

2197301

**CHARTERHOUSE
GENERAL
PARTNERS (VII)
LIMITED**

WEDNESDAY



A38

A2INCENS

09/10/2013

COMPANIES HOUSE

#112

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

REPORT OF THE DIRECTORS

The Directors present their annual report on the affairs of Charterhouse General Partners (VII) Limited (the "Company") together with financial statements and auditors' report for the year ended 31 December 2012

DIRECTORS

The Directors of the Company are

Mr D Aldred
Mr J G Bonnyman
Mr W B D Dockeray
Mr L L M Giacomotto
Mr M I Offord
Mr T S Patrick
Mr S D Simpson

Mr T R Plant resigned on 29 March 2012 and Mr J E Greenhalgh resigned on 13 December 2012

PRINCIPAL ACTIVITY

The Company's principal activity is to act as a general partner to investment funds. During 2012, the business has performed in line with its Directors' expectations.

BUSINESS REVIEW AND PRINCIPAL RISKS

The Company remains primarily dependent upon income received from funds under management and this is expected to continue for the foreseeable future.

Risk affecting the business principally relate to Charterhouse Capital Partners VII (the "Fund") being unable to satisfy management profit share owing to the Company, due to the fund's limited partners failing to meet their obligations to meet draw down requests made by the Fund.

The Directors recognise that the limited partners of the Fund each have an obligation under the terms of the Fund's limited partnership agreements to contribute capital and loans up to the amount of their commitments, with provisions in the agreements dealing with failure to comply with drawdown notices.

The Directors also note that the Fund has a well-diversified investor base, with undrawn commitments sufficient to meet all known liabilities of the Fund, and has had no defaults on the payment of drawdown notices by any limited partners in the Fund.

No new activities outside of the core business have been entered into or are contemplated.

PROFIT AND DIVIDENDS

The profit for the year after taxation was £41,000 (2011 profit £319,000). The Directors do not recommend the payment of a dividend (2011 nil).

REPORT OF THE DIRECTORS (continued)

GOING CONCERN

The Company has sufficient financial resources, and as a consequence, the Directors believe that the Company is well-placed to manage its business risk. With this in mind and having made all reasonable enquiries and having respect to the nature of the Company and its activities, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing financial statements.

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). 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 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. 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.

DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this Report.

SMALL COMPANIES REGIME

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

DISCLOSURE OF INFORMATION TO THE AUDITOR

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.

This confirmation is given and should be interpreted in accordance with s418 of the Companies Act 2006.

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED
REGISTERED NO 2197301

REPORT OF THE DIRECTORS (continued)

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

By Order of the Board and signed on its behalf by:



I WATSON
Secretary

4 March 2013

Warwick Court
Paternoster Square
London, EC4M 7DX

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

REGISTERED NO. 2197301

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

We have audited the financial statements of Charterhouse General Partners (VII) Limited for the year ended 31 December 2012, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses and Balance Sheet and the related notes 1 to 11. 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).

This report is made solely to the Company's members, 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 auditors

As explained more fully in the Directors' Responsibility Statement (set out on page 2), 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 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 December 2012 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.

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.

CHARTERHOUSE GENERAL PARTNERS (VII) LIMITED

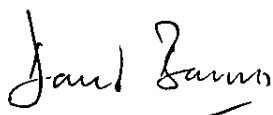
REGISTERED NO 2197301

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

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, or
- the Directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report.



David Barnes ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London

4 March 2013

PROFIT AND LOSS ACCOUNT

for the year ended 31 December

	Notes	2012 £'000s	2011 £'000s
Turnover	2	4,149	4,274
Administrative expenses	3	(4,100)	(4,253)
Profit on ordinary activities before taxation		49	21
Taxation (charge)/credit on ordinary activities	4	(8)	298
Retained profit for the year		41	319
Retained profit at 1 January		1,103	784
Retained profit at 31 December		1,144	1,103

All income and expenditure arose from continuing activities.

The only movement in Shareholders' Funds is the 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/(loss) as stated above

The notes on pages 8 to 12 form part of these accounts

BALANCE SHEET

at 31 December		2012	2011
	Notes	£'000s	£'000s
FIXED ASSETS			
Investments	5	-	-
CURRENT ASSETS			
Amounts owed by fellow subsidiary undertakings	6	1,098	804
Debtors			
Amounts falling due within one year		2	-
Amounts falling due after one year	7	48	23
Prepayments		1	-
Group relief debtor		-	443
Deferred taxation		25	-
Cash at bank		5	5
		<u>1,179</u>	<u>1,252</u>
CREDITORS – amounts falling due within one year			
Deferred taxation	8	-	139
Amounts due to managed funds		25	23
		<u>25</u>	<u>162</u>
NET CURRENT ASSETS		1,106	1,090
NET ASSETS		<u>1,154</u>	<u>1,113</u>
CAPITAL AND RESERVES			
Called up share capital	9	10	10
Profit and loss account		1,144	1,103
TOTAL SHAREHOLDERS' FUNDS		<u>1,154</u>	<u>1,113</u>

The financial statements of Charterhouse General Partners (VII) Limited (registered number 2197301) were approved by the Board of Directors and authorised for issue on 4 March 2013. They were signed its behalf by:



W B D DOCKERAY
Director

The notes on pages 8 to 12 form part of these accounts

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2012

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

Basis of accounting

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

Cash flow statement

The financial statements of the Company are included in the consolidated financial statements of its ultimate parent company which are publicly available. Consequently, the Company is exempt under the terms of paragraph 5(a) of the Financial Reporting Standard (FRS) 1 (Revised 1996) Cash Flow Statement from publishing a cash flow statement.

