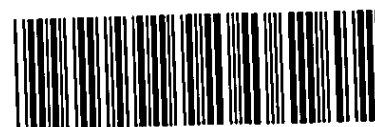


**CHARTERHOUSE
GENERAL
PARTNERS (VII)
LIMITED**

TUESDAY



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REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

REPORT OF THE DIRECTORS

To be presented at the Nineteenth Annual General Meeting of Charterhouse General Partners (VII) Limited to be held at Warwick Court, Paternoster Square, London EC4M 7DX on Wednesday, 11 April 2007

DIRECTORS

The Directors of the Company are

Mr J G Bonnyman
Mr D Aldred
Mr G J Arbuthnott
Mr W B D Dockeray
Mr R G Pilgrim
Mr T R Plant

Mr W B D Dockeray was appointed on 11 January 2006

All the Directors, except Mr Dockeray, held office throughout the year

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as a general partner to investment funds.

PROFIT AND DIVIDENDS

The profit for the year after taxation was £1,728,000 (2005 loss £773,000) The Directors do not recommend the payment of a dividend (2005 nil)

DIRECTORS' INTERESTS

The Directors had no interests at 31 December 2006 in the shares of the Company Their interests in the shares of the holding company, Charterhouse Capital Limited, are disclosed in the Report and Accounts of that company

As at 31 December 2006 and during the year then ended, there were no contracts with the Company in which any Director of the Company had a disclosable interest under the provisions of the Companies Act 1985

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Annual Report 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to give a true and fair view of the state of affairs of the the company and of the profit or loss of the company for that period In preparing those financial statements, the directors are required to

REPORT OF THE DIRECTORS (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS (continued)

- Select suitable accounting policies and then apply them consistently,
- Make judgements and 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,
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to reappoint Ernst & Young LLP as the Company's auditors will be proposed at the Annual General Meeting.

By Order of the Board



Secretary

16 March 2007

Warwick Court
Paternoster Square
London EC4M 7DX

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED**PROFIT AND LOSS ACCOUNT**

for the year ended 31 December 2006

	Notes	2006 £'000s	2005 £'000s
Turnover	2	6,758	19,325
Administrative expenses	3	(7,184)	(20,160)
Operating loss		(426)	(835)
Interest receivable	4	-	3
Loss on ordinary activities before taxation		(426)	(832)
Taxation credit on ordinary activities	5	2,153	59
Retained profit for the year		1,727	(773)
Retained profit at 1 January		335	1,108
Retained profit at 31 December		2,062	335

All income and expenditure arose from continuing activities

The only movement in Shareholders' Funds is the retained (loss)/profit for the year

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses in the current or the prior accounting period other than the profit as stated above

The notes on pages 5 to 8 form part of these accounts

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED**BALANCE SHEET**

at 31 December 2006

	Notes	2006 £'000s	2005 £'000s
FIXED ASSETS			
Investments	6	-	-
CURRENT ASSETS			
Amounts owed by fellow subsidiary undertakings	7	-	7
Tax recoverable		211	246
Deferred tax	8	1,943	-
Cash at bank		1	92
		<u>2,155</u>	<u>345</u>
CREDITORS – amounts falling due within one year			
Amount due by fellow subsidiary undertakings		83	-
		<u>83</u>	<u>345</u>
NET CURRENT ASSETS		2,072	345
NET ASSETS		<u>2,072</u>	<u>345</u>
CAPITAL AND RESERVES			
Called up share capital	9	10	10
Profit and loss account		2,062	335
TOTAL SHAREHOLDERS' FUNDS		<u>2,072</u>	<u>345</u>

The accounts were approved by the Board of Directors on 16 March 2007 and were signed on its behalf by



Director

The notes on pages 5 to 8 form part of these accounts

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2006

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards

Cash flow statement

The financial statements of the Company are included in the consolidated financial statements of its ultimate parent company. Consequently, the Company is exempt under the terms of FRS 1 (Revised 1996) Cash Flow Statement from publishing a cash flow statement

Foreign currencies

Assets and liabilities in foreign currencies are expressed in sterling at the rate of exchange ruling at the accounting date. Exchange gains and losses are taken to the profit and loss account. Where foreign currency borrowings are used to provide a hedge against foreign equity investments, exchange gains and losses arising on the foreign exchange borrowings are taken to reserves and offset against exchange differences arising from the retranslation of investments

Limited partnerships under management ("Funds")

The Company's General Partner of certain limited partnerships (the "Fund") which invests in, primarily, unlisted companies in the UK and Europe. Due to the nature of limited partnerships, the Funds are considered to be subsidiary undertaking of the General Partner. However, as the distribution of the assets of the Funds are determined by the Limited Partnership Agreement, the General Partners' rights over the assets of the Funds are severely restricted and therefore the Fund has been excluded from consolidation

In addition, the General Partner controls certain Fund investments which are excluded from consolidation as the General Partners' control is exercised only on behalf of the investor in the Fund in a fiduciary capacity

Investments

Unlisted investments are included at cost less provision for any permanent diminution in value as determined by the General Partner. Provisions made in accordance with this policy are reflected in the Income and Expenditure Accounts. Value is determined based on the International Private Equity and Venture Capital Valuation Guidelines. Those investments over which the Limited Partnerships individually have significant influence are also included at cost less provision for any permanent diminution in value, in accordance with Financial Reporting Standard No 9

Turnover

The Company receives management profit share from Charterhouse Capital Partners VII which is accounted for when receivable

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2006 (continued)

Deferred tax (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable future taxable profits against which it can be offset.

