DOGMER 4 LIMITED

Annual Report and Financial Statements
for the year ended 31 March 2017

Registered number: 06092715

DIRECTORS
M J Block
S M Bough
N J Humphries

SECRETARY
A Jessop

TRUSTEES
J R H Kitching
L Wilding

AUDITOR
Deloitte LLP
2 New Street Square
London
EC4A 3BZ

REGISTERED OFFICE
2 More London Riverside
London
SE1 2AP

STRATEGIC REPORT

The directors present their report and audited financial statements for the year ended 31 March 2017.

BUSINESS AND STRATEGY
Dogmer 4 Limited ("the Company") is a member of HgCapital LLP ("LLP"), a limited liability partnership. LLP and its subsidiaries provide investment management services to the European private equity market.

PRINCIPAL ACTIVITY, BUSINESS REVIEW AND KEY PERFORMANCE INDICATORS
The Company provides finance services to LLP in return for which it receives a share of the LLP's profits. The receipt of the share of LLP's profits is what the directors consider to be the Company's key performance indicator. The over-riding risk to the Company is therefore the loss of this relationship or a significant deterioration in LLP's business which might prevent the Company from meeting its liabilities as they fall due. Based on the growth and success of LLP's business, the directors are satisfied that the probability of this occurring is very low. The loss after taxation for the year is £1,335,000 (2016: profit of £3,917,000).

RISK ASSESSMENT
The Company is exposed to a variety of financial and operational risks as detailed below:

Liquidity and cash flow risk
The Company's Board actively reviews the liquidity position on a regular basis to ensure the Company is always in a position to meet its liabilities and commitments on a timely basis.

Interest rate risk
At the balance sheet date, the Company has a significant proportion of its assets held in interest-bearing bank accounts. As such, the Company's revenues and assets are subject to interest rate risk to the extent that the cash rate falls over any given period. The Board does not consider it necessary to hedge the Company's exposure to interest rate risk with respect to its assets.

At the balance sheet date, the Company also has a material interest-bearing loan (£43.0 million principal outstanding (2016: £56.0 million)) which is subject to a floating interest rate. This floating interest rate may fluctuate substantially and expose the Company to cash flow interest risks. The Board has deemed it appropriate to limit the impact of interest fluctuations over the term of the facility by entering into an amortising interest rate cap transaction.

The Board reviews this position on an ongoing basis to take into consideration any change in the Company's exposure to interest rate risk.

Credit and counterparty risk
The Company holds a significant portion of its assets in interest-bearing bank accounts with financial institutions, giving rise to a direct exposure should such an institution be unable or unwilling to repay capital and/or interest on funds provided to it. The Company's interest-bearing bank accounts and derivative financial instruments are only held with counterparties which have credit ratings that the Board considers to be adequate, and the credit quality and financial position of such counterparties are regularly monitored. The credit quality of the above-mentioned financial assets was deemed satisfactory throughout the year and as at the date of this report.

Operational risk
The business is subject also to risks associated with the tax and regulatory regimes within which its business operates. The Board engages consultants where necessary to ensure their understanding of current and impending laws and regulations is sufficient.

The Company is covered by insurance policies which are reviewed and renewed on an annual basis.

Approved by the Board and signed on its behalf by:

S M Bough
Director
13 December 2017

DIRECTORS' REPORT

GOING CONCERN

The Company's business activities together with the factors likely to affect its future development and performance are set out in the strategic report. The current year net loss is a result of timing differences on income allocated from LLP and tax payable thereon.

The Company has sufficient financial resources together with an ongoing relationship with LLP. As a consequence, the directors believe that the Company is well placed to manage its business risks (disclosed in the Strategic Report on page 2), and the directors have a reasonable expectation that the Company has adequate resources and support to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

DIVIDEND

No interim dividend was declared during the year (2016: £nil). Subsequent to the end of the financial year, the directors have proposed a final dividend of £2,000 (2016: £2,000).

DIRECTORS

The names of the directors who served during the year, and up to the date of this report are as follows:

M J Block
S M Bough
N J Humphries

No directors' emoluments were paid during the year.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

In accordance with a policy entered into by a related party, LLP, the Company has maintained throughout the year directors' and officers' liability insurance in respect of itself and its directors in their capacity as directors and officers of the Company.

AUDITOR

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

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

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

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

Approved by the Board and signed on its behalf by:

S M Bough
Director
13 December 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOGMER 4 LIMITED

We have audited the financial statements of Dogmer 4 Limited ("the Company") for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 16. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

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 March 2017 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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.

