Miller Lochside View Limited

Directors' report and financial statements

For the year ended 31 December 2014

Registered number SC275002

Contents

Directors' report

The directors have pleasure in presenting their report and audited financial statements for the year to 31 December 2014.

Principal activities

The principal activity of the company is the holding of an office property in fixed assets which is predominantly occupied by the company's parent and other group companies.

Results and dividends

The company made a profit for the year of £422,098 (2013: £309,629).

Directors

The directors who held office during the year were as follows:

Phil Miller (resigned 31 May 2015)

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

18 June 2015

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.

Independent auditor's report to the members of Miller Lochside View Limited

We have audited the financial statements of Miller Lochside View Limited for the year ended 31 December 2014 set out on pages 4 to 11. 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 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 2014 and of its profit 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 Directors' 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: and
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report

Hugh Harvie
(Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

23.6.15

Profit and loss account
for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1	**1,002,756**	1,026,778
Cost of sales		**(308,897)**	(486,536)
Gross profit		**693,859**	540,242
Administrative expenses		**(2,063)**	(450)
Operating profit		**691,796**	539,792
Interest payable	4	**(181,381)**	(230,163)
Profit on ordinary activities before taxation	3	**510,415**	309,629
Tax on profit on ordinary activities	5	**(88,317)**	-
Profit for the financial year	11	**422,098**	309,629

There are no recognised profits other than those disclosed above.

The profit for the year is derived from continuing operations.

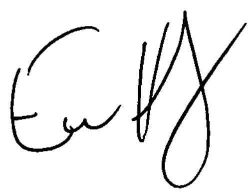
The notes on pages 6 to 11 form part of these financial statements.

Balance sheet
As at 31 December 2014

	Note	**2014**	2013
		£	£
Fixed assets	6	**9,219,630**	9,450,121
Current assets			
Debtors	*7*	**213,090**	100,840
Cash		**831,508**	916,351
		1,044,598	1,017,191
Creditors: amounts falling due within one year	*8*	**(1,310,604)**	(6,286,670)
Net current liabilities		**(266,006)**	(5,269,479)
Creditors: amounts falling due in more than one year	*9*	**(6,902,443)**	(2,551,559)
Net assets		**2,051,181**	1,629,083
Capital and reserves			
Called up share capital	*10*	**1**	1
Profit and loss account	*11*	**2,051,180**	1,629,082
Shareholders' funds	*12*	**2,051,181**	1,629,083

The notes on pages 6 to 11 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

18 June 2015

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 except as noted below.

Going concern

Basis of preparation

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

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons:

The company finances its working capital requirements through a combination of rental income received, funds advanced to the company by its parent undertaking, Miller Development Holdings Ltd and project specific bank term loan facilities.

The funds provided by the parent undertaking, which at 31 December 2014 amounted to £2,551,559 (2013: £2,551,559), are not repayable until such time as the bank term loan facilities have been repaid and, only then, on the basis that the company has sufficient funds remaining, following repayment of the bank indebtedness, to settle the inter-company indebtedness.

In December 2014, the Allied Irish Bank extended the existing term loan and the bank loan is now repayable in December 2019. Covenants are attached to the loan, but directors have prepared cashflows which indicate that no covenant breaches are forecast.

In relation to the company's short term working capital requirements, the directors have prepared cash flow forecasts which indicate 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 payment for a period of at least twelve months from the date of approval of these financial statements.

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 (UK) 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 (UK) 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 (UK) Limited, within which the company is included, can be obtained from the address shown in note 13.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain terms 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.

Notes *(continued)*

Turnover

Turnover represents rental income and management fees. All turnover is stated net of value added tax and all turnover arises entirely in the UK.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Freehold properties	2 per cent
Office equipment	20 per cent
Plant & machinery	11-13 per cent

2 Directors and employees

There were no emoluments paid to Directors of the company during the year (2013: nil). During the year there were no employees of the company other than the directors (2013: nil)

3 **Profit on ordinary activities before taxation**	**2014**	2013
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of fixed assets	**230,491**	486,536

Auditor's remuneration is paid for by a fellow subsidiary company - Miller Developments Limited and is disclosed in that company's accounts.

