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Permira Advisers Holdings Limited

Registered Number : 05983113

Annual Report December 2016

PERMIRA

Permira Advisers Holdings Limited

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Contents

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Company Information

Directors	Duncan Smith Peter Gibbs
Registered Number	05983113
Registered office	80 Pall Mall London SW1Y 5ES
Secretary	Burness Paull LLP
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT
Bankers	Royal Bank of Scotland London Corporate SC PO Box 39952 21/2 Devonshire Square London EC2M 4XJ

Strategic Report
for the year ended 31 December 2016

The directors present their report including the audited consolidated financial statements for the year ended 31 December 2016.

Principal activities
Permira Advisers Holdings Limited ("the company"), is the controlling corporate member and controlling corporate partner in Permira Advisers LLP and Permira Advisers respectively. It is also the parent company of Permira Advisers (London) Limited ("PALL"). Permira Advisers AB, Permira Luxembourg Sarl and Permira Associati SPA are subsidiary undertakings of PALL. The company was incorporated on 31 October 2006 as Clipperglen Limited and on 2 January 2007 changed its name to Permira Advisers Holdings Limited.

Principal risks and uncertainties
As a holding company, the board is responsible for evaluating the company's risks and uncertainties. The specific risks and uncertainties affecting the company derive from its relationship as the controlling corporate member and partner in Permira Advisers LLP and Permira Advisers respectively and appropriate policies and procedures are in place to ensure that such risks are managed accordingly. The principal risks and uncertainties affecting each of the company's subsidiaries are managed by the respective boards or members of these entities.

The directors have also considered the company's exposure to price, credit, liquidity and cash flow risk but the directors believe that the company does not have any material exposure to these risks and that there are appropriate policies and procedures in place to monitor these and other risks.

Key Performance Indicators ("KPIs")
Given the nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

On behalf of the board

Duncan Smith, Director

16 **June 2017**

Directors' Report
for the year ended 31 December 2016

Future developments
The directors believe that the group will continue to be profitable in 2017.

Results and dividends
The results for the group (Permira Advisers Holdings Limited and its subsidiaries) show a total comprehensive income of £8,853,000 (2015: £12,581,000) for the year. The directors do not recommend the payment of a dividend (2015: £Nil).

Directors and Company Secretary
The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Peter Gibbs
Duncan Smith

The secretary of the company during the year to 18 July 2016 was David O'Brien. Burness Paull LLP was appointed secretary of the company from 18 July 2016.

Directors' indemnity
Permira Holdings Limited is the Policyholder for the Permira Group's Directors and Officers programme. The policy covers all Directors and Officers of the Policyholder and of the Policyholder's subsidiaries, which includes Permira Advisers Holdings Limited. The Directors can confirm that the policy has been in place during the year and remains in place at the statement of financial position date.

Statement as to disclosure of information to independent auditors
So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors
PricewaterhouseCoopers LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

On behalf of the board

Duncan Smith, Director

16 **June 2017**

Statement of Directors' Responsibilities

for the year ended 31 December 2016

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report

to the Members of Permira Advisers Holdings Limited

Report on the financial statements

Our opinion

In our opinion, Permira Advisers Holdings Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2016 and of the group's profit and cash flows 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 Annual Report, comprise:

- the Consolidated and Company Statement of Financial Position as at 31 December 2016
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Cash Flow Statement for the year then ended;
- the Consolidated and Company 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group, the company and their 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 Directors' Report. 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent Auditors' Report
to the Members of Permira Advisers Holdings Limited

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.

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 5, 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 group's and 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.

Richard McGuire

Richard McGuire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 June 2017

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2016

	Notes	Discontinued operations 2016	Continuing operations 2016	2016 £000	2015 £000
Revenue		592	34,247	**34,839**	35,990
Administrative Expenses		(464)	(24,614)	**(25,078)**	(22,982)
Operating profit	4	128	9,633	**9,761**	13,008
Interest receivable and similar income		-	15	**15**	17
Interest paid and other similar charges		-	(596)	**(596)**	(12)
Profit on ordinary activities before taxation		128	9,052	**9,180**	13,013
Tax on profit on ordinary activities	5	-	(276)	**(276)**	(412)
Profit on ordinary activities after taxation		128	8,776	**8,904**	12,601
Other comprehensive income					
Unrealised foreign exchange loss on translation of subsidiaries		-	(51)	**(51)**	(20)
Other comprensive income for the year		-	(51)	**(51)**	(20)
Total comprehensive income for the year		128	8,725	**8,853**	12,581
Total comprehensive income attributable to					
Permira Advisers Holdings Limited		128	(1,310)	**(1,182)**	206
Minority Interests		-	10,035	**10,035**	12,375
		128	8,725	**8,853**	12,581

The notes on pages 13 to 23 form part of these financial statements.

