

Miller Maidenhead Limited

Directors' report and financial statements

For the year ended 31 December 2013

Registered number 05846544



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Directors' report

The Directors have pleasure in presenting their annual report and financial statements for the year ended 31 December 2013

Principal activity

The principal activity of the company is that of residential property development. During the year the company acquired land at East Mill Road, Linlithgow from Miller Homes Limited.

Results and dividends

The profit for the year ended 31 December 2013 is set out in the profit and loss account on page 4. The directors are unable to recommend the payment of a dividend for the year (2012: £nil).

Directors

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

Ian Murdoch	
Julie M Jackson	
Richard Hodsden	(appointed 21 November 2013)
John S Richards	(resigned 18 November 2013)


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
12 June 2014

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

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 Maidenhead Limited

We have audited the financial statements of Miller Maidenhead Limited for the year ended 31 December 2013 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/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 2013 and of its 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.

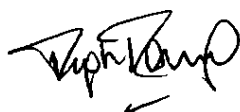
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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, or
- the directors were not entitled to take advantage of the small companies exemption in not preparing a Strategic report.



Hugh Harvie (Senior Statutory Auditor)
for and on behalf of **KPMG LLP, Statutory Auditor**
Chartered Accountants
Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG

13 June 2014

Profit and loss account

For the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	1	5,706,386	9,356,471
Cost of sales		(4,341,685)	(8,303,847)
Gross profit		1,364,701	1,052,624
Administrative expenses		(3,200)	(4,800)
Operating profit		1,361,501	1,047,824
Interest payable and similar charges	3	(69,820)	(318,968)
Profit on ordinary activities before taxation	2	1,291,681	728,856
Tax on profit on ordinary activities	4	-	-
Profit for the financial year	10	1,291,681	728,856

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

The results for the financial year have been derived from continuing activities

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

Balance sheet

As at 31 December 2013

	Note	2013 £	2012 £
Current assets			
Stocks and work in progress	5	750,000	4,337,134
Debtors	6	2	521,893
		<u>750,002</u>	<u>4,859,027</u>
Creditors amounts falling due within one year	7	-	(7,252)
		<u>750,002</u>	<u>4,851,775</u>
Total assets less current liabilities			
Creditors amounts falling outwith one year	8	(5,744,387)	(11,137,841)
		<u>(4,994,385)</u>	<u>(6,286,066)</u>
Net liabilities			
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	(4,994,387)	(6,286,068)
		<u>(4,994,385)</u>	<u>(6,286,066)</u>
Shareholders' deficit	11	<u>(4,994,385)</u>	<u>(6,286,066)</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 12 June 2014 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

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons. The day to day working capital requirements of the company are provided through a combination of funds provided by its fellow subsidiary company, Miller Homes Limited and bank borrowings. The directors of Miller Homes Limited have indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company, and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this subsidiary company support the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

As the company's results are consolidated within its ultimate parent company, The Miller Group (UK) 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 (UK) Limited, within which this company is included, can be obtained from the address in note 12.

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 (UK) Limited and its cash flows are included within the consolidated cash flow statement of that company.

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, up to 25% of the value of the property is offered to the customer by way of an interest free loan from a fellow subsidiary undertaking. In recognising the initial sale of the properties sold under shared equity schemes, the company includes the relevant value in turnover and in balances with fellow subsidiary undertakings.

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.

Notes (continued)

1. Accounting policies (continued)

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.

Dividend on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Profit on ordinary activities before taxation

	2013 £	2012 £
<i>This is stated after charging</i>		
<i>Auditor's remuneration</i>		
Audit of these financial statements	2,500	2,500
<i>Amounts receivable by auditors and their associates in respect of</i>		
Other services relating to taxation	700	700
	<hr/>	<hr/>

The company has no employees (2012 nil). The directors did not receive any remuneration from the company during the year (2012 £nil).

3 Interest payable and similar charges

	2013 £	2012 £
Interest payable on bank loan	69,820	318,968
	<hr/>	<hr/>

Notes (continued)

4 Taxation

Analysis of charge for the year

	2013 £	2012 £
UK corporation tax		
Total current tax charge	-	-

Factors affecting tax charge for year

The current tax charge on the profit on ordinary activities for the year is lower (2012 lower) than the standard rate of corporation tax in the UK of 23.25% (2012 24.50%)

	2013 £	2012 £
Current tax reconciliation		
Profit on ordinary activities before tax	1,291,681	728,856
Current tax at 23.25% (2012 24.50%)	300,316	178,570
<i>Effect of</i>		
Utilisation of tax losses brought forward	(300,316)	(178,570)
Total current tax charge	-	-

The UK government's budget for 2013 announced that the main rate of UK corporation tax was reduced from 24%, for the tax year ending 31 March 2013, to 23% for the tax year commencing 1 April 2013, then a reduction to 21% will be effective from 1 April 2014 with a further reduction to 20% effective from 1 April 2015

There are tax losses carried forward of £1,797,000 (2012 £2,998,000) in respect of which no deferred tax asset has been recognised because it is not possible to confirm with reasonable assurance that sufficient future taxable profit will be available against which the company can utilise its tax losses

Notes (continued)

5 Stocks and work in progress

	2013 £	2012 £
Work in progress	750,000	4,337,134

6 Debtors

	2013 £	2012 £
Unpaid share capital	2	2
Amounts owed by fellow subsidiary undertaking	-	521,891
	2	521,893

7 Creditors amounts falling due within one year

	2013 £	2012 £
Accruals and deferred income	-	7,252

8 Creditors amount falling due outwith one year

	2013 £	2012 £
Bank loan due 1-2 years (secured)	-	3,211,031
Loan from fellow subsidiary undertaking	5,744,387	7,926,810
	5,744,387	11,137,841

The loan from the fellow subsidiary undertaking is not subject to any interest charge and repayment is due subsequent to the repayment of the bank loan and, only then, on the basis that the company has sufficient resources available to it to make such repayment. Under the terms of the loan agreement there is no set repayment date.

Notes (continued)

9. Called up share capital

	2013 £	2012 £
<i>Allotted, called up and unpaid</i> 2 ordinary shares of £1 each	2	2

10. Profit and loss account

	2013 £	2012 £
At beginning of year	(6,286,068)	(7,014,924)
Profit for the year	1,291,681	728,856
At end of year	(4,994,387)	(6,286,068)

11. Reconciliation of movement in shareholders' deficit

	2013 £	2012 £
Profit for the year	1,291,681	728,856
Shareholders' deficit at beginning of year	(6,286,066)	(7,014,922)
Shareholders' deficit at end of year	(4,994,385)	(6,286,066)

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 (UK) 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 (UK) Limited. The smallest group in which they are consolidated into 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 ultimately controlled by GSO Capital Partners LP, a division of the Blackstone Group LP.