Garrath Marshall (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
13 December 2017

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2017

	Notes	2017 £'000	2016 £'000
Turnover			
Profit distribution receivable	2	14,544	27,137
Operating expenses		(465)	(880)
Operating profit	3	14,079	26,257
Interest receivable		1	1
Interest payable		(2,059)	(3,517)
Unrealised (loss)/gain on derivative financial	7	(143)	146
Investment impairment	6	(10,700)	(14,423)
Profit on ordinary activities before taxation		1,178	8,464
Tax charge on profit on ordinary activities	5	(2,513)	(4,547)
(Loss)/profit for the year		(1,335)	3,917

All amounts are in respect of continuing activities.

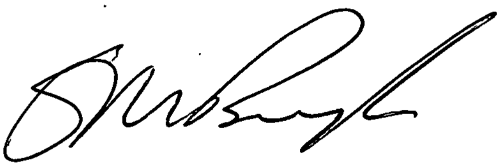
There are no recognised gains or losses other than the loss attributable to the shareholders of the Company. Accordingly, no Statement of Other Comprehensive Income is presented.

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

BALANCE SHEET
at 31 March 2017

	Notes	2017 £'000	2016 £'000
Fixed assets			
Investments	6	42,983	53,683
Derivative Financial Instruments	7	38	181
		43,021	53,864
Current assets			
Prepayments and accrued income		14	-
Deferred tax asset	8	1,603	1,202
Cash at bank		1,412	3,747
		3,029	4,949
Creditors: amounts falling due within one year	9	(1,453)	(318)
Net current assets		1,576	4,631
Creditors: amounts falling due after more than one year	10	(42,379)	(54,940)
Total net assets		2,218	3,555
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		2,218	3,555
Shareholders' funds		2,218	3,555

The financial statements of Dogmer 4 Limited (registered number 06092715) were approved by the Board of Directors and authorised for issue on 13 December 2017. They were signed on its behalf by:



S M Bough
Director
13 December 2017

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
at 31 March 2017

	2017 *Ordinary share capital* *£'000*	*2017* *Profit and loss account* *£'000*	*2017* *Total shareholder funds* *£'000*	*2016* *Total shareholder funds* *£'000*
Balance at 1 April	-	3,555	3,555	(362)
(Loss)/profit after taxation	-	(1,335)	(1,335)	3,917
Dividend paid	-	(2)	(2)	-
Balance at 31 March	-	2,218	2,218	3,555

STATEMENT OF CHANGES IN EQUITY
at 31 March 2016

	2016 *Ordinary share capital* *£'000*	*2016* *Profit and loss account* *£'000*	*2016* *Total shareholder funds* *£'000*
Balance at 1 April	-	(362)	(362)
Profit/(loss) after taxation	-	3,917	3,917
Dividend paid	-	-	-
Balance at 31 March	-	3,555	3,555

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
for the year ended 31 March 2017

	Notes	2017 £'000	2016 £'000
Net cash flows from operating activities	12	12,937	21,708
Cash flows from investing activities			
Interest received		1	1
Net cash flows from investing activities		**1**	**1**
Cash flows from financing activities			
Proceeds from bank loan		-	35,000
Repayment of bank loan		(13,000)	(19,000)
Repayment of other creditors		-	(30,178)
Loan interest paid		(2,273)	(6,429)
Net cash flows from financing activities		**(15,273)**	**(20,607)**
Net (decrease)/increase in cash and cash equivalents		**(2,335)**	**1,102**
Cash and equivalents at beginning of year		**3,747**	**2,645**
Cash and cash equivalents at end of year		**1,412**	**3,747**
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		1,412	3,747
Cash and cash equivalents		**1,412**	**3,747**

The accompanying notes on pages 10 to 16 form an integral part of these financial statements.

1. STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies are summarised below. All other policies have been applied consistently throughout the year.

General information and basis of accounting
The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable United Kingdom accounting standards. Further information on the reasons for preparing the financial statements on a going concern basis is included in the Directors' Report.

Dogmer 4 Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2. The functional currency of the company is considered to be pounds sterling because this is the currency of the primary economic environment in which the company operates.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the Statement of Comprehensive Income account.

Taxation
Provision is made for corporation tax at the current rates on the excess of taxable income over allowable expenses.

Provision is made for deferred tax on all material timing differences arising from the different treatment of items for accounting and tax purposes. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A deferred tax asset is recognised only to the extent that it is more likely than not that there will be taxable profits in the future against which the asset can be offset. Deferred tax is measured on a non-discounted basis.

Investments
Investments are stated at the lower of cost or cost less impairment.

Facility arrangement fee
The arrangement fee paid on the facility is released on a straight line basis to the Statement of Comprehensive Income account over the term of the loan. The remaining unamortised asset is recognised as part of the carrying amount of the borrowing on initial recognition, as an issue cost.

