

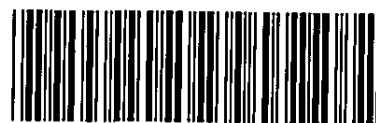
Miller Cromdale (Old Ford Road) Limited

Directors' report and financial statements

For the year ended 31 December 2011

Registered number SC192082

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2011.

Results and dividends

The company made a profit for the year of £457,930 (2010: profit of £290,706).

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

Principal activity and business review

The principal activity of the company is that of property development and investment. During the year the company sold a property, Freedom House for £6.7m

Directors

The directors who held office during the year and at the date of signing were as follows:

Martin Callan

Malcolm Grigor

Andrew Sutherland

Pamela Grant

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



Pamela Grant
Director

25 September 2012

Miller House
2 Lochside View
Edinburgh Park
Edinburgh
EH12 9DH

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 Cromdale (Old Ford Road) Limited

We have audited the financial statements of Miller Cromdale (Old Ford Road) Limited for the year ended 31 December 2011 set out on pages 4 to 11. 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

28 September 2012

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

	Note	2011 £	2010 £
Turnover	1	7,247,584	644,396
Cost of sales		(6,495,945)	(91,325)
Gross profit		751,639	553,071
Administrative expenses		(2,937)	(2,966)
Operating profit		748,702	550,105
Interest receivable	4	412	306
Interest payable	5	(118,057)	(146,652)
Profit on ordinary activities before taxation	3	631,057	403,759
Tax on profit on ordinary activities	6	(173,127)	(113,053)
Profit for the financial year	13	457,930	290,706

The company has no recognised gains or losses other than the profits for the above financial years.

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

The notes on pages 6 to 11 form part of these financial statements.

Balance sheet
As at 31 December 2011

	Note	2011 £	2010 £
Current assets			
Stock	7	935,830	6,934,566
Debtors	8	78,174	147,005
Cash at bank and in hand		185,398	393,015
		<u>1,199,402</u>	<u>7,474,586</u>
Creditors: amounts falling due within one year	9	<u>(211,017)</u>	<u>(594,459)</u>
Net current assets		<u>988,385</u>	<u>6,880,127</u>
Creditors: amounts falling due in more than one year	10	<u>(626,385)</u>	<u>(6,976,057)</u>
Net assets/(liabilities)		<u>362,000</u>	<u>(95,930)</u>
Capital and reserves			
Called up share capital	11	6	6
Share premium account	12	87,799	87,799
Profit and loss account	13	274,195	(183,735)
Shareholders' funds/(deficit)	14	<u>362,000</u>	<u>(95,930)</u>

The notes on pages 6 to 11 form part of these financial statements.

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



Pamela Grant

Director

25 September 2012



Martin Callan

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 in relation to the company's financial statements except as noted below.

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 which the directors believe to be appropriate as the company finances its day to day working capital requirements by funds advanced to the company by its shareholders, as detailed in note 10. During the year, the company sold one of its properties, Freedom House. This allowed for the bank funding to be repaid as well as £2.4m of shareholders loans to be repaid.

The nature of the company's trade is such that the working capital requirements of the company are completely at the discretion of the company's directors and the directors are confident that the company will not incur any working capital liabilities unless the funding to meet those liabilities has already been obtained from the shareholders or an alternative source. The shareholders have indicated to the directors of this company that they will not seek repayment of the amounts currently made available for at least 12 months, which at 31 December 2011 amounted to £365,325.

Based upon the undertaking outlined above, and after making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual financial statements.

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 has been valued at cost plus attributable overheads or net realisable value if lower.

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.

Notes (continued)

Turnover

Turnover represents development sales and rental income. Turnover is stated net of Value Added Tax. Turnover arises entirely in the United Kingdom.

2 Directors and employees

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

3 Profit on ordinary activities before taxation

	2011 £	2010 £
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Profit on ordinary activities before taxation is stated after charging:

Auditor's remuneration	1,800	1,500
Other services relating to taxation	850	850

4 Interest receivable

	2011 £	2010 £
Bank interest received	412	306

5 Interest payable

	2011 £	2010 £
Interest on bank loans and overdrafts	118,057	146,652

Notes (continued)

6 Taxation

Analysis of charge in year

	2011 £	2010 £
UK corporation tax		
Current tax on income for the year	108,766	113,053
Adjustment in respect of prior years	-	-
	<hr/>	<hr/>
Total current tax	108,766	113,053
	<hr/>	<hr/>
Deferred tax		
Utilisation of tax losses	58,464	-
Effect of changes in tax rate	991	-
Adjustment in respect of prior years	4,906	-
	<hr/>	<hr/>
Total deferred tax	64,361	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	173,127	113,053
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

Current tax is equal to (2010: equal to) the standard rate of corporation tax in the UK 26.5%, (2010: 28%). The differences are explained below:

	2011 £	2010 £
Current tax reconciliation		
Profit on ordinary activities before tax	631,057	403,759
	<hr/>	<hr/>
Current tax at 26.5% (2010: 28%)	167,230	113,053
Effects of:		
Utilisation of tax losses	(58,464)	-
	<hr/>	<hr/>
Total current tax (see above)	108,766	113,053
	<hr/>	<hr/>

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.

Notes (continued)

7 Stocks

	2011 £	2010 £
Development work in progress	935,830	6,934,566

8 Debtors

	2011 £	2010 £
Other debtors	25,114	29,584
Deferred tax asset (see below)	53,060	117,421
	78,174	147,005

Deferred tax

	2011 £	2010 £
At start of the year	117,421	117,421
Charge to profit and loss	(59,455)	-
Adjustments in respect of prior years	(4,906)	-
	53,060	117,421

The deferred tax asset relates to tax losses and will be relieved against future taxable profits.

9 Creditors: amounts falling due within one year

	2011 £	2010 £
Bank loan (secured)	-	270,000
Trade creditors	8,568	14,215
Other creditors	85,636	4,450
Amounts due to related parties	-	63,849
Accruals and deferred income	8,047	127,797
Corporation tax	108,766	114,148
	211,017	594,459

Notes (continued)

10 Creditors: amounts falling due after one year

	2011	2010
	£	£
Shareholders' loans	365,325	3,065,325
Amounts due to related parties	261,060	-
Bank loan (secured)	-	3,910,732
	626,385	6,976,057

During the year the company sold the property held in development work in progress, the proceeds were used to repay the bank loan.

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

	2011	2010
	£	£
Analysis of debt:		
Debt can be analysed as falling due:		
In less than one year	-	270,000
In one to two years	-	280,000
In two years or more	-	3,630,732
	-	4,180,732

11 Called up share capital

	2011	2010
	£	£
Authorised, allocated, called up and fully paid		
6 Ordinary shares of £1 each	6	6

12 Share premium

	2011	2010
	£	£
Share premium account	87,799	87,799

13 Profit and loss account

	2011
	£
At beginning of year	(183,735)
Profit for the year	457,930
At end of year	274,195

Notes (continued)

14 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	457,930	290,706
Opening shareholders' deficit	(95,930)	(386,636)
Closing shareholders' funds/(deficit)	362,000	(95,930)

15 Related party disclosures

The company is a joint venture between The Miller Group Limited and Cromdale Limited. At the year end the amounts owed to The Miller Group Limited totalled £182,663 (2010: £1,532,663) and amounts owed to Cromdale Limited totalled £182,663 (2010: £1,532,663).

Included in creditors are amounts of £64,949 owed to Cromdale Enterprises Limited (2010: £63,849) and £196,111 owed to Miller Cromdale Limited (2010: £63,849). Both companies are related parties by virtue of being joint ventures under common control