

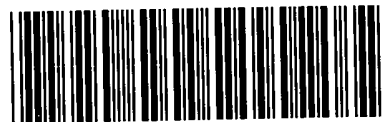
Miller (Arena Central) Limited

Directors' report and financial statements

Registered number 4155620

31 December 2015

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Directors' report

The directors present their report and the audited financial statements for the year ended 31st December 2015.

Principal activity

The principal activity of the Company is to act as the partner in Arena Central Developments LLP, a property development company.

Proposed dividend

No dividend was paid during the year (2014: nil).

Directors

The directors of the Company during the year and to the date of this report were:

Phil Miller (resigned 31 May 2015)
Donald Borland (resigned 8 July 2015)
David Milloy
Andrew Sutherland
Euan Haggerty
Jonathan Wallis

Political and charitable donations

The Company made no political donations during the year. Donations to UK charities amounted to £Nil (2014: £Nil).

Employees

The Company had no (2014: nil) employees during the period.

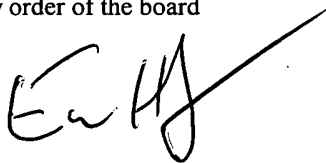
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Euan Haggerty
Director
28th June 2016

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' report and 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing each of the 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 UK 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditor's report to the members of Miller (Arena Central) Limited

We have audited the financial statements of Miller (Arena Central) Limited for the year ended 31 December 2015 set out on page 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the Company's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Hugh Harvie (Senior Statutory Auditor) 
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

28th June 2016

Profit and Loss Account
 for year ended 31 December 2015

	<i>Note</i>	2015 £	2014 £
Cost of sales	2	(415,866)	-
Gross loss		(415,866)	-
Administrative expenses		(1)	-
Operating loss		(415,867)	-
Other interest receivable and similar income	5	1,870	62,150
Interest payable and similar charges	6	(4,387)	(4,368)
(Loss)/Profit on ordinary activities before taxation		(418,384)	57,782
Tax on (loss)/profit on ordinary activities	7	(136,000)	-
(Loss)/Profit for the financial year		(554,384)	57,782

Notes on pages 8 to 13 form part of the financial statements

All activities in 2015 are continuing. The Company has no items of other comprehensive income in the year or the previous year.

Balance Sheet
 at 31 December 2015

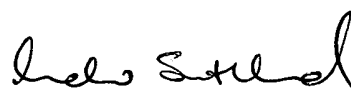
	Note	2015 £	2014 £
Fixed assets			
Investments	8	10,193,194	11,109,060
Current assets			
Debtors	9	1,084,692	980,714
Cash at bank and in hand		4,300	106,408
		<u>1,088,992</u>	<u>1,087,122</u>
Creditors: amounts falling due within one year	10	(11,533,053)	(11,892,665)
Net current liabilities		(10,444,061)	(10,805,543)
Net (liabilities)/assets		(250,867)	303,517
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account		(250,869)	303,515
Shareholders' funds		(250,867)	303,517

The notes on pages 8 to 13 form part of the financial statements.

These financial statements were approved by the board of directors on 28th June 2016 and were signed on its behalf by:



Euan Haggerty
 Director



Andrew Sutherland
 Director

Company registered number: 4155620

Statement of Changes in Equity

	Called up Share Capital £	Profit and loss account £	Total equity £
Balance at 1 January 2014	2	245,733	245,735
Total comprehensive income for the year			
Profit for the financial year	-	57,782	57,782
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2014	2	303,515	303,517
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2015	2	303,515	303,517
Total comprehensive income for the year			
Loss for the financial year	-	(554,384)	(554,384)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	2	(250,869)	(250,867)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

Miller (Arena Central) Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made measurement and recognition adjustments. An explanation of how the transition to FRS102 has affected financial position and financial performance of the Company is provided in note 17.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period; and
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 16.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reasons. The financial arrangements applicable to the Company form part of a wider arrangement involving all the operations of its parent company, Miller Developments Holdings Limited. The directors of Miller Developments Holdings Limited have prepared detailed cash flow forecasts for all its operations (the "Miller Developments" business) and are satisfied that the group has adequate resources to continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Although amounts due to the parent company and other group companies are technically repayable on demand, the parent company or other group companies will only require repayment once the company has generated sufficient funds from its property development activities. This is not anticipated to be for at least 12 months from the date of approval of these financial statements. Accordingly, the directors of this company continue to adopt the going concern basis in preparing the annual financial statements.

1.3 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Notes (continued)

1 Accounting policies

1.4 Interest Payable

Interest payable and similar charges relate to interest on other balances relating to the Company's ownership of Arena Central Developments LLP.

1.5 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.6 Expenses

Interest receivable and similar income.

Interest receivable relates to bank interest.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.8 Investments

Investments held as fixed assets are stated at cost less provision for permanent impairment in value.

2 Expenses and auditor's remuneration

Auditors' remuneration is paid by a fellow subsidiary company, Miller Developments Limited and is disclosed in the accounts of that company.

