

MILLERBOS LIMITED

Directors' report and financial statements

For the year ended 31 December 2004

Registered number SC209180



Directors' report and financial statements

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Directors' report

The directors present their report and audited financial statements for the year ended 31st December 2004.

Principal activities

The principal activity of the company is property development and investment.

Business review

The loss for the financial year amounted to £189 (2003: loss of £3,059). The directors do not recommend the payment of a dividend.

Directors

The directors of the company during the year were:

T M Deans	(appointed 8 October 2004)
A J N Hewitt	(appointed 8 October 2004, resigned 25 February 2005)
P H Miller	
D Milloy	(resigned 8 October 2004)
D Taylor	(resigned 15 January 2004)
P S Dickson	(appointed 15 January 2004, resigned 8 October 2004)
J M Jackson	(appointed Alternate Director 25 February 2005)
M Wood	(appointed Alternate Director 25 February 2005)
S Barclay	(appointed 25 February 2005)

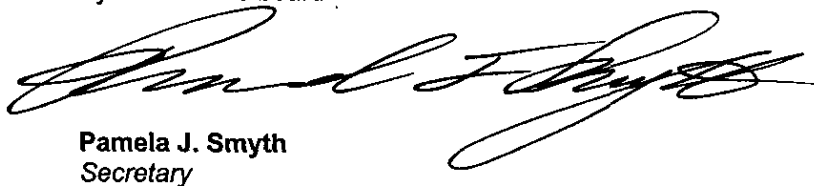
The directors had no interests in the shares of the company during the year.

Elective Resolutions

An elective resolution was signed by the members on 28th June 2001 to dispense with the following legal requirements:

the holding of Annual General Meetings; the obligation to appoint auditors annually; the laying of accounts and reports before the Company in general meeting.

By order of the board



Pamela J. Smyth
Secretary

Edinburgh

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the loss for the year. In preparing those accounts, 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 accounts;
- prepare the accounts 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 accounts 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 Millerbos Limited

We have audited the financial statements on pages 5 to 9

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

The directors are responsible for preparing the directors' report and, as described on page 3, 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 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 at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG LLP

Edinburgh

Chartered Accountants
Registered Auditor

24 October 2005

Profit and loss account
 for the year ended 31st December 2004

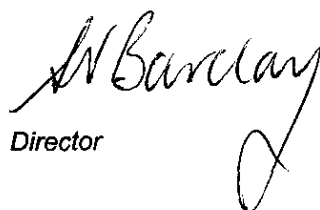
	Note	2004 £	2003 £
Turnover	2	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(176)	(3,059)
Operating loss	4	(176)	(3,059)
Interest payable	5	(13)	-
Loss on ordinary activities before taxation		(189)	(3,059)
Tax on loss on ordinary activities	6	-	-
Retained loss for the year	11	(189)	(3,059)
Retained loss brought forward		(5,800)	(2,741)
Retained loss carried forward		(5,989)	(5,800)

There are no recognised gains or losses other than the loss for the period.

Balance sheet
at 31 December 2004

	Note	2004 £	2003 £
Fixed Assets			
Investments	7	7,300,050	7,300,050
Current Assets			
Cash at bank and in hand		372	185
		<u>372</u>	<u>185</u>
Creditors: amounts falling due within one year	8	(1,875)	(2,499)
Net current liabilities		<u>(1,503)</u>	<u>(2,314)</u>
Total assets less current liabilities		<u>7,298,547</u>	<u>7,297,736</u>
Creditors: amounts falling due after more than one year	9	(7,304,436)	(7,303,436)
Net liabilities		<u>(5,889)</u>	<u>(5,700)</u>
Capital and reserves			
Share capital		100	100
Profit and loss account	10	<u>(5,989)</u>	<u>(5,800)</u>
Deficit in equity Shareholders' funds	11	<u>(5,889)</u>	<u>(5,700)</u>

These financial statements were approved by the board of directors on 14 Oct 2005 and were signed on its behalf by:


 Director


 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.

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost basis of accounting. 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.

2 Turnover

Turnover represents development sales and rental income. Turnover is stated net of Value Added Tax.

3 Remuneration of directors

There were no emoluments paid to directors during the year.

4 Loss on ordinary activities before taxation	2004 £	2003 £
<i>This is stated after charging:</i>		
Auditors Remuneration	175	1,000
	<hr/>	<hr/>

5 Interest payable	2004 £	2003 £
Interest on bank loans and overdrafts	13	-
	<hr/>	<hr/>

6 Taxation

The charge to tax does not equate to the standard rate of tax in the UK (30%, 2003 : 30%) as a result of deferred tax assets in relation to tax losses available for set off against future year profits not being recognised.

Notes (cont'd)

7 Investments

	2004	2003
	£	£
Shares in Joint Ventures	50	50
Loans to Joint Ventures	7,300,000	7,300,000
	<u>7,300,050</u>	<u>7,300,050</u>

The company has a 50% shareholding in the ordinary share capital of Alba Campus Limited, a property development and investment company registered in Scotland.

8 Creditors: amounts falling due within one year

	2004	2003
	£	£
Trade creditors	1,175	-
Other creditors	700	2,499
	<u>1,875</u>	<u>2,499</u>

9 Creditors: amounts falling due after more than one year

	2004	2003
	£	£
Amounts owed to parent undertakings	7,304,436	7,303,436
	<u>7,304,436</u>	<u>7,303,436</u>

There is no fixed repayment date and no interest has been charged on this amount.

10 Called up share capital

	2004	2003
	£	£
Authorised, allotted, called up and fully paid:		
Equity: A Ordinary shares of £1 each	50	50
B Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

Only the A shares carry voting and distribution rights.

Notes (cont'd)

11 Reconciliation of movement in shareholders' deficit

	2004 £	2003 £
Opening shareholders deficit	(5,700)	(2,641)
Retained loss for the year	(189)	(3,059)
Closing shareholders' deficit	(5,889)	(5,700)

12 Related party disclosures

The company is a joint venture between Miller Investments Holdings Limited (formerly Miller Investments Southern Limited) and Uberior Ventures Limited.

On 6 May 2003 Miller Investments Holdings Limited purchased 25 of the 50 shares held by Uberior Ventures Limited, taking its shareholding to 75%.

At the year end the amounts owed to Miller Investments Holdings Limited were £7,304,436 and the amounts owed to Uberior Ventures Limited were £nil.