

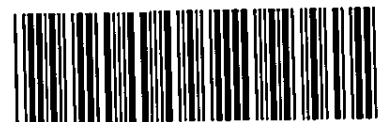
Registered in England No: 4675180

The Designer Retail Outlet Centres (General Partner) Limited

Annual Report and Financial Statements

For the year ended 31 December 2007

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COMPANIES HOUSE

The Designer Retail Outlet Centres (General Partner) Limited

Registered Office

St Helen's
1 Undershaft
London
EC3P 3DQ

Directors and Officers

Directors

S A Corner (resigned 31 January 2008)
J Gottlieb (resigned 13 June 2008)
R P Jones
J W Kaempfer
C J W Laxton
N J F Mansley (resigned 27 June 2008)
I B Wornack
D A Wise (resigned 9 July 2007)

Secretary

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

Designer Retail Outlet Centres (General Partner) Limited

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The Designer Retail Outlet Centres (General Partner) Limited

Directors' report

The directors present their annual report and audited financial statements for The Designer Retail Outlet Centres (General Partner) Limited (the "Company") for the year ended 31 December 2007

Directors

The directors of the Company during the year are shown on page 2

Principal activity

The principal activity of the Company is property investment by way of a 5.86545 % (2006: 0.0006%) interest in The Designer Retail Outlet Centres Limited Partnership. This increase is as a result of the Partner's loans being repaid. The Designer Retail Outlet Centres Limited Partnership is a partnership within the meaning of the Limited Partnership Act 1907 and the Company is a General Partner in the Designer Retail Outlet Centres Limited Partnership.

Operations and business review

This business review is addressed to, and written for, the members of the Company with the aim of providing a fair review of the business development, performance and position at the current time, during the financial year and at the end of the financial year. In providing this review, the aim is to present a view that is both balanced and comprehensive and that it is consistent with the size and complexity of the business.

The position of the Company at the year end is shown in the Balance Sheet on page 10, with trading results shown in the Income Statement on page 9.

Future developments

The properties held by the subsidiaries of The Designer Retail Outlet Centres Limited Partnership were sold on 2 December 2005 and hence, according to the relevant Partnership Agreements, these subsidiary partnerships are to be wound up. As a consequence of this, the directors envisage that the company will be liquidated in 2009. Refer to note 1 in the accounts for the basis of preparation.

Key performance indicators

The directors consider that the performance of the business can be assessed through the use of key performance indicators ("KPIs"). These are:

- Turnover - £1,105
- Profit before tax - £1,105

Results and dividend

The profit after taxation for the year amounted to £986 (2006: £56). The directors do not propose the payment of a dividend (2006: nil).

Principal risks and uncertainties

The directors do not believe that there are any material risks facing the Company.

Indemnity to directors

The indemnity and the provisions in the Company's Articles of Association constitute "qualifying third party indemnities" for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the Directors' report.

The Designer Retail Outlet Centres (General Partner) Limited

Directors' report continued

Creditor payment policy and practice

It is the Company's policy to pay creditors when they fall due for payment

Material events

There are no material events to report

Post balance sheet events

The following directors have resigned SA Corner resigned on 31 January 2008, J Gottlieb resigned on 13 June 2008 and NJF Mansley resigned on 27 June 2008

Financial instruments

The Company does not use financial instruments

Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors

Directors' statement as to disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Directors' report are listed on page 2 of these financial statements Each of these Directors confirms that

- to the best of each Director's knowledge and belief, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, which the Company's auditors are unaware, and
- each Director has taken all the steps that they ought to have taken as a director to make themselves aware of relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of S234ZA of the Companies Act 1985

By order of the Board



Director

26 September 2008

Statement of Directors' responsibilities

The directors are responsible for preparing 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to be properly prepared in accordance with IFRSs as adopted by the European Union and the Companies Act 1985.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

The Designer Retail Outlet Centres (General Partner) Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DESIGNER RETAIL OUTLET CENTRES (GENERAL PARTNER) LIMITED

We have audited the financial statements of The Designer Retail Outlet Centres (General Partner) Limited for the year ended 31 December 2007 which comprise the the Income Statement, the Balance Sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

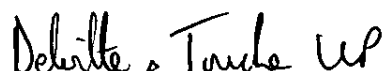
The Designer Retail Outlet Centres (General Partner) Limited

As explained in Note 1 to the financial statements, the company in addition to complying with IFRSs as adopted by the European Union, has also complied with the IFRSs as issued by the International Accounting Standards Board

In our opinion the financial statements give a true and fair view, in accordance with IFRSs, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended

Emphasis of matter – financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 of the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern

A handwritten signature in black ink, appearing to read "Deloitte & Touche LLP".

