

LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

Annual Report and Unaudited Financial Statements

30 September 2018



LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 SEPTEMBER 2018**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr J Hutchens
Mr D Smith

REGISTERED OFFICE

Southgate House
Archer Street
Darlington
County Durham DL3 6AH

LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the unaudited financial statements of Libra CareCo CH3 PropCo HoldCo Limited (the "Company") for the year ended 30 September 2018.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the Company is to act as a holding company. The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the current financial year. In the prior year, the Company was active through the refinancing and re-organisation transactions which took place within the Group. It is the Directors' intention to keep the Company as a dormant company in the foreseeable future. Key performance indicators are not considered necessary for an understanding of the development performance or position of the business of the Company. There are no risks or uncertainties facing the Company including those within the context of the use of financial instruments.

DIVIDENDS

Dividends of £nil were proposed and paid in the current year (2017: £87.5m).

DIRECTORS

The following Directors served throughout the year and to the date of signing:

Mr J Hutchens
Mr D Smith

THIRD PARTY INDEMNITY PROVISIONS

The ultimate parent undertaking of the Company, FC Skyfall TopCo Limited has made qualifying third party indemnity provisions for the benefit of the Company's Directors and the directors of all its other subsidiaries, which were made during the year and remain in force to the date of this report.

Approved by the Board and signed on its behalf by:



Mr D Smith
Director
Date: 18 March 2019
Southgate House
Archer Street
Darlington
County Durham DL3 6AH

LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 September 2018

	Notes	2018 (Unaudited) £	2017 (Audited) £
TURNOVER	2	-	87,500,017
Administrative income			-
OPERATING PROFIT		-	87,500,017
PROFIT BEFORE TAXATION	3	-	87,500,017
Tax on profit	4	-	-
PROFIT FOR THE FINANCIAL YEAR		-	87,500,017

There is no comprehensive income for the current financial year or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of comprehensive income is presented.

LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

BALANCE SHEET

As at 30 September 2018

	Note	2018 (Unaudited) £	2017 (Audited) £
FIXED ASSETS			
Investments	5	<u>1</u>	<u>1</u>
NET ASSETS		<u><u>1</u></u>	<u><u>1</u></u>
CAPITAL AND RESERVES			
Called-up share capital	6	<u>1</u>	<u>1</u>
SHAREHOLDERS' FUNDS		<u><u>1</u></u>	<u><u>1</u></u>

Libra CareCo CH3 PropCo Holdco Limited (registered number 05578204) did not trade during the current year and has neither profit or loss, nor any other items of comprehensive income. There have been no movements in shareholders' funds during the current or preceding financial year. For the year ending 30 September 2018 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements on pages 3 to 10 were approved and authorised for issue by the Board of Directors on 18 March 2019.



Mr D Smith
Director
Date: 18 March 2019

LIBRA CARECO CH3 PROPCO HOLDCO LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2018

	Called-up share capital £	Profit and loss account £	Total £
At 1 October 2016	1	-	1
Profit for the financial year	-	87,500,017	87,500,017
Dividends paid on equity shares (see note 8)	-	(87,500,017)	(87,500,017)
At 30 September 2017 (Audited)	1	-	1
Profit for the financial year	-	-	-
At 30 September 2018 (Unaudited)	1	-	1

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2018

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year, except as noted below.

General information and basis of accounting

Libra CareCo CH3 PropCo Holdco Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activity are set out in the Director's report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) as issued by Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent undertaking, FC Skyfall Upper Midco Limited, which can be obtained from the Companies House at Crown Way, Cardiff, Wales CF14 3UZ.

Exemption from consolidation

The Company is a wholly owned subsidiary of FC Skyfall Upper Midco Limited hence the Company has taken the advantage of the exemption under section 401 of the Companies Act 2006 from preparing a group accounts. These financial statements provide information about the Company as an individual undertaking and not about its group.

Investments

Fixed asset investments are stated at cost less provision for impairment.

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 that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing differences and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 30 September 2018****1. ACCOUNTING POLICIES (Continued)****Taxation (Continued)**

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense and income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise that assets and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: (a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis; or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Turnover

Turnover is earned by way of dividend received from the Company subsidiaries, which takes place wholly within the United Kingdom.

Dividend expense

Dividend payable is recognised in the financial statements when amounts have been declared and paid. Dividends were proposed and paid to NHP Holdco 1 Limited, an intermediate parent undertaking.

2. TURNOVER

Turnover represents the dividend received from the Company's subsidiary undertakings.

	2018	2017
	£	£
Dividend	-	87,500,017

3. PROFIT BEFORE TAXATION

The Company had no employees during the current or preceding year.

None of the Directors received emoluments directly from the Company in relation to their services to the Company during the current or preceding year. Directors' emoluments have been borne by HC-One Limited, a group undertaking during the current and preceding year, and were not recharged to the Company.

