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REPORT OF THE MEMBERS

The Members present their Report and Consolidated Financial Statements for the year ended 31 December 2007

Principal Activities

Actis Capital LLP ("the LLP") is a UK Limited Liability Partnership which was incorporated on 31 October 2003. Its registered office is 8th Floor, 2 More London Riverside, London, SE1 2JT. On 7 July 2004 the LLP acquired the investment management business of, and various investment management companies from CDC Group plc. It commenced trading on 8 July 2004. The LLP is authorised by the Financial Services Authority to carry out investment management and advisory services.

The principal activity of the LLP is to provide investment management services to the Limited Partnerships ("the Funds"), as well as advisory services to the Funds' subsidiaries. The provision of advisory services relates to private equity investments in management buy-outs, buy-ins and other venture capital investments.

Subsidiaries

The subsidiaries (all wholly owned and consolidated) of the LLP at 31 December 2007 were

<i>Name</i>	<i>Role</i>	<i>Country of Incorporation</i>	<i>Class of Shares Held</i>
Actis International Limited [^]	Holding Company	England & Wales	£1 Ordinary
Actis Assets GP Limited	General Partner of Actis Assets Fund 2, L P	England & Wales	£1 Ordinary
Actis Energy GP Limited	Dormant	England & Wales	£1 Ordinary
Actis India GP Limited	General Partner of Actis India Fund 2, L P	England & Wales	£1 Ordinary
Actis Africa GP Limited	General Partner of Actis Africa Fund 2, L P	England & Wales	£1 Ordinary
Actis Africa Empowerment GP Limited	General Partner of Actis Africa Empowerment Fund, L P	England & Wales	£1 Ordinary
Actis China GP Limited	General Partner of Actis China Fund 2, L P	England & Wales	£1 Ordinary
Actis South Asia GP Limited	General Partner of Actis South Asia Fund 2, L P	England & Wales	£1 Ordinary
Actis India Investments GP Limited	General Partner of Actis India Investments LP	England & Wales	£1 Ordinary
Actis ASEAN GP Limited	General Partner of Actis ASEAN Fund, L P	England & Wales	£1 Ordinary
Actis Africa Limited	Investment Advisory Company	England & Wales	£1 Ordinary
Actis Assets Limited	Investment Advisory Company	England & Wales	£1 Ordinary
Actis Partners Limited	Investment Advisory Company	England & Wales	£1 Ordinary
Actis Latin America 3 GP Limited	General Partner of Actis Latin America 3 LP & Actis Latin America 3 'A' LP	England & Wales	£1 Ordinary
Actis Nominee Limited	Nominee Company	England & Wales	£1 Ordinary
Actis Limited #	Various	England & Wales	£1 Ordinary
Actis Emerging Markets GP Limited	General Partner of Actis Emerging Markets 3 LP, Actis Emerging Markets 3 'A' LP & Actis Emerging Markets 3 'C' LP	England & Wales	£1 Ordinary
Actis Infrastructure GP Limited	General Partner of Actis Infrastructure 2 LP	England & Wales	£1 Ordinary

REPORT OF THE MEMBERS *(continued)*

Subsidiaries *(continued)*

<i>Name</i>	<i>Role</i>	<i>Country of Incorporation</i>	<i>Class of Shares Held</i>
Actis India Real Estate GP Limited	General Partner of Actis India Real Estate Fund LP	England & Wales	£1 Ordinary
Actis Africa 3 GP Limited	General Partner of Actis Africa 3 LP & Actis Africa 3 'A' LP	England & Wales	£1 Ordinary
Actis China 3 GP Limited	General Partner of Actis China 3 LP & Actis China 3 'A' LP	England & Wales	£1 Ordinary
Actis India 3 GP Limited	General Partner of Actis India 3 LP & Actis India 3 'A' LP	England & Wales	£1 Ordinary
Actis Assessoria Investimento Ltda	Investment Advisory Company	Brazil	R1
Actis Costa Rica SA (in liquidation)	Investment Advisory Company	Costa Rica	C1 Common
Actis Co-Investment Plan Limited^	General Partner of Actis Executive Co-Investment Plan	Guernsey	£1 Ordinary
Actis Advisers Private Limited	Investment Advisory Company	India	INR10 Ordinary
Actis Global Services Private Limited	Service Company	India	INR10 Ordinary
Actis Management Mauritius Limited	Investment Management	Mauritius	US\$1 Ordinary
Actis Services Limited	Service Company	Mauritius	US\$1 Ordinary
Actis China Limited	Investment Advisory Company	Mauritius	US\$1 Ordinary
Actis Holdings Limited	Holding Company	Mauritius	US\$1 Ordinary
Actis Comafin Management Limited	Holding Company	Mauritius	US\$1 Ordinary
International Venture Capital Management Limited	Investment Management	Mauritius	US\$1 Ordinary
Actis Capital Partners Sdn Bhd	Investment Advisory Company	Malaysia	RM1 Ordinary
Actis Africa (Nigeria) Limited	Investment Advisory Company	Nigeria	N1 Ordinary
Actis Executive GP Limited^	General Partner of Carry Vehicle	Scotland	£1 Ordinary
Actis Umbrella GP Limited	General Partner of Actis Umbrella Fund LP	Scotland	£1 Ordinary
Actis Carry Pool GP (Scotland) Limited	General Partner of Actis Carry Pool LP	Scotland	£1 Ordinary
ActisCapital Partners Pte Limited	Investment Advisory Company	Singapore	£1 Ordinary
Comafin Management (Pvt) Limited	Investment Management	Zimbabwe	US\$1 Ordinary

