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CHWP007

Please do not
write in
this margin

COMPANIES FORM No. 155(6)(a)

Declaration in relation to assistance for the acquisition of shares

155(6)(a)

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

Note
Please read the notes
on page 3 before
completing this form.

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

4059217

Name of company

* **CREST NICHOLSON RESIDENTIAL (NORTHERN) LIMITED**

~~We~~ **Nigel Ian Hughes of Forge Cottage Privett Alton Hants GU34 3NX**

insert name(s) and
address(es) of all
the directors

and Stephen John Mogford of Oaklands Sheets Heath Brookwood Surrey GU24 0EP

† delete as
appropriate

~~[The sole director]~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate

- (a) ~~that of a~~ ~~[recognised bank]~~ ~~[licensed institution]~~† with the meaning of the Banking Act 1979§
(b) ~~that of a person authorised under section 3 of the Insurance Companies Act 1982 to carry on~~
~~insurance business in the United Kingdom§~~
(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in
the [company] ~~[company's holding company]~~

~~XXX~~†

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the~~
~~purpose of the acquisition]~~†

The number and class of the shares acquired or to be acquired is: **30,500,002 ordinary shares of
£1.00 each**

Presenter's name address and
reference (if any):
**Lawrence Jones, Solicitors,
Sea Containers House, 20
Upper Ground, London SE1
9LH. Ref: NF/1C09626
Tel: 020 7620 1311**

For official Use
General Section

Post room



A14
COMPANIES HOUSE

ARUA2UTU

0326
17/10/00

The assistance is to be given to: (note 2) **The Miller Group Limited (registered in Scotland**
number 18135) having its registered office at 18 South Groathill Avenue Edinburgh, Scotland
and Crest Nicholson Operations Limited (registered in England and Wales number 1168311)
having its registered office at Crest House 39 Thames Street Weybridge Surrey KT13 8JL

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

The assistance will take the form of:

Please see Schedule 1

The person who ~~has acquired~~ **XXXXXX** will acquire† the share is:

† delete as
appropriate

The Miller Group Limited

The principal terms on which the assistance will be given are:

Please see Schedule 2

The amount of cash to be transferred to the person assisted is £ **Nil**

The value of any asset to be transferred to the person assisted is £ **Please see Schedule 3**

The date on which the assistance is to be given is **13th October 2000**

Please complete
legibly, preferably
in black type, or
bold block lettering

* delete either (a) or
(b) as appropriate

~~X~~/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~I~~/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) ~~I~~/We have formed the opinion that the company will be able to pay its debts in full with the proceeds of the winding up of the company, within 12 months of the date of the commencement of the winding up. (note 3)

And ~~X~~/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at SEA CONTAINERS
HOUSE, 20 UPPER GROUND
LONDON SE1 9LT

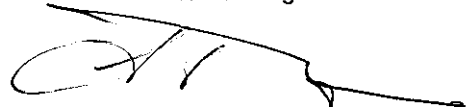
on

Day	Month	Year
13	10	2000


before me PHILIP J. PASCOE

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Declarants to sign below



N. Ian Hughes


CONSTANT & CONSTANT

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown,
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

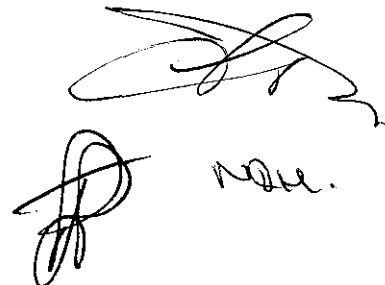
The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Form 155(6)a: Crest Nicholson Residential (Northern) Limited

SCHEDULE 1

The assistance will take the form of :

1. The execution and performance of an agreement ("the Agreement") between the Company (1) and Crest Nicholson Operations Limited ("Operations") (2) for the sale by the Company to Operations of all the Company's rights title and interest in an agreement ("the Rugby Club Agreement") dated 3rd December 1999 between Harrogate Rugby Union Football Club Limited (1) Crest Homes (Northern) Limited (2) and Crest Nicholson PLC (3) for the purchase of the freehold property therein described.
2. The continuation after the acquisition by The Miller Group Limited of the shares in the Company for a period to end no later than 15 January 2001 of certain interest free inter company loan arrangements ("the Arrangements") between the Company and Operations.

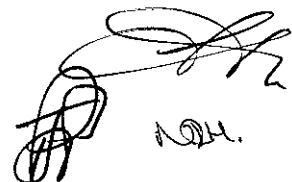
Two handwritten signatures are present at the bottom right of the page. The top signature is a large, stylized cursive mark. Below it is a smaller signature, also in cursive, followed by the word "now." written in a similar hand.