Permira Advisers Holdings Limited

(Registered Number: 05983113)

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Consolidated Statement of Financial Position

for the year ended 31 December 2016

	Notes	2016 £000	2015 £000
Fixed assets			
Tangible assets	6	4,809	5,185
		4,809	5,185
Current assets			
Trade and other receivables	8	16,432	13,213
Cash at bank and in hand		3,936	3,326
		20,368	16,539
Current liabilities			
Trade and other payables	9	(9,022)	(7,024)
Net current assets		11,346	9,515
Total assets less current liabilities		16,155	14,700
Non-current liabilities			
Trade and other payables: due after more than one year	10	(2,919)	(3,953)
Provisions for liabilities	11	(1,059)	(696)
Net assets		12,177	10,051
Equity			
Called up share capital	13	250	250
Capital contribution		2,741	2,741
Retained earnings		(720)	461
Equity attributable to controlling interests		2,271	3,452
Minority interests		9,906	6,599
Total equity		12,177	10,051

The financial statements on pages 8 to 23 were approved by the Board of Directors on 16 June 2017 and were signed on its behalf by:

Duncan Smith, Director

Permira Advisers Holdings Limited
(Registered Number: 05983113)

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Company Statement of Financial Position
for the year ended 31 December 2016

	Notes	2016 £000	2015 £000
Fixed assets			
Investments	7	49	49
		49	49
Current assets			
Trade receivables	8	14	1
Cash at bank and in hand		37	75
		51	76
Current liabilities			
Trade payables: Amounts falling due within one year	9	(20)	(29)
Net current assets		31	47
Total assets less current liabilities		80	96
Net assets		80	96
Capital and reserves			
Called up share capital	13	250	250
Retained earnings		(170)	(154)
Total equity		80	96

The financial statements on pages 8 to 23 were approved by the Board of Directors on 16 June 2017.

Duncan Smith, Director

Permira Advisers Holdings Limited

(Registered Number: 05983113)

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Consolidated Statement of Changes in Equity

	Called up share capital £000	Capital contribution £000	Retained earnings £000	Equity attributable to controlling interests £000	Equity attributable to minority interests £000	Total Equity £000
At 1 January 2015	250	2,072	255	2,577	7,622	10,199
Profit for the year	-	-	226	226	12,375	12,601
Other comprehensive loss for the year	-	-	(20)	(20)	-	(20)
Total comprehensive income for the year	-	-	206	206	12,375	12,581
Capital contribution	-	669	-	669	219	888
Allocations to minority interests	-	-	-	-	(13,617)	(13,617)
At 31 December 2015	250	2,741	461	3,452	6,599	10,051
At 1 January 2016	250	2,741	461	3,452	6,599	10,051
(Loss)/Profit for the year	-	-	(1,130)	(1,130)	10,035	8,904
Other comprehensive loss for the year	-	-	(51)	(51)	-	(51)
Total comprehensive income for the year	-	-	(1,181)	(1,181)	10,035	8,853
Capital contribution	-	-	-	-	325	325
Capital returned	-	-	-	-	(130)	(130)
Allocations to minority interests	-	-	-	-	(6,923)	(6,923)
At 31 December 2016	250	2,741	(720)	2,271	9,906	12,176

Company Statement of Changes in Equity

	Called up share capital £000	Retained earnings £000	Total Equity £000
At 1 January 2015	250	(118)	132
Total comprehensive loss for the year	-	(36)	(36)
At 31 December 2015	250	(154)	96
Total comprehensive loss for the year	-	(16)	(16)
At 31 December 2016	250	(170)	80

The notes on pages 13 to 23 form part of these financial statements.

