

REGISTERED NUMBER: 05079594 (England and Wales)

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2012
for
Phase4 Ventures GP Limited**

THURSDAY



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for the Year Ended 31 March 2012**

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Phase4 Ventures GP Limited
Company Information
for the Year Ended 31 March 2012

DIRECTORS: Dr D Pollard-Knight
C E Sermon

REGISTERED OFFICE: 15 Stratton Street
Mayfair
London
W1J 8LQ

REGISTERED NUMBER: 05079594 (England and Wales)

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

Phase4 Ventures GP Limited (Registered number 05079594)

**Report of the Directors
for the Year Ended 31 March 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The Company is the General Partner for Nomura Phase4 Ventures LP, a limited partnership incorporated in England. No significant change in the activities of the Company is foreseen.

REVIEW OF BUSINESS

The Company's key financial and other performance indicators during the year were as follows

| | Year ended 31 March 2012 £ | Year ended 31 March 2011 £ |
|-----------------------------------------------------|----------------------------------|----------------------------------|
| Turnover | 27,500 | 1,818,713 |
| Operating profit | - | - |
| Profit on ordinary activities before taxation | - | 10,580 |
| (Loss)/Profit on ordinary activities after taxation | 24,454 | (13,874) |
| Shareholder's funds | 1 | (24,453) |

Turnover has reduced on account of a reduction in fee income for Phase4 Ventures GP Limited following the disposal of assets previously owned by Nomura Phase4 Ventures LP.

Results

The results for the year are set out on page 5

The profit/(loss) transferred from reserves for the year amounted to £24,454 (2011 Loss £4,386,814)

DIVIDENDS

No interim dividend was paid (2011 £4,372,940) and the directors do not recommend the payment of a final dividend, nor was a final dividend declared in the previous year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report

Dr D Pollard-Knight
C E Sermon

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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,
- 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.

**Report of the Directors
for the Year Ended 31 March 2012**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Ernst & Young LLP, have expressed their willingness to continue in office and a resolution re-appointing them as Auditors and authorising the directors to determine their remuneration will be proposed at the Annual General Meeting

ON BEHALF OF THE BOARD:



Dr D Pollard-Knight - Director

Date 15/10/12

**Report of the Independent Auditors to the Members of
Phase4 Ventures GP Limited**

We have audited the financial statements of Phase4 Ventures GP Limited for the year ended 31 March 2012 which comprise the Profit and Loss Account, the Balance Sheet and related notes 1 to 14. 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 a Report of the Auditors 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 two, 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 Report of the Directors 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 March 2012 and of its profit 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 Report of the Directors 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.

Ernst & Young LLP

Ashley Coups (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
1 More London Place
London
SE1 2AF

Date

16 October 2012

Phase4 Ventures GP Limited (Registered number: 05079594)

**Profit and Loss Account
for the Year Ended 31 March 2012**

| | Notes | 31 3 12 £ | 31 3 11 £ |
|----------------------------------------------------------|-------|----------------------|------------------------|
| TURNOVER | | 27,500 | 1,818,713 |
| Administrative expenses | | <u>27,500</u> | <u>1,818,713</u> |
| OPERATING PROFIT | 3 | - | - |
| Interest receivable and similar income | | <u>-</u> | <u>10,580</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | - | 10,580 |
| Tax on profit on ordinary activities | 4 | <u>(24,454)</u> | <u>24,454</u> |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | | <u><u>24,454</u></u> | <u><u>(13,874)</u></u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year

The notes form part of these financial statements

Phase4 Ventures GP Limited (Registered number. 05079594)

**Balance Sheet
31 March 2012**

| | Notes | 31 3 12 £ | 31 3 11 £ |
|----------------------------------------------|-------|--------------|-----------------|
| CURRENT ASSETS | | | |
| Debtors | 7 | 1 | 1 |
| CREDITORS | | | |
| Amounts falling due within one year | 8 | - | 24,454 |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>1</u> | <u>(24,453)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1</u> | <u>(24,453)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | 1 | 1 |
| Profit and loss account | 10 | - | (24,454) |
| SHAREHOLDERS' FUNDS | 11 | <u>1</u> | <u>(24,453)</u> |

The financial statements were approved by the Board of Directors on its behalf by

and were signed on


Dr D Pollard-Knight - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2012**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover comprises of general partnership share receivable from Nomura Phase4 Ventures LP in accordance with the Limited Partnership Agreement dated 30th April 2004 and the Supplemental Fee Agreement dated 1 December 2010. The General Partnership share is payable to Phase4 Ventures Limited for the management services provided. All turnovers are generated in sterling and all operations are based in the United Kingdom.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Cash Flow Statement

The Company has taken advantage of the exemption under FRS 1 and has not produced a cash flow statement, since at 31 March 2012 the Company was a wholly owned subsidiary undertaking of Phase4 Ventures Limited whose financial statements are publicly available and include a group cashflow statement.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors are not aware of any material uncertainties related to events or conditions that cast doubt about the ability of the Company to continue as a going concern.

