

OUTLET ESTATES LTD

Directors' report and financial statements

For the year ended 31 December 2008

Registered number 04706529

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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 2008.

Principal activities

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

Business review

The profit after providing for taxation amounted to £337,072 (2007: profit of £389,145).

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

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

P H Miller
J M Jackson
D Milloy
A Sutherland


Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

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

On behalf of the Board



P H Miller
Director

10th April 2009

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 and applicable law (UK Generally Accepted Accounting Practice).

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 year.

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.

KPMG LLP

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditors' report to the members of Outlet Estates Limited

We have audited the financial statements of Outlet Estates Limited for the year ended 31 December 2008 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.


KPMG LLP
Chartered Accountants
Registered Auditor

Date

27.4.09

Profit and loss account
For the year ended 31 December 2008

	Notes	2008 £	2007 £
Turnover		-	-
Cost of sales		-	159,905
		<hr/>	<hr/>
Gross profit		-	159,905
Administrative expenses		(10,300)	15,342
Other income		278,022	120,863
		<hr/>	<hr/>
Operating profit	3	267,722	296,110
Interest receivable	4	69,350	93,035
		<hr/>	<hr/>
Profit on ordinary activities before taxation		337,072	389,145
		<hr/>	<hr/>
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
Profit for the financial year		337,072	389,145
		<hr/> <hr/>	<hr/> <hr/>

The company has no recognised gains or losses other than the profit for the above financial year.

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

Balance sheet
at 31 December 2008

	Notes	2008 £	2007 £
Fixed Assets			
Investments	6	986,156	750,056
Current assets			
Debtors	7	204,719	146,686
Creditors: amounts falling due within one year	8	(562,018)	(604,957)
Net current liabilities		(357,299)	(458,271)
Net assets		628,857	291,785
Capital and reserves			
Called up share capital	9	4	4
Profit and loss account	10	628,853	291,781
Shareholders' funds	11	628,857	291,785

These financial statements were approved by the board of directors on 10th April 2009 and were signed on its behalf by:


P H 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 which the directors believe to be appropriate for the following reasons. The working capital requirements of the company have been provided by its parent undertaking, Miller Development Holdings Limited, which is in turn reliant upon funds provided by The Miller Group Limited.

Having reviewed the company's cash flow forecasts, the directors are satisfied the company has sufficient resources available to it to be able to continue to fund the company's operations and accordingly, the financial statements continue to be prepared on a going concern basis. Miller Development Holdings Limited has indicated to the directors of this company it will not seek repayment of the amounts currently made available. Miller Development Holdings Limited has received a similar undertaking of support from The Miller Group Limited.

Based upon the undertaking outlined above, and after making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual financial statements.

As the company is a wholly owned subsidiary of Miller International 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.

Investments

Investments are stated at cost less provision made for permanent diminution in value.

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.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and gains or losses on translation are included in the profit and loss account.

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.

Notes (cont'd)

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.

2 Remuneration of directors

There were no emoluments paid to the directors during the year. There were no employee or staff costs during the year.

3 Auditors' remuneration

Auditors' remuneration is paid by a fellow subsidiary, Miller Developments Limited and disclosed in the accounts of that company.

4 Other interest receivable & similar income	2008	2007
	£	£
Other interest	69,350	93,035
	<hr/>	<hr/>

5 Taxation

Analysis of charge in year	2008	2007
	£	£
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

Factors affecting the tax charge for the year

The current tax charge for the year is lower than (2007: lower than) the standard rate of corporation tax in the UK of 28.5% (2007: 30%). The differences are explained below:

	2008	2007
	£	£
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	337,072	389,145
	<hr/>	<hr/>
Current tax at 28.5% (2007: 30%)	96,066	116,744
Effects of:		
Group relief received for nil consideration	(96,066)	(116,744)
	<hr/>	<hr/>
Total current tax (see above)	-	-
	<hr/>	<hr/>

The company's liability to Corporation tax will be covered by way of group relief, for which no payment will be made.

Notes (cont'd)

6 Investments	Shares in Joint Venture £	Loans to Joint Venture £	Total £
At beginning of year	12,156	737,900	750,056
Exchange differences	-	236,100	236,100
At end of year	12,156	974,000	986,156

Joint Ventures

The Joint Venture undertakings in which the company's interest at the year end is more than 20% are:

Name	Principal Activity	Company of Registration	Ordinary Share Capital Owned
New Outlet Centre kft	Property Development	Hungary	50%
Middle Outlet kft	Property Development	Hungary	50%
Upper Land kft	Property Development	Hungary	50%

7 Debtors	2008 £	2007 £
Other debtors	204,719	146,686
	204,719	146,686
8 Creditors: amounts falling due within one year	2008 £	2007 £
Other creditors	18,215	16,029
Amounts due to parent undertaking	543,803	588,928
	562,018	604,957

Notes (cont'd)

9 Share capital

	2008 £	2007 £
<i>Authorised</i> 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and unpaid</i> 4 ordinary shares of £1 each	<u>4</u>	<u>4</u>

10 Profit and Loss Account

	Profit and Loss Account £
At beginning of year	291,781
Profit for year	<u>337,072</u>
At end of year	<u>628,853</u>

11 Reconciliation of movement in shareholders' funds

	2008 £	2007 £
Profit for the year	337,072	389,145
Dividend paid	-	(12,700,000)
Net movement in shareholders funds	<u>337,072</u>	<u>(12,310,855)</u>
Opening shareholders' funds	291,785	12,602,640
Closing shareholders' funds	<u>628,857</u>	<u>291,785</u>

12 Contingent liabilities

The company has, with certain other subsidiaries, jointly guaranteed the unsecured senior revolving credit, term loan and working capital facilities available to the ultimate parent company, The Miller Group Limited, and certain of its subsidiaries.

13 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.