Permira Advisers Holdings Limited

(Registered Number: 05983113)

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Consolidated Cash Flow Statement

for the year ended 31 December 2016

	Notes	2016 £000	2015 £000
Net cash inflow from operating activities	14	11,238	13,611
Tax paid		(307)	(248)
Net cash inflow from operating activities		**10,931**	13,363
Cash flow from investing activities			
Interest received		15	17
Payments to acquire tangible fixed assets		(1,960)	(639)
Purchase of subsidiary undertakings		(847)	-
Cash acquired		1,216	-
Net cash outflow from investing activities		**(1,576)**	(622)
Cash flow from financing activities			
Capital contribution		325	285
Loans repaid		(1,630)	-
Prior year final distributions		(4,800)	(5,861)
Current year preliminary distribution		(2,641)	(6,954)
Net cash outflow from financing activities		**(8,746)**	(12,530)
Net increase in cash in the year		610	211
Cash and cash equivalents at the beginning of the year		3,326	3,115
Cash and cash equivalents at the end of the year		**3,936**	3,326

The notes on pages 13 to 23 form part of these financial statements.

Notes to the Financial Statements

1 Statement of compliance

The consolidated financial statements of Permira Advisers Holdings 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

2 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
The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost convention.

(b) Going concern
On the basis of their assessment of the group's financial position and resources, the directors believe that the group is well placed to manage its business risks. Therefore the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for at least 12 months from the date of authorisation of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

(c) Basis of consolidation
These consolidated financial statements have been prepared in accordance with section 9 of FRS 102. They incorporate the financial statements of the company and all its subsidiaries.

Subsidiaries are entities that are directly or indirectly controlled by the group. Control exists where the group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Identifiable assets, liabilities and contingent liabilities acquired or assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the groups' share of the identifiable net assets acquired is recorded as goodwill. Where the fair value of the identifiable net assets exceeds the cost of acquisition, negative goodwill is recorded. Goodwill is amortised in the consolidated statement of comprehensive income over the expected useful economic life and is subject to impairment reviews. Negative goodwill is recognised in the consolidated statement of comprehensive income in the period in which the group expects to benefit.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of the subsidiaries have been changed where necessary or adjustments made on consolidation to ensure consistency with the policies adopted by the group. The group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the group.

As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in resect of the parent company. The loss for the financial year dealt with in the financial statements of the parent Company was £16,000 (2015: £36,000).

2 Summary of significant accounting policies (continued)

(d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. These assets are depreciated over the expected useful economic life.

The expected useful economic lives of the tangible fixed assets are as follows:

Leasehold improvements		Over the term of the respective lease
Computer equipment		25%
Furniture and fittings		20%

(e) Investments

Investments in subsidiaries are carried or accounted for at cost less accumulated impairment losses.

(f) Revenue

Turnover represents amounts invoiced, excluding VAT, in respect of services provided and is recognised when due.

Dividend income is accounted for when the group's right to receive these dividends is established, net of tax credits and gross of any applicable withholding tax.

(g) Expenses

Expenditure is accounted for on the accruals basis.

(h) Leased assets

At inception the group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

Incentives received to enter into an operating lease are credited to the consolidated statement of comprehensive income, to reduce the lease expense, on a straight-line basis over the period of the lease.

(j) Financial instruments

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the consolidated statement of comprehensive income immediately.

2 Summary of significant accounting policies (continued)

(j) Financial instruments (continued)

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the consolidated statement of comprehensive income immediately.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(k) Foreign currency

The group and company's functional and presentation currency is GBP.

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date on which the transaction occurred and monetary assets and liabilities are translated at the rate ruling at the Statement of Financial Position date.

Foreign exchange gains and losses are included in the Consolidated Statement of Comprehensive Income, except where noted below

On consolidation of foreign currency subsidiaries, their results are translated into GBP at average rates of exchange for the year and all assets and liabilities are translated at the rate of exchange at the reporting date. Exchange differences arising from the retranslation of the opening net assets of subsidiaries which have currencies of operation other than GBP are taken to "Other comprehensive income", together with the differences arising from their results which are translated at average rates and compared with rates ruling at the reporting date

2 Summary of significant accounting policies (continued)

(l) Taxation and deferred taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Taxation represents the amount estimated to be payable or recoverable in respect of the taxable profit or loss for the period, along with adjustments to estimates in respect of previous periods.

Deferred taxation has been recognised as a liability or asset if a transaction has occurred at the reporting date that gives rise to an obligation to pay more or less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred taxation assets and liabilities recognised have not been discounted.

