

# **BI-Invest GP LLP**

## **Report and audited financial statements**

For the year ended 31 December 2014

**REGISTERED NUMBER OC384503**

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## **BI-Invest GP LLP**

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**BI-Invest GP LLP**

Designated Members and advisors

**Designated members**

Investindustrial Management Limited (Managing Member)  
BI-Investindustrial Development S.A.

**Registered office**

11 Old Jewry  
London  
EC2R 8DU  
United Kingdom

**Bank**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP  
United Kingdom

**Independent Auditor**

KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW  
United Kingdom

## **BI-Invest GP LLP**

### **Strategic report**

The Managing Member submits their Strategic report together with the audited financial statements of BI-Invest GP LLP ("the LLP or Partnership") for the year ended 31 December 2014.

### **Principal activities**

BI-Invest GP LLP (the LLP), an English Limited Liability Partnership, was incorporated on 18 April 2013.

From the 26 April 2013, the principal activity of the LLP was to act as general partner of Investindustrial IV L.P., a limited partnership registered in England under the Limited Partnerships Act 1907.

### **Business model**

The LLP is advised by Investindustrial Advisors Limited whose activities as manager consist of assisting in identifying potential investments, assisting with the acquisition of those investments and monitoring their performance.

### **Business review and result**

The results of the LLP for the period ended 31 December 2014 are set out in the profit and loss account on page 9.

Profit on ordinary activities after tax for the period was €8,041,086.

The net liability position of the LLP as at 31 December 2014 was €3,096,909. This is expected to reverse to a net asset position during the course of 2015.

### **Key performance indicators**

Due to the comparative year being a part-year, there are no relevant key performance indicators to note during this period to draw analysis from.

### **Principal risks and uncertainties**

In its capacity as general partner of Investindustrial IV L.P., which invests in a range of mainly unquoted portfolio companies, the LLP accepts significant risk.

### **Future developments**

The LLP expects robust investment activity in 2015 as markets recover.

  
**ROGER NEIL SMITH**  
R.N. Smith

Director

On behalf of Investindustrial Management Limited (Managing Member)

Date: 27 March 2015

## **BI-Invest GP LLP**

### **Report of the Members**

The Managing Member submits their Report to the Members together with the audited financial statements of BI-Invest GP LLP ("the LLP or Partnership") for the year ended 31 December 2014.

### **Designated Members**

The Designated Members which comprise the board (as defined in the Limited Liability Partnerships Act 2000) of BI-Invest GP LLP since incorporation were as follows:

Investindustrial Management Limited (Managing Member)  
BI-Investindustrial Development S.A. (Designated Member)

### **Disclosure of information to auditor**

The Members who held office at the date of approval of this Members' report confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditor is unaware; and each Member has taken all the steps that they ought to have taken as a Member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

### **Members' Allocations and Distributions**

The amount of profit to be allocated and distributed to Members is determined by Provisions 10 and 11 of the Limited Liability Partnership Agreement dated 25 April 2013.

Members are remunerated solely out of the profits of the LLP. Any profits are allocated and distributed between Members after finalisation of the audited financial statements.

### **Independent Auditor**

KPMG LLP were appointed as independent auditor on 24 February 2014 and have expressed their willingness to continue in office.



**ROGER NEIL SMITH**  
R.N. Smith

Director

On behalf of Investindustrial Management Limited (Managing Member)

Date: 27 March 2015

## **BI-Invest GP LLP**

### **Statement of Members' responsibilities**

The Members are responsible for preparing the Report of the Members, Strategic Report and the financial statements in accordance with the applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulation 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable UK law (UK Generally Accepted Accounting Practice).

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members 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 LLP and of the profit or loss for that period.

In preparing these financial statements, the members are required to:

- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under Regulation 6 of the Limited Liability Partnership (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

**BI-Invest GP LLP**  
**Independent Auditor's Report**



KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

**Independent Auditor's Report to the Members of BI-Invest GP LLP**

We have audited the financial statements of BI-Invest GP LLP for the period ended 31 December 2014 set out on pages 8 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Policies).

