

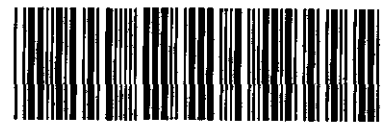
Company Registration No. SC295510 (Scotland)

**MARGAUX RED LIMITED**

**DIRECTORS' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 JUNE 2007**

THURSDAY



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COMPANIES HOUSE

## **MARGAUX RED LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	P Lenz	(Appointed 24 July 2006)
	J Morris	(Appointed 17 February 2006)
	C Ottenritter	(Appointed 17 February 2006)
	G Kellerhals	(Appointed 17 February 2006)
	J Parker	(Appointed 17 February 2006)
<b>Secretary</b>	Turcan Connell	
<b>Company number</b>	SC295510	
<b>Registered office</b>	Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	
<b>Accountants</b>	Saffery Champness Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA	
<b>Solicitors</b>	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	

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## MARGAUX RED LIMITED

### DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2007

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The directors present their report and financial statements for the period ended 30 June 2007

#### Principal activities

The company was first formed under the name Lothian Shelf (356) Limited. It subsequently changed its name to Margaux Red Limited on 17 February 2006. The company was incorporated on the 16 January 2006 and commenced activity on 17 February 2006.

The principal activity of the company is the investment in Margaux Red Investment SP. The principal activity of this partnership is investment management.

#### Directors

The following directors have held office since 16 January 2006

Burness (Directors) Limited	(Appointed 16 January 2006 and resigned 17 February 2006)
P Parein	(Appointed 17 February 2006 and resigned 24 July 2006)
P Lenz	(Appointed 24 July 2006)
J Morris	(Appointed 17 February 2006)
C Ottenritter	(Appointed 17 February 2006)
G Kellerhals	(Appointed 17 February 2006)
J Parker	(Appointed 17 February 2006)

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

By order of the board  
On behalf of the board



**MARGAUX RED LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 2007**

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		<b>Period ended 30 June 2007 \$</b>
	<b>Notes</b>	
<b>Turnover</b>		3,007
Administrative expenses		(4,086)
		.....
<b>Loss on ordinary activities before taxation</b>		(1,079)
Tax on loss on ordinary activities	<b>2</b>	.....
<b>Loss on ordinary activities after taxation</b>	<b>7</b>	(1,079) .....

The notes on pages 5 to 7 form part of these financial statements

**MARGAUX RED LIMITED****BALANCE SHEET  
AS AT 30 JUNE 2007**

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	Notes	2007 \$	\$
<b>Fixed assets</b>			
Investments	3		10
<b>Current assets</b>			
Debtors	4	3,308	
Cash at bank and in hand		1	
		.....	
		3,309	
<b>Creditors: amounts falling due within one year</b>	5	(4,397)	
		.....	
<b>Net current liabilities</b>			(1,088)
			.....
<b>Total assets less current liabilities</b>			(1,078)
			.....
<b>Capital and reserves</b>			
Called up share capital	6		1
Profit and loss account	7		(1,079)
			.....
<b>Shareholders' funds</b>			(1,078)
			.....

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**MARGAUX RED LIMITED**

**BALANCE SHEET (continued)**  
**AS AT 30 JUNE 2007**

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In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The notes on pages 5 to 7 form part of these financial statements

The financial statements were approved by the board on 12.11.2007



Director



# MARGAUX RED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### 1.2 Turnover

Turnover represents management fees charged to the limited partnership

#### 1.3 Investments

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

#### 1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.5 Foreign exchange

The exchange rate at the balance sheet date from US Dollars to Sterling was 0.49902

### 2 Taxation

On the basis of these financial statements no provision has been made for corporation tax

### 3 Fixed asset investments

	<b>Unlisted investments \$</b>
<b>Cost</b>	
At 16 January 2006	
Additions	10 .....
At 30 June 2007	10 .....