^ - directly held by Actis Capital LLP

- name changed from LLP No 5 Limited on 5 November 2007

REPORT OF THE MEMBERS (*continued*)

Subsidiaries (*continued*)

The LLP owned a 70% subsidiary at 31 December 2007

<i>Name</i>	<i>Role</i>	<i>Country of Incorporation</i>	<i>Class of Shares Held</i>	<i>% Holding</i>
CIFA GP Limited	General Partner of Canada Investment Fund for Africa LP	England & Wales	£1 Ordinary A	70%

All of the above entities have an accounting year of 31 December with the exception of Actis Advisers Private Limited and Actis Global Services Private Limited which have a 31 March year end according to local requirements

Branches

The subsidiaries have a number of branches, representative offices and a liaison office outside the United Kingdom

Members

The Members of the LLP at 31 December 2007 were

Jonathon Bond
Paul Fletcher (Senior Partner and designated member)
Murray Grant
Larissa Joy (admitted to Membership 1 January 2007)
Alistair Mackintosh
David Morley
Nkosana Moyo
Paul Owers (designated member)
Andrew Reicher
Mark Richards (admitted to Membership 1 October 2007)
Peter Ruxton
LLP No 2 Limited
LLP No 3 Limited
LLP No 4 Limited
LLP No 7 Limited
LLP No 8 Limited
LLP No 9 Limited
LLP No 10 Limited
LLP No 11 Limited
LLP No 12 Limited
LLP No 13 Limited
LLP No 14 Limited
LLP No 15 Limited (admitted to Membership 30 March 2007)
LLP No 16 Limited (admitted to Membership 16 July 2007)
LLP No 17 Limited (admitted to Membership 1 October 2007)
LLP No 18 Limited (admitted to Membership 1 October 2007)
LLP No 19 Limited (admitted to Membership 1 October 2007)
Secretary of State for International Development
Halifax EES Trustees International Limited

REPORT OF THE MEMBERS (continued)

Members (continued)

Members who retired from the LLP during 2007 were
Gillian Arthur (retired 12 April 2007)
Anthony Halligan (retired 31 August 2007)
Rajiv Kaul (retired 1 June 2007)
Mark Pay (retired 30 March 2007)
LLP No 1 Limited (retired 13 April 2007)

Group Auditor

KPMG LLP of 8 Salisbury Square, London EC4Y 8BB, has been reappointed as group auditor of Actis Capital LLP, and have expressed their willingness to continue in office

Members' Capital

Total Members' capital is fixed at £2,040,000 (\$3,786,036) Under the terms of the Members' Agreement, Members subscribe to one of three different levels of capital on becoming a Member of the LLP The two exceptions are the Secretary of State for International Development, subscribing £1,667,000, and Halifax EES Trustees International Limited as trustee of the Actis Capital LLP Employee Benefit Trust, subscribing £55,910

Members' Profits and Losses

Members' profits and losses are allocated between them based on their respective profit share during the financial year Drawings are paid from time to time as working capital permits and such drawings are based on the Members' profit sharing percentages at the time of payment, unless otherwise agreed between the Members

Current Year Performance

During the year ended 31 December 2007 the Group turnover was \$139,784,100 (2006 \$107,686,100) and the loss for division among members for the year ended 31 December 2007 was \$1,366,700 (2006 profit of \$3,635,400)

The LLP stand alone entity turnover for the year ended 31 December 2007 was \$131,306,000 (2006 \$86,129,400) and the loss for division among members for the year ended 31 December 2007 was \$7,218,100 (2006 profit of \$7,347,210)

Donations

During the year the group made charitable donations of \$12,035 (2006 \$20,618) No political donations were made during the year (2006 \$nil)

