

Registered number 05503468

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

COMPANY INFORMATION

DIRECTORS
A C Appleyard
D S Skinner
N J Kempner
R J Stearn (resigned 31 March 2015)
M D S James (appointed 31 March 2015)

COMPANY SECRETARY Sandra Odell

REGISTERED NUMBER 05503468

REGISTERED OFFICE 43 - 45 Portman Square
London
W1H 6LY

INDEPENDENT AUDITOR KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

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QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their report and the financial statements for the year ended 31 December 2014

DIRECTORS

The directors who served during the year were

A C Appleyard
D S Skinner
N J Kempner
R J Stearn (resigned 31 March 2015)

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to be reappointed as auditor

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf


M D S James
Director

Date 13 April 2015

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

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 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,
- 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.

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

We have audited the financial statements of Quantum Property Partnership (General Partner) Limited for the year ended 31 December 2014, set out on pages 5 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 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 Directors' responsibilities statement, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF QUANTUM PROPERTY
PARTNERSHIP (GENERAL PARTNER) 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
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare strategic report



**Bill Holland (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants**

15 Canada Square
Canary Wharf
London
E14 5GL

13 April 2015

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Note | 2014 £ | 2013 £ |
|------------------------------------------------------|-------------|-------------------|-------------------|
| TURNOVER | 1 | 561 | 700 |
| Administrative expenses | | (561) | (700) |
| OPERATING PROFIT | 2 | - | - |
| Interest receivable and similar income | 3 | 184 | 74 |
| Interest payable and similar charges | | (6) | (2) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 178 | 72 |
| Tax on profit on ordinary activities | 4 | (36) | (14) |
| PROFIT FOR THE FINANCIAL YEAR | 9 | 142 | 58 |

The notes on pages 7 to 12 form part of these financial statements

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED
REGISTERED NUMBER: 05503468

BALANCE SHEET
AS AT 31 DECEMBER 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|------------------------------------------------------|------|---------------|--------------|--------------|--------------|
| FIXED ASSETS | | | | | |
| Investments | 5 | | 2,001 | | 2,001 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 31 | | 2 | |
| Cash at bank and in hand | | 53,500 | | 3,356 | |
| | | <u>53,531</u> | | <u>3,358</u> | |
| CREDITORS amounts falling due within one year | 7 | (54,071) | | (4,040) | |
| NET CURRENT LIABILITIES | | | (540) | | (682) |
| NET ASSETS | | | <u>1,461</u> | | <u>1,319</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 8 | | 2 | | 2 |
| Profit and loss account | 9 | | 1,459 | | 1,317 |
| SHAREHOLDERS' FUNDS | 10 | | <u>1,461</u> | | <u>1,319</u> |

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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


M D S James
 Director

Date 13 April 2015

The notes on pages 7 to 12 form part of these financial statements

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently

The financial statements have been prepared on a going concern basis, despite net current liabilities of £535 (2013 £682). In applying this basis, the directors have relied upon assurances from Quintain Estates and Development PLC that they will continue to support the Company for at least the next twelve months. As with any Company placing reliance on other entities for financial support, there can be no guarantee that the support will continue, but at the date of signing these financial statements, the directors have no reason to believe it will not continue.

The Company has taken advantage of the exemption in FRS 1, cash flow statements, from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for reimbursement of costs incurred up to the balance sheet date.

1.3 Investments

Fixed asset investments are stated at cost less provision for impairment.

1.4 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

1.5 Group accounts

As general partner of Quantum Property Partnership the Company is considered to have control over the limited partnership. However, the Company only has a direct interest in the limited partnership of 0.02% at the balance sheet date (refer note 5).

The directors therefore consider the financial statements would not give a true and fair view if the assets and liabilities and income and expenditure of the partnership were to be fully consolidated. Therefore they have opted to proportionally consolidate the Company's interest in Quantum Property Partnership in order for the financial statements to give a true and fair view. After assessing the impact of this, the Directors have confirmed that under section 383 of the Companies Act 2006, the Company is exempt from the requirement to prepare consolidated accounts on the grounds that the group is not large and is not an ineligible group. Consequently, the financial statements present information about the Company as an individual undertaking and not about its group.

