Registered number: SC213979

HENDERSON EQUITY PARTNERS (GP) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 December 2014

PARTNERSHIP ACCOUNTS

HENDERSON EQUITY PARTNERS (GP) LIMITED

CONTENTS

HENDERSON EQUITY PARTNERS (GP) LIMITED

COMPANY INFORMATION

DIRECTORS	P A Davies G R M Pigache I Barrass
COMPANY SECRETARY	Henderson Secretarial Services Limited
REGISTERED NUMBER	SC213979
REGISTERED OFFICE	50 Lothian Road Festival Square Edinburgh EH3 9WJ
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
BANKERS	BNP Paribas 55 Moorgate London EC2R 6PA

STRATEGIC REPORT
For the Year Ended 31 December 2014

The Directors present the annual report and the audited financial statements of Henderson Equity Partners (GP) Limited ("the Company"), for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to act as a general partner to a range of private equity limited partnerships ("the Limited Partnerships"). This will continue to be the principal activity of the Company for the foreseeable future.

BUSINESS REVIEW

The Company is a wholly-owned subsidiary of Henderson Group plc ("HG plc" or "the Group"). The Group is run on an integrated basis through business units, not by the legal construct of its subsidiaries. Therefore the Company's strategy and business model is governed by that of the Group which is set out in considerable detail in the Annual report and Accounts of the Group which can be obtained from its registered office as set out in Note 18. The Group provides investment management services throughout Europe, the Americas and Asia. The Group manages a broad range of actively managed investment products for institutional and retail investors, across multiple asset classes, including equities, fixed income, property and private equity.

PRINCIPAL RISKS AND UNCERTAINTIES

Henderson's risk management framework helps the Group meet its business objectives within acceptable risk parameters and it is reviewed regularly so that new and emerging risks are identified early on. The Group's culture embeds the management of risk at all levels within the organisation. The framework under which it operates also ensures that it meets its business objectives without exceeding its risk appetite and it is subject to continuous review to ensure it recognises both new and emerging risks in the business. Please refer to the Group Annual Report and Accounts for the major risks affecting the Group. The following risks relate specifically to the Company.

Loss of investment teams and key personnel
The departure of investment teams from the Group could lead to poor investment performance of the Limited Partnerships to which the Company acts as general partner and consequently reputational risk for Group. Key members of the investment teams are appropriately incentivised, which include significant equity interests in HG plc. The Group has established a compensation policy which includes the deferral of compensation into equity and funds.

Poor investment performance
The Limited Partnerships which the Company acts as general partner to are principally 10 year closed ended private equity funds which pay priority profit share on committed capital. Accordingly the priority profit share is not subject to significant market price movements and can be accurately forecast. However, poor investment performance by Henderson could lead to a decline in value of the funds managed and therefore negatively impact priority profit share. The Group has sophisticated risk management processes and systems and provides regular oversight of the performance of all the investment teams, and takes active steps to address underperformance when it occurs.

Credit risk
There is a risk that the Limited Partnerships are not able to pay their priority profit share due to insufficient cash flow. The Company closely monitors the cash flows of these Limited Partners in order for them to meet all their liabilities and reviews the recoverability of outstanding fees on an ongoing basis.

KEY PERFORMANCE MEASURES

The Board of HG plc, the Company's ultimate parent undertaking, monitors the performance of the Group against plan using a number of financial and non-financial performance measures. The performance of the Company contributes to the Group's KPIs. Please refer to the Henderson Group plc Annual Report and Accounts for a review of the Group's KPIs.

STRATEGIC REPORT (continued)
For the Year Ended 31 December 2014

Turnover and administrative expenses
Turnover has decreased £3.3m principally due a provision for doubtful debt of £3.2m in relation to priority profit share receivable from Henderson PFI Secondary Fund II L.P.

Administrative expenses
Administrative expenses have decreased by £3.5m principally to due the provision for doubtful debt above which has reduced the management fee payable to a fellow group company by £3.2m.

Financial position
Total Shareholders' Funds attributable to equity holders of the parent increased by £0.1m to £0.9m as at 31 December 2014. This was due to profit for the financial year of £0.1m.

This report was approved by the Board of Directors on 12 June 2015 and signed on its behalf by:

P.A. Davis

P A Davies
Director

DIRECTORS' REPORT
For the Year Ended 31 December 2014

The Directors present their annual report and the audited financial statements of Henderson Equity Partners (GP) Limited ("the Company"), for the year ended 31 December 2014.

RESULTS AND DIVIDENDS

The profit for the financial year amounted to £108,885 (2013 - £52,458).

The Directors do not recommend the payment of any dividends in respect of the financial year (2013: £7,000,000).

DIRECTORS

The Directors who were in office during the year end and up to the date of signing the financial statements were:

P A Davies
G R M Pigache
I Barrass

FUTURE DEVELOPMENTS AND FUTURE RISKS AND UNCERTAINTIES

The future outlook and the principal risks and uncertainties for the Company are set out in the Strategic Report.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position, financial risk management objectives and its exposure to cash flow risk are included in Group's Business Review.

The Company acts as a general partner to a range of private equity limited partnerships, and earns a priority profit share for its services. This is expected to continue into the foreseeable future. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully.

DIRECTORS' REPORT
For the Year Ended 31 December 2014

DIRECTORS' INDEMNITY

Henderson Group plc provides a deed of indemnity to the Directors to the extent permitted by United Kingdom law whereby Henderson Group plc is able to indemnify a director against any liability incurred in proceedings in which the director is successful, and against the cost of successfully applying to the court to be excused for breach of duty where the director acted honestly and reasonably. The indemnity has been in force for the year to 31 December 2014 and up to the date of approval of the report and financial statements.

PROVISION OF INFORMATION TO AUDITORS

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, of which the Auditors are unaware. Each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

INDEPENDENT AUDITORS

Following a competitive tender process by the Company's ultimate parent company, Henderson Group plc, PricewaterhouseCoopers LLP was appointed as auditors to the Company for the year ended 31 December 2014 in accordance with the provisions of the Companies Act 2006.

It is the intention of the Directors to reappoint the auditors under the deemed appointment rules of section 487 of the Companies Act 2006.

This report was approved by the Board of Directors on 12 June 2015 and signed on its behalf by:

P.A. Davis

P A Davies
Director

HENDERSON EQUITY PARTNERS (GP) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT
For the Year Ended 31 December 2014

The Directors are responsible for preparing the Strategic Report, the Directors' 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 prepared 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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping 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.

P A Davies

P A Davies
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON EQUITY PARTNERS (GP) LIMITED

Report on the financial statements

Our opinion

In our opinion Henderson Equity Partners (GP) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 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.

What we have audited

Henderson Equity Partners (GP) Limited's financial statements, comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account 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 applicable law and United Kingdom Accounting Standards (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.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion 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.

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report 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.

HENDERSON EQUITY PARTNERS (GP) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON EQUITY PARTNERS (GP) LIMITED

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out in page 6, 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 & 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 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 and Financial Statements 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

Date: 15 JUNE 2015

PROFIT AND LOSS ACCOUNT
For the Year Ended 31 December 2014

	Note	2014 £	2013 £
TURNOVER	1,2	7,882,790	11,208,171
Administrative expenses		(7,722,236)	(11,274,939)
OPERATING PROFIT/(LOSS)	3	160,554	(66,768)
Profit on disposal of investments		355	571
Interest receivable and similar income		237	356
Impairment of fixed asset investments		(37,666)	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		123,480	(65,841)
Tax on profit/(loss) on ordinary activities	6	(14,595)	118,299
PROFIT FOR THE FINANCIAL YEAR	14	108,885	52,458

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and Loss Account, accordingly a Statement of Total Recognised Gains and Losses is not required.

There are no material differences between the profit/(loss) on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

The notes on pages 11 to 17 form part of these financial statements.

HENDERSON EQUITY PARTNERS (GP) LIMITED
Registered number: SC213979

BALANCE SHEET
As at 31 December 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Investments	7		57,485		95,066
CURRENT ASSETS					
Debtors	8	46,779,198		50,150,762	
Cash at bank and in hand	9	44,468		20,947	
		46,823,666		50,171,709	
CREDITORS: amounts falling due within one year	10	(45,965,826)		(49,449,143)	
NET CURRENT ASSETS			857,840		722,566
TOTAL ASSETS LESS CURRENT LIABILITIES			915,325		817,632
PROVISIONS FOR LIABILITIES					
Deferred tax	11		(13,578)		(24,770)
NET ASSETS			901,747		792,862
CAPITAL AND RESERVES					
Called up share capital	13		1		1
Profit and loss account	14		901,746		792,861
TOTAL SHAREHOLDERS' FUNDS	15		901,747		792,862

The financial statements were approved and authorised for issue by the Board of Directors on 12 June 2015 and were signed on its behalf by:

P A Davies

P A Davies
Director

The notes on pages 11 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice. The financial statements have been prepared on a going concern basis.

Accounting policies have been applied consistently.

1.2 TURNOVER

Turnover comprises Priority Profit Share and Carried Interest entitlements received from the Limited Partnerships. Priority Profit Share entitlements are accounted for on an accruals basis. Carried interest, which is based on the investment performance achieved over the lifecycle of the Limited Partnerships, is recognised when the amounts attributable to the Company have crystallised and can be measured reliably.

1.3 INVESTMENTS

Investments held as fixed assets are shown at cost less any provision for permanent diminution in value.

1.4 INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable and similar income is recognised on an accruals basis.

1.5 TAXATION

Current tax is provided on the Company's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax is provided in respect of all timing differences which result in an obligation at the Balance Sheet date to pay more tax, or the right to pay less tax, at a future date, at tax rates expected to apply when the timing differences reverse based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. However, deferred tax assets are recognised only 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.

1.6 CONSOLIDATED FINANCIAL STATEMENTS

The financial statements and related notes are in respect of the Company only. The Company acts as a general partner to a number of funds, including Henderson Global Fund of Funds I L.P., Henderson Technology Partners I L.P., Henderson PFI Secondary Fund L.P. and Henderson PFI Secondary Fund II L.P. ('the Limited Partnerships'). As general partner, the Company is able to exercise a dominant influence over the Limited Partnerships. The Limited Partnerships are not treated as a subsidiary undertaking as rights of the Company are exercised on behalf of the investors in the Limited Partnerships and being fiduciary in nature, these rights can be disregarded when determining whether a parent subsidiary relationship exists.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2014

1. ACCOUNTING POLICIES (continued)

1.7 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the appropriate exchange rate prevailing at the date of the transaction. Foreign currency monetary balances at the reporting date are converted at the prevailing exchange rate. Foreign currency non-monetary balances carried at fair value or cost are translated at the rates prevailing at the date when the fair value or cost is determined. Gains and losses arising on retranslation are taken to the Profit and Loss Account.

2. TURNOVER

All turnover arose within the United Kingdom.

Priority profit share revenue is derived from the participation of the Company as a general partner in the Limited Partnerships and is calculated in accordance with the partnership agreements.

The Company is entitled to receive carried interest from its investments in Henderson European Partners (FP) L.P., Henderson Asia Pacific Equity Partners (FP) L.P., Henderson Global Fund of Funds (FP) L.P., Henderson Fund Partners (FP) L.P., Henderson Infrastructure (F.P.) L.P. and Henderson Infrastructure (F.P.) II L.P.

The carried interest which crystallised during the year from the carried interest entitlement of the Company in Henderson Asia Pacific Equity Partners (FP) L.P. was £nil (2013: write back of income of £34,876). The carried interest which crystallised during the year from the carried interest entitlement of the Company in Henderson Global Fund of Funds (FP) L.P. was £10,298 (2013: £35,989).

	2014	2013
	£	£
Priority profit share receivable	7,872,492	11,207,058
Carried interest entitlement	10,298	1,113
Total	7,882,790	11,208,171

3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging/(crediting):

	2014	2013
	£	£
Difference on foreign exchange	(150,257)	67,881
Management fee payable to Henderson Equity Partners Limited	7,872,492	11,207,058

Auditor's remuneration of £4,642 (2013: £8,250) in respect of the audit of the Company's financial statements is borne by a fellow Group undertaking.

4. EMPLOYEES

The Company has no employees. Employees' contracts of employment are with Henderson Administration Limited, a fellow Group undertaking, and staff costs are disclosed in that company's financial statements.

5. DIRECTORS' REMUNERATION

The Directors of the Company were employed and remunerated as directors and executives of the Group in respect of their services to the Group as a whole. The Directors believe that it is not practicable to apportion part of their remuneration to the services as Directors of the Company.

6. TAXATION

	2014 £	2013 £
ANALYSIS OF TAX CHARGE/(CREDIT) IN THE YEAR		
CURRENT TAX (see note below)		
Charge for the year	-	-
Adjustments in respect of prior periods	25,787	(48,531)
TOTAL CURRENT TAX	25,787	(48,531)
DEFERRED TAX		
Credit for the year	(12,026)	(48,525)
Adjustments in respect of prior periods	-	(18,049)
Effect of change in statutory tax rate	834	(3,194)
TOTAL DEFERRED TAX (see note 11)	(11,192)	(69,768)
TOTAL TAX CHARGE/(CREDIT) ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	14,595	(118,299)

FACTORS AFFECTING TAX CHARGE/(CREDIT) FOR THE YEAR

The tax assessed for the year is lower (2013: higher) than the standard rate of corporation tax in the UK of 21.49% (2013 : 23.25%). The differences are explained below:

	2014 £	2013 £
Profit/(loss) on ordinary activities before tax	123,480	(65,841)
Tax on profit/(loss) on ordinary activities at the standard UK corporation tax rate of 21.49% pro rata (2013 : 23.25% pro rata):	26,536	(15,308)
EFFECTS OF:		
Expenses not deductible for tax purposes	8,094	-
Income not taxable for tax purposes	(1,691,875)	(2,597,665)
Accrued partnership profit share deductible in future periods	12,026	48,525
Group relief surrendered for nil consideration and worldwide debt cap adjustments	1,645,219	2,564,448
Adjustments in respect of prior periods	25,787	(48,531)
TOTAL CURRENT TAX CHARGE/(CREDIT) FOR THE YEAR	25,787	(48,531)

6. TAXATION (continued)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Government previously announced its intention to reduce the main corporation tax rate to 21% from 1 April 2014 and 20% from 1 April 2015. These were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. The deferred tax assets and liabilities reflect the reduction in the rates.

7. FIXED ASSET INVESTMENTS

	Fund founder partnerships* £	Other limited partnerships £	2014 £
Cost			
Cost at 1 January 2014	28,749	250,825	279,574
Prior year adjustment	-	85	85
Cost as at 31 December 2014	28,749	250,910	279,659
Impairment			
Balance as at 1 January 2014	(20,729)	(163,779)	(184,508)
Impairment during the year	(32)	(37,634)	(37,666)
Balance as at 31 December 2014	(20,761)	(201,413)	(222,174)
Net Book Value			
At 31 December 2014	7,988	49,497	57,485
At 31 December 2013	8,020	87,046	95,066

*The Company's investment in fund founder partnerships are in the following entities: Henderson European (FP) L.P., Henderson Asia Pacific Equity Partners (FP) L.P., Henderson Global Fund of Funds (FP) L.P. and Henderson Fund Partners (FP) L.P..

8. DEBTORS

	2014 £	2013 £
Accrued profit share due from Limited Partnerships	45,965,826	49,449,143
Amounts owed by Group undertakings	743,584	527,071
Corporation tax debtor	-	48,531
Other debtors	1,895	2,164
Prepayments and accrued income	67,893	123,853
	46,779,198	50,150,762

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2014

9. CASH AT BANK AND IN HAND

	2014 £	2013 £
Cash at bank	44,468	20,947

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Amounts owed to Limited Partnerships	45,965,826	49,449,143

11. DEFERRED TAX LIABILITY

	2014 £	2013 £
At 1 January	24,770	94,538
Current year credit	(12,026)	(48,525)
Change in statutory tax rate	834	(3,194)
Prior period adjustments	-	(18,049)
At 31 December	13,578	24,770

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accrued partnership carry entitlement taxable in future periods	13,578	24,770

12. DIVIDENDS

	2014 £	2013 £
Dividends paid on equity capital	-	7,000,000

13. CALLED UP SHARE CAPITAL

	2014 £	2013 £
ALLOTTED, CALLED UP AND FULLY PAID		
1 (2013: 1) Ordinary share of £1	1	1

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2014

14. PROFIT AND LOSS ACCOUNT

	£
At 1 January 2014	792,861
Profit for the financial year	108,885
At 31 December 2014	901,746

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Opening shareholders' funds	792,862	7,740,404
Profit for the financial year	108,885	52,458
Dividends (Note 12)	-	(7,000,000)
Closing shareholders' funds	901,747	792,862

16. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS 8 "Related Party Disclosures", relating to transactions between 100% controlled subsidiaries, by not disclosing information on related party transactions with entities that are part of the Group, or investees of the Group qualifying as related parties.

	Priority profit share receivable 2014	**2013**	**Outstanding priority profit share allocation 2014**	**2013**
	£	**£**	**£**	**£**
Henderson Global Fund of Funds I L.P.	216,753	302,427	-	-
Henderson PFI Secondary Fund L.P.	3,749,357	3,842,605	-	7,389,699
Henderson PFI Secondary Fund II L.P.	3,906,382	7,062,026	45,965,826	42,059,444
	7,872,492	11,207,058	45,965,826	49,449,143

The Company is a carried interest partner in Henderson European Partners (FP) L.P., Henderson Asia Pacific Equity Partners (FP) L.P., Henderson Global Fund of Funds (FP) L.P., Henderson Fund Partners (FP) L.P., Henderson Infrastructure (F.P.) L.P. and Henderson Infrastructure (F.P.) II L.P..

The Company has received all outstanding carried interest in relation to Henderson Asia Pacific Equity Partners (FP) L.P., therefore the accrued carried interest as at 31 December 2014 was £nil (2013: £nil). The carried interest recognised by the Company in its Profit and Loss Account was £nil (2013: write back of £34,876).

The accrued carried interest relating to Henderson Global Fund of Funds (FP) L.P. at 31 December 2014 was £67,893 (2013: £123,853). The carried interest recognised by the Company in its Profit and Loss Account was £10,298 (2013: £35,989).

17. CASH FLOW STATEMENT

The Company has taken advantage of the exemption in FRS 1 "Cash Flow Statements" from the requirement to prepare a cash flow statement, on the basis that it is a subsidiary undertaking where 90% or more of the voting rights are controlled within the Group, which prepares publicly available financial statements.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Henderson Equity Partners Limited, a company incorporated in the United Kingdom and its ultimate parent undertaking is Henderson Group plc, a company incorporated in Jersey which is the parent undertaking of the smallest and largest group to consolidate these financial statements. A copy of the Group's Annual Report and Accounts for the year ended 31 December 2014 can be obtained from its registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, or its website, www.henderson.com.

19. POST BALANCE SHEET EVENTS

The Board of Directors has not received as at 12 June 2015 being the date the financial statements were approved, any information concerning significant conditions in existence at the balance sheet date, which have not been reflected in the financial statements as presented.

Registered number SL4396

HENDERSON GLOBAL FUND OF FUNDS (FP) L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Annual Report and financial statements for the year ended 31 December 2014

CONTENTS **Page**

Report of the General Partner

Establishment and activities

Henderson Global Fund of Funds (FP) L.P. ("the Partnership") was formed on 2 November 2001 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) the persons ("the Carried Interest Partners") whose names are set out in the Table of Partners' Funds (on page 6) as Carried Interest Partners.

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907, with registered number SL4396 and in accordance with the limited partnership agreement ("the Partnership Agreement").

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as the General Partner of the Partnership and has delegated the authority for the administration of the Partnership to the General Partner.

The purpose of the Partnership is to act as a founder partner in Henderson Global Fund of Funds I L.P. ("the Fund Partnership") and to hold and benefit from an investment as a founder partner in the Fund Partnership, subject to and in accordance with the partnership agreement of the Fund Partnership.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

The net assets of the Partnership have decreased by US$901,453 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling US$789,750. This surplus capital was utilised to make net distributions totalling US$784,750 to the limited partners.

(ii) The revaluation of the investments held by the Partnership at the year end resulting in a net capital loss of US$129,442.

The total operating income of the Partnership was US$12,739. This compared with a profit of US$29,559 in the previous period. The decrease was principally due to a lower share of income received from the Fund Partnership during the year.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 10 to 21. The loss for the year ended December 2014 was US$116,703 (2013: profit of US$115,893).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk other than in respect of cash held on deposit.

Currency risk

The Partnership through its investment in the Fund Partnership indirectly holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuations of these assets. The Partnership's market price risk is managed through diversification of the investment portfolio within the investment portfolio.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to cash held on deposit. Cash at bank is held with financial institutions with good credit ratings.

Report of the General Partner (continued)

Liquidity risk

The Partnership holds its investment in the Fund Partnership for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments of the Fund Partnership is also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Carried Interest Partners' and General Partner's contributions

The Carried Interest Partners and the General Partner have agreed to make aggregate capital contributions of US$19,094 (2013: US$19,094) to the Partnership to enable the Partnership to make capital contributions to the Fund Partnership. There were no outstanding capital commitments from the Carried Interest Partners or the General Partner at 31 December 2014 (2013:US$nil).

The Carried Interest Partners and the General Partner are entitled to a share of the income and capital entitlements of the Partnership in its capacity as a founder partner of the Fund Partnership in proportion with their relative share of the total capital contributions to the Partnership.

Amounts attributable to the General Partner

The General Partner is entitled to a share of the income and capital return of the Partnership in proportion with its share of the capital contributed. There is no priority profit share entitlement.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going Concern

The term of the Partnership is linked to that of the Fund Partnership. During the year, the Fund Partnership was extended to 8 November 2015 by the General Partner in accordance with the Fund Partnership's Limited Partnership Agreement. Any further extension will require the Partners' consent, it is deemed likely consent would be granted.

The Partnership will terminate 90 days after the Fund Partnership. Accordingly the accounts are prepared on a going concern basis.

Report of the General Partner (continued)

Auditors

Ernst & Young LLP resigned as auditor during the year and the General Partner appointed PricewaterhouseCoopers LLP as the Partnership's auditor beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner

P.A Davies

PA Davies
For and on behalf of the General Partner
2 April 2015

TABLE OF PARTNERS' FUNDS

Forming part of the Report of the General Partner for the year ended 31 December 2014

	Share of capital	
	2014	2013
	%	%
General Partner		
Henderson Equity Partners (GP) Limited	15.3808	15.3808
Carried Interest Partners		
HGP2 Limited	0.6769	0.6769
Roger Greville	15.1897	15.1897
Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	2.2784	2.2784
Toby Boyle	2.2784	2.2784
Hawksford Trustees Jersey Limited as Trustee of the Faber Family Settlement	22.2210	22.2210
Greg Elliot	4.7763	4.7763
The Pajaba Trust	10.9231	10.9231
Sanjiv Kapur	23.9708	23.9708
Shantini Nair	1.1477	1.1477
Affinity Trust Limited as trustee of the Woodbury 2005 Trust	1.1569	1.1569
Total	**100.0000**	**100.0000**

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GLOBAL FUND OF FUNDS (FP) L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson Global Fund of Funds (FP) L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Global Fund of Funds (FP) L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GLOBAL FUND OF FUNDS (FP) L.P.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 7, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
2 April 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 US$	Restated Year ended 31 December 2013 US$
Interest receivable		-	2
Administrative expenses	2	(9,207)	(8,838)
Share of net income of the Fund Partnership in the year	3	21,946	38,395
NET INCOME		12,739	29,559
Realised gain on Fund Partnership		285,801	285,501
Unrealised loss on Fund Partnership		(415,243)	(199,167)
NET CAPITAL (LOSS)/GAIN		(129,442)	86,334
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(116,703)	115,893
ALLOCATION TO:			
General Partner		(17,950)	17,825
Carried Interest Partners		(98,753)	98,068
		(116,703)	115,893

All results derive from continuing operations.

There are no recognised gains or losses other than those included above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 13 to 21 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
FIXED ASSETS			
Investments	3	951,403	1,848,649
CURRENT ASSETS			
Debtors	4	66	452
Cash at bank and in hand		15,256	21,437
CREDITORS: Amounts falling due within one year	5	(9,060)	(11,420)
NET CURRENT ASSETS		6,262	10,469
NET ASSETS		957,665	1,859,118
REPRESENTED BY:			
Equity			
Capital contribution account	8	19,094	19,094
Capital account	8	938,571	1,840,024
TOTAL PARTNERS' FUNDS	7,8	957,665	1,859,118

The notes on pages 13 to 21 form an integral part of these financial statements.

Approved by

P.A. Davies

PA Davies
For and on behalf of the General Partner
2 April 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
Net cash outflow from operating activities	6	(11,181)	(8,580)
Net cash flow from investment activities			
Distributions from Henderson Global Fund of Funds I L.P.	3	789,750	954,163
Net cash flow from financing activities			
Distributions made to Partners		(784,750)	(924,162)
Movement in cash in the year		(6,181)	21,421

Reconciliation of net cash flow to movement in net funds

Net funds at 1 January	21,437	16
Movement in cash in the year	(6,181)	21,421
Net funds at 31 December	15,256	21,437

The notes on pages 13 to 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are presented in US Dollars being the operational currency in which the Partnership conducts the majority of its investment activities.

The term of the Partnership is linked to that of the Fund Partnership. During the year, the Fund Partnership was extended to 8 November 2015 by the General Partner in accordance with the Fund Partnership's Limited Partnership Agreement. Any further extension will require the Partners' consent, it is deemed likely consent would be granted.

The Partnership will terminate 90 days after the Fund Partnership. Accordingly the accounts are prepared on a going concern basis.

Restatement of opening balances

In accordance with the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008, the Partnership is deemed to be a Qualifying Limited Partnership. This has resulted in the financial statements being prepared in accordance with United Kingdom Generally Accepted Accounting Practice for the first time and as such required a restatement of opening balances. The balances that have been restated are as follows:

- Investment valuations have been adjusted to reflect the 31 December 2013 valuations received from the underlying fund investments. In the prior year financial statements, the majority of the portfolio was valued using valuation data as at 30 September 2013. The effect of this is a $84,133 increase in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

Recognition and valuation of investments

Investments are initially recognised and subsequently derecognised on the trade date where the purchase or sale of the asset is under contract. Investments are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the asset and substantially all the risks, rewards and ownership of the asset to another entity.

The valuation of the investment is derived by taking the Partnership's share of the net assets of the Fund Partnership, as calculated in its financial statements, in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Any income or capital distributions from the Fund Partnership are treated as a reduction to the capital value of the investment.

Income recognition

Income represents the share of the net income of the Fund Partnership that is attributable to the Partnership as a founder partner of the Fund Partnership.

Unrealised gains or losses represent the share of capital gains of the Fund Partnership that are attributable to the Partnership as a founder partner of the Fund Partnership. Upon receipt of a distribution from the Fund Partnership, the cumulative value of any unrealised gain or loss recognised in previous years is written back through the profit and loss account. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Interest income

Interest income is recognised on an accruals basis.

Administrative expenses

All administrative expenses (including the audit fee) for the year have been borne by the Partnership on an accruals basis.

Foreign exchange

Transactions in currencies other than US Dollars are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the closing rate of exchange at the year end.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their capital contributions.

2. ADMINISTRATIVE EXPENSES

	2014 US$	2013 US$
Services provided by the Partnership's auditors		
- Fees payable for the audit	4,765	5,800
Professional fees	4,442	3,038
	9,207	8,838

3. INVESTMENT IN HENDERSON GLOBAL FUND OF FUNDS I LP

	2014 US$	Restated 2013 US$
Opening and closing cost	19,094	19,094
Share of realised gains of the Fund Partnership	2,002,865	2,484,868
Share of unrealised losses of the Fund Partnership	(1,070,556)	(655,313)
Closing fair value	951,403	1,848,649

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENT IN HENDERSON GLOBAL FUND OF FUNDS I LP (continued)

Movements in the investment relative to opening fair value were as follows:

	2014 US$	Restated 2013 US$
Opening fair value	1,848,649	2,678,083
Share of net income of the Fund Partnership	21,946	38,395
Realised gain on Fund Partnership	285,801	285,501
Unrealised loss on Fund Partnership	(415,243)	(199,167)
Distributions made by the Fund Partnership	(789,750)	(954,163)
Closing fair value	951,403	1,848,649

4. DEBTORS

	2014 US$	2013 US$
Due from Manager	66	452

5. CREDITORS: amounts falling due within one year

	2014 US$	2013 US$
Other creditors	4,500	5,620
Audit fees	4,560	5,800
	9,060	11,420

6. RECONCILIATION OF NET LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 US$	Restated 2013 US$
Net profit for the year	12,739	29,559
Add back: Share of net income of the Fund Partnership	(21,946)	(38,395)
(Decrease)/increase in creditors	(2,360)	708
Decrease/(increase) in debtors	386	(452)
Net cash flow from operating activities	(11,181)	(8,580)

NOTES TO THE FINANCIAL STATEMENTS

7. RECONCILIATION OF PARTNERS' FUNDS

	2014 US$	Restated 2013 US$
Opening partners' funds	1,859,118	2,667,387
(Loss)/profit attributable to partners	(116,703)	115,893
Distributions made to partners	(784,750)	(924,162)
Closing partners' funds	957,665	1,859,118

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	HGP2 Limited	Roger Greville	Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	Toby Boyle	Hawksford Trustees Jersey Limited as Trustee of the Faber Family Settlement	Greg Elliot	The Pajaba Trust	Sanjiv Kapur	Shantini Nair	Affinity Trust Limited as trustee of the Woodbury 2005 Trust	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Capital contribution account												
As at 1 January 2014 and 31 December 2014	2,937	129	2,900	435	435	4,243	912	2,086	4,577	219	221	19,094
Income account												
As at 1 January 2014	-	-	-	-	-	-	-	-	-	-	-	-
Net profit in the year	1,960	86	1,936	290	290	2,831	608	1,391	3,054	146	147	12,739
Distributions made during the year	(1,960)	(86)	(1,936)	(290)	(290)	(2,831)	(608)	(1,391)	(3,054)	(146)	(147)	(12,739)
As at 31 December 2014	-	-	-	-	-	-	-	-	-	-	-	-
Capital account												
Restated as at 1 January 2014	283,011	12,455	279,494	41,923	41,923	408,872	87,885	200,988	441,068	21,118	21,287	1,840,024
Realised gain on Fund Partnership	43,958	1,935	43,412	6,512	6,512	63,508	13,651	31,218	68,509	3,280	3,306	285,801
Unrealised loss on Fund Partnership	(63,868)	(2,811)	(63,074)	(9,461)	(9,461)	(92,271)	(19,833)	(45,357)	(99,537)	(4,766)	(4,804)	(415,243)
Distributions made during the year	(118,740)	(5,227)	(117,266)	(17,590)	(17,590)	(171,548)	(36,874)	(84,327)	(185,057)	(8,860)	(8,932)	(772,011)
As at 31 December 2014	144,361	6,352	142,566	21,384	21,384	208,561	44,829	102,522	224,983	10,772	10,857	938,571
Total partners' funds as at 31 December 2014	147,298	6,481	145,466	21,819	21,819	212,804	45,741	104,608	229,560	10,991	11,078	957,665
Restated total partners' funds as at 1 January 2014	285,948	12,584	282,394	42,358	42,358	413,115	88,797	203,074	445,645	21,337	21,508	1,859,118

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership through its investment in the Fund Partnership indirectly holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

At the balance sheet date the Partnership had the following indirect currency exposures:

	2014 US$	Restated 2013 US$
Investments		
Euro	100,510	177,773
Pounds Sterling	75,141	217,743

The table below illustrates the impact on both the net assets and the net profit for the year of the Partnership of adjusting year end exchange rates on all financial assets and cash balances denominated in a currency other than US Dollars. All financial liabilities are denominated in US Dollars.

The General Partner believes 10% to be a reasonable estimate for the amount by which currency rates may move and accordingly below shows the potential impact on investments of a move in the rates of this amount.

	2014 US$	Restated 2013 US$
Euro exchange rate +/- 10%	10,051	17,777
Pounds Sterling exchange rate +/- 10%	7,514	21,774

Market price risk

Market price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Market price risk (continued)

The Partnership indirectly invests (through its investment) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of US$95,140 (2013: US$184,865).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities due to the nature of the investments, the General Partner does not provide a sensitivity analysis in these financial statements.

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to cash. Cash at bank is held with financial institutions with good credit ratings.

The Partnership's maximum exposure to credit risk at the balance sheet date was US$15,256 (2013: US$21,437) representing the amount shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The Partnership holds its investment in the Fund Partnerships for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments of the Fund Partnership is also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Creditors of US$9,060 (2013: US$11,420) are payable within 30 days or on demand. All other creditors are non interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Investments	-	-	951,403	951,403
Financial assets	-	-	951,403	951,403

At 31 December 2013

	Level 1 US$	Level 2 US$	Level 3 US$	Restated Total US$
Investments	-	-	1,848,649	1,848,649
Financial assets	-	-	1,848,649	1,848,649

The Partnership primarily invests in private equity via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in primarily unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 US$	Restated 2013 Level 3 US$
Valuation brought forward	1,848,649	2,678,083
Disposals	(789,750)	(954,163)
Fair value (losses)/gains	(107,496)	124,729
Valuation carried forward	951,403	1,848,649

Transfers

During the year there were no transfers between levels 1, 2 or 3 (2013: Nil).

NOTES TO THE FINANCIAL STATEMENTS

10. RELATED PARTY TRANSACTIONS

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 8 to the financial statements.

The amounts due from Manager at 31 December 2014 are US$66 (2013: US$452).

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number SL5851

HENDERSON INFRASTRUCTURE (F.P.) II L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS **Page**

Report of the General Partner

Establishment and activities

The General Partner submits their annual report and audited financial statements of Henderson Infrastructure (F.P.) II L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 18 September 2006 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) the persons ("the Carried Interest Partners") whose names are set out in the Table of Partners' Funds (on page 5) as Carried Interest Partners.

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with the registration number SL5851 and in accordance with the limited partnership agreement ("the Partnership Agreement").

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the responsibility for the administration of the Partnership to the Manager.

The purpose of the Partnership is to hold and benefit from an investment as a Founder Partner in Henderson PFI Secondary Fund II L.P. ("the Fund Partnership") subject to and in accordance with the Fund Partnership agreement.

In addition to the above purpose, the Partnership may also carry on such other business as the General Partner considers ancillary to or complimentary to the purposes above or would in the opinion of the General Partner be in the interest of the Carried Interest Partners.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Fund Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

The net assets of the Partnership have decreased by £714 from the prior year due to a revaluation of the investments held by the Fund Partnership at the year end.

Financial results

The financial statements of the Partnership have been set out on pages 9 to 16. The loss for the year ended 31 December 2014 was £714 (2013: profit of £183).

