

**Miller Homes Special Projects Portfolio
Limited (formerly Miller Edinburgh
Schools Portfolio Limited)**

Directors' Report and Financial Statements

31 December 2004

Registered number SC244283



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COMPANIES HOUSE 03/09/05

Directors' Report and Financial Statements

Contents

Directors' Report	1
Statement of Directors' Responsibilities	2
Profit and Loss Account	3
Balance sheet	4
Notes	5

Directors' Report

The Directors have pleasure in presenting their report and financial statements for the year ended 31 December 2004.

Result and Dividends

The result for the year is set out in the profit and loss account. The directors have recommended the payment of a dividend of £3,458,358 (2003: £nil).

Review of the Business

The company acts as an investment holding company. The directors consider the year end financial position to be satisfactory.

During the year investments were made in two companies (Miller Drylaw Limited and Miller Kirkliston Limited) which were formed for the purpose of housing developments on sites in Edinburgh.

The company changed its name from Miller Edinburgh Schools Portfolio Limited to Miller Homes Special Projects Portfolio Limited on 30th November 2004.

Directors and Directors' Interests

The Directors of the company during the year were:

Ewan T Anderson	
Stewart J Adams	(Resigned 28 May 2004)
Brendan McShane	
Robert G Sneddon	(Appointed 28 May 2004)

None of the Directors had any interest in the share capital of the company.

Auditors

The company is exempt from the requirement to appoint auditors.

By order of the Board



Pamela J Smyth
Secretary

18 August 2005

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 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.

Profit and Loss Account
For the year ended 31 December 2004

	Note	2004	2003
		£	£
Income from shares in group subsidiary undertakings		3,458,358	-
Profit on ordinary activities before taxation		3,458,358	-
Tax on profit on ordinary activities	3	-	-
Profit on ordinary activities after taxation		3,458,358	-
Dividend on equity shares		(3,458,358)	-
Retained profit/(loss) for the year		-	-

Other than the result for the period there are no recognised gains or losses.

Balance sheet

As at 31 December 2004

	Note	2004 £	2003 £
Fixed Assets			
Investments	4	6	4
Current Assets			
Debtors	5	1	1
Total assets		<u>7</u>	<u>5</u>
Creditors: amounts falling due within one year	6	<u>6</u>	<u>4</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	7	<u>1</u>	<u>1</u>
Equity Shareholders' Funds	8	<u>1</u>	<u>1</u>

For the period ended 31 December 2004 the company was entitled to exemption under Section 249AA (1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with Section 249B (2).

The Directors:

- a. confirm that the company keeps accounting records which comply with Section 221; and
- b. confirm that they have prepared accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 18 August 2005 and were signed on its behalf by:



Ewan T Anderson
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 accounting

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

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 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 9.

Investments

Investments are held at cost less any provision for impairment.

2. Remuneration of directors

The directors did not receive any remuneration from the company during the period.

3. Taxation

No tax is payable.

4. Investments

The investments in subsidiary undertakings at 31 December 2004 were:

<i>Ordinary Share</i>	<i>Principal Activity</i>	<i>Country of Registration</i>	<i>Share Capital</i>
Miller St Joseph's Limited	Property Development	Scotland	100%
Miller Craigmount Limited	Property Development	Scotland	100%
Miller Silverknowes Limited	Property Development	Scotland	100%
Miller Piershill Limited	Property Development	Scotland	100%
Miller Drylaw Limited	Property Development	Scotland	100%
Miller Kirkliston Limited	Property Development	Scotland	100%

Notes (continued)

Movements in investments during the year were:

<i>Investment</i>	<i>At 1 January 2004</i>	<i>Additions</i>	<i>At 31 December 2004</i>
	£	£	£
Miller St Joseph's Limited	1	-	1
Miller Craigmount Limited	1	-	1
Miller Silverknowes Limited	1	-	1
Miller Piershill Limited	1	-	1
Miller Drylaw Limited	-	1	1
Miller Kirkliston Limited	-	1	1
	<u>4</u>	<u>2</u>	<u>6</u>

5. Debtors

	2004	2003
	£	£
Other debtors	1	1
	<u>1</u>	<u>1</u>

6. Creditors

	2004	2003
	£	£
Amounts due to subsidiary undertakings	6	4
	<u>6</u>	<u>4</u>

7. Called up share capital

	2004	2003
	£	£
<i>Authorised:</i>		
1000 ordinary share of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up but unpaid</i>		
1 ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

Notes (continued)

8. Reconciliation of Movement in Shareholders' Funds

	2004 £
Profit for the year	-
Other movements:	
Dividends receivable	3,458,358
Dividends payable	(3,458,358)
Total movements during the year	<hr/> -
Shareholders' funds at 1 January 2004	1
Shareholders' funds at 31 December 2004	<hr/> <hr/> 1

9. Ultimate parent company

The ultimate parent company of Miller Homes Special Projects Portfolio Limited 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.