If the financial statements of the partnership were fully consolidated the Company would present consolidated accounts and the group's consolidated financial statements would show, the following amounts:

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies (continued)

| | 2014 £ |
|---------------------------------------------------|--------------|
| Profit before minority interests | 1,539,695 |
| Minority interests in the profit and loss account | (1,539,387) |
| Net amount | <u>308</u> |
| | 2014 £ |
| Non current assets | 12,977,538 |
| Net current assets | 24,303,795 |
| Minority interests in the balance sheet | (37,273,877) |
| Net assets | <u>7,456</u> |

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Accounting policies (continued)

1.6 Administrative expenses

Administrative expenses include amounts receivable for reimbursement of costs incurred up to the balance sheet date and are stated net of those costs

2 Operating profit

| | 2014 £ | 2013 £ |
|-------------------------------------------|------------|------------|
| Operating profit is stated after charging | | |
| Auditor's remuneration | <u>707</u> | <u>700</u> |

The directors received no remuneration during the year (2013 £nil)

3. Interest receivable and similar income

| | 2014 £ | 2013 £ |
|---------------|------------|-----------|
| Bank interest | <u>184</u> | <u>74</u> |

4 Taxation

| | 2014 £ | 2013 £ |
|--------------------|-----------|-----------|
| UK corporation tax | <u>36</u> | <u>14</u> |

Factors affecting tax charge for the year

| | 2014 £ | 2013 £ |
|-----------------------------------------------------------------------------------------------------------------|------------|-----------|
| Profit on ordinary activities before tax | <u>178</u> | <u>72</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%) | 38 | 17 |
| Effects of | | |
| Small company relief | (2) | (3) |
| Current tax charge for the year | <u>36</u> | <u>14</u> |

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

5 Fixed asset Investments

| | Investment in Quantum Property Partnership £ | Investment in Quantum Property Partnership (Nominee) Limited £ | Total Investments £ |
|----------------------------------------|----------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------|
| Cost | | | |
| At 1 January 2014 and 31 December 2014 | <u>2,000</u> | <u>1</u> | <u>2,001</u> |

The Company has a 0.02% interest in Quantum Property Partnership, a Partnership that has entered into a Development Agreement with South West Regional Development Agency for the development of a science park at Emersons Green, Bristol. The Company acts as General Partner to this Partnership. The Company is not entitled to any distribution of profits from the Partnership above a reimbursement of its expenses and a £200 annual priority payment. In a return of assets it will only receive its contribution back.

The Company also has an investment in Quantum Property Partnership (Nominee) Limited, a wholly owned subsidiary.

6 Debtors

| | 2014 £ | 2013 £ |
|--------------------------------------------|-----------|-----------|
| Called up share capital not paid (note 12) | 2 | 2 |
| VAT | 29 | - |
| | <u>31</u> | <u>2</u> |

7 Creditors Amounts falling due within one year

| | 2014 £ | 2013 £ |
|---------------------------------------------------------------------|---------------|--------------|
| Amounts owed to parent and fellow subsidiary undertakings (note 12) | 1,999 | 1,999 |
| Amounts owed to related parties (note 12) | 51,636 | 1,377 |
| Corporation tax | 31 | 14 |
| Accruals and deferred income | 400 | 650 |
| | <u>54,066</u> | <u>4,040</u> |

Amounts due to parent and fellow subsidiary undertakings are interest free and repayable on demand.

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8 Share capital

| | 2014 £ | 2013 £ |
|-------------------------------|-----------|-----------|
| Allotted and called up | | |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

9 Profit and loss account

| | £ |
|-------------------------------|--------------|
| At 1 January 2014 | 1,317 |
| Profit for the financial year | 142 |
| | <u>1,459</u> |
| At 31 December 2014 | <u>1,459</u> |

10. Reconciliation of movement in shareholders' funds

| | 2014 £ | 2013 £ |
|-------------------------------|--------------|--------------|
| Profit for the financial year | 147 | 58 |
| Opening shareholders' funds | 1,319 | 1,261 |
| | <u>1,466</u> | <u>1,319</u> |
| Closing shareholders' funds | <u>1,466</u> | <u>1,319</u> |

11 Employees

Number of employees

There were no employees during the year apart from the directors (2013 none)