Partners' contributions

The Carried Interest Partners and the General Partner have agreed to subscribe in aggregate the sum of £1,075 (2013: £1,075) to the capital of the Partnership to enable the Partnership to subscribe to partnership capital in the Fund Partnership.

Report of the General Partner (continued)

Partners' contributions (continued)

The Carried Interest Partners are entitled to all income and capital accruing to the Partnership in its capacity as a Founder Partner of the Fund Partnership. The entitlement will be split between the Carried Interest Partners in proportion to the relative capital contributions of each partner.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Market price risk

The valuation of the Fund Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to cash held on deposit. Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for the investments held by the Fund Partnership to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Carried Interest Partners' capital to meet any short term liquidity needs.

Amounts attributable to the General Partner

In accordance with the Partnership Agreement, the General Partner received no priority profit share entitlement.

Report of the General Partner (continued)

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Partnership's activities, its financial position, financial risk management objectives and its exposures to price, credit, currency and liquidity risk are set out above.

After making enquiries, the General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly the General Partner continues to adopt the going concern basis in preparing the annual report and financial statements.

Auditors

Ernst & Young LLP has not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
19 May 2015

TABLE OF PARTNERS' FUNDS
Forming part of the Report of the General Partner for the year ended 31 December 2014

	2014 Share %	2013 Share %
Investors		
General Partner		
Henderson Equity Partners (GP) Limited	0.0900	-
Carried Interest Partners		
Affinity Trust Limited as trustee of the Woodbury 2005 Trust	21.2799	21.2799
Guy Pigache	26.5998	26.5998
Vicky McDonagh	2.2000	2.2000
Vimal Jain	3.0801	3.0801
Roger Greville*	14.6594	14.6594
Hannah O'Gorman	4.1834	4.1834
Ian Barrass	7.4704	7.4704
Chris Tanner**	5.6884	5.6884
Jasvinder Bal	5.6884	5.6884
Mike Jaffe	5.6884	5.6884
Priscilla Davies	3.1614	3.1614
Viane Frost***	0.2104	0.3004
Total	**100.0000**	**100.0000**

*Roger Greville became a Leaver during the year ended 31 December 2014. In accordance with the Partnership Agreement, no adjustment to his Relevant Proportion was required as determined by the Adjudication Committee in November 2014.

**Chris Tanner became a Leaver on of 31 December 2013. In accordance with the Partnership Agreement, no adjustment to his Relevant Proportion was required as determined by the Adjudication Committee in February 2014.

***Viane Frost became a Leaver during the year ended 31 December 2014. In accordance with the Partnership Agreement, her Relevant Proportion has been reduced and allocated among certain Carried Interest Partners as determined by the Adjudication Committee in November 2014. The Relevant Proportions above have been adjusted to reflect these changes.

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON INFRASTRUCTURE (F.P.) II L.P

Report on the financial statements

Our opinion

In our opinion, Henderson Infrastructure (F.P.) II L.P's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Infrastructure (F.P.) II L.P's financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON INFRASTRUCTURE (F.P.) II L.P

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
21 May 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Year ended 31 December 2014	Year ended 31 December 2013
	£	£
Share of net loss of the Fund Partnership in the year	(13)	-
NET LOSS	(13)	-
Unrealised (loss)/gain on investments	(701)	183
NET CAPITAL (LOSS)/GAIN	(701)	183
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(714)	183
ALLOCATION TO:		
Carried Interest Partners	(714)	183
	(714)	183

All results derive from continuing operations.

There are no recognised gains or losses other than those included in the profits above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 16 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014	31 December 2013
		£	£
FIXED ASSETS			
Investments	3	-	714
NET ASSETS		-	714
REPRESENTED BY:			
Capital contribution account	5	1,075	1,075
Capital account	5	(1,046)	(345)
Income account	5	(29)	(16)
TOTAL PARTNERS' FUNDS	4,5	-	714

The notes on pages 12 to 16 form an integral part of these financial statements.

Approved by:

P.A. Davis

P.A. Davies
For and on behalf of the General Partner
19 May 2015

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

Recognition and valuation of investments

The valuation of the investment is derived by taking the Partnership's share of the net assets of the Fund Partnership, as calculated in its financial statements, in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Investments are initally recognised and subsequently derecognised on the trade date where the purchase or sale of the asset is under contract. Investments are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the asset and substantially all the risks, rewards and ownership of the asset to another entity.

Income recognition

Income represents the share of the net income of the Fund Partnership that is attributable to the Partnership as a Founder Partner of the Fund Partnership.

Unrealised gains or losses represent the share of the unrealised capital gains of the Fund Partnership that are attributable to the Partnership as a Founder Partner of the Fund Partnership. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Administrative expenses

All administrative expenses (including the audit fee) for the year have been borne by the Manager on behalf of the Partnership and were not recharged.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their capital contributions. There are no priority profit share entitlements.

Reallocation of Carried Interest Partners' commitments

When a Carried Interest Partner becomes a leaver, their Relevant Proportion is reduced in accordance with the terms of the Partnership Agreement. The Relevant Proportion is reallocated to existing or new Carried Interest Partners at the discretion of the General Partner ("the Revised Relevant Proportion").

All net income and capital gains accruing to the leaver are reallocated between remaining or new Carried Interest Partners in accordance with the Revised Relevant Proportions.

NOTES TO THE FINANCIAL STATEMENTS

2. AUDIT FEES

The audit fee incurred by the Manager on behalf of the Partnership for the year was £2,449 (2014: £3,100). The balance has been borne by the Manager and was not recharged.

3. INVESTMENT IN HENDERSON PFI SECONDARY FUND II L.P.

	2014	2013
	£	£
Investment at cost - opening and closing balance	1,075	1,075
Share of net loss of the Fund Partnership	(29)	(16)
Share of unrealised losses of the Fund Partnership	(1,027)	(352)
Share of realised gains of the Fund Partnership	7	7
Impairment of investment	(26)	-
	-	714

4. RECONCILIATION OF PARTNERS' FUNDS

	2014	2013
	£	£
Opening partners' funds	714	531
(Loss)/profit attributable to partners	(714)	183
Closing partners' funds	-	714

NOTES TO THE FINANCIAL STATEMENTS

5. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Affinity Trust Limited as trustee of the Woodbury 2005 Trust	Guy Pigache	Vicky McDonagh	Vimal Jain	Roger Greville	Hannah O'Gorman	Ian Barrass	Chris Tanner	Jasvinder Bal	Mike Jaffe	Priscilla Davies	Viane Frost	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Capital contribution account														
Opening balance at 1 January 2014	-	228	286	24	34	158	45	80	61	61	61	34	3	1,075
Transfer between partners	1	-	-	-	-	-	-	-	-	-	-	-	(1)	-
Closing balance at 31 December 2014	1	228	286	24	34	158	45	80	61	61	61	34	2	1,075
Capital account														
Opening balance at 1 January 2014	-	(73)	(92)	(8)	(11)	(51)	(14)	(26)	(20)	(20)	(20)	(10)	-	(345)
Share of unrealised losses of the Fund Partnership	(1)	(149)	(186)	(16)	(23)	(103)	(29)	(52)	(39)	(39)	(39)	(23)	(2)	(701)
Closing balance at 31 December 2014	(1)	(222)	(278)	(24)	(34)	(154)	(43)	(78)	(59)	(59)	(59)	(33)	(2)	(1,046)
Income account														
Opening balance at 1 January 2014	-	(3)	(5)	-	-	(2)	(1)	(1)	(1)	(1)	(1)	(1)	-	(16)
Share of net loss of the Fund Partnership	-	(3)	(3)	-	-	(2)	(1)	(1)	(1)	(1)	(1)	-	-	(13)
Closing balance at 31 December 2014	-	(6)	(8)	-	-	(4)	(2)	(2)	(2)	(2)	(2)	(1)	-	(29)
Total partners' funds at 31 December 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total partners' funds at 1 January 2014	-	152	189	16	23	105	30	53	40	40	40	23	3	714

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not directly hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, through its investment, the Partnership has a beneficial interest in underlying investments denominated in currenci other than Pounds Sterling. However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the investment in the Fund Partnership adversely impacts the return generated by the Partnership.

The valuation of the Fund Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £nil (2013: £36).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

None of the financial assets of the Partnership were past due as at 31 December 2014 (2013: £nil) and no capital commitments due from partners were outstanding as at 31 December 2014 (2013: £nil).

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments in the Fund Partnership to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Carried Interest Partners' capital to meet any short term liquidity needs.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

As at 31 December 2014

	Level 1 £	Level 2 £	Level 3 £	Total £
Investments	-	-	-	-
Financial assets	-	-	-	-

As at 31 December 2013

	Level 1 £	Level 2 £	Level 3 £	Total £
Investments	-	-	714	714
Financial assets	-	-	714	714

Transfers

During the year there were no transfers between levels 1, 2 or 3.

NOTES TO THE FINANCIAL STATEMENTS

10. RELATED PARTY TRANSACTIONS

The audit fee incurred by the Manager on behalf of the Partnership for the year was £2,449 (2013: £3,100). The balance has been borne by the Manager and was not recharged.

Transactions with each of the Carried Interest Partners during the year and the amounts due to each Carried Interest Partner at the balance sheet date are disclosed in note 5 to the financial statements.

11. REGISTERED OFFICE

The registered address of the Partnership is 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ.

12. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number SL005384

HENDERSON INFRASTRUCTURE (F.P.) L.P

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Registered Office
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Establishment and activities

The General Partner submits their annual report and audited financial statements of Henderson Infrastructure (F.P.) L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 30 November 2004 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) the persons ("the Carried Interest Partners") whose names are set out in the Table of Partners' Funds (on page 5).

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with the registered number SL005384 and in accordance with the limited partnership agreement ("the Partnership Agreement").

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the responsibility for the administration of the Partnership to the Manager.

The purpose of the Partnership is to hold and benefit from an investment as a Founder Partner in Henderson PFI Secondary Fund L.P. ("the Fund Partnership") subject to and in accordance with the Fund Partnership agreement.

In addition to the above purpose, the Partnership may also carry on such other business as the General Partner considers ancillary to or complimentary to the purposes above or would in the opinion of the General Partner be in the interest of the Carried Interest Partners.

In aggregate, the Carried Interest Partners and the General Partner have contributed capital of £619 (2013: £619) to the Partnership to enable the Partnership to make a capital contribution to the Fund Partnership.

The Carried Interest Partners are entitled to all income and capital accruing to the Partnership in its capacity as a Founder Partner of the Fund Partnership. The entitlement will be split between the Carried Interest Partners in proportion to the relative capital contributions of each partner.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Fund Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners.

The net assets of the Partnership have increased by £95 from the prior year due to a revaluation of the investments held by the Fund Partnership at the year end.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 9 to 17. The profit for the year ended 31 December 2014 was £95 (2013: £93).

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Market price risk

The valuation of the Fund Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the fund. Please refer to the Going Concern note on page 4.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to cash held on deposit. Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for the investments held by the Fund Partnership to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Carried Interest Partners' capital to meet any short term liquidity needs.

Amounts attributable to the General Partner

In accordance with the Partnership Agreement, the General Partner is not entitled to any priority profit share.

Report of the General Partner (continued)

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the provisions of the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern. Please refer to Note 1 for further details.

Auditors

Ernst & Young LLP has not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
19 May 2015

TABLE OF PARTNERS' FUNDS
Forming part of the Report of the General Partner for the year ended 31 December 2014

	2014 Share %	2013 Share %
Investors		
General Partner		
Henderson Equity Partners (GP) Limited	-	-
Carried Interest Partners		
Affinity Trust Limited as trustee of the Woodbury 2005 Trust	20.800	20.800
Guy Pigache	26.000	26.000
Vicky McDonagh	4.290	4.290
Vimal Jain	5.336	5.336
Roger Greville*	15.930	15.930
Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	0.800	0.800
Hannah O'Gorman	6.160	6.160
Chris Tanner**	6.028	6.028
Jasvinder Bal	6.028	6.028
Mike Jaffe	6.028	6.028
Priscilla Davies	2.600	2.600
Total	**100.000**	**100.000**

*Roger Greville became a Leaver during the year ended 31 December 2014. In accordance with the Partnership Agreement, no adjustment was required to be made to his Relevant Proportion as determined by the Adjudication Committee in November 2014.

**Chris Tanner became a Leaver prior to the end of 31 December 2013. In accordance with the Partnership Agreement, no adjustment to his Relevant Proportion was required as determined by the Adjudication Committee in February 2014.

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON INFRASTRUCTURE (F.P.) L.P

Report on the financial statements

Our opinion

In our opinion, Henderson Infrastructure (F.P.) L.P's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. It is the General Partner's intention to begin liquidating the Partnership within the foreseeable future. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments were made in the financial statements to reduce assets to their realisable values and to reclassify fixed assets as current assets.

What we have audited

Henderson Infrastructure (F.P.) L.P's financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON INFRASTRUCTURE (F.P.) L.P

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
21 May 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Share of net loss of the Fund Partnership in the year	(5)	-
NET LOSS	(5)	-
Unrealised gain on investment	100	93
NET CAPITAL GAIN	100	93
PROFIT FOR THE FINANCIAL YEAR	95	93
ALLOCATION TO:		
Carried Interest Partners	95	93

All results derive from discontinuing operations.

There are no recognised gains or losses other than those included in the Profit and Loss Account above, and therefore no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 17 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
FIXED ASSETS			
Investments	3	-	968
CURRENT ASSETS			
Investments	3	1,063	-
Cash at bank and in hand		12	12
NET ASSETS		1,075	980
REPRESENTED BY:			
Equity:			
Capital contribution account	6	619	619
Capital account	6	410	310
Income account	6	46	51
TOTAL PARTNERS' FUNDS	5,6	1,075	980

The notes on pages 12 to 17 form an integral part of these financial statements.

Approved by:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
19 May 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash flow from operating activities	4	-	-
Increase in cash		-	-

The notes on pages 12 to 17 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern, which includes the following provisions:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date.

Recognition and valuation of investments

The valuation of the investment is derived by taking the Partnership's share of the net assets of the Fund Partnership, as calculated in its financial statements, in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Income recognition

Income represents the share of the net income and capital gains of the Fund Partnership that is attributable to the Partnership as a Founder Partner of the Fund Partnership.

Unrealised gains or losses represent the share of the unrealised capital gains of the Fund Partnership that are attributable to the Partnership as a Founder Partner of the Fund Partnership. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Administrative expenses

All administrative expenses (including the audit fee and liquidation costs) for the year have been borne by the Manager on behalf of the Partnership and were not recharged.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the Carried Interest Partners in proportion to their capital contributions. There are no priority profit share entitlements.

Reallocation of Carried Interest Partners' commitments

When a Carried Interest Partner becomes a leaver, their Relevant Proportion is reduced in accordance with the terms of the Partnership Agreement. The Relevant Proportion is reallocated to existing or new Carried Interest Partners at the discretion of the General Partner ("the Revised Relevant Proportion").

All net income and capital gains accruing to the leaver are reallocated between remaining or new Carried Interest Partners in accordance with the Revised Relevant Proportions.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Liquidation costs

Estimated liquidation costs of the Partnership have been borne by the Manager on behalf of the Partnership and were not recharged.

2. AUDIT FEES

The audit fee incurred by the Manager on behalf of the Partnership for the year was £2,449 (2013: £3,100). The balance has been borne by the Manager and was not recharged.

3. INVESTMENT IN THE FUND PARTNERSHIP

	2014	2013
	£	£
Investment at cost	619	619
Share of unrealised gains of the Fund Partnership	410	310
Share of net income of the Fund Partnership	34	39
	1,063	968

4. RECONCILITION OF NET LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Net loss	(5)	-
Less: Share of net loss of the Fund Partnership in the year	5	-
Net cash flow from operating activities	-	-

5. RECONCILIATION OF PARTNERS' FUNDS

	2014	2013
	£	£
Opening partners' funds	980	887
Profit attributable to Partners	95	93
Closing partners' funds	1,075	980

NOTES TO THE FINANCIAL STATEMENTS

6. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Affinity Trust Limited as trustee of the Woodbury 2005 Trust	Guy Pigache	Vicky McDonagh	Vimal Jain	Roger Greville*	Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	Hannah O'Gorman	Chris Tanner	Jasvinder Bal	Mike Jaffe	Priscilla Davies	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Capital contribution account													
Opening balance at 1 January 2014	-	129	161	27	33	99	5	38	37	37	37	16	619
At 31 December 2014	-	129	161	27	33	99	5	38	37	37	37	16	619
Capital account													
Opening balance at 1 January 2014	-	64	81	12	17	49	3	19	19	19	19	8	310
Share of unrealised gains of the Fund Partnership	-	22	26	4	5	16	-	6	6	6	6	3	100
At 31 December 2014	-	86	107	16	22	65	3	25	25	25	25	11	410
Income account													
Opening balance at 1 January 2014	-	11	13	3	2	8	-	4	3	3	3	1	51
Share of net loss of the Fund Partnership	-	(2)	(2)	-	-	(1)	-	-	-	-	-	-	(5)
At 31 December 2014	-	9	11	3	2	7	-	4	3	3	3	1	46
Total partners' funds At 31 December 2014	-	224	279	46	57	171	8	67	65	65	65	28	1,075
Total partners' funds At 1 January 2014	-	204	255	42	52	156	8	61	59	59	59	25	980

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not directly hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, through its investment, the Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling. However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the investment in the Fund Partnership adversely impacts the return generated by the Partnership.

The valuation of the Fund Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the fund. Please refer to the Going Concern note on page 4.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £53 (2013: £48).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to cash. Cash at bank is held with financial institutions with good credit ratings.

The Partnership's maximum exposure to credit risk at the balance sheet date was £12 (2013: £12) representing the amounts shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments in the Fund Partnership to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

As at 31 December 2014

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Investments	-	-	1,063	1,063
Financial assets	-	-	1,063	1,063

As at 31 December 2013

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Investments	-	-	968	968
Financial assets	-	-	968	968

Transfers

During the year there were no transfers between levels 1, 2 or 3.

NOTES TO THE FINANCIAL STATEMENTS

10. RELATED PARTY TRANSACTIONS

The audit fee incurred by the Manager on behalf of the Partnership for the year was £2,449 (2013: £3,100). The balance has been borne by the Manager and was not recharged.

Transactions with each of the Carried Interest Partners during the year and the amounts due to each Carried Interest Partner at the balance sheet date are disclosed in note 6 to the financial statements.

11. REGISTERED OFFICE

The registered address of the Partnership is 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ.

12. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number SL005552

HENDERSON PFISF INVESTOR LP

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Registered Office
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

Henderson PFISF Investor LP ("the Partnership") was formed on 27 September 2005 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) HPC Nominees Limited ("the Initial Limited Partner"), a company incorporated in England, as the sole Limited Partner.

On 14 October 2005, HPC Nominees Limited retired as the Initial Limited Partner and Protektor Lebensversicherungs-AG ("the Limited Partner"), a company incorporated in Germany, was admitted as the sole Limited Partner by a deed of adherence.

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with the registered number SLP005552 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as the designated manager of the Partnership and has delegated the responsibilities for the administration of the Partnership.

The purpose of the Partnership is to carry on the business of an intermediary investment holding vehicle, acting as a limited partner and investor in Henderson PFI Secondary Fund L.P. ("the Fund Partnership").

Total commitments made by the Limited Partner to the Partnership amount to £13,500,000 (2013: £13,500,000).

The General has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

At 31 December 2014, £13,437,008 (2013: £13,437,008) of the total commitment of the Limited Partner had been drawn down. The Partnership has made cumulative capital distributions of £1,431,818 (2013: £654,546). These amounts may not be redrawn.

The net assets of the Partnership have increased by £1,286,951 from the prior year. The increase is mainly attributable to an increase in the fair value of the investment held by the Partnership. The revaluation of the investment resulted in a net unrealised gain of £2,064,413 (2013: £2,032,880) for the year ended 31 December 2014. The Partnership received a repayment of its loan to the Fund Partnership amounting to £777,272 during the year which has been distributed to the Limited Partner.

All administrative expenses of the Partnership in 2014 and 2013, except for bank charges, were borne by Henderson PFI Secondary Fund L.P. on behalf of the Partnership and were not recharged to the Partnership in accordance with the Partnership Agreement.

Financial results

The financial statements of the Partnership have been set out on pages 9 to 18. The profit for the year ended 31 December 2014 was £2,064,223 (2013: £2,032,690).

Report of the General Partner (continued)

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson PFI Secondary Fund L.P. The Partnership is therefore exposed indirectly to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

Market price risk

The valuation of the Partnership's investment is indirectly derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the Partnership. Please refer to the Going Concern note on page 5.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partner and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partner to make it aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default. As it is the General Partner's intention to liquidate the Partnership in due course, it is unlikely that further amounts will be drawn down from the Limited Partner by the General Partmer.

Cash at bank is held with a financial institution with good credit ratings.

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as investments are made via the Fund Partnership and represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

Report of the General Partner (continued)

Amounts attributable to the General Partner

In accordance with the Partnership Agreement, the General Partner is entitled to a priority profit share of £100 per annum for its services as General Partner. The priority profit share shall rank as a first charge on net income and realised capital gains in any accounting period.

If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income. In the event that income and realised capital gains of the Partnership in any accounting period is less than the amount to be allocated as outlined above, the deficiency will be carried forward until satisfied by future net income and realised capital gains of the Partnership.

The General Partner's allocations are expensed through the profit and loss account.

Amounts attributable to the Limited Partner

The Limited Partner is entitled to all of the net income and capital gains of the Partnership remaining after the allocation of the priority profit share entitlement of the General Partner. In the current financial year, a profit of £2,064,223 (2013: £2,032,690) has been allocated to the Limited Partner.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Fund Partnership is due to terminate on 3 October 2015, and it is the General Partner's intention not to seek an extension from its Partners.

In accordance with the Partnership Agreement, the Partnership will terminate no longer than 30 days after the Fund Partnership. Accordingly, this Annual Report and Financial Statements have been prepared on a basis other than going concern. Please refer to Note 1 to the financial statements for further details.

Auditors

Ernst & Young LLP has not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
31 March 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HENDERSON PFISF INVESTOR LP

Report on the financial statements

Our opinion

In our opinion, Henderson PFISF Investor LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. The Fund Partnership is due to terminate on 3 October 2015. In accordance with the Partnership Agreement, the Partnership will terminate no later than 30 days after the termination of the Fund Partnership. Therefore, it is the General Partner's intention to begin liquidating the Partnership within the foreseeable future. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments were made in the financial statements to reduce assets to their realisable values and to reclassify fixed assets as current assets.

What we have audited

Henderson PFISF Investor LP's financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON PFISF INVESTOR LP (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
31 March 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014	Year ended 31 December 2013
		£	£
Administrative expenses		(190)	(190)
OPERATING LOSS		(190)	(190)
Unrealised gain on investment		2,064,413	2,032,880
NET CAPITAL GAIN		2,064,413	2,032,880
PROFIT FOR THE FINANCIAL YEAR		2,064,223	2,032,690
ALLOCATION TO:			
Limited Partner		2,064,223	2,032,690
		2,064,223	2,032,690

All results derive from continuing operations.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

There are no recognised gains or losses other than those included in the Profit and Loss Account above, and therefore no Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 12 to 18 form an integral part of these accounts.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014	31 December 2013
		£	£
FIXED ASSETS			
Investment in the Fund Partnership		-	20,386,653
CURRENT ASSETS			
Investment in the Fund Partnership	3	21,673,794	-
Cash at bank		1,891	1,981
		21,675,685	1,981
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	4	(597)	(497)
NET CURRENT ASSETS		21,675,088	1,484
NET ASSETS		21,675,088	20,388,137
REPRESENTED BY:			
Equity			
Capital contribution account	7	12,005,190	12,782,462
Income account	7	1,194	1,384
Capital account	7	9,668,704	7,604,291
TOTAL PARTNERS' FUNDS	6,7	21,675,088	20,388,137

The notes on pages 12 to 18 form an integral part of these accounts.

Approved by:

P.A.Davies

P.A. Davies
For and on behalf of the General Partner
31 March 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Net cash outflow from operating activities	5	(90)	(293)
Net cash flow from investment activities			
Receipts from disposal of investments		777,272	-
Net cash flow from financing activities			
Capital repayment		(777,272)	-
Decrease in cash		(90)	(293)

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	1,981	2,274
Decrease in cash in the year	(90)	(293)
Net funds at 31 December	1,891	1,981

The notes on pages 12 to 18 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are prepared under the historical cost basis modified for the revaluation of investments.

Going concern

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the Partnership Agreement, the Partnership will terminate no later than 30 days after the termination of the Fund Partnership. Therefore, it is the intention of the General Partner to sell or distribute in specie the remaining investments owned by the Fund Partnership and to begin liquidating both the Partnership and Fund Partnership within the foreseeable future. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern, which has resulting in the following changes:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date; and

- Liquidation costs of the Partnership will be borne by the Fund Partnership.

Valuation of investments

Investment acquisitions and disposals are recognised at the trade date, being the date at which the risks and rewards of ownership of an asset are considered to be transferred to the Partnership in the case of an acquisition or transferred to a third party in the case of a disposal. Initial cost is considered to be the fair value of the aggregate consideration payable.

The valuation of the investment is derived by taking the Partnership's share of the net assets of the Fund Partnership, as calculated in the financial statements of the Fund Partnership. This valuation policy is consistent with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Unrealised gains and losses on investments represent the movements in the fair value of the Partnership's investment in the Fund Partnership during the year and are recognised directly in the profit and loss account.

Income from investments

Distributions receivable from investments in the Fund Partnership as a return of capital are recorded as a deduction to the cost of the investment. Any excess/deficit of distributions received over the initial cost is recognised as a gain/loss in the profit and loss account in the year.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

The General Partner is entitled to a priority profit share of £100 in accordance with the Partnership Agreement for its services as General Partner. The priority profit share shall rank as a first charge on net income and realised capital gains in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Allocation and distribution of profits (continued)

The General Partner's priority profit share is expensed through the profit and loss account.

2. ADMINISTRATIVE EXPENSES

	2014	2013
	£	£
Bank charges	90	90
Priority profit share	100	100
	190	190

3. INVESTMENT IN THE FUND PARTNERSHIP

	2014	2013
	£	£
Opening cost	12,782,362	12,782,362
Disposals	(777,272)	-
Closing cost	12,005,090	12,782,362
Cumulative unrealised gains	9,668,704	7,604,291
Closing fair value	21,673,794	20,386,653

The Partnership's investment is in Henderson PFI Secondary Fund L.P. ("the Fund Partnership").

The closing investment cost consists of a capital contribution of £135 (2013: £135) and a loan commitment of £12,004,955 (2013: £12,782,227).

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Priority profit share accrual	597	497
	597	497

Liquidation costs of the Partnership will be borne by the Fund Partnership.

NOTES TO THE FINANCIAL STATEMENTS

5. RECONCILIATION OF OPERATING LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating loss	(190)	(190)
Increase/(decrease) in creditors	100	(103)
Net cash outflow from operating activities	(90)	(293)

6. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' funds	20,388,137	18,355,447
Capital distribution during the year	(777,272)	-
Profit attributable to partners	2,064,223	2,032,690
Closing partners' funds	21,675,088	20,388,137

7. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited £	Protektor Lebensversi-cherungs-AG £	Total £
Capital contribution account			
Opening balance	-	12,782,462	12,782,462
Repayment of capital contribution	-	(777,272)	(777,272)
At 31 December 2014	-	12,005,190	12,005,190
Income account			
Opening balance	-	1,384	1,384
Net loss in current year	-	(190)	(190)
At 31 December 2014	-	1,194	1,194
Capital account			
Opening balance	-	7,604,291	7,604,291
Unrealised gain on investment	-	2,064,413	2,064,413
At 31 December 2014	-	9,668,704	9,668,704
Total partners' funds			
At 31 December 2014	-	21,675,088	21,675,088
Total partners' funds			
At 1 January 2014	-	20,388,137	20,388,137

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT

Financial assets comprise an investment in an intermediary holding vehicle structured as a limited partnership that invests in unquoted assets operating in the infrastructure sector and cash at bank. The main risks arising from financial instruments are currency risk, market price risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not directly hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, through its investment, the Partnership has a beneficial interest in investments in currencies other than Pounds Sterling. As the value of the beneficial interest in the underlying investments denominated in foreign currencies will fluctuate relative to changes in exchange rates, the Partnership is indirectly exposed to currency risk. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the investment in the Fund Partnership adversely impacts the return generated by the Partnership.

The valuation of the Fund Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the fund. Please refer to the Going Concern note on page 5.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £1,083,690 (2013: £1,019,333).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limied Partner and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partner to make it aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default. As it is the General Partner's intention to liquidate the Partnership in due course, it is unlikely that further amounts will be drawn down from the Limited Partner by the General Partmer.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due as at 31 December 2014 (2013: £nil) and no drawn loan commitments due from the partner were outstanding as at 31 December 2014 (2013: £nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was £1,891 (2013: £1,981) representing the amount shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as investments are made via the Fund Partnership and represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.
partners' capital to meet any short term liquidity needs.

The Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date.

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy

In accordance with the requirements of FRS 29, the following table shows the financial instruments of the Partnership that are recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability based on available market data (Level 2); and
- Those with inputs for the instrument that are not based on observable market data (unobservable inputs) (Level 3).

As at 31 December 2014

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Investment in the Fund Partnership	-	-	21,673,794	21,673,794
Financial assets	-	-	21,673,794	21,673,794

As at 31 December 2013

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Investment in the Fund Partnership	-	-	20,386,653	20,386,653
Financial assets	-	-	20,386,653	20,386,653

The Partnership's investment in the Fund Partnership is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

	2014 Level 3	2013 Level 3
	£	£
Valuation brought forward	20,386,653	18,353,773
Disposal proceeds	(777,272)	-
Fair value gain	2,064,413	2,032,880
Valuation carried forward	21,673,794	20,386,653

Transfers

During the year there were no transfers between levels 1, 2 or 3. (2013: none).

NOTES TO THE FINANCIAL STATEMENTS

9. CAPITAL COMMITMENTS

Future commitments to the existing investment in the Fund Partnership at 31 December 2014 were £63,092 (2013: £63,092).

10. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014 an amount of up to £62,992 (2013: £62,992) may be drawn down by the General Partner.

11. RELATED PARTY TRANSACTIONS

Priority profit share payable to the General Partner during the year was £100 (2013: £100). The amount outstanding in respect of the priority profit share at the year end was £597 (2013: £497).

Transactions with the Limited Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 7 to the financial statements.

12. REGISTERED OFFICE

The registered address of the Partnership is 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ.

13. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number SL4431

HENDERSON FUND PARTNERS (FP) L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 December 2014

Annual Report and financial statements for the year ended 31 December 2014

CONTENTS **Page**

Report of the General Partner

Establishment and activities

Henderson Fund Partners (FP) L.P. ("the Partnership") was formed on 30 November 2001 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) the persons ("the Carried Interest Partners") whose names are set out in the Table of Partners' Funds on page 5 as Carried Interest Partners.

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with registered number SL4431, and in accordance with the limited partnership agreement of the Partnership ("the Partnership Agreement").

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as the manager of the Partnership and has delegated the authority for the administration of the Partnership to the General Partner.

The purpose of the Partnership is to act as a founder partner in Henderson Technology Partners I L.P. ("the Fund Partnership") and to hold and benefit from an investment as a founder partner in the Fund Partnership, subject to and in accordance with the partnership agreement of the Fund Partnership.

In addition to the above purpose, the Partnership may also carry on such other business as the General Partner feels ancillary to or complimentary to the purposes above or would, in the opinion of the General Partner, be in the interest of the Carried Interest Partners. This includes investments made in Henderson North American Private Equity Pool and Henderson European Private Equity Pool ("the FERI managed investments"), which are private equity investment vehicles managed by FERI Institutional Advisers GmbH, a third party asset manager.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the Limited Partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the Limited Partners is not adversely impacted by excessive operational costs.

The net assets of the Partnership have decreased by US$146 from the prior year principally due unrealised losses on its investments.

Financial results

The financial statements of the Partnership have been set out on pages 9 to 20. The loss for the year ended 31 December 2014 was US$146 (2013: profit of US$576).

Report of the General Partner (continued)

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk other than in respect of cash held on deposit.

Currency risk

The Partnership through its investments indirectly holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuations of these assets. The Partnership's market price risk is managed through diversification of the investment portfolio within the investment portfolio.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to cash held on deposit. Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The investment strategy of the Partnership is to hold its investments for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments are also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Report of the General Partner (continued)

Carried Interest Partners' and General Partner's contributions

The Carried Interest Partners and the General Partner have agreed to make aggregate capital contributions of US$22,750 (2013: US$22,750) to the Partnership to enable the Partnership to make capital contributions to the Fund Partnership and the FERI managed investments. There were no outstanding capital commitments from the Carried Interest Partners or the General Partner at 31 December 2014 (2013:US$nil).

The Carried Interest Partners and the General Partner are entitled to a share of the income and capital entitlements the Partnership in its capacity as a Founder Partner of the Fund Partnership in proportion with their relative share of the total capital contributions to the Partnership.

Amounts attributable to the General Partner

The General Partner is entitled to a share of the income and capital return of the Partnership in proportion with its share of the capital contributed. There is no priority profit share entitlement.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going Concern

The term of the Partnership is linked to that of the Fund Partnership. During the year, the Fund Partnership was extended to 5 December 2015 by the General Partner in accordance with the Fund Partnership's Limited Partnership Agreement. Any further extension will require the Partners' consent, it is deemed likely consent would be granted.

The Partnership will terminate 90 days after the Fund Partnership. Accordingly the accounts are prepared on a going concern basis.

Auditors

Ernst & Young LLP has not been reappointed as auditor. The General Partner has appointed PricewaterhouseCoopers LLP as the Partnership's auditor beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A.Davies

PA Davies
For and on behalf of the General Partner
13 April 2015

TABLE OF PARTNERS' FUNDS
Forming part of the Report of the General Partner for the year ended 31 December 2014

	Share of capital	
	2014	2013
	%	%
General Partner		
Henderson Equity Partners (GP) Limited	50.8927	50.8927
Carried Interest Partners		
Roger Greville	12.8014	12.8014
Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	1.5158	1.5158
Toby Boyle	1.1534	1.1534
Sanjiv Kapur	15.9423	15.9423
Hawksford Trustees Jersey Limited as trustee of the Faber Family Settlement	16.1996	16.1996
Affinity Trust Limited as Trustee of the Woodbury 2005 Trust	1.4948	1.4948
	100.0000	**100.0000**

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON FUND PARTNERS (FP) L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson Fund Partners (FP) L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Fund Partners (FP) L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON FUND PARTNERS (FP) L.P.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
13 April 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 US$	Restated Year ended 31 December 2013 US$
Foreign exchange gain		-	3
Share of net loss of the Fund Partnership in the year	3	(8)	(9)
NET LOSS		(8)	(6)
Realised gains on the FERI managed investments	3	492	332
Unrealised (losses)/gains on the FERI managed investments	3	(538)	220
Unrealised loss on Fund Partnership	3	(92)	30
NET CAPITAL (LOSS)/GAIN		(138)	582
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(146)	576
ALLOCATION TO:			
General Partner	7	(76)	296
Carried Interest Partners	7	(70)	280
		(146)	576

All results derive from continuing operations.