The company is a partner in the limited partnership, Margaux Red Investment SP. The registered office of the limited partnership is Princes Exchange, 1 Earl Grey Street, Edinburgh, EH3 9EE.

The financial statements of Margaux Red Investment SP have been appended to these financial statements in accordance with the terms of The Partnerships and Unlimited Companies (Accounts) (Amendment) Regulations 2005.

**MARGAUX RED LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 30 JUNE 2007**

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<b>4 Debtors</b>	<b>2007</b>
	<b>\$</b>
Prepayments	302
Management fee due from Margaux Red Investment SP	3,006
	.....
	3,308
	.....
 <b>5 Creditors: amounts falling due within one year</b>	 <b>2007</b>
	<b>\$</b>
Loan due to Margaux Red Investment SP	462
Loan due to Margaux Trust	1,580
Accruals	2,355
	.....
	4,397
	.....
 <b>6 Share capital</b>	 <b>2007</b>
	<b>\$</b>
<b>Authorised</b>	
100 Ordinary shares of \$1 each	100
	.....
 <b>Allotted, called up and fully paid</b>	
1 Ordinary shares of \$1 each	1
	.....
 <b>7 Statement of movements on profit and loss account</b>	
	<b>Profit and loss account</b>
	<b>\$</b>
Retained loss for the period	(1,079)
	.....
 <b>8 Control</b>	

The ultimate controlling party is The Margaux Trust The Trust is set up under English Law



**MARGAUX RED LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 30 JUNE 2007**

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**9 Related party transactions**

**2007  
\$**

The company entered into the following related party transactions

Margaux Red Investment SP

Management fees received 3,006

Fees settled by the SP on the company's behalf (462)

The Margaux Trust

Fees settled by the Trust on the company's behalf (1,580)

.....

There were balances due from/(to) related parties at the period end as follows

Margaux Red Investment SP 2,544

The Margaux Trust (1,580)

.....

Margaux Red Limited is a partner in Margaux Red Investment SP

Margaux Trust is the shareholder in the company

## **MARGAUX RED INVESTMENT SP**

### **PARTNERSHIP INFORMATION**

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<b>Partners</b>	Margaux Red Limited Margaux International LLC
<b>Registered number</b>	SL005672
<b>Registered office</b>	Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE
<b>Auditors</b>	Saffery Champness Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA
<b>Business address</b>	8 10 Rue d'Italie CH 1204 Geneve
<b>Solicitors</b>	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE

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## MARGAUX RED INVESTMENT SP

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Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 9

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## **MARGAUX RED INVESTMENT SP**

### **PARTNERS' REPORT FOR THE PERIOD ENDED 30 JUNE 2007**

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The partners present their report and financial statements for the period ended 30 June 2007

#### **Principal activities**

The principal activity of the limited partnership is that of investment management.

The partnership agreement was signed on 23rd February 2006 and the limited partnership commenced trading on that date

#### **Legislation**

In accordance with the terms of The Partnerships and Unlimited Companies (Accounts) (Amendment) Regulations 2005 these financial statements have been prepared in accordance with the disclosure requirements of the Companies Act 1985. References throughout these financial statements to the Companies Act 1985 apply as if the limited partnership were a company of similar size and nature.

#### **Partners**

The following partners have held office since 23 February 2006

Margaux Red Limited	(Appointed 23 February 2006)
Margaux International LLC	(Appointed 23 February 2006)

#### **Auditors**

Saffery Champness were appointed auditors to the limited partnership and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re appointed will be put to the Annual General Meeting

#### **Partners' responsibilities**

Company law requires the partners to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the limited partnership and of the profit or loss of the limited partnership for that period. In preparing those financial statements, the partners 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 limited partnership will continue in business

The partners are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the limited partnership and to enable partners to ensure that the financial statements comply with the Companies Act 1985. Partners are also responsible for safeguarding the assets of the limited partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**MARGAUX RED INVESTMENT SP**

