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WHITERIFT LIMITED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2005



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COMPANIES HOUSE 28/09/2006

A24 *A6JR9J0I* 339
COMPANIES HOUSE 21/09/2006

Ref: 32107
Sims: 1386642

WHITERIFT LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 31st December 2005.

Directors' responsibilities for financial statements

Irish company law requires the Directors to prepare financial statements for each financial year that 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 the 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;
- * 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 books of account, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 2003. They 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.

Books of account

The measures taken by the directors to secure compliance with the Company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The books of account are kept at 8th Floor, 68 King William Street, London, EC4N 7DZ.

Principal activities and business review

The principal activity of the Company is to participate in financing transactions related to ship building. The transactions entered into by the Company are described in note 7 to these financial statements.

Results and dividends

The results for the year are shown in the Profit and Loss Accounts on page 6.

Movements in reserves are shown in note 6 to the financial statements.

The Directors do not recommend a dividend for the year (2004: Nil)

Health and safety

The Company does not have any employees (2004: Nil)

Directors

The Directors who held office during the year and subsequently were:-

R.W. Short	(resigned 28th April 2006)
J.D. Rigby	(resigned 13th June 2005)
O. Pritchard	(appointed 8th June 2006)
V.M. Rapley	(appointed 18th May 2005)

WHITERIFT LIMITED

DIRECTORS' REPORT - CONTINUED

Secretary

The Secretary of the Company is Maurant & Co. Capital Secretaries Limited who served throughout the year.

Directors' and Secretary's interests

The Directors and Secretary and their families had no interests in the shares of the Company at 31st December 2005.

Companies (Amendment) (No.2) Act, 1999

The legislation became effective on the 18th April 2000 and requires the Company, inter alia, to appoint an Irish director or to put in place a bond to the value of IR £ 20,000. The Company elected to put in place a bond with an approved insurance broker to cover an initial period from 18th April 2001 to 17th April 2003. The Company has subsequently renewed the bond for a further period expiring on 17th April 2007.

Auditors

The auditors, PricewaterhouseCoopers, will be re-appointed in accordance with Section 160(2) of the Companies Act, 1963.

Registered Office

25 / 28 North Wall Quay
Dublin 1
Ireland

BY ORDER OF THE BOARD



Authorised Signatory

Maurant & Co. Capital Secretaries Limited

Secretary

Date: 06/09/2006

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHITERIFT LIMITED

We have audited the financial statements on pages 5 to 9. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies on page 7.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Directors' report and the financial statements in accordance with applicable Irish law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out on page 1 in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2005. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the company to convene an extraordinary general meeting; such a financial situation may exist if the net assets of the company, as stated in the balance sheet, are not more than half of its called-up share capital.

We also report to you if, in our opinion, information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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 judgments 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.

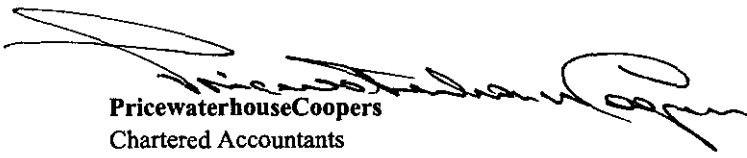
Opinion

In our opinion the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs at 31st December 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2005.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 1 and 2 is consistent with the financial

The net assets of the Company, as stated in the balance sheet on page 5, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31st December 2005, a financial situation, which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the covering of an extraordinary general meeting of the Company.



PricewaterhouseCoopers
Chartered Accountants
Jersey

11 September 2006

WHITERIFT LIMITED

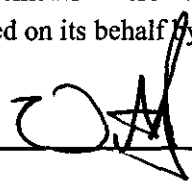
BALANCE SHEET

AS AT 31ST DECEMBER 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
CURRENT ASSETS			
Debtors	2	1	1
		<hr/>	<hr/>
TOTAL NET ASSETS		€ 1	€ 1
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES			
Share capital	3	1	1
		<hr/>	<hr/>
		€ 1	€ 1
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the Board of Directors on the 06 day of September 2006 and were signed on its behalf by:

Director: _____



(The notes on pages 7 to 9 form part of these financial statements)

WHITERIFT LIMITED

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

	<u>2005</u>	<u>2004</u>
RESULT FOR THE YEAR	-	-
BALANCE BROUGHT FORWARD	-	-
BALANCE CARRIED FORWARD	€ <u>-</u>	€ <u>-</u>

Recognised gains and losses

There are no recognised gains and losses attributable to shareholders of the Company for the year ended 31st December 2005 or for the year ended 31st December 2004.

(The notes on pages 7 to 9 form part of these financial statements)

WHITERIFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with applicable Irish accounting standards. The more significant accounting policies are set

Transaction reporting.