There are no recognised gains or losses other than those included above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 20 form an integral part of these financial statements.

BALANCE SHEET
At 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
FIXED ASSETS			
Investments	3	15,983	16,749
		15,983	16,749
CURRENT ASSETS			
Cash at bank and in hand		3,468	2,848
CREDITORS: Amounts falling due within one year	4	(2,845)	(2,845)
NET CURRENT ASSETS		623	3
NET ASSETS		16,606	16,752
REPRESENTED BY:			
Equity			
Capital contribution account	7	22,750	22,750
Capital account	7	(6,184)	(6,046)
Income account	7	40	48
TOTAL PARTNERS' FUNDS	6, 7	16,606	16,752

The notes on pages 12 to 20 form an integral part of these financial statements.

Approved by:

P.A.Davies

PA Davies
For and on behalf of the General Partner
13 April 2015

CASH FLOW STATEMENT

For the year ended 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
Net cash flow from operating activities	5	-	-
Net cash flow from investment activities			
Receipts from investments sold	3	620	428
		620	428
Increase in cash in the year		620	428

	31 December 2014 US$	31 December 2013 US$
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	2,848	2,417
Increase in cash in the year	620	428
Foreign exchange gain	-	3
Net funds at 31 December	3,468	2,848

The notes on pages 12 to 20 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are presented in US Dollars being the operational currency in which the Partnership conducts the majority of its investment activities.

The term of the Partnership is linked to that of the Fund Partnership. During the year, the Fund Partnership was extended to 5 December 2015 by the General Partner in accordance with the Fund Partnership's Limited Partnership Agreement. Any further extension will require the Partners' consent, it is deemed likely consent would be granted.

The Partnership will terminate 90 days after the Fund Partnership. Accordingly the accounts are prepared on a going concern basis.

Restatement of opening balances

In accordance with the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008, the Partnership is deemed to be a Qualifying Limited Partnership. This has resulted in the financial statements being prepared in accordance with United Kingdom Generally Accepted Accounting Practice for the first time and as such required a restatement of opening balances. The balances that have been restated are as follows:

- Investment valuations have been adjusted to reflect the 31 December 2013 valuations received from the underlying fund investments. In the prior year financial statements, the majority of the portfolio was valued using valuation data as at 30 September 2013. The effect of this is a $291 increase in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

Recognition and valuation of investments

Investments are initially recognised and subsequently derecognised on the trade date where the purchase or sale of the asset is under contract. Investments are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the asset and substantially all the risks, rewards and ownership of the asset to another entity.

The valuation of the investment in the Fund Partnership is derived by taking the Partnership's share of the net assets of the Fund Partnership, as calculated in its financial statements, in accordance with the principles set out in the IPEVC Valuation Guidelines.

Any income or capital distributions from the Fund Partnership are treated as a reduction to the capital value of the investment.

Income recognition

Income represents the share of the net income of the Fund Partnership that is attributable to the Partnership as a Founder Partner of the Fund Partnership.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Income recognition (continued)

Unrealised gains or losses represent the share of capital gains of the Fund Partnership that are attributable to the Partnership as a founder partner of the Fund Partnership. Upon receipt of a distribution from the Fund Partnership, the cumulative value of any unrealised gain or loss recognised in previous years is written back through the profit and loss account. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

Capital repayments from the Feri managed investments are recorded as a deduction to the cost of the investment with any gain or loss on disposal relative to the initial cost of the investment recognised as a realised gain or loss in the profit and loss account in the year.

Gains or losses arising on the revaluation of the Feri managed investments that are held at the balance sheet date are recognised as unrealised gains or losses on investments and are recognised in the profit and loss account during the year.

Administrative expenses

All administrative expenses (including the audit fee) for the year have been borne by the General Partner on behalf of the Partnership and were not recharged to the Partnership.

Foreign exchange

Transactions in currencies other than US Dollars are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the closing rate of exchange at the year end.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their capital contributions.

2. AUDIT FEES

The audit fee incurred by the General Partner on behalf of the Partnership for the year was $4,582 (2013: $4,817). The balance has been borne by the General Partner and was not recharged to the Partnership.

3. INVESTMENTS

	2014 US$	Restated 2013 US$
Opening cost	23,810	23,906
Disposals	(128)	(96)
Closing cost	23,682	23,810
Unrealised loss on investments	(7,699)	(7,061)
Closing fair value	15,983	16,749

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (continued)

Movements in investments relative to opening fair value were as follows:

	2014 US$	Restated 2013 US$
Opening fair value	16,749	16,604
Disposal proceeds	(620)	(428)
Realised gains on the FERI managed investments	492	332
Unrealised (losses)/gains on the FERI managed investments	(538)	220
Share of net loss of the Fund Partnership	(8)	(9)
Unrealised gains/(losses) on investment in the Fund Partnership	(92)	30
Closing fair value	15,983	16,749

The investment in Henderson Technology Partners I L.P. is broken down as follows:

	2014 US$	Restated 2013 US$
Opening and closing cost	22,750	22,750
Share of unrealised losses of the Fund Partnership	(8,420)	(8,328)
Share of net loss of the Fund Partnership	(31)	(23)
Closing fair value	14,299	14,399

The investments made in the FERI managed investments are broken down as follows:

	Cost 2014 US$	Cumulative unrealised (losses)/gains US$	Fair value 2014 US$	Fair value 2013 US$
Investment in Henderson North American Private Equity Pool	932	(306)	626	828
Investment in Henderson European Private Equity Pool	-	1,058	1,058	1,522
	932	752	1,684	2,350

4. CREDITORS: amounts falling due within one year

	2014 US$	Restated 2013 US$
Amounts due to the General Partner	2,845	2,845
	2,845	2,845

NOTES TO THE FINANCIAL STATEMENTS

5. RECONCILIATION OF NET LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 US$	Restated 2013 US$
Net loss	(8)	(6)
Add back: Share of net loss of the Fund Partnership	8	9
Foreign exchange gain	-	(3)
Net cash flow from operating activities	-	-

6. RECONCILIATION OF PARTNERS' FUNDS

	2014 US$	Restated 2013 US$
Opening partners' funds	16,752	16,176
Net (loss)/profit for the year	(146)	576
Closing partners' funds	16,606	16,752

NOTES TO THE FINANCIAL STATEMENTS

7. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Roger Greville	Marcoy Pty Limited as trustee of the Marcoy Trust Settlement	Toby Boyle	Hawksford Trustees Jersey Limited as trustee of the Faber Family Settlement	Sanjiv Kapur	Affinity Trust Limited as Trustee of the Woodbury 2005 Trust	Total
	US$	US$	US$	US$	US$	US$	US$	US$
Capital contribution account								
As at 1 January 2014 and 31 December 2014	11,579	2,912	345	262	3,685	3,627	340	22,750
Capital account								
Restated as at 1 January 2014	(3,077)	(774)	(92)	(70)	(979)	(964)	(90)	(6,046)
Realised gains on the FERI managed investments	250	64	7	6	80	78	7	492
Unrealised gains on the FERI managed investments	(274)	(69)	(8)	(6)	(87)	(86)	(8)	(538)
Share of unrealised gain of the Fund Partnership in the year	(47)	(12)	(1)	(1)	(15)	(15)	(1)	(92)
As at 31 December 2014	(3,148)	(791)	(94)	(71)	(1,001)	(987)	(92)	(6,184)
Income account								
As at 1 January 2014	28	4	2	-	6	6	2	48
Net loss in the year	(5)	(1)	-	-	(1)	(1)	-	(8)
As at 31 December 2014	23	3	2	-	5	5	2	40
Total partners' funds as at 31 December 2014	8,454	2,124	253	191	2,689	2,645	250	16,606
Restated total partners' funds as at 1 January 2014	8,530	2,142	255	192	2,712	2,669	252	16,752

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership through its investments indirectly holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

At the balance sheet date the Partnership had the following indirect currency exposures:

	2014	Restated 2013
	US$	US$
Investments		
Euro	1,684	2,350

The table below illustrates the impact on both the net assets and the net profit for the year of the Partnership of adjusting year end exchange rates on all financial assets and cash balances denominated in a currency other than US Dollars. All financial liabilities are denominated in US Dollars.

The General Partner believes 10% to be a reasonable estimate for the amount by which currency rates may move and accordingly below shows the potential impact on investments of a move in the rates of this amount.

	2014	Restated 2013
	US$	US$
Euro +/- 10%	168	235

Market price risk

Market price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (continued)

Market price risk (continued)

The Partnership indirectly invests (through its investments) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of US$1,598 (2013: US$1,675).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities due to the nature of the investments, the General Partner does not provide a sensitivity analysis in these financial statements.

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to cash held on deposit. Cash at bank is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due or impaired as at 31 December 2014 (2013: US$nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: US$nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was US$3,468 (2013: US$2,848) representing the amount shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The Partnership holds its investment in the Fund Partnerships for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments of the Fund Partnership is also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

Creditors of US$2,845 (2013: US$2,845) are payable within 30 days or on demand. Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date. Loan contributions and all other creditors are non interest bearing.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Investments	-	-	15,983	15,983
Financial assets	-	-	15,983	15,983

At 31 December 2013

	Level 1 US$	Level 2 US$	Level 3 US$	Restated Total US$
Investments	-	-	16,749	16,749
Financial assets	-	-	16,749	16,749

The Partnership primarily invests in private equity via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in primarily unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 US$	Restated 2013 Level 3 US$
Valuation brought forward	16,749	16,604
Disposals	(620)	(428)
Fair value (losses)/gains	(146)	573
Valuation carried forward	15,983	16,749

Transfers

During the year there were no transfers between levels 1, 2 or 3 (2013: nil).

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT COMMITMENTS

Outstanding undrawn commitments on investments held at 31 December 2014 were US$26,471 (2013: US$26,471).

10. RELATED PARTY TRANSACTIONS

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 7 to the financial statements.

The amounts due to the General Partner at 31 December 2014 are US$2,845 (2013: US$2,845).

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number LP10085

HENDERSON PFI SECONDARY CO-INVESTMENT FUND 'B' LIMITED PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Registered office
201 Bishopsgate
London EC2M 3AE

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

The General Partner submits their annual report and audited financial statements of Henderson PFI Secondary Co-investment Fund 'B' L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 10 December 2004 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) The individuals listed in the Table of the Partners' Funds on page 5 ("the Limited Partners").

The Partnership was registered as a limited partnership in England under the Limited Partnerships Act 1907 with the registered number LP10085 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of investing alongside Henderson PFI Secondary Fund L.P. ("the Fund Partnership") and, in particular, of identifying, negotiating, making, monitoring and realising investments and to carry out all functions and acts in connection therewith.

Total commitments from all partners as at 31 December 2014 amounted to £92,500 (2013: £92,500).

At 31 December 2014, £92,070 of the commitments of the Limited Partner had been drawn down (2013: £92,070).

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the Limited Partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the Limited Partners is not adversely impacted by excessive operational costs.

The net assets of the Partnership have increased by £8,597 from the prior year. This is due predominantly to a combination of three factors:

(i) Realisation of underlying investments totalling resulting in realised gains of £4,098;

(ii) The revaluation of the remainder of the investments held by the Partnership at the year end resulting in a net unreali: gain of £10,730; offset by

(iii) Net expenses of the Partnership of £6,231.

Report of the General Partner (continued)

Partners

The Partners have subscribed £1 of partnership capital in the Partnership as limited partners and agreed to make Loan Commitments to the Partnership of £92,499.

The Partnership is deemed a qualifying partnership under The Partnerships (Accounts) Regulations 2008 for the year ended 31 December 2014. Consequently, the Partnership is required to prepare its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and Companies Act 2006.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Financial results

The financial statements of the Partnership have been set out on pages 7 to 1. The profit for the year ended 31 December 2014 was £8,597 (2013: £14,479).

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course. Please refer to the Going Concern note on page 4.

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course, it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank is held with a financial institution with good credit ratings.

Report of the General Partner (continued)

Principal risks and uncertainties (continued)

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

Amounts attributable to the Partners

Every Limited Partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the provisions of the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. It is the intention of the Manager to sell or distribute in specie the remaining investments owned by both the partnerships and to begin liquidating them within the foreseeable future. Based on that decision, the Report and Financial Statements have been prepared on a basis other than going concern. Please refer to Note 1 for further details.

By Order of the General Partner:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
19 May 2015

TABLE OF PARTNERS' FUNDS

Forming part of the Report of the General Partner for the year ended 31 December 2014

	2014 Share of Total Commitments %	2013 Share of Total Commitments %
Investors		
General Partner		
Henderson Equity Partners (GP) Limited	0.00%	0.00%
Limited Partners		
David Bull	54.05%	54.05%
Priscilla Davies	16.22%	16.22%
Viane Frost	16.22%	16.22%
Lyndon Brown	13.51%	13.51%
Total	100.00%	100.00%

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Investment income	2	480	531
Interest receivable		3	-
Administrative expenses	3	(6,714)	(556)
NET EXPENSE		(6,231)	(25)
Realised gain on investments	4	4,098	-
Unrealised gain on investments	4	10,730	14,504
NET CAPITAL GAIN		14,828	14,504
NET PROFIT FOR THE YEAR		8,597	14,479
ALLOCATION TO:			
Limited Partners		8,597	14,479
		8,597	14,479

All results derive from continuing operations.

There is no material difference between the profit for the financial year and the historic cost equivalent.

There are no recognised gains or losses other than those included in the Profit and Loss Account above, and therefore no Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 10 to 18 form an integral part of these accounts.

BALANCE SHEET
as at 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
FIXED ASSETS			
Investments	4	-	139,284
CURRENT ASSETS			
Investments	4	144,888	
Debtors	5	4,212	-
Cash at bank		890	890
		149,990	890
TOTAL ASSETS		149,990	140,174
CREDITORS: amounts falling due within one year	5	(10,515)	(9,296)
TOTAL CREDITORS		(10,515)	(9,296)
NET ASSETS ATTRIBUTABLE TO PARTNERS		139,475	130,878
REPRESENTED BY:			
Loans due to Partners			
Partners' capital classified as a liability	9	90,108	90,108
EQUITY			
Capital contribution account	9	1	1
Income account	9	(14,598)	(8,367)
Capital account	9	63,964	49,136
TOTAL EQUITY		49,367	40,770
TOTAL PARTNERS' FUNDS	8,9	139,475	130,878

The notes on pages 10 to 18 form an integral part of these accounts.

Approved by:

P.A.Davies

PA Davies
For and on behalf of the General Partner
19 May 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash flow from operating activities	7	(9,224)	-
Net cash flow from investment activities			
Receipts from disposal of investments	4	9,224	-
		9,224	-
Net cash flow from financing activities			
Loan commitments repaid		-	-
		-	-
Increase in cash in the year		-	-

Reconciliation of net cash flow to movement in net funds

	31 December 2014 £	31 December 2013 £
Net funds at 1 January	890	890
Increase in cash in the year	-	-
Net funds at 31 December	890	890

The notes on pages 10 to 18 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are prepared under the historical cost basis modified for the revaluation of investments.

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. Therefore, it is the intention of the Manager to sell or distribute in specie the remaining investments owned by the Fund Partnership and to begin liquidating both the Partnership and Fund Partnership within the foreseeable future. Based on that decision, the Report and Financial Statements have been prepared on a basis other than going concern, which includes the following provisions:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date;

- Liquidation costs are provided for, where there are reliable estimates (see note 6).

The accounting policies which have been amended are 1a) and 1b) to reflect the accounting treatment under a basis other than going concern.

a) Loans due to Partners and creditors

Loans due to Partners and all creditors are classified as falling due within one year.

b) Investments

Investments are included in the Annual Report and Financial Statements at net realisable value. Net realisable value reflects the General Partner's best estimate of the proceeds expected to be achieved from the sale of the investments reflecting market conditions at the balance sheet date.

For the year ended 31 December 2014, investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date.

Investment recognition and realisation

Direct investments held by the Partnership are recognised in the financial statements when the risks and rewards of ownership are transferred to the Partnership. Direct investments are de-recognised when the risks and rewards of ownership are transferred to a third party. Investment acquisitions and disposals are recognised on the trade date, being the date that the risks and rewards of ownership are transferred.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Investment recognition and realisation (continued)

The Partnership holds an indirect interest in John Laing plc through its investment in the Alpha Shares in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). The Alpha Shares provide the Partnership with a notional equity investment in a series of Public Private Partnerships investments ("PPP investments") owned by John Laing. The Articles of Association of HIH Jersey stipulate the specific rights attached to the Alpha Shares and permit the proportional interest of the Partnership in each of the PPP investments to be determined by the Directors of HIH Jersey. Therefore the recognition of additional investments and the disposal of existing investments held indirectly by the Partnership in PPP Investments is determined at the discretion of the Directors of HIH Jersey.

To the extent that John Laing plc sells PPP assets and proceeds from those sales are re-invested by John Laing plc and cannot be distributed to the Alpha shareholders, a compensation amount ("the Compensation Amount") is accrued by HIH Jersey. The Compensation Amount is calculated as the net disposal proceeds and yield from PPP assets, along with interest, which accrues at 11.25% p.a., capitalised annually. On disposal of John Laing plc, the Compensation Amount will be paid to the Alpha shareholders in priority to Beta distributions.

Valuation of investments

Unlisted investments are valued by the General Partner in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines which aim to provide an estim of fair value at the reporting date.

The value of each investment is calculated on an annual basis as the net present value of the future expected cashflows arising from the asset and distributable to the Partnership for the remainder of the life of the asset. An appropriate discount rate will be applied to the future expected cash flows to calculate the net present value. The discount rate used for each asset will be based on an appropriate risk free benchmark adjusted by a risk premium rate that reflects the risk profile of each asset. Where a sale has been agreed with a third party but not yet completed at the reporting date, the investment is valued at the agreed sale price.

Where an investment is listed on a recognised stock exchange, its shares are valued on a mark-to-market basis.

At 31 December 2014, the valuation of the Partnership's investments has been derived from listed shares. Please refer to Note 4 for further details.

Unrealised movements in the fair value of investments represent the difference between the brought forward fair value (or acquisition price for assets acquired during the year) and the fair value at the year end. All movements are recognised directly in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Valuation of investments (continued)

Realised gains or losses on the disposal of equity investments represent the difference between the disposal proceeds and the initial cost of acquisition. The realised gain or loss is recognised in the income statement. Upon disposal, all the unrealised gains or losses recognised in previous financial years are reversed through the profit and loss account.

Dividend recognition

Dividend income is accrued once the entitlement to receive a dividend payment has been established through confirmation received from the underlying investee company.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

Every Limited Partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

2. INVESTMENT INCOME

	2014	2013
	£	£
Dividends receivable	480	531
	480	531

3. ADMINISTRATIVE EXPENSES

	2014	2013
	£	£
Professional fees	1,714	556
Partnership liquidation costs	5,000	-
	6,714	556

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENTS

	2014 £	2013 £
Opening cost	91,285	91,285
Disposals	(5,126)	-
Closing cost	86,159	91,285
Cumulative unrealised gains	58,729	47,999
Closing fair value	144,888	139,284

Movements in investments relative to opening fair value were as follows:

	2014 £	2013 £
Opening fair value	139,284	124,780
Disposal proceeds	(9,224)	-
Realised gain on investments	4,098	-
Unrealised gain on investments held at the year end	10,730	14,504
Closing fair value	144,888	139,284

	2014 Cost £	2014 Unrealised gains £	2014 Fair value £	2013 Cost £	2013 Fair value £
Bishop Auckland	-	-	-	325	2,176
Henderson Infrastructure Holdco (Jersey) Limited	86,155	58,722	144,877	86,155	129,683
HPFI Finance S.a.r.l	4	7	11	2,093	2,168
Scotia Water Dalmuir	-	-	-	729	1,709
Tay Wastewater PFI Project	-	-	-	1,983	3,548
	86,159	58,729	144,888	91,285	139,284

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

HPFI Finance S.a.r.l. has been dissolved and commenced voluntary liquidation on 10 October 2014. The fair value of the investment as at 31 December 2014 represents a final distribution received by the Partnership on 29 January 2015.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

NOTES TO THE FINANCIAL STATEMENTS

5. DEBTORS

	2012 £	2011 £
Amounts due from Henderson PFI Secondary Fund LP	4,212	-
	4,212	-

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Other creditors	5,515	9,296
Partnership liquidation costs	5,000	-
	10,515	9,296

7. RECONCILIATION OF NET EXPENSE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net expense	(6,231)	(25)
Increase in debtors	(4,212)	-
Increase in creditors	1,219	25
Net cash flow from operating activities	(9,224)	-

8. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' funds	130,878	116,399
Net profit for the year	8,597	14,479
Closing partners' funds	139,475	130,878

NOTES TO THE FINANCIAL STATEMENTS

9. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited General Partner	David Bull	Priscilla Davies	Viane Frost	Lyndon Brown	TOTAL
	£	£	£	£	£	£
Capital Contributions Account						
Opening balance at 1 January 2014	-	0.50	0.15	0.15	0.13	0.93
At 31 December 2014	-	0.50	0.15	0.15	0.13	0.93
Loan Commitments Account						
Opening balance at 1 January 2014	-	48,708	14,612	14,612	12,176	90,108
At 31 December 2014	-	48,708	14,612	14,612	12,176	90,108
Income Account						
Opening balance at 1 January 2014	-	(4,524)	(1,356)	(1,356)	(1,131)	(8,367)
Net loss in current year	-	(3,367)	(1,011)	(1,011)	(842)	(6,231)
At 31 December 2014	-	(7,891)	(2,367)	(2,367)	(1,973)	(14,598)
Capital Account						
Opening balance at 1 January 2014	-	26,559	7,968	7,968	6,641	49,136
Unrealised gain on investments	-	8,014	2,405	2,405	2,004	14,828
At 31 December 2014	-	34,573	10,373	10,373	8,645	63,964
Total partners' funds						
At 31 December 2014	-	75,391	22,618	22,618	18,848	139,475
Total partners' funds						
At 1 January 2014	-	70,744	21,224	21,224	17,686	130,878

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the Partnership. Please refer to the Going Concern note on page 4.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £7,244 (2013: £6,964).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

The Partnership's maximum exposure to credit risk at the balance sheet date was £5,102 (2013: £890) representing the amounts shown as cash at bank and debtors at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

The Partners' loan commitments are only repayable upon termination of the Partnership and hence have no contracted repayment date.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability based on available market data (Level 2); and
- Those with inputs for the instrument that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Henderson Infrastructure Holdco (Jersey) Limited	-	144,877	-	144,877
HPFI Finance S.a.r.l	-	11	-	11
Financial assets	-	144,888	-	144,888

At 31 December 2013

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Bishop Auckland	-	-	2,176	2,176
Henderson Infrastructure Holdco (Jersey) Limited	-	-	129,683	129,683
HPFI Finance S.a.r.l	-	-	2,168	2,168
Scotia Water Dalmuir	-	-	1,709	1,709
Tay Wastewater	-	-	3,548	3,548
	-	-	139,284	139,284

	2014	2014	2013
	Level 2	Level 3	Level 3
	£	£	£
Valuation brought forward	-	139,284	124,780
Disposal proceeds	-	(9,224)	-
Transfers in/(out)	130,060	(130,060)	-
Fair value gain	14,828	-	14,504
Valuation carried forward	144,888	-	139,284

Transfers

Investments previously recognised as Level 3 were transferred to Level 2 in 2014 (2013 - none) as detailed above.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENT COMMITMENTS

Future commitments outstanding on the Partnership's investments at 31 December 2014 were £nil (2013: £nil).

Under the terms of the Co-investment Agreement dated 10 December 2004 between; Henderson PFI Secondary Fund L.P., Henderson PFI Secondary Co-investment Fund 'A' L.P., Henderson PFI Secondary Co-investment Fund 'B' L.P. (together "the Co-Investors") and the Manager, each of the Co-Investors agrees to invest on the same terms and conditions in all companies, businesses or other entities in which the Co-Investors choose to invest in the Relevant Proportions, being the ratio of each Co-Investor's total commitment to the aggregate commitments of the Co-Investors.

12. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014 and inclusive of the above commitment: an amount of up to £430 (2013: £430) may be drawn down by the Manager.

13. RELATED PARTY TRANSACTIONS

Transactions with the Limited Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 9 to the financial statements.

The Partnership owed £4,515 to the Manager for professional and adminitration costs borne on its behalf as at 31 December 2014 (2013: £4,515).

The Fund Partnership owed the Partnership £4,212 for investment proceeds and dividend income received on its behalf, less expenses borne on its behalf (2013: £4,781 owed by the Partnership to the Fund Partnership). These amounts were settled between the entities in March 2015.

14. REGISTERED OFFICE

The registered address of the Partnership is 201 Bishopsgate, London EC2M 3AE.

15. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

16. POST BALANCE SHEET EVENTS

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments have been derived from the JLG share price as at its listing date. The JLG share price are subject to a six month lock-in

On 18 February 2015, the Compensation Amount accrued to the Partnership through its investment in Alpha Shares was settled in full by HIH Jersey.

Registered number LP011566

HENDERSON PFI SECONDARY CO-INVESTMENT FUND II L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Registered office
201 Bishopsgate
London EC2M 3AE

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

The General Partner submits their annual report and financial statements of Henderson PFI Secondary Co-investment Fund II' L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 19 September 2006 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) The individuals listed in the Table of the Partners' Funds ("the Limited Partners") on page 5.

The Partnership was registered as a limited partnership in England under the Limited Partnerships Act 1907 with the registered number LP11566 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership, and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of investing alongside Henderson PFI Secondary Fund II L.P. ("the Fund Partnership") and, in particular, of identifying, negotiating, making, monitoring and realising investments and to carry out all functions and acts in connection therewith.

Total commitments from all limited partners as at 31 December 2014 amounted to £1,000,000 (2013: £1,000,000).

At 31 December 2014 was £989,949 of the commitment of the limited partners had been drawn down (2013: £989,949).

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Partners

The Partners have subscribed to £10 of partnership capital in the Partnership as limited partners and agreed to make loan commitments to the Partnership of £999,990.

The Partnership is deemed a qualifying partnership under The Partnerships (Accounts) Regulations 2008 for the year ended 31 December 2014. Consequently, the Partnership is required to prepare its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and Companies Act 2006.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

The net assets of the Partnership have decreased by £629,216 from the prior year. This is due predominantly to the revaluation of the Partnership's investment in Henderson Infrastructure Holdco (Jersey) Limited.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests (as defined in Note 1 to the financial statements) from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

As at 31 December 2013, the value of the Partnership's investments was derived from a sum of the parts valuation. The value of the Public Private Partnerships investments ("PPP investments") and Renewable Energy investments ("Renewable Investments") was calculated as the net present value of future expected cash flows. The Partnership valued the Development Business by performing a separate valuation based on a discounted cash flows and earnings multiples of the Partnership's entitlement to each component of the business. Please refer to Note 1 to the financial statements for further details.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 7 to 17. The loss for the year ended 31 December 2014 was £629,216 (2013: profit of £181,168).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited. The Partnership is therefore exposed indirectly to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for Limited Partners being measured net of any currency exposure.

Market price risk

The valuation of the Partnership's investment is derived from the price of quoted shares, therefore exposing the Partnership market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the Gener. Partner's intention to sell or distribute in specie the investments in due course.

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to its cash at bank balance. As the Limited Partners' loan commitments are fully drawn, the Partnership is not exposed to credit risk in relation to outstanding loan commitments.

Cast at bank is held with a financial institution with good credit ratings.

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments.

Report of the General Partner (continued)

Amounts attributable to the Partners

Every limited partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Partnership's activities, its financial position, financial risk management objectives and its exposures to price, credit, currency and liquidity risk are set out above.

After making enquiries, the General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly the General Partner continues to adopt the going concern basis in preparing the annual report and financial statements.

By Order of the General Partner:

P.A.Davis

PA Davies
For and on behalf of the General Partner
19 May 2015

TABLE OF PARTNERS' FUNDS
Forming part of the Report of the Manager for the year ended 31 December 2014

	2014 Share of Total Commitments %	2013 Share of Total Commitments %
Investors		
General Partner		
Henderson Equity Partners (GP) Limited	25.350	25.350
Limited Partners		
Paul Woodbury	19.772	19.772
Guy Pigache	19.977	19.977
Steven Proctor	5.552	5.552
Vicky McDonagh	1.551	1.551
Vimal Jain	2.862	2.862
Roger Greville	9.012	9.012
Hannah O'Gorman	5.552	5.552
Ian Barrass	5.610	5.610
Priscilla Davies	0.376	0.376
Viane Frost	0.225	0.225
Christopher Tanner	1.387	1.387
Jasvinder Bal	1.387	1.387
Mike Jaffe	1.387	1.387
Total	**100.000**	**100.000**

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014	Year ended 31 December 2013
		£	£
Administrative expenses	2	(1,316)	(556)
NET LOSS		(1,316)	(556)
Unrealised (losses)/gains on investments		(627,900)	181,724
NET CAPITAL (LOSS)/GAIN		(627,900)	181,724
NET (LOSS)/PROFIT FOR THE YEAR		(629,216)	181,168
ALLOCATION TO:			
General Partner		(157,310)	45,589
Limited Partners		(471,905)	135,579
		(629,216)	181,168

All results derive from continuing operations.

There is no material difference between the profit for the financial year and the historic cost equivalent.

There are no recognised gains or losses other than those included in the profits above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 10 to 17 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014	31 December 2013
		£	£
FIXED ASSETS			
Investments	3	110,868	738,768
CURRENT ASSETS			
Cash at bank		1,326	1,326
		1,326	1,326
TOTAL ASSETS		112,194	740,094
CREDITORS: amounts falling due within one year	4	(6,559)	(5,243)
TOTAL CREDITORS		(6,559)	(5,243)
NET ASSETS ATTRIBUTABLE TO PARTNERS		105,635	734,851
REPRESENTED BY:			
Loans due to Partners			
Partners' capital classified as a liability	7	989,939	989,939
Capital contributions account	7	10	10
Capital account	7	(900,150)	(272,250)
Income account	7	15,836	17,152
TOTAL EQUITY		(884,304)	(255,088)
TOTAL PARTNERS' FUNDS	6,7	105,635	734,851

The notes on pages 10 to 17 form an integral part of these financial statements.

Approved by:

P.A.Davies

PA Davies
For and on behalf of the General Partner
19 May 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash outflow from operating activities	5	-	-
Decrease in cash		-	-

Reconciliation of net cash flow to movement in net funds

	31 December 2014 £	31 December 2013 £
Net funds at 1 January	1,326	1,326
Decrease in cash in the year	-	-
Net funds at 31 December	1,326	1,326

The notes on pages 10 to 17 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the requirements of the Partnership Agreement and the accounting policies defined below.

Investment recognition and realisation

The Partnership holds an indirect investment in John Laing plc ("John Laing"), a company that holds investment capital in Public Private Partnership investments ("PPP Investments") and Renewable Energy investments ("Renewable Investments") and identifies and develops opportunities for investment in future PPP and Renewable projects in the primary market ("the Development Business").

Direct investments held by the Partnership are initially recognised in the financial statements when the risks and rewards of ownership are transferred to the Partnership. Direct investments are subsequently derecognised when the risks and rewards of ownership are transferred to a third party. Investment acquisitions and disposals are recognised on the trade date, being the date that the risks and rewards of ownership are transferred.

The General Partner has classified the investment as held exclusively with a view to subsequent resale and has not consolidated the underlying companies. The investment gives the partners of the Partnership exposure to an investment portfolio, the value of which is measured through fair value rather than a means through which the Limited Partners carry out business.

The Partnership's indirect interest in John Laing is held through its investment in the Beta Shares in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). The Beta Shares provide the Partnership with a notional equity investment in a series of PPP and Renewable Investments owned by John Laing as well as the Development Business. The Articles of Association of HIH Jersey stipulate the specific rights attached to the Beta Shares and permit the proportional interest of the Partnership in each of the PPP and Renewable Investments to be determined by the Directors of HIH Jersey. Therefore the recognition of additional investments and the disposal of existing investments indirectly held by the Partnership in PPP and Renewable Investments is determined at the discretion of the Directors of HIH Jersey.

To extent that John Laing plc sells the PPP assets to which the Alpha shares of HIH Jersey have specific rights attached, and the proceeds from these sales are re-invested by John Laing plc for the benefit of the Beta shareholders and cannot be distributed to the Alpha shareholders, a Compensation Amount ("The Compensation Amount") is accrued by HIH Jersey. The Compensation Amount is calculated as the net disposal proceeds and yield from these PPP assets along with interest, which accrued at 11.25% p.a., is capitalised annually. On disposal of John Laing plc, the Compensation Amount will be paid to the Alpha shareholders in priority to Beta distributions.

In the ordinary course of business John Laing invests in and disposes of capital stakes in the PPP and Renewable Investments. Where any such additional investment or disposal is made, the economic benefit of that transaction is reflected in the valuation of the PPP and Renewable Investments that are allocated to the Partnership, as determined by the Manager.

The returns from the Development Business are solely allocated to the Partnership and the Fund Partnership.

Valuation of investments

Unlisted investments are valued by the Manager in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines which aim to provide an estimate of fair value at the reporting date.

The value of each PPP and Renewable Investment is calculated on an annual basis as the net present value of the future expected cashflows arising from the asset and distributable to the Partnership for the remainder of the life of the asset. Anappropriate discount rate will be applied to the future expected cash flows to calculate the net present value. The discount rate used for each asset will be based on an appropriate risk free benchmark adjusted by a risk premium rate that reflects the risk profile of each asset. Where a sale has been agreed with a third party but not yet completed at the reporting date, the investment is valued at the agreed sale price.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Valuation of investments (continued)

The Partnership values its investment in the Development Business by performing a separate valuation based on discounted cash flows or earnings multiples of the Partnership's entitlement to each component of the business.

A key assumption for the valuation of John Laing's Development Business is the length of its future potential investment pipeline and its ability to convert this pipeline into future profitable investments. Judgement is made over the opportunities John Laing has identified, the likelihood that John Laing is able to secure investments through a competitive bidding process, and the likely rates of return available on such investments.

The willingness of a purchaser to value John Laing's future investment pipeline is reflected in the discount rate applied to the assumed future cash flows of the Development Business. The discount rate is informed by certain benchmarks and a judgement over the risk associated with the cash flows projected into the future.

