

Registration number: 3220373

BRIDGEPOINT CAPITAL LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2008



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 2008.

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 £7,000,000 (2007: £5,000,000). The retained profit of £16,455,000 has been transferred to reserves (2007: loss £6,471,000).

Directors

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

J W M Barber	B Lawson (resigned 31/12/08)
C Barter (appointed 24/11/08)	J McGibbon
C Bell (appointed 20/10/08)	A S Lewis
M N Black	R P Moores
C J Busby	J G Murray
J Davison	D Nicolson (appointed 23/4/08)
M R Davy	C G Oldroyd
M Dunn	W S Paul (resigned 31/12/08)
P A C Fox	A Payne
B E Freeman	K P Reynolds
A R Gibbons	D R Shaw
H T Grant	N R B Smith
V M L Gwilliam	G P Weldon
J R Hughes	J Wyatt
W N Jackson	

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

A handwritten signature in black ink, appearing to read 'J R Hughes', with a stylized flourish at the end.

J R Hughes
Director

27 April 2009

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 2008 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

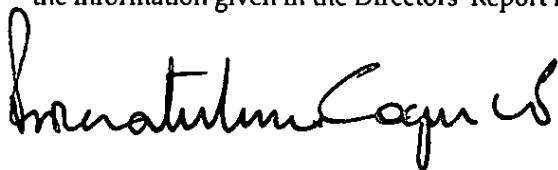
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors, London

27 April 2009

Profit and Loss Account
For the year ended 31 December 2008

	Notes	2008 £'000	2007 £'000
Fees receivable	1 (h)	79,067	42,271
Fees payable		(22,780)	(16,865)
Gross profit		<u>56,287</u>	<u>25,406</u>
Administrative expenses		(24,333)	(29,081)
Operating profit / (loss)		<u>31,954</u>	<u>(3,675)</u>
Interest receivable and similar income		1,026	1,444
Profit / (loss) on ordinary activities before taxation	2	<u>32,980</u>	<u>(2,231)</u>
Taxation on profit / (loss) on ordinary activities	3	(9,525)	760
Profit / (loss) on ordinary activities after taxation	11	<u>23,455</u>	<u>(1,471)</u>
Dividends paid	11	(7,000)	(5,000)
Retained profit / (loss) for the year		<u>16,455</u>	<u>(6,471)</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.

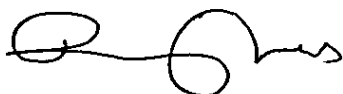
The notes on pages 6 to 11 form part of these financial statements.

Balance Sheet

As at 31 December 2008

	Notes	2008 £'000	2007 £'000
Fixed assets			
Tangible fixed assets	7	1,024	1,296
Current assets			
Debtors	8	19,962	5,240
Cash at Bank		36,652	24,358
		<u>56,614</u>	<u>29,598</u>
Current liabilities			
Creditors: Amounts falling due within one year	9	(40,785)	(30,496)
Net current assets/(liabilities)		<u>15,829</u>	<u>(898)</u>
Net assets		<u>16,853</u>	<u>398</u>
Capital and reserves			
Called-up Share Capital	10	5	5
Profit & Loss Account	11	16,848	393
Total shareholder's funds	11	<u>16,853</u>	<u>398</u>

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



J R Hughes
Director

27 April 2009

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

Notes to the financial statements

For the year ended 31 December 2008

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

(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 in the United Kingdom and the Companies Act 1985.

(b) Cash flow Statement

Under Financial Reporting Standard 1 (Cash Flow Statements (revised 1996)), 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 (Related Party Disclosures), 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. The assets of the scheme are held separately from those of the Company in an independently administered fund.

(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) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. They 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 expensed as incurred.

(h) Revenue 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 to the profit and loss account 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 2008

1 Accounting policies (continued)

(k) Foreign currency

Transactions in foreign currencies are translated at the average rate. Monetary 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

	2008	2007
	£'000	£'000
This is stated after charging:		
Depreciation	433	486
Operating lease rentals		
- plant and machinery	45	52
- other	788	739
Audit fees	99	93

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

3 Taxation

	2008	2007
	£'000	£'000
The tax charge / (credit) for the year comprises:		
Current tax charge / (credit) for the period	9,324	(400)
Adjustment to prior years	2	49
Deferred tax	199	(409)
	<u>9,525</u>	<u>(760)</u>
Profit / (loss) on ordinary activities before taxation	<u>32,980</u>	<u>(2,231)</u>
Profit / (loss) on ordinary activities before taxation at the standard rate of corporation tax in the UK of 28.5% (2007 - 30%)	9,399	(669)
Effects of:		
Expenses not deductible for tax purposes	119	142
Capital allowances for period in excess of depreciation	25	7
Other timing differences	(219)	120
Current tax charge / (credit) for the period	<u>9,324</u>	<u>(400)</u>

