

Registered number. 2450886

AAC Capital Partners UK (Holdings) Limited

Report and Financial Statements

31 December 2011

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COMPANIES HOUSE

AAC Capital Partners UK (Holdings) Limited

Registered No 2450886

Director

B Lawson (appointed 26 September 2011)

P G Southwell (resigned 26 September 2011)

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

National Westminster Bank Plc
St Paul's Branch
98 St Paul's Churchyard
London
EC4M 8BU

Registered Office

1 Carey Lane
London
EC2V 8AE

Directors' report

The directors present their report and financial statements for the year ended 31 December 2011

Results and dividends

The loss for the year, after taxation, amounted to £22,166 (2010 Loss of £16,855) The directors do not recommend payment of a dividend (2010 Nil)

Principal activity and business review

The company's principal activity is that of an intermediate holding company in the AAC Capital Partners Group ("the Group") The group provides investment management and advisory services to a number of private equity funds

On 26 September 2011 AAC Capital Partners Ltd, a 100 % subsidiary of AAC Capital Partners UK (Holdings) ceased to provide investment management administration and any other services for AAC UK Buy Out Fund LP and AAC Private Equity Fund LP Also on that date AAC Capital Partners Management BV terminated the advisory and administration agreement with the company On 30 September all employment contracts were terminated The consequence of this is that the company will not have funds under management anymore and therefore will not receive management fee and directors income or incur any expenses anymore as from that date Expenses incurred by the company will thus be on-charged to other entities

AAC Capital Partners Holding BV is the ultimate shareholder of AAC Capital Partners UK (Holdings) Ltd

The director is satisfied with the result for the year and are moderately optimistic about the future of the Company

Principal risks and uncertainties

The Group is committed to reviewing risks to its business and the potential effects of market and industry changes on an ongoing basis The directors are responsible for this review and continue to implement a number of controls to mitigate potential risks to the Company

The Group's income represents investment management and advisory fees, which the directors also consider to be a key performance indicator

The principal risks and uncertainties facing the Group are broadly identified as operational risks and regulatory risks The group has extensive operational controls and checks in place to monitor operational risks, including dedicated risk management and operational risk functions

Directors

The director who was in office during the year is as follows

B Lawson (appointed 26 September 2011)

P G Southwell (resigned 26 September 2011)

Future developments

In the year ahead the group will continue to act as an intermediate holding company in the AAC Capital Partners Group ("the Group")

Events since balance sheet date

There are no significant post balance sheet events

Going concern

After making enquiries, the director is of the opinion that the Company has adequate resources to continue in the operational business for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements

Directors' report (continued)

Disclosure of information to the auditors

So far as each person who was director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

An elective resolution was passed on 21 December 1998 dispensing with the requirement to appoint auditors annually and, therefore, Ernst & Young LLP are deemed to continue as auditors.

By order of the board



B Lawson

Director

25 April 2012

Statements of directors' responsibilities

The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the 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 those financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records that are sufficient and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to 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.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the member of AAC Capital Partners UK (Holdings) Limited

We have audited the financial statements of AAC Capital Partners UK (Holdings) Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- Give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the member of AAC Capital Partners UK (Holdings) Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- The financial statements are not in agreement with the accounting records and returns, or
- Certain disclosures of directors' remuneration specified by law are not made, or
- We have not received all the information and explanations we require for our audit

Ernst & Young LLP

Ashley Coups (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
25 April 2012

