

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007
FOR
ASHFLAME KILMARNOCK LIMITED
(formerly West Coast Capital (Kilmarnock) Limited)**



ASHFLAME KILMARNOCK LIMITED

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ASHFLAME KILMARNOCK LIMITED

COMPANY INFORMATION
for the year ended 31 March 2007

DIRECTORS:

A C Gallagher
G H Gosling

SECRETARY:

S A Burnett

REGISTERED OFFICE:

Exchange Tower
19 Canning Street
Edinburgh
EH3 8EH

REGISTERED NUMBER:

SC 226300 (Scotland)

AUDITORS:

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

ASHFLAME KILMARNOCK LIMITED

REPORT OF THE DIRECTORS for the year ended 31 March 2007

The directors present their report and the audited financial statements of the company and the group for the year ended 31 March 2007

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of property investment

REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements

The company owns a retail park which is fully let and the investment is expected to be profitable. Both the result for the year and the year end financial position were satisfactory. The directors consider future prospects to be satisfactory.

On 1 August 2006, the authorised share capital of the company was increased by 9,000 ordinary shares of £1 each. On the same date 9,998 ordinary shares of £1 each were issued to Ashflame Properties Limited at par. This share issue resulted in Ashflame Properties Limited acquiring control of Ashflame Kilmarnock Limited. From 1 August 2006, the company will be treated as a subsidiary of Ashflame Properties Limited.

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to changes in the UK property investment market, movements in property rental yield and changes to UK interest rates. Further information is provided in the Ashflame Properties group's annual report which does not form part of this report.

Given the nature of the business as disclosed in these financial statements, where maximising rental income and the capital values of its investment property represents the key objectives, the company's directors are of the opinion that analysis using additional KPIs is not necessary for understanding the performance or position of the business.

CHANGE OF NAME

The company passed a special resolution on 8 August 2006 changing its name from West Coast Capital (Kilmarnock) Limited to Ashflame Kilmarnock Limited.

DIVIDENDS

A dividend of £10,000,000 was paid in the year ended 31 March 2007 (2006: £nil).

DIRECTORS

The directors during the year under review were:

A C Gallagher

G H Gosling

J C McMahon (resigned 1 August 2006)

B McCluskey (resigned 1 August 2006)

The directors holding office at 31 March 2007 did not hold any direct beneficial interest in the issued share capital of the company at 1 April 2006 or 31 March 2007.

The interests of the directors in the share capital of the parent company are shown in the financial statements of that company.

ASHFLAME KILMARNOCK LIMITED

REPORT OF THE DIRECTORS for the year ended 31 March 2007

FINANCIAL RISK MANAGEMENT

The group's operations expose it to a variety of financial risks that include the effects of credit, liquidity and interest rate risks. The directors actively monitor these risks and the potential costs.

The credit rating of property tenants is regularly assessed and changes in the risk profile are managed.

The group utilises a mixture of bank and group funding designed to ensure it has sufficient working capital available. Floating interest rates are reviewed and swapped for fixed rates where appropriate to reduce exposure to adverse interest rate fluctuations.

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

The auditors, PricewaterhouseCoopers LLP, will be proposed for re appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



G H Gosling Director
29 November 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASHFLAME KILMARNOCK LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Ashflame Kilmarnock Limited for the year ended 31 March 2007 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Company Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' Report 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

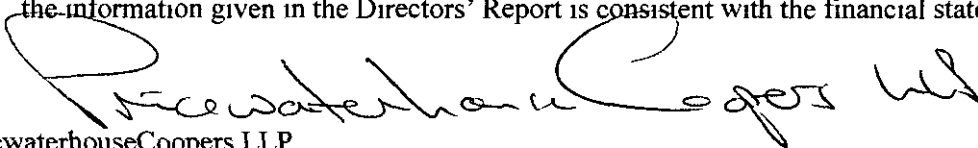
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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, of the state of the group's and the parent company's affairs as at 31 March 2007 and of the group's loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
5 December 2007

ASHFLAME KILMARNOCK LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2007**

	Notes	Year Ended 31 3 07 £	Year Ended 31 3 06 £
TURNOVER		1,604,348	1,705,204
Cost of sales		<u>(122,694)</u>	<u>(123,652)</u>
GROSS PROFIT		1,481,654	1,581,552
Administrative expenses		<u>(19,822)</u>	<u>(3,665)</u>
OPERATING PROFIT	3	1,461,832	1,577,887
Interest receivable and similar income	4	<u>33,414</u>	<u>15,306</u>
		1,495,246	1,593,193
Interest payable and similar charges	5	<u>(1,710,379)</u>	<u>(1,081,894)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(215,133)	511,299
Tax on profit on ordinary activities	6	<u>64,418</u>	<u>(156,071)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(150,715)</u>	<u>355,228</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current or previous year