The Company has entered into transactions described in note 7 to these financial statements. The substance of such transactions is not, pursuant to the requirements of FRS 5, reflected in the balance sheet forming part of these financial statements as, in the Directors' view, no financial benefits or risks accrue to the Company as a result of its participation in the said transactions.

Cash flow statement.

The Company is exempt from the requirements of FRS 1 to include a cash flow statement as part of its financial statements because it qualifies as a small Company as defined by Section 8 (2) of the Companies (Amended) Act, 1986.

2. DEBTORS

	<u>2005</u>	<u>2004</u>
Share capital unpaid	€ <u>1</u>	€ <u>1</u>

3. SHARE CAPITAL

	<u>2005</u>	<u>2004</u>
AUTHORISED:		
10,000 ordinary shares of €1.25 each	€ <u>12,500</u>	€ <u>12,500</u>
ISSUED AND UNPAID:		
1 ordinary share	€ <u>1</u>	€ <u>1</u>

The Company was incorporated with an authorised share capital of IR£10,000 which was translated automatically to €12,697 following EMU. On 11th December 2002 the Company passed a special resolution to renominalise the value of its authorised share capital to €12,500 divided into 10,000 ordinary shares of €1.25

WHITERIFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2005

4. TAXATION

Under the terms of the United Kingdom and Ireland tax treaty, the Company is deemed to be tax resident only in the United Kingdom and hence is liable to Irish tax only in respect of Irish source income including any income attributable to an Irish branch. As there is no such income there is no Irish tax charge.

United Kingdom corporation tax is payable at a maximum rate of 30% on the profits of the Company during the year. The Directors are of the opinion that there is no liability to UK corporation tax and there is therefore no charge.

5. OPERATING EXPENSES

All operating expenses of the Company have been settled by a third party and are therefore not reflected in these financial statements. None of the Directors received any remuneration in respect of their services to the Company during the year.

6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2005</u>	<u>2004</u>
Opening shareholders' funds	1	1
Closing shareholders' funds	€ <u>1</u>	€ <u>1</u>

7. TRANSACTIONS

On 13th February 1997, the Company entered into a shipbuilding contract which was subsequently amended to acquire a car and train ferry known as Hull 1570 (the "Vessel"). On 29th April 1997, the Company entered into a contract to sell the Vessel to a customer for a consideration in US Dollars. In order to partly finance the acquisition of the Vessel the Company entered into a loan agreement with the Madrid branch of the Chase Manhattan Bank, (which merged on 10 November 2001 with JP Morgan to become JP Morgan Chase Bank) for a total amount of ESP 6,221,775,000 (€ 37,393,621).

All financing transactions are structured to take advantage of a subsidy of up to a maximum of 3% per annum on the loan interest amounts payable as part of a scheme offered by the Ministry of Science and Technology in Spain subject to certain conditions. The Company does not receive a direct benefit as a result of the subsidy.

The Company entered into a deposit agreement with the bank whereby amounts received from the customer were converted to ESP and placed on deposit with the bank as security for the loan.

WHITERIFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2005

7. TRANSACTIONS - (CONTINUED)

On 24th September 1999, the agreements governing the loan and deposit agreements were novated in favour of Chase Manhattan Bank SA Luxembourg (now known as JP Morgan Bank Luxembourg SA) which acts in a fiduciary capacity following tax advice prior to the Company becoming tax resident in Ireland and the United Kingdom. The vessel was delivered to the customer on the 25th November 1998 upon which date the Company assigned all its rights, title and interest in the shipbuilding contract to the customer.

At the balance sheet date, the balance on the loan account was € 22,711,593 which equalled the balance on the deposit account. The drawn down balance on the loan account bears interest at a fixed rate of 5.975% payable annually in arrears. The loan balance is repayable in full by ten instalments commencing in 2001. The secured deposit receives interest at a rate of 5.975% per annum payable annually in arrears. The Company and the bank have agreed to offset all payments due to each other.

The Directors believe that no quantifiable risks or benefits accrue to the Company as a result of its participation in the foregoing transaction and consequently no asset or liability has been recognised on the balance sheet as permitted by FRS 5 (Reporting the Substance of Transactions).

8. ULTIMATE CONTROLLING PARTY

The single share in the Company is held by Arringford Limited as nominee for Maurant & Co. Trustees Limited as trustees of the Eastmoss Trust. The Directors do not consider there to be a single ultimate controlling party under the definition of FRS 8 (Related Party Disclosures).

9. RELATED PARTIES

J.D. Rigby is a shareholder of Maurant Limited and R.W. Short was a shareholder thereof. Each of J.D. Rigby, O. Pritchard and V.M. Rapley is an employee of a subsidiary of Maurant Limited and R.W. Short is a former employee thereof. Affiliates of Maurant Limited provide ongoing administrative services to the Company at commercial rates. J.D. Rigby is also a partner of Maurant du Feu & Jeune and should be regarded as interested in any contract in relation to the provision of legal services by Maurant du Feu & Jeune.