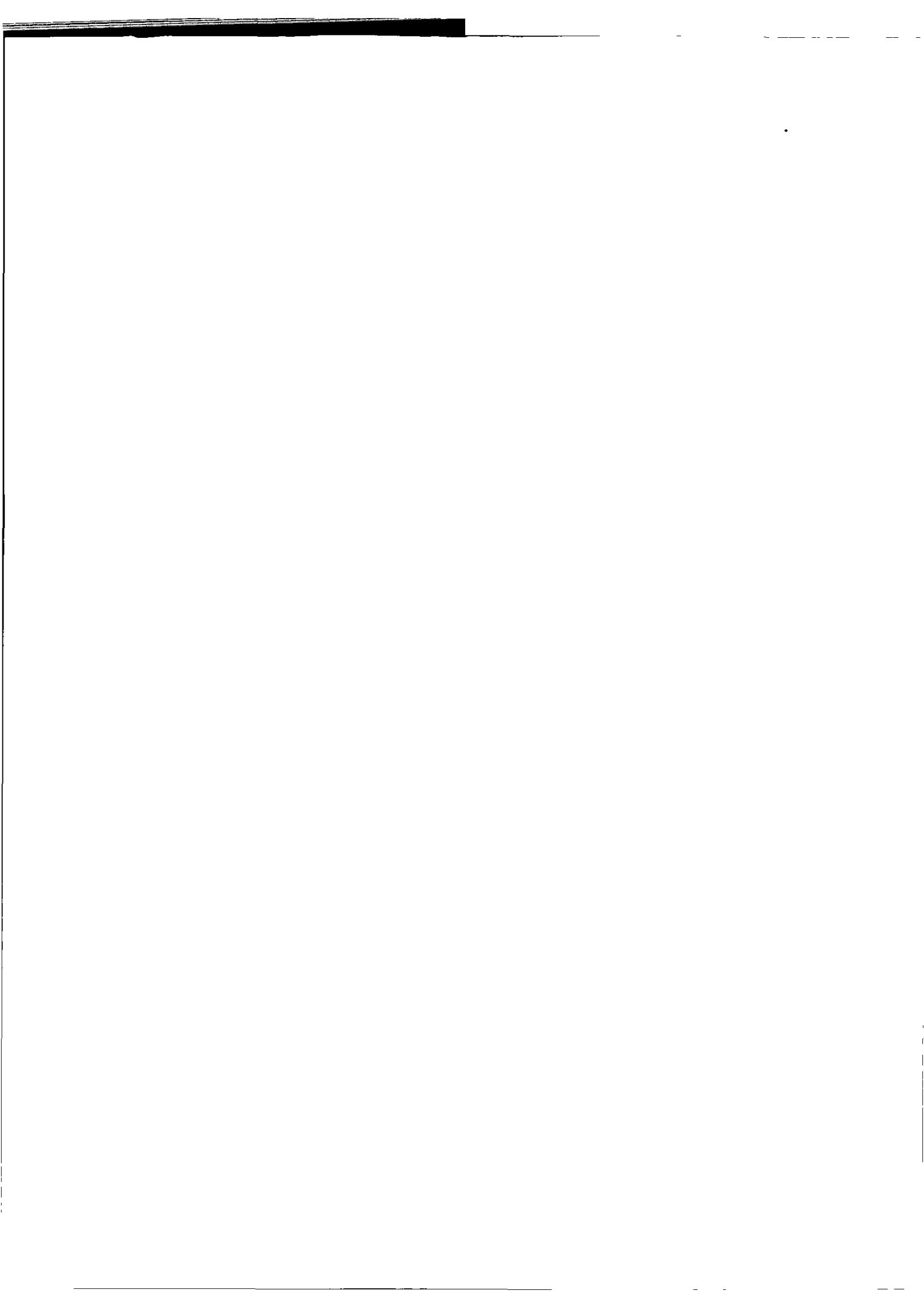
Profit and loss account

for the year ended 31 December 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
<i>Investment income</i>	2	1,946	-
Operating expenses	3	<u>(24,135)</u>	<u>(23,409)</u>
<i>Loss on ordinary activities before taxation</i>		(22,189)	(23,409)
Tax credit on loss on ordinary activities	5	23	6,554
<i>Loss on ordinary activities after taxation</i>		<u>(22,166)</u>	<u>(16,855)</u>
<i>Loss for the year</i>		<u><u>(22,166)</u></u>	<u><u>(16,855)</u></u>

All losses and profits arose from continuing activities

Notes 1 to 14 form part of these financial statements



Statement of total recognised gains and losses

for the year ended 31 December 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
Loss for the year		(22,166)	(16,855)
Revaluation of investment in subsidiaries	6	(1,872,904)	1,569,411
<i>Total recognised gains related to the year</i>		<u>(1,895,070)</u>	<u>1,552,556</u>

