Jacques Chouraki, a director of £211,085 (2002-£86,945)

7. RELATED PARTY TRANSACTIONS

In the opinion of the directors, the ultimate controlling parties are the Trustees of Big Big Trust.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

EURO ALLIANCE STRUCTURED FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

8. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Loss for the financial year	(24,343)	(21,211)
Opening shareholders' equity deficit	<u>(29,393)</u>	<u>(8,182)</u>
Closing shareholders' equity deficit	<u>(53,736)</u>	<u>(29,393)</u>

10. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year to 31 Dec 03	Period from 1 Mar 02 to 31 Dec 02
	£	£
Operating loss	(24,343)	(21,211)
Increase in creditors	<u>125,903</u>	<u>46,371</u>
Net cash inflow from operating activities	<u>101,560</u>	<u>25,160</u>

CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	Year to 31 Dec 03	Period from 1 Mar 02 to 31 Dec 02
	£	£
Acquisition of investments	—	(28,604)
Loans to group undertakings	<u>(101,724)</u>	<u>—</u>
Net cash outflow for capital expenditure and financial investment	<u>(101,724)</u>	<u>(28,604)</u>

EURO ALLIANCE STRUCTURED FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

10. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2003	2002
	£	£
Decrease in cash in the period	(164)	(3,444)
Movement in net funds in the period	(164)	(3,444)
Net funds at 1 January 2003	200	3,645
Net funds at 31 December 2003	36	200

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2003	Cash flows	At 31 Dec 2003
	£	£	£
Net cash:			
Cash in hand and at bank	200	(164)	36
Net funds	200	(164)	36