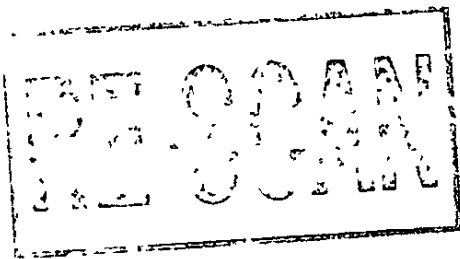


Company Registration No. 04144253 (England and Wales)

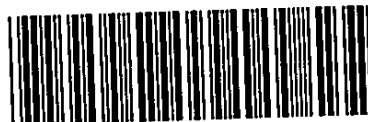
TTV IV G.P. LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012



THURSDAY



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TTV IV G.P. LIMITED

COMPANY INFORMATION

Directors

H E Fitzgibbons
C S Winward
G S Smith
A J Aubrey

Secretary

A Leach

Company number

04144253

Registered office

24 Cornhill
London
EC3V 3ND

Independent Auditors

Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

Bankers

National Westminster Bank plc
Oxford High Street Branch
121 High Street
Oxford
OX1 4DD

TTV IV G.P. LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 13

TTV IV G.P. LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of TTV IV G P Limited (the "Company") continued to be that of the management of Top Technology Ventures IV L P ("TTV IV L P"), a venture capital limited partnership

The management of TTV IV L P is contracted to Top Technology Ventures Limited

The TTV IV L P managment agreement terminated on 30 May 2011. The limited partners agreed by special resolution that TTV IV L P will be liquidated and that Top Technology Ventures Limited was to act as the liquidation agent. Once the liquidation process is complete the directors intend for the Company to become dormant.

The results for the year are shown on page 5

The Company's unrealised revaluation loss on its investment in TTV IV L P is shown on page 6

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of IP Group plc and are not separately managed. Accordingly, the principal risks and uncertainties of IP Group plc, which include those of the Company, are disclosed in note 2 of IP Group plc's annual report which does not form part of this report.

Key performance indicators

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

Directors

The following directors have held office since 1 January 2012

H E Fitzgibbons

C S Winward

G S Smith

A J Aubrey

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the Company

TTV IV G.P. LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of directors' responsibilities

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 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 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 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,
- 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



C S Winward

Director

26 April 2013

TTV IV G.P. LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TTV IV G.P. LIMITED

We have audited the financial statements of TTV IV G P Limited for the year ended 31 December 2012 set out on pages 5 to 13. 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 auditors' 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 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 2012 and of its loss for the year then ended,
- 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.

TTV IV G.P. LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF TTV IV G.P. LIMITED**

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, or



Timothy Gregory (Senior Statutory Auditor)
for and on behalf of Saffery Champness

1 May 2013

**Chartered Accountants
Statutory Auditors**

Lion House
Red Lion Street
London
WC1R 4GB

TTV IV G.P. LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Turnover	2	-	43,318
Administrative expenses		(12,011)	(47,126)
Other operating income		4,420	-
Operating loss	3	(7,591)	(3,808)
Other interest receivable and similar income	4	130	33
Amounts written off investments	5	-	(9,600)
Loss on ordinary activities before taxation		(7,461)	(13,375)
Tax on loss on ordinary activities	6	-	-
Loss for the year	11	(7,461)	(13,375)

The profit and loss account has been prepared on the basis that all operations are continuing operations

The notes on pages 8 to 13 form part of these financial statements

TTV IV G.P. LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Loss for the financial year		(7,461)	(13,375)
Unrealised deficit on trade investment		-	(2,281)
Total recognised gains and losses relating to the year		(7,461)	(15,656)
Total gains and losses recognised since last financial statements		<u>(7,461)</u>	<u>(15,656)</u>