Notes 1 to 14 form part of these financial statements

Balance sheet

at 31 December 2011

	<i>Notes</i>	<i>2011</i> £	<i>2010</i> £
<i>Fixed assets</i>			
Investments	6	<u>1,054,677</u>	<u>2,927,581</u>
<i>Current assets</i>			
Debtors	7	1,194,132	466,737
Cash at bank and in hand		<u>9,573</u>	<u>758,395</u>
		1,203,705	1,225,132
<i>Creditors</i> : amounts falling due within one year	8	<u>(22,183)</u>	<u>(21,444)</u>
<i>Net current assets</i>		<u>1,181,522</u>	<u>1,203,688</u>
<i>Total assets less current liabilities</i>		2,236,199	4,131,269
<i>Net assets</i>		<u><u>2,236,199</u></u>	<u><u>4,131,269</u></u>
<i>Capital and reserves</i>			
Called-up share capital	9, 10	61,082	61,082
Share premium account	10	215,315	215,315
Capital redemption reserve	10	20,982	20,982
Revaluation reserve	10	974,066	2,846,970
Profit and loss account	10	964,754	986,920
<i>Shareholders' funds</i>		<u><u>2,236,199</u></u>	<u><u>4,131,269</u></u>

Notes 1 to 14 form part of these financial statements

The financial statements were approved by the Board of Directors and authorised for issue on its behalf by



B Lawson

Director

25 April 2012

Registered number 2450886

Notes to the financial statements

at 31 December 2011

1. Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with applicable UK accounting standards

In accordance with Section 400(1) of the Companies Act, 2006, the Company has not prepared consolidated financial statements AAC Capital Partners Holding BV is the parent undertaking of the Group of undertakings for which group financial statements are prepared and of which the Company is a member

Fixed asset investments

Fixed asset investments are shown at cost except where, in the opinion of the directors, their net asset value differs materially from cost as this is the director's estimate of fair value The difference is taken to the revaluation reserve

Revaluation reserve

Surpluses/deficits arising on the revaluation of individual fixed asset investments are credited/debited to a non-distributable revaluation reserve (see notes 6 and 10) Revaluation deficits in excess of the amount of prior revaluation surpluses on the same asset are charged to the profit and loss account On the disposal of a revalued fixed asset investment, any remaining revaluation surplus corresponding to the item is transferred to the profit and loss account as a movement in reserves

Taxation

Corporation tax payable is provided on taxable profits at the current rate

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted Timing differences are differences between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date

Cash flow statement

The Company has not produced a cash flow statement, as it has taken advantage of the exemption granted by Financial Reporting Standard No 1 for wholly owned subsidiary undertakings of a parent company The Company's ultimate parent undertaking is AAC Capital Partners Holding B V , a company registered in The Netherlands, whose consolidated financial statements include a consolidated cash flow statement dealing with the cash flows of the group

Notes to the financial statements (continued)

at 31 December 2011

2. Investment income

	2011 £	2010 £
Investment income comprises		
Bank interest	1,946	-
	<u>1,946</u>	<u>-</u>

3. Operating profit

Operating profit is stated after charging

	2011 £	2010 £
Audit fee	15,118	15,140
Other professional fees	8,250	7,600
Bank charges	741	697
Exchange losses	26	(28)
	<u>24,135</u>	<u>23,409</u>

4. Employees

The company has no employees and there are no management charges to the company (2010 same)

5. Tax on profit on ordinary activities

(a) Analysis of the tax charge for the year

	2011 £	2010 £
Current tax on loss for the year at 26.5%	-	(6,554)
Overprovision in respect of prior year	(23)	-
Tax credit on loss on ordinary activities	<u>(23)</u>	<u>(6,554)</u>

Notes to the financial statements (continued)

at 31 December 2011

(b) Factors affecting the tax charge for the year

The tax assessed for the period is different from the standard rate of corporation tax in the UK 26.5% (2010 28%). The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	<u>(22,189)</u>	<u>(23,409)</u>
Loss on ordinary activities multiplied by standard rate of UK corporation tax of 26.5% (2010 28%)	(5,880)	(6,554)
Effects of		
Unutilised loss carried forward	5,880	-
Adjustment in respect of prior years	<u>(23)</u>	<u>(23)</u>
Current tax credit for the year – note 5 (a)	<u>(23)</u>	<u>(6,554)</u>

