

Miller Urban Redevelopments Limited

Directors' report and financial statements

31 December 1998

Registered number SC88113



Directors' report and financial statements

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Directors' report

The directors present their annual report and audited accounts for the year ended 31 December 1998.

Principal activity

The principal activity of the company is the rent of housing properties.

Results and dividend

The results for the year are set out in the profit and loss account on page 4. The directors do not recommend the payment of a dividend and propose that the profit for the year of £39,130 (1997 : £129,762) be taken to reserves.

Directors and directors' interests

The director of the company during the year was James Miller.

On 1 July 1999 James Miller resigned and Keith Miller was appointed on the same date.

The director had no interests in shares of the company. The interest of Mr James Miller in the shares of The Miller Group Limited, the parent company, are shown in the accounts of that company.

Millennium compliance

As is well known, many computers and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the Year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption.

The company has addressed the impact of the Year 2000 on its business and operations by reviewing the major issues to assess exposure. Plans have been put in place to seek to ensure the elimination of these exposures prior to the Year 2000. Total estimated costs are not believed to be significant.

Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems will remain, because at least some level of failure may still occur. However, the directors believe that the company will achieve an acceptable state of readiness and will provide resources to deal promptly with significant failures or issues that may rise.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



EJ Donaldson
Secretary

Edinburgh
2 September 1999

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the 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.



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Report of the auditors to the members of Miller Urban Redevelopments Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 judgements 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 of the state of the company's affairs as at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

2 September 1999

Profit and loss account

for the year ended 31 December 1998

	<i>Note</i>	1998 £	1997 £
Turnover	2	839,152	99,720
Cost of sales		(799,507)	-
Gross profit		39,645	99,720
Administrative expenses		(515)	(500)
Profit on ordinary activities before taxation	3	39,130	99,220
Tax on profit on ordinary activities	4	-	30,542
Retained profit for the year		39,130	129,762
Retained profit brought forward		668,994	539,232
Retained profit carried forward		708,124	668,994

Other than the profit for the year and the preceding financial year there were no other recognised gains or losses.

Balance sheet
 at 31 December 1998

	Note	1998 £	1997 £
Current assets			
Stocks	5	-	799,507
Debtors	6	708,224	-
Creditors: amounts falling due within one year	7	-	(130,413)
Net assets		<u>708,224</u>	<u>669,094</u>
 Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		708,124	668,994
Equity shareholders' funds		<u>708,224</u>	<u>669,094</u>

These accounts were approved by the board of directors on 2 September 1999 and were signed on its behalf by:



Keith Miller
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

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.

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 10.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of timing differences if liabilities are likely to crystallise in the foreseeable future.

2 Turnover

Turnover represents property income arising in the United Kingdom.

3 Profit on ordinary activities before taxation

	1998	1997
	£	£
<i>Profit on ordinary activities is stated after charging:</i>		
Directors' emoluments	-	-
Auditors' remuneration	515	500
	<u> </u>	<u> </u>

4 Tax on profit on ordinary activities

	1998	1997
	£	£
Adjustment relating to an earlier year	-	(30,542)
	<u> </u>	<u> </u>
	-	(30,542)
	<u> </u>	<u> </u>

The corporation tax liability for the year has been settled by group relief for a fellow subsidiary undertaking's losses.

Notes (continued)

5	Stocks	1998	1997
		£	£
	Work in progress	-	799,507
		<u> </u>	<u> </u>
6	Debtors	1998	1997
		£	£
	Amounts owed by fellow subsidiary companies	708,224	-
		<u> </u>	<u> </u>
7	Creditors: amounts falling due within one year	1998	1997
		£	£
	Amounts owed to parent undertaking	-	130,413
		<u> </u>	<u> </u>
8	Share capital	1998	1997
	<i>Authorised, allotted, called up and fully paid</i>		
	100 ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
9	Reconciliation of movements on shareholders' funds	1998	1997
		£	£
	Retained profit for the financial year	39,130	129,762
	Opening shareholders' funds	669,094	539,332
		<u> </u>	<u> </u>
	Closing shareholders' funds	708,224	669,094
		<u> </u>	<u> </u>
10	Ultimate parent company		

The company's ultimate parent company is The Miller Group Limited which is registered in Scotland. The accounts of The Miller Group Limited can be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh EH1 2EB.