

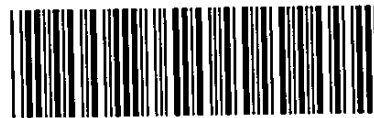
Miller (Cobblers Hall) Limited

Directors' Report and Financial Statements

For the year ended 31 December 2012

Registered number 05483570

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Contents

Directors' Report	1
Statement of Directors Responsibilities	2
Independent Auditor's Report to the Members of Miller (Cobblers Hall) Limited	3
Profit and Loss Account	4
Balance Sheet	5
Notes	6

Directors' Report

The directors have pleasure in presenting their report and audited financial statements for the year ended 31 December 2012

Principal activity

The principal activity of the company is that of residential property development. The company sold its final housing unit in June 2013, at which time it ceased to trade. As the directors do not intend to acquire a replacement trade, these financial statements have not been prepared on a going concern basis.

Final repayment of the bank loan was due by 30 June 2013, however following completion of the development, the company has insufficient resource to repay the debt in full. As at 24 October 2013 the company has an outstanding bank loan of £1,167,771.75 which the bank has agreed to waive.

Results and dividends

The loss for the year ended 31 December 2012 is set out in the profit and loss account. The directors are unable to recommend the payment of a dividend for the year (2011: £nil).

Directors

The directors of the company during the year and to the date of this report were as follows:

Ian Murdoch
John S Richards
Julie M Jackson (appointed 22 October 2012)
Moirra J Kinniburgh (resigned 22 October 2012)

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/she ought to have taken as a director to make himself/herself 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 auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board



Julie Jackson
Director
14 November 2013

2 Centro Place
Pride Park
Derby
DE24 8RF

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)

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 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,
- 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 explained in note 1, the directors do not believe it is appropriate to prepare these financial statements on a going concern basis

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 the 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

Independent auditor's report to the members of Miller (Cobblers Hall) Limited

We have audited the financial statements of Miller (Cobblers Hall) Limited for the year ended 31 December 2012 set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 2, 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 web-site at www.frc.org.uk/apbauditscopeukprivate.

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 2012 and of its loss 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.

Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note.

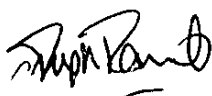
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's 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, 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
Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG

25 November 2013

Profit and Loss Account

For the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	1	3,032,050	3,064,397
Cost of sales			
- recurring		(2,830,503)	(2,716,723)
- exceptional		(91,219)	(173,804)
Gross profit		110,328	173,870
Administrative expenses		(4,800)	(2,225)
Operating profit		105,528	171,645
Interest payable and similar charges	3	(142,540)	(173,499)
Loss on ordinary activities before taxation	2	(37,012)	(1,854)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year	10	(37,012)	(1,854)

There are no recognised gains or losses other than those disclosed above

The notes on pages 6 to 10 form part of these financial statements

Balance Sheet

As at 31 December 2012

	Note	2012 £	2011 £
Current assets			
Stocks and work in progress	5	847,196	2,540,799
Debtors	6	402,152	303,277
		<u>1,249,348</u>	<u>2,844,076</u>
Creditors amounts falling due within one year	7	(5,589,049)	(3,499,367)
Total assets less current liabilities		<u>(4,339,701)</u>	<u>(655,291)</u>
Creditors amounts falling out with one year	8	-	(3,647,398)
Net liabilities		<u>(4,339,701)</u>	<u>(4,302,689)</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	(4,339,703)	(4,302,691)
Shareholders' deficit	11	<u>(4,339,701)</u>	<u>(4,302,689)</u>

The notes on pages 6 to 10 form part of these financial statements

These financial statements were approved by the board of directors on **14** November 2013 and were signed on its behalf by

Ian Murdoch

Ian Murdoch
 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 accounting

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

During the year, the company continued to sell residential units and sold its final unit during 2013, at which time it ceased to trade. As the directors do not intend to acquire a replacement trade, these financial statements have not been prepared on a going concern basis. No adjustments were necessary to the amounts at which the remaining assets and liabilities are included in these financial statements

As the company's results are consolidated within its ultimate parent company, The Miller Group Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of The Miller Group Limited, within which this company is included, can be obtained from the address in note 12

Turnover

Turnover represents the amounts (excluding value added tax) derived from the sale of new houses and is based on the selling price for the unit, net of any cash incentives, and is recognised on legal completion and receipt of cash. The incentives offered to customers affect the recognition of turnover. Where cash incentives are given the full cash amount is deducted from turnover. Where properties are sold under a shared equity scheme, a percentage of the value of the property is offered to the customer by way of a loan by the group. This loan is repayable either on the subsequent sale of the property or on a specific anniversary of the initial sale of the property or on such earlier date as the purchaser may choose to prepay the loan. In recognising the initial sale of properties sold under shared equity schemes the company includes the relevant value in turnover and in debtors

