Miller BOS Limited

Directors' report and financial statements

For the year ending 31 December 2012

Registered number SC209180

Contents

Directors' Report

The directors present their annual report and the audited financial statements for the year ending 31 December 2012.

Principal activities and business review

The company disposed of its investment in property development in 2009. The company did not trade during the year.

Results and dividends

The result for the financial year amounted to nil (2011: £41,213). The directors do not recommend the payment of a final dividend (2011: £nil)

In February 2012, The Miller Group Limited (Miller BOS Limited's ultimate parent company) completed a refinancing that equipped it with additional investment capital and a significantly strengthened balance sheet. This transaction provided:

- a significantly strengthened balance sheet
- refinancing of existing lender debt to provide five year committed facilities
- the platform to further develop the existing business
- support from a long-term investor group

The debt restructuring resulted in the conversion and waiver of £264m of existing bank debt for ordinary shares. New Group lending facilities of £238m have been made available to the Group for the period through to February 2017. In addition, a consortium led by GSO Capital Partners International has injected £160m of new equity share capital into The Miller Group Limited. These events have transformed the Miller Group's financial standing.

As part of the wider refinancing an exercise was undertaken in order to restructure the balance sheet of this company. The financial restructuring of this company comprised:

- Miller Developments Holdings Limited waived an intercompany loan due to it from the company of £1,092,800 for nil consideration

The movement in the net asset position of the company reflecting the effect of each of the transactions above, plus the result for the year, is set out below:

	£
Net liabilities at 31 December 2011	(1,092,700)
Profit for year ending 31 December 2012	0
Capital contribution	1,092,800
Net assets at 31 December 2012	100

Directors

The directors who held office during the year and at the date of signing were as follows:

Phil Miller
Andrew Sutherland
Donald Borland
Euan Haggerty

Directors' Report *(continued)*

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

Phil Miller
Director
19 April 2013

2 Lochside View
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.

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG
United Kingdom

Independent auditor's report to the members of Miller BOS Limited

We have audited the financial statements of Miller BOS Limited for the year ended 31 December 2012 set out on pages 5 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 3, 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 (APB'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 2012 and of its result 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 Director's 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

Hugh Harvie 25. 4. 2013
(Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Profit and loss account
for the year ended 31 December 2012

	Note	**2012** **£**	2011 £
Cost of sales		-	1,872
Operating profit		-	1,872
Income from shares in group investments		-	12,558,175
Amounts written off investments		-	(12,518,834)
Profit on activities before taxation	*2*	-	41,213
Tax on profit on ordinary activities	*4*	-	-
Profit for the financial year	*10*	-	41,213

The company has no recognised gains or losses other than the results for the above financial years.

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

The notes on pages 7 to 11 form part of these financial statements.

Balance sheet
As at 31 December 2012

	Note	**2012** **£**	2011 £
Fixed assets			
Investments	*5*	-	100
Current assets			
Debtors	*6*	**100**	12,467,108
Creditors: amounts falling due within one year	*7*	-	(13,559,908)
Net current assets/(liabilities)		**100**	(1,092,800)
Net assets/(liabilities)		**100**	(1,092,700)
Capital and reserves			
Called up share capital	*8*	**100**	100
Profit and loss account	*9*	-	(1,092,800)
Shareholders' funds/(deficit)	*10*	**100**	(1,092,700)

The notes on pages 7 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:

Phil Miller
Director
19 April 2013

Euan Haggerty
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 except as noted below.

Basis of preparation
The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

After making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to enable it to continue in operational existence for the foreseeable future and to continue to settle its debts as they fall due for payment. Accordingly, the directors continue to adopt the going concern basis in preparing the company's annual financial statements.

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 incudes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of The Miller Group 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 Limited, within which the company is included, can be obtained from the address shown in note 11.

Investments
Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

Taxation
The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated 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.

2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2012	2011
	£	£
Impairment of subsidiary loans	-	12,518,834

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

3 Directors and employees

There were no emoluments paid to directors during the year (2011: nil). There were no employee or staff costs during the year (2011: nil)

Notes *(continued)*

4 Taxation

Analysis of charge in year

	2012	2011
	£	£
UK corporation tax		
Current tax on income for the year	-	-
Tax on profit on ordinary activities	-	-

Factors affecting the tax charge for the current year
Current tax is lower than (2011: lower than) the standard rate of corporation tax in the UK 24.5%, (2011: 26.5%). The differences are explained below:

	2012	2011
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	-	41,213
Current tax at 24.5% (2011: 26.5%)	-	10,921
Effects of:		
Net impact of inter-company adjustments	-	(10,425)
Group relief received for nil consideration	-	(496)
Total current tax (see above)	-	-

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduced the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge.

Notes *(continued)*

5 Investments

	Shares in Subsidiary £
Cost	
At beginning of year	**100**
Disposed of in year	**(100)**
Net book value	-
At 31 December 2012	-
At 31 December 2011	100

6 Debtors

	2012 £	2011 £
Amounts due from group companies	**100**	12,467,108

In February 2012, amounts due from group companies of £12,467,008 were received

7 Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts due to group companies	-	(13,559,908)
	-	(13,559,908

In February 2012 amounts due to group companies of £12,467,108 were repaid. The company's parent, Miller Developments Holdings Limited, waived the remaining intercompany loan of £1,092,800 in February 2012 for nil consideration

Notes *(continued)*

8 Called up share capital

	2012 £	2011 £
Authorised		
50 "A" Ordinary shares of £1 each	**50**	50
50 "B" Ordinary shares of £1 each	**50**	50
	100	100

	2012 £	2011 £
Allocated, called up and fully paid		
50 "A" Ordinary shares of £1 each	**50**	50
50 "B" Ordinary shares of £1 each	**50**	50
	100	100

Only the A shares carry voting and distribution rights.

9 Profit and loss account

	Profit and loss account £
At beginning of year	**(1,092,800)**
Result for the year	**-**
Capital contribution	**1,092,800**
At end of year	**-**

10 Reconciliation of movements in shareholders' funds/(deficit)

	2012	2011
Result for the financial year	**-**	41,213
Capital contribution	**1,092,800**	-
Opening shareholders' deficit	**(1,092,700)**	(1,133,913)
Closing shareholders' funds/(deficit)	**100**	(1,092,700)

Notes *(continued)*

11 Ultimate parent company

At 31 December 2012, the company's ultimate parent company is Miller Developments Holdings Limited, its ultimate parent company is The Miller Group Limited. Miller Developments Holdings Limited is registered in England and The Miller Group 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 Limited. The consolidated financial statements of The Miller Group 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 LLP, a division of the Blackstone Group LP.