(c) Deferred taxation

There is an unrecognised deferred tax asset of £5,547 relating to losses (valued at 25%). The asset has not been recognised due to uncertainty about future profits

Notes to the financial statements (continued)

at 31 December 2011

6. Fixed assets investments	<i>2011</i>	<i>2010</i>
	£	£
Subsidiary undertakings	<u>1,054,677</u>	<u>2,927,581</u>

As at 31 December 2011 the Company had the following subsidiary undertakings in the proportion of equity capital shown below

<i>Trading companies</i>		<i>Activities</i>
AAC Capital Partners (Guernsey) Limited	100%	Management of private equity
AAC Capital Partners Limited	100%	funds and the provision of financial advice

AAC Capital Partners (Guernsey) Limited is registered and operates in Guernsey AAC Capital Partners Limited is registered and operates in England and Wales

All subsidiary undertakings have taken advantage of the exemption from disclosing certain related party transactions in accordance with Financial Reporting Standard 8 (related parties)

	<i>2011</i>	<i>2010</i>
	£	£
<i>Cost</i>		
As at beginning of year	80,603	80,603
Disposals at cost	-	-
As at end of year	<u>80,603</u>	<u>80,603</u>
<i>Revaluation surplus</i>		
As at beginning of year	2,846,978	1,277,567
Movement for the year	(1,872,904)	1,569,411
As at end of year	<u>974,074</u>	<u>2,846,978</u>
<i>Net book value</i>		
As at beginning of year	<u>2,927,581</u>	<u>1,358,170</u>
As at end of year	<u>1,054,677</u>	<u>2,927,581</u>

In accordance with section 400(1) of The Companies Act 2006, the Company is not required to prepare and deliver group financial statements as it is a subsidiary undertaking of an EEA parent, ultimately AAC Capital Partners Holding BV

7. Debtors

	<i>2011</i>	<i>2010</i>
	£	£
Amounts owed by group undertakings	1,194,132	460,183
Accrued bank interest	-	-
Group relief receivable	-	6,554
	<u>1,194,132</u>	<u>466,737</u>

Notes to the financial statements (continued)

at 31 December 2011

8. Creditors

	2011 £	2010 £
Accrued audit fees	17,333	17,621
UK corporation tax payable	-	23
Accrued E&Y tax services	4,850	3,800
	<u>22,183</u>	<u>21,444</u>

9. Called up share capital

	2011 £	2010 £
Authorised Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Alotted, called-up and fully paid Ordinary shares of £1 each	<u>61,082</u>	<u>61,082</u>

10. Reconciliation of movement in shareholders' funds

	Called up share capital £	Share premium account £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
As at 31 December 2010	61,082	215,315	20,982	2,846,970	986,920	4,131,269
Loss for the year	-	-	-	-	(22,166)	(22,166)
Revaluation of investments in subsidiary undertakings	-	-	-	(1,872,904)	-	(1,872,904)
As at 31 December 2011	<u>61,082</u>	<u>215,315</u>	<u>20,982</u>	<u>974,066</u>	<u>964,754</u>	<u>2,236,199</u>

Of the total reserves shown in the balance sheet the following amounts are regarded as distributable and non distributable

	2011 £	2010 £
<i>Distributable</i>		
Profit and loss account	964,754	986,920
<i>Non-Distributable</i>		
Capital redemption reserve	20,982	20,982
Share premium account	215,315	215,315
Revaluation reserve	974,066	2,846,970
	<u>2,175,117</u>	<u>4,070,187</u>

Notes to the financial statements (continued)

at 31 December 2011

11. Transactions with related parties

In accordance with Financial Reporting Standard 8, 'Related Party Disclosures', the Company has taken advantage of the exemptions from disclosure on the grounds that it is a wholly owned subsidiary of AAC Capital Partners Holdings BV

12. Guarantees and other financial commitments

There were no guarantees or other financial commitments outstanding as at 31 December 2011 (2010 nil)

13. Ultimate parent company

AAC Capital Partners Holding BV, a company registered in The Netherlands, is the ultimate parent undertaking and controlling party of the Company. The financial statements of AAC Capital Partners Holding BV are available at its registered office.

14. Post balance sheet events

There are no post balance sheet events which require disclosure in the financial statements