

---

MORGAN GRENFELL CAPITAL (G P ) LIMITED

Company Number SC118768

REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 December 2007

---

WEDNESDAY



\*LL9G30VT\*

LD6

25/06/2008

31

COMPANIES HOUSE

## DIRECTORS' REPORT

For the year ended 31 December 2007

---

The Directors present their annual report and the audited financial statements for the year ended 31 December 2007

**ACTIVITIES AND REVIEW OF BUSINESS**

The sole activity of the Company is to act as the General Partner of partnerships engaging in development capital activities in which capacity it has delegated its management responsibilities to Morgan Grenfell Private Equity Limited, a fellow subsidiary undertaking. The Company is currently the General Partner of MG Equity Limited Partnership which is the General Partner of the Morgan Grenfell Equity Partners Fund ("the Fund"). The Fund terminated on 20 March 2007 and was closed on the 13 March 2008. MG Equity Limited Partnership terminated on 18 June 2007 and will be closed in the near future. When the MG Equity Limited Partnership has closed it is envisaged that the Company will become dormant. The position as at the end of the year is reflected in the audited balance sheet set out on page 5.

As the Company qualifies as a small company an enhanced business review is not required.

**RESULTS AND DIVIDENDS**

The results of the Company for the year ended 31 December 2007, after providing for taxation, show a loss of £3,058 (2006 – profit £55,512). No dividends were paid during the year (2006 – £172,000).

**DIRECTORS**

The Directors of the Company who held office during the year and subsequent to the year ended 31 December 2007 were as follows:

G Clempson  
D Cummins  
G Key (appointed 18 January 2007)  
C J Minter  
A C F Smith

A W Bartlett and J L Bagshaw were Joint Company Secretary during the year. There were no further changes during or subsequent to the year end.

As at the date of approval, and during the year, the Company provided an indemnity to its Directors in the form of a qualifying third party indemnity provision.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

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

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 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 Company will continue in business.

DIRECTORS' REPORT (continued)  
For the year ended 31 December 2007

---

**STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. Under applicable law the Directors are also responsible for preparing a Directors' Report that complies with the law.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

**DIRECTORS' INTERESTS**

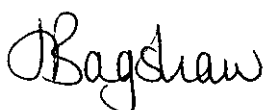
None of the Directors had an interest in the share capital of the Company during the year.

None of the Directors had any disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the year.

**AUDITORS**

Pursuant to Section 379A of the Companies Act 1985 the Company has elected to dispense with the annual appointment of Auditors and KPMG Audit Plc will, therefore, continue in office.

By Order of the Board of Directors this 18th day of June 2008



Joanne Bagshaw  
Joint Company Secretary  
23 Great Winchester Street  
London EC2P 2AX

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
MORGAN GRENFELL CAPITAL (G P ) LIMITED  
For the year ended 31 December 2007

---

We have audited the financial statements of Morgan Grenfell Capital (G P ) Limited ("the Company") for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholder's Funds, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors**

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 1.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the Company 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 directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company'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 the Company's affairs as at 31 December 2007 and of its loss for the year then ended,
- The financial statements have been properly prepared in accordance with the Companies Act 1985, and
- The information given in the Directors' Report is consistent with the financial statements.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

19 June 2008  
8 Salisbury Square  
London EC4Y 8BB

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2007

	Note	<u>2007</u> £	<u>2006</u> £
INVESTMENT INCOME RECEIVABLE	1(c)	40,053	185,054
Interest receivable	2	3,034	1,836
Administration expenses	3	(40,053)	(185,054)
Interest payable	4		(24)
Foreign exchange loss			(356)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,034	1,456
Tax (charge)/credit on profit on ordinary activities	6	(6,092)	54,056
(LOSS)/PROFIT FOR THE YEAR		(3,058)	55,512