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

ASHFLAME KILMARNOCK LIMITED**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**
for the year ended 31 March 2007

	Notes	Year ended 31 3 07 £	Year ended 31 3 06 £
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(10,150,715)	355,228
Revaluation of Investment Property	8	<u>1,945,468</u>	<u> </u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>(8,205,247)</u>	<u>355,228</u>

The notes form part of these financial statements

ASHFLAME KILMARNOCK LIMITED

CONSOLIDATED BALANCE SHEET 31 March 2007

	Notes	31 3 07 £	31 3 06 £
FIXED ASSETS			
Tangible assets	8	36,626,789	28,104,123
CURRENT ASSETS			
Debtors	10	1,120,045	308,913
Cash at bank		<u>729,129</u>	<u>440,637</u>
		1,849,174	749,550
CREDITORS			
Amounts falling due within one year	11	<u>(15,037,934)</u>	<u>(707,736)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(13,188,760)</u>	<u>41,814</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		23,438,029	28,145,937
CREDITORS			
Amounts falling due after more than one year	12	(22,600,000)	(19,113,914)
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(25,268)</u>	<u>(24,013)</u>
NET ASSETS		<u>812,761</u>	<u>9,008,010</u>
CAPITAL AND RESERVES			
Called up share capital	14	10,000	2
Revaluation reserve	15	10,184,706	8,239,238
Profit and loss account	15	<u>(9,381,945)</u>	<u>768,770</u>
EQUITY SHAREHOLDERS' FUNDS	17	<u>812,761</u>	<u>9,008,010</u>

ON BEHALF OF THE BOARD:



G H Gosling Director

Approved by the Board on 29 November 2007

The notes form part of these financial statements

ASHFLAME KILMARNOCK LIMITED

COMPANY BALANCE SHEET
31 March 2007

	Notes	31 3 07 £	31 3 06 £
FIXED ASSETS			
Investments	9	22,072,594	16,200,038
CURRENT ASSETS			
Debtors	10	994,457	56,218
Cash at bank		<u>250,080</u>	<u> </u>
		1,244,537	56,218
CREDITORS			
Amounts falling due within one year	11	<u>(794,357)</u>	<u>(342,715)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>450,180</u>	<u>(286,497)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		22,522,774	15,913,541
CREDITORS			
Amounts falling due after more than one year	12	<u>(22,600,000)</u>	<u>(19,000,000)</u>
NET LIABILITIES		<u>(77,226)</u>	<u>(3,086,459)</u>
CAPITAL AND RESERVES			
Called up share capital	14	10,000	2
Profit and loss account	15	<u>(87,226)</u>	<u>(3,086,461)</u>
EQUITY SHAREHOLDERS' DEFICIT		<u>(77,226)</u>	<u>(3,086,459)</u>

ON BEHALF OF THE BOARD:



G H Gosling Director

Approved by the Board on 10 October 2007

The notes form part of these financial statements

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2007

1 ACCOUNTING POLICIES

Accounting convention

These accounts are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain tangible fixed assets and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies are set out below.

Consolidation

The consolidated financial statements include the accounts of the company and its subsidiary undertaking which are made up to 31 March 2007. Intra group sales, profits and balances are eliminated on consolidation. In accordance with the exemption in FRS 8, transactions and balances with subsidiaries which are eliminated on consolidation have not been disclosed.

Cash flow exemption

Exemption has been taken from preparing a cash flow statement on the grounds that the group qualifies as a small group.

Turnover

Turnover represents the rental income receivable, service charges and other recoveries from investment properties in the United Kingdom.

In circumstances where a tenant has been given an incentive to enter into a lease by way of a payment, the incentive is treated as a reduction in rental income. The incentive is amortised on a straight line basis over the period from term commencement to the date of the first rent review, in accordance with UITF 28. Where an incentive is given to a tenant by way of a rent free period, the total rental income receivable for the period to the first rent review is recognised on a straight line basis from term commencement to the date of the first rent review, in accordance with UITF 28.

Cost of sales

Cost of sales represents expenses relating to the servicing of property and collection of rental income.

Deferred tax

Full provision is made on a non discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation at the current rate of tax. Deferred tax assets are recognised if their utilisation is considered more likely than not. Deferred tax is not provided on the revaluation of investment property unless there is a binding commitment to sell the asset.

