

## **MILLER (DUNDEE) LIMITED**

### **Directors' report and financial statements**

*For the year ended 31 December 2004*

Registered number SC217231



## **Directors' report and financial statements**

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## **Directors' report**

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

### **Business review and future developments**

The principal activity of the company is that of property development. The directors consider the year end financial position to be satisfactory.

### **Results and dividends**

The loss for the year amounted to £113,406 (2003: £nil). The directors do not recommend the payment of a dividend.

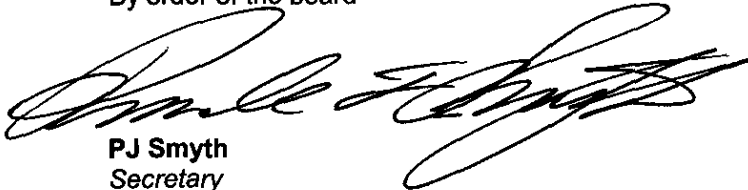
### **Directors**

The directors of the company during the year were:

PH Miller  
DT Milloy  
M Wood

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

By order of the board



**PJ Smyth**  
Secretary

09 May 2005  
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 year. 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 Miller (Dundee) Limited

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

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 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 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

**KPMG LLP**

Chartered Accountants  
Registered Auditor

Edinburgh

17 May 2005

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

|  | <i>Note</i> | 2004<br>£   | 2003<br>£   |
|--|-------------|-------------|-------------|
| Turnover   | 2           | 192,569     | -           |
| Cost of Sales  |             | (218,979)   | -           |
|  |             | <hr/>       | <hr/>       |
| <b>Gross loss</b>  |             | (26,410)    | -           |
| Administrative expenses  |             | (81)        | -           |
|  |             | <hr/>       | <hr/>       |
| <b>Operating loss</b>  |             | (26,491)    | -           |
| Interest receivable  | 5           | 243         | -           |
| Interest payable   | 6           | (87,158)    | -           |
|  |             | <hr/>       | <hr/>       |
| <b>Loss on ordinary activities before taxation</b>                 | 3           | (113,406)   | -           |
| Tax on loss on ordinary activities                                 | 7           | -           | -           |
|  |             | <hr/>       | <hr/>       |
| <b>Retained loss on ordinary activities for the financial year</b> | 12          | (113,406)   | -           |
|  |             | <hr/> <hr/> | <hr/> <hr/> |

The company has no recognised gains or losses other than the loss for the year.

**Balance sheet**  
**31 December 2004**

|   | Note | 2004<br>£   | 2003<br>£ |
|---|------|-------------|-----------|
| <b>Current assets</b>                                 |      |             |           |
| Work in Progress                                      | 8    | 3,959,000   | -         |
| Debtors   | 9    | 8,207       | 1         |
|   |      | <hr/>       | <hr/>     |
|   |      | 3,967,207   | 1         |
| <b>Creditors: amounts falling due within one year</b> | 10   | (4,080,612) | -         |
|   |      | <hr/>       | <hr/>     |
| <b>Net liabilities / assets</b>                       |      | (113,405)   | 1         |
|   |      | <hr/>       | <hr/>     |
| <b>Capital and reserves</b>                           |      |             |           |
| Called up share capital                               | 11   | 1           | 1         |
| Profit and loss account                               | 12   | (113,406)   | -         |
|   |      | <hr/>       | <hr/>     |
| <b>Equity shareholders' deficit / funds</b>           | 13   | (113,405)   | 1         |
|   |      | <hr/>       | <hr/>     |

These financial statements were approved by the board of directors on 25 APRIL 2005 and were signed on its behalf by:

  
**P H Miller**  
*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.

The company is exempt from the requirement of Financial Reporting Standard 1 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 FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of The Miller Group Limited, within which this company is included, can be obtained from the address given in note 14.

#### ***Development work in progress***

Development work in progress has been valued 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 represents income received from the rental of commercial property and arises entirely in the United Kingdom.

### **3. Loss on ordinary activities before taxation**

*This is stated after charging/(crediting)*  
Auditors remuneration

| <b>2004</b> | <b>2003</b> |
|-------------|-------------|
| <b>£</b>    | <b>£</b>    |
| -           | -           |
| <hr/>       | <hr/>       |

### **4. Remuneration of directors**

There were no emoluments paid to the directors during the year.



