Miller Developments (Warriston Road) Limited

Directors' report and financial statements

For the year ended 31 December 2012

Registered number SC245711

Contents

Directors' report

The directors have pleasure in submitting their annual report and audited financial statements for the year ended 31 December 2012.

Principal activities

The property developed by the company was disposed of in December 2011. Subsequent to year-end, in February 2013, the company made an investment in a property development partnership which was formed to acquire a property development site in Auchendinny, Midlothian.

Results

The loss for the year was £1,272 (2011: profit £395,565). A final dividend of £19,498 was paid during the year. (2011: £300,000).

Directors

The directors who held office during the year and at the date of signing were as follows:

Phil Miller

Andrew Sutherland

David Milloy

Donald Borland

Euan Haggerty

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board

Euan Haggerty
Director

3 July 2013

Miller House
2 Lochside View
Edinburgh Park
Edinburgh

EH12 9DH

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

KPMG LLP
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditor's report to the members of Miller Developments (Warriston Road) Limited

We have audited the financial statements of Miller Developments (Warriston Road) Limited for the year ended 31 December 2012 set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor
As explained more fully in the Directors Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion, on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Hugh Harvie

Hugh Harvie
(Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

5.7. 2013

Profit and loss account
for the year ended 31 December 2012

	Note	**2012 £**	2011 £
Turnover	*1*	**-**	3,330,653
Cost of sales		**(1,270)**	(2,884,176)
Gross (loss)/profit		**(1,270)**	446,477
Administrative expenses		**(2)**	(2)
Operating (loss)/profit		**(1,272)**	446,475
Interest payable	*4*	**-**	(50,910)
(Loss)/profit on ordinary activities before taxation	*2*	**(1,272)**	395,565
Tax on profit on ordinary activities	*5*	**-**	-
(Loss)/profit for the financial year	*9*	**(1,272)**	395,565

The company has no recognised gains or losses other than the results for the above financial years.

The loss for the financial year has been derived from continuing activities.

The notes on pages 6 to 9 form part of these financial statements.

Balance sheet
As at 31 December 2012

	Notes	**2012**	2011
		£	£
Current assets			
Debtors	*6*	**1**	8,492
Cash at bank		**-**	63,325
		1	71,817
Creditors: amounts falling due within one year	*7*	**-**	(51,046)
Net assets		**1**	20,771
Capital and reserves			
Called up share capital	*8*	**1**	1
Profit and loss account	*9*	**-**	20,770
Shareholders' funds	*10*	**1**	20,771

The notes on pages 6 to 9 form part of these financial statements

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

Euan Haggerty

Director

3 July 2013

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.

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

Basis of preparation

The financial statements have been prepared on a going concern basis. The directors believe this to be appropriate as in 2011, the company sold its development work in progress which allowed the company to fully repay the bank loan and all amounts due to Group Companies.

In relation to the company's short term working capital requirement, the directors are confident that the company should continue to have sufficient resources available to it to enable it to continue in operational existence by meeting its day to day liabilities as they fall due for payments for a period of at least twelve months from the date of approval of these statements.

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. The consolidated financial statements of The Miller Group Limited, within which the company is included, can be obtained from the address shown in note 11.

The company is exempt from the requirement of Financial Reporting Standard number 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.

Stocks

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 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.

Turnover

Turnover comprises development sales and excludes value added tax. Turnover arises entirely in the United Kingdom.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Notes *(continued)*

2 Profit on ordinary activities before taxation

Auditor's remuneration is paid by the immediate parent company, Miller Developments Limited, and are disclosed in the accounts of that company.

3 Remuneration of directors and employees

There were no emoluments paid to the directors during the year. (2011: nil) There were no employee costs during the year. (2011: nil)

4 Interest payable

	2012	2011
	£	£
Bank interest payable	-	50,910

5 Taxation

Analysis of charge in year

	2012	2011
	£	£
UK corporation tax		
Current tax on income for the year	-	-
Total current tax	-	-

Factors affecting the tax charge for the current year
The current tax charge for the year is lower than (2011: lower than) the standard rate of corporation tax in the UK 24.5% (2011: 26.5%). The differences are explained below:

	2012	2011
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	**(1,272)**	395,565
Current tax at 24.5% (2011: 26.5%)	**(312)**	104,825
Effects of:		
Group relief surrendered/(received) for nil consideration	**312**	(104,825)
Total current tax charge	-	-

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge.

Notes *(continued)*

6 Debtors

	2012	2011
	£	£
Other debtors	**1**	1
Taxation and social security	**-**	8,491
	1	8,492

7 Creditors: amounts falling due within one year

	2012	2011
	£	£
Other creditors	-	51,046

8 Share capital

	2012	2011
	£	£
Authorised, allotted, called up and fully paid		
1 Ordinary share of £1 each	**1**	1

Profit and loss account

	2012
	£
At beginning of year	**20,770**
Loss for the year	**(1,272)**
Dividend paid	**(19,498)**
At end of year	**-**

10 Reconciliation of movements in shareholders' funds/(deficit)

	2012	2011
(Loss)/profit for the year	**(1,272)**	395,565
Dividend paid	**(19,498)**	(300,000)
Opening shareholders' funds/(deficit)	**20,771**	(74,794)
Closing shareholders' funds	**1**	20,771

Notes *(continued)*

11 Immediate and ultimate parent company.

At 31 December 2012, the company's immediate parent company is Miller Developments Limited and its ultimate parent company is The Miller Group Limited. Both companies are registered in Scotland and incorporated in the United Kingdom.

The largest group in which the results of the company are consolidated is that headed by The Miller Group Limited. The consolidated financial statements of The Miller Group Limited and the financial statements of Miller Developments Limited are available to the public and may be obtained from the Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

At the date of approval of these financial statements the company was ultimately controlled by GSO Capital Partners LP, a division of the Blackstone Group LP.