Form 155(6)a: Crest Nicholson Residential (Northern) Limited

SCHEDULE 2

The principal terms on which the assistance is given are:

1. By executing the Agreement the Company agrees to sell to Operations all its rights title and interest in the Rugby Club Agreement for a price of £791,000 together with VAT thereon which price is payable in cash on 1st November 2000.
2. The Arrangements comprise the arrangements agreed between the Company and Operations described below:
 - 2.1 The Company commenced trading on the 15 September 2000 and in the period ("the Agreed Period") from 15th September 2000 to the date ("the Completion Date") on which the shares in the Company are to be acquired by The Miller Group Limited ("the Purchaser") Operations funded (on the Company's account) all outgoings, expenses and costs payable in respect of the ordinary course of business of the Company ("the Costs") and also received (on the Company's account) all revenue and income payable to the Company in respect of that business and for this purpose Operations and the Company operated an inter company loan account on an interest free basis.
 - 2.2 The agreement for the sale and purchase of the shares in the Company to be acquired by the Purchaser ("the Share Sale Agreement") provides that the amount of the Costs and the said income together with the price of £791,000 together with VAT thereon payable by Operations to the Company under the Rugby Club Agreement ("the Income") in the Agreed Period are to be

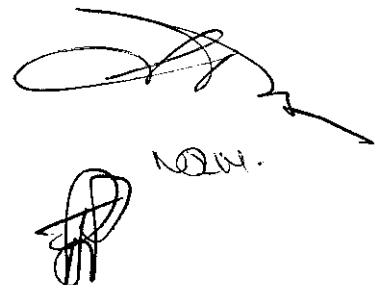
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ascertained and agreed between the Purchaser and Operations by 30 October, 2000 with payment of any balance due from the Company to Operations or as the case may be from Operations to the Company being made on 1st November 2000.

2.3 The Share Sale Agreement also provides that if Operations and the Purchaser are unable to reach agreement as to the amount of the Income and the Costs by 30 October 2000 the matter is to be referred to an independent chartered accountant (who is to be instructed to notify the parties in writing of his decision within 21 days after the date of his appointment) and payment of the balance as determined by the said accountant (acting as an expert) is to be made no later than 5 Business Days after the date of his decision.

2.4 The Share Sale Agreement provides that if subsequently either of the parties considers an adjustment is required it is to give notice to the other no later than 10 December 2000 and the amount of the adjustment is to be agreed by 20 December 2000 failing which the matter is to be referred to an independent chartered accountant for determination by him (acting as an expert and on instructions that he is to notify the parties in writing of his decision within 21 days after the date of his appointment) and payment of the amount of the adjustment as agreed between the parties or as determined by the said accountant is to be made on 15 January 2001.



2.5 It has been agreed between each of the Company, Operations and the Purchaser that the said inter company loan account arrangements between Operations and the Company be continued as regard the Costs and the Income in the Agreed Period for such period after the Completion Date as is necessary in order to facilitate the procedure envisaged by the Share Sale Agreement which is described above.

The block contains two handwritten signatures. The top signature is a large, stylized cursive signature. Below it, there are the initials 'NW' followed by a period, and another smaller, more compact signature.

Form 155(6)a: Crest Nicholson Residential (Northern) Limited

SCHEDULE 3

The value of any asset to be transferred to the person assisted is £791,000 excluding VAT as regards Crest Nicholson Operations and nil as regards The Miller Group Ltd.


NCH.




KPMG Audit Plc

1 Forest Gate

Brighton Road

Crawley

West Sussex RH11 9PT

United Kingdom

Tel +44 (0) 1293 652000

Fax +44 (0) 1293 652131

DX 89505 Crawley 4

E-mail neil.pearce@kpmg.co.uk

Mobile 07973 163760

Private & confidential

The Directors

Crest Nicholson Residential (Northern)

Limited

Crest House

39 Thames Street

Weybridge

SURREY, KT13 8JL

Your ref

Our ref np/250

Contact Neil Pearce
01293 652103

13 October 2000

Dear Sirs

Auditors' report to the directors of Crest Nicholson Residential (Northern) Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 13 October 2000 in connection with the proposal that the company should give financial assistance for the purchase of all of the company's ordinary shares. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

KPMG Audit Plc

KPMG Audit Plc

Enclosures:



KPMG Audit Plc, a company incorporated under the UK Companies Acts, is a member of KPMG International, a Swiss association

KPMG Audit Plc is registered to carry on audit work by the Institute of Chartered Accountants in

England and Wales.
Registered in England
Number 3110745

Registered office
8 Salisbury Square,
London EC4Y 8BB