Disclosure of information to auditors

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

Approved on behalf of the Members on 29 April 2008



Paul Fletcher,
Senior Partner



Michael Wotherspoon,
Chief Financial Officer

STATEMENT OF MEMBERS' RESPONSIBILITIES IN RESPECT OF THE REPORT OF THE MEMBERS AND THE FINANCIAL STATEMENTS

The members are responsible for preparing the Report of the Members and the group and LLP financial statements in accordance with applicable law and regulations

The law relating to limited liability partnerships (LLPs) requires the members to prepare group and LLP financial statements for each financial year. Under that law the members have elected to prepare the group and LLP financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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

In preparing those financial statements, the members are required to

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

Under the Limited Liability Partnership Regulations 2001, the members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTIS CAPITAL LLP

We have audited the group and LLP financial statements ("the financial statements") of Actis Capital LLP for the year ended 31 December 2007 which comprise the Group Profit and Loss Account, the Group and LLP Balance Sheets, the Group Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of the limited liability partnership (LLP), as a body, in accordance with section 235 of the Companies Act 1985, as required by Regulation 3 of the Limited Liability Partnerships Regulations 2001. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As described in the Statement of Members' Responsibilities on page 6, the members are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the LLP has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members' remuneration and other transactions is not disclosed.

We read the Members' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and LLP's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the Group and the LLP as at 31 December 2007 and of the loss of the group for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

29 April 2008
8 Salisbury Square
London EC4Y 8BB

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2007

	Notes	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Management and other fees		60,265 8	65,477 0
Incentive fees received		79,518 3	44,598 1
Less share of joint venture's turnover		-	(2,389 0)
Group turnover		<u>139,784 1</u>	<u>107,686 1</u>
Administration expenses	5	(128,839 6)	(88,577 3)
Operating profit	4	<u>10,944.5</u>	<u>19,108 8</u>
Income from interest in joint venture		-	63 2
Other interest receivable and similar income	2	442 1	457 1
Interest payable and similar charges			
Group	3	(848 2)	(766 4)
Joint Venture		-	(8 8)
		<u>(848 2)</u>	<u>(775 2)</u>
Profit on ordinary activities before tax		<u>10,538 4</u>	<u>18,853 9</u>
Tax on profit on ordinary activities of group	6	(943 0)	(651 7)
Profit for the financial period before Members' profit share	1 & 13	<u>9,595.4</u>	<u>18,202 2</u>
Members' remuneration charged as an expense	1 & 13	(3,888 6)	(3,584 6)
Members' profit share advances	1 & 13	(7,073 5)	(10,982 2)
(Loss)/Profit for the financial period available for division among Members	1 & 13	<u>(1,366 7)</u>	<u>3,635 4</u>

The LLP has no recognised gains and losses other than the (loss)/profit above and therefore no separate Statement of Total Recognised Gains and Losses has been presented

No note of historical cost profits and losses has been presented as there is no material difference between the LLP's results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

The Members have chosen to apply the exemption under S 234 of the Companies Act and therefore not disclose the LLP's individual profit and loss account

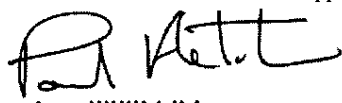
The notes on pages 12 to 26 form part of these financial statements

CONSOLIDATED BALANCE SHEET

As at 31 December 2007

	Notes	31 December 2007 \$000's	31 December 2006 \$000's
Non-current assets			
Intangible	18	2,357 6	2,357 6
Tangible fixed assets	8	5,974 3	6,939 3
Investments	7	36 7	36 7
		<u>8,368 6</u>	<u>9,333 6</u>
Current assets			
Debtors	9	21,754 7	22,436 6
Cash at bank and short term deposits		35,335.8	17,807 3
Amount due from Members	13	2,300 0	-
		<u>59,390 5</u>	<u>40,243 9</u>
Current creditors			
Amounts falling due within one year	10	(56,064 8)	(32,336 6)
Amounts due to Members	13	(2,054 0)	(3,635 4)
		<u>1,271 7</u>	<u>4,271 9</u>
Net current assets			
		<u>9,640 3</u>	<u>13,605 5</u>
Total assets less current liabilities			
Creditors, amounts falling due after more than one year	11	(6,366.5)	(8,965 0)
		<u>3,273 8</u>	<u>4,640 5</u>
Net assets			
Members' interests			
Members' capital	13	3,786 0	3,786 0
Retained earnings		(512 2)	854 5
Other reserves	13	(512 2)	854 5
At the end of the period	13	<u>3,273 8</u>	<u>4,640 5</u>