(m) Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. They are reviewed at each reporting date and adjusted to reflect the current best estimate of the final amount required to settle the obligation.

(n) Cash and cash equivalents

Cash and cash equivalents include bank balances and short term maturity deposits held at call. Bank overdrafts, if any, are shown within borrowings in current liabilities on the Statement of Financial Position. Cash and cash equivalents are stated at face value.

(o) Related parties

The company is a wholly owned subsidiary of Permira Holdings Limited ("PHL") and is included in the consolidated financial statements of PHL. Consequently the company is exempt under FRS 102 Section 33.1A from disclosing related party transactions with other wholly owned entities that are part of the PHL group.

(p) Employee benefits

The Group provides a range of benefits to employees, including short-term benefits and annual bonus arrangements. A severance pay benefit arrangement ("TFR scheme") is provided for employees of Permira

i) Short term benefits

Short term benefits, including non-monetary benefits, are recognised as an expense in the period in which the service is received. In respect of annual bonus arrangements, an expense is recognised when the Group has a legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made.

ii) TFR scheme

The TFR Scheme is provided to employees of Permira Associati SPA in accordance with Italian employment legislation. The TFR Scheme defines the benefit that the participants will receive on leaving, dependent on one or more factors such as length of service and annual salary. The legal obligation for the payment of all amounts under the scheme remains with the Group.

The liability recognised in the Statement of Financial Position in respect of the TFR Scheme is the present value of the annuity obligation at the reporting date and this obligation is calculated annually using the projected unit credit method. The present value of the obligation is determined by discounting the estimated future payments using a defined discount rate as communicated by The National Institute for Statistics ("ISTAT").

Gains and losses arising from experience adjustments and changes in assumptions are charged or credited to other comprehensive income.

Notes to the Financial Statements

3 Staff costs and directors' emoluments	Group 2016 £000	Group 2015 £000
Wages & salaries	9,210	7,854
Social security costs	1,558	1,330
Other pension costs	444	459
	11,212	9,643

The yearly average number of persons employed by the group during the year was:		
Directors	2	2
Key Management Personnel	1	-
Professionals	51	45
Support	25	21
	79	67

Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to key managament for employee services is shown below:

	Group 2016 £000	Group 2015 £000
Total key management emoluments	1,299	485

	Group 2016 £000	Group 2015 £000
Aggregate directors' emoluments	990	485

The emoluments of the directors disclosed above include the following amounts paid to the highest paid director:

Emoluments	499	347

4 Operating profit	Group 2016 £000	Group 2015 £000
Operating profit for the year is stated after charging.		
Staff Costs (Note 3)	11,212	9,643
Operating leases - land & buildings	2,958	3,045
Depreciation	2,264	811
Auditors' remuneration (Audit services for company audit)	16	25
Auditors' remuneration (Audit services for group work)	56	70
Auditors' remuneration (Non audit services)		
Tax advisory services	491	299
Tax compliance services	100	44
Foreign exchange (gain)/loss	(16)	203
Negative goodwill	(200)	-

5 Tax on profit on ordinary activities

	Group 2016 £000	Group 2015 £000
United Kingdom ("UK") corporation tax	185	172
Adjustment in respect of prior periods	-	68
	185	240
Foreign corporation tax	84	73
Total current taxation	269	313
Deferred tax	7	99
Tax on profit on ordinary activities	276	412

The tax assessed for the year is lower (2015: lower) than the standard rate of corporation tax in UK of 20.00% (2015. 20.25%). The differences are explained below:

	Group 2016 £000	Group 2015 £000
Profit before tax on ordinary activities before taxation	9,180	13,013
Profit on ordinary activities multiplied by standard rate of domestic corporation tax	1,836	2,641
Effects of:		
Profits not chargeable to UK corporation tax	(1,794)	(2,566)
Foreign tax payable	84	73
Adjustment in respect of prior periods	-	68
Depreciation for year in excess of capital allowances	67	(6)
Expenses not deductible for tax purposes	76	103
Deferred tax	7	99
Total taxation	276	412

Factors affecting tax charge for the year
During the year, the UK corporation tax rate was 20% which was effective from 1 April 2015. The main rate will reduce to 19% from 1 April 2017 and to 17% from 1 April 2020.

