

Miller/CTP (Pacific Quay) Limited

Directors' report and financial statements

For the year ended 31 December 2005

Registered number SC160930



SCT
COMPANIES HOUSE

NSP/MAKSI

1881

30/10/2006

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 2005

Principal activities

The principal activity of the company is property development

Business review

The results for the year are set out in the profit and loss account on page 4 The profit for the year is £2,039 (2004 profit of £2,134)

Proposed dividend

The directors do not recommend the payment of a dividend

Directors

The directors of the company during the year were

RK McCormack

PH Miller

DJ Topham

M Deans

J M Jackson (appointed 25/02/2005, resigned 26/02/2005)

A Sutherland (appointed 25/02/2005)

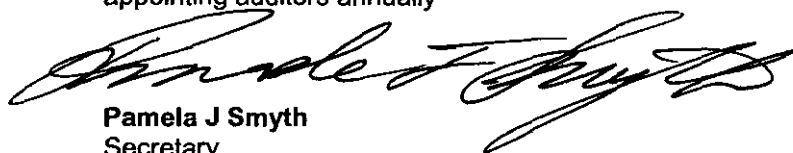
M Wood (appointed 26/02/2005)

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

Elective Resolution

An Elective Resolution was signed by the members on 1 April 2002 to dispense with the following legal requirements

the holding of AGMs, the laying of accounts and reports before the company AGM, and the obligation of appointing auditors annually



Pamela J Smyth

Secretary

Date 26 October 2006

Edinburgh

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.

The financial statements are required by law to 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 judgments 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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.

Independent Auditors' report to the members of Miller/CTP (Pacific Quay) Limited

We have audited the financial statements of Miller/CTP (Pacific Quay) Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended, and

have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor
Edinburgh

30 October 2006

Profit and loss account
for the year ended 31 December 2005

| | Notes | 2005 £ | 2004 £ |
|--|-------|--------------|--------------|
| Turnover | 2 | (94,350) | 706,400 |
| Cost of sales | | 93,550 | (702,369) |
| | | <u>(800)</u> | <u>4,031</u> |
| Gross (loss)/profit | | | |
| Administrative expenses | | (66) | (3,214) |
| | | <u></u> | <u></u> |
| Operating (loss)/profit | | (866) | 817 |
| Interest receivable | 3 | 2,905 | 1,317 |
| | | <u></u> | <u></u> |
| Profit on ordinary activities before taxation | 4 | 2,039 | 2,134 |
| Tax on profit on ordinary activities | 6 | | |
| | | <u></u> | <u></u> |
| Profit for the year | 12 | 2,039 | 2,134 |
| | | <u></u> | <u></u> |

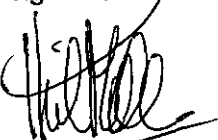
There have been no recognised gains or losses other than the loss for the year

The profit for the financial year has been derived from continuing activities

Balance sheet
at 31 December 2005

| | Notes | 2005 £ | 2004 £ |
|--|-------|-----------|-------------|
| Current assets | | | |
| Work in progress | 7 | 660,846 | 567,296 |
| Debtors | 8 | 728 | 657,520 |
| Cash at bank | | 55,546 | 90,289 |
| | | <hr/> | <hr/> |
| | | 717,120 | 1,315,105 |
| Creditors: amounts falling due within one year | 9 | (4,131) | (4,155) |
| | | <hr/> | <hr/> |
| Net current assets | | 712,989 | 1,310,950 |
| Creditors: amounts falling due after more than one year | 10 | (737,803) | (1,337,803) |
| | | <hr/> | <hr/> |
| Net liabilities | | (24,814) | (26,853) |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 11 | 2 | 2 |
| Profit and loss account | 12 | (24,816) | (26,855) |
| | | <hr/> | <hr/> |
| Shareholders' funds | 13 | (24,814) | (26,853) |
| | | <hr/> | <hr/> |

These financial statements were approved by the board of directors on 20 October 2006 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

In these financial statements the following new standards have been adopted for the first time

FRS 21 'Events after the balance sheet date', and

FRS 28 'Corresponding amounts'

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985. FRS 21 'Events after the balance sheet date' has had no effect on the 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

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Development work in progress

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

Taxation

The charge for taxation is based on the 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 comprises income received from property developments and arises entirely in the United Kingdom, and excludes value added tax.