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
26 September 2008

The Designer Retail Outlet Centres (General Partner) Limited

Income Statement

For the year ended 31 December 2007

	Notes	2007 £	2006 £
Revenue			
Investment Income	1(c)	1,105	25
		<u>1,105</u>	<u>25</u>
Expenses		-	-
Profit before tax	4	<u>1,105</u>	<u>25</u>
Tax (expense)/credit	1(e) & 5	(119)	31
Profit for the year		<u>986</u>	<u>56</u>

All activities derive from discontinued activities

The only movement in equity during the year has been the profit for the year as reflected above. Therefore no statement of changes in equity has been prepared.

Cash flow statement

For the year ended 31 December 2007

There were no cash payments or receipts made by the company during the year. Accordingly no Cash flow statement has been prepared.

The Designer Retail Outlet Centres (General Partner) Limited

Balance sheet

As at 31 December 2007

	Notes	2007 £	2006 £
Non-current assets			
Investment in limited partnership	1(c) & 6	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
Current assets			
Trade and other receivables	7	1,297	192
Total assets		<u>2,297</u>	<u>1,192</u>
Current liabilities			
Trade and other payables	8, 1(e)	(123)	(4)
		<u>(123)</u>	<u>(4)</u>
Net assets		<u>2,174</u>	<u>1,188</u>
Equity			
Share capital	9	1,000	1,000
Retained earnings	10	1,174	188
		<u>2,174</u>	<u>1,188</u>

Approved and authorised for issue by the Board on 26 September 2008



Director

The Designer Retail Outlet Centres (General Partner) Limited

Notes to the financial statements for the year ended 31 December 2007

1.1 Accounting policies

a) Basis of presentation

The financial statements have been prepared in accordance with IFRS. The financial statements have also been prepared in accordance with IFRS's adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The company has ceased trading. The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

In the current year, the company has adopted IFRS 7 *Financial instruments: Disclosures*, which is effective for periods beginning on or after 1 January 2007, and the related amendment to IAS 1 *Presentation of Financial Statements*. The impact of the adoption of IFRS 7 and the changes to IAS 1 has been to expand the disclosures provided in these financial statements regarding the Company's financial instruments.

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not effective:

IFRS 8 – Operating segments
IFRIC 11 IFRS 2 – Group and Treasury Share Transactions
IFRIC 12 – Service Concession Arrangements
IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The directors anticipate that the adoption of these Standards and Interpretations in the future periods will have no material impact on the financial statements of the Company.

b) Use of estimates

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the balance sheet and income statement and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, actual results ultimately may differ from those estimates, possibly significantly.

c) Investment income

Limited Partnership income represents the Company's share of profit of The Designer Retail Outlet Centres Limited Partnership for the year.

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. Unrealised gains and losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognised unrealised gains and losses in respect of disposals made during the year.

d) Investment

Investment in the limited partnership, The Designer Retail Outlet Centres Limited Partnership, is shown in the balance sheet at cost less provisions for any impairment.

e) Income taxes

The current tax expense is based on the taxable profits for the year, 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 temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

1.2 Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the partners accounting policies

In the process of applying the company's accounting policies, which are described in note 1.1, management has made no judgements that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Directors' emoluments

The directors received no emoluments for services to the Company for the financial year (2006: £nil).

3. Employees

The company had no employees during the financial year (2006: nil).

4. Profit before tax

Audit fees have been borne by The Designer Retail Outlet Centres Limited Partnership in both the current (£3,000) and the preceding financial year (£3,000).

The Designer Retail Outlet Centres (General Partner) Limited
Notes to the financial statements for the year ended 31 December 2007

5. Taxation

a) Tax charged / (credited) to the income statement

	<u>2007</u>	<u>2006</u>
	£	£
Current tax:		
For this year	120	4
Prior year adjustments	(1)	(35)
Total current tax	<u>119</u>	<u>(31)</u>
Deferred tax:		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
 Total tax charged / (credited) to profit (note 5b)	 <u>119</u>	 <u>(31)</u>

b) Tax reconciliation

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows

	<u>2007</u>	<u>2006</u>
	£	£
Profit before tax	1105	25
Tax calculated at standard UK corporation tax rate of 30% (2006 30 %)	218	8
Prior year adjustments	(1)	(35)
Share of limited partnership taxable income	120	4
Non taxable distribution received	(218)	(8)
Total tax (credited) / charged to profit (note 5a)	<u>119</u>	<u>(31)</u>

