

**Cinven Capital Management (TF No 3) Limited**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 December 2011**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**Directors**

R A Hall (Chairman)	
D R Barker	(Resigned 17 February 2012)
C Berendsen	(Resigned 17 February 2012)
P A C Catterall	(Resigned 17 February 2012)
M A Colato	
G B Davison	(Resigned 17 February 2012)
X Geismar	(Resigned 17 February 2012)
R F Gibson	(Resigned 17 February 2012)
P Heberling	(Resigned 17 February 2012)
A N Joy	
H M Langmuir	(Resigned 17 February 2012)
B A Linden	
S A McAlpine	(Resigned 17 February 2012)
N F Paulmier	
S N Rowlands	(Resigned 22 March 2012)
M J Sabben-Clare	(Resigned 17 February 2012)
K J Whale	

**Secretary**

T L Perkins

**Registered Office**

50 Lothian Road  
Festival Square  
Edinburgh EH3 9WJ

**Bankers**

Lloyds Banking Group Plc  
The Mound  
Edinburgh EH1 1YZ

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Hill House  
1 Little New Street  
London EC4A 8HQ

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**DIRECTORS' REPORT**

The directors present their report together with the audited financial statements of the Company (registered number SC213377) for the year ended 31 December 2011.

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

**Activities**

The principal activity of the Company is to participate in the management of private equity partnerships as a General Partner. The Company's ultimate parent company is Cinven Group Limited.

**Results**

The results for the Company for the year ended 31 December 2011 are shown on page 8. The directors do not recommend payment of a dividend for the year (2010: £nil).

**Future prospects**

The Company continues to act as General Partner to certain private equity partnerships; however, from 17 February 2012, it is no longer entitled to receive contractual revenue from those partnerships. The directors have considered the cash flows and the nature of the Company's operations and taken into consideration the Company's relationship with Cinven Limited. They have concluded that the Company has the financial resources to meet its obligations for the foreseeable future. From this review, it is therefore deemed that the Company is considered a going concern (see note 1).

**Directors**

The membership of the Board is set out below.

Mr R A Hall (Chairman)

Mr D R Barker (Resigned 17 February 2012)

Mr C Berendsen (Resigned 17 February 2012)

Mr P A C Catterall (Resigned 17 February 2012)

Mr M A Colato

Mr G B Davison (Resigned 17 February 2012)

Mr X Geismar (Resigned 17 February 2012)

Ms R F Gibson (Resigned 17 February 2012)

Mr P Heberling (Resigned 17 February 2012)

Mr A N Joy

Mr H M Langmuir (Resigned 17 February 2012)

Mr B A Linden

Mr S A McAlpine (Resigned 17 February 2012)

Mr N F Paulmier (Resigned 17 February 2012)

Mr S N Rowlands (Resigned 22 March 2012)

Mr M J Sabben-Clare (Resigned 17 February 2012)

Mr K J Whale

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**DIRECTORS' REPORT (Continued)**

**Financial risk management**

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the Company's business, being the management of investment funds, and the assets and liabilities contained within the Company's Balance Sheet the only financial risks the directors consider relevant to this Company are currency, liquidity and cash flow risk. The income from the management of investment funds can be forecast with a reasonable degree of accuracy from year to year allowing the company to manage the associated risks associated with changes in income levels. The remaining risks are mitigated by the routine monitoring of key management information.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

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

Approved by the Board of Directors

and signed on behalf of the Board



K J Whale  
Director  
5 April 2012

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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;
- state whether applicable UK Accounting Standards have been followed; 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, 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.

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CINVEN CAPITAL MANAGEMENT (TF NO 3) LIMITED**

We have audited the financial statements of Cinven Capital Management (TF No 3) Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, Balance Sheet and related notes 1 to 14. 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 auditor**

As explained more fully in the Statement of Directors' Responsibilities, 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 2011 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.

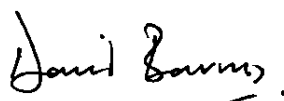
### **Opinion on other matter prescribed by the Companies Act 2006**

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.

### **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 (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, UK  
5 April 2012

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**PROFIT AND LOSS ACCOUNT**

**Year ended 31 December 2011**

	Note	2011 £	2010 £
<b>Turnover</b>		1,144,428	15,488
Administrative expenses		-	(12,346)
<b>Operating profit and profit on ordinary activities before taxation</b>	2	1,144,428	3,142
Taxation	4	-	-
<b>Profit for the year</b>		1,144,428	3,142

All income and expenses for the years ended 31 December 2010 and 2011 were derived from continuing operations.

The Company has no recognised gains or losses other than those included in the results above; therefore, no separate statement of total recognised gains and losses has been prepared.

The notes on pages 10 to 13 form an integral part of the financial statements.



**BALANCE SHEET**  
**31 December 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Investments	8	1	1
<b>CURRENT ASSETS</b>			
Debtors	9	1,039,990	36,681
<b>CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	10	(1,030,253)	(26,944)
<b>NET CURRENT ASSETS</b>		<u>9,737</u>	<u>9,737</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,738	9,738
<b>TOTAL NET ASSETS</b>		<u>9,738</u>	<u>9,738</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1	1
Profit and loss account	12	9,737	9,737
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>9,738</u>	<u>9,738</u>

The notes on pages 10 to 13 form an integral part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 5 April 2012.

