

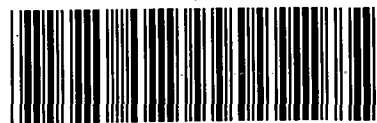


# 3i GC GP Limited

Annual report and accounts for the year to 31 March 2014

Registered number: 07106395

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## Directors' report

The Directors submit their report with the financial statements for the year to 31 March 2014.

### Business Review

#### **Principal activity**

The principal activity of 3i GC GP Limited (the "Company") is to act as General Partner of various Growth Capital Limited Partnerships.

#### **Development**

There have been no changes in activity in the year and the Directors do not foresee any future changes.

#### **Principal risks and uncertainties**

The Company's financial risk management objectives and policies are discussed in note 11 to the financial statements.

### Results and dividend

Total comprehensive income for the year after tax is €271,639 (2013: €204,494). The Directors have proposed and paid dividend €1,200,000 for the year (2013: €nil).

#### **Directors**

K J Dunn  
A J Haywood  
J C Murphy  
B R Loomes

## Directors' report

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable United Kingdom law and have elected to prepare them in accordance with those International Financial Reporting Standards which have been adopted by the European Union.

Under Company Law the Directors must not approve financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the Company for that period. In preparing financial statements the Directors:

- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes In Accounting Estimates and Errors and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements; and
- make judgements and estimates that are reasonable and prudent.

The Directors have a responsibility for ensuring that proper accounting records are kept which 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 financial statements

### Going concern

The Directors are satisfied that the Company will be able to continue in business for the foreseeable

### Disclosure of information to the auditors

Pursuant to section 418(2) of the Companies Act 2006, each of the Directors confirms that: (a) so

### Auditors

Ernst & Young LLP remain in office as auditors of the Company in accordance with Section 487(2) of the Companies Act 2006.

By Order of the Board



J C Murphy

For and on behalf of 3i plc

Secretaries

Date: 28 July 2014

Registered Office:  
16 Palace Street  
London SW1E 5JD

## Independent auditor's report to the shareholders of 3i GC GP Limited

We have audited the financial statements of 3i GC GP Limited (the "Company") for the year ended 31 March 2014 which comprise the statement of comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows, accounting policies A to I and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Directors and auditor

As explained more fully in the statement of Directors' responsibilities, as set out on pages 2-3, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

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 annual report and accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditors' report to the shareholders of  
3i GC GP Limited

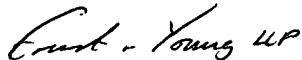
**Opinion on other matters prescribed by the Companies Act 2006**

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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors were not required to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in not preparing the Strategic Report.



James Stuart (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
London

Date: 28/7/14

## Statement of comprehensive income

for the year to 31 March 2014

	Notes	2014 €	2013 €
Revenue	1	4,200,579	5,310,225
Operating expenses	2	(3,990,553)	(5,044,710)
<b>Operating profit</b>		210,026	265,515
Interest received		513	60
<b>Profit before tax</b>		210,539	265,575
Income taxes	4	61,100	(61,081)
<b>Profit for the year</b>		271,639	204,494
<b>Total comprehensive income for the year</b>		271,639	204,494

All items in the above statement are derived from continuing operations.

No operations were acquired or discontinued in the year.

The Company has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

## Statement of changes in equity

for the year 31 March 2014

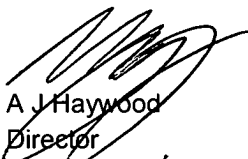
	Issued capital €	Retained earnings €	Total equity €
Total equity as at 31 March 2012	1	924,424	924,425
Profit for the year	-	204,494	204,494
Total equity as at 31 March 2013	1	1,128,918	1,128,919
Profit for the year	-	271,639	271,639
Dividends paid	-	(1,200,000)	(1,200,000)
Total equity as at 31 March 2014	1	200,557	200,558

