



NORTH HAVEN LIMITED
(incorporated in Hong Kong with limited liability)

**Directors' Report and
Financial Statements**
For the year ended 31 December 2012

NORTH HAVEN LIMITED

DIRECTORS' REPORT

The directors of North Haven Limited ("the Company") present their report and the audited financial statements for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activity of its subsidiary is set out in note 10 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Company for the year ended 31 December 2012 and the state of affairs of the Company at that date are set out in the financial statements on pages 5 to 20.

The directors do not recommend the payment of a dividend.

RESERVES

Details of the movements in the reserves of the Company during the year are set out in the statement of changes in equity on page 7.

DIRECTORS

The directors of the Company who held office during the year and up to the date of this report were:

Rostron Jonathan Edward Spencer (resigned as director on 31 January 2012)

Hill Dickinson Services (London) Limited

JRS Limited (appointed as director on 29 March 2012)

There being no provision in the Company's articles of association, all directors shall continue in office.

NORTH HAVEN LIMITED

DIRECTORS' REPORT

DIRECTORS' INTERESTS

At no time during the year was the Company, its holding companies, subsidiary or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

No contracts of significance to which the Company, its holding companies, subsidiary or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

AUDITOR

A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as auditor of the Company.

On behalf of the Board

Chairman

Hong Kong, 26 March 2013

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "NH Limited" around the top inner edge and a small asterisk "*" at the bottom center.



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NORTH HAVEN LIMITED

(incorporated in Hong Kong with limited liability)

We have audited the financial statements of North Haven Limited (the "Company") set out on pages 5 to 20, which comprise the statement of financial position as at 31 December 2012, the statement of comprehensive income and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NORTH HAVEN LIMITED**

(incorporated in Hong Kong with limited liability)

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 2012 and of its loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Emphasis of matter - material uncertainty regarding the going concern assumption

Without qualifying our opinion, we draw attention to note 3(b) to the financial statements which indicates that the Company incurred a loss of US\$9,213 during the year ended 31 December 2012 and, as of that date, the Company's current liabilities exceeded its current assets by US\$114,724. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

BDO limited

BDO Limited
Certified Public Accountants
Yu Tsui Fong
Practising Certificate Number P05440

Hong Kong, 26 March 2013

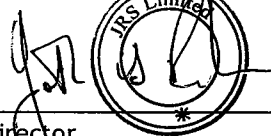
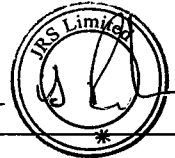
NORTH HAVEN LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012

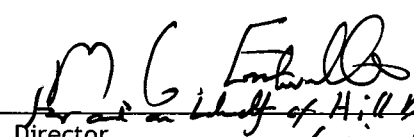
	Notes	2012 US\$	2011 US\$
Revenue	6	-	-
Other operating expenses		<u>(9,213)</u>	<u>(11,489)</u>
Loss before income tax	7	(9,213)	(11,489)
Income tax expenses	9	<u>-</u>	<u>-</u>
Loss for the year		(9,213)	(11,489)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(9,213)</u>	<u>(11,489)</u>

NORTH HAVEN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Notes	2012 US\$	2011 US\$
ASSETS AND LIABILITIES			
Non-current assets			
Investment in a subsidiary	10	<u>25,867,575</u>	<u>25,867,575</u>
Current assets			
Cash and cash equivalents		<u>1,170</u>	<u>-</u>
Current liabilities			
Other payable and accruals		4,770	4,487
Amount due to ultimate holding company	11	<u>111,124</u>	<u>101,024</u>
		115,894	105,511
Net current liabilities		<u>(114,724)</u>	<u>(105,511)</u>
NET ASSETS		<u>25,752,851</u>	<u>25,762,064</u>
CAPITAL AND RESERVES			
Share capital	12	1,000	1,000
Reserves		<u>25,751,851</u>	<u>25,761,064</u>
TOTAL EQUITY		<u>25,752,851</u>	<u>25,762,064</u>

 Director



 Director *for and on behalf of Hill Dickinson
 Lawyers (London) Limited*

NORTH HAVEN LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Share capital US\$	Share premium US\$	Capital contribution US\$	Accumulated losses US\$	Total US\$
At 1 January 2011	1,000	15,321,867	10,735,575	(284,889)	25,773,553
Loss for the year	-	-	-	(11,489)	(11,489)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(11,489)	(11,489)
At 31 December 2011 and 1 January 2012	1,000	15,321,867	10,735,575	(296,378)	25,762,064
Loss for the year	-	-	-	(9,213)	(9,213)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(9,213)	(9,213)
At 31 December 2012	<u>1,000</u>	<u>15,321,867*</u>	<u>10,735,575*</u>	<u>(305,591)*</u>	<u>25,752,851</u>

* The aggregated amount of the above balances of US\$25,751,851 (2011: US\$25,761,064) represented the reserves in the statement of financial position.

