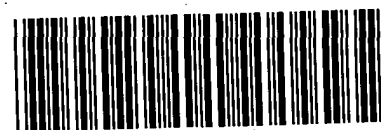


**NHP MANAGEMENT LIMITED**

**Report and Financial Statements**

**30 September 2014**

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COMPANIES HOUSE

**REPORT AND FINANCIAL STATEMENTS 2014**

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**REPORT AND FINANCIAL STATEMENTS 2014**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Mr C Patel (appointed on 12 November 2014)  
Mr D Smith (appointed on 12 November 2014)  
Mr J M J M Jensen (resigned on 12 November 2014)  
Mr P H Thompson (resigned on 12 November 2014)

**REGISTERED OFFICE**

Southgate House  
Archer Street  
Darlington  
County Durham DL3 6AH

**BANKERS**

Barclays Bank PLC  
South East Corporate Banking Centre  
P.O. Box 112  
Horsham  
West Sussex RH12 1YQ

**SOLICITORS**

Eversheds LLP  
Eversheds House  
70 Great Bridgewater Street  
Manchester M1 5ES

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London

## **DIRECTORS' REPORT**

The Directors have pleasure in presenting their annual report and the audited financial statements for the year ended 30 September 2014.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The Company has also taken the small companies exemption from the requirement to prepare a Strategic Report.

## **PRINCIPAL ACTIVITY**

The principal activity of the Company is the management of care home property portfolios and administrative matters on behalf of its group undertakings.

## **BUSINESS REVIEW**

In the year to 30 September 2014, the Company has continued the management of care home property portfolios and administrative matters on behalf of its group undertakings and this will continue in the foreseeable future.

## **RESULTS**

The results for the year to 30 September 2014 are set out in the profit and loss account on page 8.

## **DIVIDENDS**

No dividends in respect of the year are proposed (2013 - £ nil).

## **DIRECTORS**

The following Directors served throughout the year:

Mr C Patel (appointed on 12 November 2014)

Mr D Smith (appointed on 12 November 2014)

Mr J M J M Jensen (resigned on 12 November 2014)

Mr P H Thompson (resigned on 12 November 2014)

The current Directors of the Company are detailed on page 1.

The Company has made qualifying third party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force to the date of this report.

## **GOING CONCERN**

As at 30 September 2014 the Company was a guarantor for a £1,172m term loan (the 'Senior Loan') entered into by LIBRA No 3 Limited, the Company's intermediate parent undertaking.

The Group had been in breach of the covenants since November 2008 due to the fall in property values and the Directors of the Company had been in restructuring negotiation with its lenders and had entered into a series of standstill agreements.

At 30 September 2014 the Group and Capita Asset Services (UK) Limited ('Capita'), the Servicer and the Special Servicer to the Senior Loan had decided to pursue a possible sale of all of the shares of NHP Holdco 1 Limited, the Company's intermediate parent undertaking (the *Disposal*).

The Disposal was successfully concluded on 12 November 2014 following an acquisition made by Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited. Consequently, NHP Holdco 1 Limited and all its subsidiaries including HC-One and TTCC have been transferred to the new owner. See note 18 for further details.

## **DIRECTORS' REPORT**

### **GOING CONCERN (Continued)**

The change in ownership removed the uncertainty and financial risk connected with the bank debts of LIBRA No 3 Limited and LIBRA No 2 Limited, the Company's ultimate parent undertaking. The new structure properly funds the Group, the Company and the operations of HC-One Limited and TTCC Limited (both are group undertakings) and its plan for future development.

The obligations of NHP Holdco 1 Limited and its subsidiary undertakings under the £1,172m term loans were fully discharged on 12 November 2014.

On 12 December 2014 LIBRA No 2 Limited and LIBRA No 3 Limited have been placed into liquidation.

The Group maintains sufficient cash resources to meet its day-to-day working capital requirements. The Company is in a net liability position and is reliant on support from its parent undertaking to meet its obligations.

After making enquiries and based on the Group's forecasts and projections, taking into account of reasonably possible changes in trading performance, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

### **POST BALANCE SHEET EVENTS**

On 12 November 2014 Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited, a related party of the Group, acquired 100% share capital of NHP Holdco 1 Limited from LIBRA No 3 Limited. The change in ownership removed the uncertainty and financial risk connected with the bank debts of LIBRA 3 and LIBRA No 2 Limited. The new structure properly funds the Group, the Company and the operations of HC-One and TTCC and its plan for future development.