12 Related party transactions

The Company is a joint venture undertaking of Quintain Estates and Development PLC through its wholly owned subsidiary Orderthread Limited and Aviva Life & Pensions (UK) Limited through its wholly owned subsidiary Norwich Union (Shareholder GP) Limited

Balances with related parties at the year end were as follows

| | 2014 £ | 2013 £ |
|----------------------------------------|-----------|-----------|
| Orderthread Limited | 1 | 1 |
| Norwich Union (Shareholder GP) Limited | 1 | 1 |
| | <u>2</u> | <u>2</u> |
| | <u>2</u> | <u>2</u> |

QUANTUM PROPERTY PARTNERSHIP (GENERAL PARTNER) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Amounts due to related parties

| | 2014 | 2013 |
|------------------------------------------------|---------------|--------------|
| | £ | £ |
| Quantum Property Partnership | 51,636 | 1,377 |
| Orderthread Limited | 999 | 999 |
| Norwich Union (Shareholder GP) Limited | 999 | 999 |
| Quantum Property Partnership (Nominee) Limited | 1 | 1 |
| | <hr/> | <hr/> |
| | 53,635 | 3,376 |
| | <hr/> | <hr/> |

During the year, £561 (2013 £700) of administrative costs were reimbursed by Quantum Property Partnership

QUANTUM PROPERTY PARTNERSHIP

GENERAL PARTNER'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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COMPANIES HOUSE

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THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No .. 5503468

QUANTUM PROPERTY PARTNERSHIP

COMPANY INFORMATION

Partners

| | |
|------------------------|--------------------------------------------------------|
| General Partner | Quantum Property Partnership (General Partner) Limited |
| Limited Partner | Quantum Unit Trust |

| | |
|--------------------------|---------|
| Registered number | LP10838 |
|--------------------------|---------|

| | |
|--------------------------|---------------------------------------------|
| Registered office | 43 - 45 Portman Square London W1H 6LY |
|--------------------------|---------------------------------------------|

| | |
|----------------------------|-------------------------------------------------------------------|
| Independent auditor | KPMG LLP 15 Canada Square Canary Wharf London E14 5GL |
|----------------------------|-------------------------------------------------------------------|

QUANTUM PROPERTY PARTNERSHIP

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QUANTUM PROPERTY PARTNERSHIP

GENERAL PARTNER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The General Partner presents its report and the financial statements for the year ended 31 December 2014

Principal activities

The Partnership has entered into a Development Agreement with the Homes and Communities Agency (HCA) formerly South West Regional Development Agency (SWRDA) for the development of a Science Park at Emersons Green, Bristol. The Partnership also owns and leases out units at Heriot Watt Science Park.

Results and dividends

The results for the year are set out on page 5 and are considered satisfactory by the General Partner.

The General Partner does not recommend payment of a distribution (2013: £nil).

Partners and Partners' interests.

| | |
|--------------------------------------------------------|---------------------|
| Limited Partner | Equity Capital £ |
| Quantum Unit Trust | 40,000 |
| General Partner | |
| Quantum Property Partnership (General Partner) Limited | 2,000 |

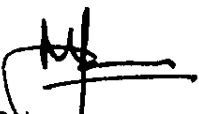
Disclosure of information to auditor

So far as the directors of the General Partner are aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, each director of the General Partner has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the Partnership and signed on its behalf


M D S James
For the General Partner

Date: 13 April 2015

QUANTUM PROPERTY PARTNERSHIP

GENERAL PARTNER'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

The General Partner is responsible for preparing the General Partner's report and the financial statements in accordance with applicable law and regulations

Company law requires the General Partner to prepare financial statements for each financial year. Under that law the members 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 General Partner must not approve the financial statements unless the General Partner is 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 General Partner is 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The General Partner is 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 the General Partner to ensure that the financial statements comply with the Companies Act 2006. The General Partner is 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.

QUANTUM PROPERTY PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUANTUM PROPERTY PARTNERSHIP

We have audited the financial statements of Quantum Property Partnership for the year ended 31 December 2014, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 4 of The Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the qualifying partnership'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 qualifying partnership's and the qualifying partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of General Partner and auditor

As explained more fully in the General Partner's responsibilities statement set out on page 2, the members 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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, as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.


