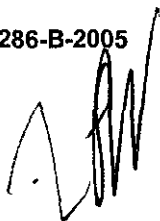


Company Registration No. 4617833

**CHRISTA LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

30286-B-2005



**Registered Office**  
5th Floor,  
86 Jermyn Street, St. James  
London



# CHRISTA LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The director presents her report and financial statements for the year ended 31 December 2005.

### Principal activity

The principal activity of the company is that of an investment company.

### Review of the business and future developments

The director considers that the results of the company are satisfactory and that the company is expected to continue at its present levels in the future.

### Results and dividends

The results for the year are set out on page 4.

No dividends have been paid during this or the comparative period.

### Directors

The following directors have held office since 1 January 2005:

Linda Ruth Taylor	(Resigned 1 February 2005)
B.P. Cocksedge	(Appointed 1 February 2005)

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 Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

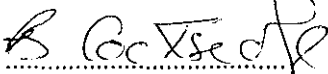
### Statement of Director's responsibilities

Company law requires the director to prepare financial statements for each financial year which 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable her to ensure that the financial statements comply with the Companies Act 1985. She is 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.

On behalf of the board



B.P. Cocksedge (Director)

Date: 16/11/2006



Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
E-mail: audit@matthew-edwards.com

## **CHRISTA LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHRISTA LIMITED**

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We have audited the financial statements of Christa Limited on pages 4 to 10 for the year ended 31 December 2005. These financial statements have been prepared under the historical cost convention and 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 director and auditors**

As described in the statement of director's responsibilities on page 1 the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the director's 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 director's remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Director's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**CHRISTA LIMITED**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE SHAREHOLDERS OF CHRISTA LIMITED**

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**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 director 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- ) have been properly prepared in accordance with the Companies Act 1985.

*Matthew Edwards & Co*

**Matthew Edwards & Co.**  
Chartered Accountants  
Registered Auditor

*16/11/2006*

Clinch's House, Lord Street  
Douglas  
Isle of Man

CHRISTA LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2005**

		Year ended 31 December 2005 €	Year ended 31 December 2004 €
	Notes		
Administrative expenses		(15,663)	(10,216)
<b>Operating loss</b>	<b>2</b>	<b>(15,663)</b>	<b>(10,216)</b>
Other interest receivable and similar income	3	28	17
Interest payable and similar charges	4	(35)	(451)
<b>Loss on ordinary activities before taxation</b>		<b>(15,670)</b>	<b>(10,650)</b>
Tax on loss on ordinary activities	5	(13,210)	-
<b>Loss on ordinary activities after taxation</b>	<b>9</b>	<b>(28,880)</b>	<b>(10,650)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

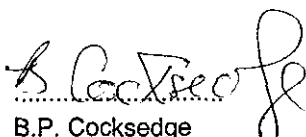
There are no recognised gains and losses other than those passing through the profit and loss account.

**CHRISTA LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 2005**

	Notes	2005 €	€	2004 €	€
<b>Fixed assets</b>					
Investments	6	1,140,769		1,140,769	
<b>Current assets</b>					
Cash at bank and in hand		1,160		941	
		<u>1,160</u>		<u>941</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,190,080)</u>		<u>(1,160,981)</u>	
<b>Net current liabilities</b>			(1,188,920)		(1,160,040)
<b>Total assets less current liabilities</b>			<u>(48,151)</u>		<u>(19,271)</u>
<b>Capital and reserves</b>					
Called up share capital	8	1,449		1,449	
Profit and loss account	9	(49,600)		(20,720)	
<b>Shareholders' funds - equity interests</b>	10	<u>(48,151)</u>		<u>(19,271)</u>	

The financial statements were approved by the Board on 16/11/2006

  
B.P. Cocksedge  
Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

*The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.*

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

**1.2 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**1.3 Deferred taxation**

*Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.*

**1.4 Foreign currency translation**

The company's accounting records are maintained in Euros.