TTV IV G.P. LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Fixed assets			
Investments	7	8,117	30,959
Current assets			
Debtors	8	37,761	37,761
Cash at bank and in hand		29,365	11,479
		67,126	49,240
Creditors: amounts falling due within one year	9	(136,572)	(134,067)
Net current liabilities		(69,446)	(84,827)
Total assets less current liabilities		(61,329)	(53,868)
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	(61,330)	(53,869)
Shareholders' funds	12	(61,329)	(53,868)

The notes on pages 8 to 13 form part of these financial statements

Approved by the Board and authorised for issue on 26 April 2013



C S Winward
Director

Company Registration No. 04144253

TTV IV G.P. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention modified by the inclusion of certain investments on a revalued basis

The TTV IV L P management agreement terminated on 30 May 2011. The limited partners agreed by special resolution that TTV IV L P will be liquidated and that Top Technology Ventures Limited was to act as the liquidation agent. Once the liquidation process is complete the directors intend for the Company to become dormant.

The Company is currently in a net liability position, however, it has the confirmation of its parent company that liabilities to that company will not be collected unless the Company has sufficient funds to do so.

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents Priority Profit Share received by the Company from TTV IV L P in the capacity of General Partner.

1.4 Investments

Fixed asset investments are stated at the Company's share of net assets in these undertakings.

1.5 Deferred taxation

Full provision is made for deferred taxation at appropriate rates on all timing differences, in accordance with Financial Reporting Standard 19.

2 Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

TTV IV G.P. LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

3	Operating loss	2012	2011
		£	£
	Operating loss is stated after charging		
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	3,792	2,290
	Taxation and other services	3,705	1,425
		<u>7,497</u>	<u>3,715</u>

No director received remuneration from the company in the year (2011: £nil)

4	Investment income	2012	2011
		£	£
	Bank interest	130	33
		<u>130</u>	<u>33</u>

5	Amounts written off investments	2012	2011
		£	£
	Amounts written off fixed asset investments		
	- permanent diminution in value	-	9,600

TTV IV G.P. LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

6	Taxation	2012	2011
	Total current tax	<u>-</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(7,461)</u>	<u>(13,375)</u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.50% (2011: 26.50%)	<u>(1,828)</u>	<u>(3,544)</u>
	Effects of		
	Non-taxable income	-	(8,935)
	Share of partnership taxable income	657	249
	Expenses as a general partner	(3,267)	(2,359)
	Chargeable gains	3,888	31,268
	Losses carried forward	4,438	-
	Losses utilised	<u>(3,888)</u>	<u>(16,679)</u>
		<u>1,828</u>	<u>3,544</u>
	Current tax charge for the year	<u>-</u>	<u>-</u>

TTV IV G.P. LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012****7 Fixed asset investments**

	Unlisted investments £
Cost or valuation	
At 1 January 2012	30,959
Disposals	(22,842)
	<u>8,117</u>
At 31 December 2012	
Net book value	
At 31 December 2012	<u>8,117</u>
At 31 December 2011	<u>30,959</u>

In the opinion of the directors the above investment in Top Technology Ventures IV L P are worth at least the amount at which they are stated in the balance sheet

Under the historical cost convention, fixed asset investments have a brought forward cost of £49,557 and, taking into account disposals of £22,842 and an impairment of £18,598, a carried forward cost of £8,117

8 Debtors	2012 £	2011 £
Other debtors	<u>37,761</u>	<u>37,761</u>
9 Creditors: amounts falling due within one year	2012 £	2011 £
Amounts owed to parent and fellow subsidiary undertakings	131,537	129,482
Accruals and deferred income	5,035	4,585
	<u>136,572</u>	<u>134,067</u>

TTV IV G.P. LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

10 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
1 Ordinary Shares of £1 each	1	1

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2012	(53,869)
Loss for the year	(7,461)
Balance at 31 December 2012	(61,330)

12 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Loss for the financial year	(7,461)	(13,375)
Other recognised gains and losses	-	(2,281)
Net depletion in shareholders' funds	(7,461)	(15,656)
Opening shareholders' funds	(53,868)	(38,212)
Closing shareholders' funds	(61,329)	(53,868)

13 Employees**Number of employees**

There were no employees during the year apart from the directors

TTV IV G.P. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

14 Control

As at 31 December 2012 the Company's ultimate holding company was IP Group plc, based in the United Kingdom. The results of TTV IV G P Limited are consolidated in the group accounts of IP Group plc, as well as Top Technology Ventures Limited. These are the only groups of undertakings which include the results of TTV IV G P Limited in their consolidated accounts.

