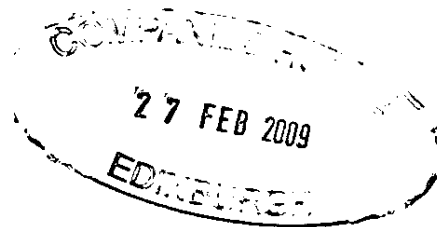




KILMARTIN WESTON LIMITED
(Formerly FORSTERS SHELF CO 268 LIMITED)

REPORT and FINANCIAL STATEMENTS

For the period from incorporation to 30 April 2008

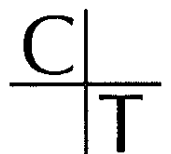


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COMPANIES HOUSE



KILMARTIN WESTON LIMITED

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KILMARTIN WESTON LIMITED

COMPANY INFORMATION

Directors

Robert J Wotherspoon
Neil S McGuinness

Registered Office

6th Floor
Coin House
2 Gees Court
London
W1U 1JA

Bankers

Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

Auditors

Chiene + Tait
Chartered Accountants and Registered Auditors
61 Dublin Street
Edinburgh
EH3 6NL

KILMARTIN WESTON LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the period from incorporation on 15 June 2007 to 30 April 2008. The company changed its name from Forsters Shelfco 268 Limited to Kilmartin Weston Limited on 17 July 2007.

Principal activities

The principal activity of the company is property development.

Review of activities

During the period the company acquired a property which it plans to redevelop.

Results and dividends

The loss for the period was £43,783. The directors do not recommend the payment of a dividend.

Directors

The directors of the company during the period were as follows:

Robert J Wotherspoon (Appointed 18 July 2007)

Neil S McGuinness (Appointed 18 July 2007)

Simon H Bowder (Appointed 18 July 2007, resigned 17 June 2008)

Andrew A Stevens (appointed 6 July 2007, resigned 18 July 2007)

Hannah K Taylor (appointed 15 June 2007, resigned 6 July 2007)

Subsequent to the year end, Adam Kerr was appointed as a Director on 17 July 2008 and subsequently resigned on February 13 February 2009.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Disclosure of information to auditors

The directors confirm that:

- as far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the companies Act 1985.

BY ORDER OF THE BOARD

Neil S McGuinness

Director

26 Feb 2009

We have audited the financial statements of Kilmartin Weston Limited for the period ended 30 April 2008 set out on pages 6 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholder 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 shareholder 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 shareholder, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities 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 1985. We report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements. We also 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 transactions with the company and other members of the group is not disclosed.

We read the Directors' 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, except that the scope of our work was limited as explained below.

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 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. However, the evidence available to us was limited because while the directors consider that bank facilities will be available and sufficient to enable the company to meet its obligations as they fall due for payment, the company has not yet agreed its funding facility with its bankers for a period of at least twelve months from the date of approval of these financial statements. Had this information been available to us we might have formed a different opinion.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the appropriateness of the going concern basis of preparation of the financial statements, 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 as at 30 April 2008 and of its loss for the period then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

In respect solely of the limitation on our work relating to the assessment of the appropriateness of the going concern basis of preparation of the financial statements we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

In our opinion the information given in the Directors' Report is consistent with the financial statements.



CHIENE + TAIT
Chartered Accountants and Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

27/2/2009

KILMARTIN WESTON LIMITED**PROFIT and LOSS ACCOUNT****For the period ended 30 April 2008**

	Notes	15 June 2007 to 30 April 2008 £
Turnover	2	567,104
Cost of sales		(79,141)
Gross profit		<u>487,963</u>
Administrative expenses		(2,081)
Operating profit	3	<u>485,882</u>
Interest receivable		1
Interest payable	4	(529,666)
Loss on ordinary activities before taxation		<u>(43,783)</u>
Taxation on loss on ordinary activities	6	-
Loss for the period	11	<u><u>(43,783)</u></u> =====

A statement of recognised gains and losses has not been prepared as all gains and losses are shown in the profit and loss account.

All activities in the period relate to continuing activities.

The notes on pages 8 to 11 form part of these financial statements.

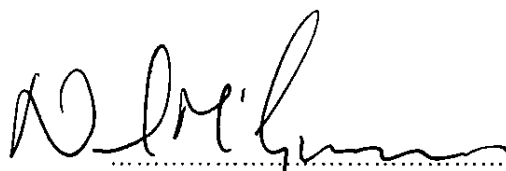
KILMARTIN WESTON LIMITED

BALANCE SHEET

As at 30 April 2008

	Notes	2008 £
Current Assets		
Stocks and Work in progress	7	11,296,135
Debtors	8	124,010
		<u>11,420,145</u>
Creditors: Amounts falling due within one year	9	(11,463,926)
Net liabilities		<u>(43,781)</u> =====
Capital and reserves		
Called up share capital	10	2
Profit and loss account	11	(43,783)
		<u>(43,781)</u> =====
Equity shareholder's deficit	12	(43,781)

Approved by the Board of Directors and signed on its behalf by:


.....
Neil S McGuinness

Director

26 Feb 2009

The notes on pages 8 to 11 form part of these financial statements.

KILMARTIN WESTON LIMITED

NOTES to the FINANCIAL STATEMENTS

For the period ended 30 April 2008

1. Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Profit is included in the financial statements in connection with property developments when a legally binding contract for the sale of the development has been entered into and legal conclusion has taken place before the year end. When legally binding contracts exist, profits on the construction and refurbishment elements of the development are determined only when the outcome can be assessed with reasonable certainty. Provisions are made in full for foreseeable losses. Other profits arising from developments are included in the financial statements only when the legal completion of the sale of the development has been effected.

