

Registration number: 06824647

Bridgepoint Advisers II Limited

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



Strategic Report

The directors present their strategic report for Bridgepoint Advisers II Limited (the "Company").

Principal Activities

The Company acts as a fund manager and is regulated by the Financial Conduct Authority.

The profit for the financial year is £0.3m (2016: £ 1m) and at the year end the Company has net assets of £7m (2016: £ 6.8m).

The financial risks and the key performance indicators are discussed in the financial statements of the ultimate parent undertaking.

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 2017.

Results and dividends

The results for the financial year are shown on page 5.

In the financial year of 2017 the directors have not proposed a dividend (2016: £ nil).

Future developments

In the future, the Company will continue to receive management fees from other group companies.

Directors

The directors who held office during the year and up until the date of signing were as follows:

J W M Barber

J R Hughes

C S J Barter

W N Jackson

M N Black

P R Gunner

Directors' Indemnity

During the year and at the time of signing, Bridgepoint Advisers Limited, a fellow group entity, maintains liability insurance for directors and officers of Bridgepoint group and associated companies, which includes the Company. This is a qualifying third party indemnity provision for the purpose of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements (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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, including comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The directors 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.

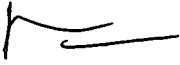
Report of the Directors (continued)

Disclosure of information to the auditors

In the case of each director in office at the date the Report of the Directors is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have 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.

On behalf of the Board



P R Gunner
Director

24 April 2018

Independent auditors' report to the members of Bridgepoint Advisers II Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bridgepoint Advisers II Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the profit and loss account and statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Richard McGuire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

24 April 2018

Profit and Loss Account

For the year ended 31 December 2017

	2017	2016
Note	£'000	£'000
Turnover	16,363	7,284
Management fees payable	(14,168)	(5,387)
Gross profit	2,195	1,897
Net foreign exchange gains	(68)	(890)
Administrative expenses	(1,796)	276
Profit before interest and taxation	331	1,283
Interest receivable and similar income	-	1
Profit before taxation	331	1,284
Tax on profit	(74)	(262)
Profit for the financial year	258	1,022

The results above relate to continuing operations.

Statement of Comprehensive Income

For the year ended 31 December 2017

	2017	2016
	£'000	£'000
Profit for the financial year	258	1,022
Other comprehensive income:	-	-
Total tax on components of other comprehensive income	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	258	1,022

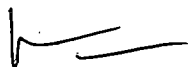
The notes on pages 8 to 12 form part of these financial statements.

Balance Sheet
As at 31 December 2017

	Note	2017 £'000	2016 £'000
Current assets			
Debtors	8		
Amounts owed by group undertakings		12,728	3,779
Other debtors		4,213	4,343
Trade debtors	8	385	33
Prepayments and accrued income	8	19	133
Cash at bank and in hand		951	475
		<u>18,296</u>	<u>8,763</u>
Current liabilities			
Creditors: amounts falling due within one year	9		
Amounts owed to group undertakings		(10,155)	(235)
Other creditors		(343)	(506)
Trade creditors	9	(106)	(499)
Accruals and deferred income	9	(655)	(744)
		<u>(11,259)</u>	<u>(1,984)</u>
Net current assets		7,037	6,779
Total assets less current liabilities		7,037	6,779
Net assets		7,037	6,779
Capital and reserves			
Called up share capital	10	5	5
Retained earnings		7,032	6,774
Total equity		7,037	6,779

The notes on pages 8 to 12 form part of these financial statements.

The financial statements on pages 5 to 12 were authorised for issue by the Board of Directors on 24 April 2018 and were signed on its behalf by:



P R Gunner
Director

Statement of changes in equity

For the year ended 31 December 2017

Note	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 January 2016	5	5,752	5,757
Profit for the financial year	-	1,022	1,022
Other comprehensive income for the financial year	-	-	-
Total comprehensive income for the financial year	-	1,022	1,022
Balance as at 31 December 2016	5	6,774	6,779
Balance at 1 January 2017	5	6,774	6,779
Profit for the financial year	-	258	258
Other comprehensive income for the financial year	-	-	-
Total comprehensive income for the financial year	-	258	258
Balance as at 31 December 2017	5	7,032	7,037

The notes on pages 8 to 12 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2017

1 General Information

Bridgepoint Advisers II Limited (the "Company") is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 95 Wigmore Street, London, England, W1U 1FB.

2 Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The Principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss, as when it is required by FRS 102. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies.

The financial statements have been prepared on a going concern basis as the Directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future having assessed the Company's business risks, financial position and resource.

(b) Exemptions under Financial Reporting Standards

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of the exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions:

Cash Flow Statement

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Bridgepoint Group Limited, includes the Company's cash flows in its own consolidated financial statements.

Related party transactions

Under FRS 102 33.1A, the Company is exempt from the requirement to disclose related party transactions within the group on the grounds that 100% of the voting rights are controlled within the group.

(c) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Current or deferred taxation assets and liabilities are not discounted.

Notes to the financial statements (continued)

For the year ended 31 December 2017

3 Summary of significant accounting policies (continued)

(d) Foreign currencies

The Company's functional and presentation currency is the pound sterling. These financial statements are presented in pound sterling and rounded to thousands.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at rates current at the year-end.