The General Partner uses its best judgement in deriving the valuations, however, there are inherent limitations in any estimation technique. The fair value estimates are not necessarily indicative of an amount the Partnership could realise in a transaction. The effects of such estimates could be material to the financial statements.

Where an investment is listed on a recognised stock exchange, its shares are valued on a mark-to-market basis.

At 31 December 2014, the valuation of the Partnership's investments have been derived from listed shares. Please refer to Note 3 for further details.

Unrealised movements in the fair value of investments represent the difference between the brought forward fair value (or acquisition price for assets acquired during the year) and the fair value at the year end. All movements are recognised directly in the profit and loss account.

Realised gains or losses on the disposal of investments represent the difference between the disposal proceeds and the initial cost of acquisition, and are recognised in the profit and loss account. Upon disposal, all the unrealised gains or losses recognised in previous financial years are reversed through the income statement.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

Every Limited Partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

NOTES TO THE FINANCIAL STATEMENTS

2. ADMINISTRATIVE EXPENSES

	2014 £	2013 £
Professional fees	1,316	556
	1,316	556

3. INVESTMENTS

	2014 £	2013 £
Opening and closing cost	1,017,794	1,017,794
Unrealised losses	(906,926)	(279,026)
Closing fair value	110,868	738,768

	2014 £ Cost	2014 £ Cumulative unrealised loss	2014 £ Fair value	2013 £ Fair value
Henderson Infrastructure Holdco (Jersey) Limited (Equity)	1,017,794	(906,926)	110,868	738,768
	1,017,794	(906,926)	110,868	738,768

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking of HIH.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange.

The valuation of HIH Jersey includes the value of the Compensation Amount payable to Alpha shareholders as set out in Note 1.

NOTES TO THE FINANCIAL STATEMENTS

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Amounts due to Henderson PFI Secondary Fund II L.P.	27	27
Amounts due to the Manager	5,832	5,216
Other creditors	700	-
	6,559	5,243

5. RECONCILIATION OF NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net loss	(1,316)	(556)
Increase in creditors	1,316	556
Net cash outflow from operating activities	-	-

6. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' funds	734,851	553,683
Net (loss)/profit for the year	(629,216)	181,168
	105,635	734,851

NOTES TO THE FINANCIAL STATEMENTS

7. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited General Partner	Paul Woodbury	Guy Pigache	Steven Proctor	Vicky McDonagh	Vimal Jain	Roger Greville	Hannah O'Gorman	Ian Barrass	Priscilla Davies	Viane Frost	Mike Jaffe	Chris Tanner	Jasvinder Bal	TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Capital contributions account															
Opening balance at 1 January 2014	2.50	2.00	2.00	0.56	0.16	0.28	0.90	0.56	0.56	0.04	0.02	0.14	0.14	0.14	10.00
At 31 December 2014	2.50	2.00	2.00	0.56	0.16	0.28	0.90	0.56	0.56	0.04	0.02	0.14	0.14	0.14	10.00
Loan commitments account															
Opening balance at 1 January 2014	247,496	197,717	197,717	55,524	15,509	28,617	89,196	55,524	55,524	3,724	2,237	13,718	13,718	13,718	989,939
At 31 December 2014	247,496	197,717	197,717	55,524	15,509	28,617	89,196	55,524	55,524	3,724	2,237	13,718	13,718	13,718	989,939
Capital account															
Opening balance at 1 January 2014	(68,066)	(54,376)	(54,376)	(15,270)	(4,265)	(7,870)	(24,530)	(15,270)	(15,270)	(1,024)	(614)	(3,773)	(3,773)	(3,773)	(272,250)
Movement in unrealised gains on investments	(156,982)	(125,408)	(125,408)	(35,218)	(9,837)	(18,151)	(56,575)	(35,218)	(35,218)	(2,363)	(1,419)	(8,701)	(8,701)	(8,701)	(627,900)
At 31 December 2014	(225,048)	(179,784)	(179,784)	(50,488)	(14,102)	(26,021)	(81,105)	(50,488)	(50,488)	(3,387)	(2,033)	(12,474)	(12,474)	(12,474)	(900,150)
Income account															
Opening balance at 1 January 2014	4,289	3,426	3,426	962	269	496	1,545	962	962	65	39	237	237	237	17,152
Net loss in current year	(328)	(263)	(263)	(74)	(21)	(38)	(119)	(74)	(74)	(5)	(3)	(18)	(18)	(18)	(1,316)
At 31 December 2014	3,961	3,163	3,163	888	248	458	1,426	888	888	60	36	219	219	219	15,836
Total partners' funds															
At 31 December 2014	26,411	21,098	21,098	5,925	1,655	3,054	9,518	5,925	5,925	397	240	1,463	1,463	1,463	105,635
Total partners' funds															
At 1 January 2014	183,721	146,769	146,769	41,217	11,513	21,243	66,212	41,217	41,217	2,765	1,662	10,182	10,182	10,182	734,851

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the Limited Partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not directly hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, through its investment, the Partnership has a beneficial interest in investments in currencies other than Pounds Sterling. As the value of the beneficial interest in the underlying investments denominated in foreign currencies will fluctuate relative to changes in exchange rates, the Partnership is indirectly exposed to currency risk. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for capital appreciation, with the overall capital return for Limited Partners being measured net of any currency exposure.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the underlying investments adversely impacts the return generated by the Partnership.

The valuation of the Partnership's investment as at 31 December 2014 is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due due course.

As at 31 December 2013, the value of the Partnership's investments was derived from a sum of the parts valuation. The value of the PPP investments and Renewable Investments was calculated as the net present value of future expected cash flows. The Partnership valued the Development Business by performing a separate valuation based on a discounted cash flows and earnings multiples of the Partnership's entitlement to each component of the business. Through the sum of the parts valuation methodology, the Partnership was indirectly exposed to market price risk. The Partnership did not enter into any hedging transactions in previous years to mitigate this risk.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £5,543 (2013: £36,938).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

8. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due. The Partnership is exposed to credit risk in relation to its cash at bank. Cash at bank is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due as at 31 December 2014 (2013: £nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: £nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was £1,326 (2013: £1,326).

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six months lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability based on available market data (Level 2); and
- Those with inputs for the instrument that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Henderson Infrastructure Holdco (Jersey) Limited	-	110,868	-	110,868
Financial assets	-	110,868	-	110,868

At 31 December 2013

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Henderson Infrastructure Holdco (Jersey) Limited	-	-	738,768	738,768
Financial assets	-	-	738,768	738,768

	2014 Level 2	2014 Level 3	2013 Level 3
	£	£	£
Valuation brought forward	-	738,768	557,044
Transfers in/(out)	738,768	(738,768)	-
Fair value (loss)/gain	(627,900)	-	181,724
Valuation carried forward	110,868	-	738,768

Transfers

Investments previously recognised as Level 3 were transferred to Level 2 in 2014 (2013 - none) as detailed above.

NOTES TO THE FINANCIAL STATEMENTS

9. INVESTMENT COMMITMENTS

Future commitments on fund investments at 31 December 2014 were nil (2013: nil).

Under the terms of the Co-investment agreement dated 19 September 2006 between Henderson PFI Secondary Fund II L.P., Henderson PFI Secondary Co-investment Fund II L.P. (together "the Co-Investors") and the Manager, each partner agrees to invest on the same terms and conditions in all companies, businesses or other entities in which the partners invest in their Relevant Proportions, being the ratio of each Co-Investor's total commitments to the aggregate commitments of the Co-Investors.

10. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014, an amount of up to £10,051 (2013: £10,051) may be drawn down by the Manager for future further investments and to meet the liabilities of the Partnership.

13. RELATED PARTY TRANSACTIONS

Transactions with the Limited Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 6 to the financial statements.

As at 31 December 2014, the Partnership owed the Manager £5,832 for expenses borne on its behalf (2013: £5,216).

As at 31 December 2014, the Partnership owed the the Fund Partnership £27 for expenses borne on its behalf (2013: £27).

14. REGISTERED OFFICE

The registered address of the Partnership is 201 Bishopsgate, London EC2M 3AE.

15. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

16. POST BALANCE SHEET EVENTS

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments have been derived from the JLG share price as at its listing date. The JLG shares are subject to a six month lock-in period.

The valuation of the Partnership's interest in HIH Jersey at 31 December 2014 and in the previous period included the value of the Compensation Amount payable to Alpha shareholders as set out in Note 1. On 18 February 2015, the Compensation Amount was settled in full by HIH Jersey, including the accrual of the return on the Compensation Amount for the period since 31 December 2014 to 17 February 2015 of which the Partnership's estimated share was £12,000. HIH Jersey is in the process of settling its outstanding liabilities, of which the Partnership's estimated share is £16,000. To the extent that there is a shortfall in the Partnership's cash balance to meet these liabilities, the General Partner cannot claim for any of the resulting shortfall.

Registered number LP10084

HENDERSON PFI SECONDARY CO-INVESTMENT FUND 'A' LIMITED PARTNERSHIP

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Registered office
201 Bishopsgate
London EC2M 3AE

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

The General Partner submits their annual report and financial statements of Henderson PFI Secondary Co-investment Fund 'A' L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 10 December 2004 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner") , a company incorporated in Scotland, as General Partner; and

(b) The individuals listed in the Table of the Partners' Funds on page 5 ("the Limited Partners").

The Partnership was registered as a limited partnership in England under the Limited Partnerships Act 1907 with the registered number LP10084 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of investing alongside Henderson PFI Secondary Fund L.P. ("the Fund Partnership") and, in particular, of identifying, negotiating, making, monitoring and realising investments and to carry out all functions and acts in connection therewith.

Total commitments from all partners as at 31 December 2014 amounted to £2,000,000 (2013: £2,000,000).

At 31 December 2014, £1,990,669 of the commitments of the Limited Partners had been drawn down (2013: £1,990,669).

Partners

The Partners have subscribed £20 of partnership capital in the Partnership as Limited Partners and agreed to make loan commitments to the Partnership of £1,999,980.

The Partnership is deemed a qualifying partnership under The Partnerships (Accounts) Regulations 2008 for the year ended 31 December 2014. Consequently, the Partnership is required to prepare its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and Companies Act 2006.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the Manager's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the Manager analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partnei is not adversely impacted by excessive operational costs.

The net assets of the Partnership have increased by £161,499 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling £199,154 resulting in realised gains of £88,379.

(ii) The revaluation of the remainder of the investments held by the Partnership at the year end resulting in a net unrealised gain of £231,981.

This surplus capital was utilised to make net distributions totalling £160,000 to the Limited Partners.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 7 to 17.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course. Please refer to the Going Concern note on page 4.

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course, it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank is held with a financial institution with good credit ratings.

Report of the General Partner (continued)

Principal risks and uncertainties (continued)

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

Amounts attributable to the Partners

Every Limited Partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the provisions of the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. It is the intention of the Manager to sell or distribute in specie the remaining investments owned by both the partnerships and to begin liquidating them within the foreseeable future. Based on that decision, the Report and Financial Statements have been prepared on a basis other than going concern. Please refer to Note 1 for further details.

By Order of the General Partner:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
19 May 2015

TABLE OF PARTNERS' FUNDS
Forming part of the Report of the General Partner for the year ended 31 December 2014

	2014 Share of Total Commitments %	2013 Share of Total Commitments %
Investors		
General Partner		
Henderson Equity Partners (GP) Limited	0.26	0.26
Limited Partners		
Paul Woodbury	25.60	25.60
Guy Pigache	25.72	25.72
Steven Proctor	13.02	13.02
Vicky McDonagh	4.30	4.30
Vimal Jain	6.68	6.68
Roger Greville	13.19	13.19
David Bull	0.22	0.22
Hannah O'Gorman	11.01	11.01
Total	**100.00**	**100.00**

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Investment income	2	10,357	11,451
Interest receivable		55	-
Administrative expenses	3	(9,273)	(819)
NET INCOME		1,139	10,632
Realised gain on sale of investments	4	88,379	-
Unrealised gain on investments	4	231,981	313,581
NET CAPITAL GAIN		320,360	313,581
NET PROFIT FOR THE YEAR		321,499	324,213
ALLOCATION TO:			
Limited Partners		321,499	324,213
		321,499	324,213

All results derive from continuing operations.

There is no material difference between the profit for the financial year and the historic cost equivalent.

There are no recognised gains or losses other than those included in the Profit and Loss Account above, and therefore no Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 10 to 17 form an integral part of these accounts.

BALANCE SHEET
as at 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
FIXED ASSETS			
Investments	4	-	3,011,523
CURRENT ASSETS			
Investments	4	3,132,729	-
Debtors	5	-	10,632
Cash at bank		62,814	3,132
		3,195,543	13,764
TOTAL ASSETS		3,195,543	3,025,287
CREDITORS: amounts falling due within one year	6	(8,757)	-
TOTAL CREDITORS		(8,757)	-
NET ASSETS ATTRIBUTABLE TO PARTNERS		3,186,786	3,025,287
REPRESENTED BY:			
Loans due to Partners			
Partners' capital classified as a liability	9	1,533,717	1,693,717
Capital contribution account	9	20	20
Income account	9	270,479	269,340
Capital account	9	1,382,570	1,062,210
TOTAL EQUITY		1,653,069	1,331,570
TOTAL PARTNERS' FUNDS	8,9	3,186,786	3,025,287

The notes on pages 10 to 17 form an integral part of these accounts.

Approved by:

P.A. Davis

P.A. Davies
For and on behalf of the General Partner
19 May 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash flow from operating activities	7	10,171	(11,451)
Dividends received		10,357	11,451
Net cash outflow from investment activities			
Receipts from disposal of investments		199,154	-
		199,154	-
Net cash flow from financing activities			
Loan commitments repaid		(160,000)	-
		(160,000)	-
Increase in cash in the year		59,682	-

Reconciliation of net cash flow to movement in net funds

	31 December 2014 £	31 December 2013 £
Net funds at 1 January	3,132	3,132
Increase in cash in the year	59,682	-
Net funds at 31 December	62,814	3,132

The notes on pages 10 to 17 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are prepared under the historical cost basis modified for the revaluation of investments.

The Fund Partnership is due to terminate on 3 October 2015. In accordance with the Partnership Agreement, the Partnership will terminate 90 days after the termination of the Fund Partnership. Therefore, it is the intention of the Manager to sell or distribute in specie the remaining investments owned by the Fund Partnership and to begin liquidating both the Partnership and Fund Partnership within the foreseeable future. Based on that decision, the Report and Financial Statements have been prepared on a basis other than going concern, which includes the following provisions:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date;

- Liquidation costs are provided for, where there are reliable estimates (see note 6).

The accounting policies which have been amended are 1a) and 1b) to reflect the accounting treatment under a basis other than going concern.

a) Loans due to Partners and creditors

Loans due to Partners and all creditors are classified as falling due within one year.

b) Investments

Investments are included in the Annual Report and Financial Statements at net realisable value. Net realisable value reflects the General Partner's best estimate of the proceeds expected to be achieved from the sale of the investments reflecting market conditions at the balance sheet date.

For the year ended 31 December 2014, investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date.

Investment recognition and disposal

Direct investments held by the Partnership are recognised in the financial statements when the risks and rewards of ownership are transferred to the Partnership. Direct investments are de-recognised when the risks and rewards of ownership are transferred to a third party. Investment acquisitions and disposals are recognised on the trade date, being the date that the risks and rewards of ownership are transferred.

The Partnership holds an indirect interest in John Laing plc through its investment in the Alpha Shares in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). The Alpha Shares provide the Partnership with a notional equity investment in a series of Public Private Partnerships investments ("PPP investments") owned by John Laing. The Articles of Association of HIH Jersey stipulate the specific rights attached to the Alpha Shares and permit the proportional interest of the Partnership in each of the PPP investments to be determined by the Directors of HIH Jersey. Therefore the recognition of additional investments and the disposal of existing investments held indirectly by the Partnership in PPP Investments is determined at the discretion of the Directors

To the extent that John Laing plc sells PPP investments and proceeds from those sales are re-invested by John Lain plc and cannot be distributed to the Alpha shareholders, a compensation amount ("the Compensation Amount") is accrued by HIH Jersey. The Compensation Amount is calculated as the net disposal proceeds and yield from PPP assets, along with interest, which accrues at 11.25% p.a., capitalised annually. On disposal of John Laing plc, the Compensation Amount will be paid to the Alpha shareholders in priority to Beta distributions.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Investment recognition and disposal (continued)

Unlisted investments are valued by the General Partner in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines which aim to provide an estimate of fair value at the reporting date.

The value of each investment is calculated on an annual basis as the net present value of the future expected cashflows arising from the asset and distributable to the Partnership for the remainder of the life of the asset. An appropriate discount rate will be applied to the future expected cash flows to calculate the net present value. The discount rate used for each asset will be based on an appropriate risk free benchmark adjusted by a risk premium rate that reflects the risk profile of each asset. Where a sale has been agreed with a third party but not yet completed at the reporting date, the investment is valued at the agreed sale price.

Where an investment is listed on a recognised stock exchange, its shares are valued on a mark-to-market basis.

At 31 December 2014, the valuation of the Partnership's investments has been derived from listed shares. Please refer to Note 4 for further details.

Unrealised movements in the fair value of investments represent the difference between the brought forward fair value (or acquisition price for assets acquired during the year) and the fair value at the year end. All movements are recognised directly in the profit and loss account.

Realised gains or losses on the disposal of equity investments represent the difference between the disposal proceeds and the initial cost of acquisition. The realised gain or loss is recognised in the income statement. Upon disposal, all the unrealised gains or losses recognised in previous financial years are reversed through the profit and loss account.

Dividend recognition

Dividend income is accrued once the entitlement to receive a dividend payment has been established through confirmation received from the underlying investee company.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Allocation and distribution of profits

Every Limited Partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership shall be allocated between the partners in proportion to their funded commitments being the total amount of capital contributions and drawn loan commitments.

The General Partner is not entitled to any priority profit share from the Partnership or any share of the profits.

NOTES TO THE FINANCIAL STATEMENTS

2. INVESTMENT INCOME

	2014	2013
	£	£
Dividends receivable	10,357	11,451
	10,357	11,451

3. ADMINISTRATIVE EXPENSES

	2014	2013
	£	£
Professional fees	4,273	819
Partnership liquidation costs	5,000	-
	9,273	819

4. INVESTMENTS

	2014	2013
	£	£
Opening cost	1,973,856	1,973,856
Disposals	(110,775)	-
Closing cost	1,863,081	1,973,856
Cumulative unrealised gains	1,269,648	1,037,667
Closing fair value	3,132,729	3,011,523

Movements in investments relative to opening fair value were as follows:

	2014	2013
	£	£
Opening fair value	3,011,523	2,697,942
Disposal proceeds	(199,154)	-
Realised gain on investments	88,379	-
Unrealised gain on investments held at the year end	231,981	313,581
	3,132,729	3,011,523

	2014 Cost	2014 Cumulative unrealised gains	2014 Fair value	2013 Cost	2013 Fair value
	£	£	£	£	£
Bishop Auckland	-	-	-	7,021	47,041
Henderson Infrastructure Holdco (Jersey) Limited	1,862,834	1,269,648	3,132,482	1,862,834	2,803,958
HPFI Finance S.a.r.l	247	-	247	45,345	46,874
Scotia Water Dalmuir	-	-	-	15,771	36,942
Tay Wastewater PFI Project	-	-	-	42,885	76,708
	1,863,081	1,269,648	3,132,729	1,973,856	3,011,523

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENTS (continued)

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

HPFI Finance S.a.r.l. has been dissolved and commenced voluntary liquidation on 10 October 2014. The fair value of the investment as at 31 December 2014 represents a final distribution received by the Partnership on 29 January 2015.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

5. DEBTORS

	2014	2013
	£	£
Amounts due from Henderson PFI Secondary Fund L.P.	-	10,632
	-	10,632

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Amounts due to Henderson PFI Secondary Fund L.P.	1,757	-
Other creditors	2,000	-
Partnership liquidation costs	5,000	-
	8,757	-

7. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Net income	1,139	10,632
Dividends receivable	(10,357)	(11,451)
Decrease/(increase) in debtors	10,632	(10,632)
Increase in creditors	8,757	-
Net cash flow from operating activities	10,171	(11,451)

8. RECONCILIATION OF PARTNERS' FUNDS

	2014	2013
	£	£
Opening partners' funds	3,025,287	2,701,074
Net profit for the year	321,499	324,213
Loan repayments made during the year	(160,000)	-
Closing partners' funds	3,186,786	3,025,287

NOTES TO THE FINANCIAL STATEMENTS

9. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited General Partner	Paul Woodbury	Guy Pigache	Vicky McDonagh	Steven Proctor	Vimal Jain	Roger Greville	David Bull	Hannah O'Gorman	TOTAL
	£	£	£	£	£	£	£	£	£	£
Capital contribution account										
At 1 January 2014	-	5	5	1	3	1	2	1	2	20
At 31 December 2014	-	5	5	1	3	1	2	1	2	20
Loan commitments account										
At 1 January 2014	-	435,534	435,534	73,121	221,472	113,632	223,348	3,675	187,401	1,693,717
Repayments during the year	-	(41,135)	(41,135)	(6,938)	(20,917)	(10,732)	(21,095)	(348)	(17,700)	(160,000)
At 31 December 2014	-	394,399	394,399	66,183	200,555	102,900	202,253	3,327	169,701	1,533,717
Income account										
At 1 January 2014	-	69,262	69,262	11,621	35,219	18,073	35,519	582	29,802	269,340
Net income in current year	-	294	294	49	149	76	150	2	125	1,139
At 31 December 2014	-	69,556	69,556	11,670	35,368	18,149	35,669	584	29,927	270,479
Capital account										
At 1 January 2014	-	273,160	273,160	45,805	138,905	71,267	140,077	2,303	117,533	1,062,210
Realised gains on investments	-	22,726	22,726	3,814	11,557	5,930	11,655	192	9,779	88,379
Unrealised gain on investments	-	59,655	59,655	10,010	30,335	15,564	30,591	503	25,668	231,981
At 31 December 2014	-	355,541	355,541	59,629	180,797	92,761	182,323	2,998	152,980	1,382,570
Total partners' funds										
At 31 December 2014	-	819,501	819,501	137,483	416,723	213,811	420,247	6,910	352,610	3,186,786
Total partners' funds										
At 1 January 2014	-	777,961	777,961	130,548	395,599	202,973	398,946	6,561	334,738	3,025,287

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the Partnership. Please refer to the Going Concern note on page 4.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £155,636 (2013: £150,576).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

The Partnership's maximum exposure to credit risk at the balance sheet date was £62,814 (2013: £13,764) representing the amounts shown as cash at bank and debtors at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

The Partners' loan commitments are only repayable upon termination of the Partnership and hence have no contracted repayment date.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability based on available market data (Level 2); and
- Those with inputs for the instrument that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Henderson Infrastructure Holdco (Jersey) Limited	-	3,132,482	-	3,132,482
HPFI Finance S.a.r.l	-	247	-	247
Financial assets	-	3,132,729	-	3,132,729

At 31 December 2013

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Bishop Auckland	-	-	47,041	47,041
Henderson Infrastructure Holdco (Jersey) Limited	-	-	2,803,958	2,803,958
HPFI Finance S.a.r.l	-	-	46,874	46,874
Scotia Water Dalmuir	-	-	36,942	36,942
Tay Wastewater	-	-	76,708	76,708
	-	-	3,011,523	3,011,523

	2014 Level 2	2014 Level 3	2013 Level 3
	£	£	£
Valuation brought forward	-	3,011,523	2,697,942
Disposal proceeds	-	(199,154)	-
Transfers in/(out)	2,812,369	(2,812,369)	-
Fair value gain	320,360	-	313,581
Valuation carried forward	3,132,729	-	3,011,523

Transfers

Investments previously recognised as Level 3 were transferred to Level 2 in 2014 (2013 - none) as detailed above.

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENT COMMITMENTS

Future commitments outstanding on the Partnership's investments at 31 December 2014 were £nil (2013: £nil).

Under the terms of the Co-investment Agreement dated 10 December 2004 between; Henderson PFI Secondary Fund L.P., Henderson PFI Secondary Co-investment Fund 'A' L.P., Henderson PFI Secondary Co-investment Fund 'B' L.P. (together "the Co-Investors") and the Manager, each of the Co-Investors agrees to invest on the same terms and conditions in all companies, businesses or other entities in which the Co-Investors choose to invest in the Relevant Proportions, being the ratio of each Co-Investor's total commitment to the aggregate commitments of the Co-Investors.

12. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014, an amount of up to £9,331 (2013: £9,331) may be drawn down by the Manager.

13. RELATED PARTY TRANSACTIONS

Transactions with the Limited Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 9 to the financial statements.

The Partnership owed the Fund Partnership £1,757 for expenses borne on its behalf, less investment proceeds and dividend income received on its behalf (2013: £10,632 owed by the Fund Partnership to the Partnership). These amounts were settled between the entities in March 2015.

14. REGISTERED OFFICE

The registered address of the Partnership is 201 Bishopsgate, London EC2M 3AE.

15. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

16. POST BALANCE SHEET EVENTS

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments have been derived from the JLG share price as at its listing date. The JLG share price are subject to a six month lock-in period.

On 18 February 2015, the Compensation Amount accrued to the Partnership through its investment in Alpha Shares was settled in full by HIH Jersey.

Registered number LP11565

HENDERSON PFI SECONDARY FUND II L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

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Partnership information

Registered office
201 Bishopsgate
London EC2M 3AE

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

The General Partner submits their annual report and audited financial statements of Henderson PFI Secondary Fund II L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 19 September 2006 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner and;

(b) Henderson Infrastructure (F.P.) II L.P. ("HFP"), a Scottish limited partnership; and

(c) Henderson Fund Management Limited ("HFM" and together with HFP "the Founder Partners").

The Partnership was registered as a limited partnership in England under the Limited Partnerships Act 1907 with the registration number LP11565 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of making, monitoring and realising investments and to carry out all functions and acts in connection therewith.

Total commitments from all partners as at 31 December 2014 amounted to £573,501,434 (2013: £573,501,434).

At 31 December 2014, all of the commitments of the partners had been drawn down, as was the case at the prior year end.

The limited partners ("Limited Partners") have contributed capital of £5,735 to the Partnership and agreed to make a loan commitment to the Partnership of £573,494,265.

In aggregate the Founder Partners have contributed capital of £1,434 to the Partnership as limited partners.

The Partnership is deemed a qualifying partnership under The Partnerships (Accounts) Regulations 2008 for the year ended 31 December 2014. Consequently, the Partnership is required to prepare its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and Companies Act 2006. Accordingly, the Partnership has undertaken the early adoption of Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Report of the General Partner (continued)

Business review

The net assets of the Partnership have decreased by £367,295,191 from the prior year. This is due predominantly to the revaluation of the Partnership's investment in Henderson Infrastructure Holdco (Jersey) Limited.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests (as defined in Note 1 to the financial statements) from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

As at 31 December 2013, the value of the Partnership's investments was derived from a sum of the parts valuation. The value of the Public Private Partnerships investments ("PPP investments") and Renewable Energy investments ("Renewable Investments") was calculated as the net present value of future expected cash flows. The Partnership valued the Development Business by performing a separate valuation based on a discounted cash flows and earnings multiples of the Partnership's entitlement to each component of the business. Please refer to Note 1 to the financial statements for further details.

Financial results

The financial statements of the Partnership have been set out on pages 9 to 25. The loss for the year ended 31 December 2014 was £367,295,191 (2013: profit of £97,064,343).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited.
The Partnership is therefore exposed indirectly to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for Limited Partners being measured net of any currency exposure.

Report of the General Partner (continued)

Market price risk

The valuation of the Partnership's investment is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course.

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to its cash at bank balance. As the Limited Partners' loan commitments are fully drawn, the Partnership is not exposed to credit risk in relation to outstanding loan commitments.

Cast at bank is held with a financial institution with good credit ratings.

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments.

Amounts attributable to the General Partner

The General Partner is entitled to a priority profit share in accordance with the Partnership Agreement for its services as General Partner. The General Partner's priority profit share entitlement for the year ended 31 December 2014 was £7,098,256 (2013: £7,062,026). The General Partner's unpaid priority profit share as at 31 December 2014 was £49,157,701 (2013: £42,059,445).

The priority profit share will rank as a first charge on net income in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income.

The General Partner's allocations are expensed through the Income Statement under FRS 102.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Partnership's activities, its financial position, financial risk management objectives and its exposures to price, credit, currency and liquidity risk are set out above.

After making enquiries, the General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly the General Partner continues to adopt the going concern basis in preparing the annual report and financial statements.

Report of the General Partner (continued)

Auditors

Ernst & Young LLP has not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A. Davies

PA Davies
For and on behalf of the General Partner
31 March 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations" requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with (United Kingdom Generally Accepted Accounting Practice) applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HENDERSON PFI SECONDARY FUND II L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson PFI Secondary Fund II L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partners (Accounts) Regulations 2008.

What we have audited

Henderson PFI Secondary Fund II L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HENDERSON PFI SECONDARY FUND II L.P. (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
31 March 2015

INCOME STATEMENT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014	Year ended 31 December 2013 Restated*
		£	£
Net (loss)/gain on investments at fair value through profit or loss		(360,100,358)	104,218,248
		(360,100,358)	104,218,248
Operating expenses	2	(7,194,858)	(7,153,928)
Operating (loss)/profit		(367,295,216)	97,064,320
Interest receivable and similar income		25	23
(LOSS)/PROFIT FOR THE YEAR AVAILABLE FOR ALLOCATION AMONG PARTNERS		(367,295,191)	97,064,343

All results derive from continuing operations.

There are no items of Other Comprehensive Income in both the current and preceding year, and therefore no separate Statement of Comprehensive Income has been presented.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

The notes on pages 13 to 25 form an integral part of these financial statements.

BALANCE SHEET
as at 31 December 2014

	Note	31 December 2014 £	31 December 2013 Restated* £
NON CURRENT ASSETS			
Investment	3	63,582,899	423,683,257
CURRENT ASSETS			
Debtors	4	27	27
Cash at bank		6,735	6,710
		6,762	6,737
TOTAL ASSETS		63,589,661	423,689,994
CURRENT LIABILITIES			
Trade and other payables	5	(49,923,370)	(42,728,512)
TOTAL LIABILITIES		(49,923,370)	(42,728,512)
NET ASSETS ATTRIBUTABLE TO PARTNERS		13,666,291	380,961,482
REPRESENTED BY:			
Loans due to Partners			
Partners' capital classified as a liability	8	573,494,265	573,494,265
EQUITY			
Partners' capital classified as equity	8	7,169	7,169
Partners' other reserves classified as equity	7	(559,835,143)	(192,539,952)
TOTAL EQUITY		(559,827,974)	(192,532,783)
TOTAL PARTNERS' FUNDS	6,8	13,666,291	380,961,482

The notes on pages 13 to 25 form an integral part of these financial statements.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

Approved by:

P.A.Davies

PA Davies
For and on behalf of the General Partner
31 March 2015

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2014

Statement of Changes in Equity in 2014

	Partners' capital classified as equity	Partners' other reserves classified as equity	Total
	£	£	£
Restated balance at 1 January 2014*	7,169	(192,539,952)	(192,532,783)
Loss for the year	-	(367,295,191)	(367,295,191)
	-	(367,295,191)	(367,295,191)
Balance at 31 December 2014	**7,169**	**(559,835,143)**	**(559,827,974)**

Statement of Changes in Equity in 2013

	Partners' capital classified as equity	Partners' other reserves classified as equity	Total
	£	£	£
Balance as previously stated	573,501,434	(289,604,295)	283,897,139
Impact of adoption of FRS 102	(573,494,265)	-	(573,494,265)
Restated balance at 1 January 2013*	7,169	(289,604,295)	(289,597,126)
Profit for the year	-	97,064,343	97,064,343
	-	97,064,343	97,064,343
Balance at 31 December 2013	7,169	(192,539,952)	(192,532,783)

All results derive from continuing operations.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

The notes on pages 13 to 25 form an integral part of these financial statements.

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 Restated* £
(Loss)/profit from operations		(367,295,216)	97,064,320
Adjustments for:			
Net loss/(gain) on investments at fair value through profit or loss		360,100,358	(104,218,248)
Operating cash flows before movements in working capital		(7,194,858)	(7,153,928)
Increase in creditors		7,194,858	7,153,928
Cash outflow from operations		-	-
Financing activities			
Interest received		25	23
Net cash inflow from financing activities		25	23
Net increase in cash and cash equivalents		25	23
Cash and cash equivalents at beginning of the year		6,710	6,687
Cash and cash equivalents at end of year		6,735	6,710

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

The notes on pages 13 to 25 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF INCOME STATEMENT
For the year ended 31 December 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement	FRS 102 adjustments	FRS 102
		£	£	£
Net gain on investments at fair value through profit or loss		104,218,248	-	104,218,248
		104,218,248	-	104,218,248
Operating expenses[1]	2	(91,902)	(7,062,026)	(7,153,928)
Operating profit		104,126,346	(7,062,026)	97,064,320
Interest receivable and similar income		23	-	23
PROFIT FOR THE YEAR AVAILABLE FOR ALLOCATION AMONG PARTNERS		104,126,369	(7,062,026)	97,064,343

All results derive from continuing operations.

1) General Partner's priority profit share

FRS 102 requires General Partner's priority profit share to be expensed through the income statement, where in previous years, it was debited to the Income and/or Capital account in accordance with the Partnership Agreement. Consequently priority profit share of £7,062,026 has been expensed through the income statement.

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF BALANCE SHEET
as at 31 December 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement £	FRS 102 adjustments £	FRS 102 £
NON CURRENT ASSETS				
Investment	3	423,683,257	-	423,683,257
CURRENT ASSETS				
Debtors	4	27	-	27
Cash at bank		6,710	-	6,710
		6,737	-	6,737
TOTAL ASSETS		423,689,994	-	423,689,994
CURRENT LIABILITIES				
Trade and other payables	5	(42,728,512)	-	(42,728,512)
TOTAL LIABILITIES		(42,728,512)	-	(42,728,512)
NET ASSETS ATTRIBUTABLE TO PARTNERS		380,961,482	-	380,961,482
REPRESENTED BY:				
Loans due to Partners				
Partners' capital classified as a liability[2]	8	-	573,494,265	573,494,265
EQUITY				
Partners' capital classified as equity[2]	8	573,501,434	(573,494,265)	7,169
Partners' other reserves classified as equity[2]	7	-	(192,539,952)	(192,539,952)
Capital account[2]	7	(156,135,317)	156,135,317	-
Income account[2]	7	(8,438,841)	8,438,841	-
Drawings account[2]	7	(27,965,794)	27,965,794	-
TOTAL EQUITY		380,961,482	(573,494,265)	(192,532,783)
TOTAL PARTNERS' FUNDS	6,8	380,961,482	-	380,961,482

2) Adjustment to Partners' equity

FRS 102 requires Partners' capital and loan commitments to be split into equity and liability, where in previous years, these commitments treated as equity. The FRS 102 adjustments reflect the reclassification of various sub-accounts into the following: Partners capital classified as liability £573,494,265, Partners' capital classified as equity £7,169 and Partners' other reserves classified as equity (£192,539,952).

