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VENT D'EST YACHT MANAGEMENT
LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2009

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FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2009

LINCE SALISBURY

Chartered Accountants

Avenue House,

St Julian's Avenue,

St Peter Port,

GUERNSEY

VENT D'EST YACHT MANAGEMENT LIMITED

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VENT D'EST YACHT MANAGEMENT LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS	Polaris Limited Perseus Limited K M Piggott S Marion
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	Coutts & Co
INCORPORATION	The company is incorporated in the United Kingdom

VENT D'EST YACHT MANAGEMENT LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 2009

The directors present their report and the financial statements of the Company for the year ended 31st December, 2009

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, 2009

DIRECTORS

The directors at the year end 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

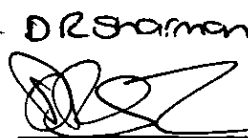
ON BEHALF OF THE BOARD

D R Sharman



POLARIS LIMITED - DIRECTOR

N J Mroch



PERSEUS LIMITED - DIRECTOR

N J Mroch

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, 2009 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.

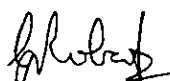
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31st December, 2009 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



MR G G ROBERT (Senior Statutory Auditor) for and on behalf of
LINCE SALISBURY LIMITED
Avenue House,
St Julian's Avenue,
St Peter Port, GUERNSEY

Date 20th August, 2010

VENT D'EST YACHT MANAGEMENT LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st DECEMBER, 2009

	<u>Note</u>	<u>2009</u> <u>€</u>	<u>2008</u> <u>€</u>
TURNOVER	2	880,000	707,618
Cost of sales		(991,855)	(1,518,974)
GROSS LOSS		(111,855)	(811,356)
Net operating expenses	3	(1,277,100)	(1,282,677)
OPERATING LOSS	4	(1,388,955)	(2,094,033)
Other interest receivable and similar income		-	4,875
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,388,955)	(2,089,158)
Tax on loss on ordinary activities	5	-	-
RETAINED LOSS FOR THE FINANCIAL YEAR		(1,388,955)	(2,089,158)
Retained loss brought forward		(5,478,944)	(3,389,786)
RETAINED LOSS CARRIED FORWARD	€	(6,867,899)	€ (5,478,944)

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

VENT D'EST YACHT MANAGEMENT LIMITEDBALANCE SHEET AT 31st DECEMBER, 2009

	Note	2009 €	2008 €
FIXED ASSETS			
Tangible assets	6	18,942,744	14,203,767
CURRENT ASSETS			
Debtors	7	7,886	7,259
Cash at bank and in hand		8,498	56,810
		<u>16,384</u>	<u>64,069</u>
CURRENT LIABILITIES			
Creditors - due within one year	8	<u>25,825,569</u>	<u>19,745,322</u>
NET CURRENT LIABILITIES		(25,809,185)	(19,681,253)
NET LIABILITIES		<u>€ (6,866,441)</u>	<u>€ (5,477,486)</u>
FINANCED BY			
Called up share capital	9	1,458	1,458
Profit and loss account		(6,867,899)	(5,478,944)
SHAREHOLDERS' FUNDS	12	<u>€ (6,866,441)</u>	<u>€ (5,477,486)</u>

These financial statements were approved by the board on 9 August 2010

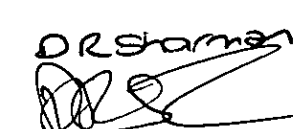

ON BEHALF OF THE BOARD

O R Sharman

POLARIS LIMITED - DIRECTOR

O R Sharman

PERSEUS LIMITED - DIRECTOR

VENT D'EST YACHT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS - 31st DECEMBER, 2009

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, 2009 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, 2009 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)
Zodiac Dive Tender	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>2009</u>	<u>2008</u>
	€	€
Administrative expenses	<u>1,277,100</u>	<u>1,282,677</u>

VENT D'EST YACHT MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS - 31st DECEMBER, 2009

4 OPERATING LOSS

Operating loss is stated after charging/(crediting)	<u>2009</u>	<u>2008</u>
	<u>€</u>	<u>€</u>
Depreciation and amortisation of owned assets	1,250,000	1,250,000
Auditors' remuneration	2,070	1,801
Foreign currency exchange profit	(1,794)	(3,450)

5 TAXATION

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

6 TANGIBLE FIXED ASSETS

	Zodiac Dive Tender €	Yacht "Galileo G" €	Yacht "Vent D'est" €	Total €
Cost				
At 1st January, 2009	-	4,875,000	12,500,000	17,375,000
Payment during the year (note 13)	138,977	5,850,000	-	5,988,977
At 31st December, 2009	<u>138,977</u>	<u>10,725,000</u>	<u>12,500,000</u>	<u>23,363,977</u>
Depreciation				
At 1st January, 2009	-	-	3,171,233	3,171,233
Charge for the year - note 1	-	-	1,250,000	1,250,000
At 31st December, 2009	<u>-</u>	<u>-</u>	<u>4,421,233</u>	<u>4,421,233</u>
Net book value				
At 31st December, 2009	<u>138,977</u>	<u>10,725,000</u>	<u>8,078,767</u>	<u>18,942,744</u>
At 31st December, 2008	<u>-</u>	<u>4,875,000</u>	<u>9,328,767</u>	<u>14,203,767</u>

VENT D'EST YACHT MANAGEMENT LIMITEDNOTES TO THE ACCOUNTS - 31st DECEMBER, 2009

	2009 €	2008 €
7 DEBTORS		
Trade debtors	-	-
Other debtors and prepayments	7,886	7,259
	<u>7,886</u>	<u>7,259</u>
8 CREDITORS - due within one year		
Loan payable to shareholder	25,814,280	19,733,640
Other creditors	11,289	11,682
	<u>25,825,569</u>	<u>19,745,322</u>
The loan is unsecured, interest free and repayable on demand		
9 SHARE CAPITAL	£	£
Authorised		
2,000 ordinary shares of £1 each	2,000	2,000
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each, translated at historic rate	€ 1,458	€ 1,458

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.

Included in Turnover is €300,000 from the immediate holding company and €400,000 from the ultimate beneficial owner, 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.

	2009 €	2008 €
12 MOVEMENTS ON SHAREHOLDER'S FUNDS		
Opening shareholder's funds	(5,477,486)	(3,388,328)
Loss for the year	<u>(1,388,955)</u>	<u>(2,089,158)</u>
Closing shareholder's funds	<u>(6,866,441)</u>	<u>(5,477,486)</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.

14 POST BALANCE SHEET EVENTS

As a result of professional tax planning advice received the Company is to transfer its business to another similarly named company in another jurisdiction. It is expected that following the transfer of the Company's business the Company will be liquidated.

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, 2009

	2009		2008	
	€	€	€	€
TURNOVER		880,000		707,618
COST OF SALES				
Yacht expenses	955,855		1,518,974	
Commissions payable	36,000		-	
		(991,855)		(1,518,974)
GROSS LOSS		(111,855)		(811,356)
OVERHEAD EXPENSES				
Administration fees	16,957		22,690	
VAT registration	8,121		9,486	
Auditors' remuneration	2,070		1,801	
Professional fees and disbursements	496		1,650	
Annual filing fee and tax exempt fees	-		19	
Foreign currency exchange profit	(1,794)		(3,450)	
Bank charges	1,250		481	
Depreciation of yacht	1,250,000		1,250,000	
		(1,277,100)		(1,282,677)
OPERATING LOSS		(1,388,955)		(2,094,033)
Bank interest receivable		-		4,875
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	€	(1,388,955)	€	(2,089,158)