Copies of the financial statements of IP Group plc may be obtained from the following address:

24 Cornhill,
London,
EC3V 3ND

15 Related party relationships and transactions

The partnership agreement provides that TTV IV G P Limited shall act as General Partner of the partnership and was entitled to Priority Profit Share payments as described in note 13. It is also entitled to share the partnership profits and net proceeds of the realisation of investments and other partnership assets, after the repayment of the partners' loans pro rata to its capital contributions.

During the year ended 31 December 2012 £nil (2011: £43,318) was received from TTV IV L P in the Priority Profit Share and £nil (2011: £43,318) was paid to Top Technology Ventures Limited in the form of Management fees.

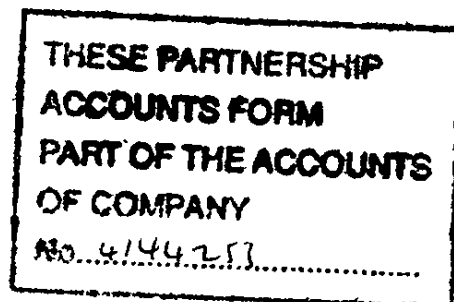
As at 31 December 2012 an amount of £37,761 (2011: £37,761) was owed from TTV IV L P and included in other debtors.

As at 31 December 2012 an amount of £131,537 (2011: £129,482) was owed to Top Technology Ventures Limited and included in creditors.

TOP TECHNOLOGY VENTURES IV L.P.

Report and Financial Statements

Year ended 31 December 2012



Registered No LP9532

TOP TECHNOLOGY VENTURES IV L.P.
Report and financial statements for the year ended 31 December 2012

Contents

	Page
Report of the General Partner	2 - 3
Independent Auditors' Report	4 - 5
Profit and Loss Account	6
Statement of Total Recognised Gains & Losses	7
Note of Historical Cost Profit & Losses	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the financial statements	10 - 14

Registered No	LP9532
Principal Place of Business	24 Cornhill London EC3V 3ND
General Partner	TTV IV G P Limited 24 Cornhill London EC3V 3ND
Board of Advisors	Peter D Hill-Wood Sven Sanvig Bach Matts Andersson Steen Jorgensen Michael D Fischer Claus Hansen Magnus Ehlin David Gibbs
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Solicitors	Linklaters & Alliance One Silk Street London EC2Y 8HQ

TOP TECHNOLOGY VENTURES IV L.P.

Report of the General Partner for the year ended 31 December 2012

The General Partner herewith submits its annual report, together with the audited financial statements of the Top Technology Ventures IV Limited Partnership ("TTV IV LP" or the "Partnership") for the year ended 31 December 2012

Principal activities

The principal activity of the Partnership during the year was to act as a vehicle to hold investments on behalf of its partners

Business Review

The results of the Partnership are set out on page 6. During the year, the Partnership disposed of the remainder of its portfolio, realising a total profit on disposal in the profit and loss account of £1,808

The fund manager ran a competitive tendering process in the second half of 2011 to liquidate the Partnership. At a meeting of the limited partners and Board of Advisers on 30 September 2011, the fund manager recommended, and the limited partners and advisers agreed, that the best offer be accepted. A Share Sale and Contribution Agreement ("SSCA") was executed on 23 December 2011 under which the remaining assets of the portfolio were sold in a structured sale. This sale became unconditional upon transfer of the major assets on 21 March 2012. The remaining asset sales were completed as planned, with assets transferring at the agreed price over the course of 2012.