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF BALANCE SHEET
as at 1 January 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement £	FRS 102 adjustments £	FRS 102 £
NON CURRENT ASSETS				
Investment		319,465,009	-	319,465,009
CURRENT ASSETS				
Debtors		27	-	27
Cash at bank		6,687	-	6,687
		6,714	-	6,714
TOTAL ASSETS		319,471,723	-	319,471,723
CURRENT LIABILITIES				
Trade and other payables		(35,574,584)	-	(35,574,584)
TOTAL LIABILITIES		(35,574,584)	-	(35,574,584)
NET ASSETS ATTRIBUTABLE TO PARTNERS		283,897,139	-	283,897,139
REPRESENTED BY:				
Loans due to Partners				
Partners' capital classified as a liability[3]		-	573,494,265	573,494,265
EQUITY				
Partners' capital classified as equity[3]		573,501,434	(573,494,265)	7,169
Partners' other reserves classified as equity[3]		-	(289,604,295)	(289,604,295)
Capital account[3]		(260,353,565)	260,353,565	-
Income account[3]		(8,346,962)	8,346,962	-
Drawings account[3]		(20,903,768)	20,903,768	-
TOTAL EQUITY	6	283,897,139	(573,494,265)	(289,597,126)
TOTAL PARTNERS' FUNDS		283,897,139	-	283,897,139

3) Adjustment to Partners' equity

FRS 102 requires Partners' capital and loan commitments to be split into equity and liability, where in previous years, these commitments were treated as equity. The FRS 102 adjustments reflect the reclassification of various sub-accounts into the following: Partners capital classified as liability £573,494,265, Partners' capital classified as equity £7,169 and Partners' other reserves classified as equity (£289,604,295).

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The Financial statements have been prepared in accordance with UK GAAP and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008. The Partnership has undertaken the early adoption of Financial Reporting Standards 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland". These are the Partnership's first financial statements prepared in accordance with FRS 102.

Investment recognition and realisation

The Partnership holds an indirect investment in John Laing plc ("John Laing"), a company that holds investment capital in existing Public Private Partnerships investments ("PPP Investments") and Renewable Energy investments ("Renewable Investments") and identifies and develops opportunities for investment in future PPP and Renewable projects in the primary market ("the Development Business").

Direct investments held by the Partnership are initially recognised in the financial statements when the risks and rewards of ownership are transferred to the Partnership. Direct investments are subsequently derecognised when the risks and rewards of ownership are transferred to a third party. Investment acquisitions and disposals are recognised on the trade date, being the date that the risks and rewards of ownership are transferred.

The General Partner has classified the investment as held exclusively with a view to subsequent resale and has not consolidated the underlying companies. The investment gives the partners of the Partnership exposure to an investment portfolio, the value of which is measured through fair value rather than a means through which the partners carry out business.

The Partnership's indirect interest in John Laing is held through its investment in the Beta Shares of Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). The Beta Shares provide the Partnership with a notional equity investment in a series of PPP and Renewable Investments owned by John Laing as well as the Development Business. The Articles of Association of HIH Jersey stipulate the specific rights attached to the Beta Shares and permit the proportional interest of the Partnership in each PPP and Renewable Investment to be determined by the Directors of HIH Jersey. Therefore, the recognition of additional investments and the disposal of existing investments held indirectly by the Partnership in the PPP and Renewable Investments is determined at the discretion of the Directors of HIH Jersey.

To extent that John Laing sells the PPP investments to which the Alpha shares of HIH Jersey have specific rights attached, and the proceeds from these sales are re-invested by John Laing for the benefit of the Beta shareholders and cannot be distributed to the Alpha shareholders, a compensation amount ("The Compensation Amount") is accrued by HIH Jersey. The Compensation Amount is calculated as the net disposal proceeds and yield from these PPP investments along with interest, which accrued at 11.25% p.a., is capitalised annually. On disposal of John Laing, the Compensation Amount will be paid to the Alpha shareholders in priority to Beta distributions.

In the ordinary course of business John Laing invests in and disposes of stakes in its PPP and Renewable Investments. Where any such additional investment or disposal is made, the economic benefit of that transaction is reflected in the valuation of the PPP and Renewable Investments that are allocated to the Partnership as determined by the General Partner.

The returns from the Development Business are solely allocated to the Partnership and its co-investment partnership, Henderson PFI Secondary Co-investment Fund II L.P.

Valuation of investments

Unlisted investments are valued by the General Partner in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines which aim to provide an estimate of fair value at the reporting date.

The value of each PPP and Renewable Investment is calculated as the net present value of the future expected cashflows arising from the asset, which are distributable to the Partnership for the remainder of the life of the asset. The discount rate used to calculate the net present value for each asset will be based on an appropriate risk free benchmark adjusted by a risk premium rate that reflects the risk profile of each asset. Where a sale has been agreed with a third party but not yet completed at the reporting date, the investment is valued at the agreed sale price.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Valuation of investments (continued)

The Partnership values its investment in the Development Business by performing a separate valuation based on discounted cash flows or earnings multiples of the Partnership's entitlement to each component of the business.

A key assumption for the valuation of John Laing's Development Business is the length of its future potential investment pipeline and its ability to convert this pipeline into future profitable investments. Judgement is made over the opportunities John Laing has identified, the likelihood that John Laing is able to secure investments through a competitive bidding process, and the likely rates of return available on such investments.

The willingness of a purchaser to value John Laing's future investment pipeline is reflected in the discount rate applied to the assumed future cash flows of the Development Business. The discount rate is informed by certain benchmarks and a judgement over the risk associated with the cash flows projected into the future.

The General Partner uses its best judgement in deriving the valuations, however, there are inherent limitations in any estimation technique. The fair value estimates are not necessarily indicative of an amount the Partnership could realise in a transaction. The effects of such estimates could be material to the financial statements.

Where an investment is listed on a recognised stock exchange, its shares are valued on a mark-to-market basis.

At 31 December 2014, the valuation of the Partnership's investments have been derived from listed shares. Please refer to Note 3 for further details.

Unrealised movements in the fair value of investments represent the difference between the brought forward fair value (or acquisition price for assets acquired during the year) and the fair value at the year end. All movements are recognised directly in the profit and loss account.

Realised gains or losses on the disposal of investments represent the difference between the disposal proceeds and the initial cost of acquisition, and are recognised in the profit and loss account. Upon disposal, all the unrealised gains or losses recognised in previous financial years are reversed through the income statement.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

General Partner allocations

The General Partner is entitled to an annual priority share of the Partnership's profits calculated by reference to the total commitments to the Partnership, adjusted for capital distributions. This entitlement will rank as a first charge on net income in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income. Where net assets of the Partnership are less than the accrued priority profit share, the General Partner cannot claim for any of the resulting shortfall.

The General Partner's allocations are expensed through the Income Statement under FRS 102.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership remaining after the allocation of the General Partner's priority profit share shall be allocated between the partners in proportion to their total contributions.

The Partnership Agreement provides for a carried interest share to be payable to the Founder Partners subject to certain performance criteria regarding the annualised return on investment being achieved. The carried interest hurdle had not been exceeded at the balance sheet date, hence no allocation has been made to the Founder Partners in excess of their entitlement in respect of their capital contributions.

2. ADMINISTRATIVE EXPENSES

	2014 £	2013* £
Services provided by the Partnership's auditors		
- Fees payable for the audit	29,250	33,840
Custody and administration charges	57,212	55,309
Professional fees	10,140	2,753
Priority profit share	7,098,256	7,062,026
	7,194,858	7,153,928

3. INVESTMENT

The movement in the investment during the year was as follows:

	2014 £	2013 £
Opening and closing cost	583,705,007	583,705,007
Cumulative unrealised losses	(520,122,108)	(160,021,750)
Closing fair value	63,582,899	423,683,257

	Cost £ 2014	Cumulative unrealised loss £ 2014	Fair value £ 2014	Cost £ 2013	Fair value £ 2013
Equity investment					
Henderson Infrastructure Holdco (Jersey) Limited	583,705,007	(520,122,108)	63,582,899	583,705,007	423,683,257
	583,705,007	(520,122,108)	63,582,899	583,705,007	423,683,257

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking of HIH.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange.

The valuation of the Partnership's interest in HIH Jersey includes the value of the Compensation Amount payable to Alpha shareholders as set out in Note 1.

*All comparative information, including relevant notes, has been restated to reflect the Company has transitioned to FRS 102.

NOTES TO THE FINANCIAL STATEMENTS

4. DEBTORS

	2014 £	2013 £
Amounts due from Henderson PFI Secondary Co-Investment Fund II L.P.	27	27
	27	27

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Custodian and administration fee accrual	499,240	457,964
Professional fee accrual	7,000	-
Audit fee accrual	29,250	33,840
Priority profit share accrual	49,157,701	42,059,445
Amounts due to the Manager	230,179	177,263
	49,923,370	42,728,512

6. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' funds	380,961,482	283,897,139
Net (loss)/profit for the year	(367,295,191)	97,064,343
Closing partners' funds	13,666,291	380,961,482

7. PARTNERS' OTHER RESERVES

	Income account £	Capital account £	Drawings account £	Total £
Opening balance 1 January 2014	(8,438,841)	(156,135,317)	(27,965,794)	(192,539,952)
Transfer between accounts	(27,965,794)	-	27,965,794	-
Loss for the year	(7,194,833)	(360,100,358)	-	(367,295,191)
Closing balance 31 December 2014	(43,599,468)	(516,235,675)	-	(559,835,143)

8. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Henderson Infrastructure (F.P.) II L.P.	Henderson Fund Management Limited	Investor A	Investor B	Investor C	Investor D	Investor E	Investor F	Investor G	Investor H	Investor J	TOTAL Carried forward
	£	£	£	£	£	£	£	£	£	£	£	£	£
Partners' capital classified as a liability :													
Loan commitments account													
Opening balance 1 January 2014	-	-	-	74,999,250	29,999,700	9,999,900	9,999,900	9,999,900	1,999,980	24,999,750	4,999,950	99,999,000	266,997,330
At 31 December 2014	-	-	-	74,999,250	29,999,700	9,999,900	9,999,900	9,999,900	1,999,980	24,999,750	4,999,950	99,999,000	266,997,330
Partners' other reserves classified as equity:													
Capital contribution account													
Opening balance 1 January 2014	-	1,075	359	750	300	100	100	100	20	250	50	1,000	4,104
At 31 December 2014	-	1,075	359	750	300	100	100	100	20	250	50	1,000	4,104
Capital account													
Opening balance 1 January 2014	-	(293)	(98)	(20,418,691)	(8,167,477)	(2,722,493)	(2,722,493)	(2,722,493)	(544,498)	(6,806,230)	(1,361,246)	(27,224,922)	(72,690,934)
Unrealised loss on investments	-	(675)	(225)	(47,092,344)	(18,836,938)	(6,278,979)	(6,278,979)	(6,278,979)	(1,255,796)	(15,697,448)	(3,139,490)	(62,789,792)	(167,649,645)
At 31 December 2014	-	(968)	(323)	(67,511,035)	(27,004,415)	(9,001,472)	(9,001,472)	(9,001,472)	(1,800,294)	(22,503,678)	(4,500,736)	(90,014,714)	(240,340,579)
Income account*													
Opening balance 1 January 2014*	-	(68)	(22)	(4,760,839)	(1,904,336)	(634,778)	(634,778)	(634,778)	(126,956)	(1,586,946)	(317,389)	(6,347,784)	(16,948,674)
Net loss in current year	-	(13)	(4)	(940,909)	(376,363)	(125,454)	(125,454)	(125,454)	(25,091)	(313,636)	(62,727)	(1,254,545)	(3,349,650)
At 31 December 2014	-	(81)	(26)	(5,701,748)	(2,280,699)	(760,232)	(760,232)	(760,232)	(152,047)	(1,900,582)	(380,116)	(7,602,329)	(20,298,324)
Total partners' funds													
At 31 December 2014	-	26	10	1,787,217	714,886	238,296	238,296	238,296	47,659	595,740	119,148	2,382,957	6,362,531
Total restated partners' funds													
At 1 January 2014	-	714	239	49,820,470	19,928,187	6,642,729	6,642,729	6,642,729	1,328,546	16,606,824	3,321,365	66,427,294	177,361,826

* In prior years, partners' funds included drawings attributable to the General Partner which represented the General Partner's share of future profits, allocated to each Limited Partner according to their capital contributions.
Under FRS 102, the General Partner's allocations are expensed through the Income Statement. Accordingly, the drawings account has been combined with the Income account as at 1 January 2014 for each Limited Partner.
This has not affected the total of each Limited Partner's fund as at 1 January 2014.

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS *(Continued)*

	TOTAL Brought forward	Investor K	Investor L	Investor M	Investor N	Investor O	Investor P	Investor Q	Investor R	Investor S	Investor T	Investor U	TOTAL Carried forward
	£	£	£	£	£	£	£	£	£	£	£	£	£
Partners' capital classified as a liability :													
Loan commitments account													
Opening balance 1 January 2014	266,997,330	19,999,800	67,999,320	1,499,985	9,999,900	4,499,955	12,499,875	24,999,750	5,999,940	13,499,865	13,499,865	24,999,750	466,495,335
At 31 December 2014	266,997,330	19,999,800	67,999,320	1,499,985	9,999,900	4,499,955	12,499,875	24,999,750	5,999,940	13,499,865	13,499,865	24,999,750	466,495,335
Partners' other reserves classified as equity:													
Capital contribution account													
Opening balance 1 January 2014	4,104	200	680	15	100	45	125	250	60	135	135	250	6,099
At 31 December 2014	4,104	200	680	15	100	45	125	250	60	135	135	250	6,099
Capital account													
Opening balance 1 January 2014	(72,690,934)	(5,444,984)	(18,512,947)	(408,374)	(2,722,493)	(1,225,121)	(3,403,115)	(6,806,230)	(1,633,495)	(3,675,364)	(3,675,364)	(6,806,230)	(127,004,651)
Unrealised loss on investments	(167,649,645)	(12,557,958)	(42,697,059)	(941,847)	(6,278,979)	(2,825,541)	(7,848,724)	(15,697,448)	(3,767,388)	(8,476,622)	(8,476,622)	(15,697,448)	(292,915,281)
At 31 December 2014	(240,340,579)	(18,002,942)	(61,210,006)	(1,350,221)	(9,001,472)	(4,050,662)	(11,251,839)	(22,503,678)	(5,400,883)	(12,151,986)	(12,151,986)	(22,503,678)	(419,919,932)
Income account*													
Opening balance 1 January 2014*	(16,948,674)	(1,269,557)	(4,316,495)	(95,217)	(634,778)	(285,651)	(793,473)	(1,586,946)	(380,868)	(856,951)	(856,951)	(1,586,946)	(29,612,507)
Net loss in current year	(3,349,650)	(250,909)	(853,091)	(18,818)	(125,454)	(56,455)	(156,818)	(313,636)	(75,273)	(169,364)	(169,364)	(313,636)	(5,852,468)
At 31 December 2014	(20,298,324)	(1,520,466)	(5,169,586)	(114,035)	(760,232)	(342,106)	(950,291)	(1,900,582)	(456,141)	(1,026,315)	(1,026,315)	(1,900,582)	(35,464,975)
Total partners' funds													
At 31 December 2014	6,362,531	476,592	1,620,408	35,744	238,296	107,232	297,870	595,740	142,976	321,699	321,699	595,740	11,116,527
Total restated partners' funds													
At 1 January 2014	177,361,826	13,285,459	45,170,558	996,409	6,642,729	2,989,228	8,303,412	16,606,824	3,985,637	8,967,685	8,967,685	16,606,824	309,884,276

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS (Continued)

	TOTAL Brought forward	Investor W	Investor Z	Investor AA	Investor BB	Investor CC	Investor DD	Investor EE	Investor FF	TOTAL
	£	£	£	£	£	£	£	£	£	£
Partners' capital classified as a liability :										
Loan commitments account										
Opening balance 1 January 2014	466,495,335	5,999,940	18,999,810	19,999,800	24,999,750	14,999,850	2,999,970	8,999,910	9,999,900	573,494,265
At 31 December 2014	466,495,335	5,999,940	18,999,810	19,999,800	24,999,750	14,999,850	2,999,970	8,999,910	9,999,900	573,494,265
Partners' other reserves classified as equity:										
Capital contribution account										
Opening balance 1 January 2014	6,099	60	190	200	250	150	30	90	100	7,169
At 31 December 2014	6,099	60	190	200	250	150	30	90	100	7,169
Capital account										
Opening balance 1 January 2014	(127,004,651)	(1,633,495)	(5,172,735)	(5,444,984)	(6,806,230)	(4,083,738)	(816,748)	(2,450,243)	(2,722,493)	(156,135,317)
Unrealised loss on investments	(292,915,281)	(3,767,388)	(11,930,060)	(12,557,958)	(15,697,448)	(9,418,469)	(1,883,694)	(5,651,081)	(6,278,979)	(360,100,358)
At 31 December 2014	(419,919,932)	(5,400,883)	(17,102,795)	(18,002,942)	(22,503,678)	(13,502,207)	(2,700,442)	(8,101,324)	(9,001,472)	(516,235,675)
Income account*										
Opening balance 1 January 2014*	(29,612,507)	(380,868)	(1,206,078)	(1,269,557)	(1,586,946)	(952,168)	(190,433)	(571,300)	(634,778)	(36,404,635)
Net loss in current year	(5,852,468)	(75,273)	(238,364)	(250,909)	(313,639)	(188,182)	(37,635)	(112,909)	(125,454)	(7,194,833)
At 31 December 2014	(35,464,975)	(456,141)	(1,444,442)	(1,520,466)	(1,900,585)	(1,140,350)	(228,068)	(684,209)	(760,232)	(43,599,468)
Total partners' funds										
At 31 December 2014	11,116,527	142,976	452,763	476,592	595,737	357,443	71,490	214,467	238,296	13,666,291
Total restated partners' funds										
At 1 January 2014	309,884,276	3,985,637	12,621,187	13,285,459	16,606,824	9,964,094	1,992,819	5,978,457	6,642,729	380,961,482

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the Limited Partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not directly hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, through its investment, the Partnership has a beneficial interest in investments in currencies other than Pounds Sterling. As the value of the beneficial interest in the underlying investments denominated in foreign currencies will fluctuate relative to changes in exchange rates, the Partnership is indirectly exposed to currency risk. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for capital appreciation, with the overall capital return for Limited Partners being measured net of any currency exposure.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the underlying investments adversely impacts the return generated by the Partnership.

The valuation of the Partnership's investment as at 31 December 2014 is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due due course.

As at 31 December 2013, the value of the Partnership's investments was derived from a sum of the parts valuation. The value of the PPP investments and Renewable Investments was calculated as the net present value of future expected cash flows. The Partnership valued the Development Business by performing a separate valuation based on a discounted cash flows and earnings multiples of the Partnership's entitlement to each component of the business. Through the sum of the parts valuation methodology, the Partnership was indirectly exposed to market price risk. The Partnership did not enter into any hedging transactions in previous years to mitigate this risk.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £3,179,145 (2013: £21,184,163).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due. The Partnership is exposed to credit risk in relation to its cash at bank. Cash at bank is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due as at 31 December 2014 (2013: £nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: £nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was £6,735 (2013: £6,710)

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six months lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted price for an identical asset in an active market (Level a);
- The price of a recent transaction for an identical asset (Level b);
- Inputs that are not based on observable market data (unobservable inputs) (Level c).

At 31 December 2014

	Level a	Level b	Level c	Total
	£	£	£	£
Investments	-	63,582,899	-	63,582,899
Financial assets	-	63,582,899	-	63,582,899

At 31 December 2013

	Level a	Level b	Level c	Total
	£	£	£	£
Investments	-	-	423,683,257	423,683,257
Financial assets	-	-	423,683,257	423,683,257

	2014 Level b	2014 Level c	2013 Level c
	£	£	£
Valuation brought forward	-	423,683,257	319,465,009
Transfers in/(out)	423,683,257	(423,683,257)	-
Fair value (loss)/gain	(360,100,358)	-	104,218,248
Valuation carried forward	63,582,899	63,582,899	423,683,257

Transfers

Investments where previously recognised as Level (c) were transferred to Level (b) in 2014 (2013 - none).

NOTES TO THE FINANCIAL STATEMENTS

11. INVESTMENT COMMITMENTS

Future commitments outstanding on the Partnership's investments at 31 December 2014 were £nil (2013: £nil).

Under the terms of the Co-investment agreement dated 19 September 2006 between Henderson PFI Secondary Fund II L.P., Henderson PFI Secondary Co-investment Fund II L.P. (together "the Co-Investors") and the Manager, each partner agrees to invest on the same terms and conditions in all companies, businesses or other entities in which the partners invest in their Relevant Proportions, being the ratio of each Co-Investor's total commitments to the aggregate commitments of the Co-Investors.

12. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014 and inclusive of the above commitments, there are no undrawn loan commitments (2013: £nil).

13. RELATED PARTY TRANSACTIONS

The priority profit share payable to the General Partner during the year was £7,098,256 (2013: £7,062,026). The amount outstanding in respect of the priority profit share at the year end date was £49,157,701 (2013: £42,059,445).

The Manager has incurred administration costs on behalf of the Partnership. The amount owed to the Manager by the Partnership at the year end was £233,455 (2013: 181,034).

HGP2 Limited, a fellow group company of the General Partner, provides fund administration services to the Partnership. The fund administration fee for the year was £41,769 (2013: £49,020). The amount outstanding in respect of the fund administration fee was £495,962 (2013 £454,193).

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 8 to the financial statements.

14. REGISTERED OFFICE

The registered address of the Partnership is 201 Bishopsgate, London EC2M 3AE.

15. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

16. POST BALANCE SHEET EVENTS

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments have been derived from the JLG share price as at its listing date. The JLG shares are subject to a six month lock-in period.

The valuation of the Partnership's interest in HIH Jersey at 31 December 2014 and in the previous period included the value of the Compensation Amount payable to Alpha shareholders as set out in Note 1. On 18 February 2015, the Compensation Amount was settled in full by HIH Jersey, including the accrual of the return on the Compensation Amount for the period since 31 December 2014 to 17 February 2015 of £6.7m. HIH Jersey is in the process of settling its outstanding liabilities, of which the Partnership's estimated share is £10.5m. To the extent that there is a shortfall in the Partnership's cash balance to meet these liabilities, the General Partner cannot claim for any of the resulting shortfall.

Registered number LP8596

PCP II L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Partners
Henderson Equity Partners (GP) Limited
Credit Suisse First Boston Equity Investment Holding LLC

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Registered office
201 Bishopsgate
London EC2M 3AE

Report of the General Partner

Principal activity and establishment

PCP II L.P. ("the Partnership") was formed on 19 March 2003 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) Credit Suisse First Boston Equity Investment Holding LLC ("CSFB"), as ("the Limited Partner").

The Partnership was registered on 19 March 2003 in the United Kingdom under the Limited Partnerships Act 1907 and in accordance with the limited partnership agreement of the Partnership ("the Partnership Agreement"). The Partnership has the registered number LP8596.

The purpose of the Partnership is to carry on the business of an intermediary investment vehicle acting as a limited partner and an indirect investor in a range of private equity investment funds structured as limited partnerships ("the Fund Partnerships"). The Partnership's investment activity is performed through a nominee holding company, HPC Nominees Limited ("the Nominee Company"). The Nominee Company holds legal title to the investments of the Partnership on behalf of the Partnership but all risks and rewards of ownership are attributable to the Partnership. The life of the Partnership will continue until such time as all the Fund Partnerships are liquidated.

Total commitments from the Limited Partner amounted to £125,000,000 on the formation date of the Partnership. On 31 August 2004, a further £200,000,000 was committed to the Partnership by the Limited Partner.

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

At 31 December 2014, £202,039,640 (2013: £202,039,640) of the total commitment of the limited partners had been drawn down.

The net assets of the Partnership have decreased by £6,296,594 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling £6,181,466. This surplus capital was utilised to make distributions totalling £6,160,328 to the limited partners.

(ii) The revaluation of the remainder of the underlying investments in the Fund Partnerships at the year end resulting in a net capital loss of £114,852.

The total operating loss of the Partnership was £21,414. This compared with a loss of £10,165 in the previous year. The increased loss was principally due to higher custody, admin fees and other expenses.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 9 to 19. The loss for the year ended 31 December 2014 was £136,266 (2013: profit of £300,631).

Future development

It is the General Partner's expectation to terminate the Partnership in the next twelve months.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk.

Currency risk

The Partnership does not hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, the Partnership has an indirect exposure to currency risk due to the fact that some of the underlying investment vehicles to which it provides capital for investment are denominated in foreign currencies. Hence, the value of the Partnership's investment will fluctuate as the value in the underlying investments denominated in other currencies fluctuate relative to movements in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as the underlying investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuation of these assets. The Partnership's market price risk is managed through diversification of the underlying investment portfolio.

Credit risk

The Partnership takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and cash held at bank.

Loan commitments are made under the Partnership Agreement that is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default.

Report of the General Partner (continued)

Credit risk (continued)

Each of the underlying funds has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying funds, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The investment strategy of the Partnership is to hold its investments in the Fund Partnerships for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments made by the Fund Partnerships are also for medium term capital appreciation and hence, the ability of the Fund Partnerships to raise liquidity for the Partnership by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Partners

CSFB has made a commitment to the Partnership of £325,000,000. The commitment of CSFB comprises a capital contribution equal to 0.001% of the total commitment and a loan commitment equal to 99.999% of the total commitment.

The General Partner has made a capital contribution to the Partnership of £500. In addition, the General Partner has made a loan commitment to the Partnership of £10,000.

The Partnership has no employees, with all administration services being outsourced to the General Partner.

Amounts attributable to the General Partner

The General Partner is not entitled to any priority profit share from the Partnership.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Partnership's activities, its financial position, financial risk management objectives and its exposures to price, credit, currency and liquidity risk are set out above.

In accordance with the Limited Partnership Agreement, the Partnership does not require an extension as its term is linked to the terms of the Fund Partnerships. However, it is the General Partner's intention, with the Limited Partner's consent, for the Partnership to distribute its assets to the Limited Partner in the coming year, and to then subsequently terminate. Accordingly, the General Partner has prepared the Annual Report and Financial Statements on a basis other than going concern.

Report of the General Partner (continued)

Auditors

Ernst & Young LLP resigned as auditor during the year. The General Partner has appointed PricewaterhouseCoopers LLP as the Partnership's auditor beginning the year ending 31 December 2014.

By Order of the General Partner:

P.A. Davis

PA Davies
For and on behalf of the General Partner
2 April 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PCP II L.P.

Report on the financial statements

Our opinion

In our opinion, PCP II L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. It is the General Partner's intention to distribute the remaining investments owned by the Partnership and to terminate the Partnership within the next twelve months. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments were made in the financial statements to reduce assets to their realisable values, to provide for liquidation costs arising from the decision and to reclassify fixed assets as current assets.

What we have audited

PCP II L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PCP II L.P.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
~~March 2015~~
2 April 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Interest receivable and similar income		258	268
Administrative expenses	2	(21,672)	(10,433)
OPERATING LOSS		(21,414)	(10,165)
Realised gain on investments		6,181,466	10,073,848
Unrealised loss on investments		(6,296,318)	(9,763,052)
NET CAPITAL (LOSS)/GAIN		(114,852)	310,796
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(136,266)	300,631
ALLOCATION TO:			
General Partner		(8)	7
Limited Partner		(136,258)	300,624
		(136,266)	300,631

All results derive from discontinuing operations.

There are no recognised gains or losses other than those included in the profit and loss above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 20 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
FIXED ASSETS		-	15,244,863
CURRENT ASSETS			
Investments	3	8,948,545	-
Debtors	5	-	728
Cash at bank		37,484	28,539
CREDITORS: Amounts falling due within one year	4	(17,173)	(8,680)
NET CURRENT ASSETS		8,968,856	20,587
NET ASSETS		8,968,856	15,265,450
REPRESENTED BY:			
Equity			
Capital contribution account	8	3,750	3,750
Income account	8	(328,159)	(306,745)
Capital account	8	9,293,265	15,568,445
TOTAL PARTNERS' FUNDS	7,8	8,968,856	15,265,450

The notes on pages 12 to 20 form an integral part of these financial statements.

Approved by:

P.A.Davis

PA Davies
For and on behalf of the General Partner
2 April 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash outflow from operating activities	6	(12,193)	(12,420)
Financial investment			
Receipts from investments realised		6,181,466	14,649,500
		6,181,466	14,649,500
Financing			
Loan commitments repaid	8	-	(4,864,952)
Distributions to limited partners	8	(6,160,328)	(9,747,016)
		(6,160,328)	(14,611,968)
Increase in cash		8,945	25,112

	31 December 2014 £	31 December 2013 £
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	28,539	3,427
Increase in cash in the year	8,945	25,112
Net funds at 31 December	37,484	28,539

The notes on pages 12 to 20 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are prepared under the historical cost basis modified for the revaluation of investments.

It is the intention of the General Partner to distribute the remaining investments owned by the Partnership and to terminate the Partnership within the next twelve months. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern which has resulted in the following changes:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date; and
- Liquidation costs are provided for, where there are reliable estimates (see note 2)

Investments

Investments are each designated as being held at fair value through the profit and loss upon initial recognition. The General Partner monitors the investments internally at fair value and reports to the Limited Partner at fair value, and therefore feels that it is appropriate to classify investments in this manner.

Investments are recognised at the point that the risks and rewards of ownership are transferred to the Partnership and are derecognised at the point that these risks and rewards no longer exist.

The valuation of investments is derived by taking the Partnership's share of the net assets of Private Capital Portfolio L.P., as calculated in the financial statements of that partnership. This valuation policy is consistent with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Investments are included in the Report and Accounts at net realisable value. Net realisable value reflects the General Partner's best estimate of the proceeds expected to be achieved from the sale of the investments reflecting market conditions at the balance sheet date.

For the year ended 31 December 2014 investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date.

Significant influence in investments

The Partnership holds a significant proportion of the overall capital of the partnership in which it invests, but does not hold the majority of the voting rights nor is it able to exercise dominant influence. Therefore consolidation of the investment is not required. In addition, although the Partnership may be able to exercise significant influence over the investee partnership by virtue of the proportion of capital it holds, the Partnership is able to take advantage of the exemption offered by FRS 9 for entities that operate in the venture capital industry and not account for the investment using the equity accounting methodology required for associate undertakings.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Income recognition from investments

In accordance with the terms of the Partnership Agreement of Private Capital Portfolio L.P., all distributions received on investments made by the Partnership must be utilised to repay the loan capital invested by the Partnership, until such time as the loan contribution of the Partnership to Private Capital Portfolio L.P. has been repaid. As a result, these returns on capital from Private Capital Portfolio L.P. are treated as a repayment of the loan principal, and hence, do not give rise to any capital gain in the profit and loss account of the Partnership. Once the outstanding loan contributions have been repaid by the Fund Partnerships, any income or capital distributions from the Fund Partnership are treated as a realised gain.

Unrealised gains and losses on investments represent the movements in the fair value of the Partnership's investment in Private Capital Portfolio L.P. during the year. Unrealised gains or losses are recognised in the profit and loss account.

Interest income

Interest income receivable from cash held at bank is recognised on an accruals basis.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Liquidation costs

Estimated liquidation costs of the Partnership have been provided for in the balance sheet.

Partner allocations

All net income, net loss, capital gain or capital loss accruing to the Partnership from investments shall, after making the deductions necessary under the Partnership Agreement, be allocated to the partners pro rata to their respective commitments drawn down since inception of the Partnership.

The general partner is not entitled to any priority profit share and none of the partners have any right to receive any payment in excess of their share of the assets of the Partnership relative to their capital and loan contributions. A management fee was payable to the General Partner based on a flat rate of £1,000 per annum. The General Partner has agreed to waive this fee from 1 January 2013.

Treatment of loan capital and distributions

Upon distribution of surplus capital to the limited partners, the Partnership Agreement stipulates that the repayment of the loan capital of the limited partners ranks above the distribution of surplus capital gains or income. All distributions must be utilised to satisfy the repayment of the Partners' loan contributions. As the loan contributions represent a contractual obligation of the Partnership to repay loan capital prior to the distribution of surplus income or capital gains, this element of capital is separately classified as debt within the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. ADMINISTRATIVE EXPENSES

	2014 £	2013 £
Custody and administration charges	5,681	5,268
Services provided by the Partnership's auditors		
- Fees payable for the audit	5,063	6,180
Other expenses	928	(1,015)
Liquidation costs	10,000	-
	21,672	10,433

During the year no fees were paid to the auditors in relation to non-audit services (2013: £nil)

3. INVESTMENTS

	2014 £	2013 £
Opening cost	3,250	4,578,902
Disposals	-	(4,575,652)
Closing cost	3,250	3,250
Cumulative unrealised gain attributable to partners	8,945,295	15,241,613
Closing fair value	8,948,545	15,244,863

The Partnership's investment is in Private Capital Portfolio L.P. Pursuant to a declaration of trust, the Partnership's interest in Private Capital Portfolio L.P. is held by HPC Nominees Limited as trustee for the Partnership. Private Capital Portfolio L.P. invests directly in a range of underlying investments structured as Limited Partnerships and has no other external investments.

The General Partner believes that the carrying value of the investments is supported by its underlying net assets.

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Audit fee accrual	4,883	6,180
Other accruals	2,290	2,500
Liquidation costs provision	10,000	-
	17,173	8,680

All amounts disclosed above are repayable on demand. The fair value of each of the balances approximates to the carrying value above.