Investment properties

Until investment properties are complete they are included in the accounts at cost. Once completed, open market valuations are performed on a 3 year cycle subject to an annual impairment review.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption but for their investment potential, to depreciate them would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot reasonably be separately identified or quantified.

Revaluation of investment property held by a British Virgin Islands (BVI) registered subsidiary results in a distributable reserve under BVI company law.

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2007

1 ACCOUNTING POLICIES (continued)

Amortisation of loan issue costs

Costs incurred in respect of obtaining loan finance are included in other debtors and the costs are amortised over the period of repayment of the loan in proportion to the outstanding loan

2 STAFF COSTS

There were no direct staff costs for the year ended 31 March 2007 (2006 none) However, £15,951 (2006 £nil) was payable to J J Gallagher Limited, a related company, for the service of individuals who had performed work on behalf of Ashflame Kilmarnock Limited

The average monthly number of employees during the year was as follows

	Year Ended 31 3 07	Year Ended 31 3 06
Directors	<u>2</u>	<u>4</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	Year Ended 31 3 07	Year Ended 31 3 06
	£	£
Auditors' remuneration	<u>2,500</u>	<u>2,250</u>
Directors' emoluments	<u></u>	<u></u>

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 3 07	Year Ended 31 3 06
	£	£
Bank interest	26,239	15,306
Interest receivable on loans to group undertakings	<u>7,175</u>	<u></u>
	<u>33,414</u>	<u>15,306</u>

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

5 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 3 07 £	Year Ended 31 3 06 £
Bank interest	1,428,065	1,078,295
Other interest	35	54
Interest payable on loans from group undertakings	272,782	
Amortisation of loan issue costs	<u>9,497</u>	<u>3,545</u>
	<u>1,710,379</u>	<u>1,081,894</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	Year Ended 31 3 07 £	Year Ended 31 3 06 £
Current tax		
UK corporation tax		151,716
Prior year adjustment		2,682
Group relief	<u>(65,673)</u>	
	(65,673)	154,398
Deferred tax		
Origination and reversal of timing differences	<u>1,255</u>	<u>1,673</u>
	(64,418)	156,071
Tax on profit on ordinary activities	<u>(64,418)</u>	<u>156,071</u>

The current corporation tax charge differs from the standard UK corporation tax rate of 30% applied to the result for the year. The differences are

	31 3 07 £	31 3 06 £
Loss/(profit) for the year at 30%	(64,540)	153,389
Expenses not deductible for tax	122	
Capital allowances in excess of depreciation	(1,255)	(1,673)
Prior year adjustments		<u>2,682</u>
Current tax charge	<u>(65,673)</u>	<u>154,398</u>

The amount of tax on the capital gain which would become payable in the event of the sale of the investment property for the amount at which it is stated in Note 6 is in the region of £1.7 million

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

7 DIVIDENDS

	Year Ended 31 3 07 £	Year Ended 31 3 06 £
Ordinary shares of £1 each Final paid	<u>10,000,000</u>	<u> </u>

8 TANGIBLE FIXED ASSETS

GROUP	Freehold Investment Property £
COST OR VALUATION	
At 1 April 2006	28,104,123
Additions	27,577,198
Revaluation	1,945,468
Disposals	<u>(21,000,000)</u>
At 31 March 2007	<u>36,626,789</u>
NET BOOK VALUE	
At 31 March 2007	<u>36,626,789</u>
At 31 March 2006	<u>28,104,123</u>

The carrying value of fixed asset properties was reviewed by the directors in accordance with the group's accounting policy and, in line with this policy, will be revalued in 2008

The historic cost of tangible fixed assets is £26,442,083

The freehold investment property is held for letting

9 FIXED ASSET INVESTMENTS

COMPANY	Interest in a subsidiary undertaking £	Loan to a subsidiary undertaking £	Total £
At 31 March 2007	<u>5,993</u>	<u>22,066,601</u>	<u>22,072,594</u>
At 31 March 2006	<u>5,993</u>	<u>16,194,045</u>	<u>16,200,038</u>

The company holds all of the ordinary share capital of Ashflame Glencairn Park Limited (formerly West Coast Capital (Glencairn Park) Limited), a property investment company registered in the British Virgin Islands