This report is made solely to the members of the limited liability partnership (LLP), as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of manager and auditor**

As explained more fully in Members' Responsibilities Statement set out on page 5, the members 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 relevant legal and regulatory requirements 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**

A description of the scope of an audit of accounts is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of LLP as at 31 December 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

## **BI-Invest GP LLP**

### **Independent auditor's report (continued)**

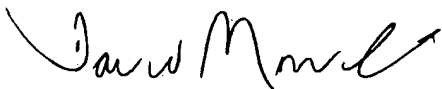
KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
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United Kingdom

### **Independent Auditor's Report to the Members of BI-Invest GP LLP (continued)**

#### **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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.



David Morritt (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
1 The Embankment  
Leeds  
LS1 4DW

27 March 2015



**BI-Invest GP LLP**

## Balance sheet

as at 31 December 2014

	Notes	2014 €	2013 €
<b>Current Assets</b>			
Debtors	4	348,624	444,304
Cash at bank and in hand		131,625	5,235,320
		<b>480,249</b>	<b>5,679,624</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	5	(3,577,158)	(7,717,619)
<b>Net current liabilities</b>		<b>(3,096,909)</b>	<b>(2,037,995)</b>
<b>Net liabilities attributable to Members</b>		<b>(3,096,909)</b>	<b>(2,037,995)</b>
<b>Represented by:</b>			
<b>Loans and other debts due to members:</b>			
Members' capital classified as a liability under FRS25	6	117	117
<b>Members' other interests:</b>			
Other Reserves	6	(3,097,026)	(2,038,112)
		<b>(3,096,909)</b>	<b>(2,037,995)</b>
<b>Total Members' interest</b>			
Loans and other debts due to members		117	117
Members' other interests		(3,097,026)	(2,038,112)
		<b>(3,096,909)</b>	<b>(2,037,995)</b>

The financial statements on pages 8 to 14 were approved by the Members on 27 March 2015 and were signed on their behalf by:



**ROGER NEIL SMITH**  
R.N. Smith

Director

On behalf of Investindustrial Management Limited (Managing Member)

REGISTERED NUMBER OC 384503

*(The notes on pages 11 to 14 form an integral part of these audited financial statements).*

**BI-Invest GP LLP****Profit and loss account**

for the year ended 31 December 2014

		01 Jan 14 to 31 Dec 14	18 Apr 13 to 31 Dec 13
	Notes	€	€
<b>Turnover</b>			
General Partner's Share	1	8,625,325	8,176,341
Transaction fee income	1	2,897,954	202,955
Administration fee income	1	120,000	50,000
		<b>11,643,279</b>	<b>8,429,296</b>
<b>Operating expenses</b>			
Advisory fees	1	3,485,100	2,976,486
Other operating expenses	2	117,093	146,968
		<b>3,602,193</b>	<b>3,123,454</b>
<b>Net profit available for division amongst Members</b>		<b>8,041,086</b>	<b>5,305,842</b>

**Continuing operations**

All items dealt with in arriving at the profit for the year ended 31 December 2014 and period ended 31 December 2013 relate to continuing operations.

**Total recognised gains and losses**

There are no recognised gains and losses other than the profit attributable to Members of the LLP of €8,041,086 for the year ended 31 December 2014 and €5,305,842 for the period ended 31 December 2013 and therefore no separate statement of total recognised gains and losses has been presented.

(The notes on pages 11 to 14 form an integral part of these audited financial statements).

**BI-Invest GP LLP****Cash flow statement****for the year ended 31 December 2014**

		01 Jan 14 to 31 Dec 14 €	18 Apr 13 to 31 Dec 13 €
	<i>Notes</i>		
<b>Net cash inflow from operating activities</b>	<b>7</b>	<b>3,996,305</b>	5,235,320
<b>Financing activities</b>			
Loans to Members		<b>(9,100,000)</b>	-
<b>Net (decrease)/increase in cash for the year/period</b>		<b>(5,103,695)</b>	<b>5,235,320</b>

*(The notes on pages 11 to 14 form an integral part of these audited financial statements).*

## **BI-Invest GP LLP**

Notes to the Financial Statements  
for the year ended 31 December 2014

### **1. Accounting Policies**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with both the Statement of Recommended Practice (SORP) on Accounting by Limited Liability Partnerships and accounting standards applicable in the United Kingdom.