Signed on behalf of the Board of Directors

R A Hall  
Director



M A Colato  
Director



## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2011

### 1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below. The accounting policies have been consistently applied to both of the years presented in these financial statements.

#### Going concern

The Company has historically been entitled to contractual revenues from the partnerships of which it is a General Partner.

As at 31 December 2011, the Company has net current assets. To the extent these entitlements have been waived, any remaining obligations of the Company will be borne by other Group undertakings. The Board of Directors have reviewed any projected income, expenses and cashflow for the foreseeable future and have deemed that the Company will have the financial resources to meet its obligations.

From review of the above going concern analysis, it is therefore deemed that the Company is considered a going concern.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Turnover

Turnover is accounted for on an accruals basis and comprises General Partner entitlement to management profit share.

#### Investments

Investments are stated at cost less provisions for any impairment in value.

#### Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Cash flow statement

The Company is exempt from the requirement of Financial Reporting Standard 1 (Revised 1996) to prepare a cash flow statement as it is a wholly-owned indirect subsidiary of Cinven Group Limited, the financial statements of which are publically available.

#### Foreign Currency

Foreign exchange transactions have been translated at the rates prevailing on the dates of the transactions. Non monetary items are translated at historical cost and monetary items are retranslated at the closing rates of exchange. Translation differences are dealt with in the profit and loss account.

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**Year ended 31 December 2011**

**1. Accounting policies (continued)**

**Taxation**

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

**2. Operating profit**

The audit fee for the year ended 31 December 2011 was £2,020 (2010: £1,990). Audit fees are paid for and borne by Cinven Limited, a subsidiary of the Company's ultimate parent company.

**3. Related party transactions**

Cinven Capital Management (TF No 3) Limited is the General Partner of the Cinven Capital Management (TF No 3) Limited Partnership, whose other partners are wholly-owned subsidiary companies of Cinven Services Limited, a related party on the basis of common directors.

Under the terms of the Limited Partnership agreement, the Company is entitled to a variable portion of the income arising on this interest, which in the current year amounted to £1,144,728 (2010: £15,488).

Cinven Capital Management (TF No 3) Limited is exempt from disclosing related party transactions, under Paragraph 3c of Financial Reporting Standard No. 8 – Related Party Disclosures, with members of Cinven Group Limited, as it is a wholly owned subsidiary and provided that any other subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

**4. Taxation**

Analysis of tax charge on ordinary activities

	2011	2010
	£	£
Profit on ordinary activities before tax	1,144,428	3,142
Tax at 26.5% (2010:28%) thereon:	303,273	880
Effect of:		
Group relief	(303,273)	(880)
Current tax charge for the year	-	-

Any amount of the Company's tax liability of £303,273 (2010: tax liability £880) which is not relieved by group relief will be met by Cinven Limited. This arrangement is ongoing.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**Year ended 31 December 2011**

**5. Information regarding directors**

	2011 £	2010 £
<b>Directors' emoluments</b>		
Emoluments (excluding pension contributions)	-	12,346

No pension contributions were paid in respect of the directors during the year (2010: £nil).

**6. Employee information**

The Company has no employees (2010: none).

**7. Dividends on equity shares**

	2011 £	2010 £
Amounts recognised as distributions to equity holders in the period:		
Interim dividend in relation to the year ended 31 December 2011 of £1,144,428 (2010: £nil) per ordinary share	1,144,428	-

**8. Investments**

Investments comprise £1 capital contribution to the Cinven Capital Management (TF No 3) Limited Partnership and are stated at cost less provisions for any impairment in value.

**9. Debtors**

	2011 £	2011 £
Called up share capital not paid	1	1
Amounts owed by group undertakings	1,039,989	36,680
	1,039,990	36,681

**10. Creditors: amounts falling due within one year**

	2011 £	2010 £
Amounts owed to group undertakings	1,030,252	26,943
Other creditors	1	1
	1,030,253	26,944

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**Year ended 31 December 2011**

**11. Equity share capital**

	2011		2010	
	Number of shares	Share capital £	Number of shares	Share capital £
<b>Authorised:</b>				
Ordinary shares of £1 each	100	100	100	100
<b>Called up and allotted but unpaid:</b>				
Ordinary shares of £1 each	1	1	1	1

**12. Profit and loss account**

	2011 £
At 1 January 2011	9,737
Profit for the financial year	1,144,428
Dividends proposed on equity shares	(1,144,428)
At 31 December 2011	9,737

**13. Reconciliation of movements in shareholders' funds**

	2011 £	2010 £
Retained profit for the year	1,144,428	3,142
Equity dividends	(1,144,428)	-
Opening Shareholders' funds	9,738	6,596
Closing Shareholders' funds	9,738	9,738

**14. Ultimate parent company**

The directors regard Cinven Capital Management Limited as the immediate parent and controlling party and Cinven Group Limited as the ultimate parent and controlling party, both companies being incorporated in England and Wales. The smallest and largest group into which the accounts of the Company for the year ended 31 December 2011 are consolidated are the accounts for Cinven Group Limited. Copies of Cinven Group Limited's consolidated financial statements can be obtained from The Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.