Future outlook

The Partnership will continue to operate until final distribution is completed, at which point steps will be taken to wind-up the entity.

Principal risks and uncertainties

Given the successful disposal of all remaining investments, the key business risks and uncertainties relate to the potential for warranty claims, the collection of earn-outs, and the orderly wind up of the partnership. The General Partner seeks to mitigate these risks through the use of reputable professional advisors and prompt administrative procedures.

Key performance indicators ("KPIs")

Given the nature of the operations, the General Partner is of the opinion that analysis using financial KPI's is not necessary for an understanding of the development, performance or position of the Partnership.

Charitable and political contributions

During the year the Partnership made no charitable or political contributions.

Related Party Disclosures

Related party transactions are disclosed in note 15.

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the Partnership.

By order of the Board of Directors of TTV IV G P Limited



G S Smith
Director
5 April 2013

TOP TECHNOLOGY VENTURES IV L.P.

Statement of the General Partner's responsibilities

The following statement, which should be read in conjunction with the Independent Auditors Report, is made to distinguish the responsibilities of the General Partner for the financial statements from those of the auditors

The General Partner, TTV IV G P Limited is required by the Partnership Agreement of TTV IV LP to prepare financial statements that give a true and fair view of the state of affairs of the Partnership at the end of the financial year and of the results for that year

In preparing those financial statements, the General Partner is 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, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the fund will continue in business

The General Partner has responsibility for ensuring adequate accounting records which disclose with reasonable accuracy the financial position of the Partnership are kept and which enable them to ensure that the financial statements comply with the terms of the Partnership Agreement and the Partnership and Unlimited Companies (Accounts) Regulations 2006

The General Partner has a general responsibility for taking reasonable steps to safeguard the assets of the Partnership and to prevent and detect fraud and other irregularities

The General Partner, having prepared the financial statements, has requested the auditors to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their report

Statement as to disclosure of information to auditors

In the case of the General Partner at the time when this report is approved, the following applies -

- (a) So far as the General Partner is aware, there is no relevant audit information of which the Partnership's auditors are unaware, and
- (b) The General Partner has taken all steps that ought to have been taken in order to be aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information

TOP TECHNOLOGY VENTURES IV L.P.
Independent Auditors' Report

To the partners in Top Technology Ventures IV L P

We have audited the financial statements of Top Technology Ventures IV L P on pages 6 to 14. These financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). As described in note 1a, they have not been prepared on a going concern basis.

This report is made solely to the Partnership's partners, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as modified for Limited Partnerships. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in an auditors' 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 Partnership and the partners as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of TTV IV G P Limited and auditors

As described in the Statement of General Partner's responsibilities on page 3, TTV IV G P Limited is responsible for the preparation of the Report and 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 Partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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

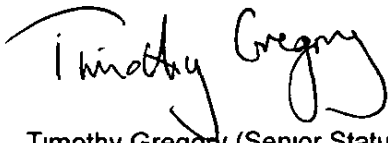
- give a true and fair view of the state of affairs of the Partnership as at 31 December 2012 and of its loss for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

TOP TECHNOLOGY VENTURES IV L.P.
Independent Auditors' Report

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 as applied to qualifying partnerships 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 members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Timothy Gregory (Senior Statutory Auditor)

5 April 2013

For and on behalf of Saffery Champness

Chartered Accountants
Statutory Auditors

Lion House
Red Lion Street
London
WC1R 4GB

TOP TECHNOLOGY VENTURES IV L.P.**Profit and Loss Account for the year ended 31 December 2012**