Development work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Net realisable value in relation to housing stocks is assessed by taking account of estimated selling price less all estimated costs of completion and appropriate attributable overheads

Taxation

The charge for taxation is based on the result for the year and takes in to account taxation deferred or accelerated because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting, in respect of all timing differences which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19. Deferred tax assets are recognised to the extent that these amounts are considered more likely than not to be recoverable in the foreseeable future

Notes (continued)

1. Accounting policies (continued)

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement 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

2 Loss on ordinary activities before taxation

	2012 £	2011 £
<i>This is stated after charging -</i>		
<i>Auditor's remuneration</i>		
Audit of these financial statements	2,500	1,525
<i>Amounts receivable by the auditor and their associates in respect of</i>		
Other services relating to taxation	700	700
<i>Exceptional charge</i>		
Write down of land and housing stock	91,219	173,804
	<u> </u>	<u> </u>

The company has no employees. The directors did not receive any remuneration from the company during the year (2011 £nil)

3 Interest payable and similar charges

	2012 £	2011 £
Interest payable on bank loan	142,540	173,499
	<u> </u>	<u> </u>

4. Tax on loss on ordinary activities

Analysis of credit for the year

	2012 £	2011 £
UK corporation tax:		
Current tax on loss in the year	-	-
	<u> </u>	<u> </u>

Factors affecting tax credit for year

The current tax credit on the loss on ordinary activities for the year is lower (2011 lower) than the standard rate of corporation tax in the UK of 24.5% (2011 26.25%)

Notes (continued)

4. Tax on loss on ordinary activities (continued)

Current tax reconciliation

	2012 £	2011 £
Loss on ordinary activities before tax	(37,012)	(1,854)
Current tax at 24.5% (2011: 26.25%)	(9,068)	(487)
Effect of		
Current year losses for which no deferred tax asset is recognised	9,068	487
Tax on loss on ordinary activities	-	-

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge accordingly.

There are no tax losses carried forward at 31 December 2012. Previous tax losses have been subject to group relief and utilised by fellow subsidiary undertakings.

5 Stocks and work in progress

	2012 £	2011 £
Work in progress	847,196	2,540,799

6. Debtors

	2012 £	2011 £
Unpaid share capital	2	2
Amounts owed by fellow subsidiary undertaking	402,145	303,275
Other debtors	5	-
	402,152	303,277

Notes (continued)

7. Creditors: amounts falling due within one year

	2012 £	2011 £
Accruals and deferred income	6,167	16,122
Bank loan (secured)	1,935,484	3,483,245
Loan from fellow subsidiary undertaking	3,647,398	-
	<u>5,589,049</u>	<u>3,499,367</u>

The bank loan is secured against the company's assets and bears interest at commercial rates

Final repayment of the bank loan was due by 30 June 2013, however following completion of the development, the company has insufficient resource to repay the debt in full. As at 24 October 2013 the company has an outstanding bank loan of £1,167,772 which the bank has agreed to waive

8 Creditors amounts falling out with one year

	2012 £	2011 £
Loan from fellow subsidiary undertaking	-	3,647,398
	<u>-</u>	<u>3,647,398</u>

9 Called up share capital

	2012 £	2011 £
<i>Authorised</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up, and unpaid</i>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes *(continued)*

10 Profit and loss account

	2012 £	2011 £
At beginning of year	(4,302,691)	(4,300,837)
Loss for the year	(37,012)	(1,854)
	<hr/>	<hr/>
At end of year	(4,339,703)	(4,302,691)
	<hr/>	<hr/>

11 Reconciliation of movement in shareholders' deficit

	2012 £	2011 £
Loss for the year	(37,012)	(1,854)
Shareholders' deficit at beginning of year	(4,302,689)	(4,300,835)
	<hr/>	<hr/>
Shareholders' deficit at end of year	(4,339,701)	(4,302,689)
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12 Immediate and ultimate parent company

The company's immediate parent company is Miller Homes Holdings Limited and its ultimate parent company is The Miller Group Limited. Both companies are registered in Scotland and incorporated in Great Britain.

The largest group in which the results of the company are consolidated is that headed by The Miller Group Limited. The smallest group in which they are consolidated is that headed by Miller Homes Holdings Limited. The consolidated financial statements of these groups 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.

At the date of approval of these financial statements the company was controlled by GSO Capital Partners LP, a division of the Blackstone Group LP.

13. Post balance sheet events

Final repayment of the bank loan was due by 30 June 2013, however following completion of the development, the company has insufficient resource to repay the debt in full. As at 24 October 2013 the company has an outstanding bank loan of £1,167,772 which the bank has agreed to waive, prior to the company ceasing to trade.