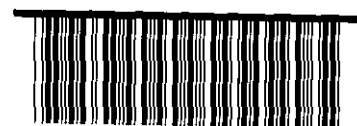


MILLER (ARENA CENTRAL) LIMITED

Directors' report and financial statements

For the period to 31 December 2001

Registered number 4155620



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Directors' report and financial statements

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Directors' report

The directors present their report and audited accounts for the period 7th February 2001 (Date of Incorporation) to 31st December 2001.

Incorporation and change of name

The company was incorporated on 7th February 2001 as 115CR (063) Limited. The company changed its name to Miller (Arena Central) Limited by Special Resolution dated 28th March 2001.

Principal activities

The principal activity of the company is property development and investment.

Business review

The company made a loss for the period of £172,030. The directors do not recommend the payment of a dividend.

Directors

The directors of the company during the period were:

P Miller	(appointed 27/03/2001)
A Sutherland	(appointed 27/03/2001, resigned 31/12/2001)

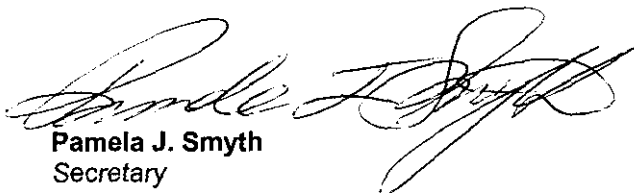
The directors had no interests in the shares of the company during the period. The directors' interests in parent companies are shown in the accounts of the relevant company.

Elective Resolution

An Elective Resolution was signed by the members on 13 June 2001 to dispense with the following legal requirements:

The holding of AGMs; the laying of accounts and reports before the company AGM; and the obligation of appointing auditors annually.

By order of the board



Pamela J. Smyth
Secretary

23 May 2002

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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 accounts;
- prepare the accounts 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 accounts 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 (Arena Central) 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 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 transactions with the company is not disclosed.

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

KPMG

KPMG

Edinburgh

*Chartered Accountants
Registered Auditors*

29 May 2002

**Profit and loss account
 for the period 7th February 2001 to 31st December 2001**

	Note	Period ended 31 December 2001 £
Turnover	2	-
Cost of sales		(63,835)
		<hr/>
Gross loss		(63,835)
Administrative expenses		(1,500)
		<hr/>
Operating loss		(65,335)
Interest payable	5	(106,695)
		<hr/>
Loss on ordinary activities before taxation	4	(172,030)
Tax on loss on ordinary activities	6	-
		<hr/>
Retained loss for the period		(172,030)
Profit and loss reserve brought forward		-
		<hr/>
Profit and loss reserve carried forward		(172,030)
		<hr/>

There are no recognised gains or losses other than the loss for the period.

**Balance sheet
 at 31 December 2001**

	Note	2001 £
Current assets		
Work in progress	7	3,836,698
Debtors	8	37,583
Cash at bank and in hand		851,903
		<hr/>
		4,726,184
Creditors: amounts falling due within one year	9	(4,898,212)
		<hr/>
Net current liabilities		(172,028)
		<hr/>
Net liabilities		(172,028)
		<hr/>
Capital and reserves		
Share capital	10	2
Profit and loss account		(172,030)
		<hr/>
Deficit on shareholders' funds	11	(172,028)
		<hr/>

These accounts were approved by the board of directors on 23 May 2002 and were signed on its behalf by:



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 in relation 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 basis of accounting.

Cash flow statement

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Development work in progress

Development work in progress is carried at cost plus attributable overheads or net realisable value if lower.

2 Turnover

Turnover represents development sales and rental income. Turnover is stated net of Value Added Tax.

3 Remuneration of directors

There were no emoluments paid to directors during the period.

4 Loss on ordinary activities before taxation

2001
£

This is stated after charging:
 Auditors Remuneration

1,000

Notes (continued)

5 Interest payable

	2001 £
Interest on bank loans and overdrafts	106,695

6 Tax on loss on ordinary activities

	2001 £
UK Corporation Tax at 30%	-

There is no liability to corporation tax due to the losses incurred in the year.

7 Work in Progress

	2001 £
Development sites	3,836,698

8 Debtors

	2001 £
Other debtors	5,026
Prepayments and accrued income	32,557
	37,583

9 Creditors: amounts falling due within one year

	2001 £
Trade Creditors	2,849
Accruals and deferred income	54,300
Amounts due to fellow group companies	4,841,063
	4,898,212

Notes (continued)

10 Share capital

2001
 £

Equity:

Authorised, allotted, called up and fully paid:

2 Ordinary 'A' shares of £1 each

2

11 Reconciliation of movement in shareholders' funds

2001
 £

Share capital subscribed

2

Retained loss for the period

(172,030)

Opening shareholders' funds

-

Closing shareholders' funds

(172,028)

12 Contingent liabilities

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