QUANTUM PROPERTY PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUANTUM PROPERTY PARTNERSHIP

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 member's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the General Partner was not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report



Bill Holland (Senior Statutory Auditor)
for and on behalf KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

13 April 2015

QUANTUM PROPERTY PARTNERSHIP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

| | Note | 2014 £ | 2013 £ |
|----------------------------------------|------|-------------------------|-------------------------|
| TURNOVER | 1,2 | 1,842,948 | 3,562,964 |
| Cost of sales | | <u>(1,254,826)</u> | <u>(1,246,664)</u> |
| GROSS PROFIT | | 588,122 | 2,316,300 |
| Administrative expenses | | <u>(41,292)</u> | <u>(42,107)</u> |
| OPERATING PROFIT | 3 | 546,830 | 2,274,193 |
| Interest receivable and similar income | 4 | 994,001 | 988,117 |
| Interest payable and similar charges | | <u>(1,139)</u> | <u>(1,024)</u> |
| PROFIT FOR THE FINANCIAL YEAR | 12 | <u>1,539,692</u> | <u>3,261,286</u> |

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

There is no difference between profit as stated and profits on a historical cost basis

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

QUANTUM PROPERTY PARTNERSHIP

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2014

| | Note | 2014 £ | 2013 £ |
|---------------------------------------------------------------|------|--------------------------------|--------------------------------|
| PROFIT FOR THE FINANCIAL YEAR | | 1,539,692 | 3,261,286 |
| Unrealised surplus/(deficit) on revaluation of properties | 12 | <u>426,594</u> | <u>(172,957)</u> |
| TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR | | <u><u>1,966,286</u></u> | <u><u>3,088,329</u></u> |


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

QUANTUM PROPERTY PARTNERSHIP
REGISTERED NUMBER LP10838

BALANCE SHEET
AS AT 31 DECEMBER 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|----------------------------------------------------------------------------------------|------|-------------------|-------------------|-------------------|-------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 6 | | 171,566 | | 320,856 |
| Investment properties | 7 | | 12,805,972 | | 11,177,263 |
| | | | <u>12,977,538</u> | | <u>11,498,119</u> |
| CURRENT ASSETS | | | | | |
| Debtors (includes £21,372,876 amounts due after more than one year (2013 £21,111,219)) | 8 | 22,649,884 | | 22,305,810 | |
| Investments | 9 | 100 | | 100 | |
| Cash at bank and in hand | | 3,047,645 | | 3,636,833 | |
| | | <u>25,697,629</u> | | <u>25,942,743</u> | |
| CREDITORS amounts falling due within one year | 10 | (1,393,834) | | (2,125,815) | |
| NET CURRENT ASSETS | | | <u>24,303,795</u> | | <u>23,816,928</u> |
| NET ASSETS ATTRIBUTABLE TO THE PARTNERS | | | <u>37,281,333</u> | | <u>35,315,047</u> |
| CAPITAL AND RESERVES | | | | | |
| Partners' capital | 11 | 42,000 | | 42,000 | |
| Equity advances | 12 | 32,102,050 | | 32,102,050 | |
| Revaluation reserve | 12 | (504,447) | | (931,041) | |
| Profit and loss account | 12 | 5,641,730 | | 4,102,038 | |
| PARTNERS' FUNDS | 13 | | <u>37,281,333</u> | | <u>35,315,047</u> |

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


M D S James
For the General Partner

Date 13 April 2015

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

QUANTUM PROPERTY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Basis of preparation

Under the Partnerships (Accounts) Regulations 2008, the partnership, as a qualifying partnership, is required to prepare and have audited financial statements under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 as if the partnership was a company formed and registered under the Companies Act. Under the Companies Act, the partners have the choice whether their financial statements are prepared under that applicable law and either UK Accounting Standards (UK Generally Accepted Accounting Practice) or International Financial Reporting Standards (IFRSs) as adopted by the EU. The partners have decided to apply UK Generally Accepted Accounting Practice.