Notes to the Financial Statements

6 Tangible fixed assets

Group	Motor Vehicles £000	Leasehold Improvements £000	Furniture & Fittings £000	Computer Equipment £000	Total £000
Cost					
At 1 January 2016	-	8,215	2,962	2,882	14,059
Additions	88	837	391	629	1,945
Disposals	(38)	-	(111)	(34)	(183)
Foreign exchange	(2)	(38)	(33)	(18)	(91)
At 31 December 2016	48	9,014	3,209	3,459	15,730
Accumulated Depreciation					
At 1 January 2016	-	3,650	2,843	2,381	8,874
Charge for the year	41	1,350	377	496	2,264
Eliminated on disposal	(38)	-	(103)	(30)	(171)
Foreign exchange	-	(1)	(28)	(17)	(46)
At 31 December 2016	3	4,999	3,089	2,830	10,921
Net Book Value					
At 31 December 2016	**45**	**4,015**	**120**	**629**	**4,809**
At 31 December 2015	-	4,565	119	501	5,185

7 Investments

	Company 2016 £000	Company 2015 £000
At 1 January	49	46
Movement during the year	-	3
At 31 December	49	49

Subsidiary entities	Address of the registered office	Nature of Business	% Held
Permira Advisers LLP	**	Consulting	100%
Permira Advisers	**	Consulting	100%
Permira Advisers (London) Limited *	**	Services	100%
Permira Associati SPA *	Bergamo, Via Ponchielli 51, Cap, 24125, Italy	Consulting	100%
Permira Advisers AB *	Birger Jarlsgatan 12, 114 34, Stockholm, Sweden	Consulting	0.1%
Permira Luxembourg Sarl *	488, route de Lonwy, L-1940, Luxembourg	Services	100%
Permira Ventures Ltd *	**	Dormant	100%
Permira Ltd *	**	Dormant	100%
Permira Private Equity Ltd *	**	Dormant	100%
Permira Co-Investments Ltd *	**	Dormant	100%
Permira Capital Partners Ltd *	**	Dormant	100%
Permira Investments Ltd *	**	Dormant	100%
Permira Capital Ltd *	**	Dormant	100%

* Shareholdings in these companies are held by intermediate subsidiary undertakings

** All entities have registered office of 80 Pall Mall, London, SW1Y 5ES, UK.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

8 Trade receivables

	Group 2016 £000	Group 2015 £000
Amounts falling due within one year	-	
Trade debtors	3,184	2,175
Amounts owed by group undertakings	10,545	8,907
Other debtors	291	333
VAT debtor	228	308
Tax debtor	927	-
Prepayments and accrued income	1,257	1,490
	16,432	13,213

The tax debtor includes the deferred tax asset of Permira Associati SPA relating to (i) corporate tax losses (£459,000) and (ii) deduction to rate used to calculate the notional return on equity for the Italian Aid to Economic Growth that can be carried over to reduce future taxable income (£265,000). The rate used is 24% of the potential reductions in future taxable income

	Company 2016 £000	Company 2015 £000
Amounts falling due within one year		
Other debtors	14	1
	14	1

9 Trade payables

	Group 2016 £000	Group 2015 £000
Amounts falling due within one year		
Trade creditors	773	1,162
Amounts owed to group undertakings	78	53
Corporation tax	123	121
Other taxation & social security	217	142
Other creditors	7,831	5,546
	9,022	7,024

	Company 2016 £000	Company 2015 £000
Amounts falling due within one year		
Audit fee	20	25
Other	-	4
	20	29

Notes to the Financial Statements

10 Trade payables: due after more than one year

	Group 2016 £000	Group 2015 £000
Loan from Permira Advisers Group Holdings Limited	2,919	3,953
	2,919	3,953

The loans have been used to fund fixed asset expenditure. The loans do not incur any interest and mature in 2024.

11 Provisions for liabilities

	Group 2016 £000	Group 2015 £000
At 1 January	696	814
Decrease in onerous lease provisions	(189)	(217)
Increase in deferred tax provision	7	99
Increase in employee benefit provision	545	-
At 31 December	1,059	696
Onerous lease provisions (1)	391	580
Deferred tax provision (2)	123	116
Employee benefit provision (3)	545	-
	1,059	696

(1) The onerous lease provision is to recognise the excess of rental expense over rental income for the sublease period of the tenant. The provision recognises losses over a period of 3.5 years.