These financial statements were approved by the Members on 29 April 2008 and were signed on their behalf by



Paul Fletcher,
Senior Partner

The notes on pages 12 to 26 form part of these financial statements

PARTNERSHIP BALANCE SHEET

As at 31 December 2007

	Notes	31 December 2007 \$000's	31 December 2006 \$000's
Non-current assets			
Tangible	8	3,764.9	5,258.7
Investments	7	5,876.1	5,876.1
		<u>9,641.0</u>	<u>11,134.8</u>
Current assets			
Debtors	9	17,384.0	25,102.4
Cash at bank and short term deposits		29,909.6	14,837.7
Amount due from Members	13	2,300.0	-
		<u>49,593.6</u>	<u>39,940.1</u>
Current creditors			
Amounts falling due within one year	10	(50,534.3)	(31,021.5)
Amounts due to Members	13	(2,054.0)	(3,635.4)
		<u>(2,994.7)</u>	<u>5,283.2</u>
Net current assets			
		<u>6,646.3</u>	<u>16,418.0</u>
Total assets less current liabilities			
Creditors amounts falling due after more than one year	11	(6,366.5)	(8,920.2)
Net assets		<u>279.8</u>	<u>7,497.8</u>
Members' interests			
Members' capital	13	3,786.0	3,786.0
Profit for the period for division among members		3,744.1	7,347.2
Amounts allocated to Members		(7,250.3)	(3,635.4)
		<u>279.8</u>	<u>7,497.8</u>
At the end of the period	13		

These financial statements were approved by the Members on 29 April 2008 and were signed on their behalf by



Paul Fletcher,
Senior Partner

The notes on pages 12 to 26 form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2007

	<i>Notes</i>	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Net cash inflow from operating activities	<i>15</i>	35,264 9	25,739 3
Net cash outflow from investments and servicing of finance	<i>16</i>	(406 1)	(259 7)
Taxation paid by the group		(526 9)	(2,388 7)
Net cash outflow from capital expenditure and financial investment	<i>16</i>	(1,959 9)	(2,919 4)
Transactions with Members	<i>13</i>		
New members' capital injections		-	86 5
Repayment of Members' capital		-	(86 5)
Members' remuneration charged as an expense		(3,888 6)	(3,584 6)
Members' profit share advances		(8,654.9)	(13,786 0)
Prepayments of Members' interests		(2,300 0)	-
Net increase in cash at bank and short term deposits in the period		17,528 5	2,800 9
Reconciliation of net cash flow to movement in net funds			
Net cash at bank and short term deposits at the start of period		17,807 3	15,006 4
Net increase in cash at bank and short term deposits in the period		17,528 5	2,800 9
Net cash at bank and short term deposits at end of period		35,335 8	17,807 3

The notes on pages 12 to 26 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards in the United Kingdom and the Limited Liability Partnerships Act 2000. The financial statements have also been prepared in accordance with the Statement of Recommended Practice (SORP) for Limited Liability Partnerships issued by the Institute of Chartered Accountants in England and Wales.

Basis of accounting and consolidation

The consolidated financial statements include the financials of Actis Capital LLP and its subsidiaries.

Intra group sales and profits are eliminated on consolidation.

Various subsidiaries of the Group manage, as General Partners, a number of private equity limited partnerships. Investments held through the limited partnerships are made with the express intent of capital appreciation.

The LLP consolidates its attributable proportion of the assets and income of the private equity limited partnerships which its subsidiaries manage as General Partners and in which they have a minority interest. These partnerships are subsidiary undertakings and under the terms of the Companies Act 1985 should be consolidated in full. However, the members consider the accounts would not give a true and fair view if the assets and income as a whole were to be consolidated since the Group's interest in these assets is, merely that of investment managers. The effect of this departure is to decrease both profit before tax and the minority interest in the profit for the period by \$350.8 million and to decrease fixed asset investments by \$1,435.4 million, other net assets by \$41.0 million and the minority interest in the balance sheet by \$1,476.4 million.

Functional currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary environment in which the entity operates ("the functional currency"). The consolidated financial statements of the group are presented in US dollars, which is the Group's presentation currency.

The membership contributions are denominated in the books in £ sterling and recorded at historical cost.

Income

Revenue is recognised when services have been provided, it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue represents the management fees, transaction fee, advisory and other fees.

Management fees revenues are derived from providing professional services to manage private equity funds and the revenues are accrued over the period of service.

Transaction, advisory and other fees are recognised when due.

Interest income is accrued on cash and term deposits.

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

Carried Interest is recognised when right to receive payment has been established.

