

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007  
FOR  
PRIME ART FINANCE LIMITED**

WPA Audit Limited  
26 Grosvenor Street  
Mayfair  
London  
W1K 4QW

MONDAY



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COMPANIES HOUSE

**PRIME ART FINANCE LIMITED**

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FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

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**PRIME ART FINANCE LIMITED**  
**COMPANY INFORMATION**  
**FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

**DIRECTORS:** H Salem  
Rudana Investment Services Group AG

**SECRETARY:** Wilton Corporate Services Limited

**REGISTERED OFFICE:** 26 Grosvenor Street  
Mayfair  
London  
W1K 4QW

**REGISTERED NUMBER:** 05732844 (England and Wales)

**AUDITORS:** WPA Audit Limited  
26 Grosvenor Street  
Mayfair  
London  
W1K 4QW

**PRIME ART FINANCE LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

The directors present their report with the financial statements of the company for the period 1 April 2007 to 31 December 2007.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of financing and trading of arts.

**DIRECTORS**

H Salem has held office during the whole of the period from 1 April 2007 to the date of this report.

Other changes in directors holding office are as follows:

Rudana Investment Services Group AG - appointed 27 September 2007

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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 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 1985. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) 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**

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 BOARD:

Director

Date:

18/2/2009

## REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF PRIME ART FINANCE LIMITED

We have audited the financial statements of Prime Art Finance Limited for the period ended 31 December 2007 on pages four to eight. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

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 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company 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 directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors 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 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 United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



WPA Audit Limited  
26 Grosvenor Street  
Mayfair  
London  
W1K 4QW

Date: 18/02/09

**PRIME ART FINANCE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

	Notes	Period 1.4.07 to 31.12.07 CHF	Period 7.3.06 to 31.3.07 CHF
<b>TURNOVER</b>		-	32,884
Administrative expenses		<u>227</u>	<u>83,116</u>
		(227)	(50,232)
Other operating income		<u>-</u>	<u>4,886</u>
<b>OPERATING LOSS</b>	2	(227)	(45,346)
Interest receivable and similar income		<u>7</u>	<u>25</u>
		(220)	(45,321)
Interest payable and similar charges		<u>27</u>	<u>50</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(247)	(45,371)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		<u>(247)</u>	<u>(45,371)</u>

The notes form part of these financial statements

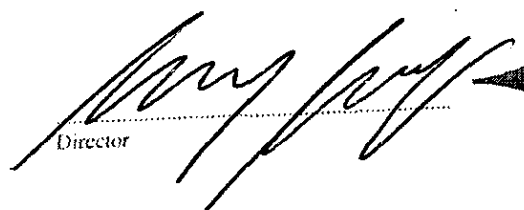
PRIME ART FINANCE LIMITED

BALANCE SHEET  
31 DECEMBER 2007

	Notes	2007 CHF	2007 CHF
<b>CURRENT ASSETS</b>			
Debtors	4	2,071,555	1,314,108
Cash at bank		<u>11,895</u>	<u>128,267</u>
		2,083,450	1,442,375
<b>CREDITORS</b>			
Amounts falling due within one year	5	<u>1,560,608</u>	<u>1,485,357</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>522,842</u>	<u>(42,982)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>522,842</u>	<u>(42,982)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	568,461	2,389
Profit and loss account	7	<u>(45,619)</u>	<u>(45,371)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>522,842</u>	<u>(42,982)</u>

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 2007).

The financial statements were approved by the Board of Directors on 18.2.2009 and were signed on its behalf by:

  
Director

The notes form part of these financial statements

# PRIME ART FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

#### Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into CHF at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into CHF at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Rates of exchange at 31 December 2007 are as follows:-

1 USD = 1.21745 CHF

1 GBP = 2.38975 CHF

1 EUR = 1.62395 CHF

### 2. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	Period 1.4.07 to 31.12.07 CHF	Period 7.3.06 to 31.3.07 CHF
Auditors' remuneration	-	5,000
Foreign exchange differences	<u>(35,887)</u>	<u>43,272</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

### 3. TAXATION

#### Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period ended 31 December 2007 nor for the period ended 31 March 2007.

### 4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 CHF	2007 CHF
Amounts owed by group undertakings	315,842	314,856
Other debtors	<u>1,755,713</u>	<u>999,252</u>
	<u>2,071,555</u>	<u>1,314,108</u>



**PRIME ART FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

**5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 CHF	2007 CHF
Amounts owed to group undertakings	1,520,608	1,465,357
Other creditors	<u>40,000</u>	<u>20,000</u>
	<u>1,560,608</u>	<u>1,485,357</u>

**6. CALLED UP SHARE CAPITAL**

Authorised: Number:	Class:	Nominal value:	2007 CHF	2007 CHF
1,000	Ordinary	2.389	2,389	2,389
5,000	Ordinary	113.2	<u>566,072</u>	<u>-</u>
			<u>568,461</u>	<u>2,389</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2007 CHF	2007 CHF
1,000	Ordinary	2.389	<u>2,389</u>	<u>2,389</u>

Allotted and issued: Number:	Class:	Nominal value:	2007 CHF	2007 CHF
5,000	Ordinary	113.2	<u>566,072</u>	<u>-</u>

5,000 Ordinary shares of CHF113.2 each were allotted at par during the period.

**7. RESERVES**

	Profit and loss account CHF
At 1 April 2007	(45,372)
Deficit for the period	<u>(247)</u>
At 31 December 2007	<u>(45,619)</u>

**8. ULTIMATE PARENT COMPANY**

Prime Art Finance Limited is owned 100% by Rudana Investment Group AG.

**PRIME ART FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2007 TO 31 DECEMBER 2007**

**9. TRANSACTIONS WITH DIRECTORS**

The following loans to directors subsisted during the periods ended 31 December 2007 and 31 March 2007:

	2007 CHF	2007 CHF
<b>H Salem</b>		
Balance outstanding at start of period	741,310	-
Balance outstanding at end of period	896,273	741,310
Maximum balance outstanding during period	<u>896,273</u>	<u>741,310</u>
 <b>Rudana Investment Services Group AG</b>		
Balance outstanding at start of period	-	-
Balance outstanding at end of period	252,390	-
Maximum balance outstanding during period	<u>252,390</u>	<u>-</u>

**10. RELATED PARTY DISCLOSURES**

During the year there were the following related party transaction:-

	CHF	CHF
Loan to Falak Investments AG	8,042	
Loan to First Real Estate Investment AG	55,410	
Loan to Rudana Investment Group AG	252,390	
 Loan from Prime Asset Finance Limited		1,520,608

These loans are interest free and repayable on demand.