**PARTNERS' REPORT (continued)  
FOR THE PERIOD ENDED 30 JUNE 2007**

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**Statement of disclosure to auditor**

(a) so far as the partners are aware, there is no relevant audit information of which the limited partnership's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as partners in order to make themselves aware of any relevant audit information and to establish that the limited partnership's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the partners

Barclaytrust (Suisse) S A

on behalf of Margaux International LLC

Partner

12/11/2007

## **MARGAUX RED INVESTMENT SP**

### **INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF MARGAUX RED INVESTMENT SP**

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We have audited the financial statements on pages 5 to 9. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

#### **Respective responsibilities of the partners and auditors**

As described in the statement of partners' responsibilities on page 1, the partners are 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).

This report is made solely to the partners, as a body, in accordance with Section 235 of the Companies Act 1985, as required by regulation 4 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993 as amended by the Partnerships and Unlimited Companies (Accounts) (amendment) Regulations 2005. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in an auditors' 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 limited liability partnership and the limited partnership members as a body, for our audit work, for this report, or for the opinions we have formed.

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, applied to them as required by the Partnerships and Unlimited Companies (Accounts) (Amendment) Regulations 2005. We also report to you whether in our opinion the information given in the partners' report is consistent with the financial statements. We also report to you if, in our opinion, the partnership 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 partners remuneration and transactions with the partnership is not disclosed.

We read the partners 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 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 partners in the preparation of the financial statements, and of whether the accounting policies are appropriate to the partnership'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.

**MARGAUX RED INVESTMENT SP**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE PARTNERS OF MARGAUX RED INVESTMENT SP**

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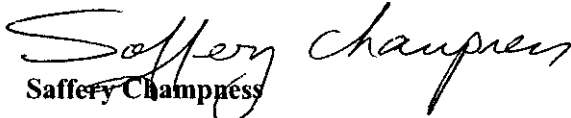
**Opinion**

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 partnership's affairs as at 30 June 2007 and of its profit for the period then ended, and

have been properly prepared in accordance with the Partnerships and Unlimited Companies (Accounts) (Amendment) Regulations 2005 and the Companies Act 1985, and

the information given in the Partners' report is consistent with the financial statements

  
**Saffery Champness**

Chartered Accountants  
Registered Auditors

*14 November 2007*

Edinburgh Quay  
133 Fountainbridge  
Edinburgh  
EH3 9BA

**MARGAUX RED INVESTMENT SP****PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 2007**

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	Notes	2007 \$
<b>Turnover</b>	<b>1</b>	
Interest received		152,651
Dividends received		17,071
Other income		5,257
		.....
		174,979
 <b>Administrative expenses</b>		
Management charges		3,006
Legal and professional fees		3,000
Investment management fees		56,427
Audit fees		4,121
Bank charges		481
		.....
		(67,035)
		.....
<b>Operating profit</b>	<b>2</b>	107,944
 Profit on disposal of investments	<b>3</b>	110,463
		.....
<b>Retained profit for the year</b>	<b>8</b>	218,407
		.....

There are no recognised gains and losses other than those passing through the profit and loss account  
The notes on pages 7 to 9 form part of these financial statements