The more significant accounting policies used are set out below:

#### **Going Concern**

The financial statements have been prepared on a going concern basis despite the net current liabilities position of the LLP. BI-Invest Industrial Development S.A. as Designated Member has committed to continue to fund the LLP for the duration of the LLP and the Members therefore consider the going concern basis of preparation to be appropriate.

#### **General Partner's Share**

The General Partner's Share represents amounts receivable by the LLP from Investindustrial IV L.P. (the "Fund Partnership") in accordance with clause 7.1 of the Limited Partnership Agreement of the Fund Partnership and is recognised on an accruals basis.

#### **Transaction fee income**

Transaction fee income is stated net of one half of the excess of such fee income over abort costs up to an amount of €10 million, in accordance with clause 7.1.2 of the Limited Partnership Agreement of the Fund Partnership. Abort costs are all costs and disbursements incurred in connection with investment proposals which do not proceed to completion.

#### **Administration fee income**

Administration fee income represents amounts receivable by the LLP from the Fund Partnership for the provision of accounting services.

#### **Bank interest income**

Deposit interest is recognised on an accruals basis.

#### **Foreign currencies**

Monetary assets and liabilities are translated into Euros at the rate of exchange ruling at the balance sheet date. Foreign currency transactions are translated into Euros at the rate of exchange ruling at the date of the transaction. Realised exchange differences are included within the profit and loss account.

#### **Advisory fees**

Advisory fees relate to fees paid to appointed advisors in connection with the management of investments and other assets held by the Fund Partnership.

#### **Consultancy fees**

Consultancy fees payable relate to fees paid to consultants appointed by the LLP in connection with the management of investments and other assets held by the Fund Partnership, and in connection with other matters as may be agreed from time to time.

#### **Group financial statements**

The LLP manages, in its capacity as General Partner, a Fund Partnership. Investments held through the Fund Partnership are made with the express intent of capital appreciation. The LLP consolidates its attributable portion of the net assets and net profit of the Fund Partnership which it manages as General Partner, which in the case of the LLP is 0%. The Fund Partnership is a subsidiary undertaking and, under the requirements of FRS 2: *Accounting for Subsidiary Undertakings*, should be consolidated in full.

## BI-Invest GP LLP

Notes to the Financial Statements  
for the year ended 31 December 2014

### 1. Accounting Policies (continued)

#### Group financial statements - continued

However, the Members consider the financial statements would not give a true and fair view if the net assets and net profit as a whole were to be consolidated in full since the LLP's interest in these net assets is merely that of a General Partner. The effect of this departure has not been disclosed as giving this information would be misleading in the context of giving a true and fair view.

#### Taxation

Taxation on all partnership profits is solely the personal liability of the individual members. Consequently neither taxation nor related deferred taxation arising in respect of the LLP is accounted for in these audited financial statements.

#### Allocation of profits and drawings

The allocation of profits and losses to those who were Members during the financial year occurs following the finalisation of the audited financial statements.

The allocation of profits and losses between Members is determined by entitlements outlined in the Members' Limited Liability Partnership Agreement.

#### Adoption of new standards

There are no new or revised accounting standards which are applicable to the LLP.

The director of the Managing Member is in the process of understanding and assessing the impact of the new UK financial reporting regime which are due to be effective for the LLP's financial statements for the year ending 31 December 2015 and therefore making the 1 January 2014 as the opening balance sheet date.

### 2. Other operating expenses

	01 Jan 14 to 31 Dec 14 €	18 Apr 13 to 31 Dec 13 €
Other operating expenses	92,231	106,912
Legal fees	20,912	30,056
Audit of these financial statements	3,950	10,000
	<b>117,093</b>	<b>146,968</b>

### 3. Information regarding members and employees

No member received any emoluments during the year ended 31 December 2014 (2013: Nil). The Partnership had no employees during the same period.

