WARP 4 GENERAL PARTNER LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

MONDAY

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COMPANIES HOUSE

Directors and Officers

Directors

D Hoyle
N J Franklin
N J Gardiner (resigned 1 December 2011)
C J Laxton (resigned 1 December 2011)
M Shepherd (appointed 1 December 2011)
D Skinner (appointed 1 December 2011)

Secretary

C Sheridan
Kent House
14-17 Market Place
London
W1W 8AJ

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered Office

Kent House
14-17 Market Place
London
W1W 8AJ

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Registered in England No 4398621

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Directors' report

Registered in England No 4398621

The directors present their annual report and audited financial statements for Warp 4 General Partner Limited ("the Company") for the year ended 31 December 2011

Principal activity

The principal activity of the Company is property investment by way of a 0 0000396% interest in Warp 4 Limited Partnership (2010 0 0000400%) and the holding of shares in another property company as detailed in note 4 The Company's holding in Warp 4 Limited Partnership decreased in 2011 due to further investment by both the Igloo Regeneration Property Unit Trust and MUSE (Warp 4) Partner Limited Warp 4 Limited Partnership is a partnership within the meaning of the Limited Partnership Act 1907 and the Company is the General Partner of Warp 4 Limited Partnership

The directors consider that this will continue unchanged into the foreseeable future

Operations and business review

The position of the Company at the year end is shown in the Balance Sheet on page 7

Key performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Risk Management

The key risk arising in the Company is market risk which is discussed in more detail in Note 11

Results and dividends

The Company's financial position at the end of the year is shown in the attached financial statements

The directors do not propose the payment of a dividend (2010 £nil)

Creditors payment policy and practice

It is the Company's policy to pay creditors when they fall due for payment Terms of payment are agreed with suppliers when negotiating each transaction and the policy is to abide by those terms, provided that the suppliers also comply with all relevant terms and conditions

Directors

The names of the present directors of the Company appear on page 2

None of the directors held any beneficial interests in shares in the Company at any time during the year

Directors' report

Registered in England No 4398621

Auditors

Following a competitive tender process by the Partnership's ultimate parent company, Aviva plc, PricewaterhouseCoopers LLP are to be appointed as auditor to the Partnership Ernst & Young LLP will resign as auditor with effect from the signing of the Partnership's annual report and financial statements for the year ended 31 December 2011, and the directors will appoint PricewaterhouseCoopers LLP as auditor to the Partnership in accordance with the provisions of the Companies Act 2006

Disclosure of Information to the Auditor

Each person who was a director of the Company on the date that this report was approved, confirms that so far as the director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing his report, of which the auditor is unaware Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Statement of director's responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' Report and 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 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 judgments and accounting 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

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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Approved by the Board and signed on its behalf by.

Director

13/11/ 2012

Auditors' report

Registered in England No 4398621

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WARP 4 GENERAL PARTNER LIMITED

We have audited the financial statements of Warp 4 General Partner Limited for the year ended 31 December 2011 which comprise the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 Statement of Directors' Responsibilities on page 5, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 2011,
- have been properly prepared in accordance with United Kingdom 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 Directors' 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

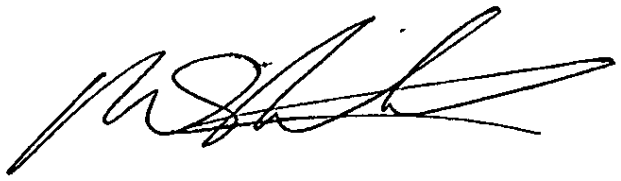
James Stuart (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
13/11/2012

Balance Sheet

as at 31 December 2011
Registered in England No 4398621

	Note	2011 £	2010 £
Fixed assets			
Investments	4	520	520
Debtors due after more than one year	5	19,477	19,477
Current assets	5	-	-
Current liabilities	6	-	-
Net current assets		-	-
Total assets less current liabilities		19,997	19,997
Creditors due after more than one year	6	(1,261)	(1,261)
Net assets		18,736	18,736
Capital and reserves			
Share capital	7	1,000	1,000
Profit and loss account	8	17,736	17,736
Equity shareholders' funds		18,736	18,736

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by



Director

13/11/ 2012

The notes on pages 8 to 14 form an integral part of these financial statements

Notes to the financial statements

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1. Accounting policies

a) Basis of presentation

Unless otherwise noted, the amounts shown in these financial statements are in pounds sterling ("£")

The financial statements have been prepared under the historical cost convention modified to include the revaluation of investments and in accordance with United Kingdom generally accepted accounting practice.