NOTES TO THE FINANCIAL STATEMENTS

5. DEBTORS

	2014	2013
	£	£
Amount due from Manager	-	728
	-	728

6. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Operating loss	(21,414)	(10,165)
Decrease in debtors	728	262
Increase/(decrease) in creditors	8,493	(2,517)
Net cash outflow from operating activities	(12,193)	(12,420)

7. RECONCILIATION OF PARTNERS' FUNDS

	2014	2013
	£	£
Opening partners' funds	15,265,450	29,576,787
(Loss)/profit attributable to partners	(136,266)	300,631
Loan commitments repaid	-	(4,864,952)
Other distributions	(6,160,328)	(9,747,016)
Closing partners' funds	8,968,856	15,265,450

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Credit Suisse First Boston Equity Investment Holding LLC	Total
	£	£	£
Capital contribution account			
Opening balance	500	3,250	3,750
At 31 December 2014	500	3,250	3,750
Income account			
Opening balance	(9)	(306,736)	(306,745)
Operating loss in the year	(2)	(21,412)	(21,414)
At 31 December 2014	(11)	(328,148)	(328,159)
Capital account			
Opening balance	479	15,567,966	15,568,445
Realised gains on investments	188	6,181,278	6,181,466
Unrealised gains on investments	(194)	(6,296,124)	(6,296,318)
Distributions during the year	(189)	(6,160,139)	(6,160,328)
At 31 December 2014	284	9,292,981	9,293,265
Total Partners' Funds At 31 December 2014	773	8,968,083	8,968,856
Total Partners' Funds At 1 January 2014	970	15,264,480	15,265,450

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

Financial assets comprise an investment in an intermediary holding vehicle structured as a limited partnership that invests in a range of private equity funds ("the Fund Partnerships") as well as cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, credit risk, interest rate risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership does not hold investments denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore not directly exposed to currency risk.

However, the Partnership has an indirect exposure to currency risk due to the fact that some of the underlying investment vehicles to which it provides capital for investment are denominated in foreign currencies. Hence, the value of the Partnership's investment will fluctuate as the value in the underlying investments denominated in other currencies fluctuate relative to movements in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as the underlying investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

The Partnership's exposure to currency risk is integrated with the exposure to market price risk (shown below). Accordingly, no separate analysis of currency risk exposure has been presented.

Market price risk

Market price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the underlying investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of £894,855 (2013: £1,524,486).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. Due to the nature of the investments the Partnership has limited exposure to interest bearing assets and liabilities (other than cash held on deposit), hence the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partner and cash held on deposit at banks.

Loan commitments are made under the Partnership Agreement that is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due or impaired as at 31 December 2014 (2013: £nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: £nil). None of the investment capital contributed by the Partnership in the form of loan capital has a fixed repayment date and all loan capital is non-interest bearing.

The Partnership's maximum exposure to credit risk at the balance sheet date was £37,484 (2013: £28,539) representing the amount shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The investment strategy of the Partnership is to hold indirect investments in the Fund Partnerships for the medium to long term for capital appreciation and receipt of income. The nature of the underlying investments made by the Fund Partnerships are also for medium term capital appreciation and hence, the ability of the Fund Partnerships to raise liquidity for the Partnership by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Creditors of £17,173 (2013: £8,680) are payable within 30 days or on demand. Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date. Loan contributions and all other creditors are non interest bearing.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Fair values (continued)

As at 31 December 2014

	Level 1 £	Level 2 £	Level 3 £	Total £
Investments in intermediary holding vehicle for private equity funds	-	-	8,948,545	8,948,545
Financial assets	-	-	8,948,545	8,948,545

As at 31 December 2013

	Level 1 £	Level 2 £	Level 3 £	Total £
Investments in intermediary holding vehicle for private equity funds	-	-	15,244,863	15,244,863
Financial assets	-	-	15,244,863	15,244,863

The Partnership primarily invests in private equity assets via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 £	2013 Level 3 £
Valuation brought forward	15,244,863	29,583,567
Disposals	(6,181,466)	(14,649,500)
Fair value (losses)/gains	(114,852)	310,796
Valuation carried forward	8,948,545	15,244,863

Transfers

During the year there were no transfers between levels 1, 2 or 3.

10. INVESTMENT COMMITMENTS

Future commitments in respect of investments in Private Capital Portfolio L.P. as at 31 December 2014 was £123,114,468 (2013: £123,114,468). However, any future significant drawdowns are deemed unlikely.

NOTES TO THE FINANCIAL STATEMENTS

11. LIMITED PARTNERS' COMMITMENTS

Under the terms of the partnership agreement, as at 31 December 2014 and inclusive of the above commitments, an amount of up to £122,970,860 (2013: £122,970,860) may be drawn down by the General Partner, however, this is deemed unlikely.

12. RELATED PARTY TRANSACTIONS

The management fee payable to the General Partner during the year was £nil (2013: £nil). The amount outstandin in respect of the management fee at the year end date was £nil (2013: £nil).

Transactions with the Limited Partner and the General Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 8 to the financial statements.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number LP10031

HENDERSON PFI SECONDARY FUND L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

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Partnership information

Registered office
201 Bishopsgate
London EC2M 3AE

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Manager
Henderson Equity Partners Limited
201 Bishopsgate
London EC2M 3AE

General Partner
Henderson Equity Partners (GP) Limited
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Report of the General Partner

Principal activity and establishment

The General Partner submits their annual report and audited financial statements of Henderson PFI Secondary Fund L.P. ("the Partnership") for the year ended 31 December 2014.

The Partnership was formed on 1 December 2004 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner;

(b) Henderson Infrastructure (F.P.) L.P. ("HFP"), a Scottish limited partnership; and

(c) Henderson Fund Management Limited ("HFM" and together with HFP "the Founder Partners").

The Partnership was registered as a limited partnership in England under the Limited Partnerships Act 1907 with the registered number LP10031 and in accordance with the limited partnership agreement ("the Partnership Agreement") of the Partnership.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of making, monitoring and realising investments and to carry out all functions and acts in connection therewith.

Total commitments from all partners as at 31 December 2014 amounted to £330,000,825 (2013: £330,000,825). At 31 December 2013, £328,458,541 of the commitments of the partners had been drawn down (2013: £328,458,541).

The limited partners ("Limited Partners") have contributed capital of £3,300 to the Partnership and agreed to make a loan commitment to the Partnership of £329,996,700. In aggregate, the Founder Partners have contributed capital of £825 to the Partnership as limited partners.

The Partnership is deemed a qualifying partnership under The Partnerships (Accounts) Regulations 2008 for the year ended 31 December 2014. Consequently, the Partnership is required to prepare its financial statements under United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and Companies Act 2006. Accordingly, the Partnership has undertaken the early adoption of Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the Limited Partners is not adversely impacted by excessive operational costs.

Report of the General Partner (continued)

Business review (continued)

The net assets of the Partnership have increased by £31,463,509 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments totalling £32,862,311, resulting in realised gains of £14,585,306; and

(ii) The revaluation of the remainder of the investments held by the Partnership at the year end resulting in a net unrealised gain of £38,275,879.

This surplus capital was utilised to make net distributions totalling £19,000,000 to the Limited Partners.

Financial results

The financial statements of the Partnership have been set out on pages 8 to 25.

The profit of the Partnership was £50,463,509. This compared with a profit of £49,692,747 in the previous period.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activities performed. Due to the nature of the investments, the Partnership's exposure to interest rate risk is not considered to be significant.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from the price of quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course. Please refer to the Going Concern note on page 4.

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc ("JLG"). There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course, it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank is held with a financial institution with good credit ratings.

Report of the General Partner (continued)

Principal risks and uncertainties (continued)

Liquidity risk

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

Amounts attributable to the General Partner

The General Partner is entitled to a priority profit share in accordance with the Partnership Agreement for its services as General Partner.

The priority profit share ranks as a first charge on net income in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income.

The General Partner's allocations are expensed through the Income Statement under FRS 102.

The General Partner's priority profit share entitlement for the year ended 31 December 2014 was £3,749,357 (2013: £3,842,605).

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going concern

The Partnership is due to terminate on 3 October 2015. In accordance with the provisions of the Partnership Agreement, the life of the Partnership may be extended by the General Partner's agreement and consent by the investors by up to seven additional one year periods. However, it is the intention of the General Partner not to extend the life of the Partnership, rather, to sell or distribute in specie the remaining investments owned by the Partnership and to begin liquidating the Partnership within the foreseeable future. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern. Please refer to Note 1 to the financial statements for further details.

Auditors

Ernst & Young LLP has not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

PA Davies

PA Davies
For and on behalf of the General Partner
31 March 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations' requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with (United Kingdom Generally Accepted Accountinş Practice) applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON PFI SECONDARY FUND L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson PFI Secondary Fund L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. In accordance with the Partnership Agreement, the Partnership is due to terminate on 3 October 2015. Therefore, it is the General Partner's intention to begin liquidating the Partnership within the foreseeable future. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments were made in the financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision and to reclassify fixed assets as current assets.

What we have audited

Henderson PFI Secondary Fund L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, or returns adequate for our audit have not been received from branched not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON PFI SECONDARY FUND L.P. (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 5, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
31 March 2015

INCOME STATEMENT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 Restated* £
Dividends receivable		1,709,090	1,889,451
Realised gains on disposal of investments	3	14,585,306	-
Net gain on investments at fair value through profit or loss	3	38,275,879	51,741,102
		54,570,275	53,630,553
Operating expenses	2	(4,151,994)	(3,948,332)
OPERATING PROFIT		50,418,281	49,682,221
Interest receivable and similar income		45,228	10,526
PROFIT FOR THE YEAR AVAILABLE FOR ALLOCATION AMONG PARTNERS		50,463,509	49,692,747

All results derive from continuing operations.

There are no items of Other Comprehensive Income in both the current and preceding year, and therefore no separate Statement of Comprehensive Income has been presented.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

The notes on pages 12 to 25 form an integral part of these financial statements.

BALANCE SHEET
as at 31 December 2014

	Note	31 December 2014 £	31 December 2013 Restated* £
NON CURRENT ASSETS			
Investments	3	-	496,901,368
CURRENT ASSETS			
Investments	3	516,900,242	-
Debtors	4	4,933	32,209
Cash at bank		12,987,480	1,459,853
		529,892,655	1,492,062
TOTAL ASSETS		529,892,655	498,393,430
CURRENT LIABILITIES			
Trade and other payables	5	(87,475)	(51,759)
TOTAL LIABILITIES		(87,475)	(51,759)
NET ASSETS ATTRIBUTABLE TO PARTNERS		529,805,180	498,341,671
REPRESENTED BY:			
Loans due to Partners			
Partners' capital classified as a liability	8	293,454,416	312,454,416
EQUITY			
Partners' capital classified as equity	8	4,125	4,125
Partners' other reserves classified as equity	7	236,346,639	185,883,130
TOTAL EQUITY		236,350,764	185,887,255
TOTAL PARTNERS' FUNDS	6,8	529,805,180	498,341,671

The notes on pages 12 to 25 form an integral part of these financial statements.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

Approved by:

P.A. Davies

P.A. Davies
For and on behalf of the General Partner
31 March 2015

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2014

Statement of Changes in Equity in 2014

	Partners' capital classified as equity £	Partners' other reserves classified as equity £	Total £
Restated balance at 1 January 2014*	4,125	185,883,130	185,887,255
Profit for the year	-	50,463,509	50,463,509
	-	50,463,509	50,463,509
Balance at 31 December 2014	4,125	236,346,639	236,350,764

Statement of Changes in Equity in 2013

	Partners' capital classified as equity £	Partners' other reserves classified as equity £	Total £
Balance as previously stated	312,458,541	136,190,383	448,648,924
Impact of adoption of FRS 102	(312,454,416)	-	(312,454,416)
Restated balance at 1 January 2013*	4,125	136,190,383	136,194,508
Profit for the year	-	49,692,747	49,692,747
	-	49,692,747	49,692,747
Balance at 31 December 2013	4,125	185,883,130	185,887,255

All results derive from continuing operations.

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 Restated* £
Profit from operations		50,418,281	49,682,221
Adjustments for:			
Other gains and losses		(14,585,306)	-
Net gain on investments at fair value through profit or loss		(38,275,879)	(51,741,102)
Dividends receivable		(1,709,090)	(1,889,451)
Operating cash flows before movements in working capital		(4,151,994)	(3,948,332)
Decrease in debtors		27,276	14,786
Increase/(decrease) in creditors		35,716	(31,131)
Cash outflow from operations		(4,089,002)	(3,964,677)
Investing activities			
Receipts from disposal of investments	3	32,862,311	-
		32,862,311	-
Financing activities			
Dividends received		1,709,090	1,889,451
Interest received		45,228	10,526
Repayment of Partners' loan		(19,000,000)	-
Cash (outflow)/inflow from financing activities		(17,245,682)	1,899,977
Net increase/(decrease) in cash and cash equivalents		11,527,627	(2,064,700)
Cash and cash equivalents at beginning of the year		1,459,853	3,524,553
Cash and cash equivalents at end of year		12,987,480	1,459,853

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

The notes on pages 12 to 25 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF INCOME STATEMENT
For the year ended 31 December 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement	FRS 102 adjustments	FRS 102
		£	£	£
Dividends receivable		1,889,451	-	1,889,451
Realised gains on disposal of investments		-	-	-
Net gain on investments at fair value through profit or loss	3	51,741,102	-	51,741,102
		53,630,553	-	53,630,553
Operating expenses[1]	2	(105,727)	(3,842,605)	(3,948,332)
OPERATING PROFIT		**53,524,826**	**(3,842,605)**	**49,682,221**
Interest receivable and similar income		10,526	-	10,526
PROFIT FOR THE YEAR AVAILABLE FOR ALLOCATION AMONG PARTNERS		**53,535,352**	**(3,842,605)**	**49,692,747**

All results derive from continuing operations.

1) General Partner's priority profit share

FRS 102 requires General Partner's priority profit share to be expensed through the income statement, where in previous years, it was debited to the Income and/or Capital account in accordance with the Partnership Agreement. Consequently priority profit share of £3,842,605 has been expensed through the income statement.

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF BALANCE SHEET
as at 31 December 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement	FRS 102 adjustments £	FRS 102 £
NON CURRENT ASSETS				
Investments	3	496,901,368	-	496,901,368
CURRENT ASSETS				
Debtors	4	32,209	-	32,209
Cash at bank		1,459,853	-	1,459,853
		1,492,062	-	1,492,062
TOTAL ASSETS		498,393,430	-	498,393,430
CURRENT LIABILITIES				
Trade and other payables	5	(51,759)	-	(51,759)
TOTAL LIABILITIES		(51,759)	-	(51,759)
NET ASSETS ATTRIBUTABLE TO PARTNERS		498,341,671	-	498,341,671
REPRESENTED BY:				
Loans due to Partners				
Partners' capital classified as a liability[2]	8	-	312,454,416	312,454,416
EQUITY				
Partners' capital classified as equity[2]		312,458,541	(312,454,416)	4,125
Partners' other reserves classified as equity[2]	7	-	185,883,130	185,883,130
Income account[2]		20,678,437	(20,678,437)	-
Capital account[2]	8	172,594,393	(172,594,393)	-
Amounts attributable to the General Partner[2]		(7,389,700)	7,389,700	-
TOTAL EQUITY		498,341,671	(312,454,416)	185,887,255
TOTAL PARTNERS' FUNDS	6,8	498,341,671	-	498,341,671

2) Adjustment to Partners' equity

FRS 102 requires Partners' capital and loan commitments to be split into equity and liability, where in previous years, these commitments were treated as equity. The FRS 102 adjustments reflect the reclassification of various sub-accounts into the following: Partners capital classified as liability £312,454,416, Partners' capital classified as equity £4,125 and Partners' other reserves classified as equity £185,883,130.

NOTES TO THE FINANCIAL STATEMENTS
RECONCILIATION OF BALANCE SHEET
as at 1 January 2013

	Note	Financial statements prepared under the requirements of the Partnership Agreement £	FRS 102 adjustments £	FRS 102 £
NON CURRENT ASSETS				
Investments	3	445,160,266	-	445,160,266
CURRENT ASSETS				
Debtors		46,995	-	46,995
Cash at bank		3,524,553	-	3,524,553
		3,571,548	-	3,571,548
TOTAL ASSETS		448,731,814	-	448,731,814
CURRENT LIABILITIES				
Trade and other payables		(82,890)	-	(82,890)
TOTAL LIABILITIES		(82,890)	-	(82,890)
NET ASSETS ATTRIBUTABLE TO PARTNERS		448,648,924	-	448,648,924
REPRESENTED BY:				
Loans due to Partners				
Partners' capital classified as a liability[3]		-	312,454,416	312,454,416
EQUITY				
Partners' capital classified as equity[3]		312,458,541	(312,454,416)	4,125
Partners' other reserves classified as equity[3]		-	136,190,383	136,190,383
Income account[3]		20,678,437	(20,678,437)	-
Capital account[3]		120,853,291	(120,853,291)	-
Amounts attributable to the General Partner[3]		(5,341,345)	5,341,345	-
TOTAL EQUITY		448,648,924	(312,454,416)	136,194,508
TOTAL PARTNERS' FUNDS	6	448,648,924	-	448,648,924

3) Adjustment to Partners' equity

FRS 102 requires Partners' capital and loan commitments to be split into equity and liability, where in previous years, these commitments were treated as equity. The FRS 102 adjustments reflect the reclassification of various sub-accounts into the following: Partners capital classified as liability £312,454,416, Partners' capital classified as equity £4,125 and Partners' other reserves classified as equity £136,190,383.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The Financial statements have been prepared in accordance with UK GAAP and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008. The Partnership has undertaken the early adoption of Financial Reporting Standards 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland". These are the Partnership's first financial statements prepared in accordance with FRS 102.

In accordance with the Partnership Agreement, the Partnership is due to terminate on 3 October 2015. Therefore, it is the intention of the General Partner to sell or distribute in specie the remaining investments owned by the Partnership and to begin liquidating the Partnership within the foreseeable future. Based on that decision, the Annual Report and Financial Statements have been prepared on a basis other than going concern, which includes the following provisions:

- Investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date;

- Liquidation costs are provided for, where there are reliable estimates (see note 5).

The accounting policies which have been amended are 1a) and 1b) to reflect the accounting treatment under a basis other than going concern.

a) Loans due to Partners and creditors

Loans due to Partners and all creditors are classified as falling due within one year.

b) Investments

Investments are included in the Annual Report and Financial Statements at net realisable value. Net realisable value reflects the General Partner's best estimate of the proceeds expected to be achieved from the sale of the investments reflecting market conditions at the balance sheet date.

For the year ended 31 December 2014, investments are stated in the Partnership's balance sheet within current assets, at fair value less expected selling costs, as at the reporting date.

Investment recognition and disposal

Direct investments held by the Partnership are recognised in the financial statements when the risks and rewards of ownership are transferred to the Partnership. Direct investments are de-recognised when the risks and rewards of ownership are transferred to a third party. Investment acquisitions and disposals are recognised on the trade date, being the date that the risks and rewards of ownership are transferred.

The Partnership holds an indirect interest in John Laing plc through its investment in the Alpha Shares in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). The Alpha Shares provide the Partnership with a notional equity investment in a series of Public Private Partnerships investments ("PPP investments") owned by John Laing. The Articles of Association of HIH Jersey stipulate the specific rights attached to the Alpha Shares and permit the proportional interest of the Partnership in each of the PPP investments to be determined by the Directors of HIH Jersey. Therefore the recognition of additional investments and the disposal of existing investments held indirectly by the Partnership in PPP Investments is determined at the discretion of the Directors of HIH Jersey.

To the extent that John Laing plc sells PPP investments and proceeds from those sales are re-invested by John Laing plc and cannot be distributed to the Alpha shareholders, a compensation amount ("the Compensation Amount") is accrued by HIH Jersey. The Compensation Amount is calculated as the net disposal proceeds and yield from PPP assets, along with interest, which accrues at 11.25% p.a., capitalised annually. On disposal of John Laing plc, the Compensation Amount will be paid to the Alpha shareholders in priority to other Beta distributions.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Valuation of investments

Unlisted investments are valued by the General Partner in accordance with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines which aim to provide an estimate of fair value at the reporting date.

The value of each investment is calculated on an annual basis as the net present value of the future expected cashflows arising from the asset and distributable to the Partnership for the remainder of the life of the asset. An appropriate discount rate will be applied to the future expected cash flows to calculate the net present value. The discount rate used for each asset will be based on an appropriate risk free benchmark adjusted by a risk premium rate that reflects the risk profile of each asset. Where a sale has been agreed with a third party but not yet completed at the reporting date, the investment is valued at the agreed sale price.

Where an investment is listed on a recognised stock exchange, its shares are valued on a mark-to-market basis.

At 31 December 2014, the valuation of the Partnership's investments has been derived from listed shares. Please refer to Note 3 for further details.

Unrealised movements in the fair value of investments represent the difference between the brought forward fair value (or acquisition price for assets acquired during the year) and the fair value at the year end. All movements are recognised directly in the income statement.

Realised gains or losses on the disposal of equity investments represent the difference between the disposal proceeds and the initial cost of acquisition. The realised gain or loss is recognised in the income statement. Upon disposal, all the unrealised gains or losses recognised in previous financial years are reversed through the income statement.

Dividend recognition

Dividend income is accrued once the entitlement to receive a dividend payment has been established through confirmation received from the underlying investee company.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

General Partner allocations

The General Partner is entitled to an annual priority share of the Partnership's profits calculated by reference to the total commitments to the Partnership, adjusted for capital distributions. This entitlement will rank as a first charge on net income in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over realised capital losses in that accounting period in respect of the amount unsatisfied out of net income.

The General Partner's allocations are expensed through the Income Statement under FRS 102.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership remaining after the allocation of the General Partner's share shall be allocated between the partners in proportion to their capital contributions.

The Partnership Agreement provides for a carried interest share to be payable to the Founder Partners subject to certain performance criteria regarding the annualised return on investment being achieved. The carried interest hurdle has not been exceeded at the balance sheet date, hence no allocation has been made to the Founder Partners in excess of their entitlement in respect of their capital contributions.

2. ADMINISTRATIVE EXPENSES

	2014	2013*
	£	£
Custody and administration charges	62,408	65,237
Services provided by the Partnership's auditors		
- Fees payable for the audit	21,093	35,940
Professional fees	269,136	4,550
Priority profit share	3,749,357	3,842,605
Partnership liquidation costs	50,000	-
	4,151,994	3,948,332

*All comparative information, including relevant notes, has been restated to reflect the Partnership has transitioned to FRS 102.

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS

	2014 £	2013 £
Opening cost	325,684,554	325,684,554
Disposals	(18,277,005)	-
Closing cost	307,407,549	325,684,554
Cumulative unrealised gains	209,492,693	171,216,814
Closing fair value	516,900,242	496,901,368

Movements in investments relative to opening fair value were as follows:

	2014 £	2013 £
Opening fair value	496,901,368	445,160,266
Disposal proceeds	(32,862,311)	-
Realised gains on disposal of investments	14,585,306	-
Unrealised gain on investments	38,275,879	51,741,102
	516,900,242	496,901,368

	Cost 2014 £	Cumulative unrealised gains 2014 £	Fair value 2014 £	Cost 2013 £	Fair value 2013 £
Equity Investments					
Bishop Auckland	-	-	-	1,158,460	7,761,862
Henderson Infrastructure Holdco (Jersey) Limited	307,367,802	209,491,786	516,859,588	307,367,802	462,653,078
HPFI Finance S.a.r.l	39,747	907	40,654	7,481,480	7,734,202
Scotia Water Dalmuir	-	-	-	2,602,285	6,095,379
Tay Wastewater	-	-	-	7,074,527	12,656,847
	307,407,549	209,492,693	516,900,242	325,684,554	496,901,368

Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey") is the ultimate parent undertaking for the investment structure through which the Partnership holds its investment in John Laing plc.

HPFI Finance S.a.r.l. has been dissolved and commenced voluntary liquidation on 10 October 2014. The fair value of the investment as at 31 December 2014 represents a final distribution received by the Partnership on 29 January 2015.

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments has been derived from the JLG share price as at its listing date.

NOTES TO THE FINANCIAL STATEMENTS

4. DEBTORS

	2014 £	2013 £
Amounts due from Henderson PFI Secondary Co-investment Fund 'A' L.P.	1,757	-
Amounts due from Henderson PFI Secondary Co-investment Fund 'B' L.P.	-	4,794
Amounts due from the Manager	3,176	27,415
	4,933	32,209

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Custodian and administration fee accrual	5,170	5,187
Audit fee accrual	21,093	35,940
Amounts due to Henderson PFI Secondary Co-investment Fund 'A' L.P.	-	10,632
Amounts due to Henderson PFI Secondary Co-investment Fund 'B' L.P.	4,212	-
Professional fees	7,000	-
Partnership liquidation costs	50,000	-
	87,475	51,759

6. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' funds	498,341,671	448,648,924
Net profit for the year	50,463,509	49,692,747
Loan repayments made during the year	(19,000,000)	-
Closing partners' funds	529,805,180	498,341,671

7. PARTNERS' OTHER RESERVES

	Income account £	Capital account £	Drawings account £	Total £
Opening balance 1 January 2014	20,678,437	172,594,393	(7,389,700)	185,883,130
Transfer between accounts	(7,389,700)	-	7,389,700	-
Profit for the year	(2,397,676)	52,861,185	-	50,463,509
Closing balance 31 December 2014	10,891,061	225,455,578	-	236,346,639

8. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited General Partner	Henderson Infrastructure (F.P.) L.P.	Henderson Fund Management Limited	Investor A	Investor B	Investor C	Investor D	Investor E	Investor F	Investor G	Investor H	Investor I	Investor J	Investor K	Investor L	TOTAL Carried forward
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Partners' capital classified as a liability :																
Loan commitments account																
Opening balance at 1 January 2014	-	-	-	9,468,315	9,468,315	18,936,633	2,367,078	16,569,554	4,734,144	10,415,149	9,468,315	4,734,156	23,670,792	1,893,664	15,149,306	126,875,421
Repayments during the year	-	-	-	(575,758)	(575,758)	(1,151,515)	(143,939)	(1,007,576)	(287,879)	(633,333)	(575,758)	(287,879)	(1,439,394)	(115,152)	(921,212)	(7,715,153)
At 31 December 2014	-	-	-	8,892,557	8,892,557	17,785,118	2,223,139	15,561,978	4,446,265	9,781,816	8,892,557	4,446,277	22,231,398	1,778,512	14,228,094	119,160,268
Partners' other reserves classified as equity:																
Capital contribution account																
Opening balance at 1 January 2014	-	619	206	100	100	200	25	175	50	110	100	50	250	20	160	2,165
At 31 December 2014	-	619	206	100	100	200	25	175	50	110	100	50	250	20	160	2,165
Income account																
Opening balance at 1 January 2014	-	39	14	402,687	402,687	805,375	100,672	704,704	201,343	442,956	402,687	201,343	1,006,719	80,538	644,301	5,396,065
Net loss in current year	-	(5)	(1)	(72,657)	(72,657)	(145,313)	(18,164)	(127,149)	(36,328)	(79,922)	(72,657)	(36,328)	(181,642)	(14,531)	(116,251)	(973,605)
At 31 December 2014	-	34	13	330,030	330,030	660,062	82,508	577,555	165,015	363,034	330,030	165,015	825,077	66,007	528,050	4,422,460
Capital account																
Opening balance at 1 January 2014	-	310	102	5,230,121	5,230,121	10,460,241	1,307,530	9,152,710	2,615,061	5,753,133	5,230,121	2,615,061	13,075,301	1,046,024	8,368,192	70,084,028
Realised gains on investments		27	9	441,978	441,978	883,956	110,494	773,461	220,989	486,176	441,978	220,989	1,104,945	88,396	707,165	5,922,541
Unrealised gains on investments	-	73	25	1,159,872	1,159,872	2,319,744	289,968	2,029,776	579,936	1,275,859	1,159,872	579,936	2,899,681	231,974	1,855,796	15,542,384
At 31 December 2014	-	410	136	6,831,971	6,831,971	13,663,941	1,707,992	11,955,947	3,415,986	7,515,168	6,831,971	3,415,986	17,079,927	1,366,394	10,931,153	91,548,953
Total partners' funds At 31 December 2014	-	1,063	355	16,054,658	16,054,658	32,109,321	4,013,664	28,095,655	8,027,316	17,660,128	16,054,658	8,027,328	40,136,652	3,210,933	25,687,457	215,133,846
Total partners' funds At 1 January 2014	-	968	322	15,101,223	15,101,223	30,202,449	3,775,305	26,427,143	7,550,598	16,611,348	15,101,223	7,550,610	37,753,062	3,020,246	24,161,959	202,357,679

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS (Continued)

	TOTAL Brought forward	Investor M	Investor N	Investor O	Investor P	Investor Q	Investor R	Investor S	Investor T	Investor U	Investor V	Investor W	Investor Y	Investor Z	TOTAL
		£	£	£	£	£	£	£	£	£	£	£	£	£	£
Partners' capital classified as a liability :															
Loan commitments account															
Opening balance at 1 January 2014	126,875,421	2,840,494	9,468,315	47,341,583	9,468,315	18,936,633	3,313,910	22,723,959	26,511,286	7,574,652	9,468,315	3,787,327	11,361,979	12,782,227	312,454,416
Repayments during the year	(7,715,153)	(172,727)	(575,758)	(2,878,788)	(575,758)	(1,151,515)	(201,514)	(1,381,818)	(1,612,121)	(460,606)	(575,758)	(230,303)	(690,909)	(777,272)	(19,000,000)
At 31 December 2014	119,160,268	2,667,767	8,892,557	44,462,795	8,892,557	17,785,118	3,112,396	21,342,141	24,899,165	7,114,046	8,892,557	3,557,024	10,671,070	12,004,955	293,454,416
Partners' other reserves classified as equity:															
Capital contribution account															
Opening balance at 1 January 2014	2,165	30	100	500	100	200	35	240	280	80	100	40	120	135	4,125
At 31 December 2014	2,165	30	100	500	100	200	35	240	280	80	100	40	120	135	4,125
Income account															
Opening balance at 1 January 2014	5,396,065	120,806	402,687	2,013,439	402,687	805,375	140,942	966,450	1,127,526	322,149	402,687	161,074	483,224	543,626	13,288,737
Net loss in current year	(973,605)	(21,797)	(72,657)	(363,283)	(72,657)	(145,313)	(25,430)	(174,376)	(203,439)	(58,125)	(72,657)	(29,063)	(87,188)	(98,086)	(2,397,676)
At 31 December 2014	4,422,460	99,009	330,030	1,650,156	330,030	660,062	115,512	792,074	924,087	264,024	330,030	132,011	396,036	445,540	10,891,061
Capital account															
Opening balance at 1 January 2014	70,084,028	1,569,036	5,230,121	26,150,601	5,230,121	10,460,241	1,830,541	12,552,289	14,644,337	4,184,097	5,230,121	2,092,049	6,276,146	7,060,665	172,594,393
Realised gains on investments	5,922,541	132,593	441,978	2,209,889	441,978	883,956	154,692	1,060,747	1,237,538	353,582	441,978	176,791	530,373	596,670	14,585,306
Unrealised gains on investments	15,542,384	347,962	1,159,872	5,799,361	1,159,872	2,319,744	405,955	2,783,693	3,247,642	927,898	1,159,872	463,949	1,391,846	1,565,829	38,275,879
At 31 December 2014	91,548,953	2,049,591	6,831,971	34,159,851	6,831,971	13,663,941	2,391,188	16,396,729	19,129,517	5,465,577	6,831,971	2,732,789	8,198,365	9,223,164	225,455,578
Total partners' funds At 31 December 2014	215,133,846	4,816,397	16,054,658	80,273,302	16,054,658	32,109,321	5,619,131	38,531,184	44,953,049	12,843,727	16,054,658	6,421,864	19,265,591	21,673,794	529,805,180
Total partners' funds At 1 January 2014	202,357,679	4,530,366	15,101,223	75,506,123	15,101,223	30,202,449	5,285,428	36,242,938	42,283,429	12,080,978	15,101,223	6,040,490	18,121,469	20,386,653	498,341,671

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

The Partnership has a beneficial interest in underlying investments denominated in currencies other than Pounds Sterling, the functional currency, through its investment in Henderson Infrastructure Holdco (Jersey) Limited ("HIH Jersey"). However, the Partnership's exposure to currency risk is minimal, as the value of its investment is derived from shares quoted on the London Stock Exchange.

Market price risk

The valuation of the Partnership's investment is derived from quoted shares, therefore exposing the Partnership to market price risk. The Partnership's policy is not to enter into any hedging transactions to mitigate this risk. It is the General Partner's intention to sell or distribute in specie the investments in due course prior to liquidating the Partnership. Please refer to the Going Concern note on page 4.

The General Partner believes 5% (2013: 5%) to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 5% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net profit for the year of £25,845,012 (2013: £24,845,068).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Partnership is exposed to credit risk in relation to outstanding loan contributions from its Limited Partners and its cash at bank balance.

Loan commitments are made under the Partnership Agreement that is signed by both parties so that both members of the Partnership are aware of their commitments. The General Partner communicates regularly with the Limited Partners to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date. As it is the General Partner's intention to liquidate the Partnership in due course it is unlikely that further amounts will be drawn down from the Limited Partners by the General Partner.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

The Partnership's maximum exposure to credit risk at the balance sheet date was £12,987,480 (2013: £1,459,853) representing the amounts shown as cash at bank and debtors at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The liquidity risk of the Partnership arises as a result of the inability for its investments to be realised quickly as they represent significant shares in unquoted stocks, and in quoted shares subsequent to the year end which are subject to a six month lock-in period. Hence, existing assets cannot be easily utilised to manage working capital requirements and other financial commitments. The liquidity risk is mitigated through the management of the Limited Partner's capital to meet any short term liquidity needs.

The Partners' loan commitments are only repayable upon termination of the Partnership and hence have no contracted repayment date.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted price for an identical asset in an active market (Level a);
- The price of a recent transaction for an identical asset (Level b);
- Inputs that are not based on observable market data (unobservable inputs) (Level c).

At 31 December 2014

	Level a	Level b	Level c	Total
	£	£	£	£
Henderson Infrastructure Holdco (Jersey) Limited	-	516,859,588	-	516,859,588
HPFI Finance S.a.r.l	-	40,654	-	40,654
Financial assets	-	516,900,242	-	516,900,242

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

At 31 December 2013

	Level a	Level b	Level c	Total
	£	£	£	£
Bishop Auckland	-	-	7,761,862	7,761,862
Henderson Infrastructure Holdco (Jersey) Limited	-	-	462,653,078	462,653,078
HPFI Finance S.a.r.l	-	-	7,734,202	7,734,202
Scotia Water Dalmuir	-	-	6,095,379	6,095,379
Tay Wastewater	-	-	12,656,847	12,656,847
Financial assets	-	-	496,901,368	496,901,368

	2014 Level b	2014 Level c	2013 Level c
	£	£	£
Valuation brought forward	-	496,901,368	445,160,266
Disposal proceeds	-	(32,862,311)	-
Transfers in/(out)	464,039,057	(464,039,057)	-
Fair value gain	52,861,185	-	51,741,102
Valuation carried forward	516,900,242	-	496,901,368

Transfers
Investments where previously recognised as Level (c) were transferred to Level (b) in 2014 (2013 - none).

10. INVESTMENT COMMITMENTS

Future commitments outstanding on the Partnership's investments at 31 December 2014 were £nil (2013: £nil).

