Miller Triumph Properties Limited

Directors' Report and Financial Statements

For the year ended 31 December 2008

Registered Number 5192995

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2008.

Principal activities

The principal activity of the company is that of property management.

Post year end, the company sold its property development. Following this, the directors intend to liquidate the company after realisation of all assets and settlement of remaining liabilities. Therefore, the financial statements have not been prepared on the going concern basis. The effect of this is explained in note 1 to the financial statements.

Business review

The net loss for the year after providing for taxation amounted to £978,279 (2007: loss of £129,295)

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year were as follows:

P H Miller
M Wood (resigned 29/05/09)
D Milloy
Julie Jackson
Andrew Sutherland
D Borland

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

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.

On behalf of the Board

D Borland
Director
23rd June 2009

Edinburgh

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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards, and applicable law (UK Generally Accepted Accountancy Practice).

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 judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As stated in note 1, the financial statements have not been prepared on a going concern basis.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditors' report to the members of Miller Triumph Properties Limited

We have audited the financial statements of Miller Triumph Properties Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, 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 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 auditors

The directors' responsibilities for preparing financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

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 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 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. 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 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its 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.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
Edinburgh

Date
26.6.09

Profit and loss account
for the year ended 31 December 2008

	Note	**2008** **£**	2007 £
Turnover	2	-	72,660
Cost of sales		**(861,573)**	(55,935)
Gross (loss)/profit		**(861,573)**	16,725
Administrative expenses		**(38)**	(13,820)
Operating (loss)/profit		**(861,611)**	2,905
Interest receivable and similar income	6	**4,901**	13,622
Interest payable and similar charges	7	**(121,569)**	(145,822)
Loss on ordinary activities before taxation	3	**(978,279)**	(129,295)
Tax on loss on ordinary activities	8	-	-
Loss for the financial year	13	**(978,279)**	(129,295)

The company has no recognised gains or losses other than the loss for the above financial year.

The loss for the year has been derived from activities which will be discontinued, as post year end the property development was sold.

Balance sheet
at 31 December 2008

	Note	**2008** **£**	2007 £
Current assets			
Stocks	*9*	**1,250,000**	2,000,000
Debtors	*10*	**25,170**	6,338
Cash at bank and in hand		**48,372**	293,094
		1,323,542	2,299,432
Creditors: amounts falling due within one year	*11*	**(2,299,911)**	(2,297,522)
Net (liabilities)/assets		**(976,369)**	1,910
Capital and reserves			
Called up share capital	*12*	**1**	1
Profit and loss account	*13*	**(976,370)**	1,909
Shareholders' (deficit)/funds	*14*	**(976,369)**	1,910

These financial statements were approved by the board of directors on 23rd June 2009 and were signed on its behalf by:

D Borland
Director

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statements as it is a wholly owned subsidiary undertaking of The Miller Group Limited and its cash flows are included within the consolidated cash flow statement of that company.

As the company is a wholly owned subsidiary of The Miller Group, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of The Miller Group Limited, within which the company is included, can be obtained from the address given in note 17.

In previous years, the financial statements have been prepared on the going concern basis. However, subsequent to the year end, the property development was sold and therefore, the activities will be discontinued. The directors intend to liquidate the company following the realisation of all assets and the settlement of the remaining liabilities and have not prepared the financial statements on a going concern basis.

Development work in progress

Development work in progress has been valued at the lower of cost plus attributable overheads or net realisable value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain terms for taxation and accounting purposes. Deferred tax is recognised, without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Profit recognition

Profits in respect of sales of commercial properties are taken at the time of legal completion.

2 Turnover

Turnover represents income received from the rental of commercial property and development sales and excludes value added tax. Turnover arises entirely in the United Kingdom.

3 Loss on ordinary activities before taxation

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

4 Remuneration of directors

There were no emoluments paid to directors during the year.

Notes *(continued)*

5 Staff number and costs

The company had no employees during the year.

6 Interest receivable and similar income

	2008	2007
	£	£
Bank interest	**4,901**	13,622

7 Interest payable and similar charges

	2008	2007
	£	£
On bank loans and overdrafts	**121,569**	145,822

8 Taxation

Analysis of charge in period

	2008	2007
	£	£
UK corporation tax		
Current tax on income for the period	-	-
Adjustment relating to prior period	-	-
Tax on loss on ordinary activities	-	-

Factors affecting the tax credit for the current period
The current tax charge for the period is less than (2007 less than) the standard rate of corporation tax in the UK (28.5%) (2007: 30%)

	2008	2007
	£	£
Current tax reconciliation		
Loss on ordinary activities before tax	**(978,279)**	(129,295)
Current tax at 28.5% (2007: 30%)	**(278,810)**	(38,789)
Group relief surrendered for nil consideration	**278,810**	38,789
Total current tax charge (see above)	-	-

Notes *(continued)*

9. Stocks

	2008	2007
	£	£
Work in progress	**1,250,000**	2,000,000

10 Debtors

	2008	2007
	£	£
Prepayments	**21,198**	2,480
Other debtors	**3,972**	3,858
	25,170	6,338

11 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	**33,389**	302
Amounts due to group undertakings	**556,450**	534,345
Other creditors	**-**	1,820
Accruals and deferred income	**10,072**	61,055
Bank loan	**1,700,000**	1,700,000
	2,299,911	2,297,522

The bank loan was reduced to £400,000 in May 2009 following the sale of the property. As explained in note 15, the remaining balance is covered by guarantees provided by other group companies.

12 Called up share capital

	2008	2007
	£	£
Authorised		
Equity: Ordinary shares of £1 each	**1,000**	1,000
Allotted, called up and unpaid		
Equity: Ordinary shares of £1 each	1	1

Notes *(continued)*

13 Profit and loss account

	2008 £
At beginning of year	**1,909**
Loss for the year	**(978,279)**
At end of year	**(976,370)**

14 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Loss for the financial year	**(978,279)**	(129,295)
Dividend paid	**-**	(750,000)
Net reduction to shareholders funds	**(978,279)**	(879,295)
Opening shareholders' funds	**1,910**	881,205
Closing shareholders' (deficit)/funds	**(976,369)**	1,910

15 Contingent liabilities

The company has, with certain other Group companies, jointly provided guarantees in support of property specific term loan facilities made available by The Lloyds Banking Group to certain other Group companies.

16 Post balance sheet events

On the 21st May 2009 the company sold its property development for £1,300,000 to Windsar Care Limited.

17 Ultimate parent company

The company is a subsidiary undertaking of Miller Developments Holdings Limited, a company registered in Scotland. The ultimate parent company is The Miller Group Limited. The accounts of The Miller Group Limited can be obtained from the Register of Companies, Companies House, 37 Castle Terrace, Edinburgh, EH1 2GB.