

Cussins Commercial Developments Limited

Directors' Report and Financial Statements

31 December 2001

Registered number 1319421



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Directors' Report and Financial Statements

Contents

Directors' Report	1
Statement of Directors' Responsibilities	2
Independent Auditors' Report to the Members of Cussins Commercial Developments Limited	3
Profit and Loss Account	4
Balance Sheet	5
Notes	6

Directors' Report

The Directors present their report and the audited accounts for the year ended 31 December 2001.

Principal Activity

The main activity of the company is land and property trading and development.

Results and Dividend

The results for the year are set out in the profit and loss account on page 4. The directors do not recommend the payment of a dividend.

Directors and Directors' Interests

The directors who served during the year were:

P H Miller

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

Iain Lachlan MacKinnon
Secretary

30 May 2002

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year 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 Cussins Commercial Developments Limited

We have audited the financial statements on pages 4 to 8.

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. 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 audit 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 as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

**KPMG
Chartered Accountants
Registered Auditors
Edinburgh**

6 June 2002.

Profit and Loss Account
 for the year ended 31 December 2001

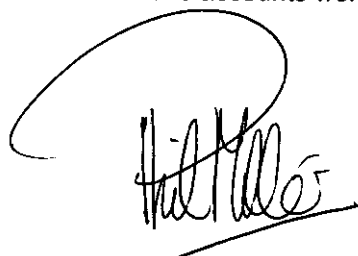
	Notes	2001 £000	2000 £000
Turnover	2	225	153
Cost of sales		(338)	(721)
Gross loss		(113)	(568)
Administrative expenses		(28)	(102)
Exceptional item	3	-	1,802
Operating (loss)profit	3	(141)	1,132
Interest receivable	6	29	1
Interest payable and similar charges	7	(25)	-
(Loss)/profit before taxation		(137)	1,133
Taxation	8	-	17
(Loss)/profit for the financial year		(137)	1,150
Retained loss brought forward		(181)	(1,331)
Retained loss carried forward		(318)	(181)

The company has no recognised gains or losses other than the loss for the current financial period.

Balance sheet
 at 31 December 2001

	Notes	2001 £000	2000 £000
Current assets			
Stocks	9	296	296
Debtors	10	315	322
Cash in hand		498	466
		<hr/>	<hr/>
		1,109	1,084
Creditors: amounts falling due within one year	11	(1,427)	(1,265)
		<hr/>	<hr/>
Net current liabilities		(318)	(181)
		<hr/>	<hr/>
Net liabilities		(318)	(181)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		(318)	(181)
		<hr/>	<hr/>
Equity shareholders' deficit	13	(318)	(181)
		<hr/>	<hr/>

These accounts were approved by the Board of Directors on 30 May 2002 and were signed on its behalf by:


 P H Miller
 Director

Notes

(forming part of the financial statements)

1. Accounting policies

Basis of accounting

The accounts are prepared under the historical cost basis and in accordance with applicable Accounting Standards.

The company is exempt from the requirement of Financial Reporting Standard 1 (revised), 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.

As the company is a wholly owned subsidiary of The Miller Group Limited, the company has taken advantage of the exemption contained in FRS8 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 this company is included, can be obtained from the address given in note 14.

Turnover

Turnover represents the invoiced value of the rental and sale of property developments, exclusive of value added tax.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of timing differences if liabilities are likely to crystallise in the foreseeable future.

2. Turnover

Turnover, all of which is generated in the United Kingdom, represents the value of work completed and invoiced during the year.

3. Operating (loss)/profit

	2001 £000	2000 £000
<i>This is stated after charging/(crediting) the following:</i>		
Auditor's remuneration	3	2
Exceptional item	-	(1,802)
	<hr/>	<hr/>

The exceptional item in the prior year related to the waiver of certain trade debts and inter-company balances following the company's acquisition by The Miller Group Limited in 1999.

Notes (continued)

4. Remuneration of directors

The directors did not receive any remuneration from the company during the year.

5. Staff numbers and costs

The company had no employees during the year (1999 - nil)

6. Other Interest receivable and similar income - Group

	2001 £000	2000 £000
Group interest receivable	29	-
	<u>29</u>	<u>-</u>

7. Interest payable and similar charges

	2001 £000	2000 £000
On bank overdraft	25	-
	<u>25</u>	<u>-</u>

8. Taxation

	2001 £000	2000 £000
Over provision in respect of prior years	-	17
	<u>-</u>	<u>17</u>

9. Stocks

	2001 £000	2000 £000
Undeveloped land bank	296	296
	<u>296</u>	<u>296</u>

10. Debtors

	2001 £000	2000 £000
Trade debtors	62	100
Other debtors	110	12
Amounts owed by group undertakings	143	210
	<u>315</u>	<u>322</u>

Notes (continued)

11. Creditors: amounts falling due within one year	2001	2000
	£000	£000
Bank overdraft	744	274
Trade creditors	2	57
Other creditors	168	319
Amounts owed to group undertakings	471	612
Accruals and deferred income	42	3
	<hr/>	<hr/>
	1,427	1,265
	<hr/>	<hr/>

The overdraft is secured by an intercompany composite guarantee from The Miller Group Limited and certain subsidiaries also having access to the facility.

12. Share capital	2001	2000
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
200 Ordinary shares of £1 each	200	200
	<hr/>	<hr/>

13. Reconciliation of movements in shareholders' deficit	2000	1999
	£000	£000
(Loss)/profit for the financial year	(137)	1,150
	<hr/>	<hr/>
Net (reduction)/increase in shareholders' funds	(137)	1,150
Opening shareholders' deficit	(181)	(1,331)
	<hr/>	<hr/>
Closing shareholders' deficit	(318)	(181)
	<hr/>	<hr/>

14. Ultimate parent company

The company's ultimate parent company is The Miller Group Limited, which is registered in Scotland and incorporated in Great Britain. The accounts of The Miller Group Limited can be obtained from the Registrar of Companies, Companies House, 37 Castle Terrace, Edinburgh EH1 2EB.

15. Contingent Liabilities

The company has jointly guaranteed the unsecured multi-currency overdraft facility of The Miller Group Limited and certain subsidiaries.