The loss for the year has arisen from discontinued activities

There were no other recognised gains and losses during the year

The notes on pages 7 to 11 form part of these accounts

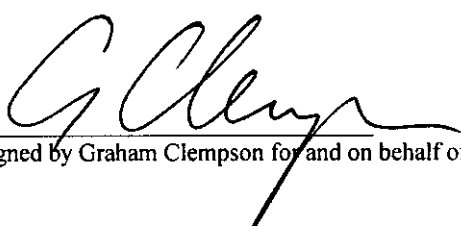
## BALANCE SHEET

As at 31 December 2007

	<u>Note</u>	<u>2007</u>	<u>2006</u> <u>£</u>
<b>CURRENT ASSETS</b>			
Debtors	8	4,075	94,715
Cash at bank	9	82,744	995
		86,819	95,710
<b>CREDITORS amounts falling due within one year</b>	10	(10,167)	(16,000)
<b>NET CURRENT ASSETS</b>		76,652	79,710
<b>NET ASSETS</b>		76,652	79,710
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	2	2
Profit and loss account		76,650	79,708
<b>Equity Shareholders' funds</b>		76,652	79,710

The notes on pages 7 to 11 form part of these accounts

These financial statements were approved by the Board of Directors on 18th June 2008

  
Signed by Graham Clempson for and on behalf of the Board of Directors

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS  
For the year ended 31 December 2007

	<u>Profit and Loss</u> <u>Account</u> £	<u>Ordinary Share</u> <u>Capital</u> £	<u>Total</u> £
Balance at 1 January 2007	79,708	2	79,710
Loss for the year	(3,058)		(3,058)
Balance at 31 December 2007	76,650	2	76,652

	<u>Profit and Loss</u> <u>Account</u> £	<u>Ordinary Share</u> <u>Capital</u> £	<u>Total</u> £
Balance at 1 January 2006	196,196	2	196,198
Profit for the year	55,512		55,512
Dividends paid	(172,000)		(172,000)
Balance at 31 December 2006	79,708	2	79,710

The notes on pages 7 to 11 form part of these accounts

## NOTES TO THE ACCOUNTS

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 financial statements

**BASIS OF PREPARATION**

These financial statements have been prepared in accordance with the Companies Act 1985, UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below

**(a) CONVENTION**

These financial statements are prepared in accordance with the historical cost convention. The particular accounting policies are described below

**(b) GROUP FINANCIAL STATEMENTS**

As the Company is a wholly owned subsidiary undertaking of Deutsche Bank AG, which is incorporated in the E U and which publishes consolidated financial statements, and as its immediate parent undertaking is also incorporated in the E U, it is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group

**(c) INCOME RECOGNITION**

The Company, as General Partner of MG Equity Limited Partnership (the "Partnership"), is entitled to the annual priority share of profits which that Partnership receives from Morgan Grenfell Equity Partners I, II, III, IV and V (the "Fund"), less any expenses incurred by the Partnership. If there are insufficient profits in the Fund in a particular year, a loan is made to the Partnership by the Fund and the profit entitlement is carried forward. On the basis that either the loan will be repaid by future net income or it will not fall to be repaid if the Fund never generates sufficient net income, income is recognized in the profit and loss account of the Partnership in years where a loan is made. This income is attributable to and the monies are passed on to the Company (net of the expenses referred to above) by the Partnership

**(d) TAXATION**

The charge for taxation is based on profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19

**(e) CASH FLOW STATEMENT**

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available

**(f) FOREIGN EXCHANGE**

Transactions in foreign currencies are translated into Pounds Sterling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account



## NOTES TO THE ACCOUNTS

For the year ended 31 December 2007

**2. INTEREST RECEIVABLE**

	<u>2007</u> £	<u>2006</u> £
Interest receivable from group undertakings	<u>3,034</u>	<u>1,836</u>

**3. ADMINISTRATIVE EXPENSES**

The Company received a priority share of profits and/or a loan paid on account thereof for being the General Partner of MG Equity Limited Partnership during the year. The Company has delegated the responsibility for managing this partnership and the Fund to Morgan Grenfell Private Equity Limited, a fellow subsidiary undertaking, to whom it paid a management fee of £40,053 (2006 £185,054). Expenses incurred in the Company's operations have been borne by Morgan Grenfell Development Capital Holdings Limited.

Some of the staff involved in the Company's operations are employees of DB Group Services (UK) Limited. Some staff involved in the Company's operations are employees or partners of MidOcean UK Advisor LLP. The total staff costs have been borne by a Deutsche Bank Group Company without recharge. No staff costs have therefore been included in these financial statements (2006 £nil).

The total number of employees for the year was nil (2006 nil).

	<u>2007</u> £	<u>2006</u> £
Audit of these financial statements	4,006	4,206

Auditor's remuneration for services to the company has been borne by another group undertaking.

