

Miller/CTP (Pacific Quay) Limited

Directors' report and financial statements

31 December 1998

Registered number SC160930

Directors' report and financial statements

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Directors' report

The directors have pleasure in submitting their report together with the financial statements of the company for the year ended 31 December 1998.

Principal activities

The principal activity of the company is property development.

Results

The results for the year are set out in the profit and loss account on page 4. The retained profit for the year is £13,759 (1997 : loss of £99,697).

Directors

The directors of the company during the year were:

RK McCormack
PH Miller
DJ Topham
D Robinson

The directors had no interests in shares of the company during the year.

Millennium compliance

As is well known, many computer 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 arise

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

6 August 1999

Edinburgh

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/CTP (Pacific Quay) Limited

We have audited the financial statements on pages 4 to 8.

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 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 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

6 August 1999

Profit and loss account
for the year ended 31 December 1998

	Notes	1998 £	1997 £
Turnover	2	-	514,445
Cost of sales		-	(503,533)
Gross profit		-	10,912
Administrative expenses		(6,500)	(110,609)
Operating loss		(6,500)	(99,697)
Interest receivable		4,561	-
Loss on ordinary activities before taxation	3	(1,939)	(99,697)
Tax on loss on ordinary activities	5	15,698	-
Retained profit/(loss) for the year		13,759	(99,697)
Retained loss brought forward		(99,697)	-
Retained loss carried forward		(85,938)	(99,697)

There have been no recognised gains or losses other than the profit for the year.

Balance sheet
 at 31 December 1998

	Notes	1998 £	1997 £
Current assets			
Work in progress	6	1,284,844	1,288,189
Debtors	7	532,142	666,625
Cash at bank		164,883	11,540
		<hr/>	<hr/>
		1,981,869	1,966,354
Creditors: amounts falling due within one year	8	(27,556)	(25,800)
		<hr/>	<hr/>
Net current assets		1,954,313	1,940,554
Creditors: amounts falling due after more than one year	9	(2,040,249)	(2,040,249)
		<hr/>	<hr/>
Net liabilities		(85,936)	(99,695)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		(85,938)	(99,697)
		<hr/>	<hr/>
Equity shareholders' deficit	11	(85,936)	(99,695)
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 6 August 1999 and were signed on its behalf by:

PH Miller
 Director

DJ Topham
 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 to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules. The financial statements have been prepared on the going concern basis as the shareholders have indicated that they will continue to support the company.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard number 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

Development work in progress

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

2 Turnover

Turnover comprises income received from property developments and arises entirely in the United Kingdom.

3 Loss on ordinary activities before taxation	1998	1997
	£	£
<i>This is arrived at after charging:</i>		
Auditors' remuneration	1,352	1,300
	<u> </u>	<u> </u>

4 Remuneration of directors

The directors did not receive any remuneration from the company during the year.

5 Tax on loss on ordinary activities

	1998	1997
	£	£
Group relief receivable		
Prior year	15,698	-
	<u> </u>	<u> </u>

Notes (continued)

6	Work in progress	1998 £	1997 £
	Development site	1,284,844	1,288,189
7	Debtors		
	Trade debtors	516,444	604,473
	Other debtors	15,698	62,152
		532,142	666,625
8	Creditors: amounts falling due within one year		
	Other creditors	23,500	23,500
	Accruals and deferred income	4,056	2,300
		27,556	25,800
9	Creditors: amounts falling due after more than one year		
	Shareholders' loans	2,040,249	2,040,249
	The shareholders' loans, which have no fixed repayment date, carry interest at National Westminster Bank plc base rate plus 1%. Interest on the loans has been waived for the year.		
10	Share capital	1998 £	1997 £
	<i>Equity</i>		
	Authorised, allotted, called up and fully paid		
	2 ordinary shares of £1 each	2	2
11	Reconciliation of movements in shareholders' funds		
	Retained profit/(loss) for year	13,759	(99,697)
	Opening shareholders' funds	(99,695)	2
	Closing shareholders' deficit	(85,936)	(99,695)

Notes (continued)

12 Related party disclosures

The company is controlled jointly by CTP Limited and Miller Investments Southern Limited. Pacific Quay Developments Limited is another joint venture between these two parties and Grosvenor Developments Limited. The Miller Group Limited is the ultimate parent company of Miller Investments Southern Limited.

Total amounts outstanding at 31 December 1998 in respect of related parties were as follows:

	1998 £	1997 £
Due to:		
Miller Investments Southern Limited	1,020,125	1,020,125
CTP Limited	1,020,124	1,020,124
Pacific Quay Developments Limited	23,500	23,500
	<hr/> 2,063,749	<hr/> 2,063,749
Due from:		
Pacific Quay Developments Limited	516,444	604,473
The Miller Group Limited	15,698	51,302
	<hr/> 532,142	<hr/> 655,775