

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31ST DECEMBER 2008

LINCE SALISBURY

Chartered Accountants

Avenue House,

St. Julian's Avenue,

St. Peter Port,

GUERNSEY.

SATURDAY



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COMPANIES HOUSE

VENT D'EST YACHT MANAGEMENT LIMITED

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VENT D'EST YACHT MANAGEMENT LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2008

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS:	Polaris Limited Perseus Limited K M Piggott
SECRETARY:	Leinster Secretaries Limited
REGISTERED OFFICE:	21 St. Thomas Street Bristol England BS1 6JS
REGISTERED NUMBER:	5842345
AUDITORS:	Lince Salisbury Avenue House St. Julian's Avenue St. Peter Port Guernsey GY1 1WA
BANKERS:	Ansbacher (Channel Islands) Limited
INCORPORATION:	The company is incorporated in the United Kingdom

VENT D'EST YACHT MANAGEMENT LIMITED  
DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 2008

The directors present their report and the financial statements of the Company for the year ended 31st December, 2008.

**PRINCIPAL ACTIVITY**

The principal activity of the Company throughout the year was the ownership and operation of a commercially registered yacht and also that of yacht charterers.

**DIVIDENDS**

The directors do not recommend the payment of a dividend for the year ended 31st December, 2008.

**DIRECTORS**

The present directors are as shown on page 1.

**Statement of disclosure of information to auditors**

The directors of the Company who held office at the date of approval of this Annual Report as set out above each confirm that:

- \* so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- \* each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**AUDITORS**

The auditors, Lince Salisbury Limited, have indicated their willingness to accept re-appointment.


**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 and of the profit or loss of the Company for that period. In preparing those 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 a 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, 2006. 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.

**ON BEHALF OF THE BOARD**

  
POLARIS LIMITED - DIRECTOR

  
PERSEUS LIMITED - DIRECTOR

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VENT D'EST YACHT MANAGEMENT LIMITED

We have audited the financial statements for the year ended 31st December 2008 on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the Company's members as a body, in accordance with The Companies Act, 2006. 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 directors and auditors**

As described in the Directors' Report, the Company's directors 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).

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, 2006 . We also report to you if, in our opinion, the Directors' Report is consistent with the financial statements, if the Company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

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

**Basis of 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 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.

We have undertaken the audit in accordance with the requirements of the APB Ethical Standards - Provision Available for Small Entities in the circumstances set out in the notes to 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 at 31 December 2008 and of its loss for the year then ended;
- \* the financial statements have been properly prepared in accordance with The Companies Act, 2006; and
- \* the information given in the Directors Report is consistent with the financial statements.

*Lince Salisbury Limited*

LINCE SALISBURY LIMITED  
Registered Auditors  
Chartered Accountants

Date 30th July, 2009

AVENUE HOUSE  
ST. JULIAN'S AVENUE  
ST. PETER PORT  
GY1 1WA

VENT D'EST YACHT MANAGEMENT LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st DECEMBER, 2008

	<u>Note</u>	<u>2008</u> <u>€</u>	<u>2007</u> <u>€</u>
TURNOVER	2	707,618	280,000
Cost of sales		(1,518,974)	(956,910)
GROSS LOSS		(811,356)	(676,910)
Net operating expenses	3	(1,282,677)	(1,282,689)
OPERATING LOSS	4	(2,094,033)	(1,959,599)
Other interest receivable and similar income		4,875	2,515
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,089,158)	(1,957,084)
Tax on loss on ordinary activities	5	-	-
RETAINED LOSS FOR THE FINANCIAL YEAR		(2,089,158)	(1,957,084)
Retained loss bought forward		(3,389,786)	(1,432,702)
RETAINED LOSS CARRIED FORWARD	€	(5,478,944)	€ (3,389,786)

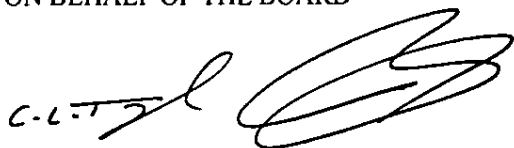
There are no recognised gains or losses other than as disclosed above.

VENT D'EST YACHT MANAGEMENT LIMITEDBALANCE SHEET AT 31st DECEMBER, 2008

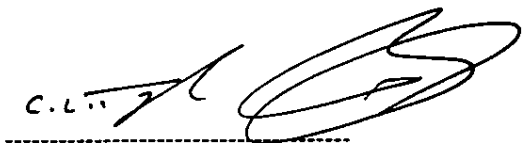
	Note	2008 €	2007 €
<b>FIXED ASSETS</b>			
Tangible assets	6	14,203,767	10,578,767
<b>CURRENT ASSETS</b>			
Debtors	7	7,259	150,916
Cash at bank and in hand		56,810	207,133
		<u>64,069</u>	<u>358,049</u>
<b>CURRENT LIABILITIES</b>			
Creditors - due within one year	8	<u>19,745,322</u>	<u>14,325,144</u>
NET CURRENT LIABILITIES		(19,681,253)	(13,967,095)
NET LIABILITIES		<u>€ (5,477,486)</u>	<u>€ (3,388,328)</u>
<b>FINANCED BY:</b>			
Called up share capital	9	1,458	1,458
Profit and loss account		<u>(5,478,944)</u>	<u>(3,389,786)</u>
SHAREHOLDERS' FUNDS	12	<u>€ (5,477,486)</u>	<u>€ (3,388,328)</u>

These financial statements were approved by the board on 27 JULY 2009.