Pension costs

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amounts charged to the profit and loss account represent the contribution payable to the schemes in respect of the accounting period.

Taxation

Taxation for the partnership, being the individual liability of each member is not provided for in the accounts.

Taxation payable by subsidiary companies is recognised in the accounts.

Deferred taxation assets and liabilities arise from timing differences between the recognition of income, gains and losses in the financial statements and their recognition for tax purposes. Deferred tax liabilities are fully recognised and deferred tax assets are recognised when it is considered more likely than not that the asset will be recoverable. Deferred tax assets and liabilities are undiscounted.

NOTES TO THE FINANCIAL STATEMENTS(continued)

Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and gains or losses on translations are included in the profit and loss account.

The results of overseas subsidiary undertakings are translated at the average rates of exchange during the year and the balance sheets at the rates ruling at the balance sheet date. Exchange differences arising from the translation of the results and net assets of overseas subsidiary undertakings are charged or credited to the profit and loss account.

Allocation of profits or losses and drawings

The allocation of profits or losses to those who were Members during the financial year occurs following the finalisation of the annual financial statements. During the year the Members receive profit share advances.

Drawings represent payments on account of current year profits and are reclaimable from Members until profits have been allocated. Any over-distribution of profits during the year is also recoverable from Members.

Remuneration policy

Actis needs to be able to attract, develop and retain high quality staff at all levels. Remuneration policy has an important part to play in achieving this objective. Actis aims to offer staff remuneration packages that are competitive in the relevant marketplaces and which reflect individual performance and experience.

Intangible assets

Goodwill represents the excess of the cost over the identifiable net assets of the businesses acquired and is recorded in the functional currency of the acquired entity. Goodwill is recognised as an asset and is reviewed for impairment annually. The underlying nature of the goodwill is that it arose on acquiring a company which is entitled to certain anticipated future contingent cash receipts that will be recovered irregularly.

Investments

In the LLP's financial statements, investments in subsidiary undertakings are stated at the lower of cost and net realisable value.

Other investments are stated at the lower of cost or net realisable value.

Joint venture

The entity which was jointly controlled under a contractual agreement by the group and a third party was treated as a joint venture. The joint venture was accounted for using the gross equity method. During the previous year the group share in the joint venture was sold to CDC Group plc and the management of Aureos for consideration of \$1.

Related party transactions

Details of the principal subsidiary companies are shown on pages 2 to 4. In accordance with FRS 8, transactions or balances between Group entities that have been eliminated on consolidation are not reported.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets, together with any related irrecoverable VAT, by equal instalments over their useful economic lives as follows:

Leasehold improvements	- period of lease
Fixtures and fittings	- 20% per annum
Computer equipment	- 33.3% per annum
Motor vehicles	- 25% per annum

NOTES TO THE FINANCIAL STATEMENTS (continued)

Accounting policies (continued)

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors in the balance sheet. The interest element of the obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Receivables and payables

Receivables and payables are recorded at their original invoice amounts, less any provision.

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2 Interest receivable and similar income

Interest receivable comprises interest earned on bank accounts and short term deposits.

3 Group interest payable

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Interest on long-term loan	145.9	127.3
Interest on Finance Lease	702.3	639.1
	<hr/> 848.2	<hr/> 766.4

4 Operating profit

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
<i>Operating profit is stated after charging</i>		
LLP and Group auditors' remuneration – audit services	217.3	168.3
Other Group auditors' remuneration – audit services	28.0	36.4
LLP and Group auditors' remuneration – other services	672.5	493.1
Other Group auditors' remuneration – other services	211.2	117.8
Depreciation on tangible fixed assets	2,939.5	2,098.4
Finance lease charge	702.3	639.1
Operating lease rentals	2,879.4	1,766.1
Foreign exchange losses	811.0	570.7

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

5 Administration expenses

Included in administration expenses are the following staff costs

(excluding Members' profit share advances)

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Wages and salaries	22,555.9	20,719.0
Short term incentive scheme payments	6,397.0	10,882.6
Long term performance related payments	91,722.8	32,316.7
Social security costs	2,298.7	1,521.1
Pension costs	1,992.3	1,676.5
	<hr/> 124,966.7	<hr/> 67,115.9

The average number of staff employed by the group (excluding Members and share of joint venture) during the period was 187 (2006 184)

6 Taxation

Taxation for the partnership, being the individual liability of each Member, is not provided for in the accounts. The Group tax charge is analysed as follows:

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
<i>UK corporation tax</i>		
Current tax on income for the period	198.5	343.3
<i>Overseas tax</i>	744.5	308.4
Current period tax	<hr/> 943.0	<hr/> 651.7