The company is not required to prepare consolidated accounts because the 2006 Act provides that companies taking advantage of the small companies regime are not required to prepare group financial statements (Companies Act 2006 s398 and s399)

The Warp 4 Limited Partnership has committed to continue to fund the Company for the duration of the Partnership and the Directors therefore consider the going concern basis of preparation to be appropriate

No Profit and Loss account has been prepared as there were no operations giving rise to income or expenses in the current or prior periods

b) Investments

The Company has a contractual arrangement with ISIS Waterside Regeneration (General Partner) Limited (the "Entity") which represents a joint venture This takes the form of agreement to share control over the Entity

The interest in joint venture is accounted for in these separate financial statements at cost, subject to an annual impairment review Any impairment will be recognised in the profit & loss account.

Investments in the limited partnership, Warp 4 Limited Partnership, are shown on the balance sheet and held at cost, subject to an annual impairment review

c) Cash

All expenses are settled on behalf of the Company by WARP 4 Limited Partnership The Company has no cash or cash equivalents

d) Investment income

Investment income represents distributions from WARP 4 Limited Partnership for the period, recognised on an accruals basis, and the realised gain or loss on disposal of an investment.

The realised gain or loss on disposal of an investment is the difference between the proceeds received, net of transaction costs, and its original cost or amortised cost as appropriate

e) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is more probable than not Contingent liabilities are disclosed either if there is a possible obligation to transfer economic benefits, or if there exists a present obligation where it is not probable that a transfer of economic benefits will be required to settle the obligation, or a sufficiently reliable estimate of the amount of the obligation cannot be made.

Notes to the financial statements (continued)

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1. **Accounting policies (continued)**

f) **Income taxes**

The current tax expense is based on the taxable results for the period, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to reserves as appropriate

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material timing differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements

The principal timing differences arise from the movements in fair value of the Company's investment in the Limited Partnership The rates enacted or substantively enacted at the balance sheet date are used to determine the deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the timing differences can be utilised

Deferred tax is provided on timing differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the timing difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

2. **Administrative expenses**

Audit fees of £2,625 (2010 £2,625) have been borne by WARP 4 Limited Partnership.

The directors received no emoluments for services to the Company for the year (2010 £nil)

The Company had no employees for the financial year (2010 nil).

3. **Taxation**

a) **Tax charged to the profit and loss account**

Tax charged to the profit and loss account is as follows.

	2011 £	2010 £
Current tax:		
UK corporation tax	-	-
Prior year adjustments	-	-
Total tax charged in the profit and loss account	-	-

Notes to the financial statements (continued)

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3. Taxation (continued)

b) Factors affecting current tax charge for the year

The tax assessed in the profit and loss account is lower than the standard UK corporation tax rate because of the following factors

	2011 £	2010 £
Profit on ordinary activities before tax	-	-
Current charge at small companies' UK corporation tax rate of 21% (2010 21%)	-	-
Adjustment to tax charge in respect of prior years	-	-
Creation of current year tax losses	-	-
Share of Limited Partner's taxable profits	-	-
Share of Limited Partner's accounting profits	(1,696)	-
Deferred tax assets not recognised	1,696	-
Current tax charge on ordinary activities for the year	-	-

c) Deferred tax assets

Deferred tax assets, which have not been recognised due to the uncertainty of their recoverability in the foreseeable future, comprises the following The rate used to calculate the deferred tax was 21%

	2011 £	2010 £
Tax losses	7,745	5,810
	7,745	5,810

4. Investments

	2011 £	2010 £
Investment in joint venture	500	500
Investment in limited partnership	20	20
	520	520

There was no movement in investment in the limited partnership or joint venture during the year

a) Investment in limited partnership

	2011 £	2010 £
Shares at cost		
At 1 January and 31 December	20	20

Notes to the financial statements (continued)

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a) **Investment in limited partnership (continued)**

The investment represents 0 0000396% (2010. 0.0000400%) in the total Partners' capital and loan commitment of the Warp 4 Limited Partnership, as per the Limited Partnership Deed The Company's holding in Warp 4 Limited Partnership decreased in 2011 due to further investment by both the Igloo Regeneration Property Unit Trust and MUSE (Warp 4) Partner Limited The Warp 4 Limited Partnership is a limited partnership established under the Limited Partnership Act 1907 for the purpose of acquiring, letting and developing property

b) **Investment in joint venture**

	2011 £	2010 £
Shares at cost		
At 1 January and 31 December	500	500

The share capital of ISIS Waterside Regeneration (General Partner) Limited is comprised of equal numbers of class 'A' and class 'B' ordinary shares. The 'A' and 'B' shares constitute different classes of shares but result in no overall control by either party

The financial statements for the year ended 31 December 2011 of ISIS Waterside Regeneration (General Partner) Limited show shareholders' funds of £540k (2010 £584k) and a loss for the year of £56k (2010 £47k).