The Group's new partnership is with two organisations who share HC-One and TTCC's passion for care. Since 1999, Formation Capital and its investors have invested over US\$5.5billion across care in the senior housing sector. Safanad Limited is a global investment firm that invests in property, private and public market.

The new partnership has been created with the view to consolidating HC-One's transformation and is planning to acquire further homes and diversify the care provided to include retirement villages, residential, nursing and home care. In doing so becoming an integrated health and social care provider working in collaboration with public sector commissioners delivering high quality and cost effective services.

As such, the acquisition represents the start of a new era for the Group's residents, staff and relatives. An investment programme will commence in 2015 to invest more than £100 million over five years to continue improving HC-One's homes and the services provided.

## **DIRECTORS' REPORT**

### **AUDITOR**

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

- so far as each of the directors is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director in order to make themselves 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 indicated their willingness to be re-appointed for another term 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 of Directors  
and signed on behalf of the Board



D Smith  
Director  
Date: 29 April 2015  
Southgate House  
Archer Street  
Darlington  
County Durham DL3 6AH

## **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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NHP MANAGEMENT LIMITED**

We have audited the financial statements of NHP Management Limited for the year ended 30 September 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's 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 Directors' Responsibilities Statement, 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 30 September 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

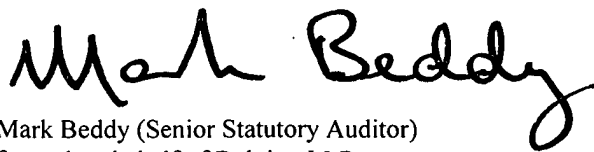


## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NHP MANAGEMENT LIMITED**

### **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.
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Mark Beddy (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

Date: 29 April 2015

**PROFIT AND LOSS ACCOUNT**  
**Year ended 30 September 2014**

	Notes	2014 £	2013 £
<b>TURNOVER AND GROSS PROFIT</b>	3	1,547,224	1,607,780
Administrative expenses	6	<u>(3,248,792)</u>	<u>(3,110,406)</u>
<b>OPERATING LOSS</b>		<u>(1,701,568)</u>	<u>(1,502,626)</u>
Net interest receivable and similar income	7	<u>9,888</u>	<u>3,112</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(1,691,680)</u>	<u>(1,499,514)</u>
Tax on loss on ordinary activities	8	<u>-</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION AND LOSS FOR THE YEAR</b>	14	<u><u>(1,691,680)</u></u>	<u><u>(1,499,514)</u></u>

Turnover and operating loss are derived wholly from continuing operations.

There are no recognised gains or losses for the current financial year or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.

**BALANCE SHEET**  
**30 September 2014**

	Notes	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9		1,414		3,878
<b>CURRENT ASSETS</b>					
Debtors	10	5,981,458		190,557	
Bank		258,995		179,306	
		<u>6,240,453</u>		<u>369,863</u>	
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(17,777,233)</u>		<u>(10,217,427)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(11,536,780)</u>		<u>(9,847,564)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(11,535,366)</u>		<u>(9,843,686)</u>
<b>NET LIABILITIES</b>			<u>(11,535,366)</u>		<u>(9,843,686)</u>
<b>CAPITAL AND RESERVES</b>					
Share capital	13		2		2
Profit and loss account	14		<u>(11,535,368)</u>		<u>(9,843,688)</u>
<b>SHAREHOLDERS' DEFICIT</b>	15		<u>(11,535,366)</u>		<u>(9,843,686)</u>

These financial statements were approved and authorised for issue by the Board of Directors on 29 April 2015. The Company Registration number is 3288142.

Signed on behalf of the Board of Directors



D Smith  
Director

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2014

### 1. GOING CONCERN

As at 30 September 2014 the Company was a guarantor for a £1,172m term loan (the 'Senior Loan') entered into by LIBRA No 3 Limited, the Company's intermediate parent undertaking.

The Group had been in breach of the covenants since November 2008 due to the fall in property values and the Directors of the Company had been in restructuring negotiation with its lenders and had entered into a series of standstill agreements.