3 Staff numbers and costs

There were no employee costs during the year (2014: nil)

Notes (continued)

4 Directors' remuneration

There were no emoluments paid to the directors during the year (2014: nil)

5 Other interest receivable and similar income

	2015 £	2014 £
Other Interest Receivable	1,870	62,150

6 Interest payable and similar charges

	2015 £	2014 £
Other Interest Payable	4,387	4,368

7 Taxation

Total tax expense recognised in the profit and loss account

	2015 £	2014 £
Current tax	(136,000)	-
Total tax	(136,000)	-

Reconciliation of effective tax rate

	2015 £	2014 £
(Loss)/profit for the year	(554,384)	57,782
Total tax expense	136,000	-
(Loss)/profit excluding taxation	(418,384)	57,782
Tax using the UK corporation tax rate of 20.25% (2014: 21.5%)	(84,723)	(12,423)
Group relief received for nil consideration	-	12,423
JV profits taxable within this company	220,723	-
Total tax expense included in profit or loss	136,000	-

Notes (continued)

7 Taxation (continued)

Factors affecting the future current and total tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly.

8 Investments

	Loans to joint venture undertakings 2015 £	Other investments in respect of JV undertakings 2015 £	Total 2015 £
Cost			
Balance at 1 January 2015	7,859,060	3,250,000	11,109,060
Additions	-	-	-
Repayments	(500,000)	-	(500,000)
Utilisation of capitalised costs	-	(415,866)	(415,866)
Balance at 31 December 2015	7,359,060	2,834,134	10,193,194

The only undertaking in which the Company's interest at the year-end is more than 20% is that of:

	Country of incorporation	Registered number	Principal activity	Percentage interest in partnership
Arena Central Developments LLP	UK	OC305452	Property Development	50%

The Company's interest in Arena Central Developments LLP comprises loans of £7,359,060 being treated as investments, along with costs of assembling the development site which were incurred directly by the Company. These costs have been capitalised and are treated as part of the Company's investment in the Arena Central property development project.

9 Debtors

	2015 £	2014 £
Due within one year:		
Other debtors	879,692	875,305
Amounts due from fellow subsidiaries	205,000	105,409
	1,084,692	980,714

Notes (continued)

10 Creditors: amounts falling due within one year

	2015 £	2014 £
Other creditors	810,692	875,305
Amounts due to parent company	10,722,361	11,017,360
	<hr/>	<hr/>
	11,533,053	11,892,665
	<hr/>	<hr/>

11 Capital and reserves

Share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

12 Contingencies

The company, along with its parent and certain fellow subsidiaries, is a joint guarantor of the parent's revolving credit facility provided by Santander plc. At the year end and the date of signing these accounts the facility was undrawn. The bank has security by way of a debenture over the whole assets and undertakings of the company, the parent and the same certain fellow subsidiaries.

13 Related parties

As at the 31 December 2015, the Company was ultimately a wholly owned subsidiary of The Miller Group (UK) Limited and so it is exempt from the requirements of FRS102.33 to disclose transactions with other subsidiaries headed by The Miller Group (UK) Limited.

14 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Miller Developments Holdings Limited, a company incorporated and domiciled in the United Kingdom.

At 31 December 2015, the company's ultimate parent company was The Miller Group (UK) Limited, a company incorporated and domiciled in the United Kingdom.

The largest group in which the results for the year ended 31 December 2015 of the Company is consolidated is that headed by The Miller Group (UK) Limited. The consolidated financial statements of this group are available to the public and may be obtained from the Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

Following the year end and as a result of the group restructure, the Company's ultimate parent became MDL Holdings Limited, a company incorporated and domiciled in the United Kingdom. The Company is ultimately controlled by GSO Capital Partners LP, a division of the Blackstone Group LP.

Notes (continued)

15 Subsequent events

There were no subsequent events post the balance sheet date and prior to the date of signing these accounts that would have a material impact on the results reported or the financial position of the Company.

16 Accounting estimates and judgements

Key sources of estimation uncertainty

The Company believes that there are no areas of material uncertainty which affect the financial statements.

Critical accounting judgements in applying the Company's accounting policies

The Company believes that the most significant judgement applied is the valuation of property related assets included in the Balance Sheet. Investments in property of related joint venture undertakings are stated at cost less any impairment for permanent diminution in value.

The Company reviews the carrying value of its investments in joint ventures on a quarterly basis taking into consideration development progress and future anticipated market conditions to assess net realisable value. There is a degree of uncertainty in making such assessments.

17 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

In preparing its FRS 102 balance sheet, the Company has made one transitional adjustment. The impact has been to reallocate amounts due to group companies from creditors due in more than one year to creditors due in less than one year. The value of this adjustment to 31st December 2014 is £11,017,360 and at 1st January 2014 is £11,017,360. This adjustment has no impact on profit or net assets and is due to the classification of basic financial instruments under FRS102.