Derivative financial instruments
The Company uses derivative financial instruments to reduce exposure to interest rate movements. The Company does not hold or issue derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price, except for those financial assets classified as fair value through profit and loss ("FVTPL"), which are initially measured at fair value, unless the arrangement constitutes a financing transaction.

NOTES TO THE ACCOUNTS
for the year ended 31 March 2017

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1 above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following accounting estimates and judgements are considered important to the portrayal of the financial results and financial condition because (i) they are susceptible to change from period to period as assumptions are made to calculate the estimates, and (ii) any significant differences between the estimated amounts and the actual amounts could have a material impact on the future financial results and financial condition:

Fair value of derivative financial instrument
The key accounting judgement is in respect of the determination of the fair value of financial derivative held at FVTPL. The fair value of the amortising interest rate cap transactions are assessed against the market on a quarterly basis by an external party with any movement in the value being taken to the Statement of Comprehensive Income.

The assessment of possible impairment losses on certain assets (note 6).
Determining whether the Company's investment in HgCapital LLP has been impaired requires consideration of whether any indicators of impairment exists. In making this assessment the Directors have considered:

- The performance of HgCapital LLP against budget; and
- Any external economic changes including interest and market rates.

Following these considerations there were deemed to be no indicators of impairment, apart from the expected profit distributions from HgCapital LLP, therefore a full impairment review was not required or carried out. The carrying amount of investment in HgCapital LLP at the balance sheet date was £43 million with no impairment loss recognised in the year other than the distributions from HgCapital LLP.

2. TURNOVER

Turnover represents the net profit distributions received from HgCapital LLP. Distributions are recognised at the point where the Company has an unconditional right to receive them. All profit distributions originate from the United Kingdom.

3. OPERATING PROFIT

Operating profit is stated after charging:	*Year ended 31 March 2017 £'000*	*Year ended 31 March 2016 £'000*
Arrangement fee	440	325
Hedging fee	-	435
Auditor's remuneration – for audit of the Company	16	10
– taxation services (non-audit)	9	8

4. STAFF COSTS & DIRECTORS REMUNERATION

Directors are not remunerated by Dogmer 4 Limited, nor by any related entity, in relation to their services to the Company.

The Company employs no staff, either in the current or preceding financial year, other than the directors referred to in the Directors' Report.

NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017

5. TAX CHARGE

The tax charge comprises:

	Year ended 31 March 2017 £'000	*Year ended 31 March 2016 £'000*
Current tax charge		
UK Corporation tax	2,869	5,625
Prior year adjustment	45	(14)
	2,914	5,611
Deferred tax credit		
Reversal of timing differences	(401)	(1,064)
Total tax charge	2,513	4,547

Factors affecting current tax charge for the year:

The tax assessed for the year is higher (2016: higher) than the standard rate of corporation tax in the UK for a large company. The differences are explained below:

	Year ended 31 March 2017 £'000	*Year ended 31 March 2016 £'000*
Profit before taxation	1,178	8,464
Corporation tax at 20% (2016:20%)	235	1,693
Effects of:		
Adjustments in respect of previous periods	45	(14)
Income items taxed in prior year	-	(9)
Taxable income and expenses not yet recognised in Statement of Comprehensive Income	93	(13)
Capital items not deductible for corporation tax purposes	2,140	2,883
Effect of changes in deferred tax rate	-	7
Current year adjustments	2,278	2,854
Corporation tax charge for the year	2,513	4,547

Deferred tax:

	Year ended 31 March 2017 £'000	*Year ended 31 March 2016 £'000*
Deferred tax		
Taxable income and expenses not yet recognised in Statement of Comprehensive Income	(401)	(1,064)
Total deferred tax credit	(401)	(1,064)

NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017

6. INVESTMENTS

	2017 *£'000*	*2016* *£'000*
At 1 April	53,683	68,106
Impairment during the year	(10,700)	(14,423)
At 31 March	42,983	53,683

The Company's investment in HgCapital LLP is stated at the lower of cost or cost less impairment. The impairment represents a permanent reduction in the value of the investment following the receipt of profit distributions from HgCapital LLP.

7. DERIVATIVE FINANCIAL INSTRUMENTS

	2017 *£'000*	*2016* *£'000*
At 1 April	181	35
Unrealised (loss)/gain during the year	(143)	146
At 31 March	38	181

To limit interest rate risk over the term of the facility, the Company has entered into three amortising interest rate cap transactions. The instruments, with an initial notional amount of £29,000,000, £23,000,000 and £38,000,000 respectively, were entered into on 24 May 2012, 8 May 2014 and 27 November 2015 and all at a cap rate of 1.5%. The current notional amounts for these instruments are £29,000,000, £23,000,000 and £38,000,000 respectively with their fair values at £Nil (2016: £Nil), and £Nil (2016: £Nil) and £38,000 (2016: £181,000) as at 31 March 2017.