5. **Debtors**

	2011 £	2010 £
Due within less than a year		
Taxation	-	-
Due after more than a year		
Amounts owed by group undertakings	500	500
Other debtors	500	500
Due from related parties	18,477	18,477
	19,477	19,477

6. **Creditors**

	2011 £	2010 £
Due after more than a year		
Amounts owed to other group undertakings	1,261	1,261
	1,261	1,261

Notes to the financial statements (continued)

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7. Share capital

	2011 £	2010 £
Authorised		
500 ordinary A shares of £1 each	500	500
500 ordinary B shares of £1 each	500	500
	1,000	1,000
Allotted, called up and fully paid		
500 ordinary A share of £1 each	500	500
500 ordinary B share of £1 each	500	500
	1,000	1,000

The A and B shares carry equal rights.

8. Reconciliation of shareholders' funds

	Share capital £	Profit and loss account £	Total £
At 1 January 2010	1,000	17,736	18,736
Result for the year	-	-	-
At 31 December 2010	1,000	17,736	18,736
Result for the year	-	-	-
At 31 December 2011	1,000	17,736	18,736

9. Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1 (revised 1996) on the grounds that it qualifies as a small company under section 381 of the Companies Act 2006.

10. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the balance sheet date (2010 £nil)

11. Risk management policies

The Aviva and Morgan Sindall Groups' approach to risk and capital management

The Aviva Group ("Aviva") and Morgan Sindall plc operate within their own governance structure and priority framework They also have their own established governance framework, with clear terms of reference for their Boards and clear organisation structures, with documented delegated authorities and responsibilities (largely through role profiles) Aviva and Morgan Sindall both have an Audit Committee, which include shareholder representatives

Management of financial and non-financial risks

The Company's exposure to different types of risk is limited by the nature of its business as follows

Notes to the financial statements (continued)

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11. Risk management policies (continued)

(i) Market risk

The Company's principle exposure to market risk takes the form of property valuations, which have a direct impact on the value of investments The management of this risk falls within the mandate of Aviva Investors Global Services Limited, which makes and manages investments on behalf of the Company

(ii) Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems, or from external events Details of the Aviva Group approach to operational risk are set out in the financial statements of Aviva Investors Global Services Limited, which the Company adopts to manage its investments

(iii) Liquidity risk

Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business

12. Related party transactions

(a) Key management compensation

The members of the Board of Directors, who are considered to be the key management of the Company, are listed on page 2 of these financial statements

There are no accounts receivable from or payments due to members of the Board of Directors

(b) Services provided to related parties

During the period the Company served as General Partner for the WARP 4 Limited Partnership. No fees were received for services provided to the Limited Partnership.

The related parties' receivables are not secured and no guarantees were received in respect thereof The receivables due from Warp 4 Limited Partnership of £18,477 (2010 £18,477) will be settled in accordance with normal credit terms

(c) Services received by related parties

	2011 Audit fees incurred in year £	2011 Tax expense incurred in year £	2010 Audit fees incurred in year £	2010 Tax expense incurred in year £
Warp 4 Limited Partnership	2,625	-	2,625	-

Warp 4 Limited Partnership pays the audit fee on behalf of the Company

The related parties' payables are not secured and no guarantees were received in respect thereof The payables due to Warp 4 Limited Partnership of £1,261 (2010 £1,261) will be settled in accordance with normal credit terms

Notes to the financial statements (continued)

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12. Related party transactions (continued)

(d) Parent and ultimate controlling entity

The Company is controlled by Igloo Regeneration (General Partner) Limited and Muse Developments Limited who each own 50% of the ordinary issued share capital of the Company Neither party has overall control

Igloo Regeneration (General Partner) Limited is owned jointly by NU (Shareholder GP) Limited, Igloo Regeneration Limited and Barclays Funds Investments Limited Norwich Union (Shareholder GP) Limited is a wholly owned subsidiary of the Aviva plc group of companies

Barclays Funds Investments Limited is a wholly owned subsidiary of Barclays Bank plc

Muse Developments Limited is a wholly owned subsidiary of the Morgan Sindall plc group of companies

Copies of the financial statements of Aviva plc, Barclays Bank plc, Igloo Regeneration Limited and Morgan Sindall plc are publicly available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