At 30 September 2014 the Group and Capita Asset Services (UK) Limited ('Capita'), the Servicer and the Special Servicer to the Senior Loan had decided to pursue a possible sale of all of the shares of NHP Holdco 1 Limited, the Company's intermediate parent undertaking (the *Disposal*).

The Disposal was successfully concluded on 12 November 2014 following an acquisition made by Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited. Consequently, NHP Holdco 1 Limited and all its subsidiaries including HC-One and TTCC have been transferred to the new owner. See note 15 for further details.

The change in ownership removed the uncertainty and financial risk connected with the bank debts of LIBRA No 3 Limited and LIBRA No 2 Limited, the Company's ultimate parent undertaking. The new structure properly funds the Group, the Company and the operations of HC-One Limited and TTCC Limited (both are group undertakings) and its plan for future development.

The obligations of NHP Holdco 1 Limited and its subsidiary undertakings under the £1,172m term loans were fully discharged on 12 November 2014.

On 12 December 2014 LIBRA No 2 Limited and LIBRA No 3 Limited have been placed into liquidation.

The Group maintains sufficient cash resources to meet its day-to-day working capital requirements. The Company is in a net liability position and is reliant on support from its parent undertaking to meet its obligations.

After making enquiries and based on the Group's forecasts and projections, taking into account of reasonably possible changes in trading performance, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

### 2. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards (as issued by Accounting Council). The particular accounting policies adopted are described below and they have been applied consistently during the current year and the preceding year.

#### Turnover

Turnover represents amounts receivable on the services provided in the normal course of business, net of VAT. The Company recognises turnover when the administration expenses incurred can be reliably measured, when there is a right to consideration, and recharged to group undertakings. Turnover is recorded at the value of consideration due.

#### Depreciation

Tangible fixed assets are stated at cost less depreciation which is provided at rates calculated to write off the cost in equal amounts over their anticipated useful lives as follows:

Office equipment	3 years
Computer equipment	3 years

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 30 September 2014

#### 2. ACCOUNTING POLICIES (Continued)

##### Taxation

Current tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which have originated at the balance sheet date and which could give rise to an obligation to pay more or less tax in the future. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognised in respect of gains and losses on revalued assets unless the company has entered into a binding agreement to sell the assets and the gains or losses have been recognised in the profit and loss account. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### Pensions

NHP Management Limited contributes to defined contribution schemes. The amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year.

##### Interest

Interest receivable and interest payable are recognised in the financial statements on an accruals basis.

##### Cash flow statement

As the Company is a wholly owned subsidiary, it has taken exemption under the terms of Financial Reporting Standard 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement, as it is included in the consolidated financial statements of NHP Holdco 1 Limited, which are publicly available.

#### 3. TURNOVER AND GROSS PROFIT

Turnover comprises the following items earned from the Company's ordinary activities, which take place wholly within the United Kingdom.

	Year ended 30 September 2014 £	Year ended 30 September 2013 £
Management fees, excluding value added tax, received from: group undertakings	1,547,224	1,557,780
	<u>1,547,224</u>	<u>1,557,780</u>

#### 4. STAFF COSTS

The aggregate payroll costs (excluding executive Director) were as follows:

	Year ended 30 September 2014 £	Year ended 30 September 2013 £
Wages and salaries	409,474	353,532
Social security costs	52,585	46,741
Pension – defined contribution scheme	24,451	24,169
	<u>486,510</u>	<u>424,442</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 September 2014**

**4. STAFF COSTS**

	Year ended 30 September 2014	Year ended 30 September 2013
<b>Average number of employees (excluding executive Director):</b>		
<b>Group</b>	<b>No.</b>	<b>No.</b>
Administrative	3	3

**5. DIRECTORS' EMOLUMENTS**

J M J M Jensen was an executive director of the Company and the Group until 12 November 2014. He was the Chief Restructuring Officer of the Group. J M J M Jensen's services to the Company and NHP Holdco 1 Limited and their subsidiary undertakings were provided via a contract with The Aaronite Partnership LLP in which he is a partner. Total fees (including VAT) of £574,446 (2013: £422,154) were incurred for the year ended 30 September 2014. The total fees amount is included in the total administrative expenses.