3 Interest receivable

| | 2005 £ | 2004 £ |
|--------------------------|-----------|-----------|
| Bank interest receivable | 2,905 | 1,317 |

Notes (cont'd)

| | | | |
|----------|---|------------------|------------------|
| 4 | Profit on ordinary activities before taxation | 2005 | 2004 |
| | | £ | £ |
| | <i>This is stated after charging</i> | | |
| | Auditors' remuneration | 1,234 | 1,560 |
| | | <hr/> | <hr/> |
| 5 | Remuneration of directors | | |
| | There were no emoluments paid to the directors during the year | | |
| 6 | Taxation | | |
| | | 2005 | 2004 |
| | | £ | £ |
| | Analysis of charge in period | | |
| | UK corporation tax | | |
| | Current tax on income for the period | | |
| | Adjustments in respect of prior periods | - | |
| | | <hr/> | <hr/> |
| | | - | |
| | | <hr/> | <hr/> |
| | Factors affecting the tax charge for the current period | | |
| | There is no current tax charge in the year due to the utilisation of losses brought forward | | |
| | | 2005 | 2004 |
| | | £ | £ |
| | Current tax reconciliation | | |
| | Profit on ordinary activities before tax | 2,024 | 2,134 |
| | Current tax at 30% (2004 30%) | <hr/> 607 | <hr/> 640 |
| | Effects of | | |
| | Utilisation of brought forward tax losses | (607) | (640) |
| | Total current tax charge | <hr/> <hr/> | <hr/> <hr/> |
| 7 | Work in progress | 2005 | 2004 |
| | | £ | £ |
| | Development site | 660,846 | 567,296 |
| | | <hr/> | <hr/> |

Notes (cont'd)

| 8 | Debtors | 2005 £ | 2004 £ |
|----------|----------------|-------------------|-------------------|
| | Trade | - | 7,520 |
| | Other debtors | 728 | 650,000 |
| | | <u>728</u> | <u>657,520</u> |

| 9 | Creditors. amounts falling due within one year | 2005 £ | 2004 £ |
|----------|---|-------------------|-------------------|
| | Other creditors | 1,337 | 103 |
| | Accruals and deferred income | 2,794 | 4,052 |
| | | <u>4,131</u> | <u>4,155</u> |

| 10 | Creditors' amounts falling due after more than one year | 2005 £ | 2004 £ |
|-----------|--|-------------------|-------------------|
| | Shareholders' loans | 737,803 | 1,337,803 |

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

| 11 | Share capital | 2005 £ | 2004 £ |
|-----------|---|-------------------|-------------------|
| | Equity | | |
| | <i>Authorised</i> | | |
| | 1,000 ordinary shares of £1 each | 1,000 | 1,000 |
| | <i>Allotted, called up and fully paid</i> | | |
| | 2 ordinary shares of £1 each | 2 | 2 |

| 12 | Profit and loss account | Profit and loss account £ |
|-----------|--------------------------------|--|
| | At beginning of year | (26,855) |
| | Profit for year | 2,039 |
| | At end of year | <u>(24,816)</u> |

Notes (cont'd)

| 13 | Reconciliation of movements in shareholders' funds | 2005 | 2004 |
|-----------|---|-----------------|-----------------|
| | | £ | £ |
| | Profit for year | 2,039 | 2,134 |
| | Opening deficit in shareholders' funds | (26,853) | (28,987) |
| | | <hr/> | <hr/> |
| | Closing deficit in shareholders' funds | (24,814) | (26,853) |
| | | <hr/> | <hr/> |

14 Related party disclosures

The company is controlled jointly by CTP Limited and The Miller Group Limited. Pacific Quay Developments Limited is another joint venture between these two parties and Grosvenor Developments Limited. The ultimate parent company of each of these joint venture partners is CTP Property Holdings Limited, The Miller Group Limited and Grosvenor Group Holdings Limited.

Total amounts outstanding at the year end in respect of related parties were as follows

| | 2005 | 2004 |
|--------------------------|----------------|------------------|
| | £ | £ |
| Due to: | | |
| The Miller Group Limited | 368,902 | 668,902 |
| CTP Limited | 368,902 | 668,901 |
| | <hr/> | <hr/> |
| | 737,803 | 1,337,803 |
| | <hr/> | <hr/> |