Going concern

The Company has sufficient financial resources, and as a consequence, the Directors believe that the Company is well-placed to manage its business risk. With this in mind and having made all reasonable enquiries and having respect to the nature of the Company and its activities, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors adopt the going concern basis in preparing financial statements.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities are denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Limited partnerships under management

The Company is General Partner of certain limited partnerships (the "Funds") which invest in, primarily, unlisted companies in the UK and Europe. Due to the nature of limited partnerships, the Funds could technically be considered as subsidiary undertakings of the General Partner. However, as the distribution of the assets of the Funds are determined by the limited partnership agreements, the General Partner's rights over the assets of the Funds are severely restricted and therefore the Funds have been excluded from consolidation.

In addition, the General Partner controls certain investments of the Funds which are excluded from consolidation as the General Partner's control is exercised only on behalf of the investors in the Funds in a fiduciary capacity.

Fixed Asset Investments

Unlisted investments are included at cost less provision for any permanent diminution in value.

Turnover

The Company receives management profit shares from the Funds which are accounted for when receivable. All turnover is derived from the United Kingdom.

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2012 (continued)

1 ACCOUNTING POLICIES (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 apply 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 Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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 substantively enacted by the balance sheet date

2 TURNOVER

	2012 £'000s	2011 £'000s
Fees receivable in respect of management profit share	4,149	4,274

3 ADMINISTRATIVE EXPENSES

Administrative expenses include advisory and related charges from other Group entities. The Directors do not receive any remuneration for their services to the Company and have not waived any remuneration (2011 nil)

The auditor's remuneration of £6,000 (2011 £6,000) has been borne by a fellow subsidiary undertaking.

The Company had no employees during the financial year (2011 nil)

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2012 (continued)

4 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2012		2011	
	£'000s	£'000s	£'000s	£'000s
a) Analysis of credit/(charge) in the period				
Current tax				
UK corporation tax on profit for the period	-		443	
Adjustments in respect of prior periods	(172)		(6)	
Total current taxation credit/(charge)		(172)		437
Deferred tax				
Origination and reversal of timing differences (note 8)		164		(139)
Tax (charge)/credit on profit/(loss) on ordinary activities		(8)		298

b) Factors affecting tax charge for period

The tax assessed differs from the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The differences are explained below

	2012	2011
	£'000s	£'000s
Profit/(loss) on ordinary activities before tax	49	21
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011 26.5%)	(12)	(6)
Effects of		
Accounting allocation of profits from Funds in excess of/(less than) tax allocation of profits from Funds	(297)	1,097
Tax losses (carried forward)/utilised	283	(676)
Transfer pricing adjustments	26	28
Adjustments in respect of prior period	(172)	(6)
Current taxation credit/(charge) for period	(172)	437

5 FIXED ASSET INVESTMENTS

Investments comprise a 0.81% interest in CCP VII GmbH & Co KG which is incorporated in Germany. The principal activity is private equity investment. There has been no movement during the period

6 AMOUNTS OWED BY FELLOW SUBSIDIARY UNDERTAKINGS

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

7 DEBTORS

	2012	2011
	£'000s	£'000s
Amounts falling due after more than one year		
- Amounts due from managed funds	48	23

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2012 (continued)

8 DEFERRED TAXATION CREDITOR/(ASSET)	2012 £'000s	2011 £'000s
At 1 January	139	-
Origination and reversal of timing differences	(164)	139
At 31 December	(25)	139
9 SHARE CAPITAL	2012 £'000s	2011 £'000s
Authorised		
50,000 Ordinary shares of £1 each		
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10	10

10 RELATED PARTY TRANSACTIONS

The Company acts as the General Partner or Co-Managing Limited Partner to the following limited partnerships, which together comprise the Funds

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
Charterhouse Saga LP

These limited partnerships are considered to be related parties by virtue of the control exercised by the General Partner over the management of the limited partnerships

Income receipts from the 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

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2012 (continued)

10 RELATED PARTY TRANSACTIONS (continued)

At the balance sheet date, there were no amounts owed by the limited partnerships in respect of outstanding management profit share (2011 nil)

Under the terms of Financial Reporting Standard No 8 "Related Party Disclosures" (FRS 8) the Company, which is a wholly owned subsidiary, is exempt from disclosing transactions with other wholly owned companies within the same group

The entity also has transactions with Charterhouse Capital Partners LLP, which is not a 100% subsidiary.

11 ULTIMATE PARENT UNDERTAKING

During the year the ultimate parent undertaking and controlling party changed to Watling Street Capital Partners LLP as a result of the acquisition of 91.1% of Charterhouse Capital Limited in February by Watling Street Limited.

The Company's ultimate parent undertaking and ultimate controlling party as defined under Financial Reporting Standard No.8 "Related Party Disclosures" (FRS 8) is Watling Street Capital Partners LLP, 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 Watling Street Capital Partners LLP

The consolidated financial statements of Watling Street Capital Partners LLP may be obtained from the Company Secretary, Warwick Court, Paternoster Square, London EC4M 7DX