P H Thompson was a non-executive director of the Company and of the Group until 12 November 2014. P H Thompson's services were also provided via a contract with The Aaronite Partnership LLP in which he is a partner. Total fees (including VAT) of £154,261 were incurred for the year ended September 2014 (2013: £122,784). The total fees amount is included in the total administrative expenses.

**6. ADMINISTRATIVE EXPENSES**

Administrative expenses include, inter alia:

	2014 £	2013 £
Depreciation of other fixed assets	2464	5,110
Provision for doubtful debts – group undertakings	1,682,556	1,489,345
The analysis of auditor's remuneration is as follows:		
Fees payable to the Company's auditor for the audit of the Company's annual account	28,800	28,800
Fees payable to the Company's auditor and their associates for other services to the Company:		
- tax services	49,148	5,880
	77,948	34,680

**7. NET INTEREST RECEIVABLE AND SIMILAR INCOME**

	2014 £	2013 £
Interest receivable from bank deposits	833	3,595
Interest receivable from Group undertakings	10,233	-
Finance costs	(1,178)	(483)
	9,888	3,112

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 September 2014**

**8. TAX ON LOSS ON ORDINARY ACTIVITIES**

	2014 £	2013 £
Corporation tax	-	-
Loss before tax	(1,691,680)	(1,499,514)
Tax on loss at standard rate of 22% (2013: 23.5%)	(372,170)	(352,386)
Factors affecting tax charge:		
Non-deductible expenditure		2,998
Non-deductible provisions	370,162	3,49,996
Depreciation in excess of capital allowances	542	2,545
Permanent diminution in value	178	-
Increase in losses carried forward	1,288	-
Group relief for nil Consideration	-	(731)
Losses brought forward used	-	(2,422)
Current tax charge	-	-

The tax charge for the current year is higher than that resulting from applying the standard rate of corporation tax due to certain expenditure being disallowable for tax purposes.

**9. TANGIBLE FIXED ASSETS**

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 October 2013	5,836	30,938	36,774
Additions	-	-	-
At 30 September 2014	5,836	30,938	36,774
<b>Accumulated depreciation</b>			
At 1 October 2013	(5,836)	(27,060)	(32,896)
Charge for the year	-	(2,464)	(2,464)
At 30 September 2014	(5,836)	(29,524)	(35,360)
<b>Net book value</b>			
At 30 September 2014	-	1,414	1,414
At 30 September 2013	-	3,878	3,878

**10. DEBTORS**

	2014 £	2013 £
Amounts due within one year:		
Other debtors	139,730	190,557
Amount due from group undertakings	5,765,640	-
Prepayments and accrued income	76,088	40,692
	5,981,458	190,557

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 September 2014**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Other creditors	872,343	506,722
Other taxation and social security	9,962	9,549
Amounts owed to group undertakings	16,592,237	9,271,500
Accruals and deferred income	302,691	429,656
	<u>17,777,233</u>	<u>10,217,427</u>

Amounts owed to group undertakings have no repayment date and are due on demand bearing no interest.

**12. DEFERRED TAXATION**

	Provided		Unprovided	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	-	-	(128,301)	(38,357)
Losses carried forward	-	-	-	(86,712)
	<u>-</u>	<u>-</u>	<u>(128,301)</u>	<u>(125,069)</u>

A deferred tax asset has not been recognised on accelerated capital allowances as it is considered more likely than not that there will be insufficient taxable profits in the future against which future capital allowances may be utilised.

**13. CALLED UP SHARE CAPITAL**

	2014	2013
	£	£
<b>Called up, allotted and fully paid:</b>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**14. PROFIT AND LOSS ACCOUNT**

	£
At 1 October 2013	(9,843,688)
Loss for the year	<u>(1,691,680)</u>
At 30 September 2014	<u>(11,535,368)</u>

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT**

	2014	2013
	£	£
At 1 October	(9,843,686)	(8,344,172)
Loss for the year	<u>(1,691,680)</u>	<u>(1,499,514)</u>
At 30 September	<u>(11,535,366)</u>	<u>(9,843,686)</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 September 2014**

**16. CONTINGENT LIABILITIES AND GUARANTEES**

On 12 November 2014 the Company and its group undertakings became guarantors to a facility agreement entered into by FC Skyfall Bidco Limited, the Company's new intermediate parent undertaking. The facility is secured by a fixed and floating charge over the group assets and unlimited guarantee from its group undertakings. As at 29 April 2015 the outstanding loan amount is £295.8m.