	Note	2012 £	2011 £
Operating expenses			
Audit		(7,500)	(7,500)
Accounting fees		(3,550)	(1,086)
Other expenses		(133,142)	(20,317)
Change in value of equity investments		-	(780,264)
Profit on sale of investments		1,808	218,385
Operating loss	5	<u>(142,384)</u>	<u>(590,782)</u>
Dividends receivable from fixed asset investments		-	16,417
Other interest receivable and similar income	4	3,407	941
Partnership loss for the period on ordinary activities before priority profit share		<u>(138,977)</u>	<u>(573,424)</u>
Priority profit share	2	-	(43,318)
Retained loss for the period after priority profit share		<u>(138,977)</u>	<u>(616,742)</u>

The notes on pages 10 to 14 form part of the financial statements

TOP TECHNOLOGY VENTURES IV L.P.**Statement of Total Recognised Gains & Losses for the year ended 31 December 2012**

	Note	2012 £	2011 £
Loss for the financial year	10	(138,977)	(616,742)
Unrealised deficit on revaluation of investments	10	-	(414,962)
Total recognised losses relating to the year		<u>(138,977)</u>	<u>(1,031,704)</u>

Note of Historical Cost Profit & Losses for the year ended 31 December 2012

	Note	2012 £	2011 £
Reported loss on ordinary activities before priority profit share		(138,977)	(573,424)
Realisation of investment revaluation gains of previous years	10	313,384	285,039
Historical cost profit/(loss) on ordinary activities before priority profit share		<u>174,407</u>	<u>(288,385)</u>
Historical cost profit/(loss) for the year retained		<u>174,407</u>	<u>(331,703)</u>

TOP TECHNOLOGY VENTURES IV L.P.
Balance Sheet as at 31 December 2012

	Note	2012 £	2011 £
Current assets			
Investments	6	-	3,269,282
Debtors	7	-	5,801
Cash at bank and in hand		901,807	52,556
		<u>901,807</u>	<u>3,327,639</u>
Creditors: amounts falling due within one year	8	(62,010)	(65,351)
Net current assets		<u>839,797</u>	<u>3,262,288</u>
Net assets		<u>839,797</u>	<u>3,262,288</u>
Represented by:			
Partners' capital		13,024	13,024
Partners' loans	10	2,155,583	4,439,097
Partnership reserve account	10	(1,328,810)	(1,503,217)
		<u>839,797</u>	<u>2,948,904</u>
Revaluation reserve	10	-	313,384
Total partners' funds		<u>839,797</u>	<u>3,262,288</u>

The notes on pages 10 to 14 form part of these financial statements

Approved by the General Partner on behalf of Top Technology Ventures IV L P on 5 April 2013


 _____ G S Smith
 Director of TTV IV G P Limited

TOP TECHNOLOGY VENTURES IV L.P.

Cash Flow Statement for the year ended 31 December 2012

	Note	2012 £	2011 £
Net cash (outflow)/inflow from operating activities	12	(141,732)	16,567
Returns on investments and servicing of finance			
Interest received		3,407	941
Dividends received		-	16,417
Priority profit share paid		-	(43,318)
Net cash inflow/(outflow) from returns on investments and servicing of finance		3,407	(25,960)
Capital expenditure and financial investment			
Sale of investments		3,271,090	981,639
Net cash inflow from capital expenditure and financial investment		3,271,090	981,639
Net cash flow before financing		3,132,765	972,246
Financing			
Repayment of loans from partners		(2,283,514)	(970,000)
Net cash outflow from financing		(2,283,514)	(970,000)
Increase in cash in the year	13/14	849,251	2,246

TOP TECHNOLOGY VENTURES IV L.P.**Notes to the financial statements for the year ended 31 December 2012**

1. ACCOUNTING POLICIES

- a) These financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and under the historical cost convention modified by the inclusion of certain investments on a revalued basis

The preparation of financial statements in compliance with generally accepted accounting principles requires the use of estimates and assumptions that affect the amount reported of assets and liabilities at the balance sheet date and the amounts reported as revenue and expenditure of the reporting period

