

Miller Parkgate (No1) Limited

Directors' report and financial statements

For the year ended 31 December 2011

Registered number 05986711

SATURDAY



SCT
"S1ELQ9V7"
04/08/2012 #327
COMPANIES HOUSE

Contents

	Page No
Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and financial statements	2
Independent auditor's report to the members of Miller Parkgate (No1) Limited	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6

Directors' report

The directors have pleasure in submitting their annual report and audited financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the company is that of property development

Results

The profit after providing for taxation amounted to £203,393 (2010 profit of £230,630)

The directors do not recommend the payment of a dividend (2010 nil)

Directors

The directors of the company during the year and at the date of signing were

Donald Borland

Phil Miller

Andrew Sutherland

Euan Haggerty (appointed 1 July 2011)

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 auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

On behalf of the Board



Euan Haggerty

Director
31st July 2012

33 Bruton Street
London
W1J 6QU

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.

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

Independent auditor's report to the members of Miller Parkgate (No1) Limited

We have audited the financial statements of Miller Parkgate (No1) Limited for the year ended 31 December 2011 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 2011 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

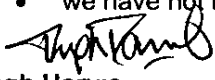
Opinion on other matter prescribed by the Companies Act 2006

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


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

31.7.2012

**Profit and loss account
 for the year ended 31 December 2011**

	Notes	2011 £	2010 £
Turnover	2	293,307	300,604
Cost of sales		(31,688)	(8,112)
Gross profit		261,619	292,492
Administrative expenses		(134)	(150)
Operating profit		261,485	292,342
Interest payable	5	(58,092)	(64,420)
Interest receivable	6	-	5
Profit on ordinary activities before taxation	4	203,393	227,927
Tax on profit on ordinary activities	7	-	2,703
Profit for the financial year		203,393	230,630

There are no recognised gains or losses other than the profit for the above years

The profit for the year has been derived from continuing activities

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

Balance sheet
As at 31 December 2011

	Notes	2011 £	2010 £
Current assets			
Stock	8	3,351,076	3,351,076
Debtors	9	6,892	108,707
Cash at bank and in hand		166,815	33,575
		<u>3,524,783</u>	<u>3,493,358</u>
Creditors' amounts falling due within one year	10	<u>(1,800,895)</u>	<u>(1,972,863)</u>
Net current assets		<u>1,723,888</u>	<u>1,520,495</u>
Creditors' amounts falling due in more than one year	11	<u>(1,604,881)</u>	<u>(1,604,881)</u>
Net assets/(liabilities)		<u>119,007</u>	<u>(84,386)</u>
Capital and reserves			
Share capital	12	2	2
Profit and loss account	13	119,005	(84,388)
Shareholders' funds/(deficit)	14	<u>119,007</u>	<u>(84,386)</u>

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

These financial statements were approved by the board of directors and were signed on its behalf by



Euan Haggerty

Director

31st July 2012

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

The financial statements are prepared under the historical cost basis and in accordance with applicable Accounting Standards

Basis of preparation

As the company is a wholly owned subsidiary of The Miller Group Limited, the company has taken advantage of the exemption contained in FRS8 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 this company is included, can be obtained from the address given in note 15

Going concern

The financial statements have been prepared on the going concern which the directors believe to be appropriate for the following reasons. The company finances its day to day working capital requirements through a combination of funds advanced to the company by a group undertaking and project specific bank term loan facilities

As explained in note 11, the funds provided by a group undertaking, which at 31 December 2011 amounted to £1,604,881 are not repayable until such time as the bank term loan facilities have been repaid and, only then, on the basis that the company has sufficient funds remaining, following repayment of the bank indebtedness, to settle the inter-company indebtedness

In February 2012, Bank of Scotland extended the existing term loan of £1,697,795 and the bank loan is now repayable in October 2014

The company's intermediate parent undertaking, Miller Developments Holdings Limited has indicated to the company that it will continue to provide it with such funds as are necessary to enable it to meet its liabilities as they fall due. This support will continue for at least the next twelve months from the date of approval of these financial statements

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis

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

Stock

Development work in progress is carried at cost plus attributable overheads or net realisable value if lower

Notes (continued)

Taxation and deferred 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 items 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.

2 Turnover

Turnover represents development sales and rental income. Turnover is stated net of Value Added Tax.

3 Directors and employees

There were no emoluments paid to directors during the year (2010: nil). There were no employee or staff costs (2010: nil).

4 Profit on ordinary activities before taxation

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

5 Interest payable

	2011 £	2010 £
Loan interest	58,092	64,420

6 Interest receivable

	2011 £	2010 £
Bank interest	-	5

Notes (continued)

7 Tax on profit on ordinary activities

Analysis of charge in year

	2011 £	2010 £
<i>UK corporation tax</i>		
Current tax on income for the year		-
Prior year adjustment	-	(2,703)
Tax charge on profit on ordinary activities	-	(2,703)

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2010 lower) than the standard rate of corporation tax in the UK 26.5% (2010 28%). The differences are explained below

	2011 £	2010 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	203,393	227,927
Current tax at 26.5% (2010 28%)	53,899	63,820
Effects of		
Prior year adjustment	-	(2,703)
Group relief received for nil consideration	(53,899)	(63,820)
Total current tax charge (see above)	-	(2,703)

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the 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.

8 Stocks

	2011 £	2010 £
Development work in progress	3,351,076	3,351,076

Notes (continued)

9 Debtors

	2011 £	2010 £
Trade debtors	-	85,955
Prepayments	5,270	5,098
Unpaid share capital	2	2
Other debtors	1,620	17,652
	<u>6,892</u>	<u>108,707</u>

10 Creditors' amounts falling due within one year

	2011 £	2010 £
Bank loan	1,697,795	1,847,795
Trade creditors	1,418	-
Other creditors	774	15,312
Accruals and deferred income	86,903	98,623
Other taxes	14,005	11,133
	<u>1,800,895</u>	<u>1,972,863</u>

11 Creditors' amounts falling due greater than one year

	2011 £	2010 £
Amounts owed to group undertaking	1,604,881	1,604,881
	<u>1,604,881</u>	<u>1,604,881</u>

Although amounts due to the group undertaking is technically repayable on demand, the company has received confirmation from the directors of the relevant party that no repayment will be sought for at least 12 months from the date of approval of these financial statements

The bank loan is secured by a debenture and a legal charge over the company's development work in progress. Post year end the loan was extended and is now repayable by October 2014

12 Share capital

	2011 £	2010 £
Authorised, allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes (continued)

13 Profit and loss account

	2011 £
At beginning of year	(84,388)
Profit for the year	203,393
	<hr/>
At end of year	119,005
	<hr/>

14 Reconciliation of movements in shareholders' funds/(deficit)

	2011 £	2010 £
Profit after taxation for the year	203,393	230,630
Opening shareholders' deficit	(84,386)	(315,016)
	<hr/>	<hr/>
Closing surplus/(deficit) in shareholders' funds	119,007	(84,386)
	<hr/>	<hr/>

15 Immediate and ultimate parent company

At 31 December 2011, the company's immediate parent company is Miller Developments Limited and its ultimate parent company is The Miller Group Limited. Both companies are registered in Scotland and incorporated in the United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by The Miller Group Limited (incorporated in UK). 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.

16 Post balance sheet events

In February 2012, The Miller Group Limited (Miller Parkgate (No1) Limited's ultimate parent company) completed a restructuring of its existing banking facilities and secured significant third party investment.