2 TURNOVER

	2006 £'000s	2005 £'000s
Fees receivable in respect of management profit share	6,758	19,325

3 ADMINISTRATIVE EXPENSES

Administrative expenses include management charges from other group entities. The Directors do not receive any remuneration for their services to the Company and have not waived any remuneration.

The auditors' remuneration has been borne by a fellow subsidiary undertaking.

4 INTEREST RECEIVABLE

	2006 £'000s	2005 £'000s
Interest receivable	-	3

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2006 £'000s	2006 £'000s	2005 £'000s	2005 £'000s
a) Analysis of charge in the period				
Current tax				
UK corporation tax on losses for the period	212		246	
Adjustments in respect of prior periods	(2)		(208)	
Total current taxation credit		210		38
Deferred tax				
Originating and reversal of timing differences		1,943		21
Taxation on profit on ordinary activities		2,153		59

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2006 (continued)

5 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

b) Factors affecting tax charge for period

The tax assessed differs from the standard rate of corporation tax in the UK (30%) The differences are explained below

	2006 £'000s	2005 £'000s
Loss on ordinary activities before tax	(425)	(832)
Loss on ordinary activities multiplied by the Standard rate of corporation tax in the UK of 30%	128	250
Effects of		
Accounting allocation of profits from Funds more/(less) than allocation of profits from Funds	28	(4)
Non taxable income (primarily UK dividend income)	1,999	-
Effect of losses carried forward	(1,943)	-
Adjustments in respect of prior period	(2)	(208)
Current taxation credit for period	210	38

6 INVESTMENTS

Investments comprise capital contribution of £69 to CCP VII GmbH & Co KG (2005 £69), which is valued at cost There has been no movement during the period

7 AMOUNTS OWED BY FELLOW SUBSIDIARY UNDERTAKINGS

The amounts owed by fellow subsidiary undertakings are interest free and at call

8 DEFERRED TAXATION

	2006 £'000s	2005 £'000s
At 1 January	-	(21)
Movement from profit and loss account	1,943	21
At 31 December	1,943	-

The deferred tax asset arises as a result of accounting allocation of profits from funds being less than the tax allocation of profits from funds

9 SHARE CAPITAL

	2006 £'000s	2005 £'000s
Authorised, allotted, called up and fully paid 10,000 Ordinary shares of £1 each	10	10

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2006 (continued)

10 RELATED PARTY TRANSACTIONS

The Company acts as the General Partner or Co-Managing Limited Partner to the following limited partnerships

CCP VII LP No 1 1
CCP VII LP No 1 2
CCP VII LP No 2 1
CCP VII LP No 2 2
CCP VII GmbH & Co KG
CCP VII Co-investment LP A
CCP VII Co-investment LP B
CCP VII Co-investment LP C
CCP VII Co-investment LP D
CCP VII Co-investment LP E
CCP VII Co-investment LP F
CCP VII Co-investment LP G

Due to the nature of limited partnerships, the Funds are considered to be subsidiary undertakings of the General Partners. However, as the distribution of the assets of the Funds are determined by the Limited Partnership Agreement, the General Partners' rights over the assets of the Fund are severely restricted and therefore the Funds have been excluded from consolidation.

Income receipts from limited partnerships during the year comprised management profit share calculated on terms prescribed within the respective limited partnership agreements. The total receipt is disclosed as turnover in note 2 to these accounts.

At the balance sheet date amounts owed by limited partnerships in respect of outstanding management profit share amounted to nil (2005 nil).

Under the terms of Financial Reporting Standard No 8, the Company is exempt from disclosing transactions with other entities within the same group as the consolidated financial statements are publicly available.

11 ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking and ultimate controlling party as defined under Financial Reporting Standard 8 "Related Party Disclosures" (FRS 8) is Charterhouse Capital Limited, which is registered in England and Wales.

The ultimate parent undertaking of the smallest and largest group in which the financial statements of the Company are consolidated is Charterhouse Capital Limited.

The consolidated financial statements of Charterhouse Capital Limited may be obtained from the Company Secretary, Warwick Court, Paternoster Square, London EC4M 7DX.

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

We have audited the company's financial statements (the "financial statements" of Good Practice Group Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses and the Company Balance Sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The directors' responsibilities for the preparing of the Annual report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Audited (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practises Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED**

Opinion

In our opinion

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of the company's profit for the year then ended,
- The financial statements have been properly prepared in accordance with the Companies Act 1985, and
- The information given in the Directors' Report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

10 March 2007

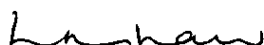
CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Nineteenth Annual General Meeting of Charterhouse General Partners (VII) Limited will be held at Warwick Court, Paternoster Square, London EC4M 7DX on 11 April 2007 for the following purposes

- 1 To receive the Directors' Report and Statement of Accounts for the year ended 31 December 2006 and the Auditors' Report thereon
- 2 To reappoint the auditors, Ernst & Young LLP

By Order of the Board



Secretary

16 March 2007

Warwick Court
Paternoster Square
London EC4M 7DX

A member entitled to attend and vote may appoint one or more proxies to attend and on a poll to vote on his behalf. A proxy need not be a member.