## Statement of financial position

as at 31 March 2014

	Notes	2014 €	2013 €
<b>Assets</b>			
<b>Current assets</b>			
Other receivables	6	17,958	3,430,322
Cash and cash equivalents		201,504	1,132,920
<b>Total assets</b>		<b>219,462</b>	<b>4,563,242</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Deferred tax	4	-	(61,100)
Other payables	7	(18,904)	(3,373,223)
<b>Total liabilities</b>		<b>(18,904)</b>	<b>(3,434,323)</b>
<b>Net assets</b>		<b>200,558</b>	<b>1,128,919</b>
<b>Equity</b>			
Issued capital	8	1	1
Retained earnings		200,557	1,128,918
<b>Total equity</b>		<b>200,558</b>	<b>1,128,919</b>

The financial statements have been approved and authorised for issue by the Board of Directors.

  
A J Haywood  
Director

Date: 28/3/14



## Statement of cash flows

for the year to 31 March 2014

	2014	2013
	€	€
<b>Cash flow from operating activities</b>		
Profit after taxation	271,639	204,494
	271,639	204,494
Decrease in receivables	3,412,364	(1,767,081)
Decrease in payables	(3,415,419)	1,854,226
<b>Net cash flow from operating activities</b>	268,584	291,639
<b>Cash flow from financing activities</b>		
Dividends paid	(1,200,000)	-
<b>Net cash flow from financing activities</b>	(1,200,000)	-
<b>Change in cash and cash equivalents</b>	(931,416)	291,639
<b>Cash and cash equivalents at the start of the year</b>	1,132,920	841,281
<b>Cash and cash equivalents at the end of the year</b>	201,504	1,132,920

## Accounting policies

**A Statement of compliance** These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and their interpretations issued or adopted by the International Accounting Standards Board as adopted for use in the European Union ("IFRS").

These financial statements have been prepared in accordance with and in compliance with the Companies Act 2006.

The IASB has issued the following standards and interpretations to be applied to financial statements with periods commencing on or after the following dates:

		Effective for period beginning on or after
IAS 32	Amendments to Offsetting Financial Assets and Financial Liabilities	01 January 2014
IAS 36	Recoverable amount disclosures for non-financial assets - amendments to IAS 36	01 January 2014
IAS 39	Novation of derivatives and confirmation of hedge accounting - amendments to IAS 39	01 January 2014
IFRS 9	Financial Instruments: Classification and Measurement	01 January 2018

The Directors do not anticipate that the adoption of these standards, interpretations and amendments will have a material impact on the financial statements in the period of initial application and has therefore decided not to adopt these amendments early.

**B Basis of preparation** The financial statements are presented in euro, the functional currency of the Company.

The preparation of financial statements in conformity with IFRS requires management to make Judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the Judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The most significant techniques for estimation are described in the accounting policies below.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

## Accounting policies

**C Revenue Recognition** Revenue comprises Priority Profit Share from 3i Growth Capital A LP, 3i Growth Capital B LP, 3i Growth Capital C LP, 3i Growth Capital C-US LP, 3i Growth Capital G LP and 3i Growth Capital F LP which are English Limited Partnerships, and is recorded on an accruals basis.

**D Operating expenses** Operating expenses are recorded on an accrual basis

**E Financial instruments** Financial instruments are made up of other payables, other receivables and cash and cash equivalents. The Directors consider that the fair value of other payables and other receivables approximate their carrying value. The Directors do not believe that the Company is exposed to significant credit risk, liquidity risk, currency risk or interest rate risk and has not taken any specific actions to mitigate these financial risks (see note 11). There are no other financial instruments.

**F Cash and cash equivalents** Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and short term deposits as defined above.

**G Other receivables** Assets, other than those specifically accounted for under a separate policy, are stated at their cost less impairment losses. They are reviewed at each statement of financial position date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in the level of impairment is recognised directly in the statement of comprehensive income. An impairment loss is reversed at subsequent statement of financial position dates to the extent that the asset's carrying amount does not exceed its original cost.

