

Registration number: 6824647

Bridgepoint Advisers II Limited

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



Strategic Report

Principal Activities

The Company acts as a fund manager and is regulated by the Financial Conduct Authority. The profit for the financial year is £1m (2015: £ 0.2m) and at the year end the Company has net assets of £6.8m (2015: £ 5.8m). The financial risks and the key performance indicators are discussed in the financial statements of the ultimate parent undertaking. In the future, the Company will continue to receive management fees from other group companies.

Report of the Directors

The directors present their annual report together with the audited financial statements of Bridgepoint Advisers II Limited (the "Company") for the year ended 31 December 2016.

Results and dividends

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

In the financial year of 2016 the directors have not proposed a dividend (2015: £ nil).

Directors

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

J W M Barber (appointed 9 March 2016)

C S J Barter

M N Black

P R Gunner

J R Hughes

W N Jackson

X J Roberts (resigned 20 May 2016)

Directors' Indemnity

During the year and at the time of signing, Bridgepoint Advisers Limited 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 Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of shareholder exemptions, if any, of FRS 102 used in the preparation of 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors (continued)

Disclosure of information to the auditors

The directors have taken all the steps that they ought to have taken as directors 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 the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

Independent auditors

The auditors PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

On behalf of the Board



P R Gunner
Director

24 April 2017

Independent auditors' report

TO THE MEMBERS OF Bridgepoint Advisers II Limited

Report on the Financial Statements

Our opinion

In our opinion, Bridgepoint Advisers II Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 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.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Profit and Loss Account and the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Report of the Directors. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves


We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Report of the Directors, we consider whether those reports include the disclosures required by applicable legal requirements.



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

24 April 2017

Profit and Loss Account
For the year ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Turnover	3(f)	7,284	7,481
Management fees payable		(5,387)	(5,232)
Gross profit		1,897	2,249
Administrative expenses		(614)	(2,077)
Profit before interest and taxation		1,283	172
Interest receivable and similar income		1	18
Profit before taxation	4	1,284	190
Tax on (Loss) profit	5	(262)	(14)
Profit for the financial year		1,022	176

The results above relate to continuing operations.

Statement of Comprehensive Income
For the year ended 31 December 2016

	Notes	2016 £'000	2015 £'000
Profit for the financial year		1,022	176
Other comprehensive income:		-	-
Total tax on components of other comprehensive income	5	-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		1,022	176

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


Balance Sheet

As at 31 December 2016

	Notes	2016 £'000	2015 £'000
Current assets			
Debtors	8		
Amounts owed by group undertakings		3,779	3,919
Other debtors		4,376	1,950
Prepayments and accrued income	8	133	8
Cash at bank and in hand		475	4,183
		<u>8,763</u>	<u>10,060</u>
Current liabilities			
Creditors: amounts falling due within one year	9		
Amounts owed to group undertakings		(235)	(1,000)
Other creditors		(1,005)	(34)
Accruals and deferred income		(744)	(3,269)
		<u>(1,984)</u>	<u>(4,303)</u>
Net current assets		<u>6,779</u>	<u>5,757</u>
Total assets less current liabilities		<u>6,779</u>	<u>5,757</u>
Net assets		<u>6,779</u>	<u>5,757</u>
Capital and reserves			
Called up share capital	10	5	5
Retained earnings		6,774	5,752
Total equity		<u>6,779</u>	<u>5,757</u>

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 2017 and were signed on its behalf by:


P R Gunner
Director

Statement of changes in equity

For the year ended 31 December 2016

Note	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 January 2015	5	5,576	5,581
Profit for the financial year	-	176	176
Balance as at 31 December 2015	<u>5</u>	<u>5,752</u>	<u>5,757</u>
Balance at 1 January 2016	5	5,752	5,757
Profit for the financial year	-	1,022	1,022
Balance as at 31 December 2016	<u>5</u>	<u>6,774</u>	<u>6,779</u>

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

Notes to the financial statements

For the year ended 31 December 2016

1 General Information

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 Bridgepoint Advisers II Limited 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. 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.

(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 Financial Reporting Standard 8 and 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.

Lease incentive

The Company has taken advantage of the exemption in respect of lease incentives in existence on the date of transition to FRS 102 and continues to credit such lease incentives to the Profit and Loss Account over the period to the first review date.

(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 or deferred taxation assets and liabilities are not discounted.

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.

Notes to the financial statements (continued)

For the year ended 31 December 2016

3 Summary of significant accounting policies (continued)

(d) Foreign currencies

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

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) 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.

(i) Placement Agents' Fees

Placement agents' fees incurred during the raising of a fund are expensed on an accrual basis.

Notes to the financial statements (continued)

For the year ended 31 December 2016

4 Profit before taxation	2016	2015
	£'000	£'000
<i>This is stated after charging:</i>		
Administrative expenses	1,456	1,940
Audit fees	48	35
Net foreign exchange (gains)/losses	(890)	103
	<u>614</u>	<u>2,077</u>

Audit fees charged include amounts in relation to the audit of certain other group companies, £15k (2015: £13k) relates to the audit of the Company.

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

5 Tax on profit	2016	2015
	£'000	£'000
(a) Tax expense included in Profit or Loss account		
Current tax:		
UK Corporation tax on profits for the Year	262	15
Adjustment in respect of prior periods	(1)	-
Total current tax	<u>261</u>	<u>15</u>
Deferred tax:		
Adjustment in respect of prior periods	1	-
Total deferred tax	<u>1</u>	<u>(1)</u>
Tax on (Loss) profit	<u>262</u>	<u>14</u>

(b) Reconciliation of tax charge

Tax assessed for the year is higher (2015: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2016 of 20.00% (2015: 20.25%) The differences are explained below:

	2016	2015
	£'000	£'000
Profit before taxation	<u>1,284</u>	<u>190</u>
Tax on Profit before taxation at the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	<u>256</u>	<u>38</u>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	6	3
Deduction from employee share acquisitions	-	(27)
Adjustment in respect of prior years	-	-
Total tax charges for the year	<u>262</u>	<u>14</u>

Notes to the financial statements (continued)

For the year ended 31 December 2016

6 Employees

The monthly average number of employees during the year was 2 (2015: 3).

	2016 £'000	2015 £'000
Wages and salaries	511	572
Staff bonuses	375	513
Social security costs	120	148
Pension costs	1	6
Other staff costs	-	2
	<u>1,007</u>	<u>1,241</u>

7 Directors' remuneration

	2016 £'000	2015 £'000
Aggregate emoluments	<u>760</u>	<u>888</u>
Pension contributions	-	-
Total emoluments of highest paid director including pension contributions	<u>760</u>	<u>888</u>

8 Debtors

	2016 £'000	2015 £'000
Amounts due within one year:		
Amounts owed by group undertakings	3,779	3,919
Other debtors	<u>4,376</u>	<u>1,950</u>
<i>Group relief</i>	1	-
<i>Deferred taxation</i>	-	1
Prepayments and Accrued Income	<u>133</u>	<u>8</u>
	<u>8,288</u>	<u>5,877</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

	2016 £'000	2015 £'000
Amounts owed to group undertakings	235	1,000
Other creditors	<u>1,005</u>	<u>34</u>
<i>Group relief</i>	277	15
Accruals and deferred income	<u>744</u>	<u>3,269</u>
	<u>1,984</u>	<u>4,303</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 2016

10 Called up share capital

	2016 Number	2016 £'000	2015 Number	2015 £'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, both classes are firstly entitled to an aggregate amount of the subscription price of their Share plus 10%, secondly Ordinary shares are entitled to £30m and thirdly 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.

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.