Under the terms of the Co-investment Agreement dated 10 December 2004 between; Henderson PFI Secondary Fund L.P., Henderson PFI Secondary Co-investment Fund 'A' L.P., Henderson PFI Secondary Co-investment Fund 'B' L.P. (together "the Co-Investors") and the Manager, each of the Co-Investors agrees to invest on the same terms and conditions in all companies, businesses or other entities in which the Co-Investors choose to invest in the Relevant Proportions, being the ratio of each Co-Investor's total commitment to the aggregate commitments of the Co-Investors.

11. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014, an amount of up to £1,542,284 (2013: £1,542,284) may be drawn down from the Limited Partners by the General Partner of the Partnership.

12. RELATED PARTY TRANSACTIONS

Priority profit share payable to the General Partner during the year was £3,749,357 (2013: £3,842,605). The amount outstanding in respect of the priority profit share at the year end was £nil (2013: £nil).

HGP2 Limited, a fellow group company of the General Partner, provides fund administration services to the Partnership. The fund administration fee for the year was £40,424 (£41,769). No amounts were owed to HGP2 Limited as at 31 December 2014 (2013: £nil).

Transactions with the Limited Partner during the year and the amounts due to the Limited Partner at the balance sheet date are disclosed in note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

13. REGISTERED OFFICE

The registered address of the Partnership is 201 Bishopsgate, London EC2M 3AE.

14. ULTIMATE CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

15. POST BALANCE SHEET EVENTS

On 27 January 2015, HIH Jersey's interests in John Laing were restructured such that it held 300,000,000 ordinary shares in John Laing Group plc. There was no change in the economic interests between the Alpha and Beta share interests from this restructuring. On 17 February 2015, JLG completed its Initial Public Offering ("IPO") with its entire issued share capital being admitted to trading on the main market of the London Stock Exchange. As at 31 December 2014, the value of the Partnership's investments have been derived from the JLG share price as at its listing date. The JLG share price are subject to a six month lock-in period.

On 18 February 2015, the Compensation Amount accrued to the Partnership through its investment in Alpha Shares was settled in full by HIH Jersey.

Registered number LP7828

PRIVATE CAPITAL PORTFOLIO L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Report and financial statements for the year ended 31 December 2014

CONTENTS

Partnership information

Partners
Henderson Equity Partners (GP) Limited
Deutsche Bank AG
HPC Nominees Limited

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Registered office
201 Bishopsgate
London EC2M 3AE

Report of the General Partner

Principal activity and establishment

Private Capital Portfolio L.P. ("the Partnership") was formed on 28 September 2001 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) Deutsche Bank AG ("DB").

The Partnership was registered on 1 October 2001 as a limited partnership in England under the Limited Partnerships Act 1907 and in accordance with the limited partnership agreement of the Partnership ("the Partnership Agreement"). The Partnership has the registration number LP7828.

In March 2003 HPC Nominees Limited ("HPCNL" and together with DB "the Limited Partners"), a company incorporated in England, was admitted as a limited partner by a deed of adherence.

The purpose of the Partnership is to carry on the business of an intermediary investment vehicle acting as a limited partner and investor in a range of private equity investment funds structured as limited partnerships ("the Fund Partnerships"). The life of the Partnership will continue until such time as all the Fund Partnerships are liquidated.

Total commitments from the partners as at 31 December 2014 amounted to £650,012,000 (2013: £650,012,000).

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

At 31 December 2014, £439,877,136 (2013: £439,877,136) of the total commitment of the limited partners had been drawn down.

The net assets of the Partnership have decreased by £12,592,828 from the prior year. This is due predominantly to:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling £12,348,377. This surplus capital was utilised to make distributions totalling £12,363,122 to the limited partners.

Report of the General Partner (continued)

Business review (continued)

The total operating loss of the Partnership was £4,108. This compared with a profit of £15,913 in the previous year. The decrease was principally due to reduced foreign exchange gains during the year compared to the previous year.

Financial results

The financial statements of the Partnership have been set out on pages 9 to 21. The loss for the year ended 31 December 2014 was £229,706 (2013: gain of £621,606).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk other than in respect of cash held on deposit.

Currency risk

The Partnership holds investments in the Fund Partnerships that are denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests (through the Fund Partnerships) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuations of these assets. The Partnership's market price risk is managed through diversification of the investment portfolio within the Fund Partnerships.

Report of the General Partner (continued)

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and in relation to cash held on deposit.

Loan commitments are made under the Partnership Agreement that is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default.

Each of the underlying funds has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying funds, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The investment strategy of the Partnership is to hold its investments in the Fund Partnerships for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments made by the Fund Partnerships are also for medium term capital appreciation and hence, the ability of the Fund Partnerships to raise liquidity for the Partnership by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Partners

DB has made a commitment to the Partnership of £325,000,000. The commitment of DB comprises a capital contribution equal to 0.001% of the total commitment and a loan commitment equal to 99.999% of the total commitment.

HPCNL has made a commitment to the Partnership of £325,000,000. The commitment of HPCNL comprises a capital contribution equal to 0.001% of the total commitment and a loan commitment equal to 99.999% of the total commitment.

The General Partner has made a capital contribution to the Partnership of £2,000. In addition, the General Partner has agreed to advance a loan commitment to the Partnership of £10,000.

The Partnership has no employees, with all administration services being outsourced to the General Partner.

Amounts attributable to the General Partner

The General Partner is not entitled to any priority profit share from the Partnership.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Report of the General Partner (continued)

Going concern

The Partnership's activities, its financial position, financial risk management objectives and its exposures to price, credit, currency and liquidity risk are set out above.

The Partnership has long term commitments from its partners to fund its activities and the partners continue to support the Partnership. As a consequence the General Partner believes that the Partnership is well placed to manage its business risks successfully for the foreseeable future.

In accordance with the Partnership Agreement, the Partnership shall terminate 90 days after the termination and liquidation of the last Fund Partnership. Both the remaining Fund Partnerships have been extended for a further twelve months and the General Partner expects consent by the limited partners for a further extension will be given. Accordingly the Partnership is not expected to terminate within the next twelve months.

After making enquiries, the General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly the General Partner continues to adopt the going concern basis in preparing the annual report and financial statements.

Auditors

Ernst & Young LLP have not been reappointed as auditors. The General Partner has appointed PricewaterhouseCoopers LLP as the Partnership's auditors beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A. Davies

PA Davies
For and on behalf of the General Partner
2 April 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRIVATE CAPITAL PORTFOLIO L.P.

Report on the financial statements

Our opinion

In our opinion, Private Capital Portfolio L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Private Capital Portfolio L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRIVATE CAPITAL PORTFOLIO L.P.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
2 April 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Investment income	2	766	2,951
Administrative expenses	3	(21,016)	(12,730)
Foreign exchange gain		16,142	25,692
OPERATING (LOSS)/PROFIT		(4,108)	15,913
Realised gain on investments		11,849,149	15,234,232
Unrealised loss on investments		(12,074,747)	(14,628,539)
NET CAPITAL (LOSS)/GAIN		(225,598)	605,693
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(229,706)	621,606
ALLOCATION TO:			
General Partner		(7)	(262)
Limited Partners		(229,699)	621,868
		(229,706)	621,606

All results derive from continuing operations.

There are no recognised gains or losses other than those included in the profit and losses above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 21 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
FIXED ASSETS			
Investments	4	17,733,235	30,311,589
CURRENT ASSETS			
Investments	5	143,096	138,717
Debtors	6	-	2,604
Cash at bank and in hand		31,537	50,525
		174,633	191,846
CREDITORS: Amounts falling due within one year	7	(8,501)	(11,240)
NET CURRENT ASSETS		166,132	180,606
NET ASSETS		17,899,367	30,492,195
REPRESENTED BY:			
Equity			
Capital contribution account	8	8,500	8,500
Income account	8	(4,108)	-
Capital account	8	17,894,975	30,483,695
TOTAL PARTNERS' FUNDS	8,9	17,899,367	30,492,195

The notes on pages 12 to 21 form an integral part of these financial statements.

Approved by:

P.A. Davies

PA Davies
For and on behalf of the General Partner
2 April 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 £	31 December 2013 £
Net cash (outflow)/inflow from operating activities	10	(4,243)	14,844
Financial investment			
Receipts from investments		12,348,377	16,173,267
		12,348,377	16,173,267
Management of liquid resources			
Receipts from current investments		-	13,128,070
		-	13,128,070
Financing			
Loan commitments repaid	8	-	(9,151,442)
Distributions to limited partners	8	(12,363,122)	(20,148,010)
		(12,363,122)	(29,299,452)
(Decrease)/increase in cash		(18,988)	16,729

	31 December 2014 £	31 December 2013 £
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	50,525	33,796
(Decrease)/increase in cash	(18,988)	16,729
Net funds at 31 December	31,537	50,525

The notes on pages 12 to 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

Investments

Investments are each designated as being held at fair value through the profit and loss upon initial recognition. The General Partner monitors the investments internally at fair value and reports to the Limited Partners at fair value, and therefore feels that it is appropriate to classify investments in this manner.

Investments are initially recognised at the point that the risks and rewards of ownership are transferred to the Partnership and are susbsequently derecognised at the point that these risks and rewards no longer exist.

The valuation of investments is derived by taking the Partnership's share of the net assets of each Fund Partnership (as listed in note 4), as calculated in the financial statements of the Fund Partnership. This valuation policy is consistent with the principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines.

Consolidation

The Partnership does not prepare consolidated financial statements as it does not fit the definition of a parent undertaking under UK GAAP. The Partnership holds an ownership stake in each of the underlying Fund Partnerships that constitutes a majority of the capital contributed to each of these Fund Partnerships, however, in accordance with the partnership agreements for each of the Fund Partnerships the level of capital contributed does not confer any control and hence the Partnership does not have the power to exercise dominant influence or control over the Fund Partnerships.

Income recognition from investments

In accordance with the terms of the partnership agreement of each of the Fund Partnerships, all distributions received from the Fund Partnerships must be utilised to repay the loan capital invested by the Partnership, until such time as the loan contribution of the Partnership to each of the Fund Partnerships has been repaid. As a result, returns on capital from the Fund Partnerships are treated as a repayment of the loan principal, and hence, do not give rise to any income to the Partnership.

Once the outstanding loan contributions have been repaid by the Fund Partnerships, any income or capital distributions from the Fund Partnership are treated as a realised gain.

Unrealised gains or losses on investments represent the movements in the fair value of the Partnership's investment in the Fund Partnerships during the year (inclusive of foreign exchange movements).

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Interest income

Interest income receivable from cash held at bank is recognised on an accruals basis.

Management fees and other administrative expenses

Fees incurred in relation to the services provided by the General Partner are recognised on an accruals basis in accordance with the terms set out in the Partnership Agreement. The fee is calculated at a rate of 0.1% of amounts drawn down but which have yet to be repaid to the Limited Partners. From 1 January 2013 the General Partner agreed to waive its right to this management fee.

All other administrative expenses are recognised on an accruals basis.

Foreign exchange

Transactions in currencies other than Pounds Sterling are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the closing rate of exchange at the year end.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

Partner allocations

All net income, net loss, capital gain or capital loss accruing to the Partnership from investments shall, after making deductions necessary under the Partnership Agreement, be allocated to the partners pro rata to their respective commitments drawn down since inception the Partnership.

The general partner is not entitled to any priority profit share and none of the partners have any right to receive any payment in excess of their share of the assets of the Partnership relative to their capital and loan contributions.

Treatment of loan capital and distributions

Upon distribution of surplus capital to the limited partners, the Partnership Agreement stipulates that the repayment of the loan capital of the limited partners ranks above the distribution of surplus capital gains or income. All distributions must be utilised to satisfy the repayment of the Partners' loan contributions. As the loan contributions represent a contractual obligation of the Partnership to repay loan capital prior to the distribution of surplus income or capital gains, this element of capital is separately classified as debt within the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. INVESTMENT INCOME

	2014	2013
	£	£
Bank interest receivable	766	2,951
	766	2,951

3. ADMINISTRATIVE EXPENSES

	2014	2013
	£	£
Custody and administration charges	6,273	4,272
Services provided by the partnership's auditors		
- Fees payable for the audit	6,367	7,680
Other expenses	8,376	778
	21,016	12,730

During the year no fees were paid to the auditors in relation to non-audit services (2013: £nil).

4. FIXED ASSET INVESTMENTS

The movement in investments during the year was as follows:

	2014	2013
	£	£
Opening cost	37,101,810	38,043,590
Disposal of investments	(499,228)	(941,780)
Closing cost	36,602,582	37,101,810
Cumulative unrealised losses attributable to partners	(18,869,347)	(6,790,221)
Closing fair value	17,733,235	30,311,589

	2014 Cost	Cumulative unrealised gains/(losses)	2014 Fair value	2013 Fair value	2013 Cost
	£	£	£	£	£
Investment					
Henderson Global Fund of Funds I L.P.	335,832	14,740,576	15,076,408	26,503,437	335,832
Henderson Technology Partners I L.P.	36,266,750	(33,609,923)	2,656,827	3,808,152	36,765,978
	36,602,582	(18,869,347)	17,733,235	30,311,589	37,101,810

NOTES TO THE FINANCIAL STATEMENTS

4. FIXED ASSET INVESTMENTS (continued)

Fair value movement 2014

	Henderson Global Fund of Funds I L.P. 2014 £	Henderson Technology Partners I L.P. 2014 £	Total 2014 £
Fair value as at 1 Jan 2014	26,503,437	3,808,152	30,311,589
Proceeds received	(11,883,780)	(464,597)	(12,348,377)
Realised (gains)/losses	11,883,780	(34,631)	11,849,149
Unrealised gains/(losses)	(11,427,029)	(652,097)	(12,079,126)
Fair value as at 31 Dec 2014	15,076,408	2,656,827	17,733,235

5. CURRENT INVESTMENTS

	2014 £	2013 £
Henderson Asia Pacific Equity Partners I L.P.	143,096	138,717
	143,096	138,717

6. DEBTORS

	2014 £	2013 £
Amount due from General Partner	-	2,604
	-	2,604

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Custodian and administration fee accrual	1,534	1,700
Audit fee accrual	6,067	7,680
Other creditors	900	1,860
	8,501	11,240

All amounts disclosed above are repayable within 30 days or on demand. The fair value of each of the balances approximates to the carrying value above.

NOTES TO THE FINANCIAL STATEMENTS

8. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Deutsche Bank AG	HPC Nominees Limited	Total
	£	£	£	£
Capital contribution account				
Opening balance	2,000	3,250	3,250	8,500
At 31 December 2014	2,000	3,250	3,250	8,500
Income account				
Opening balance	-	-	-	-
Operating loss in the year	-	(2,054)	(2,054)	(4,108)
At 31 December 2014	-	(2,054)	(2,054)	(4,108)
Capital account				
Opening balance	469	15,241,613	15,241,613	30,483,695
Realised gain on investments	183	5,924,483	5,924,483	11,849,149
Unrealised loss on investments	(185)	(6,037,281)	(6,037,281)	(12,074,747)
Distributions during the year	(190)	(6,181,466)	(6,181,466)	(12,363,122)
At 31 December 2014	277	8,947,349	8,947,349	17,894,975
Total Partners' Funds				
At 31 December 2014	2,277	8,948,545	8,948,545	17,899,367
Total Partners' Funds				
At 1 January 2014	2,469	15,244,863	15,244,863	30,492,195

NOTES TO THE FINANCIAL STATEMENTS

9. RECONCILIATION OF PARTNERS' FUNDS

	2014 £	2013 £
Opening partners' Funds	30,492,195	59,170,041
(Loss)/profit attributable to limited partners	(229,706)	621,606
Loan commitments repaid	-	(9,151,442)
Other distributions to limited partners	(12,363,122)	(20,148,010)
Closing partners' Funds	17,899,367	30,492,195

10. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating (loss)/profit	(4,108)	15,913
Decrease/(increase) in debtors	2,604	(9)
Decrease in creditors	(2,739)	(1,060)
Net cash (outflow)/inflow from operating activities	(4,243)	14,844

11. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership holds investments in the Fund Partnerships that are denominated in currencies other than Pounds Sterling, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

NOTES TO THE FINANCIAL STATEMENTS

11. FINANCIAL RISK MANAGEMENT (continued)

Currency risk (continued)

At the balance sheet date the Partnership had the following currency exposures:

	2014	2013
	£	£
Investments		
US Dollar	17,876,331	30,450,306
Commitments		
US Dollar	22,048,726	20,757,420

The table below illustrates the impact on both the net assets and the net profit for the year of the Partnership of adjusting year end exchange rates on all financial assets and cash balances denominated in a currency other than pounds sterling. All financial liabilities are denominated in sterling.

The General Partner believes 10% to be a reasonable estimate for the amount by which currency rates may move and accordingly below shows the potential impact on investments of a move in the rates of this amount.

	2014	2013
	£	£
US Dollar exchange rate +/- 10%	1,787,633	3,045,031

Market price risk

Price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

The Partnership indirectly invests (through the Fund Partnerships) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of £1,787,633 (2013: £3,045,031).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities due to the nature of the investments, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

11. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and cash or liquidity funds held on deposit.

Loan commitments are made under the Partnership Agreement, which is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date.

Each of the underlying funds has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying funds, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due or impaired as at 31 December 2014 (2013: £nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: £nil). None of the investment capital commitment contributed by the Partnership in the form of loan capital has a fixed repayment date and all loan capital is non-interest bearing.

The Partnership's maximum exposure to credit risk at the balance sheet date was £31,537 (2013: £50,525) representing the amount shown as cash at bank at the balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The investment strategy of the Partnership is to hold investments in the Fund Partnerships for the medium to long term for capital appreciation and receipt of income. The nature of the underlying investments made by the Fund Partnerships are also for medium term capital appreciation and hence, the ability of the Fund Partnerships to raise liquidity for the Partnership by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Creditors of £8,501 (2013: £11,240) are payable within 30 days or on demand. Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date. Loan contributions and all other creditors are non interest bearing.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

NOTES TO THE FINANCIAL STATEMENTS

11. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy (continued)

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1 £	Level 2 £	Level 3 £	Total £
Henderson Asia Pacific Equity Partners I L.P.	-	-	143,096	143,096
Henderson Global Fund of Funds I L.P.	-	-	15,076,408	15,076,408
Henderson Technology Partners I L.P.	-	-	2,656,827	2,656,827
Financial assets	-	-	17,876,331	17,876,331

At 31 December 2013

	Level 1 £	Level 2 £	Level 3 £	Total £
Henderson Asia Pacific Equity Partners I L.P.	-	-	138,717	138,717
Henderson Global Fund of Funds I L.P.	-	-	26,503,437	26,503,437
Henderson Technology Partners I L.P.	-	-	3,808,152	3,808,152
Financial assets	-	-	30,450,306	30,450,306

The Partnership primarily invests in private equity via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation guidelines.

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 £	2013 Level 3 £
Valuation brought forward	30,450,306	59,145,950
Disposals	(12,348,377)	(29,301,337)
Fair value (losses)/gains	(225,598)	605,693
Valuation carried forward	17,876,331	30,450,306

Transfers

During the year there were no transfers between levels 1, 2 or 3 (2013: Nil).

NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENT COMMITMENTS

Future commitments to investments in the Fund Partnerships as at 31 December 2014 comprised:

	2014 USD	2014 £	2013 USD	2013 £
US$ Investments				
Henderson Technology Partners I L.P.	31,052,107	19,914,771	31,052,107	18,748,442
Henderson Global Fund of Funds I L.P.	3,327,369	2,133,955	3,327,369	2,008,978
	34,379,476	22,048,726	34,379,476	20,757,420
Total commitments		22,048,726		20,757,420

Henderson Asia Pacific Equity Partners I L.P. is currently in liquidation so no further drawdowns can be made.

13. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014 and inclusive of the above commitments, an amount up to £210,134,864 (2013: £210,134,864) may be drawn down by the General Partner. However, the General Partner does not deem it likely that any further significant amounts will be drawn.

14. RELATED PARTY TRANSACTIONS

The management fee payable to the General Partner during the year was £nil (2013: £nil). The amount outstanding in respect of the management fee at the year end date was £nil (2013: £nil).

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 8 to the financial statements.

The amounts due from General Partner as at 31 December 2014 are US$nil (2013: US$2,604).

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Partnership does not have an ultimate controlling party.

Registered number LP004443

HENDERSON TECHNOLOGY PARTNERS I L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Annual Report and financial statements for the year ended 31 December 2014

CONTENTS

Report of the General Partner

Establishment and activities

Henderson Technology Partners I L.P. ("the Partnership") was formed on 5 December 2001 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner;

(b) Henderson Fund Partners (FP) L.P. ("HFP"), a Scottish limited partnership;

(c) Private Capital Portfolio L.P., an English limited partnership ("the Limited Partner"); and

(d) Henderson Fund Management Limited ("HFM" and together with HFP "the Founder Partners").

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with the registered number LP004443 and is constituted in accordance with the Limited Partnership Agreement of the Partnership ("the Partnership Agreement").

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in the United Kingdom, to act as manager of the Partnership and has delegated the authority for the administration of the Partnership to the General Partner.

The purpose of the Partnership is to carry on the business of identifying, making, monitoring and realising investments and to carry out all functions and acts in as defined in the Partnership Agreement.

Total commitments from all limited partners amount to US$140,035,000 (2013: US$140,035,000).

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

At 31 December 2014, US$108,982,893 (2013: US$108,982,893) of the total commitment had been drawn down.

The net assets of the Partnership have decreased by US$1,386,063 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling US$654,281. This surplus capital was utilised to repay loan commitments totalling US$770,000 to the limited partners.

(ii) The revaluation and realisation of the investments held by the Partnership at the year end resulting in a net capital loss of US$567,188.

The total operating loss of the Partnership was US$48,875. This compared with a loss of US$53,288 in the previous period. The decrease was principally due to lower expenses incurred by the Partnership during the year.

Report of the General Partner (continued)

Financial results

The financial statements of the Partnership have been set out on pages 9 to 22. The loss for the year ended 31 December 2014 was US$616,063 (2013: profit of US$128,375).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk other than in respect of cash held on deposit.

Currency risk

The Partnership holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuations of these assets. The Partnership's market price risk is managed through diversification of the investment portfolio.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and in relation to cash held on deposit.

Loan commitments are made under the Partnership Agreement that is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default.

Report of the General Partner (continued)

Credit risk (continued)

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, significant further amounts are unlikely to be drawn by the underlying funds, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The investment strategy of the Partnership is to hold its investments for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments are also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Partners

In aggregate, the Founder Partners have contributed US$35,000 of capital to the Partnership as limited partners.

The Limited Partner has contributed US$140,000 of capital to the Partnership as a limited partner and agreed to make a loan commitment to the Partnership of US$139,860,000.

Amounts attributable to the General Partner

In accordance with the Partnership Agreement the General Partner is entitled to a priority profit share for its services as General Partner. The General Partner's outstanding priority profit share entitlement as at 31 December 2014 is US$nil (2013: US$nil) after being allocated US$nil (2013 : US$nil) from profits for the year.

From 1 January 2013, the General Partner agreed to waive its entitlement to its annual share of the Partnership's profits.

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going Concern

During the year, the General Partner has extended the life of the Partnership to 5 December 2015. Any further extension will require the consent of the Limited Partners. The General Partner expects that the Limited Partners will consent to an extension for a further year based on indications they have provided. Accordingly the financial statements are prepared on a going concern basis.

Report of the General Partner (continued)

Auditors

Ernst & Young LLP has not been reappointed as auditor. The General Partner has appointed PricewaterhouseCoopers LLP as the Partnership's auditor beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

P.A.Davies

PA Davies
For and on behalf of the General Partner
30 March 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON TECHNOLOGY PARTNERS I L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson Technology Partners I L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Technology Partners I L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON TECHNOLOGY PARTNERS I L.P.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
30 March 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON TECHNOLOGY PARTNERS I L.P.

DUPLICATE PAGE TO GET ORIGINAL SIGNATURE - PLS IGNORE THIS

Report on the financial statements

Our opinion

In our opinion, Henderson Technology Partners I L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Technology Partners I L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 US$	Restated Year ended 31 December 2013 US$
Interest receivable		-	131
Administrative expenses	2	(48,810)	(54,554)
Foreign exchange (loss)/gain		(65)	1,135
NET LOSS		(48,875)	(53,288)
Realised gain on sale of investments	3	287,605	1,351,619
Unrealised losses on investments	3	(854,793)	(1,169,956)
NET CAPITAL (LOSS)/GAIN		(567,188)	181,663
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(616,063)	128,375
ALLOCATION TO:			
Founder Partners		(154)	32
Limited Partner		(615,909)	128,343
		(616,063)	128,375

All results derive from continuing operations.

There are no recognised gains or losses other than those included in the losses and profits above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 22 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
FIXED ASSETS			
Investments	3	3,243,255	4,464,724
CURRENT ASSETS			
Cash at bank and in hand		648,813	811,183
Debtors	4	100	2,675
		648,913	813,858
CREDITORS: amounts falling due within one year	5	(19,500)	(19,851)
NET CURRENT ASSETS		629,413	794,007
NET ASSETS ATTRIBUTABLE TO PARTNERS		3,872,668	5,258,731
REPRESENTED BY:			
Liability			
Loan commitments account	6	55,786,320	56,556,320
		55,786,320	56,556,320
Equity			
Capital contribution account	6	175,000	175,000
Income account	6	(262,496)	(213,621)
Capital account	6	(51,826,156)	(51,258,968)
		(51,913,652)	(51,297,589)
TOTAL PARTNERS' FUNDS	6,7	3,872,668	5,258,731

The notes on pages 12 to 22 form an integral part of these financial statements.

Approved by:

P.A.Davies

PA Davies
For and on behalf of the General Partner
30 March 2015

CASH FLOW STATEMENT
For the year ended 31 December 2014

	Note	31 December 2014 US$	31 December 2013 US$
Net cash outflow from operating activities	8	(46,586)	(55,488)
Net cash flow from investment activities			
Receipts from investments sold	3	654,281	2,083,454
		654,281	2,083,454
Net cash flow from financing activities			
Loan commitments repaid	6	(770,000)	(1,452,584)
		(770,000)	(1,452,584)
(Decrease)/increase in cash in the year		(162,305)	575,382

	31 December 2014 US$	31 December 2013 US$
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	811,183	234,666
(Decrease)/increase in cash in the year	(162,305)	575,382
Net foreign exchange (loss)/gain	(65)	1,135
Net funds at 31 December	648,813	811,183

The notes on pages 12 to 22 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are presented in US Dollars being the operational currency in which the Partnership conducts the majority of its investment activities.

During the year, the Limited Partner consented to extend the life of the Partnership to 5 December 2015. The General Partner expects that the Limited Partners will consent to an extension for a further year based on indications they have provided. Accordingly the Financial Statements are prepared on a going concern basis.

Restatement of opening balances

In accordance with the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008, the Partnership is deemed to be a Qualifying Limited Partnership. This has resulted in the financial statements being prepared in accordance with United Kingdom Generally Accepted Accounting Practice and a restatement of opening balances. The balances that have been restated are as follows:

- Investment valuations have been adjusted to reflect the 31 December 2013 valuations received from the underlying fund investments. As noted in the prior year accounts, the majority of the portfolio was valued using valuation data as at 30 September 2013. The effect of this is a $1,070,221 decrease in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

Valuation and recognition of investments

Investments are initially recognised and subsequently derecognised on the trade date where the purchase or sale of the asset is under contract. Investments are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the asset and substantially all the risks, rewards and ownership of the asset to another entity.

Investments are valued by the General Partner in accordance with the valuation principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines, which requires investments to be held at fair value.

Direct investments are held at fair value and are valued using the earnings multiple methodology approach defined in the IPEVC Valuation Guidelines.

Investments held in private equity funds, managed by a third party asset manager, are valued in accordance with the Partnership's share of the reported net asset value of each respective fund based on the information contained in the latest fund valuation report prepared by the third party fund manager and received by the General Partner at the date of this report providing this is consistent with the principles of fair value.

In assessing the fair value of the underlying fund investments the General Partner may make adjustments to the net assets reported by the underlying fund to adjust for any items not carried at fair value within the underlying fund balance sheet or to appropriately reflect any secondary trading consideration in the underlying fund to the extent that evidence exists which is relevant and reliable.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Income recognition for investments

Dividends receivable from direct investments and income distributions receivable from fund investments are accounted for on an accruals basis and are recorded as income in the profit and loss account in the year.

Capital repayments from direct investments and capital distributions from fund investments are recorded as a deduction to the cost of the investment with any gain or loss on disposal relative to the initial cost of the investment recognised as a realised gain or loss in the profit and loss account in the year. Upon disposal of an investment, the cumulative value of any unrealised gain or loss recognised in previous years is written back through the profit and loss account. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

Gains or losses arising on the revaluation of investments that are held at the balance sheet date are recognised as unrealised gains or losses on investments and are recognised in the profit and loss account during the year.

Foreign exchange

Transactions in currencies other than US Dollars are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the closing rate of exchange at the year end.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

General Partner allocations

The General Partner is entitled to an annual share of the Partnership's profits calculated by reference to the total partner commitments to the Partnership, adjusted for the acquisition cost of investments which have been realised and the proceeds returned to the Partners. This share will rank as a first charge on net income in any accounting year. If net income in any accounting year is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over capital losses in that accounting year in respect of the amount unsatisfied out of net income.

From 1 January 2013, the General Partner has agreed to waive its entitlement to its annual share of the Partnership's profits.

The General Partner's allocations are expensed through the Profit and Loss Account.

Allocation and distribution of profits

All income and realised capital proceeds of the Partnership shall be distributed in the following order of priority (after the payment of the expenses and liabilities of the Partnership):

- First, in payment of the General Partner's outstanding profit share;

- Second, to the Limited Partner until they have been repaid their outstanding loan commitment;

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Allocation and distribution of profits (continued)

- Third, in paying the Preferred Return, being the daily amount of the outstanding loan commitment of the Partnership compounded at an annual rate of 8%, to the Limited Partner;

- Fourth, to the Founder Partners (pro-rata to their respective capital contributions), until they have received an cumulative distributions of net income and realised capital proceeds distributed in accordance with the Partnership Agreement; amount equal to 25% of the Preferred Return in order to give the Founder Partners an amount equal to 20% of the cumulative distributions of net income and realised capital proceeds distributed in accordance with the Partnership Agreement;

- Fifth, to the Founder Partners (pro-rata to their respective capital contributions) until the Founder Partners shall have received (or shall have been entitled to receive) an amount equal to 20% of the Partnership's profits;

- Sixth, to the Partners (pro-rata to their respective capital contributions); and

- Finally, at the end of the life of the Partnership, any balance remaining after the payments referred to above in repayment of capital contribution made by the Partners in accordance with the Partnership Agreement.

In respect of cumulative unrealised gains, where the Preferred Return has been exceeded, the amount that would become payable to the Founder Partners in the event of crystallisation of the investment portfolio, in accordance with the above allocation of profits, has been allocated to the Founder Partners' capital account. Where the Founder Partners have been allocated these gains in a prior accounting year but the value of the investments have fallen in the current accounting year, the relevant amount is written back through the Founder Partners' capital account in that year.

Treatment of partners' funds

Upon distribution of surplus capital to the limited partners, the Partnership Agreement stipulates that the repayment of the loan capital of the limited partners ranks above the distribution of surplus capital gains or income. All distributions must be utilised to satisfy the repayment of the Partners' loan contributions. As the loan contributions represent a contractual obligation of the Partnership to repay loan capital prior to the distribution of surplus income or capital gains, this element of capital is separately classified as debt within the financial statements.

2. ADMINISTRATIVE EXPENSES

	2014 US$	2013 US$
Custody and administration charges	8,967	12,359
Services provided by the Partnership's auditors		
- Fees payable for the audit	13,147	13,000
Fund administration fee	19,211	27,470
Other expenses	7,485	1,725
	48,810	54,554

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS

Investment	Cost 31 Dec 2014 US$	Cumulative unrealised losses US$	Fair value 31 Dec 2014 US$	Restated Fair value 31 Dec 2013 US$
Adveq Technology II C.V.	9,059,821	(6,537,411)	2,522,410	3,130,858
AMP Private Capital NZ Fund Limited	1,779,625	(1,433,467)	346,158	588,051
PineBridge Sports & Entertainment Partners, L.P	1,851,826	(1,734,029)	117,797	336,427
Portview Communications	16,462,764	(16,205,874)	256,890	409,388
Verticalband Limited	7,371,919	(7,371,919)	-	-
	36,525,955	(33,282,700)	3,243,255	4,464,724

Movements in investments during the year were as follows:

	2014 US$	Restated 2013 US$
Opening cost	36,892,631	37,624,466
Disposals	(366,676)	(731,835)
Closing cost	36,525,955	36,892,631
Cumulative unrealised losses	(33,282,700)	(32,427,907)
Closing fair value	3,243,255	4,464,724

Movements in investments relative to opening fair value were as follows:

	2014 US$	Restated 2013 US$
Opening fair value	4,464,724	6,366,515
Disposal proceeds	(654,281)	(2,083,454)
Realised gain on sale of investments relative to initial cost	287,605	1,351,619
Unrealised losses on investments held at the year end	(854,793)	(1,169,956)
Closing fair value	3,243,255	4,464,724

NOTES TO THE FINANCIAL STATEMENTS

3. INVESTMENTS (continued)

In accordance with United Kingdom Generally Accepted Accounting Practice requirements, 2013 fair values have been restated to reflect the underlying investment managers valuations as at 31 December 2013. Per last years accounts the majority of the valuations were based on 30 September 2013 valuations as they were prepared on a non statutory basis. The effect of this is a $1,070,221 decrease in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

4. DEBTORS:

	2014 US$	2013 US$
Amounts due from Manager	100	2,675
	100	2,675

5. CREDITORS: Amounts falling due within one year

	2014 US$	2013 US$
Custodian and administration fee accrual	2,250	2,400
Audit fee accrual	12,450	13,000
Professional fee accrual	4,800	4,451
	19,500	19,851

NOTES TO THE FINANCIAL STATEMENTS

6. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Henderson Fund Partners (FP) L.P.	Private Capital Portfolio L.P.	Henderson Fund Management Limited	TOTAL
	US$	US$	US$	US$	US$
Capital contribution account					
Opening balance at 1 January 2014	-	22,750	140,000	12,250	175,000
At 31 December 2014	-	22,750	140,000	12,250	175,000
Loan commitments account					
Opening balance at 1 January 2014	-	-	56,556,320	-	56,556,320
Loans repaid to investors	-	-	(770,000)	-	(770,000)
At 31 December 2014	-	-	55,786,320	-	55,786,320
Income account					
Opening balance at 1 January 2014	-	(23)	(213,586)	(12)	(213,621)
Net loss in the year	-	(8)	(48,863)	(4)	(48,875)
At 31 December 2014	-	(31)	(262,449)	(16)	(262,496)
Capital account					
Restated opening balance at 1 January 2014	-	(8,328)	(51,246,156)	(4,484)	(51,258,968)
Unrealised losses on investments	-	(139)	(854,579)	(75)	(854,793)
Realised gains on investments	-	47	287,533	25	287,605
At 31 December 2014	-	(8,420)	(51,813,202)	(4,534)	(51,826,156)
Total Partners' Funds as at 31 December 2014	-	14,299	3,850,669	7,700	3,872,668
Restated Total Partners' Funds as at 1 January 2014	-	14,399	5,236,578	7,754	5,258,731

NOTES TO THE FINANCIAL STATEMENTS

7. RECONCILIATION OF PARTNERS' FUNDS

	2014 US$	Restated 2013 US$
Opening Partners' Funds	5,258,731	6,582,940
(Loss)/profit for the year	(616,063)	128,375
Loan commitments repaid during the year	(770,000)	(1,452,584)
Closing Partners' Funds	3,872,668	5,258,731

8. RECONCILIATION OF NET LOSS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 US$	2013 US$
Net loss	(48,875)	(53,288)
Decrease/(increase) in debtors	2,575	(115)
Decrease in creditors	(351)	(950)
Foreign exchange losses/(gains)	65	(1,135)
Net cash outflow from operating activities	(46,586)	(55,488)

9. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

At the balance sheet date the Partnership had the following currency exposures:

	2014 US$	Restated 2013 US$
Investments		
New Zealand Dollars	346,158	588,051

There were no outstanding investment commitments in currencies other than USD. The table below illustrates the impact on both the net assets and the net profit for the year of the Partnership of adjusting year end exchange rates on all financial assets and cash balances denominated in a currency other than US Dollars. All financial liabilities are denominated in US Dollars.