No audit fees have been charged to the profit and loss account in the previous year as audit fee of £1,000 has been borne by Libra CareCo CH3 PropCo Limited, the Company's subsidiary undertaking and no recharges to the Company. The Company did not incur any non-audit fees during the current or the preceding year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2018

4. TAX ON PROFIT

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Profit before tax	-	87,500,017
Tax on profit/ (loss) at standard rate of 19.0% (2017: 19.5%)	-	17,060,099
Factors affecting tax charge:		
Expenses not deductible	-	-
Income not taxable for tax purposes	-	(17,060,099)
Movement in deferred tax not recognised	-	-
Tax rate changes	-	-
Group relief surrendered for £nil consideration	-	-
Rounding	-	-
Total Charge for the year	-	-

The standard rate of tax applied to reported profit is 19.0% (2017: 19.5%).

Finance Act No.2 2015 included provisions to reduce the corporate tax to 19.0% with effect from 1 April 2017. In addition, Finance Bill 2016 was substantively enacted on 6 September 2016 which introduced a further reduction in the main rate of corporation tax to 17.0% from 1 April 2020. Accordingly these rates have been applied when calculating deferred tax assets and liabilities as at 30 September 2018.

There is no expiry date on timing differences, unused tax losses or tax credits.

5. INVESTMENTS

At 30 September 2017 and 30 September 2018	£ 1
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The investment held represents the holding of a 100% issued share capital of Libra CareCo CH3 Propco Limited, a company incorporated in the United Kingdom and registered in England and Wales on 29 September 2005.

The principal activity of Libra CareCo CH3 Propco Limited is the holding of freehold and long leasehold interests in predominantly modern, purpose-built care homes, the overriding leasehold interests of which have been sold to Care Homes No.3 Limited.

At 30 September 2018, the Company held investments either directly or indirectly in the following subsidiary undertakings:

Name	Country of incorporation	% Holdings	Principal activity
Libra CareCo CH3 PropCo Limited *	United Kingdom	100%	Investment in care home properties
Care Homes No.3 Limited	Cayman Islands	100%	Investment in care homes properties
NHP Securities No.10 Limited	Jersey	100%	Investment in care homes properties
NHP Securities No.12 Limited	Jersey	100%	Investment in care homes properties

*held directly by Libra CareCo CH3 PropCo Holdco Limited. All others are indirect.

All shares held are ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 30 September 2018****5. INVESTMENTS (Continued)**

The registered address for Libra CareCo CH3 PropCo Limited is Southgate House, Archer Street, Darlington, County Durham, DL3 6AH.

The registered address for Care Homes No.3 Limited is c/o Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands.

The registered address for NHP Securities No.10 Limited and NHP Securities No.12 Limited is 47 Esplanade, St Helier, Jersey, Channel Islands JE1 0BD.

6. CALLED-UP SHARE CAPITAL

	2018 £	2017 £
Called-up, allotted and fully paid:		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

7. CONTINGENT LIABILITIES

The Company and its group undertakings are guarantors to a facility agreement entered into by FC Skyfall Bidco Limited, the Company's 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 18 March 2019 the outstanding loan amount is £270.2m.

8. DIVIDENDS ON EQUITY

	2018 £	2017 £
Declared and paid during the year:		
Equity dividends on ordinary shares	-	87,500,017
	<u>-</u>	<u>87,500,017</u>

9. SUBSEQUENT EVENTS

No other significant events are noted between the year ended 30 September 2018 and the date of signing this report.

10. RELATED PARTY TRANSACTIONS

The Company has taken exemption provided under FRS 102 to not disclose intercompany transactions with other wholly owned group undertakings within the FC Skyfall Upper Midco Limited group.

There are no transactions between the Company and the directors during the current year or the preceding year.

The cost of the annual return fee was borne by NHP Management Limited, a group undertaking, in the current and preceding year, without any right of reimbursement.

No other related party transaction is noted.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2018

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is NHP Holdco 1 Limited, a company incorporated and registered in the Cayman Islands. The Directors regard FC Skyfall LP, a limited partnership incorporated and registered in the Cayman Islands, as the ultimate parent undertaking. There is no controlling party beyond FC Skyfall LP.

The largest group into which these financial statements are consolidated is FC Skyfall Holdco 3 Limited with registered office at c/o Trident Trust Company (Cayman) Limited, One Capital Place, Shedden Road, PO Box 847, George Town, Grand Cayman KY-1103.

The smallest group in which the results of the Company are consolidated is that headed by FC Skyfall Upper Midco Limited, a company incorporated in England and Wales. The registered address of FC Skyfall Upper Midco Limited is 25 Canada Square, Level 37, London, England, E14 5LQ.

Copies of financial statements of all the companies for the year ended 30 September 2018 are available from Companies House at Crown Way, Cardiff, Wales, CF14 3UZ.