(2) The deferred taxation provision is made up of timing differences between depreciation and capital allowances. The UK corporation tax rate is 20%. This change has been reflected in the deferred taxation balance disclosed.

(3) The TFR Scheme is provided to employees of Permira Associati SPA in accordance with Italian employment legislation. The TFR Scheme defines the benefit that the participants will receive on leaving, dependent on one or more factors such as length of service and annual salary.

12 Operating leases

The total rentals under operating leases, charged as an expense and receivable as income in the consolidated Statement of Consolidated Income, are disclosed below.

	Group 2016 £000	Group 2015 £000
Rental Expense	**2,958**	3,045
Rental Income	**(550)**	(413)
	2,408	2,632

Commitments under leases to pay rentals during the years following the year of these financial statements are given in the table below.

	Group 2016 £000	Group 2015 £000
Land and Buildings		
Payments due not later than one year	**3,032**	3,019
Payments due later than one year and not later than five years	**12,214**	12,147
Payments due later than five years	**7,204**	10,110
	22,450	25,276

13 Called up share capital

	Company 2016 £000	Company 2015 £000
Authorised		
250,000 Ordinary Shares of £1 each	**250**	250
Allotted, Issued and Fully Paid		
250,000 Ordinary Shares of £1 each	**250**	250

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption

14 Net cash flow from operating activities

	Group 2016 £000	Group 2015 £000
Reconciliation of operating profit to net cash inflow from operating activities:		
Operating profit	**9,761**	13,008
Depreciation charges	**2,264**	811
Amortisation charges	**(200)**	-
Foreign exchange loss/(gain)	**85**	(31)
(Increase) in trade receivables	**(3,219)**	(416)
Increase in trade payables	**1,998**	239
Increase in other payables	**549**	-
Net cash inflow from operating activities	**11,238**	13,611

15 Business Combinations

Group

On 6 December 2016, the Group via Permira Advisers London Limited ("PALL") acquired control of Permira Associati SpA ("PASPA") through the purchase of 100% of the share capital for a total consideration of €1.7m. The negative goodwill of €0.4m arising from the acquisition has been released to the consolidated statement of comprehensive income within administrative expenses in full during the year.

The following table summarises the consideration paid by the Group and the fair value of assets acquired and liabilities

Consideration at 6 December 2016

	£000
Cash	847
Deferred consideration	628
Total consideration	**1,475**

Recognised amounts of identifiable assets acquired and liabilities assumed

	Net book value £000	Fair value £000
Tangible fixed assets	38	38
Trade receivables: due after more than one year	1,007	1,007
Trade receivables: due within one year	1,085	1,085
Cash and cash equivalents	1,216	1,216
Trade payables: amounts due within one year	(1,619)	(1,619)
Total identifiable net assets	**1,728**	**1,728**
Negative goodwill		(253)
Total		**1,475**

For cash flow disclosure purposes the amounts are disclosed as follows:

	Fair value £000
Cash Consideration	(847)
Cash and cash equivalents acquired	1,216
Net cash inflow	**369**

16 Employee benefits

The TFR Scheme is provided to employees of Permira Associati SPA in accordance with Italian employment legislation. The TFR Scheme defines the benefit that the participants will receive on leaving, dependent on one or more factors such as length of service and annual salary. The legal obligation for the payment of all amounts under the scheme remains with the Group.

The Group does not set aside assets to fund the payments and pays the benefits out of cash resources.

Presented below is a reconciliation of the balance of the obligation.

Group

	2016
	£000
At 31 December 2015	-
Provision acquired as part of the purchase of subsidiary undertaking	545
At 31 December 2016	545

Total costs relating to the TFR scheme obligations of in 2016 were recognised as an expense in the Consolidated Statement of Comprehensive Income

No amounts were capitalised as part of the costs of assets of the Group.

The defined discount rate used was 1.8% as communicated by ISTAT.

There were no remeasurement gains of losses recognised during the year.

17 Immediate and ultimate parent undertaking

Permira Advisers Group Holdings Limited, owns 100% of the ordinary share capital of the company and is the immediate controlling party of the company.

Permira Holdings Limited, a Guernsey limited company is considered to be the ultimate parent undertaking and controlling party.

The principal place of business of Permira Holdings Limited is:
Trafalgar Court
Les Banques
St Peter Port
Guernsey
GY1 6DJ