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 Taxation (continued)

Factors affecting the tax charge for the current period

Although Actis Capital LLP is not subject to tax, its subsidiary companies are Tax arises in those companies as follows

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	10,538 4	18,853 9
Current tax at 30%	<u>3,161 5</u>	<u>5,656 2</u>
<i>Effects of</i>		
LLP (profits) / costs not subject to or relievable against corporation tax	(2,381 5)	(5,637 5)
Disallowable losses	444.3	435 4
Foreign taxation rate differences	(548 2)	210 2
Other differences between accounting and tax profits	10 5	(12 6)
Adjustments in relation to overseas tax	267 5	-
Adjustments in respect of prior periods	(11 1)	-
Current period tax	<u>943 0</u>	<u>651 7</u>

7 Investments

	Group		Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's	31 December 2007 \$000's	31 December 2006 \$000's
Investment in subsidiary undertakings	-	-	5,876 1	5,876 1
Equity Investments	36.7	36 7	-	-
	<u>36 7</u>	<u>36 7</u>	<u>5,876 1</u>	<u>5,876 1</u>

Investments in subsidiary undertakings

The investments of \$5,876,133 comprise shares in group companies at the lower of cost and net realisable value Details of the Partnership's subsidiaries are included within the Members' Report

Equity Investments

The group (excluding joint venture) holds \$36,712 of shares in other investments which are detailed as follows

27,062 Ordinary B shares of South Asia Regional Fund

9,650 Ordinary B shares of Actis China Investment Company Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Tangible fixed assets

Group	Motor vehicles \$000's	Leasehold improvement \$000's	Fixtures and fittings \$000's	Computer equipment \$000's	Total \$000's
<i>Cost</i>					
At 1 January 2007	706.7	9,105.5	583.0	1,763.3	12,158.5
Additions	125.2	993.6	507.0	393.3	2,019.1
Disposals	(12.8)	(1.2)	(28.8)	(1.8)	(44.6)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	819.1	10,097.9	1,061.2	2,154.8	14,133.0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 January 2007	271.3	3,748.2	251.0	948.7	5,219.2
Charge for period	165.6	2,145.2	189.1	439.6	2,939.5
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	436.9	5,893.4	440.1	1,388.3	8,158.7
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2006	435.4	5,357.3	332.0	814.6	6,939.3
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2007	382.2	4,204.5	621.1	766.5	5,974.3
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included under leasehold improvements are assets held under a finance lease with a net book value of \$3,459,600 (2006 \$ 4,940,400). This refers to the fit-out of the London office, and is reconciled under note 12.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 Tangible fixed assets (continued)

	Motor vehicles \$000's	Leasehold improvement \$000's	Fixtures and fittings \$000's	Computer equipment \$000's	Total \$000's
Partnership					
<i>Cost</i>					
At 1 January 2007	2 3	8,521 8	22 6	979 5	9,526.2
Additions	-	347 5	82 9	83 9	514 3
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	2 3	8,869 3	105 5	1,063 4	10,040 5
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 January 2007	2 3	3,581 4	9 8	674 0	4,267 5
Charge for period	-	1,828 3	14 1	165 7	2,008 1
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	2 3	5,409 7	23 9	839 7	6,275 6
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2006	-	4,940 4	12 8	305 5	5,258 7
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2007	-	3,459 6	81 6	223 7	3,764 9
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included under leasehold improvements are assets held under a finance lease with a net book value of \$3,459,600 (2006 \$ 4,940,400). This refers to the fit-out of the London office, and is reconciled under note 12.

9 Debtors

	Group		Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's	31 December 2007 \$000's	31 December 2006 \$000's
Trade debtors	11,405 1	12,116 1	6,301 3	12,191 7
Corporation tax	1,295 7	816 7	-	-
Amounts due from Group undertakings	-	-	2,852 7	5,492 1
Prepayments and accrued income	9,053.9	9,503 8	8,230 0	7,418 6
	<hr/>	<hr/>	<hr/>	<hr/>
	21,754 7	22,436 6	17,384 0	25,102 4
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 Creditors amounts falling due within one year

	Group		Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's	31 December 2007 \$000's	31 December 2006 \$000's
Obligations under finance lease	865 1	795 6	865 1	795 6
Amounts owed to Group undertakings	-	-	4,472 2	3,300 0
Corporation tax	1,164 0	268 8	160 8	160 8
Other taxation and social security creditors	576.6	199 3	-	-
Accruals and deferred income	18,755 7	16,034 4	10,846 8	12,783 3
Amounts due to Actis Executive Limited Partners	22,070 4	4,165 2	22,070 4	4,165 2
Other creditors	12,275 3	9,886 0	12,119 0	9,816 6
Provision for liabilities and charges	357 7	987 3	-	-
	<u>56,064.8</u>	<u>32,336 6</u>	<u>50,534 3</u>	<u>31,021 5</u>