The methodology applied is to project the future floating cash flows that will occur for the remainder of the term of the interest rate cap contract and then discount the cash-flows to the valuation date using a discount factor interpolated off a zero-coupon yield curve. The future cash-flows have been determined by taking into account the probability of the cap being exercised based on implied forward rates calculated with reference to the interest rate volatilities.

8. DEFERRED TAX

	2017 *£'000*	*2016* *£'000*
Deferred tax asset	1,603	1,202
At 31 March	1,603	1,202

The deferred tax asset recoverable balance relates to timing differences that arise due to income being taxable in the current year that has not yet been included in the Statement of Comprehensive Income.

9. CREDITORS: DUE WITHIN ONE YEAR

	2017	*2016*
	£'000	*£'000*
Tax payable	1,405	48
Interest payable	15	228
Other creditors	33	42
	1,453	318

10. LONG-TERM CREDITORS: DUE AFTER MORE THAN ONE YEAR

	2017	*2016*
	£'000	*£'000*
Bank Loan	43,000	56,000
Unamortised bank loan arrangement fee	(621)	(1,060)
Total bank loan	42,379	54,940

On 22 May 2012, the Company entered into a loan agreement, totalling £60,000,000. On the 11 March 2014, the facilities agreement was amended restoring facility A to £25,000,000, facility B to £10,000,000 and increasing facility C to £28,000,000, giving a total facility of £63,000,000.

During the prior year, a further £15,000,000 of the facility was repaid following the receipt of profit distributions for HgCapital LLP. On 22 November 2015, the facilities agreement was amended restoring facility A to £20,000,000, facility B to £10,000,000 and increasing facility C to £30,000,000, giving a total facility of £60,000,000. During the year repayments of £13,000,000 (2016: £4,000,000) were made.

The interest payable is based on a rate of LIBOR plus a margin of 3.5% on the A loan, 3.25% on the B loan and 3.75% on the C loan and is payable at the end of each loan period as agreed between the lender and borrower.

The bank facility is secured over all the assets and membership interests of Dogmer 4 Limited.

The Company entered into agreements on 22 May 2012 and 13 March 2014 whereby it acquired a further investment in HgCapital LLP from members of HgCapital LLP who sold their interests. The interests acquired give an entitlement to a priority profit share in HgCapital LLP, up to the value of the interests, and will be repaid as and when profit distributions are made from HgCapital LLP and at a date no later than 31 March 2022.

NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017

11. SHARE CAPITAL

	Authorised	Allotted, called up and fully paid
	No.	£
At 31 March 2016 and 2017		
Ordinary shares, £1 each (issued at the date of incorporation)	1,000	1

12. CASH FLOW STATEMENT

a) RECONCILIATION OF OPERATING PROFIT TO CASHFLOW GENERATED BY OPERATIONS:

	Year ended 31 March 2017 £'000	*Year ended 31 March 2016 £'000*
Operating profit	14,078	26,256
Decrease/(increase) in unamortised arrangement fee	440	(449)
(Increase)/decrease in debtors	(14)	445
(Decrease)/increase in creditors	(9)	6
Cash generated by operations	14,495	26,258
Income taxes paid	(1,558)	(4,550)
Net cash inflow from operating activities	12,937	21,708

13. RECONCILIATION OF NET DEBT

	1 April 2016 £'000	*Cash Flow £'000*	*31 March 2017 £'000*
Cash in hand and at bank	3,747	(2,335)	1,412
Bank loan	(56,000)	13,000	(43,000)
Other creditors	-		
Net debt	(52,253)	10,665	(41,588)

NOTES TO THE ACCOUNTS (CONTINUED)
for the year ended 31 March 2017

14. RELATED PARTIES

From time to time the Company engages the services of HgCapital LLP and its wholly-owned subsidiaries (the "HgCapital group") to assist with various operational issues. These companies share certain key business interests, management, systems and processes, such that one party might be able to influence the other. The parties are therefore deemed to be related parties under FRS 102 Section 33.

No expenses were paid to the HgCapital group during the period (2016: Nil). The Company received profit distributions from the HgCapital group during the period of £14,544,000 (2016: £27,137,000).

At the balance sheet date, there were no amounts receivable (2016: Nil) from the HgCapital group in respect of outstanding profit distributions receivable. There are no outstanding liabilities to the HgCapital group at the balance sheet date (2016: Nil).

15. COMMITMENTS

The Company does not have any outstanding commitments at the year end other than those set out in Note 9 and 10.

16. PARENT UNDERTAKING

The Company's parent undertaking is the JK 07 Charitable Trust with the Trustees being the ultimate controlling parties.