

## **Miller Parkgate (No1) Limited**

### **Directors' report and financial statements**

For the year ended 31 December 2013

Registered number 05986711

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## **Directors' report**

The directors have pleasure in submitting their annual report and audited financial statements for the year ended 31 December 2013.

## **Principal activities**

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

## **Results**

The loss after providing for taxation amounted to £188,753 (2012: profit of £1,132,177).

## **Directors**

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

Donald Borland

Phil Miller

Andrew Sutherland

Euan Haggerty

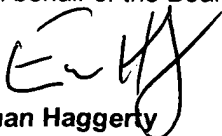
## **Disclosure of information to auditor**

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*

30 June 2014

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.

## **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 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](http://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 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.

### **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
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report

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

15.7 2014

**Profit and loss account  
 for the year ended 31 December 2013**

	Notes	2013 £	2012 £
<b>Turnover</b>	2	1,566,866	111,800
Cost of sales		(1,723,919)	(124,346)
<b>Gross loss</b>		(157,053)	(12,546)
Exceptional Items	4	-	(1,050,000)
Administrative expenses		(112)	(196)
<b>Operating loss</b>		(157,165)	(1,062,742)
Interest payable	5	(31,588)	(69,435)
<b>Loss on ordinary activities before taxation</b>	4	(188,753)	(1,132,177)
Tax on loss on ordinary activities	6	-	-
<b>Loss for the financial year</b>		(188,753)	(1,132,177)

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

The loss 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 2013**

	Notes	2013 £	2012 £
<b>Current assets</b>			
Stock	7	734,708	2,301,076
Debtors	8	19,389	23,984
Cash at bank and in hand		73,417	30,673
		<u>827,514</u>	<u>2,355,733</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(17,678)</u>	<u>(68,637)</u>
<b>Net current assets</b>		<u>809,836</u>	<u>2,287,096</u>
<b>Creditors: amounts falling due in more than one year</b>	10	<u>(2,011,759)</u>	<u>(3,300,266)</u>
<b>Net liabilities</b>		<u>(1,201,923)</u>	<u>(1,013,170)</u>
<b>Capital and reserves</b>			
Share capital	11	2	2
Profit and loss account	12	(1,201,925)	(1,013,172)
<b>Deficit in shareholders' funds</b>	13	<u>(1,201,923)</u>	<u>(1,013,170)</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**

30 June 2014

## **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 (UK) 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 (UK) Limited, within which this company is included, can be obtained from the address given in note 14.

#### ***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 company finances its day to day working capital requirements through funds advanced to the company.

Its intermediate parent undertaking is Miller Developments Holdings Limited. That company has indicated 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.

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.

#### ***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/(loss) 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. Turnover arises entirely in the United Kingdom.

**3 Directors and employees**

There were no emoluments paid to directors during the year (2012: nil). There were no employee or staff costs (2012: nil).

**4 Loss on ordinary activities before taxation**

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

**5 Interest payable**

	2013 £	2012 £
Loan interest	31,558	69,435

**Notes (continued)**

**6 Tax on loss on ordinary activities**

Analysis of charge in year

	2013 £	2012 £
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
Prior year adjustment	-	-
<b>Tax charge on loss on ordinary activities</b>	<b>-</b>	<b>-</b>

*Factors affecting the tax charge for the current year*

The current tax charge for the year is lower (2012: lower) than the standard rate of corporation tax in the UK 23.25% (2012: 24.5%). The differences are explained below:

	2013 £	2012 £
<b><i>Current tax reconciliation</i></b>		
Loss on ordinary activities before tax	(188,753)	(1,132,177)
Current tax at 23.25% (2012: 24.5%)	(43,885)	(277,383)
Effects of:		
Group relief surrendered for nil consideration	43,885	277,383
<b>Total current tax charge (see above)</b>	<b>-</b>	<b>-</b>

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

**7 Stocks**

	2013 £	2012 £
Development work in progress	734,708	2,301,076

**Notes (continued)**

**8 Debtors**

	2013 £	2012 £
Prepayments	15,457	18,967
Unpaid share capital	2	2
Other debtors	2,243	1,954
Other taxes	1,687	3,061
	<u>19,389</u>	<u>23,984</u>

**9 Creditors: amounts falling due within one year**

	2013 £	2012 £
Trade creditors	10,107	12,653
Other creditors	1,546	38,394
Accruals and deferred income	6,025	17,590
	<u>17,678</u>	<u>68,637</u>

**10 Creditors: amounts falling due greater than one year**

	2013 £	2012 £
Bank loan	-	1,697,795
Amounts owed to group undertaking	2,011,759	1,602,471
	<u>2,011,759</u>	<u>3,300,266</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.

**Notes (continued)**

**11 Share capital**

	2013 £	2012 £
<b>Authorised, allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

**12 Profit and loss account**

	2013 £
At beginning of year	(1,013,172)
Loss for the year	(188,753)
	<hr/>
<b>At end of year</b>	<b>(1,201,925)</b>
	<hr/>

**13 Reconciliation of movements in shareholders' deficit**

	2013 £	2012 £
Loss after taxation for the year	(188,753)	(1,132,177)
Opening shareholders' (deficit)/funds	(1,013,170)	119,007
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<b>Deficit in shareholders' funds</b>	<b>(1,201,923)</b>	<b>(1,013,170)</b>
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**14 Immediate and ultimate parent company.**

At 31 December 2013, the company's immediate parent company is Miller Developments Limited and its ultimate parent company is The Miller Group (UK) 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 (UK) 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, 4<sup>th</sup> 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.