11 Creditors amounts falling due after more than one year

	Group		Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's	31 December 2007 \$000's	31 December 2006 \$000's
Obligations under finance lease	6,366 5	7,125 9	6,366 5	7,125 9
Non-current creditors	-	1,839 1	-	1,794 3
	<u>6,366.5</u>	<u>8,965 0</u>	<u>6,366 5</u>	<u>8,920 2</u>

The above creditors are repayable as follows

	Group		Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's	31 December 2007 \$000's	31 December 2006 \$000's
Between 1 and 2 years	943 5	863 9	943 5	863 9
Between 2 and 5 years	3,375 6	4,857 2	3,375 6	4,857 2
Over 5 years	2,047 4	3,243 9	2,047 4	3,199 1
	<u>6,366 5</u>	<u>8,965 0</u>	<u>6,366.5</u>	<u>8,920 2</u>

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

12 Finance Lease Obligation

The LLP has entered into a finance lease with CDC Group plc in respect of the fit out of the London offices. The finance lease obligation arises as follows:

	Group and Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's
Within 1 year	865.1	795.6
Between 1 and 2 years	943.5	863.9
Between 2 and 5 years	3,375.6	3,063.0
Over 5 years	2,047.4	3,199.0
	7,231.6	7,921.5

Leasehold Improvement Asset held under Finance Lease

As provided in Note 8 – Tangible Fixed Assets, the following amounts were held under a finance lease:

	Group and Partnership	
	31 December 2007 \$000's	31 December 2006 \$000's
Opening Net Book Value	4,940.4	4,919.0
Addition	347.5	1,510.8
Depreciation	(1,828.3)	(1,489.4)
Closing Net Book Value	3,459.6	4,940.4

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 Reconciliation of Members' interests

Group	Members' other interests				
	Members' capital	Other reserves	Total	Loans and other debts due to/from Members	Total
	\$000's	\$000's	\$000's	\$000's	\$000's
Members' interests at 1 January 2007	3,786 0	854 5	4,640 5	3,635 4	8,275 9
Profit for the financial period before Members' profit share	-	9,595 4	9,595 4	-	9,595 4
Members' interests after profit for the year	3,786 0	10,449.9	14,235 9	3,635 4	17,871 3
Allocated profits	-	(9,595 4)	(9,595 4)	9,595.4	-
Profit share advances to Members of LLP	-	-	-	(10,962.1)	(10,962 1)
Members' interests distributed during the year	-	-	-	(1,581 4)	(1,581 4)
Prepayments of Members' interests distributed during the year	-	-	-	(2,300 0)	(2,300 0)
Excess amounts drawn by Partners charged to Reserves	-	(1,366 7)	(1,366.7)	1,366 7	-
Members' interests at 31 December 2007	3,786 0	(512 2)	3,273 8	(246 0)	3,027 8
Amount Due to Members				2,054.0	
Amount Due from Members				(2,300 0)	
				(246 0)	

Member's capital is payable immediately on admission to membership. On leaving, membership capital is repayable within 14 months, with the capital attracting interest during this period. Amounts paid in respect of members' profit share advances are payable monthly. Drawings are payable from time to time. Members' profit share advances and drawings in respect of profit allocation are approved by the Remuneration Committee. Any membership capital repaid is satisfied by additional contributions from existing members.

Amounts due from Members are disclosed under current assets in the balance sheet.

Amount due to Members are disclosed under current creditors in the balance sheet.

The profit allocation in the period, in respect of the period to 31 December 2007, to the member with the largest entitlement was \$1,586,311.

There were no retirement benefits paid to former Members.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 Reconciliation of Members' interests (continued)

Partnership

	Members' other interests				
	Members' capital	Other reserves	Total	Loans and other debts due to/from Members	Total
	\$000's	\$000's	\$000's	\$000's	\$000's
Members' interests at 1 January 2007	3,786 0	3,711.8	7,497 8	3,635 4	11,133 2
Profit for the year available for division among Members	-	3,744 1	3,744 1	-	3,744 1
Members' interests after profit for the year	3,786 0	7,455.9	11,241 9	3,635 4	14,877 3
Allocated profits	-	(9,595 4)	(9,595 4)	9,595 4	-
Members' profit share advances	-	-	-	(10,962 1)	(10,962.1)
Members' interests distributed during the year	-	-	-	(1,581 4)	(1,581 4)
Prepayments of Members' interests distributed during the year	-	-	-	(2,300.0)	(2,300 0)
Excess amounts drawn by Partners charged to Reserves	-	(1,366 7)	(1,366 7)	1,366 7	-
Members' interests at 31 December 2007	3,786 0	(3,506 2)	279 8	(246 0)	33 8
Amount Due to Members				2,054 0	
Amount Due from Members				(2,300 0)	
				(246 0)	

