

MILLER DEVELOPMENTS (WARRISTON ROAD) LTD

Directors' report and financial statements

For the period ended 31 December 2004

Registered number SC 245711



Directors' report and financial statements

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Directors' report

The directors have pleasure in submitting their report together with the financial statements of the company for the year ended 31 December 2004.

Principal activities

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

Results

The retained profit for the year was £45,398 (2003: loss £5,894). The directors do not recommend the payment of a dividend.

Directors

The directors of the company during the year were:

P H Miller
A Sutherland
M Wood

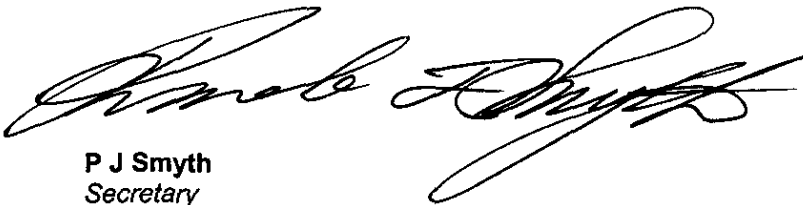
The directors had no interests in the shares of the company during the year.

Elective Resolution

An Elective Resolution was signed by the members on 15 April 2003 to dispense with the following legal requirements:

The holding of AGMs; the laying of accounts and reports before the company AGM; and the obligation of appointing auditors annually.

By order of the board



P J Smyth
Secretary
21 June 2005

Edinburgh

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 Miller Developments (Warriston Road) Limited

We have audited the financial statements on pages 4 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 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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP

Edinburgh

Chartered Accountants
Registered Auditor

4 July 2005

Profit and loss account
 for the year ended 31 December 2004

	Notes	2004 £	14 March to 31 December 2003 £
Turnover	2	178,438	133,198
Cost of sales		-	(52,280)
Gross profit		178,438	80,918
Administrative expenses		(178)	(5)
Operating profit	4	178,260	80,913
Interest receivable	5	2,091	1,280
Interest payable	6	(134,953)	(88,087)
Profit/loss on ordinary activities before taxation		45,398	(5,894)
Tax on profit on ordinary activities	7	-	-
Retained profit/loss for the period		45,398	(5,894)
Profit and loss reserve brought forward		(5,894)	-
Profit and loss reserve carried forward		39,504	(5,894)

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

Balance sheet
at 31 December 2004

	Notes	2004 £	2003 £
Current assets			
Work in progress	8	3,075,671	3,075,671
Cash at bank		79,620	103,721
		<hr/>	<hr/>
		3,155,291	3,179,392
Creditors: amounts falling due within one year	9	(835,786)	(865,285)
		<hr/>	<hr/>
Net current assets		2,319,505	2,314,107
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	10	(2,280,000)	(2,320,000)
		<hr/>	<hr/>
Net assets/(liabilities)		39,505	(5,893)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		39,504	(5,894)
		<hr/>	<hr/>
Equity shareholders' funds	12	39,505	(5,893)
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 21 June 2005 and were signed on its behalf by:


 PH 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.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard number 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

Development work in progress

Development work in progress is carried at cost plus attributable overheads or net realisable value if lower.

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.

2 Turnover

Turnover comprises income received from property developments and arises entirely in the United Kingdom.

3 Remuneration of directors

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

4	Operating profit	2004	2003
		£	£
	<i>This is stated after charging:</i>		
	Auditors' remuneration	-	-
		<hr/>	<hr/>
5	Interest receivable	2004	2003
		£	£
	Bank interest	2,091	1,280
		<hr/>	<hr/>

Notes (cont'd)

6	Interest payable	2004 £	2003 £
	Bank interest payable	134,953	88,087

7	Taxation	2004 £	2003 £
	Analysis of charge in period	-	-
	UK Corporation Tax		
	Current tax on income for the period	-	-

The company's liability to corporation tax will be covered by group relief or met by The Miller Group Limited, for which no payment will be made.

8	Work in progress	2004 £	2003 £
	Development site fees	3,075,671	3,075,671

9	Creditors: amounts falling due within one year	2004 £	2003 £
	Accruals and deferred income	41,131	71,022
	Other taxes and social security costs	7,805	7,413
	Amounts due to fellow group companies	786,850	786,850
		835,786	865,285

Notes (cont'd)

10. Creditors: amounts falling due after more than one year

	2004 £	2003 £
Bank Loan	2,280,000	2,320,000

The Bank of Scotland has a standard security over the property of the company and a floating charge over the assets of the company.

	2004 £	2003 £
Analysis of Debt		
Debt can be analysed as falling due:		
In one year or less, or on demand	-	-
Between one and two years	-	-
Between two and five years	2,280,000	2,320,000
In five years or more	-	-
	2,280,000	2,320,000

**11. Share capital
Equity**

	2004 £	2003 £
<i>Authorised, allotted, called up and fully paid</i>		
Ordinary shares of £1 each	1	1

12. Reconciliation of movement in shareholders funds

	2004 £	2003 £
Retained profit/ (loss) for the period	45,398	(5894)
Shares issued	-	1
Opening deficit in shareholders' funds	(5,893)	-
Closing shareholders' funds /(deficit)	39,505	(5,893)

13. Contingent liabilities

There were no capital commitments or contingent liabilities at the year end.

Notes (cont'd)

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.