

Registration number 3220373

BRIDGEPOINT CAPITAL LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2007



Report of the directors

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2007

Principal activity and review of business

The Company acts as a fund manager. The Company is regulated by the Financial Services Authority. The directors are satisfied with the results for the year and anticipate activities to continue at similar levels. The financial risks are discussed in the accounts of the ultimate parent undertaking.

Results and dividends

The results for the year are shown on page 4.

The directors have paid a dividend of £5,000,000 (2006 £4,750,000). The retained loss of £6,471,000 has been transferred to reserves (2006 profit £1,090,000).

Directors

The directors who held office during the year were as follows:

J W M Barber (appointed 28/06/07)	J McGibbon
M N Black	A S Lewis
C J Busby	R P Moores
J Davison	J G Murray
M R Davy	C G Oldroyd
M Dunn	W S Paul
P A C Fox	A Payne
B E Freeman (appointed 30/04/07)	K P Reynolds
A R Gibbons	D R Shaw
H T Grant (appointed 30/04/07)	N R B Smith (appointed 21/12/07)
V M L Gwilliam	J C Wakefield (resigned 31/12/07)
J R Hughes	M E Walton (resigned 31/05/07)
W N Jackson	G P Weldon
R Jenkins (resigned 30/09/07)	J Wyatt (appointed 30/04/07)
B Lawson	

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

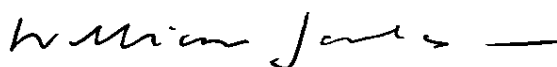
Report of the directors (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. As far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware.

By Order of the Board



W N Jackson
Director

22 April 2008

Independent auditors' report

TO THE MEMBERS OF BRIDGEPOINT CAPITAL LIMITED

We have audited the financial statements of Bridgepoint Capital Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

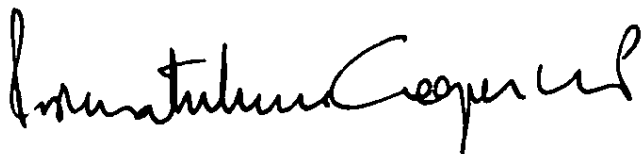
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors, London

22 April 2008

Profit and Loss Account

For the year ended 31 December 2007

	Notes	2007 £'000	2006 £'000
Fees and commissions receivable		42,271	45,716
Fees and commissions payable		<u>(16,865)</u>	<u>(15,210)</u>
Gross profit		25,406	30,506
Administrative expenses		<u>(29,081)</u>	<u>(22,855)</u>
(Loss) / profit on ordinary activities before interest and taxation	2	(3,675)	7,651
Bank interest receivable		1,444	922
(Loss) / profit on ordinary activities before taxation		<u>(2,231)</u>	<u>8,573</u>
Taxation on ordinary activities	3	760	(2,733)
(Loss) / profit on ordinary activities after taxation		<u>(1,471)</u>	<u>5,840</u>
Dividends		<u>(5,000)</u>	<u>(4,750)</u>
Retained (loss) / profit for the year	11	<u>(6,471)</u>	<u>1,090</u>

The results above relate to continuing operations

The Company has no recognised gains or losses other than those included in the profit and loss account
Therefore, no statement of recognised gains or losses is included

The notes on pages 6 to 11 form part of these financial statements

Balance Sheet

As at 31 December 2007

	Notes	2007 £'000	2006 £'000
Fixed assets			
Tangible fixed assets	7	1,296	1,624
Current assets			
Debtors	8	5,240	14,055
Cash at Bank		24,358	20,160
		<u>29,598</u>	<u>34,215</u>
Current liabilities			
Creditors Amounts falling due within one year	9	(30,496)	(28,970)
Net current (liabilities)/assets		<u>(898)</u>	<u>5,245</u>
Net assets		<u>398</u>	<u>6,869</u>
Capital and reserves			
Called-up Share Capital	10	5	5
Profit & Loss Account	11	393	6,864
Equity shareholder's funds	11	<u>398</u>	<u>6,869</u>

The financial statements on pages 4 to 11 were approved by the Board of Directors and signed on its behalf by



W N Jackson
Director

22 April 2008

The notes on pages 6 to 11 form part of these financial statements

Notes to the financial statements

For the year ended 31 December 2007

1 Accounting policies

(a) Accounting Convention

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985

(b) Cash flow Statement

Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a Cash Flow Statement on the grounds that more than 90% of the voting rights are controlled within the Group and a consolidated cash flow is included in the ultimate parent company's financial statements

(c) Related Party Transactions

Under Financial Reporting Standard 8, the Company is exempt from the management requirement to disclose related party transactions within the group on the grounds that more than 90% of the voting rights are controlled within the group

(d) Pensions

Amounts payable in respect of employers contributions to the company's defined contribution pension scheme are recognised in Administrative Expenses on an accruals basis

(e) Taxation

Corporation tax is provided on taxable profits at the current rate

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing difference. Deferred tax balances are not discounted

(f) Depreciation

Fixed assets are depreciated so as to write off their cost, on a straight line basis, over their estimated useful lives as follows

Computers, Furniture and other	3 to 5 years
Leasehold Improvements	Over the lease term

(g) Placement Agents Fees

Placement agents fees incurred during the raising of a fund are charged to the profit and loss account on a straight line basis over 2 years from final closing. Amounts paid in advance of the profit and loss charge are included in prepayments

(h) Income recognition

Income comprises management and transaction fees earned from the management of various private equity partnerships and is recognised in the profit and loss account as it accrues

(i) Operating Lease Rentals

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis

(j) Abort costs

Abort costs are recognised as an expense in the year in which they are incurred and reversed if the related investment is proceeded with and the abort cost subsequently recovered

Notes to the financial statements (continued)

For the year ended 31 December 2007

1 Accounting policies (continued)

(k) Foreign currency

Transactions in foreign currencies are translated at the average rate. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange prevailing at that date.