Stocks and work in progress

Development properties are stated at the lower of cost and net realisable value. Cost is computed on the total consideration paid. Net realisable value is based on estimated selling price less the estimated costs of disposal.

Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Deferred tax is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Cash flow statement

The company qualifies as a small company and accordingly has taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1.

2. Turnover

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities within the United Kingdom, stated net of value added tax.

Turnover of development properties which are not held for the long-term is recorded when a sale is completed in accordance with the profit recognition criteria above. Turnover includes sales of directly held work in progress.

3. Operating profit

2008

£

This is stated after charging:

Auditors' remuneration – audit fee

1,200

Auditors' remuneration – fees for non audit services

600

=====

4. Interest payable and similar charges

2008

£

On bank loans and overdraft

25,501

On inter-company balances

504,058

Other interest

107

529,666

=====

KILMARTIN WESTON LIMITED**NOTES to the FINANCIAL STATEMENTS (Cont'd)****For the period ended 30 April 2008****5. Directors and employees**

No staff costs were incurred and the directors did not receive any emoluments during the period.

6. Taxation**2008**
£

Corporation tax for the current period

-
=====

The tax assessed for the period is lower than the expected tax credit as explained below:

2008
£

Loss on ordinary activities before tax

(43,783)
-----Loss on ordinary activities multiplied by standard rate of
corporation tax in the UK of 28%

(12,259)

Utilisation of tax losses:
Group relief surrendered12,259

Current tax charge for the period

-
=====**7. Stocks and Work in progress****2008**
£

Development properties

11,296,135
=====**8. Debtors****2008**
£Trade debtors
Other debtors40,795
83,215
-----124,010
=====

KILMARTIN WESTON LIMITED**NOTES to the FINANCIAL STATEMENTS (Cont'd)****For the period ended 30 April 2008**

9. Creditors: Amounts falling due within one year	2008 £
Trade creditors	4,700
Bank overdraft	147,781
Amounts due to group undertakings	11,167,251
Other creditors	834
Accruals and deferred income	108,611
Other taxes and social security	34,749

	11,463,926
	=====

The company's bankers hold cross company guarantees between companies within the Kilmartin Holdings Limited group. At 30 April 2008 the amount outstanding on overdrafts within the group facility amounted to £225,161,210. The overdraft facility is secured by a bond and floating charge and standard securities over the assets of the company.

	Authorised at 2008 incorporation	2008	Allotted, called up and fully paid at incorporation
	No.	No.	£
10. Share capital			
Ordinary shares of £1 each	100	100	2
	=====	=====	=====

On incorporation, 2 ordinary shares of £1 each were issued at par.

11. Profit and loss account	2008 £
Loss for the period	(43,783)

At 30 April 2008	(43,783)
	=====

12. Reconciliation of movement in equity shareholder's deficit	2008 £
Share capital issued	2
Loss for the period	(43,783)

At 30 April 2008	(43,781)
	=====

KILMARTIN WESTON LIMITED

NOTES to the FINANCIAL STATEMENTS (Cont'd)

For the period ended 30 April 2008

13. Related party transactions and ultimate controlling party

The company is a 100% subsidiary of Kilmartin London Limited.

The parent and ultimate parent company of Kilmartin London Limited is Kilmartin Holdings Limited, a company registered in Scotland. Kilmartin Holdings Limited is a joint venture between R J Wotherspoon, who is a director, and Uberior Holdings Limited. Both parties have a 50% interest in the share capital of Kilmartin Holdings Limited.

A copy of the consolidated financial statements for Kilmartin Holdings Limited may be obtained from 7 Castle Street, Edinburgh, EH2 3AH.

The company has elected to take advantage of the exemption granted in Financial Reporting Standard 8 "Related Party Disclosures" available to 90% or more owned subsidiaries and has not disclosed transactions with those companies in the Kilmartin Holdings Limited group of companies.

14. Going concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

The directors of the ultimate parent, Kilmartin Holdings Limited, have prepared projected cash flow information for the Group which reflects the directors' plans for the period ending twelve months from the date of their approval of these financial statements. The nature of the group's business is such that the majority of cash inflows are generated from rental income and property sales. Given the current economic conditions there can however be no certainty over the timing or amount of these cash inflows, particularly those relating to property sales or cash outflows that may occur should any guarantees be called.

The group is funded through a combination of shareholders' equity and debt finance which comprises loan notes plus an overdraft facility which are repayable on demand. The facilities are subject to financial covenants and other conditions which the group monitors regularly. The covenants are sensitive to changes in projected cash flows, the value of properties and movement in interest rates.

On the basis of the projected cash flow information the directors consider that the group will continue to operate within the facilities currently agreed and within those which they expect will be agreed in early 2009 when the group's bankers are due to consider renewing the overdraft facility for a further year.

The margin of facilities available over forecast requirements and covenant headroom in these projections is not large and, inherently, there can be no certainty in relation to these matters. The possibility of material adverse changes in the amount and timing of actual cash flows, property values and interest rates compared to the projections represent material uncertainties. Should material adverse change occur, they could cast significant doubt on the group's ability to continue as a going concern. In such circumstances the group may, therefore, be unable to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from such circumstances.