**17. RELATED PARTY TRANSACTIONS**

(a) In accordance with Financial Reporting Standard No. 8 "Related Party Disclosures", transactions with other undertakings within the NHP Holdco 1 Limited group have not been disclosed in these financial statements.

(b) At 30 September 2014 J M J M Jensen was an executive director of the Company and the Group. He was the Chief Restructuring Officer of the Group. J M J M Jensen's services to the Company and to its group undertakings were provided via a contract with The Aaronite Partnership LLP in which he is a partner. Total fees (including VAT) of £574,446 (2013: £422,154) were incurred for the year ended 30 September 2014. The total fees amount is included in the total administrative expenses. As at 30 September 2014 the amount £50,790 remained outstanding but the full amount was settled on 8 October 2014.

(c) At 30 September 2014 P H Thompson was a non-executive director of the Company and of the Group. P H Thompson's services were also provided via a contract with The Aaronite Partnership LLP in which he is a partner. Total fees (including VAT) of £154,261 were incurred for the year ended September 2014 (2013: £122,784). The total fees amount is included in the total administrative expenses. As at 30 September 2014 the amount £14,943 remained outstanding but the full amount was settled on 8 October 2014.

**18. POST BALANCE SHEET EVENTS**

(a) On 12 November 2014 Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited, a related party of the Group, acquired 100% share capital of NHP Holdco 1 Limited from LIBRA No 3 Limited. The change in ownership removed the uncertainty and financial risk connected with the bank debts of LIBRA 3 Limited and LIBRA No 2 Limited. The new structure properly funds the Group, the Company and the operations of HC-One and TTCC and its plan for future development.

The Group's new partnership is with two organisations who share HC-One and TTCC's passion for care. Since 1999, Formation Capital and its investors have invested over US\$5.5billion across care in the senior housing sector. Safanad Limited is a global investment firm that invests in property, private and public market.

The new partnership has been created with the view to consolidating HC-One's transformation and is planning to acquire further homes and diversify the care provided to include retirement villages, residential, nursing and home care. In doing so becoming an integrated health and social care provider working in collaboration with public sector commissioners delivering high quality and cost effective services.

As such, the acquisition represents the start of a new era for the Group's residents, staff and relatives. An investment programme will commence in 2015 to invest more than £100 million over five years to continue improving HC-One's homes and the services provided.

(b) On 12 November 2014 following the change of ownership, the obligations of the Company and its group undertakings under the £1,172m term loans were fully discharged.

(c) On 12 December 2014 LIBRA No 2 Limited and LIBRA No 3 Limited have been placed into liquidation.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 September 2014**

**18. POST BALANCE SHEET EVENTS (Continued)**

(d) On 12 November 2014 the Company and all its group undertakings were acceded as guarantors to a facility agreement entered into by FC Skyfall Bidco Limited. The facility is secured by a fixed and floating charge over the group assets and unlimited guarantee from its group undertakings. As at 29 April 2015 the outstanding loan amount is £295.8m.

**19. ULTIMATE PARENT UNDERTAKINGS**

The immediate parent undertaking is NHP Limited, a company incorporated in the United Kingdom and registered in England and Wales.

On 12 November 2014 Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited, a related party of the Group, acquired 100% share capital of NHP Holdco 1 Limited, the Company's intermediate parent undertaking from LIBRA No 3 Limited, also the Company's intermediate parent undertaking.

Following the change to new ownership on 12 November 2014 FC Skyfall Bidco Limited, a company incorporated in the United Kingdom and registered in England and Wales, becomes the Company's intermediate parent undertaking. As disclosed in note 18, LIBRA No 2 Limited and LIBRA No 3 Limited have been placed into liquidation on 12 December 2014 hence NHP Holdco 1 Limited is both the smallest and largest group including the Company for which consolidated accounts are prepared.

Copies of the NHP Holdco 1 Limited group consolidated financial statements to 30 September 2014, which include the results of the Company, are available from the Companies House at Crown Way, Cardiff, Wales CF14 3UZ.