

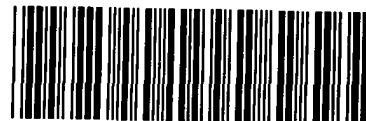
Registration number: 3220373

BRIDGEPOINT ADVISERS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2013

TUESDAY



\*A3HJ8Z00\*

A13

30/09/2014

#175

COMPANIES HOUSE

# Strategic Report

The Company acts as a fund manager and is regulated by the Financial Conduct Authority. The profit for the financial year is £16.3m and at the year end the Company has net assets of £70.6m. The financial risks 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 Bridgepoint Advisers Limited (the 'Company') for the year ended 31 December 2013.

### Results and dividends

The results for the year are shown on page 5.

The directors have paid a dividend of £10m (2012: £nil). The retained profit for the financial year of £6,315,000 has been transferred to reserves (2012: £18,734,000).

### Directors

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

J W M Barber  
C S J Barter  
P R Gunner

J R Hughes  
W N Jackson  
G P Weldon

### Directors' Indemnity

Bridgepoint Advisers Limited maintains liability insurance for directors and officers of Bridgepoint group and associated companies, which includes the Company. This is a qualifying 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 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 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 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 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 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**

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



J R Hughes  
Director

16 April 2014

# Independent auditors' report

TO THE MEMBERS OF BRIDGEPOINT ADVISERS LIMITED

## Report on the Financial Statements

### Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

### What we have audited

The financial statements, which are prepared by Bridgepoint Advisers Limited, comprise:

- the Balance Sheet as at 31 December 2013;
- the Profit and Loss Account 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 their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the Report and Financial Statements 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.

### 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.

## Independent auditors' report (continued)

### 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.

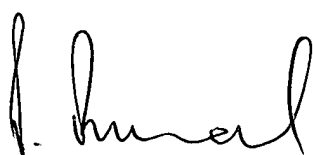
### Responsibility for the financial statements and the audit

#### 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 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.



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

16 April 2014

## Profit and Loss Account

For the year ended 31 December 2013

	Notes	2013 £'000	2012 £'000
Turnover	1 (h)	88,877	83,777
Fees payable		<u>(46,032)</u>	<u>(40,439)</u>
Gross profit		42,845	43,338
Administrative expenses		<u>(21,020)</u>	<u>(18,198)</u>
Operating profit		21,825	25,140
Interest receivable and similar income		143	244
Profit on ordinary activities before taxation	2	<u>21,968</u>	<u>25,384</u>
Tax on profit on ordinary activities	3	<u>(5,653)</u>	<u>(6,650)</u>
Profit for the financial year	11	16,315	18,734
Dividends paid	11	<u>(10,000)</u>	-
Retained profit for the financial year		<u>6,315</u>	<u>18,734</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.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

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

**Balance Sheet**  
As at 31 December 2013

	Notes	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Tangible fixed assets	7	<u>4,126</u>	<u>645</u>
		4,126	645
<b>Current assets</b>			
Debtors	8	40,317	34,562
Cash at Bank		<u>75,823</u>	<u>60,393</u>
		116,140	94,955
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	9	<u>(49,653)</u>	<u>(31,302)</u>
<b>Net current assets</b>		66,487	63,653
<b>Total assets less current liabilities</b>		<u>70,613</u>	<u>64,298</u>
<b>Net assets</b>		<u>70,613</u>	<u>64,298</u>
<b>Capital and reserves</b>			
Called-up Share Capital	10	5	5
Profit and Loss Account	11	<u>70,608</u>	<u>64,293</u>
<b>Total shareholders' funds</b>	11	<u>70,613</u>	<u>64,298</u>

The financial statements on pages 5 to 12 were approved by the Board of Directors and signed on its behalf by:



J R Hughes  
Director

16 April 2014

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

# Notes to the financial statements

For the year ended 31 December 2013

## 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 2006.

### (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 Statement 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 requirement to disclose related party transactions within the group on the grounds that 100% 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) Turnover

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

### (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 in line with UITF 28.

### (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 2013

### 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

	2013	2012
	£'000	£'000
This is stated after charging:		
Depreciation	484	516
Operating lease rentals		
- land and buildings	2,462	1,459
- other	49	44
Audit fees	57	86

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

### 3 Tax on profit on ordinary activities

	2013	2012
	£'000	£'000
The tax charge for the year comprises:		
Current tax charge for the year	5,426	6,274
Adjustment to prior years	106	281
Current year deferred tax	117	101
Prior year deferred tax	4	(6)
	<u>5,653</u>	<u>6,650</u>
Profit on ordinary activities before taxation	<u>21,968</u>	<u>25,384</u>
Profit on ordinary activities before taxation at the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	5,108	6,219
Effects of:		
Expenses not deductible for tax purposes	426	121
Capital allowances for the year in excess of depreciation	(84)	61
Other timing differences	(24)	(127)
Current tax charge for the year	<u>5,426</u>	<u>6,274</u>