The partnership terminated on 30 May 2011 and as such the General Partner no longer anticipates the partnership to operate for the foreseeable future, except for such action as necessary to exit current investment positions and to liquidate the partnership. It is anticipated that the partnership will be wound up by the end of 2013, and accordingly, these financial statements have been prepared on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

- b) No taxation is provided in these financial statements as taxation is the responsibility of the limited partners
- c) Bank interest and investment income are accounted for on an accruals basis
- d) The Priority Profit Share ("PPS") payable to the General Partner was calculated as 2.5% of the amount of total commitments when made. The PPS was the first charge on partnership profits. In accordance with the provisions of Financial Reporting Standard 5, the cost of the PPS is charged in full to the profit and loss account in the year paid.

As agreed by special resolution of the limited partners, the Partnership was extended by 24 months to 30th May 2010 with a reduction of the PPS to £155,944 for the 12 month period from 30th May 2009 to 29th May 2010 (being 1.5% of total commitments) and £103,963 (being 1% of total commitments) for the 12 month period from 30th May 2010 to 30th May 2011.

- e) The Special Limited Partners are entitled to carried interest in partnership assets after the partners' loans are repaid. There is no entitlement to carried interest at 31 December 2012.
- f) At 31 December 2012 no investments, either quoted or unquoted were held.
- g) The value of disposals in investments during the year is calculated on an average basis.

2. PRIORITY PROFIT SHARE

	2012	2011
	£	£
Priority Profit Share due in respect of the period	-	43,318

TOP TECHNOLOGY VENTURES IV L.P.**Notes to the financial statements for the year ended 31 December 2012****3. EMPLOYEES**

The partnership had no employees during the year (2011 nil)

4. OTHER INTEREST RECEIVED AND SIMILAR INCOME

	2012 £	2011 £
Bank interest	3,407	941

5. PARTNERSHIP LOSS FOR THE PERIOD ON ORDINARY ACTIVITIES BEFORE PRIORITY PROFIT SHARE IS STATED AFTER CHARGING:

	2012 £	2011 £
Auditors remuneration		
Audit	7,500	7,500
Other services including taxation	3,550	1,086

6 INVESTMENTS

	1 January 2012	Additions	Disposals	Write Offs	Reversal of write offs in previous years	Revaluations	31 December 2012
At cost or valuation	£	£	£	£		£	£
Listed	-	-	-	-	-	-	-
Unlisted	3,269,282	-	(3,269,282)	-	-	-	-
TOTAL	3,269,282	-	(3,269,282)	-	-	-	-

7. DEBTORS

	2012 £	2011 £
Prepayments and accrued income	-	-
Other debtors	-	5,801
	-	5,801

TOP TECHNOLOGY VENTURES IV L.P.
Notes to the financial statements for the year ended 31 December 2012
8. CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Accruals and deferred income	22,450	53,582
Amounts due to General Partner	37,760	11,769
	<u>62,010</u>	<u>65,351</u>

9. PARTNERS' ACCOUNTS

	Capital £	Partnership Reserve £	Loan £
Limited Partner.			
Finanss sektorens Pensionskasse	1,789	(228,164)	370,188
AXA UK Pension Trustees	2,000	(255,075)	413,842
Kirkbi A G	1,500	(191,306)	310,382
PFA Pension A/S	2,000	(255,074)	413,842
IKANO S A	2,000	(255,074)	413,842
Forsikringsaktieselskabet K a B Intl	250	(31,884)	51,723
M Fischer	250	(31,884)	51,730
Cook Capital Holdings	500	(63,769)	103,446
General Partner	130	(16,580)	26,588
Special Limited Partner	2,605	-	-
	<u>13,024</u>	<u>(1,328,810)</u>	<u>2,155,583</u>

Partners' loans are interest free

At 31 December 2012, Loan Commitments available for drawdown by the partnership from limited partners for investments amounted to £nil (31 December 2011 £nil) as the partnership is in the process of being liquidated