2 STAFF COSTS

There were no staff costs for the year ended 31 March 2012 nor for the year ended 31 March 2011.

None of the Directors received any emoluments in respect of their service to the Company during the year.

3 OPERATING PROFIT

The profits and losses are derived from continuing activities. There is no difference between the reported profit for the year as stated above and the profit that would be reported under the historical cost basis.

The cost of the auditors' remuneration is borne by Phase4 Ventures Limited.

4 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

| | 31 3 12 £ | 31 3 11 £ |
|--------------------------------------|-----------------|---------------|
| Current tax | | |
| UK corporation tax | (3,891) | 3,891 |
| Deferred tax | (20,563) | 20,563 |
| Tax on profit on ordinary activities | <u>(24,454)</u> | <u>24,454</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

4 TAXATION - continued

Factors affecting the tax (credit)/charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

| | 31 3 12 £ | 31 3 11 £ |
|----------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Profit on ordinary activities before tax | - | 10,580 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2011 - 28%) | - | 2,962 |
| Effects of Utilisation of tax losses | - | (2,962) |
| Adjustments to tax charge in respect of previous periods | (3,891) | 3,891 |
| Current tax (credit)/charge | (3,891) | 3,891 |

5 DIVIDENDS

| | 31 3 12 £ | 31 3 11 £ |
|---------------------------------|--------------|--------------|
| Ordinary share of £1 Interim | - | 4,372,940 |

6 EMPLOYEES

The average number of employees of the Company during the year was nil (2011 nil)

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 3 12 £ | 31 3 11 £ |
|---------------|--------------|--------------|
| Other debtors | 1 | 1 |

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 3 12 £ | 31 3 11 £ |
|-----------------|--------------|--------------|
| Other creditors | - | 24,454 |

9 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

| Number | Class | Nominal value £1 | 31 3 12 £ | 31 3 11 £ |
|--------|----------|------------------------|--------------|--------------|
| 1 | Ordinary | £1 | 1 | 1 |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2012

10 RESERVES

| | Profit and loss account £ |
|---------------------|------------------------------------|
| At 1 April 2011 | (24,454) |
| Profit for the year | 24,454 |
| | <hr/> |
| At 31 March 2012 | - |
| | <hr/> |

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 31 3 12 £ | 31 3 11 £ |
|-------------------------------------------------|--------------|--------------|
| Profit/(loss) for the financial year | 24,454 | (13,874) |
| Dividends | - | (4,372,940) |
| | <hr/> | <hr/> |
| Net addition/(reduction) to shareholders' funds | 24,454 | (4,386,814) |
| Opening shareholders' funds | (24,453) | 4,362,361 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 1 | (24,453) |
| | <hr/> | <hr/> |

12 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS 8 from disclosing related party transactions with other entities in the group financial statements of Phase4 Ventures Limited

13 DEFERRED TAXATION

| | 31 March 2012 £ | 31 March 2011 £ |
|-----------------------------------|--------------------|--------------------|
| Unutilised tax losses | (472,865) | (452,302) |
| Income not taxed in prior periods | 472,865 | 472,865 |
| | <hr/> | <hr/> |
| Deferred tax creditor/(debtor) | - | 20,563 |
| | <hr/> | <hr/> |

The company has unutilised tax trading losses of £5,537,845 (2011 £5,580,545) and which are available to offset against future taxable profits. The company has not recognised a deferred tax asset of £1,107,569 (2011 £1,075,458) in respect of these trading losses, calculated on the current small companies' corporation tax rate of 20.0% (2011 20.0%).

The losses will only be utilised if the company has profits chargeable to corporation tax in future accounting periods. It is considered too uncertain that the company will generate such profits and it is on this basis that the deferred tax asset in respect of the losses has not been recognised.

14 CONTROLLING PARTY & PARENT COMPANY

The immediate parent company and ultimate controlling party is Phase4 Ventures Limited, a company registered in England & Wales.