

Welcome back to the seventh edition of Observation - the Marlborough Trust Newsletter.

Apologies for the lack of communication in the latter part of last year, mainly due to work having to be undertaken - we have since appointed more staff and so can get back into our gentle Guernsey lifestyle.

Property Development — The Key to a Constructive Future

Unless you are an avid believer in everything the Daily Mail tells you it is likely that the property market will continue its upward trend throughout 2007. We refer to www.lombardstreetresearch.com for more information on the trends.

Marlborough is currently running a number of different structures to mitigate taxation on UK property development for non-residents, resident non-domiciled and UK resident domiciles.

For further information please contact ben.tustin@marlboroughtrust.com

Pre-Budget Report

What's hot:

- Tax deferral for CGT and Income tax
- New SDLT planning - watch this space over the next month
- Managed Service Companies - Let's do things properly, expected release in March '07
- Intellectual property, image rights, copyrights and trademarks
- Inheritance tax - mitigation simply becomes more complex after 2006.

What's not:

- Capital losses
- Managed Service Companies
- SDLT Planning

We are moving...

Marlborough Trust will be moving to new state of the art offices to be opened on 15th January 2007. We will be closing the office on Friday 12th January at 1pm and will only be available on the mobile phone numbers until Monday morning at 8.45am. Mobile numbers as follows:

Nick - 07781 133366

Adrian - 07781 133377

Ben - 07781 133388

We look forward to seeing you in Guernsey in 2007.

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Marlborough acquires new landmark London base

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In the latter half of last year we welcomed a new member of the business development team, Amanda Coull. Amanda has extensive experience in the trust industry both onshore and offshore and she is based near Henley-on-Thames and is therefore available for meetings at short notice both in London and across the country. For those of you who have not yet met Amanda please see the delightful corporate photo (right).

Amanda can be contacted on amanda.coull@marlboroughtrust.com for anything that you require with regard to Marlborough in the UK.



Fractional Ownership in bid for world domination

Marlborough Trust's sister company based in Continental Europe is the Fractional Ownership Consultancy.

What is Fractional Ownership?

- Allows several unconnected buyers to collectively own a beautiful property
- Occupation rights for a defined period each year
- Freehold ownership – not timeshare

For Developers

Fractional ownership will:

- Maximise profit through an immediate uplift in property values
- Increase sales velocity
- Create a busy "all year" resort
- Develop an ongoing business through rental and resort management
- Open up a substantially larger target market

What Do We Do?

- Provide developers with a total documentation and management structure for successful fractional ownership sales
- Proven management and back office systems for sales, resales and after sales service
- Technical training for developer sales and administration staff
- Direct marketing assistance if required
- Finance - we can provide an exclusive point of sale finance package for potential purchasers of fractional properties

The Fractional Ownership Consultancy currently runs or is implementing projects in: Spain, Portugal, France, Italy, Caribbean, North Africa, Dubai, Brazil and USA.

Please contact nick.hannah@fractional.net for further information or visit www.fractional.net

This month the directors have mainly been drinking

Red wine - Douro, this is a Portuguese wine, the 2005 is very good at the moment.

White Burgundy - Puligny Montrachet, 2004 - we need say no more.

Chateau de Fontpinot - Fine cognac as recommended by Nick for those long winter nights .

Ben's Sloe Gin - the 2002 vintage is now being consumed, excellent year and very smooth, not to be imbibed after too much of any of the above recommendations.

The superb wines can be purchased from Mike Smith at The Wine Alley in St Peter Port, the sloe gin cannot be purchased retail which is probably good for the sake of the world's livers.

www.marlboroughtrust.com