ON BEHALF OF THE BOARD



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POLARIS LIMITED - DIRECTOR



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PERSEUS LIMITED - DIRECTOR



VENT D'EST YACHT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS - 31st DECEMBER, 2008

## 1. ACCOUNTING POLICIES

Accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

### Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effects of events in relation to the year ended 31st December, 2008 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31st December, 2008 and of the results for the year ended on that date.

### Going Concern

The Company's beneficial owner has confirmed that he will continue to support the Company to enable it to meet its liabilities as and when they fall due. The beneficial owner has confirmed that he does not intend to demand repayment of his loan in the foreseeable future.

### Yacht Expenses

Yacht expenses include the cost of sails which are written-off in the accounts in the year in which they are purchased.

### Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Yacht "Vent D'est"	10% per annum of cost
Yacht "Galileo G"	10% per annum of cost - upon completion of construction. Until that point no depreciation is being charged to the accounts (note 6).

### Foreign Exchange

Transactions denominated in foreign currencies are translated into Euros and recorded at the rate of exchange ruling at the date of the transaction.

Balances at the year end denominated in a foreign currency are translated into Euros at the rate of exchange ruling at the balance sheet date.

## 2. TURNOVER

The Company's turnover represents the value, excluding Value Added Tax, of charter fees during the year.

## 3. NET OPERATING EXPENSES

	<u>2008</u>	<u>2007</u>
	€	€
Administrative expenses	<u>1,282,677</u>	<u>1,282,689</u>

VENT D'EST YACHT MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS - 31st DECEMBER, 2008

## 4. OPERATING LOSS

Operating loss is stated after charging/(crediting):	<u>2008</u> €	<u>2007</u> €
Depreciation and amortisation of owned assets	1,250,000	1,250,000
Auditors' remuneration	1,801	1,393
Foreign currency exchange loss	(3,450)	1,510
	<hr/>	<hr/>

## 5. TAXATION

There is no tax charge for the year due to the company's trading losses for the year.

The company has been granted exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.

## 6. TANGIBLE FIXED ASSETS

	Yacht "Galileo G" €	Yacht "Vent D'est" €	Total €
Cost			
At 1st January, 2008	-	12,500,000	12,500,000
Payment during the year (note 13)	4,875,000	-	4,875,000
At 31st December, 2008	<hr/> 4,875,000	<hr/> 12,500,000	<hr/> 17,375,000
Depreciation			
At 1st January, 2008	-	1,921,233	1,921,233
Charge for the year - (note 1)	-	1,250,000	1,250,000
At 31st December, 2008	<hr/> -	<hr/> 3,171,233	<hr/> 3,171,233
Net book value			
At 31st December, 2008	<hr/> 4,875,000	<hr/> 9,328,767	<hr/> 14,203,767
At 31st December, 2007	<hr/> -	<hr/> 10,578,767	<hr/> 10,578,767

VENT D'EST YACHT MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS - 31st DECEMBER, 2008

7. DEBTORS	2008 €	2007 €
Trade debtors	-	150,000
Other debtors and prepayments	7,259	916
	<u>7,259</u>	<u>150,916</u>

8. CREDITORS - due within one year		
Loan payable to shareholder	19,733,640	14,307,894
Other creditors	11,682	17,250
	<u>19,745,322</u>	<u>14,325,144</u>

The loan is unsecured, interest free and repayable on demand

9. SHARE CAPITAL	£	£
Authorised		
2,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
Allotted, called up and fully paid:		
1,000 ordinary shares of £1 each, translated at historic rate	<u>€ 1,458</u>	<u>€ 1,458</u>

## 10. RELATED PARTY TRANSACTIONS

The company is wholly owned by S.M.S. Finance SA, a company incorporated in Luxembourg. The ultimate controlling party of the company is Mr S Scaglia.

## 11. NON-AUDIT SERVICES

In common with many other business of similar nature and size, the company has engaged its auditors to provide accounting assistance, in particular to prepare the annual accounts.

12. MOVEMENTS ON SHAREHOLDER'S FUNDS	2008 €	2007 €
Opening shareholder's funds	(3,388,328)	(1,431,244)
Loss for the year	<u>(2,089,158)</u>	<u>(1,957,084)</u>
Closing shareholder's funds	<u>(5,477,486)</u>	<u>(3,388,328)</u>

## 13. CAPITAL COMMITMENTS

The company committed to the purchase of a yacht (C.2156) referred to as "Galileo G". The contracted purchase price of this yacht is €39,000,000.

THE FOLLOWING PAGE IS FOR THE INFORMATION  
OF THE DIRECTORS ONLY

IT DOES NOT FORM PART OF THE STATUTORY ACCOUNTS

VENT D'EST YACHT MANAGEMENT LTD  
TRADING & PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31st DECEMBER, 2008

	2008		2007	
	€	€	€	€
TURNOVER		707,618		280,000
COST OF SALES				
Yacht expenses	1,518,974		930,910	
Commissions payable	-		26,000	
		(1,518,974)		(956,910)
GROSS LOSS		(811,356)		(676,910)
OVERHEAD EXPENSES				
Administration fees	22,690		17,992	
VAT registration	9,486		10,256	
Auditors' remuneration	1,801		1,393	
Professional fees and disbursements	1,650		866	
Annual filing fee and tax exempt fees	19		513	
Foreign currency exchange loss	(3,450)		1,510	
Bank charges	481		159	
Depreciation of yacht	1,250,000		1,250,000	
		(1,282,677)		(1,282,689)
OPERATING LOSS		(2,094,033)		(1,959,599)
Bank interest receivable		4,875		2,515
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	€	(2,089,158)	€	(1,957,084)