The General Partner believes 10% to be a reasonable estimate for the amount by which currency rates may move and accordingly below shows the potential impact on investments of a move in the rates of this amount.

	2014 US$	Restated 2013 US$
New Zealand Dollars exchange rate +/- 10%	34,616	58,805

Market price risk

Price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

The Partnership indirectly invests (through its investments) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of US$324,326 (2013: US$446,472).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities due to the nature of the investments, the General Partner does not provide a sensitivity analysis in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners, debtors and cash or liquidity funds held on deposit.

Loan commitments are made under the Partnership Agreement, which is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date.

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying investments, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due or impaired as at 31 December 2014 (2013: US$nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: US$nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was US$31,700,920 (2013: US$31,863,290) representing the amount shown as cash at bank at the balance sheet date and the undrawn commitments on fund investments held at 31 December 2014.

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due or from future commitments from L.P.'s.

The investment strategy of the Partnership is to hold investments for the medium to long term for capital appreciation and receipt of income. The nature of the underlying investments made are also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Creditors of US$19,500 (2013: US$19,851) are payable within 30 days or on demand. Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date. Loan contributions and all other creditors are non interest bearing.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

9. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy (continued)

At 31 December 2014

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Investments	-	-	3,243,255	3,243,255
Financial assets	-	-	3,243,255	3,243,255

At 31 December 2013

	Level 1 US$	Level 2 US$	Level 3 US$	Restated Total US$
Investments	-	-	4,464,724	4,464,724
Financial assets	-	-	4,464,724	4,464,724

The Partnership primarily invests in private equity via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in primarily unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 US$	Restated 2013 Level 3 US$
Valuation brought forward	4,464,724	6,366,515
Disposals	(654,281)	(2,083,454)
Fair value losses	(567,188)	181,663
Valuation carried forward	3,243,255	4,464,724

Transfers
During the year there were no transfers between levels 1, 2 or 3 (2013: nil).

10. INVESTMENT COMMITMENTS

Outstanding undrawn commitments on investments held at 31 December 2014 were US$348,593 (2013: US$348,593).

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying investments, except in order to cover operating expenses which they are to incur.

In the event of a shortfall in limited partner commitments to cover investment commitments, the outstanding investments commitments will be covered by distributions received from investments.

NOTES TO THE FINANCIAL STATEMENTS

11. LIMITED PARTNER'S COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014, US$108,982,893 (2013: US$108,982,893) has been drawn down by the General Partner. An amount of up to US$31,052,107 (2013: US$31,052,107) may be drawn down by the General Partner to meet future investment commitments and the liabilities of the Partnership.

12. RELATED PARTY TRANSACTIONS

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 6 to the financial statements.

HGP2 Limited, a fellow group company of the General Partner, provides fund administration services to the Partnership. The fund administration fee for the year was US$19,211 (2013 US$27,470). No amounts were owed to HGP2 Limited as at 31 December 2014 (2013: US$nil).

The amounts due from Manager as at 31 December 2014 are US$100 (2013: US$2,675).

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company does not have an ultimate controlling party.

Registered number LP004401

HENDERSON GLOBAL FUND OF FUNDS I L.P.

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2014

Annual Report and financial statements for the year ended 31 December 2014

CONTENTS

Report of the General Partner

Establishment and activities

Henderson Global Fund of Funds I L.P. ("the Partnership") was formed on 22 November 2001 as a limited partnership between:

(a) Henderson Equity Partners (GP) Limited ("the General Partner"), a company incorporated in Scotland, as General Partner; and

(b) Henderson Global Fund of Funds Partners (FP) L.P. ("HFP"), a Scottish limited partnership;

(c) Private Capital Portfolio L.P., an English limited partnership ("the First Investor"); and

(d) Henderson Fund Management Limited ("HFM" and together with HFP "the Founder Partners").

The Partnership was registered as a limited partnership in Scotland under the Limited Partnerships Act 1907 with registered number LP004401 and is constituted in accordance with the Limited Partnership Agreement of the Partnership ("the Partnership Agreement").

In April 2003 AMP Life Limited, a company incorporated in New South Wales, Australia ("the Second Investor" and together with the First Investor "the Limited Partners") was admitted as a limited partner by a deed of adherence to the Partnership Agreement.

The General Partner has appointed Henderson Equity Partners Limited ("the Manager"), a company incorporated in England, as manager of the Partnership and has delegated the authority for the administration of the Partnership to the Manager.

The purpose of the Partnership is to carry on the business of identifying, making, monitoring and realising investments and to carry out all functions and acts as defined in the Partnership Agreement.

Total commitments from all limited partners amount to US$235,029,375 (2013: US$235,029,375).

The General Partner has taken advantage of the small companies' exemption in not preparing a Strategic Report.

Business review

Given the nature of the activities of the Partnership, the General Partner's principal measure of financial performance is the return generated on net assets from the investment activities of the Partnership and the ability of the Partnership to crystallise these returns in order to distribute surplus profits to the limited partners. In addition, the General Partner analyses the administrative expenses of the Partnership to ensure that the return available for distribution to the limited partners is not adversely impacted by excessive operational costs.

At 31 December 2014, US$231,119,718 (2013: US$231,119,718) of the total commitment had been drawn down.

The net assets of the Partnership have decreased by US$27,607,586 from the prior year. This is due predominantly to a combination of two factors:

(i) Investment proceeds from the realisation of underlying investments in the Fund Partnerships totalling US$16,315,248. This surplus capital was utilised to make net distributions totalling US$24,300,000 to the Limited Partners and Founder Partners.

(ii) The revaluation of the investments held by the Partnership at the year end resulting in a net capital loss of US$3,982,845.

Report of the General Partner (continued)

Business review (continued)

The total operating income of the Partnership was US$675,259. This compared with a profit of US$1,181,394 in the previous period. The decrease was principally due to lower dividend income received from the Partnership's investments during the year.

Financial results

The financial statements of the Partnership have been set out on pages 8 to 22. The loss for the year ended 31 December 2014 was US$3,307,586 (2013: profit of US$3,837,841).

Future development

The General Partner considers that the operations of the Partnership will remain substantially unchanged for the foreseeable future.

Principal risks and uncertainties

The General Partner is responsible for the risk management of the Partnership from a strategic, business and process risk perspective. The General Partner is a subsidiary of Henderson Group plc (a company listed on the London Stock Exchange) and follows the risk framework of this entity. This framework ensures the strategic and operational risks of the Partnership are managed effectively. The General Partner has assessed the currency risk, price risk, credit risk and liquidity risk exposure of the Partnership based on the underlying activity performed by the Partnership. Due to the nature of the investments, the General Partner does not consider that the Partnership is exposed to a significant amount of interest rate risk other than in respect of cash held on deposit.

Currency risk

The Partnership holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for the limited partners being measured net of any currency exposure.

Market price risk

The Partnership indirectly invests in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to the future valuations of these assets. The Partnership's market price risk is managed through diversification of the investment portfolio.

Credit risk

The Partnership takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full as they fall due for payment.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and in relation to cash held on deposit.

Report of the General Partner (continued)

Credit risk (continued)

Loan commitments are made under the Partnership Agreement that is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance in order to manage the risk of default.

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, significant further amounts are unlikely to be drawn by the underlying funds, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank is held with financial institutions with good credit ratings.

Liquidity risk

The investment strategy of the Partnership is to hold its investments for a medium to long term period for capital appreciation and receipt of income. The nature of the underlying investments are also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Partners

In aggregate, the Founder Partners have contributed US$29,375 of capital to the Partnership as limited partners.

The First Investor has contributed US$475,000 of capital to the Partnership as a limited partner and has made a loan commitment to the Partnership of US$199,525,000.

The Second Investor has contributed US$83,125 of capital to the Partnership as a limited partner and has made a loan commitment to the Partnership of US$34,916,875.

Amounts attributable to the General Partner

The General Partner is entitled to a priority profit share in accordance with the Partnership Agreement for its services as the General Partner. The General Partner's outstanding priority profit share entitlement as at 31 December 2014 is US$nil (2013: US$nil) after being allocated and paid US$354,846 (2013: US$475,756) during the year.

The priority profit share will rank as a first charge on net income in any accounting period. If net income in any accounting period is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over capital losses in that accounting period in respect of the amount unsatisfied out of net income.

The General Partner's allocations are expensed through the Profit and Loss Account.

Report of the General Partner (continued)

Taxation

As a limited partnership, the taxation payable on profits is the liability of the partners and accordingly no charge for taxation appears in the financial statements.

Going Concern

On 8 November 2013 (being twelve years since the formation of the Partnership), the Partnership was due to terminate. However, in accordance with the provisions of the Partnership Agreement, the life of the Partnership may be extended at the sole discretion of the General Partner by up to two additional one year periods. The General Partner previously extended the Partnership for the first of these one year periods.

During the year, the General Partner has extended the Partnership for the second one year period, extending the Partnership to 8 November 2015. Any further extension will require the consent of the limited partners. The General Partner expects that the Limited Partners will consent to an extension for a further year based on indications they have provided. Accordingly the financial statements are prepared on a going concern basis.

Auditors

Ernst & Young LLP resigned as auditor during the year and the General Partner appointed PricewaterhouseCoopers LLP as the Partnership's auditor beginning the year ending 31 December 2014.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and the General Partner has reappointed them.

By Order of the General Partner:

PA Davies
For and on behalf of the General Partner
30 March 2015

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

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

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the directors of the General Partner at the date the Report of the General Partner is approved:

- so far as the directors are aware there is no relevant audit information of which the Partnership's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GLOBAL FUND OF FUNDS I L.P.

Report on the financial statements

Our opinion

In our opinion, Henderson Global Fund of Funds I L.P.'s financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2014 and of its loss 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

Henderson Global Fund of Funds I L.P.'s financial statements comprise:

- the Balance Sheet as at 31 December 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

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, 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of the General Partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partner was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON GLOBAL FUND OF FUNDS I L.P.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of General Partner's Responsibilities in respect of the financial statements set out on page 6, the General Partner is 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 opinion, has been prepared for and only for the Members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partner's 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 and Financial Statements 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
30 March 2015

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 US$	Restated Year ended 31 December 2013 US$
Investment income	2	1,101,371	1,736,921
Interest receivable		7	963
Administrative expenses	3	(438,461)	(550,781)
Foreign exchange gain/(loss)		12,342	(5,709)
NET INCOME		675,259	1,181,394
Realised gain on sale of investments	4	8,793,877	13,897,402
Unrealised losses on investments	4	(12,776,722)	(11,240,955)
NET CAPITAL (LOSS)/GAIN		(3,982,845)	2,656,447
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(3,307,586)	3,837,841
ALLOCATION TO:			
Founder Partners		(165,379)	191,892
Limited Partners		(3,142,207)	3,645,949
		(3,307,586)	3,837,841

All results derive from continuing operations.

There are no recognised gains or losses other than those included in the (loss)/profit above and, therefore, no Statement of Total Recognised Gains and Losses has been presented.

There is no material difference between the (loss)/profit for the financial year and the historic cost equivalent.

The notes on pages 12 to 22 form an integral part of these financial statements.

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PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2014

	Note	Year ended 31 December 2014 US$	Restated Year ended 31 December 2013 US$
Investment income	2	1,101,371	1,736,921
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The notes on pages 12 to 22 form an integral part of these financial statements.

BALANCE SHEET
As at 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
FIXED ASSETS			
Investments	4	26,522,572	46,721,362
CURRENT ASSETS			
Cash at bank and in hand		2,762,673	10,182,304
Debtors	5	14,966	4,871
		2,777,639	10,187,175
CREDITORS: amounts falling due within one year	6	(26,330)	(27,070)
NET CURRENT ASSETS		2,751,309	10,160,105
NET ASSETS		29,273,881	56,881,467
REPRESENTED BY:			
Equity			
Capital contribution account	9	587,500	587,500
Capital account	9	28,686,381	56,293,967
TOTAL PARTNERS' FUNDS	8,9	29,273,881	56,881,467

The notes on pages 12 to 22 form an integral part of these financial statements.

Approved by:

P.A. Davies

PA Davies
For and on behalf of the General Partner
30 March 2015

CASH FLOW STATEMENT

For the year ended 31 December 2014

	Note	31 December 2014 US$	Restated 31 December 2013 US$
Net cash outflow from operating activities	7	(449,289)	(551,522)
Net cash flow from returns on investments and servicing of finance			
Dividend income received		1,101,371	1,736,921
		1,101,371	1,736,921
Net cash flow from investment activities			
Payments made to acquire investments	4	(99,303)	(465,187)
Proceeds from investments realised	4	16,315,248	27,467,817
		16,215,945	27,002,630
Net cash flow from financing activities			
Distributions to Limited Partners	8	(23,085,000)	(27,890,911)
Distributions to Founder Partners	8	(1,215,000)	(1,467,943)
		(24,300,000)	(29,358,854)
Decrease in cash in the year		(7,431,973)	(1,170,825)

	31 December 2014 US$	31 December 2013 US$
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January	10,182,304	11,358,838
Decrease in cash in the year	(7,431,973)	(1,170,825)
Net foreign exchange gain/(loss)	12,342	(5,709)
Net funds at 31 December	2,762,673	10,182,304

The notes on pages 12 to 22 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

The financial statements are presented in US Dollars being the operational currency in which the Partnership conducts the majority of its investment activities.

On 8 November 2013 (being twelve years since the formation of the Partnership), the Partnership was due to terminate. However, in accordance with the provisions of the Partnership Agreement, the life of the Partnership may be extended at the sole discretion of the General Partner by up to two additional one year periods. The General Partner previously extended the Partnership for the first of these one year periods.

During the year, the General Partner has extended the Partnership for the second one year period, extending the Partnership to 8 November 2015. Any further extension will require the consent of the Limited Partners. The General Partner expects that the Limited Partners will consent to an extension for a further year based on indications they have provided. Accordingly the financial statements are prepared on a going concern basis.

Restatement of opening balances

In accordance with the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008, the Partnership is deemed to be a Qualifying Limited Partnership. This has resulted in the financial statements being prepared in accordance with United Kingdom Generally Accepted Accounting Practice and a restatement of opening balances. The balances that have been restated are as follows:

- Administrative expenses have increased by $475,756 as the General Partner Priority Profit Share is now expensed through the Profit and Loss Account, where in the prior year it was debited to the Capital Account; and

- Investment valuations have been adjusted to reflect the 31 December 2013 valuations received from the underlying fund investments. As noted in the prior year accounts, the majority of the portfolio was valued using valuation data as at 30 September 2013. The effect of this is a $2,588,654 increase in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

Valuation and recognition of investments

Investments are initially recognised and subsequently derecognised on the trade date where the purchase or sale of the asset is under contract. Investments are derecognised only when the contractual rights to the cash flows from the asset expires, or when it transfers the asset and substantially all the risks and rewards of ownership of the asset to another entity.

Investments are valued by the General Partner in accordance with the valuation principles set out in the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines, which require investments to be held at fair value.

Investments held in private equity funds are valued in accordance with the Partnership's share of the reported net asset value of each respective fund based on the information contained in the latest fund valuation report prepared by the third party fund manager and received by the General Partner at the date of this report providing that this is consistent with the principle of fair value.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Income recognition for investments

Income distributions receivable from fund investments are recognised on an accruals basis and are recorded as income in the profit and loss account in the year.

Capital repayments from direct investments and capital distributions from fund investments are recorded as a deduction to the cost of the investment with any gain or loss on disposal relative to the initial cost of the investment recognised as a realised gain or loss in the profit and loss account in the year. Upon disposal of an investment, the cumulative value of any unrealised gain or loss recognised in previous years is written back through the profit and loss account. The realised gain or loss recognised in the profit and loss account represents the gain or loss relative to the initial cost of the investment rather than the brought forward fair value.

Unrealised gains or losses on revaluation of investments are recognised in the profit and loss account.

Interest income

Interest income is recognised on an accruals basis.

Foreign exchange

Transactions in currencies other than US Dollars are translated at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated at the closing rate of exchange at the year end.

Taxation

No provision for taxation is made in these financial statements. The Partnership is not a taxable entity. Partners will be responsible for their own taxation liability according to their own circumstances.

General Partner allocations

The General Partner is entitled to an annual share of the Partnership's profits calculated by reference to the total partner commitments to the Partnership, adjusted for the acquisition cost of investments which have been realised and the proceeds returned to the Partners. This share will rank as a first charge on net income in any accounting year. If net income in any accounting year is less than the General Partner's share, then it will rank as a first charge on any surplus of realised capital gains over capital losses in that accounting year in respect of the amount unsatisfied out of net income.

The General Partner's allocations are expensed through the Profit and Loss Account.

Allocation and distribution of profits

Every partner has an interest in every asset of the Partnership and accordingly all net income and capital gains of the Partnership remaining after the allocation of the General Partner's share shall be allocated between the partners in proportion to their contributions.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES (continued)

Allocation and distribution of profits

All income and realised capital proceeds of the Partnership shall be distributed in the following order of priority (after the payment of the expenses and liabilities of the Partnership):

- First, in payment of the General Partner's outstanding profit share;

- Second, to the Limited Partners pro-rata to the amount of their respective commitments, until the Limited Partners have been repaid their outstanding loans;

- Third, in paying the Preferred Return, being the daily amount of the outstanding loan commitments of the Partnership compounded at an annual rate of 8%, to the Limited Partners pro-rata to their respective

- Fourth, to the Founder Partners (pro-rata to their respective capital contributions), until it has received an amount equal to 5% of the cumulative distributions of net income and realised capital proceeds distributed in accordance with the Partnership Agreement;

- Fifth, thereafter in paying any further sums arising from income or capital gains such that 5% of any distribution is allocated to the Founder Partner and 95% to the Limited Partners pro-rata to their respective capital contributions; and

- Finally, at the end of the life of the Partnership, any balance remaining after the payments referred to above in repayment of capital contribution made by the partners in accordance with the Partnership Agreement.

In respect of cumulative unrealised gains, where the Preferred Return has been exceeded, the amount that would become payable to the Founder Partners in the event of crystallisation of the investment portfolio, in accordance with the above allocation of profits, has been allocated to the Founder Partners' capital account. Where the Founder Partners have been allocated these gains in a prior accounting year but the value of the investments have fallen in the current accounting year, the relevant amount is written back through the Founder Partners' capital account in that year.

As the Preferred Return has now been exceeded, the Founder Partners are entitled to receive 5% of all distributions made by the Partnership. As the Founder Partners share all the same risks as the Limited Partners, they are entitled to an allocation of all profits and losses of the Partnership as a Limited Partner. Accordingly amounts due to the Founder Partner are treated as allocations of profits through the Partners' Funds rather than expensed through the Profit and Loss Account.

Treatment of partners' funds

Upon distribution of surplus capital to the limited partners, the Partnership Agreement stipulates that the repayment of the loan capital of the limited partners ranks above the distribution of surplus capital gains or income. All distributions must be utilised to satisfy the repayment of the Partners' loan contributions. As the loan contributions represent a contractual obligation of the Partnership to repay loan capital prior to the distribution of surplus income or capital gains, this element of capital is separately classified as debt within the financial statements. The loan contributions have been fully repaid in prior years.

NOTES TO THE FINANCIAL STATEMENTS

2. INVESTMENT INCOME

	2014 US$	2013 US$
Dividends receivable	1,101,371	1,736,921
	1,101,371	1,736,921

3. ADMINISTRATIVE EXPENSES

	2014 US$	Restated 2013 US$
Custody and administration charges	12,088	8,226
Services provided by the Partnership's auditors		
- Fees payable for the audit	14,238	14,500
Professional fees	16,185	4,611
Fund administration fee	41,104	47,688
Priority Profit Share	354,846	475,756
	438,461	550,781

4. INVESTMENTS

Movements in investments during the year were as follows:

	2014 US$	Restated 2013 US$
Opening cost	66,884,861	79,990,089
Additions	99,303	465,187
Disposals	(7,521,371)	(13,570,415)
Closing cost	59,462,793	66,884,861
Cumulative unrealised losses on investments	(32,940,221)	(20,163,499)
Closing fair value	26,522,572	46,721,362

Movements in investments relative to opening fair value were as follows:

	2014 US$	Restated 2013 US$
Opening fair value	46,721,362	71,067,545
Additions	99,303	465,187
Disposal proceeds	(16,315,248)	(27,467,817)
Realised gain on sale of investments relative to initial cost	8,793,877	13,897,402
Unrealised losses on investments held at the year end	(12,776,722)	(11,240,955)
Closing fair value	26,522,572	46,721,362

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENTS (continued)

Investment	Cost 31 Dec 2014 US$	Cumulative unrealised gains/(losses) US$	Fair value 31 Dec 2014 US$	Restated Fair value 31 Dec 2013 US$
2003 Riverside Capital Appreciation Fund	3,515,198	(3,346,205)	168,993	1,988,434
Abingworth Bioventures III	3,338,070	(2,378,517)	959,553	978,445
Apax Europe V, LP	7,485,969	(6,376,822)	1,109,147	1,384,827
Bain Capital VII Co-investment Fund	788,877	93,207	882,084	1,212,499
BC European Capital VII Top-up Fund	4,357,733	(4,219,832)	137,901	357,775
Bowmark Capital Partners III	3,132,664	(2,066,404)	1,066,260	3,006,410
Cape Natexis Private Equity Fund	1,782,535	(789,129)	993,406	1,087,535
Carlyle Partners III	62,633	(62,633)	-	15,597
Endeavour Capital Parallel Fund IV	1,723,773	(1,068,200)	655,573	3,412,918
General Catalyst Group II	2,000,156	(456,764)	1,543,392	1,397,835
Gores Capital Partners	3,223,482	(340,665)	2,882,817	4,177,406
Graphite Capital Partners VI	1,707,223	(509,563)	1,197,660	1,382,909
Gresham III	884,199	(836,101)	48,098	2,310,469
H.I.G Capital Partners III	2,718,915	(1,966,505)	752,410	2,377,463
Hummer Winblad Venture Partners V	8,024,562	(2,378,320)	5,646,242	6,448,362
Italian Partners Equity Fund IV	5,331,977	(4,619,300)	712,677	580,392
Nordwind Capital Partners I	414,299	(408,555)	5,744	212,357
PineBridge Sports & Entertainment Partners, L.P.	3,086,377	(2,890,049)	196,328	560,977
Sun Capital Partners III	2,006,639	(1,049,533)	957,106	1,084,895
Warburg Pincus International Partners	3,094,585	3,030,372	6,124,957	9,627,366
Waterland Private Equity Fund II	12,112	121,638	133,750	1,847,052
Willis Stein & Partners III	770,815	(422,341)	348,474	1,269,439
	59,462,793	(32,940,221)	26,522,572	46,721,362

In accordance with UK GAAP requirements, 2013 fair values have been restated to reflect the underlying investment managers valuations as at 31 December 2013. Per last years accounts the majority of the valuations were based on 31 September 2013 valuations. The effect of this is a $2,588,654 increase in the value of investments and a corresponding change to unrealised losses in the Profit and Loss Account.

NOTES TO THE FINANCIAL STATEMENTS

5. DEBTORS:

	2014 US$	2013 US$
Amounts due from Manager	106	4,871
Other debtors	14,860	-
	14,966	4,871

6. CREDITORS: amounts falling due within one year

	2014 US$	2013 US$
Custodian and administration fee accrual	3,370	3,370
Audit fee accrual	12,790	14,500
Professional fee accrual	10,170	9,200
	26,330	27,070

7. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 US$	Restated 2013 US$
Net income	675,259	1,181,394
Dividends receivable	(1,101,371)	(1,736,921)
(Increase)/decrease in debtors	(10,095)	106
Decrease in creditors	(740)	(1,810)
Foreign exchange (gain)/loss	(12,342)	5,709
Net cash outflow from operating activities	(449,289)	(551,522)

8. RECONCILIATION OF PARTNERS' FUNDS

	2014 US$	Restated 2013 US$
Opening Partners' Funds	56,881,467	82,402,481
(Loss)/profit attributable to partners	(3,307,586)	3,837,841
Distributions to Limited Partners	(23,085,000)	(27,890,911)
Distributions to Founder Partners	(1,215,000)	(1,467,943)
Closing Partners' Funds	29,273,881	56,881,467

NOTES TO THE FINANCIAL STATEMENTS

9. PARTNERS' FUNDS

	Henderson Equity Partners (GP) Limited	Henderson Global Fund of Funds (FP) L.P.	Private Capital Portfolio L.P.	AMP Life Limited	Henderson Fund Management Limited	TOTAL
	US$	US$	US$	US$	US$	US$
Capital contribution account						
Opening balance at 1 January 2014	-	19,094	475,000	83,125	10,281	587,500
At 31 December 2014	-	19,094	475,000	83,125	10,281	587,500
Income account						
Opening balance at 1 January 2014	-	-	-	-	-	-
Net income in the year	-	21,946	545,954	95,542	11,817	675,259
Distribution in the year	-	(21,946)	(545,954)	(95,542)	(11,817)	(675,259)
At 31 December 2014	-	-	-	-	-	-
Capital account						
Restated opening balance at 1 January 2014	-	1,829,555	45,514,271	7,964,997	985,144	56,293,967
Unrealised losses on investments	-	(415,243)	(10,330,116)	(1,807,770)	(223,593)	(12,776,722)
Realised gains on investments	-	285,801	7,109,943	1,244,240	153,893	8,793,877
Distribution in the year	-	(767,804)	(19,100,854)	(3,342,650)	(413,433)	(23,624,741)
At 31 December 2014	-	932,309	23,193,244	4,058,817	502,011	28,686,381
Total Partners' Funds as at 31 December 2014	-	951,403	23,668,244	4,141,942	512,292	29,273,881
Restated Total Partners' Funds as at 1 January 2014	-	1,848,649	45,989,271	8,048,122	995,425	56,881,467

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT

Financial assets comprise investments in private equity funds, cash and cash equivalents. Financial liabilities comprise trade and other payables and loan contributions made by the limited partners. The main risks arising from financial instruments are currency risk, market price risk, interest rate risk, credit risk and liquidity risk. Each of the risks are discussed in detail below.

Currency risk

Foreign currency risk is the risk that the Partnership will sustain losses through adverse movements in currency exchange rates.

The Partnership holds investments that are denominated in currencies other than US Dollar, the functional currency of the Partnership. The Partnership is therefore exposed to currency risk, as the value of the investments denominated in other currencies will fluctuate relative to changes in exchange rates. The Partnership's policy is not to enter into any currency hedging transactions to mitigate this risk as investments are held for medium term capital appreciation, with the overall capital return for limited partners being measured net of any currency exposure.

At the balance sheet date the Partnership had the following currency exposures:

	2014 US$	Restated 2013 US$
Investments		
Euro	3,092,625	5,469,939
Pounds Sterling	2,312,018	6,699,787
Commitments		
Euro	613,900	613,898
Pounds Sterling	381,152	381,152

The table below illustrates the impact on both the net assets and the net profit for the year of the Partnership of adjusting year end exchange rates on all financial assets and cash balances denominated in a currency other than US Dollars. All financial liabilities are denominated in US Dollars.

The General Partner believes 10% to be a reasonable estimate for the amount by which currency rates may move and accordingly below shows the potential impact on investments of a move in the rates of this amount.

	2014 US$	Restated 2013 US$
Euro exchange rate +/- 10%	309,263	546,994
Pounds Sterling exchange rate +/- 10%	231,202	669,979

Market price risk

Market price risk is the risk that a decline in the value of the investment portfolio adversely impacts the return generated by the Partnership.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Market price risk (continued)

The Partnership indirectly invests (through its investments) in a diverse investment portfolio, consisting of investments in both quoted and unquoted investments, which are susceptible to market price risk arising from uncertainties relating to future prices. The Partnership's market price risk is managed through diversification of the investment portfolio. None of the other assets of the Partnership are considered to be exposed to market price risk.

The General Partner believes 10% to be a reasonable estimate for the amount by which the market may increase or decrease during the year, based on the current level of volatility observed and market expectations for the future movement. A 10% movement in the fair value of the investment portfolio would lead to an increase or decrease in both the net assets and the net result for the year of the Partnership of US$2,652,257 (2013: US$4,672,136).

Interest rate risk

Interest rate risk is the risk that the Partnership will sustain losses from adverse movements in interest bearing assets and liabilities. As the Partnership has limited exposure to interest bearing assets and liabilities due to the nature of the investments, the General Partner does not provide a sensitivity analysis in these financial statements.

Credit risk

Credit risk is the risk of a counterparty of the Partnership being unable to pay amounts due to the Partnership in full when due.

The Partnership is exposed to credit risk in relation to outstanding loan contributions from its limited partners and cash or liquidity funds held on deposit.

Loan commitments are made under the Partnership Agreement, which is signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance. There have been no defaults on the commitments to date.

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying investments, except in order to cover operating expenses which they are to incur. This has the effect of further reducing credit risk.

Cash at bank and on deposit is held with financial institutions with good credit ratings.

None of the financial assets of the Partnership were past due or impaired as at 31 December 2014 (2013: US$nil) and no drawn loan commitments due from partners were outstanding as at 31 December 2014 (2013: US$nil).

The Partnership's maximum exposure to credit risk at the balance sheet date was US$6,672,330 (2013: US$14,091,961) representing the amount shown as cash at bank at the balance sheet date and the undrawn commitments on fund investments held at 31 December 2014.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Partnership may be unable to meet its payment obligations as they fall due.

The investment strategy of the Partnership is to hold investments for the medium to long term for capital appreciation and receipt of income. The nature of the underlying investments made are also for medium term capital appreciation and hence, the ability of the Partnership to raise liquidity by realising stakes in underlying investments is limited. As a result, the Partnership is subject to certain liquidity risks. The liquidity risk is mitigated through the management of partners' capital to meet any short term liquidity needs. All administrative expenses and other financial commitments of the Partnership are relatively stable in nature and hence liquidity needs can be accurately forecast by the General Partner.

Creditors of US$26,330 (2013: US$27,070) are payable within 30 days or on demand. Partners' loan commitments are only repayable upon termination of the Partnership and, hence, have no contracted repayment date. Loan contributions and all other creditors are non interest bearing.

Valuation hierarchy

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Unadjusted quoted prices for assets trading in active markets (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable from existing market data (Level 2);
- Inputs that are not based on observable market data (unobservable inputs) (Level 3).

At 31 December 2014

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Investments	-	-	26,522,572	26,522,572
Financial assets	-	-	26,522,572	26,522,572

At 31 December 2013

	Level 1 US$	Level 2 US$	Level 3 US$	Restated Total US$
Investments	-	-	46,721,362	46,721,362
Financial assets	-	-	46,721,362	46,721,362

The Partnership primarily invests in private equity via limited partnerships or other fund structures. Such vehicles are typically unquoted and in turn invest in primarily unquoted securities. The Partnership's investment portfolio is recognised in the balance sheet at fair value, in accordance with IPEVC Valuation Guidelines.

NOTES TO THE FINANCIAL STATEMENTS

10. FINANCIAL RISK MANAGEMENT (continued)

Valuation hierarchy (continued)

The movement in assets classified as Level 3 in the hierarchy during the year was as follows:

	2014 Level 3 US$	Restated 2013 Level 3 US$
Valuation brought forward	46,721,362	71,067,545
Additions	99,303	465,187
Disposals	(16,315,248)	(27,467,817)
Fair value (losses)/gains	(3,982,845)	2,656,447
Valuation carried forward	26,522,572	46,721,362

Transfers

During the year there were no transfers between levels 1, 2 or 3 (2013: Nil).

11. INVESTMENT COMMITMENTS

Undrawn outstanding commitments on fund investments held at 31 December 2014 were US$16,221,341 (2013: US$16,320,644).

Each of the underlying investments has reached the end of the investment period and are nearing the end of their respective fund lives. Therefore, further amounts are unlikely to be drawn by the underlying investments, except in order to cover operating expenses which they are to incur.

In the event of a shortfall in limited partner commitments to cover investment commitments, the outstanding investments commitments will be covered by distributions received from investments.

12. LIMITED PARTNERS' COMMITMENTS

Under the terms of the Partnership Agreement, as at 31 December 2014, US$231,119,718 (2013: US$231,119,718) has been drawn down by the General Partner. An amount of up to US$3,909,657 (2013: US$3,909,657) may be drawn down by the General Partner to meet future investment commitments and liabilities of the Partnership.

13. RELATED PARTY TRANSACTIONS

Priority profit share payable to the General Partner during the year was US$354,846 (2013: US$475,756). The amount outstanding in respect of the priority profit share at the year end date was US$nil (2013: US$nil).

Transactions with each of the Limited Partners during the year and the amounts due to each Limited Partner at the balance sheet date are disclosed in note 9 to the financial statements.

HGP2 Limited, a fellow group company of the General Partner, provides fund administration services to the Partnership. The fund administration fee for the year was US$41,104 (2013 US$47,688). No amounts were owed to HGP2 Limited as at 31 December 2014 (2013:US$nil).

The amounts due from Manager at 31 December 2014 are US$106 (2013: US$4,871).

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company does not have an ultimate controlling party.