All differences are taken to the Profit and Loss Account.

(e) Income and expense recognition

Income and expenses are recognised in the Profit and Loss Account and the Statement of Comprehensive Income on an accruals basis.

(f) Turnover

Turnover comprises mainly management fees earned from the management of various private equity partnerships and is recognised in the Profit and Loss Account on an accruals basis.

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

(h) Debtors and Creditors

Debtors and Creditors are initially measured at transaction cost. They are short term receivables/ payables relating to non- financing transactions and are subsequently measured at undiscounted amounts.

Notes to the financial statements (continued)

For the year ended 31 December 2017

4 Profit before taxation	2017	2016
	£'000	£'000
This is stated after charging/ (crediting):		
Administrative expenses	1,797	1,456
Audit fees	67	48
Net foreign exchange gains	(68)	(890)
	<u>1,796</u>	<u>614</u>

Audit fees charged include amounts in relation to the audit of certain other group entities, £15k (2016: £15k) relates to the audit of the Company.

The foreign exchange (gain)/loss relates to the impact of foreign denominated transactions as well as foreign denominated assets and liabilities. In 2016, an amount of £(244k) related to the retranslation of amounts owed to/by group undertakings issued in previous periods.

5 Tax on profit	2017	2016
	£'000	£'000
(a) Tax expense included in Profit and Loss account		
Current tax:		
UK Corporation tax on profits for the year	74	262
Adjustment in respect of prior periods	-	(1)
Total current tax	<u>74</u>	<u>261</u>
Deferred tax:		
Adjustment in respect of prior periods	-	1
Total deferred tax	<u>-</u>	<u>1</u>
Tax on profit	<u>74</u>	<u>262</u>

(b) Reconciliation of tax charge

Tax assessed for the year is higher (2016: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2017 of 19.25% (2016: 20.00%). The differences are explained below:

	2017	2016
	£'000	£'000
Profit before taxation	<u>331</u>	<u>1,284</u>
Tax on Profit before taxation at the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	<u>64</u>	<u>256</u>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	10	6
Adjustment in respect of prior years	-	-
Total tax charges for the year	<u>74</u>	<u>262</u>

Notes to the financial statements (continued)

For the year ended 31 December 2017

6 Employees

The monthly average number of employees during the year was 2 (2016: 2).

	2017 £'000	2016 £'000
Wages and salaries	536	511
Staff bonuses	440	375
Social security costs	133	120
Pension costs	-	1
Other staff costs	78	-
	<u>1,187</u>	<u>1,007</u>

7 Directors' remuneration

	2017 £'000	2016 £'000
Aggregate emoluments	<u>844</u>	<u>760</u>
Pension contributions	-	-
Total emoluments of highest paid director including pension contributions	<u>844</u>	<u>760</u>

8 Debtors

	2017 £'000	2016 £'000
Amounts due within one year:		
Amounts owed by group undertakings	12,728	3,779
Other debtors	<u>4,213</u>	<u>4,343</u>
<i>Group relief</i>	-	1
Trade debtors	385	33
Prepayments and accrued income	19	133
	<u>17,345</u>	<u>8,288</u>

Amounts owed by group undertakings represent short term receivables due from the shareholders and other group entities. These amounts should be repaid to the Company upon demand.

9 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed to group undertakings	10,155	235
Other creditors	<u>343</u>	<u>506</u>
<i>Group relief</i>	74	277
<i>Social security</i>	269	229
Trade creditors	106	499
Accruals and deferred income	655	744
	<u>11,259</u>	<u>1,984</u>

Amounts owed to group undertakings comprise payments made by another group entity on behalf of the Company. These amounts should be paid upon demand.

Notes to the financial statements (continued)

For the year ended 31 December 2017

10 Called up share capital

	2017 Number	2017 £'000	2016 Number	2016 £'000
<i>Authorised:</i>				
Deferred Shares of £1	1,330	1	1,330	1
Ordinary Shares of £1	4,900	5	4,900	5
	<u>6,230</u>	<u>6</u>	<u>6,230</u>	<u>6</u>
<i>Allotted, called up and fully paid:</i>				
Deferred Shares of £1	1,330	1	1,330	1
Ordinary Shares of £1	3,670	4	3,670	4
	<u>5,000</u>	<u>5</u>	<u>5,000</u>	<u>5</u>

The shares have the rights and restrictions as set out in the Articles of Association of the Company. Deferred shares have no rights to vote. Ordinary shares have first priority for an amount equal to 99.9% of the total amount available for distribution in respect of any financial year. Deferred shares have second priority for an amount equal to the balance of the total amount available for distribution. On a winding up, holders of both classes are firstly entitled to an aggregate amount of the subscription price of their share plus 10%, secondly Ordinary shareholders are entitled to £30m and thirdly holders of both classes are entitled to the balance of the surplus assets. There are no shares reserved for issue under options or contract for sale of shares. All shares are held by the ultimate parent undertaking and controlling party as set out below.

11 Controlling parties

The results of the Company are consolidated in the group financial statements of Bridgepoint Group Limited. The ultimate parent undertaking and controlling party is Bridgepoint Group Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the financial statements of Bridgepoint Group Limited are available at Companies House, Crown Way, Cardiff.