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. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

**1.5 Group accounts**

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

<b>2 Operating loss</b>	<b>2005</b>	<b>2004</b>
	€	€
Operating loss is stated after charging:		
Auditors' remuneration	4,426	2,829
	<u>          </u>	<u>          </u>
<b>3 Other interest receivable and similar income</b>	<b>2005</b>	<b>2004</b>
	€	€
Bank interest received	28	17
	<u>          </u>	<u>          </u>
	28	17
	<u>          </u>	<u>          </u>

**CHRISTA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2005**

<b>4</b>	<b>Interest payable and similar charges</b>	<b>2005</b>	<b>2004</b>
		<b>€</b>	<b>€</b>
	Loss on foreign exchange	35	451
		<u>35</u>	<u>451</u>
		<u><u>35</u></u>	<u><u>451</u></u>
<b>5</b>	<b>Taxation</b>	<b>2005</b>	<b>2004</b>
		<b>€</b>	<b>€</b>
	<b>Domestic current year tax</b>		
	Corporation tax at 30.00% (2004 - 30.00%)	8,340	-
	Adjustment for prior years	4,870	-
		<u>13,210</u>	<u>-</u>
	<b>Current tax charge</b>	<u><u>13,210</u></u>	<u><u>-</u></u>
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(15,670)	(10,650)
		<u>(15,670)</u>	<u>(10,650)</u>
	Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax of 30.00% (2004: 30.00%)	(4,701)	(3,195)
		<u>(4,701)</u>	<u>(3,195)</u>
	Effects of:		
	Non deductible expenses	13,041	-
	Losses not recognised for accounting purposes	-	3,195
	Adjustments to previous periods	4,870	-
		<u>17,911</u>	<u>3,195</u>
		<u><u>17,911</u></u>	<u><u>3,195</u></u>
	<b>Current tax charge</b>	<u><u>13,210</u></u>	<u><u>-</u></u>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

**6 Fixed asset investments**

	Shares in group undertakings €	Loans to group undertakings €	Total €
<b>Cost</b>			
At 1 January 2005 & at 31 December 2005	271,346	869,423	1,140,769
<b>Net book value</b>			
At 31 December 2005	271,346	869,423	1,140,769
At 31 December 2004	271,346	869,423	1,140,769

**Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Turisvarge - Empreendimentos Turisticos	Portugal	Ordinary	98.00
Mauriata - Empreendimentos Turisticos	Portugal	Ordinary	100.00
Turibessa - Empreendimentos Turisticos	Portugal	Ordinary	100.00
Ribeira Pequena - Sociedade de Desenvolvimento Tur	Portugal	Ordinary	100.00

**Financial Results**

In relation to holdings of 20% or more, the aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves	Profit/(Loss) for the year
	Principal activity	€	€
Turisvarge - Empreendimentos Turisticos	Tourism (Hotel)	15,262	(5,733)
Mauriata - Empreendimentos Turisticos	Tourism (Hotel)	285,474	(24,948)
Turibessa - Empreendimentos Turisticos	Tourism (Hotel)	6,797	(7,330)
Ribeira Pequena - Sociedade de Desenvolvimento Tur	Tourism (Hotel)	172,202	30,582

Christa has a direct holding in Mauriata of 72.85%, Turibessa of 74% and Ribeira Pequena of 73.94%, the additional percentage of each company is held by Turisvarge. These accounts were prepared using the 2004 subsidiary accounts as the 2005 accounts were not available at the time of this report.

**CHRISTA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2005**

<b>7 Creditors: amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	<b>€</b>	<b>€</b>
Corporation tax	13,543	-
Other creditors	1,161,038	1,151,138
Accruals and deferred income	15,499	9,843
	<u>1,190,080</u>	<u>1,160,981</u>

<b>8 Share capital</b>	<b>2005</b>	<b>2004</b>
	<b>No.</b>	<b>No.</b>
<b>Authorised</b>		
10,000 ordinary £1 shares	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid</b>	<b>€</b>	<b>€</b>
1,002 ordinary £1 shares	<u>1,449</u>	<u>1,449</u>

<b>9 Statement of movements on profit and loss account</b>	<b>Profit and loss account</b>
	<b>€</b>
Balance at 1 January 2005	(20,720)
Retained loss for the period	(28,880)
Balance at 31 December 2005	<u>(49,600)</u>

<b>10 Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	<b>€</b>	<b>€</b>
Loss for the financial year	(28,880)	(10,650)
Opening shareholders' funds	(19,271)	(8,621)
Closing shareholders' funds	<u>(48,151)</u>	<u>(19,271)</u>

**11 Contingent liabilities**

There were no known contingent liabilities as at the balance sheet date.

**12 Capital commitments**

There were no major capital commitments as at the balance sheet date

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

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**13 Employees**

**Number of employees**

There were no employees during the year apart from the directors. The directors received no remuneration during the year.

**14 Ultimate Controlling Party and Related Party Transactions**

The director is aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them from disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the Standard in respect of confidentiality.