**BI-Invest GP LLP**

Notes to the Financial Statements  
for the year ended 31 December 2014

**4. Debtors and prepayments**

	2014	2013
	€	€
Advisory fees receivable	145,500	22,727
Expense recoveries	113,082	231,950
Amounts due from associated companies	46,936	-
Other debtors and prepayments	43,106	39,775
Due from Investindustrial IV LP.	-	149,852
	<b>348,624</b>	<b>444,304</b>

**5. Creditors due within one year**

	2014	2013
	€	€
Due to Investindustrial IV LP.	2,707,871	-
Amounts due to associated companies	450,000	-
Advisory and consultancy fees	408,202	2,587,901
Other creditors and accruals	11,085	41,906
General Partner's Share received in advance	-	5,087,812
	<b>3,577,158</b>	<b>7,717,619</b>

**6. Members' interests**

	Other reserves	Loans and other debts due to members	Total
	€	€	€
Members' interest at 1 January 2014	(2,038,112)	117	(2,037,995)
Capital Contributions	-	-	-
Movements in amounts due from members	(9,100,000)	-	(9,100,000)
Net profit for the period	8,041,086	-	8,041,086
Members' interest at 31 December 2014	<b>(3,097,026)</b>	<b>117</b>	<b>(3,096,909)</b>

## BI-Invest GP LLP

Notes to the Financial Statements  
for the year ended 31 December 2014

### 7. Reconciliation of profit for the period to net cash inflow from operating activities

	2014	2013
	€	€
Net profit for the period	8,041,086	5,305,842
Decrease/(increase) in debtors and prepayments	95,680	(7,788,141)
(Decrease)/increase in creditors	(4,140,461)	7,717,619
Net cash inflow from operating activities	<u>3,996,305</u>	<u>5,235,320</u>

### 8. Reconciliation of net cash flow movement to net funds

	2014	2013
	€	€
Opening net funds	5,235,320	-
(Decrease)/increase in net cash	(5,103,695)	5,235,320
Net funds at 31 December 2014	<u>131,625</u>	<u>5,235,320</u>

### 9. Reconciliation of net cash flow movement to net debt

No reconciliation of net cash flow movement to net debt has been presented as the LLP has no long term borrowings.

### 10. Related party disclosures

The LLP is responsible for the management of the Fund Partnership and receives a General Partner's Share in return for its services as disclosed in note 1.

Investindustrial Advisors Limited, an entity affiliated to the LLP, provided investment advisory services to the LLP in its capacity as General Partner of the Fund Partnership. These services were provided in the ordinary course of business and at normal market rates and fees totalled €3,395,100 for the year ended 31 December 2014 (2013: €1,391,206), of which €406,506 was payable as at that date (2013: €998,545).

BI-Invest Services S.A., an entity affiliated to the LLP, provided investment advisory services to the LLP in its capacity as General Partner of the Fund Partnership. These services were provided in the ordinary course of business and at normal market rates and fees totalled €90,000 for the year ended 31 December 2014 (2013: 1,585,280), of which €1,696 (2013: 1,589,356) was payable as at that date.

### 11. Contingencies and commitments

There are no contingencies or commitments as at 31 December 2014.

### 12. Ultimate parent undertaking

The Managing Member and Designated Member of the LLP are both wholly owned subsidiaries of BI-Invest Holdings S.A., a company incorporated in Luxembourg which has no majority shareholder and no shareholder has single controlling rights over the company.

**BI-Invest GP LLP**

Notes to the Financial Statements  
for the year ended 31 December 2014

**Members' capital account as at 31 December 2014**

	Capital committed at 31 Dec 14 €	Members' interest at 1 Jan 14 €	Introduced during the period €	Due from Members €	Profit for the period €	Members' interest at 31 Dec 14 €
Investindustrial Management Limited	105	828	-	-	1,240	2,069
BI-Invest Industrial-Development S.A.	12	(2,038,823)	-	(9,100,000)	8,039,846	(3,098,978)
Balance carried forward	117	(2,037,995)	-	(9,100,000)	8,041,086	(3,096,909)

*(This page is included for the Members information only and does not form part of the financial statements).*