Member's capital is payable immediately on admission to membership. On leaving, membership capital is repayable within 14 months, with the capital attracting interest during this period. Amounts paid in respect of members' profit share advances are payable monthly. Drawings are payable from time to time. Members' profit share advances and drawings in respect of profit allocation are approved by the Remuneration Committee. Any membership capital repaid is satisfied by additional contributions from existing members.

Amounts due from Members are disclosed under current assets in the balance sheet.

Amount due to Members are disclosed under current creditors in the balance sheet.

There were no retirement benefits paid to former Members.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

14 Pension scheme

The group makes contributions to employees' defined contribution Personal Pension Plans. There is a Stakeholder scheme for UK employees and an International Pension Scheme for expatriate employees and local defined contribution pension schemes in each overseas office. The employees' pension cost for the period was \$1,992,339 (2006: \$1,676,504).

15 Reconciliation of operating profits to operating cash flows

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Operating profit	10,944.5	19,108.8
Adjustment for non-cash and disclosable items		
- Depreciation charge	2,939.5	2,098.4
- Profit on disposal of fixed assets	(14.7)	(6.4)
- Loss of sale of Investment in joint ventures	-	132.0
	<hr/> 13,869.3	<hr/> 21,332.8
Movements in working capital		
- Decrease/(Increase) in debtors	1,161.1	(1,825.9)
- Increase in creditors	20,234.5	5,618.3
- Increase in other assets	-	614.1
	<hr/> 35,264.9	<hr/> 25,739.3
Net cash outflow from operating activities		

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 Analysis of cash flows

	Year to 31 December 2007 \$000's	Year to 31 December 2006 \$000's
Investment and servicing of finance activities		
Interest paid		
- general	(145 9)	(127 3)
- finance lease	(702 3)	(639 1)
- joint venture	-	(8 8)
Interest received	442 1	457 1
Income from joint venture	-	58 4
Net cash outflow from investment and servicing of finance	(406 1)	(259 7)
Capital expenditure and financial investment activities		
Purchases of tangible fixed assets	(2,019 1)	(2,406 5)
Acquisition of assets held under a finance lease	-	(607 0)
Disposals of tangible fixed assets	59 2	94 1
Net cash outflow from capital expenditure and financial investment	(1,959 9)	(2,919 4)

NOTES TO THE FINANCIAL STATEMENTS (continued)

17 Related party transactions

The LLP has taken advantage of the exemption under Financial Reporting Standard 8 "Related Party Disclosures" not to disclose details of transactions with other Group entities that have been eliminated on consolidation

CDC Group plc is owned by the Department for International Development and during the period the Group and Partnership had the following transactions with CDC Group plc

	Group \$000's	Partnership \$000's
Management fees receivable	41,651.1	41,408.0
Interest payable	(848.1)	(848.1)
Services received	(56.3)	(56.3)
Services supplied	504.5	504.5
Incentive Fee Received	53,136.8	53,136.8
Carried interest payments	(7,340.7)	-
Amounts payable to CDC Group plc at 31 December 2007	(3,010.5)	(3,010.5)
Amounts receivable from CDC Group plc at 31 December 2007	-	-

18 Intangible Asset

	31 December 2007 \$000's	31 December 2006 \$000's
Goodwill	2,357.6	2,357.6
	<u>2,357.6</u>	<u>2,357.6</u>

The goodwill in the Group arises on the acquisition of International Venture Capital Management Limited and there were no impairment losses to be applied during the year

19 Carried Interest

International Venture Capital Management Limited a subsidiary group company is entitled to receive incentive payments if target portfolio returns are exceeded. These payments are referred to as carried interest. A portion of the carried interest received is paid to CDC by International Venture Capital Management Limited under the terms of the CDC Group plc Umbrella Agreement.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20 Segmental Reporting

No segmental analysis of net trading income, profit before loss, nor net assets have been provided because the Members are of the opinion that the provision of private equity management services comprise a single business segment

The majority of turnover is received in the UK from CDC Group plc Funds under management which derive group turnover are geographically analysed as follows

<i>Region</i>	<i>%</i>
Global	30.5%
Africa	36.9%
South Asia	21.3%
Americas	3.8%
Asia Pacific	7.5%