## Notes to the financial statements (continued)

For the year ended 31 December 2013

### 4 Directors' remuneration

	2013 £'000	2012 £'000
Aggregate emoluments	3,057	2,929
Pension contributions	99	107
Total emoluments of highest paid director including pension contributions	1,110	1,111

### 5 Employee information

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

	2013 Number	2012 Number
Directors	5	5
Other	34	35
	39	40

	2013 £'000	2012 £'000
Wages and salaries	4,532	4,284
Staff bonuses	3,431	3,354
Social security costs	1,072	997
Other Pension costs	333	381
Other staff costs	209	193
	9,577	9,209

### 6 Pension contributions

The company participates in 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. The pension cost charge for the year has been shown as part of the staff costs in note 5.

The Company operates a bonus sacrifice scheme. At 31 December 2013 pension contributions of £69,000 (2012: £115,000) payable in March 2014 under this scheme, were included within accruals in the Balance Sheet.

## Notes to the financial statements (continued)

For the year ended 31 December 2013

### 7 Tangible fixed assets

	Leasehold Improvements £'000	Computers, Furniture and Other £'000	Total £'000
<i>Cost</i>			
At 1 January 2013	2,158	2,316	4,474
Additions	2,403	1,705	4,108
Disposals	(2,163)	(705)	(2,868)
At 31 December 2013	<u>2,398</u>	<u>3,316</u>	<u>5,714</u>
<i>Accumulated Depreciation</i>			
At 1 January 2013	(1,819)	(2,010)	(3,829)
Charged in the year	(302)	(182)	(484)
Disposals	2,022	703	2,725
At 31 December 2013	<u>(99)</u>	<u>(1,489)</u>	<u>(1,588)</u>
<i>Net book value at</i>			
At 1 January 2013	339	306	645
At 31 December 2013	<u>2,299</u>	<u>1,827</u>	<u>4,126</u>

### 8 Debtors

	2013 £'000	2012 £'000
Amounts owed by group undertakings	34,116	28,714
Deferred taxation	78	200
Other debtors	4,908	4,494
Prepayments and accrued income	1,215	1,154
	<u>40,317</u>	<u>34,562</u>

## Notes to the financial statements (continued)

For the year ended 31 December 2013

### 9 Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	16,438	11,463
Group relief	5,533	6,555
Social Security payable	196	186
Other creditors	3,855	1,400
Accruals and deferred income	23,631	11,698
	<u>49,653</u>	<u>31,302</u>

### 10 Called-up share capital

	2013 Number	2013 £'000	2012 Number	2012 £'000
<i>Authorised:</i>				
Ordinary Shares of £1	50,000	50	50,000	50
<i>Allotted, called-up and fully paid:</i>				
Ordinary Shares of £1	5,000	5	5,000	5

### 11 Reconciliation of movement in shareholder's funds

	Called up Share Capital £'000	Profit and Loss Account £'000	Total Share- holder's Funds £'000
Balance at 1 January 2013	5	64,293	64,298
Profit for the financial year	-	16,315	16,315
Dividends paid	-	(10,000)	(10,000)
Balance at 31 December 2013	<u>5</u>	<u>70,608</u>	<u>70,613</u>

## Notes to the financial statements (continued)

For the year ended 31 December 2013

### 12 Operating lease commitments

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

	2013	2013	2012	2012
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£'000	£'000	£'000	£'000
Expiry date				
- within one year	-	-	1,401	7
- between two and five years	-	29	-	29
- after five years	2,664	-	-	-
	<u>2,664</u>	<u>29</u>	<u>1,401</u>	<u>36</u>

A new land and building lease was signed during 2013 which will have an annual obligation of £2.6m per annum. No payment is due on this lease until 2015.

### 13 Financial Derivatives

The Company has 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 £35m with varying maturities up to July 2015.

### 14 Ultimate parent undertaking

The ultimate parent company is Bridgepoint Advisers Group Limited.

The results of the Company are consolidated in the group financial statements of Bridgepoint Advisers Group Limited. The ultimate parent undertaking and controlling party is Bridgepoint Advisers 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 Advisers Group Limited are available at Companies House, Crown Way, Cardiff.

### 15 Dividends

	2013	2012
	£'000	£'000
Equity - ordinary		
Final paid: £2,000 per £1 share	10,000	-
	<u>10,000</u>	<u>-</u>