

Belsco 1011 Limited

Directors' Report and Financial Statements

31 December 2001

Registered Number SC202874



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COMPANIES HOUSE 20/06/02

Directors' Report and Financial Statements

Contents

Directors' Report	1
Statement of Directors' Responsibilities	2
Independent Report of the Auditors to the Members of Belsco 1011 Limited	3
Profit and Loss Account	4
Balance Sheet	5
Notes	6

Directors' Report

The Directors present their annual report together with the audited financial statements for the year ended 31 December 2001.

Activity

On 5 December 2000, the company's trade and assets were transferred to The Miller Group Limited, the company's ultimate parent company.

The company did not trade during the year.

Directors

The Directors of the company during the period were:

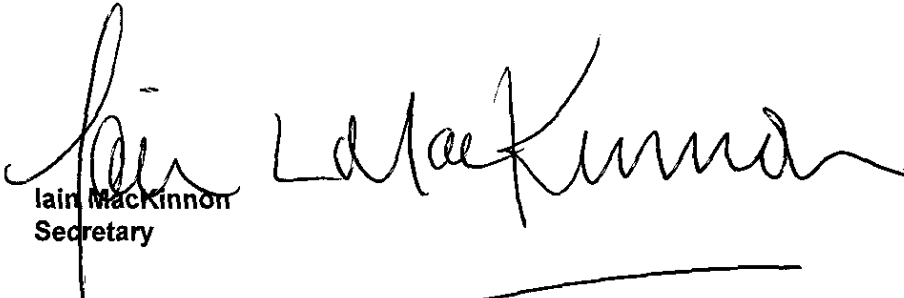
Ronnie A Jacobs	
Geoffrey F Potton	(resigned 31 March 2002)
Ewan T Anderson	(appointed 5 November 2001)
Philip Talbot	(appointed 26 January 2000, resigned 5 November 2001)

The Directors had no interests in the shares of the company during the period. The interests of the Directors in shares of The Miller Group Limited, the parent company, are shown in the accounts of that company.

Auditors

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

By order of the Board


Iain MacKinnon
Secretary

14 June 2002

Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial period 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.

Independent Auditors' Report to the Members of Belsco 1011 Limited

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

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Directors' Report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 transactions with the company is not disclosed.

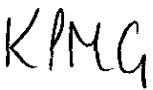
Basis of Audit Opinion

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 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors

14 June 2002

Profit and Loss Account
for the year ended 31 December 2001

	Notes	2001 £	2000 £
Turnover	1	-	4,305,628
Cost of Sales		-	(3,784,436)
		<hr/>	<hr/>
Gross profit		-	521,192
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	521,192
Interest payable and similar charges	3	-	(523,688)
		<hr/>	<hr/>
Loss for the financial period		-	(2,496)
		<hr/>	<hr/>

On 5 December 2000, the company's trade and assets were transferred to its ultimate parent company, the Miller Group Limited.

Balance Sheet
 at 31 December 2001

	<i>Notes</i>	2001 £	2000 £
Creditors: Amounts due within one year			
Amounts owed to parent company		(2,396)	(2,396)
		_____	_____
Net liabilities		(2,396)	(2,396)
		=====	=====
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account	5	(2,496)	(2,496)
		_____	_____
Equity shareholders funds	6	(2,396)	(2,396)
		=====	=====

These accounts were approved by the Board of Directors on 14 June 2002 and were signed on its behalf by:



Ewan Anderson
 Director

NOTES

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 (revised), 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 7.

Turnover

Turnover, all of which is generated in the United Kingdom, represents the proceeds on legal completions of residential houses and related work in progress.

2. Directors' Emoluments

There were no emoluments paid to Directors during the period.

3. Interest Payable and Similar Charges

	2001 £	2000 £
Bank interest payable	-	523,688
	<u> </u>	<u> </u>

4. Share Capital

	2001	2000 £
<i>Authorised, allotted, called up and fully paid:</i>		
75 'A' ordinary shares of £1	75	75
25 'B' ordinary shares of £1	25	25
	<u> </u>	<u> </u>
	100	100
	<u> </u>	<u> </u>

NOTES *(continued)*

5. Reserves

	2001 £	2000 £
At the beginning of period	(2,496)	-
Loss for the period	-	(2,496)
	<hr/>	<hr/>
At end of period	(2,496)	(2,496)
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6. Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Share capital issued in the period	-	100
Loss for the period	-	(2,496)
	<hr/>	<hr/>
Equity shareholders funds at start of period	(2,396)	-
	<hr/>	<hr/>
Equity shareholders funds at end of period	(2,396)	(2,396)
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7. Ultimate parent company

The company's ultimate parent company is The Miller Group Limited, a company 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