**4. INTEREST PAYABLE**

	<u>2007</u> £	<u>2006</u> £
Bank interest paid	<u>24</u>	<u>24</u>

**5. DIRECTORS' REMUNERATION**

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2007, including pension contributions, was £nil (2006 £nil).

NOTES TO THE ACCOUNTS (continued)  
For the year ended 31 December 2007

6. TAX (CHARGE)/CREDIT ON PROFIT ON ORDINARY ACTIVITIES

	<u>2007</u> £	<u>2006</u> £
(a) Analysis of tax (charge)/credit on profit on ordinary activities		
<i>Current Tax</i>		
Group relief (charge)/credit for the year		53,394
Adjustment in respect of prior periods	(6,092)	5,377
	<u>(6,092)</u>	<u>58,771</u>
<i>Deferred Tax</i>		
Origination and reversal of timing differences		(4,715)
Adjustment in respect of prior periods		
		<u></u>
Total tax (charge)/credit on profit on ordinary activities	<u>(6,092)</u>	<u>54,056</u>

(b) Current tax reconciliation

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%. The actual tax (charge)/credit for the year differs from the standard rate for the reasons set out in the following reconciliation

	<u>2007</u> £	<u>2006</u> £
Profit on ordinary activities	<u>3,034</u>	<u>1,456</u>
Tax on profit on ordinary activities at standard rate (30%)	(910)	(437)
Non taxable income	6,388	
Expenses not tax deductible	(776)	
Indexation of capital gain	4,005	
Short term timing differences	(8,707)	53,831
Adjustment in respect of prior periods	(6,092)	5,377
	<u></u>	<u></u>
Total actual amount of current tax	<u>(6,092)</u>	<u>58,771</u>

NOTES TO THE ACCOUNTS (continued)  
For the year ended 31 December 2007

**7. SUBSIDIARY UNDERTAKINGS**

Detail of investments in principal subsidiary undertakings are as follows

Name of Undertaking	Details of registration / incorporation or principal place of business
MG Equity Limited Partnership	Scotland
Morgan Grenfell Equity Partners I, II, III, IV & V	England

The Company is the sole General Partner of MG Equity Limited Partnership which is the sole General Partner of Morgan Grenfell Equity Partners I, II, III, IV & V respectively. The Company holds no equity capital in any of the above unincorporated subsidiary undertakings.

The business of the principal subsidiary undertakings is the provision of development capital and associated services.

In the opinion of the Directors, the aggregate value of the assets of the Company consisting of shares in, or amounts owing from, the Company's subsidiary undertakings is not less than the aggregate of the amounts at which those assets are stated in the balance sheet.

Full details have been included with the Company's 2007 annual return in accordance with Section 231(6) of the Companies Act 1985.

The Morgan Grenfell Equity Partners I,II,III,IV & V Limited Partnerships terminated on 20 March 2007 and were closed on 13 March 2008. MG Equity Limited Partnership terminated on 18 June 2007. This Limited Partnership will be closed in the near future.

<b>8. DEBTORS</b>	<u>2007</u> £	<u>2006</u> £
Income tax recoverable	4,075	15,352
Group relief receivable		53,394
Amounts owed by group undertakings		25,930
Prepayments and accrued income		39
	<u>4,075</u>	<u>94,715</u>

**9 CASH AT BANK**

Cash at bank represents balances held with Deutsche Bank AG, London Branch.

NOTES TO THE ACCOUNTS (continued)  
For the year ended 31 December 2007

---

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>2007</u> £	<u>2006</u> £
Amounts owed to group undertakings	4,075	16,000
Group relief payable	<u>6,092</u>	<u>          </u>
	<u>10,167</u>	<u>16,000</u>

---

11 CALLED UP SHARE CAPITAL	<u>2007</u> No	<u>2006</u> No
Authorised Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>2</u>	<u>2</u>
	<u>2007</u> £	<u>2006</u> £
Authorised Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>2</u>	<u>2</u>

---

**12. ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS**

Morgan Grenfell Development Capital Holdings Limited, a company registered in England and Wales, is the Company's immediate controlling entity

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from Secretariat, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB

---

**13. RELATED PARTY TRANSACTIONS**

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions with members or associates of the Deutsche Bank AG group

---