**H Other payables** Liabilities, other than those specifically accounted for under a separate policy, are stated at fair value based on the amounts which we consider to be payable in respect of goods or services received up to the statement of financial position date.

## Accounting policies

**I Income taxes** Income taxes represent the sum of the tax currently payable, and deferred tax. Tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity.

The tax currently payable is based on the taxable profit for the year. This may differ from the profit included in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit ('temporary differences'), and is accounted for using the statement of financial position liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

## Notes to the financial statements

## 1 Revenue

	2014 €	2013 €
Priority Profit Share	4,200,579	5,310,225
	4,200,579	5,310,225

## 2 Operating expenses

The auditor's remuneration for the year was €5,040 (2013: €5,040) and was borne by 3i plc, a fellow subsidiary.

## 3 Directors' emoluments

None of the Directors received any emoluments in respect of their services to the Company for the year to 31 March 2014 (2013: none).

The Directors of the Company are also directors of fellow subsidiaries and receive remuneration from 3i plc. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as directors of fellow subsidiary companies however the Directors' services to the Company do not occupy a significant amount of their time.

The Company's contribution to pension schemes on behalf of Directors was €nil (2013: €nil).

The Directors are granted options in shares of 3i Group plc. The fair value for the services provided to the Company by the Directors cannot be reliably estimated and as such no share-based payment charge has been allocated to the Company.

## Notes to the financial statements

## 4 Income taxes

	2014	2013
	€	€
<b>Current tax</b>		
UK corporation tax	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	63,738
(Over)/under provision in prior period	(61,100)	(1)
Effect of change in UK tax rate to 20% (2013: 23%)	-	(2,656)
<b>Total income taxes in the statement of comprehensive income</b>	<b>(61,100)</b>	<b>61,081</b>

**Reconciliation of total income taxes in the statement of comprehensive income**

The tax for the year is different to the standard rate of corporation tax in the UK currently 23% (2013: 24%). The difference is explained below:

	2014	2013
	€	€
Profit before tax	210,539	265,575
Profit before tax multiplied by rate of corporation tax in the UK of 23% (2013: 24%)	48,424	63,738
Effects of:		
Recognition of previously unrecognised deferred tax on losses	(48,424)	-
(Over)/Under Provision in prior period	(61,100)	(1)
Effect of change in UK tax to 20% (2013: 23%)	-	(2,656)
<b>Total income taxes in the statement of comprehensive income</b>	<b>(61,100)</b>	<b>61,081</b>

## Notes to the financial statements

Deferred tax	Statement of financial position	Statement of comprehensive income
	2014 €	2014 €
<b>Deferred income tax asset</b>		
Tax losses	3,838,717	(1,103,854)
<b>Deferred income tax liability</b>		
Accrued Priority Profit	(3,838,717)	1,042,754
<b>Deferred income tax asset</b>	-	-
<b>Deferred income tax charge/(credit) in the statement of comprehensive income</b>	-	(61,100)
	Statement of financial position	Statement of comprehensive income
	2013 €	2013 €
<b>Potential Deferred income tax asset</b>		
Tax losses	2,734,863	192,554
<b>Deferred income tax liability</b>		
Accrued Priority Profit	(2,795,963)	(131,473)
<b>Deferred income tax</b>	(61,100)	-
<b>Deferred income tax charge/(credit) in the statement of comprehensive income</b>	-	61,081

Deferred income tax has been calculated using the expected rate of corporation tax in the UK of 20% (2013: 23%). At 31 March 2014 3i GC Ltd had tax losses carried forward in excess of PPS loan of €4,600,405 (2013: €4,810,944) which results in an unrecognised deferred tax asset of €920,081 (2013: €1,106,517). It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised with respect to these.