2 Profit on ordinary activities before taxation

	2007 £'000	2006 £'000
This is stated after charging:		
Depreciation	486	332
Operating lease rentals		
- plant and machinery	52	41
- other	739	1,097
Audit fees	93	99

Audit fees charged include amounts in relation to the audit of certain other group companies.

3 Taxation

	2007 £'000	2006 £'000
The tax (credit) / charge for the year comprises		
Current tax (credit) / charge for the period	(400)	2,738
Adjustment to prior years	49	(5)
Deferred tax	(409)	-
	<u>(760)</u>	<u>2,733</u>
(Loss) / profit on ordinary activities before taxation	<u>(2,231)</u>	<u>8,573</u>
(Loss) / profit on ordinary activities before taxation at the standard rate of corporation tax in the UK of 30% (2006 - 30%)	(669)	2,572
Effects of		
Expenses not deductible for tax purposes	142	122
Capital allowances for period in excess of depreciation	7	(19)
Other timing differences	120	63
Current tax (credit) / charge for the period	<u>(400)</u>	<u>2,738</u>

Notes to the financial statements (continued)

For the year ended 31 December 2007

4 Directors' remuneration

	2007 £'000	2006 £'000
Directors' fees, salaries and other benefits	4,224	3,885
Performance related bonus	5,488	3,696
Total emoluments received by directors (excluding pension contributions)	<u>9,712</u>	<u>7,581</u>
Pension contributions	<u>1,549</u>	<u>1,156</u>
Total emoluments of highest paid director including pension contributions	<u>1,299</u>	<u>943</u>

5 Employees

The average number of persons, including directors, employed by the Company during the year was as follows

	2007 Number	2006 Number
Directors	26	28
Executives	14	11
Administration	33	31
	<u>73</u>	<u>70</u>

	2007 £'000	2006 £'000
Wages and salaries	6,716	5,878
Staff bonuses	9,337	5,810
Social security costs	2,068	1,520
Pension costs	1,870	1,358
Other staff costs	495	605
	<u>20,486</u>	<u>15,171</u>

6 Pension contributions

The company operates a defined contributions pension scheme for its Directors and Employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The scheme is a non-contributory scheme but does permit employee contributions to a maximum of 15% of relevant earnings. The pension cost charge for the period has been shown as part of the staff costs in note 5. The company operates a bonus sacrifice scheme. At 31 December 2007 pension contributions of £1,291,000 payable in March 2008 under this scheme, were included within accruals in the balance sheet.

Notes to the financial statements (continued)

For the year ended 31 December 2007

7 Fixed assets

	Leasehold Improvements £'000	Computers, Furniture and Other £'000	Total £'000
<i>Cost</i>			
At 1 January 2007	1,042	1,176	2,218
Additions	-	158	158
Disposals	-	(22)	(22)
At 31 December 2007	<u>1,042</u>	<u>1,312</u>	<u>2,354</u>
<i>Depreciation</i>			
At 1 January 2007	(104)	(490)	(594)
Charged in the year	(193)	(293)	(486)
Disposals	-	22	22
At 31 December 2007	<u>(297)</u>	<u>(761)</u>	<u>(1,058)</u>
<i>Net book value at</i>			
At 31 December 2006	<u>938</u>	<u>686</u>	<u>1,624</u>
At 31 December 2007	<u>745</u>	<u>551</u>	<u>1,296</u>

8 Debtors

	2007 £'000	2006 £'000
Amounts owed by parent and fellow subsidiary undertakings	220	9,094
Group relief	368	-
Prepayments	2,394	3,889
Deferred taxation	409	-
Other debtors	1,849	1,072
	<u>5,240</u>	<u>14,055</u>

Notes to the financial statements (continued)

For the year ended 31 December 2007

9 Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Amounts owed to parent and fellow subsidiary undertakings	5,830	4,354
Group relief	-	2,733
UK Corporation tax and Social Security payable	276	231
Accruals	23,391	20,224
Other creditors	999	1,428
	<u>30,496</u>	<u>28,970</u>

10 Called-up share capital

	2007 Number	2006 Number	2007 £'000	2006 £'000
<i>Authorised</i>				
Ordinary Shares of £1	<u>50,000</u>	<u>50,000</u>	50	50
<i>Allotted, called-up and fully paid</i>				
Ordinary Shares of £1	<u>5,000</u>	<u>5,000</u>	5	5

11 Reconciliation of movement in shareholder's funds

	Share Capital £'000	Profit & Loss Account £'000	Share- holder's Funds £'000
Balance at 31 December 2006	5	6,864	6,869
Result for the year	-	(1,471)	(1,471)
Dividends	-	(5,000)	(5,000)
Balance at 31 December 2007	<u>5</u>	<u>393</u>	<u>398</u>

Notes to the financial statements (continued)

For the year ended 31 December 2007

12 Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows

	2007	2007	2006	2006
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£'000	£'000	£'000	£'000
Expiry date				
- between two and five years	70	49	97	55
- after five years	1,191	-	1,133	-
	<u>1,261</u>	<u>49</u>	<u>1,230</u>	<u>55</u>

13 Ultimate parent undertaking

The ultimate parent company is Bridgepoint Capital Group Limited

The results of the company are consolidated in the group financial statements of Bridgepoint Capital Group Limited. These are the largest and smallest group of undertakings which include the results of the company. Copies of the financial statements of Bridgepoint Capital Group Limited are available at Companies House, Crown Way, Cardiff