The Partnership has taken advantage of the exemption in FRS 1, Cash Flow Statements, from the requirement to produce a cash flow statement on the grounds that it is a small entity.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

| | |
|------------------|----------------|
| Office Equipment | - Over 4 years |
|------------------|----------------|

1.4 Investment properties

In accordance with the Statement of Standard Accounting Practice No 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and no depreciation or amortisation is provided in respect of freehold investment properties and leasehold properties with over 20 years to expire. Deficits which are considered to be permanent are charged to the profit and loss account.

This treatment represents a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the Partners consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which may otherwise have been shown cannot be separately identified or quantified. Property assets are included as investment property on completion of contracts.

The carrying amount of investment properties is reduced by unamortised tenant incentives.

1.5 Investments

Current asset investments are stated at the lower of cost and net realisable value.

QUANTUM PROPERTY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies (continued)

1.6 Long-term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Amounts recoverable on long term contracts, which are included in debtors, represent amounts due under the contract with HCA (formerly SWRDA) on the Spark development. The debtor is stated at the cost of work performed on the HCA site at the balance sheet date plus developers interest and profit less any payments received on account. Under the Spark development contract the debtor consists of the common costs and developers profit and interest which is recoverable in full from HCA, and costs recoverable from HCA as part of the IC shortfall agreement recoverable up to a limit of £8 million. As there is no indication for impairment of these costs their carrying value is at cost.

2. Turnover

Turnover for the year has been derived from the following activities

| | 2014 £ | 2013 £ |
|---------------|------------------|------------------|
| Rental income | 1,775,232 | 1,428,137 |
| Other income | 67,716 | 2,134,827 |
| Total | <u>1,842,948</u> | <u>3,562,964</u> |

Other income consists of developers profit from the HCA Developer's Agreement

3 Operating profit

| | 2014 £ | 2013 £ |
|-------------------------------------------|--------------|--------------|
| Operating profit is stated after charging | | |
| Depreciation of tangible assets | 149,290 | 146,423 |
| Auditor's remuneration | <u>8,815</u> | <u>6,500</u> |

QUANTUM PROPERTY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

4 Other interest receivable and similar income

| | 2014 £ | 2013 £ |
|----------------|----------------|----------------|
| Bank interest | 15,277 | 16,300 |
| Other interest | 978,724 | 971,817 |
| | <u>994,001</u> | <u>988,117</u> |

5 Taxation

The provisions of Section 111 of the Income and Corporation Taxes Act 1988 require the taxable revenue and capital gains and losses of a limited partnership to be assessable directly upon the Partners. Accordingly no provision has been made for taxation in these financial statements.

6. Tangible fixed assets

| | Office Equipment £ |
|----------------------------------------|--------------------------|
| Cost | |
| At 1 January 2014 and 31 December 2014 | <u>597,157</u> |
| Depreciation | |
| At 1 January 2014 | 276,301 |
| Charge for the year | <u>149,290</u> |
| At 31 December 2014 | <u>425,591</u> |
| Net book value | |
| At 31 December 2014 | <u>171,566</u> |
| At 31 December 2013 | <u>320,856</u> |

QUANTUM PROPERTY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

7 Investment properties

| | |
|-------------------------------------------------|-------------------|
| | £ |
| Valuation | |
| Net book value as at 31 December 2013 | 11,177,263 |
| Tenant rent incentives | 152,737 |
| | <hr/> |
| Independent market value as at 31 December 2013 | 11,330,000 |
| Reduction in IC shortfall cost recovery | 1,080,000 |
| Additions | 122,115 |
| Revaluation | 347,885 |
| | <hr/> |
| Independent market value as at 31 December 2014 | 12,880,000 |
| Tenant rent incentives | (74,028) |
| | <hr/> |
| Net book value as at 31 December 2014 | <u>12,805,972</u> |

The investment properties were valued independently by CBRE, Chartered Surveyors, as external valuers, on the basis of open market value and in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors

The historic cost of the investment properties as at 31 December 2014 was £13,310,419 (2013 £12,108,304)

In March 2010 a revised Development Agreement was signed with HCA (formerly SWRDA) regarding SPark. As part of the revised agreement the partnership is entitled to receive a refund of common costs and a refund of Quantum only costs incurred on Spark One as part of the IC shortfall agreement up to a limit of £8m. The Spark One building completed in September 2011 at which time its value as per the CBRE valuation was transferred into Investment Properties. Per the IC Shortfall Agreement the HCA contribution to the cost of the development was agreed in September 2014, the third anniversary of practical completion of the building, at £5,954,300 (Estimated contribution at December 2013 was £7,034,300)