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 3 07	31 3 06	31 3 07	31 3 06
	£	£	£	£
Trade debtors	6,365	56,268		
Other debtors	71,634	56,218	71,634	56,218
VAT recoverable	1,017,989	58,245		
Amounts due from group undertakings			922,823	
Prepayments and accrued income	24,057	138,182		
	<u>1,120,045</u>	<u>308,913</u>	<u>994,457</u>	<u>56,218</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31 3 07	31 3 06	31 3 07	31 3 06
	£	£	£	£
Trade creditors	6,273,499	21		
Corporation tax		154,398		
VAT payable			66,869	71,189
Amounts due to group undertakings	7,686,899			
Accruals and deferred income	1,077,536	553,317	727,488	271,526
	<u>15,037,934</u>	<u>707,736</u>	<u>794,357</u>	<u>342,715</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31 3 07	31 3 06	31 3 07	31 3 06
	£	£	£	£
Bank loan	22,600,000	19,000,000	22,600,000	19,000,000
Other loans		113,914		
	<u>22,600,000</u>	<u>19,113,914</u>	<u>22,600,000</u>	<u>19,000,000</u>

The bank loan is on normal commercial terms and is secured by a floating charge over the assets of the group. It is repayable by quarterly instalments commencing 5 April 2008 with a final payment in January 2016 and bears interest at 6.4%.

An analysis of the maturity of loans repayable by instalments is given below

	Group		Company	
	31 3 07	31 3 06	31 3 07	31 3 06
	£	£	£	£
Amounts falling due				
In one to two years	320,000		320,000	
In two to five years	1,280,000	1,020,000	1,280,000	1,020,000
In more than five years	21,000,000	17,980,000	21,000,000	17,980,000
	<u>22,600,000</u>	<u>19,000,000</u>	<u>22,600,000</u>	<u>19,000,000</u>

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

13 PROVISIONS FOR LIABILITIES AND CHARGES

	Group Amount provided		Group Total potential liability	
	31 3 07	31 3 06	31 3 07	31 3 06
	£	£	£	£
Deferred taxation				
Tax effect of timing differences due to Excess of capital allowances over depreciation	25,268	24,013	25,268	24,013
				£
At 1 April 2006				24,013
Profit and loss account charge for the year				<u>1,255</u>
At 31 March 2007				<u>25,268</u>

The company has no deferred tax liability

14 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	31 3 07	31 3 06
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>1,000</u>
Allotted, issued and fully paid				
Number	Class	Nominal value	31 3 07	31 3 06
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>2</u>

On 1 August 2006, the authorised share capital of the company was increased by 9,000 ordinary shares of £1 each. On the same date 9,998 ordinary shares of £1 each were issued to Ashflame Properties Limited at par.

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

15 RESERVES

GROUP	Profit and loss account £	Other distributable revaluation reserve £
At 1 April 2006	768,770	8,239,238
Loss for the year	(10,150,715)	
Revaluation		<u>1,945,468</u>
At 31 March 2007	<u>(9,381,945)</u>	<u>10,184,706</u>

The BVI subsidiary paid a dividend from its revaluation reserve resulting in distributable reserves in the company being available for the dividend

COMPANY	Profit and loss account £
At 1 April 2006	(3,086,461)
Profit for the year	12,999,235
Dividends	<u>(10,000,000)</u>
At 31 March 2007	<u>(87,226)</u>

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £12,999,235 (2005 loss of £761,887)

16 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS8 not to disclose transactions with other group companies, as it is a wholly owned subsidiary within a consolidated group

At 31 March 2006, Ashflame Kilmarnock Limited was jointly owned by Ashflame Properties Limited and TBH Investments Limited. At 31 March 2006 the company owed £58,528 to Ashflame Properties Limited and £55,386 to TBH Investments Limited. These loans were interest free and were subordinated to the bank loan. The loan to TBH Investments Limited was repaid during the year ended 31 March 2007.

ASHFLAME KILMARNOCK LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued for the year ended 31 March 2007

17 RECONCILIATION OF MOVEMENTS IN GROUP SHAREHOLDERS' FUNDS

	31 3 07	31 3 06
	£	£
(Loss)/profit for the financial year	(150,715)	355,228
Dividends	(10,000,000)	
Issue of shares	9,998	
Revaluation	<u>1,945,468</u>	<u> </u>
Net (decrease)/increase in shareholders' funds	(8,195,249)	355,228
Opening shareholders' funds	<u>9,008,010</u>	<u>8,652,782</u>
Closing shareholders' funds	<u>812,761</u>	<u>9,008,010</u>
Equity interests	<u>812,761</u>	<u>9,008,010</u>

18 CONTROLLING PARTY

Ashflame Kilmarnock Limited is a wholly owned subsidiary of Ashflame Properties Limited (incorporated in England and Wales), its ultimate parent undertaking

The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of all of the issued share capital of the ultimate parent undertaking