NORTH HAVEN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 HK\$	2011 HK\$
Cash flows from operating activities		
Loss before income tax and operating loss before working capital changes	(9,213)	(11,489)
Increase in other payables and accruals	283	-
Increase in amount due to ultimate holding company	10,100	11,489
	<u>1,170</u>	<u>-</u>
Net cash generated from operating activities	<u>1,170</u>	<u>-</u>
Net change in cash and cash equivalents	1,170	-
Cash and cash equivalents at beginning of the year	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of the year	<u><u>1,170</u></u>	<u><u>-</u></u>

NORTH HAVEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012**

1. GENERAL

North Haven Limited (the "Company") is a limited liability company incorporated in Hong Kong. The address of its registered office is Suite 1203, 12/F, Silver Fortune Plaza, 1 Wellington Street, Central, Hong Kong. The principal activity of the Company is investment holding. The principal activity of its subsidiary is set out in note 10 to the financial statements.

The Company's parent is Luella Enterprises Company Limited (incorporated in the Republic of Cyprus) and the directors consider its ultimate parent is Lampsa Hellenic Hotels S.A., a company incorporated in Greece and its shares are listed on the Securities Market of Athens Exchange.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new / revised HKFRSs - effective 1 January 2012

In current year, the Company has applied for the first time all the new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to and effective for the Company's financial statements for the annual period beginning on 1 January 2012.

The adoption of these new/revised HKFRSs had no significant impact on the Company's financial statements.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) -
Continued

(b) New / revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Company’s financial statements, have been issued but are not yet effective and have not been early adopted by the Company.

HKFRSs (Amendments)	Annual Improvements 2009-2011 Cycle ²
Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income ¹
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ³
Amendments to HKFRS 7	Offsetting Financial Assets and Financial Liabilities ²
HKFRS 9	Financial Instruments ⁴
HKFRS 10	Consolidated Financial Statements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
HKAS 27 (2011)	Separate Financial Statements ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities ³

¹ Effective for annual periods beginning on or after 1 July 2012

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2014

⁴ Effective for annual periods beginning on or after 1 January 2015

The directors anticipate that all of the pronouncements will be adopted in the Company’s accounting policy for the first period beginning after the effective date of the pronouncements. Information on new and amended HKFRSs that are expected to have impact on the Company’s accounting policies is provided below. The directors are currently assessing the impact of other new and amended HKFRSs upon initial application but are not yet in a position to state whether they would have material financial impact on the Company’s results and financial position.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) -
Continued

(b) New / revised HKFRSs that have been issued but are not yet effective -
Continued

*Amendments to HKAS 1 (Revised) - Presentation of Items of Other
Comprehensive Income*

The amendments to HKAS 1 (Revised) require the Group to separate items presented in other comprehensive income into those that may be reclassified to profit and loss in the future and those that may not. Tax on items of other comprehensive income is allocated and disclosed on the same basis. The amendments will be applied retrospectively.

*Amendments to HKAS 32 - Offsetting Financial Assets and Financial
Liabilities*

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity “currently has a legally enforceable right to set off” and when a gross settlement mechanism is considered equivalent to net settlement.

*Amendments to HKFRS 7 - Offsetting Financial Assets and Financial
Liabilities*

HKFRS 7 is amended to introduce disclosures for all recognised financial instruments that are set off under HKAS 32 and those that are subject to an enforceable master netting agreement or similar arrangement, irrespective of whether they are set off under HKAS 32.

HKFRS 9 Financial Instruments

Under the standard, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012

2. **ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) - Continued**

(b) **New / revised HKFRSs that have been issued but are not yet effective - Continued**

HKFRS 12 - Disclosure of Interests in Other Entities

HKFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity’s interests in other entities and the effects of those interests on the reporting entity’s financial statements

3. **BASIS OF PREPARATION**

(a) **Statement of compliance**

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the HKICPA and the Hong Kong Companies Ordinance.

(b) **Basis of measurement and going concern assumption**

The financial statements have been prepared on the historical cost basis.

The Company incurred a loss of US\$9,213 during the year ended 31 December 2012 and had net current liabilities of US\$114,724 as at that date. These conditions indicate the existence of a materiality uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern and therefore, the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. The going concern basis has been adopted on the basis of continuing financial support from the ultimate holding company to provide financial support to the Company.

Should the Company be unable to continue in business as a going concern, adjustments would have to be made to reduce the values of assets to their recoverable amounts, to reclassify the non-current assets as current assets and to provide for any further liabilities which might arise.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2012

3. BASIS OF PREPARATION - Continued

(c) Functional and presentation currency

The financial statements are presented in United States dollars ("US\$"), which is same as the functional currency of the Company.