QUANTUM PROPERTY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

8. Debtors

| | 2014 £ | 2013 £ |
|-----------------------------------------------|-------------------|-------------------|
| Trade debtors | 215,450 | 367,688 |
| Amounts owed by related parties (see note 16) | 593,177 | 466,084 |
| Due from HCA | 21,372,876 | 21,111,219 |
| VAT refundable | 81,073 | 20,612 |
| Other debtors | 387,308 | 340,207 |
| | <u>22,649,884</u> | <u>22,305,810</u> |

Amounts falling due after more than one year and included in the debtors above are

| | | |
|--------------|-------------------|-------------------|
| Due from HCA | <u>21,372,876</u> | <u>21,111,219</u> |
|--------------|-------------------|-------------------|

Amounts due from related parties are interest free and repayable on demand

9. Current asset investments

| | 2014 £ | 2013 £ |
|-------------------|------------|------------|
| Other investments | <u>100</u> | <u>100</u> |

Other investments represent a 50% share in the share capital of Bristol and Bath Science Park Estate Management Company Limited, a UK Limited company

10. Creditors Amounts falling due within one year

| | 2014 £ | 2013 £ |
|-----------------|------------------|------------------|
| Trade creditors | 229,292 | 257,961 |
| Other creditors | - | 238,469 |
| Deferred income | 131,250 | 204,847 |
| Accruals | 1,033,292 | 1,424,538 |
| | <u>1,393,834</u> | <u>2,125,815</u> |

QUANTUM PROPERTY PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

11 Partners' capital

| | Quantum Unit Trust £ | Quantum Property Partnership (General Partner) Limited £ | Total £ |
|----------------------|----------------------------|----------------------------------------------------------------------------|------------|
| Equity contributions | 40,000 | 2,000 | 42,000 |

The capital contributed by the General Partner does not entitle it to any distribution of profits above a reimbursement of its expenses and a £200 annual priority payment. In a return of assets it will receive only its contribution back.

12 Statement of movements on reserves

| | Equity advances £ | Revaluation reserve £ | Profit and loss account £ |
|------------------------------------|-------------------------|-----------------------------|---------------------------------|
| At 1 January 2014 | 32,102,050 | (931,041) | 4,102,038 |
| Profit for the year | - | - | 1,539,692 |
| Decrease in tenant incentives | - | 78,709 | - |
| Revaluation of investment property | - | 347,885 | - |
| Balance at 31 December 2014 | 32,102,050 | (504,447) | 5,641,730 |

13 Reconciliation of movements in Partners' funds

| | 2014 £ | 2013 £ |
|-----------------------------------|------------|------------|
| Profit for the financial year | 1,539,692 | 3,261,286 |
| Other recognised gains and losses | 426,594 | (172,957) |
| Net addition to partners' funds | 1,966,286 | 3,088,329 |
| Opening partners' funds | 35,315,047 | 32,226,718 |
| Closing partners' funds | 37,281,333 | 35,315,047 |

14 Employees

Number of employees

There were no employees during the year (2013: none)

QUANTUM PROPERTY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

15. Control

The controlling party is Quantum Property Partnership (General Partner) Limited. Quantum Property Partnership (General Partner) Limited is jointly controlled by Norwich Union (Shareholder GP) Limited and Orderthread Limited. The ultimate owners are Aviva Plc and Quintain Estates and Development Plc respectively whose financial statements are publicly available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

16 Related party transactions

At 31 December 2014 there was a balance due from Quantum Unit Trust of £350,969 (2013 £287,646) in relation to the invoices the Partnership has paid on behalf of the Unit Trust. There is also a balance due from Quantum Property Partnership (General Partner) Limited of £51,650 (2013 £1,326) and a balance due from the Bristol and Bath Science Park Management Company of £190,558 (2013 £177,112).

The Quantum Unit Trust holds 95.24% (2013 95.24%) of partners' capital and 99.99% (2013 99.99%) of partners' capital and loans but does not exercise control of the partnership.