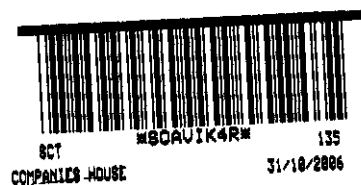


# **Miller Dorchester Limited**

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

For the year ended 31 December 2005  
Registered number SC268019



## **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 2005

### Principal activities

The principal activity of the company is that of investment

### Business Review

The net profit after providing for taxation amounted to £4 (2004 loss £20)

### Proposed dividend

The directors do not recommend the payment of a dividend

### Directors

The directors of the company during the period were

P H Miller	
M Wood	
D Milloy	(appointed 25 February 2005)
F M Hewett	(appointed alternate director 25 August 2005)

The directors had no interests in the shares of the company during the year. The interests of the P H Miller in the shares of The Miller Group Limited, the ultimate parent company are shown in the accounts of that company. The interests of M Wood, D Milloy and F M Hewett in the shares of The Miller Group Limited, are shown in the accounts of Miller Developments Holdings Limited, (previously Miller Investments Holdings Limited)

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting

On behalf of the board



P H Miller

Director

30 October 2006

Edinburgh

## **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.

The financial statements are required by law to 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 judgments 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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 Dorchester Limited**

We have audited the financial statements of Miller Dorchester Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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**

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its result for the loss then ended, and

have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*  
*Edinburgh*

30 October 2006

**Profit and loss account**  
 For the year ended 31 December 2005

	Notes	2005 £	Period Ended 31 December 2004 £
Administrative expenses		-	(20)
		<hr/>	<hr/>
Interest receivable	3	4	(20)
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>	4	4	(20)
Tax on profit on ordinary activities	6	-	
		<hr/>	<hr/>
<b>Loss for the period</b>		4	(20)
		<hr/>	<hr/>

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

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

**Balance sheet**  
**at 31 December 2005**

	<i>Notes</i>	<b>2005</b> £	<b>2004</b> £
<b>Fixed assets</b>			
Investments	7	1,993,594	1,893,594
<b>Current assets</b>			
Debtors	8	7,297	1
Cash		686	980
<b>Net Assets</b>		<u>7,983</u>	<u>981</u>
<b>Creditors:</b> amounts falling due in more than one year	9	<u>(2,001,592)</u>	<u>(1,894,594)</u>
<b>Net liabilities</b>		<u>(15)</u>	<u>(19)</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account	11	<u>(16)</u>	<u>(20)</u>
<b>Shareholders' funds</b>	12	<u>(15)</u>	<u>(19)</u>

These financial statements were approved by the board of directors on 30 October 2006 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. The financial statements have been prepared on the going concern basis as the shareholders have indicated that they will continue to support the company.

As the company is a wholly owned subsidiary of Miller Investments Holdings Limited which is in turn a wholly owned subsidiary of The Miller Group Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions and balances which form part of the group. The consolidated financial statements of The Miller Group Limited (the group in which this company is included) can be obtained from the address in note 13.

#### **Cash flow statement**

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

#### **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.

#### **Investments**

Investments are stated at the lower of cost and market value.

### 2. Remuneration of directors

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

### 3 Interest receivable

	2005 £	2004 £
Bank interest	4	
	<hr/>	<hr/>



## Notes (contd)

<b>4. Operating profit</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<i>This is stated after charging</i>		
Auditors' remuneration	-	
	<u>          </u>	<u>          </u>

## 5. Staff numbers and costs

There were no employee or staff costs during the year

<b>6. Taxation</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
<b>UK Corporation tax</b>		
Current tax on income for the year	-	
Adjustments in respect of prior years	<u>          </u>	<u>          </u>
Tax on loss on ordinary activities	<u>          </u>	<u>          </u>

## Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2004 higher) than the standard rate of corporation tax in the UK (30%) The differences are explained below

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Current tax reconciliation</b>		
Profit/(loss) on ordinary activities before tax	<b>4</b>	<b>(20)</b>
	<u>          </u>	<u>          </u>
Current tax at 30%	<b>1</b>	<b>(6)</b>
<b>Effects of</b>		
Deferred tax asset not recognised	<b>(1)</b>	<b>6</b>
Adjustment in respect of prior year	<u>          </u>	<u>          </u>
Total current tax charge (see above)	<u>          </u>	<u>          </u>

Any future liability to corporation tax will be covered by way of group relief or met by The Miller Group Limited, for which no payment will be made

## Notes (contd)

7 Investments	Listed Investments	Loans to Joint Venture	Total
	£	£	£
<i>Cost and NBV</i>			
At beginning of year	5,000	1,888,594	1,893,594
Additions		100,000	100,000
	<hr/>	<hr/>	<hr/>
<b>At end of year</b>	<b>5,000</b>	<b>1,988,594</b>	<b>1,993,594</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The listed investments are quoted on the London Stock Exchange. The market value of listed investments at 31 December 2005 was £8,277 (2004 £5,821)

## Joint Ventures

The Joint Venture undertaking is

Name	County of Incorporation	Principal Activity	Ordinary Share Capital Owed	Profit for the year	Net Assets
Centros Miller Dorchester Limited Partnership	UK	Property Development	50%	£114,746	£4,123,385

8 Debtors	2005 £	2004 £
Unpaid Share Capital	1	1
Other Debtors	7,296	
	<hr/>	
	7,297	1
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts falling due in more than one year	2005 £	2004 £
Amounts due to parent undertakings	2,001,592	1,894,594
	<hr/> <hr/>	<hr/> <hr/>

## Notes (contd)

<b>10. Share capital</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<i>Authorised</i>		
100 ordinary shares of £1 each	<b>100</b>	100
	<u>          </u>	<u>          </u>
<i>Allotted, called up and unpaid</i>		
1 ordinary share of £1 each	<b>1</b>	1
	<u>          </u>	<u>          </u>
<b>11. Profit and loss account</b>		<b>Profit and loss account</b>
		<b>£</b>
At beginning of year		(20)
Profit for the year		4
At end of year		<u>(16)</u>
		<u>          </u>
<b>12. Reconciliation of movement in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Profit for the year	4	(20)
Net reduction in shareholders' funds	<u>4</u>	<u>(20)</u>
Share capital subscribed		1
Opening deficit in shareholders' funds	(19)	
	<u>          </u>	<u>          </u>
<b>Closing deficit in shareholders' funds</b>	<b>(15)</b>	<b>(19)</b>
	<u>          </u>	<u>          </u>
<b>13. Ultimate parent company</b>		

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.