4 **Interest payable**	**2014**	2013
	£	£
Bank interest payable	**181,381**	230,163

Notes *(continued)*

5 Taxation

Analysis of charge in year

	2014	2013
	£	£
UK corporation tax		
Current tax on income for the year	**88,317**	-
Total current tax	**88,317**	-

Factors affecting the current charge for the period

The current tax charge for the year is lower than (2013: lower than) the standard rate of corporation tax in the UK: 21.5% (2013: 23.25%). The differences are explained below:

	2014	2013
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	**510,415**	309,629
Current tax at 21.5% (2013: 23.25%)	**109,739**	71,989
Effects of:		
Group relief received for nil consideration	**-**	(71,989)
Capital allowances for year in excess of depreciation	**(21,422)**	-
Total current tax charge	**88,317**	-

Reductions in the UK corporation tax rate from 21 to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

Notes *(continued)*

6 Fixed Assets

	Land & Buildings £	Plant & Machinery £	Office Equipment £	Total £
Cost				
At beginning and end of the year	11,524,542	2,578,272	540,395	14,643,209
Depreciation				
At 31 December 2013	2,074,421	2,578,272	540,395	5,193,088
Charge for period	230,491	-	-	230,491
At 31 December 2014	2,304,912	2,578,272	540,395	5,423,579
Net book value at 31 December 2014	**9,219,630**	**-**	**-**	**9,219,630**
Net book value at 31 December 2013	9,450,121	-	-	9,450,121

7 Debtors

	2014 £	2013 £
Amounts owed by fellow subsidiary undertakings	**47,852**	3,786
Other debtors	**63,933**	4,045
Trade debtors	**101,305**	93,009
	213,090	100,840

8 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	**124,600**	439,286
Bank loan	**500,000**	5,637,358
Accruals & deferred income	**588,228**	210,026
Corporation tax	**88,317**	-
VAT	**9,459**	-
	1,310,604	6,286,670

Notes *(continued)*

9 Creditors: amounts falling due in more than one year

	2014	2013
	£	£
Amounts owed to parent and ultimate parent companies	**2,556,762**	2,551,559
Amounts owed to fellow subsidiary undertakings	**5,119**	-
Bank loan	**4,340,562**	-
	6,902,443	2,551,559

	2014	2013
	£	£
Analysis of debt:		
Debt can be analysed as falling due:		
In less than 1 year	**500,000**	5,637,358
In 1 to 2 years	**500,000**	-
In 2 to 5 years	**3,840,562**	-
	4,840,562	5,637,358

Although amounts due to group undertakings are technically repayable on demand, the Company has received confirmation from the directors of the relevant parties that no repayment will be sought for at least twelve months from the date of approval of these financial statements.

The bank term loan was extended in December 2014 and is repayable by 22 December 2019. The term loan is secured by a standard security in Miller House and a floating charge in Miller Lochside View Limited.

10 Called up share capital

	2014	2013
	£	£
Authorised:		
100 Ordinary shares of £1 each	**100**	100

	2014	2013
	£	£
Allotted, called up and fully paid:		
1 Ordinary share of £1 each	**1**	1

Notes *(continued)*

11 Profit and loss account

	Profit and Loss Account
	£
At beginning of year	**1,629,082**
Profit for the year	**422,098**
At end of year	**2,051,180**

12 Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the year	**422,098**	309,629
Opening shareholders' funds	**1,629,083**	1,319,454
Closing shareholders' funds	**2,051,181**	1,629,083

13 Immediate and ultimate parent company

At 31 December 2014, the company's immediate parent company is Miller Developments Holdings Limited and its ultimate parent company is The Miller Group (UK) Limited. Miller Developments Holdings Limited is registered in England, The Miller Group (UK) Limited is registered in Scotland. Both companies are incorporated in the United Kingdom.

The largest group in which the results of the company are consolidated is that headed by The Miller Group (UK) Limited. The consolidated financial statements of The Miller Group (UK) Limited and the financial statements of Miller Developments Holdings 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.