Notes to the financial statements (continued)

For the year ended 31 December 2008

4 Directors' remuneration

	2008 £'000	2007 £'000
Aggregate emoluments	5,529	4,224
Performance related bonus	4,628	5,488
Total emoluments received by directors (excluding pension contributions)	<u>10,157</u>	<u>9,712</u>
Pension contributions	<u>831</u>	<u>1,549</u>
Total emoluments of highest paid director including pension contributions	<u>987</u>	<u>1,299</u>

5 Staff costs

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

	2008 Number	2007 Number
Directors	25	26
Executives	16	14
Administration	33	33
	<u>74</u>	<u>73</u>

	2008 £'000	2007 £'000
Wages and salaries	9,036	6,716
Staff bonuses	6,252	9,337
Social security costs	1,902	2,068
Pension costs	1,169	1,870
Other staff costs	552	495
	<u>18,911</u>	<u>20,486</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 2008 pension contributions of £522,000 payable in March 2009 under this scheme, were included within accruals in the balance sheet.

Notes to the financial statements (continued)

For the year ended 31 December 2008

7 Fixed assets

	Leasehold Improvements £'000	Computers, Furniture and Other £'000	Total £'000
<i>Cost</i>			
At 1 January 2008	1,042	1,312	2,354
Additions	-	161	161
Disposals	-	(26)	(26)
At 31 December 2008	<u>1,042</u>	<u>1,447</u>	<u>2,489</u>
<i>Depreciation</i>			
At 1 January 2008	(297)	(761)	(1,058)
Charged in the year	(198)	(235)	(433)
Disposals	-	26	26
At 31 December 2008	<u>(495)</u>	<u>(970)</u>	<u>(1,465)</u>
<i>Net book value at</i>			
At 31 December 2007	<u>745</u>	<u>551</u>	<u>1,296</u>
At 31 December 2008	<u>547</u>	<u>477</u>	<u>1,024</u>

8 Debtors

	2008 £'000	2007 £'000
Amounts owed by parent and fellow subsidiary undertakings	16,928	220
Group relief	-	368
Deferred taxation	209	409
Other debtors	1,709	1,849
Prepayments	1,116	2,394
	<u>19,962</u>	<u>5,240</u>

Notes to the financial statements (continued)

For the year ended 31 December 2008

9 Creditors: amounts falling due within one year

	2008	2007
	£'000	£'000
Amounts owed to parent and fellow subsidiary undertakings	16,781	5,830
Group relief	9,326	-
Social Security payable	395	276
Other creditors	326	999
Accruals	13,957	23,391
	<u>40,785</u>	<u>30,496</u>

10 Called-up share capital

	2008	2007	2008	2007
	Number	Number	£'000	£'000
<i>Authorised:</i>				
Ordinary Shares of £1	<u>50,000</u>	<u>50,000</u>	<u>50</u>	<u>50</u>
<i>Allotted, called-up and fully paid:</i>				
Ordinary Shares of £1	<u>5,000</u>	<u>5,000</u>	<u>5</u>	<u>5</u>

11 Reconciliation of movement in shareholder's funds

	Share Capital £'000	Profit & Loss Account £'000	Share- holder's Funds £'000
Balance at 31 December 2007	5	393	398
Result for the year	-	23,455	23,455
Dividends paid	-	(7,000)	(7,000)
Balance at 31 December 2008	<u>5</u>	<u>16,848</u>	<u>16,853</u>

Notes to the financial statements (continued)

For the year ended 31 December 2008

12 Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2008	2008	2007	2007
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£'000	£'000	£'000	£'000
Expiry date				
- between two and five years	70	49	70	49
- after five years	1,191	-	1,191	-
	<u>1,261</u>	<u>49</u>	<u>1,261</u>	<u>49</u>

13 Ultimate parent undertaking

The ultimate parent company and controlling party 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.

14 Related party transactions

During the year the Company paid €1.2m under a contract for placement advisory services to a company partially owned by one of the directors of the Company. Nothing was outstanding at the year end.

15 Financial Derivatives

During the year the Company entered into foreign exchange contracts to hedge against adverse exchange rate movements in Euro denominated management fees receivable. At the year end the total amount outstanding under these contracts was £72m with strike dates in January and July each year until January 2012.