## Notes to the financial statements

## 5 Dividends paid and proposed

	2014 €	2013 €
Declared and paid during the year	1,200,000	-
	<u>1,200,000</u>	<u>-</u>

## 6 Other receivables

	2014 €	2013 €
Amounts owed by group undertakings	17,958	1,114,874
Amounts owed by 3i Growth Capital B LP	-	2,315,448
	<u>17,958</u>	<u>3,430,322</u>

Amounts owed by group undertakings relate to unpaid share capital from the Company's ultimate parent undertaking, 3i Holdings plc.

## 7 Other payables

	2014 €	2013 €
Amounts owed to group undertakings	18,904	1,173,548
Amount owed to 3i plc	-	2,199,675
	<u>18,904</u>	<u>3,373,223</u>

## 8 Share capital

	Number of shares	Amount €
Called up and allotted ordinary shares of £1 each (€: £0.89661)	1	1
At 31 March 2013 and 31 March 2014	<u>1</u>	<u>1</u>



## Notes to the financial statements

## 9 Parent undertaking and controlling party

The Company's immediate parent undertaking is 3i Holdings plc.

The Company's ultimate parent undertaking and controlling party is 3i Group plc which is incorporated in Great Britain and registered in England and Wales. Copies of its group financial statements, which include the Company, are available from 16 Palace Street, London, SW1E 5JD.

## 10 Related parties

During the year the Company entered into transactions, in the ordinary course of business, with related parties. Those transactions with directors of the Company are disclosed in the Directors' report and note 3. There are no other key management personnel. Each of these categories of related parties and their impact on the financial statements is detailed below.

**Investments in Limited Partnerships**

Total revenue in the form of Priority Profit Share from investments in various English Limited Partnerships is detailed below:

	2014		2013	
	€		€	
	Priority Profit Share	Accrued end of year	Priority Profit Share	Accrued end of year
3i Growth Capital A LP	353,628	-	424,745	-
3i Growth Capital B LP( including 3i Growth Capital F LP)	2,388,042	-	2,891,637	-
3i Growth Capital C LP	963,517	-	1,430,381	-
3i Growth Capital C US LP	141,764	-	138,717	-
3i Growth Capital G LP	353,628	-	424,745	-
	4,200,579	-	5,310,225	-

The interest free loan has been created as a result of insufficient income to cover the Priority Profit Share for the year.

**Fellow subsidiary***Management fees*

Total fees paid to 3i plc for management services, including the amount of accrued fees due at the end of the year, are detailed below:

	2014		2013	
	€		€	
	Management Fees in Year	Accrued end of year	Management Fees in Year	Accrued end of year
Management fees	3,990,553	-	5,044,710	-

## Notes to the financial statements

### Parent company

#### Share capital

The total amount outstanding from the parent company in respect of share capital is shown below:

	2014	2013
	€	€
Accrued at end of year	1	1

## 11 Financial risk management

The Company is a subsidiary of 3i Group plc. The Group sets objectives, policies and processes for managing and monitoring risk as set out in the Directors' report in the 3i Group plc annual report. This note provides further information on the specific risks faced by the Company.

The capital structure of the Company consists of equity and intercompany loans which are due on demand. There is sufficient capital in the Company to cover liabilities and the Company is free to transfer capital to the parent company subject to maintaining sufficient reserves to meet statutory obligations. No significant constraints have been identified in the past and the Company has been able to distribute profits in a tax-efficient manner.

#### Credit risk

The Directors do not believe that there is significant credit risk as amounts owed by the Company's debtors are due from other Group companies and are repayable on demand.

#### Liquidity risk

Liquidity risk is managed at the Group level as discussed in the Directors' report in the 3i Group plc annual report.

#### Currency risk

Currency risk is managed at the Group level by matching foreign currency assets with foreign currency liabilities. In 2014, the exposure of the Company to foreign currencies was nil.

#### Interest rate risk

The Company does not hold any fixed or floating rate financial assets or liabilities and therefore is not subject to interest rate risk.

#### Market risk

The Directors do not believe that there is significant market risk as the Company does not hold fixed or floating rate loans or liabilities (other than intercompany loans), foreign currency assets or liabilities, or investments which are exposed to market fluctuations.