**MARGAUX RED INVESTMENT SP**

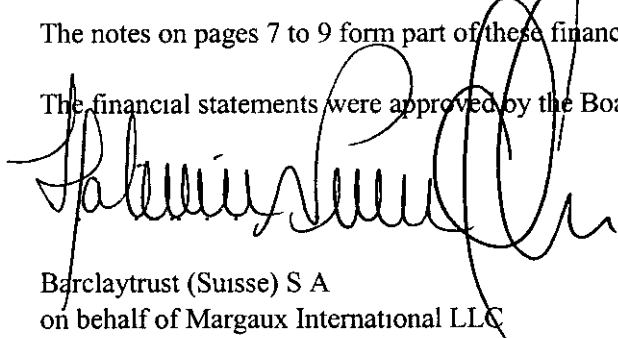
**BALANCE SHEET  
AS AT 30 JUNE 2007**

	Notes	2007 \$	\$
<b>Current assets</b>			
Investments	4	5,833,871	
Debtors	5	1,930	
Cash at bank and in hand		379,790	
		.....	
		6,215,591	
<b>Creditors: amounts falling due within one year</b>	6	(5,996,184)	
		.....	
<b>Net current assets</b>			219,407
			.....
<b>Total assets less current liabilities</b>			219,407
			.....
<b>Capital and reserves</b>			
Partners' capital accounts	7		1,000
Partners' current accounts	8		218,407
			.....
<b>Partners' funds</b>	9		219,407
			.....

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

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

The financial statements were approved by the Board on 12/11/2007



Barclaytrust (Suisse) S A  
on behalf of Margaux International LLC

## MARGAUX RED INVESTMENT SP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

##### 1.2 Turnover

Turnover represents interest and dividends received from investments

##### 1.3 Investments

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

##### 1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

##### 1.5 Foreign exchange

The exchange rate at the balance sheet date from US Dollars to Sterling was 0.49902

#### 2 Operating profit 2007 \$

Operating profit is stated after charging  
Auditors' remuneration

4,121  
.....

#### 3 Investment income 2007 \$

Gain on disposal of fixed asset investments

110,463  
.....

#### 4 Fixed asset investments

**Investments**  
**\$**

Cost

At 23 February 2006

Additions

Disposals

24,039,573  
(18,205,702)  
.....

At 30 June 2007

5,833,871  
.....

**MARGAUX RED INVESTMENT SP**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE PERIOD ENDED 30 JUNE 2007**

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<b>5 Debtors</b>	<b>2007</b>
	<b>\$</b>
Margaux Red Limited	462
Other debtors	1,468
	.....
	1,930
	.....

<b>6 Creditors: amounts falling due within one year</b>	<b>2007</b>
	<b>\$</b>
Other creditors	7,126
Loan from Margaux International LLC	5,989,058
	.....
	5,996,184
	.....

The loan from Margaux International LLC is interest free and repayable on demand

<b>7 Partners' capital accounts</b>	<b>2007</b>
	<b>\$</b>
Margaux Red Limited	10
Margaux International LLC	990
	.....
	1,000
	.....

<b>8 Partners' current accounts</b>	<b>At 23</b>	<b>Share of</b>	<b>At 30 June</b>
	<b>February</b>	<b>profits</b>	<b>2007</b>
	<b>2006</b>		
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Margaux International LLC		218,407	218,407
Margaux Red Limited			
	.....	.....	.....
		218,407	218,407
	.....	.....	.....

## MARGAUX RED INVESTMENT SP

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 30 JUNE 2007

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<b>9</b>	<b>Reconciliation of movements in partners' funds</b>	<b>2007</b>
		<b>\$</b>
	Profit for the financial period	218,407
	Partners' capital accounts	1,000
		.....
	Net addition to partners' funds	219,407
	Opening partners' funds	
		.....
	Closing partners' funds	219,407
		.....

#### 10 Control

The ultimate controlling party is Margaux Trust, a trust set up under English law

<b>11</b>	<b>Related party transactions</b>	<b>2007</b>
		<b>\$</b>

Transactions entered into with related parties during the period ended 30 June 2007 can be summarised as follows

Margaux International LLC	
Loans advanced	6,677,630
Loans repaid	(688,572)
	.....
Margaux Red Limited	
Management fee	3,006
Legal fees paid on behalf of the company	(452)
Partnership capital introduced	(10)
	.....
The balances due (from)/to related parties at the period end were as follows	
Margaux International LLC	5,989,058
Margaux Red Limited	2,544
	.....

Margaux International LLC and Margaux Red Limited are partners in Margaux Red Investment SP