10. RESERVES

	Revaluation Reserve £	Partners' Loans £	Partnership Reserve £	Total £
At 1 January 2012	313,384	4,439,097	(1,503,217)	3,249,264
Retained loss for the year	-	-	(138,977)	(138,977)
Drawdown of loans	-	-	-	-
Repayment of loans from partners	-	(2,283,514)	-	(2,283,514)
Revaluations in the year	-	-	-	-
Transfer of realised profits	(313,384)	-	313,384	-
At 31 December 2012	<u>-</u>	<u>2,155,583</u>	<u>(1,328,810)</u>	<u>826,773</u>

TOP TECHNOLOGY VENTURES IV L.P.**Notes to the financial statements for the year ended 31 December 2012****11 RECONCILIATION OF MOVEMENT IN PARTNERS' FUNDS**

	2012 £	2011 £
Retained loss for the year	(138,977)	(616,742)
Repayment of loans from partners	(2,283,514)	(970,000)
Revaluations in the year	-	(414,962)
Net reduction to partners' funds	(2,422,491)	(2,001,704)
Opening funds	3,262,288	5,263,992
Closing funds	839,797	3,262,288

12. RECONCILIATION OF OPERATING LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating loss	(142,384)	(590,782)
Increase in creditors	(3,341)	45,470
Decrease in debtors	5,801	-
Amounts written off fixed asset investments	-	780,264
Profit on disposal of investments	(1,808)	(218,385)
Net cash (outflow)/inflow from operating activities	(141,732)	16,567

13. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2012 £	2011 £
Increase in cash in the year	849,251	2,246
Movement in the net funds in the year	849,251	2,246
Net funds at the start of the year	52,556	50,310
Net funds at the end of the year	901,807	52,556

TOP TECHNOLOGY VENTURES IV L.P.**Notes to the financial statements for the year ended 31 December 2012****14. ANALYSIS IN CHANGES IN NET FUNDS**

	1 January 2012 £	Cash flows £	31 December 2012 £
Cash at bank			
- Interest bearing account	52,556	849,251	901,807
	52,556	849,251	901,807

15 RELATED PARTY TRANSACTIONS

The partnership agreement provided that TTV IV G P Limited should act as General Partner of Top Technology Ventures IV L P and is entitled to Priority Profit Share payments as described in notes 1 and 2. It is also subject to a share of the Partnership profits and net proceeds of the realisation of investments and other Partnership assets after the repayments of the partners' loans pro-rata to its capital contributions.

TTV IV G P Limited has contracted the management of the Limited Partnership to its parent company, Top Technology Ventures Limited. At 31 December 2012 Top Technology Ventures Limited was 100% owned by IP Group plc.

During the period, Top Technology Ventures Limited received director's fees of £3,750 (31 December 2011: £25,860) directly from the partnership's investments.

The Special Limited Partner is TTV IV Partnership, which was formed by the then employees and one of the former directors of Top Technology Ventures Limited and TTV IV G P Limited. Limited partners are entitled to participate in profits pro-rata to their capital contributions. Special limited partners are entitled to carried interest as described in note 1. No accrual has been made in the accounts for any entitlement to carried interest which would arise if the remaining assets were sold at valuations attributed to them at 31 December 2012. Based on valuations at 31 December 2012 the estimated carried interest would be £nil.

Top Technology Ventures IV L P's financing includes a loan from TTV IV G P Limited whose outstanding balance at 31 December 2012 was £26,589 (31 December 2011: £49,431).

Top Technology Ventures IV L P's creditors include an amount owed to TTV IV G P Limited of £37,760 (2011: £37,760).

Top Technology Ventures IV L P's creditors include an amount owed to Top Technology Ventures Limited of £14,200 (2011: £14,200).

Top Technology Ventures Limited was mandated by the limited partners in June 2011 to dispose of the Partnership's investment portfolio, to return proceeds from those disposals to the limited partners and to liquidate the Partnership. This process is ongoing at date of signature of these financial statements.