**Notes (cont'd)**

|   |             |             |
|---|-------------|-------------|
| <b>5. Interest receivable</b>   | <b>2004</b> | <b>2003</b> |
|   | <b>£</b>    | <b>£</b>    |
| Bank interest   | 243         | -           |
|   | <hr/>       | <hr/>       |
|   | 243         | -           |
|   | <hr/>       | <hr/>       |
| <b>6. Interest payable</b>  | <b>2004</b> | <b>2003</b> |
|   | <b>£</b>    | <b>£</b>    |
| On bank loans and overdrafts  | 87,158      | -           |
|   | <hr/>       | <hr/>       |
| <b>7. Taxation</b>  | <b>2004</b> | <b>2003</b> |
|   | <b>£</b>    | <b>£</b>    |
| Analysis of charge in year  | -           | -           |
| <b>UK Corporation tax</b>   |             |             |
| Current tax on income for the year  | -           | -           |
| Tax on loss on ordinary activities  | -           | -           |
|   | <hr/>       | <hr/>       |
| The company's liability to corporation tax will be covered by way of group relief or met by Miller Investments Holdings Limited, for which no payment will be made. |             |             |
| <b>8. Work in progress</b>  | <b>2004</b> | <b>2003</b> |
|   | <b>£</b>    | <b>£</b>    |
| Development site  | 3,959,000   | -           |
|   | <hr/>       | <hr/>       |
| <b>9. Debtors</b>   | <b>2004</b> | <b>2003</b> |
|   | <b>£</b>    | <b>£</b>    |
| Amounts falling due within one year:  |             |             |
| Other debtors   | 1           | 1           |
| Amounts due from fellow group companies   | 8,206       | -           |
|   | <hr/>       | <hr/>       |
|   | 8,207       | 1           |
|   | <hr/>       | <hr/>       |

## Notes (cont'd)

|   |                         |                 |
|---|-------------------------|-----------------|
| <b>10. Creditors: amounts falling due within one year</b>     | <b>2004</b>             | <b>2003</b>     |
|   | <b>£</b>                | <b>£</b>        |
| Bank overdraft  | 3,989,318               | -               |
| Amount owed to fellow group companies                         | 23,129                  | -               |
| Accruals and deferred income                                  | 57,293                  | -               |
| Other creditors   | 10,872                  | -               |
|   | <u>4,080,612</u>        | <u>-</u>        |
|   | <u><u>4,080,612</u></u> | <u><u>-</u></u> |
| <b>11. Share capital</b>                                      | <b>2004</b>             | <b>2003</b>     |
|   | <b>£</b>                | <b>£</b>        |
| <i>Equity</i>   |                         |                 |
| <i>Authorised</i>   |                         |                 |
| 1,000 ordinary shares of £1 each                              | <u>1,000</u>            | <u>1,000</u>    |
| <i>Allotted, called up and unpaid</i>                         |                         |                 |
| 1 ordinary share of £1  | <u>1</u>                | <u>1</u>        |
|   | <u><u>1</u></u>         | <u><u>1</u></u> |
| <b>12. Profit and loss account</b>                            | <b>2004</b>             | <b>2003</b>     |
|   | <b>£</b>                | <b>£</b>        |
| At beginning of year  | -                       | -               |
| Retained loss for the year                                    | (113,406)               | -               |
|   | <u>(113,406)</u>        | <u>-</u>        |
| <b>At end of year</b>   | <u><u>(113,406)</u></u> | <u><u>-</u></u> |
| <b>13. Reconciliation of movements in shareholders' funds</b> | <b>2004</b>             | <b>2003</b>     |
|   | <b>£</b>                | <b>£</b>        |
| Opening shareholders' funds                                   | 1                       | 1               |
| Retained loss for the year                                    | (113,406)               | -               |
|   | <u>(113,406)</u>        | <u>-</u>        |
| <b>Closing shareholders' deficit / funds</b>                  | <u><u>(113,405)</u></u> | <u><u>1</u></u> |

## 14. 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.