(d) Consolidated financial statements

No consolidated financial statements have been prepared as the Company itself as at the reporting date is a wholly-owned subsidiary of Luella Enterprises Company Limited and ultimately wholly-owned by Lampsä Hellenic Hotels S.A. and Lampsä Hellenic Hotels S.A. prepares consolidated financial statements that comply with International Financial Reporting Standards, which are available for public use and obtainable from the company website of the Company's ultimate holding company at www.lampsä.gr.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Subsidiaries

Subsidiaries are entities (including special purpose entities) over which the Company has the power to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2012

4. SIGNIFICANT ACCOUNTING POLICIES - Continued

(b) Financial liabilities

The Company's financial liabilities include other payable and accruals and amount due to ultimate holding company. They are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance costs in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

(c) Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

(d) Impairment of non-financial assets

Investment in a subsidiary is subject to impairment testing whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Impairment loss is charged pro rata to the assets in the cash-generating unit.

NORTH HAVEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012**

4. SIGNIFICANT ACCOUNTING POLICIES - Continued

(d) Impairment of non-financial assets - Continued

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Accounting for income tax

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit and loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

NORTH HAVEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012**

4. SIGNIFICANT ACCOUNTING POLICIES - Continued

(f) Related parties

- (a) A person or a close member of that person's family is related to the Company if that person:
- (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of key management personnel of the Company or the Company's parent.
- (b) An entity is related to the Company if any of the following conditions apply:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Company or an entity related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
or
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

NORTH HAVEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012**

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of investment in a subsidiary

The Company assesses annually if interest in a subsidiary has suffered any impairment. The assessment requires an estimation of future cash flows, including expected dividends and the selection of appropriate discount rate. Future changes in financial performance and position of the entity would affect the estimation of impairment loss and cause the adjustments of the carrying amounts.

6. REVENUE

The Company did not earn any revenue during the year.

NORTH HAVEN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012**

7. LOSS BEFORE INCOME TAX

	2012 US\$	2011 US\$
Loss before income tax is arrived at after charging:		
Auditor's remuneration		
- Charged for the year	<u>4,770</u>	<u>4,487</u>

8. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 161 of the Hong Kong Companies Ordinance are as follows:

	2012 US\$	2011 US\$
Directors' emoluments:		
Fees	-	-
Other emoluments	<u>-</u>	<u>-</u>

9. INCOME TAX EXPENSES

Hong Kong Profits Tax has not been provided as the Company did not have any assessable profit for the year.

Reconciliation between tax expense and accounting loss at applicable tax rate is as follows:

	2012 US\$	2011 US\$
Loss before income tax	<u>(9,213)</u>	<u>(11,489)</u>
Tax calculated at applicable tax rate of 16.5%	(1,520)	(1,896)
Non-deductible expenses	<u>1,520</u>	<u>1,896</u>
Income tax expense	<u>-</u>	<u>-</u>

NORTH HAVEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2012

10. INVESTMENT IN A SUBSIDIARY

	2012 US\$	2011 US\$
Unlisted shares, at cost	<u>25,867,575</u>	<u>25,867,575</u>

Details of the Company's subsidiary as at 31 December 2012 are as follows:

Name of company	Place of incorporation and operation	Type of legal entity	Particular of issued and paid up capital	Percentage of nominal value of issued capital held by the Company directly		Principal activity
				2012	2011	
Hotelijersko akcionarsko društvo Beogradsko mešovito preduzeće A.D. Beograd	Serbia	Limited liability company	7,417 ordinary shares of RSD330,890 each 750 preferred shares of RSD330,890 each	94%	94%	Hotel operation

The post-acquisition profit/(loss) of the subsidiary attributable to the Company is as follows:

	Current year US\$	Previous years since acquisition US\$	Total US\$
Amount dealt with in the Company's financial statements	<u>-</u>	<u>-</u>	<u>-</u>
Amount not dealt with in the Company's financial statements	<u>782,020</u>	<u>(6,922,000)</u>	<u>(6,139,980)</u>

11. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due is unsecured, interest-free and repayable on demand. The carrying amount of the amount due represents approximately its fair value.

NORTH HAVEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2012

12. SHARE CAPITAL

	2012	2011
Authorised:		
10,000 ordinary shares of HK\$1 each	<u>HK\$ 10,000</u>	<u>HK\$ 10,000</u>
Translated into	<u>US\$ 1,282</u>	<u>US\$ 1,282</u>
Issued and fully paid:		
7,801 ordinary shares of HK\$1 each	<u>US\$ 1,000</u>	<u>US\$ 1,000</u>

13. CAPITAL MANAGEMENT

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and provide adequate returns to shareholders.

Management regards total equity of US\$25,752,851 (2011: US\$25,762,064) as capital, for capital management purpose. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt.

The Company relies on financial support from the ultimate holding company to finance its capital requirement. As disclosed in note 3(b), the Company's going concern is dependent on the undertaking made by the ultimate holding company to provide financial support to the Company.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments include other payables and amount due to ultimate holding company.

The risk associated with these financial instruments is liquidity risk. The management regularly monitors current and expected liquidity requirements to ensure adequate funding from its ultimate holding company to meet with its liquidity requirements. All financial liabilities would mature within one year.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 26 March 2013.