6. Investments

Available for sale investments carried at fair value

Carrying amount

	<u>2007</u>	<u>2006</u>
	£	£
At 1 January and 31 December	<u>1,000</u>	<u>1,000</u>

The investment represents 5 86545% (2006 0 0006%) of the total partners' capital and loans of The Designer Retail Outlet Centres Limited Partnership, a limited partnership established under the Limited Partnership Act 1907 for the purpose of property acquisition, letting and development

The Designer Retail Outlet Centres (General Partner) Limited
Notes to the financial statements for the year ended 31 December 2007

7. Trade and other receivables

	2007	2006
	£	£
Amounts due from limited partnership	1,297	192
Expected to be recovered in less than one year	1,297	192

Concentrations of credit risk with respect to receivables are limited due to the fact that the debt is collectable from Group Companies. No further credit risk provision is therefore required in excess of the normal provision for doubtful receivables.

The Company considers that the carrying amount of receivables and other financial assets approximates to their fair value. All receivables are non-interest bearing.

8. Trade and other payables

The current tax liability payable in more than one year is £123 (2006: £4).

There are no unrecognised deferred tax assets/liabilities at the end of the year.

9. Ordinary share capital

Details of the Company's ordinary share capital are as follows:

	2007	2006
	£	£
The authorised share capital of the Company at 31 December 2007 was		
500 (2005: 500) ordinary 'A' shares of £1 each	500	500
500 (2005: 500) ordinary 'B' shares of £1 each	500	500
	1,000	1,000
The allotted, called up and fully paid share capital of the Company at 31 December 2007 was		
500 (2005: 500) ordinary 'A' shares of £1 each	500	500
500 (2005: 500) ordinary 'B' shares of £1 each	500	500
	1,000	1,000

10. Retained earnings

	2007	2006
	£	£
Balance as at 1 January	188	132
Profit for the year	986	56
Balance as at 31 December	1,174	188

The Designer Retail Outlet Centres (General Partner) Limited
Notes to the financial statements for the year ended 31 December 2007

11. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the balance sheet date (2006 £nil)

12. Related party transactions

(a) Services provided to related parties

During the year the Company invested in and served as General Partner for The Designer Retail Outlet Centres Limited Partnership. No fees were received for services provided to the Limited Partnership.

At the balance sheet date the amount invested and receivable from The Designer Retail Outlet Centres Limited Partnership was £2,297 (2006 £1,192).

The Company's share of profits from The Designer Retail Outlet Centres Limited Partnership was £1,105 (2006 £25).

The related parties' receivables are not secured and no guarantees were received in respect thereof. The receivables will be settled in accordance with normal credit terms.

(b) Services provided by related parties

During the year there were no services provided by The Designer Retail Outlet Centres Limited Partnership on behalf of the Company (2006 nil).

(c) Parent and ultimate controlling entity

The Company is owned 50% by Norwich Union (Shareholder GP) Limited, 25% by V&P Midlands Limited and 25% by MGE UK Acquisitions LLC. None of the parties has overall control.

Norwich Union (Shareholder GP) Limited is a wholly owned subsidiary of the Aviva plc group of companies.

V&P Midlands Limited is a wholly owned subsidiary of Swiftfire Limited.

13. Risk management

(a) The Morley Group's approach to risk and capital management

The Morley Group ("Morley", as operator of The Designer Retail Outlet Centres Limited Partnership) operates within the governance structure and priority framework of the Aviva Group. It also has its own established governance framework, with clear terms of reference for the Board and Morley Executive committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). Morley has an Audit Committee, which includes shareholder representatives.

(b) 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:

(i) Other market risks

The Company's exposure to other market risks take 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 Morley Fund Management Ltd, which makes and manages investments on behalf of the Fund.

The Designer Retail Outlet Centres (General Partner) Limited
Notes to the financial statements for the year ended 31 December 2007

(ii) Credit risk

The Company does not have a significant exposure to credit risk as receivables are mainly short-term trading items or inter-entity balances. The Company's investments are managed by agents who have responsibility for the prompt collection of amounts due.

(iii) Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems, or from external events. Details of the Morley Group approach to operational risk are set out in the financial statements of Morley Fund Management Limited, which manages and administers the Company's investments.