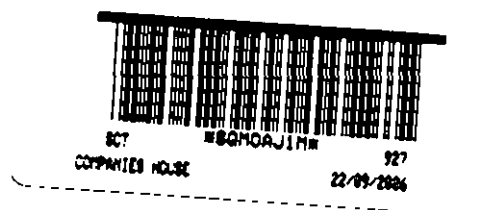


Miller Homes Two Limited (formerly Miller Homes Limited)

Directors' Report and Financial Statements

31 December 2005

Registered Number SC46907



Directors' Report

The directors present their annual report together with the financial statements of the company for the year ended 31 December 2005.

Activity

The company did not trade on its own account during the financial year, but acted as agent on behalf of Miller Homes Limited, whose principal activities include the construction and refurbishment of houses for sale.

Directors

The Directors of the company during the year were:

Keith M Miller	
John S Richards	
Martin R F Downing	(resigned 30 September 2005)
Philip J Hogg	
Ronnie A Jacobs	
Christopher J Endsor	
Darren K Bell	(resigned 6 December 2005)
Ewan T Anderson	
Peter Colebrook	(resigned 23 September 2005)
Timothy Hough	
Brian Light	
Garry McDonald	
Stanley Mills	

The Directors had no interests in the shares of the company during the year.

By order of the Board



Pamela J Smyth
Secretary

11 September 2006

Balance Sheet

As at 31 December 2005

	Notes	2005	2004
		£	£
Current assets			
Debtors – amounts owed by parent undertaking		<u>250,000</u>	<u>250,000</u>
Capital and reserves			
Called up share capital	3	<u>250,000</u>	<u>250,000</u>

For the year ended 31 December 2005 the company was entitled to exemption under Section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with Section 249B(2).

The Directors acknowledge their responsibility for:

- a. ensuring the company keeps accounting records which comply with Section 221; and
- b. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These accounts were approved by the Board of Directors on 11 September 2006 and were signed on its behalf by:



Ewan T Anderson
Director

NOTES

1. Accounting Policies

Basis of Accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

2. Directors' Emoluments

There were no emoluments paid to Directors during the period.

3. Share Capital	2005	2004
	£	£
<i>Authorised, allotted, called up but unpaid</i>		
1,000,000 Ordinary shares of 25p each	<u>250,000</u>	<u>250,000</u>

4. Immediate and ultimate parent company

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