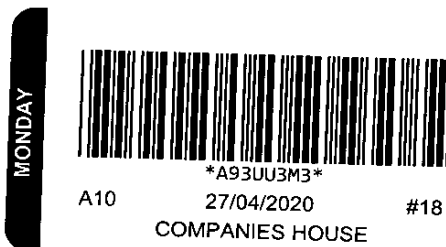


006445/440

Company Registration  
No. FC027929

**NHP HOLDCO 3 LIMITED**  
**Annual Report and Financial Statements**  
**For the year ended 30 September 2019**



## **NHP HOLDCO 3 LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30  
SEPTEMBER 2019**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Mr J Hutchens (resigned 2 March 2020)  
Mr D Smith

**COMPANY SECRETARY**

Crestbridge Corporate Services Limited

**REGISTERED OFFICE**

c/o Walkers Corporate Limited  
Cayman Corporate Centre  
27 Hospital Road  
George Town  
Grand Cayman  
KY1-9008  
Cayman Islands

**AUDITOR**

KPMG LLP  
Quayside House  
110 Quayside  
Newcastle-upon-Tyne  
NE1 3DX

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing 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), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NHP HOLDCO 3 LIMITED**

### **Opinion**

We have audited the financial statements of NHP Holdco 3 Limited for the year ended 30 September 2019 which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Company Statement of Changes in Equity and related notes, including the accounting policies in note 1. The financial statements have been prepared for the reasons set out in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of the Company's loss for the year then ended; and
- the financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as applicable to overseas companies as if those requirements were to apply.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and the terms of our engagement letter dated 22 November 2019. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Material uncertainty related to going concern**

We draw attention to note 1 to the financial statements which indicates the uncertainties related to the ability of FC Upper Midco Limited to provide financial support. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements, which are intended by them to give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF NHP HOLDCO 3 LIMITED (Continued)**

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company in accordance with the terms of our engagement. It has been released to the Company on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.



**Nick Plumb**  
**for and on behalf of KPMG LLP**  
*Chartered Accountants*  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX  
3<sup>rd</sup> April 2020

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 30 September 2019**

	<b>Notes</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
Administrative expenses		<u>(4)</u>	<u>(4)</u>
<b>OPERATING LOSS</b>		<b>(4)</b>	<b>(4)</b>
Interest payable and similar expenses		<u>(16)</u>	<u>(16)</u>
<b>LOSS BEFORE TAXATION</b>	<b>3</b>	<b>(20)</b>	<b>(20)</b>
Tax on loss	<b>4</b>	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b><u>(20)</u></b>	<b><u>(20)</u></b>

Results are derived wholly from continuing operations.

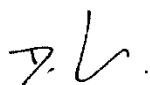
There is no comprehensive income for the current financial or the preceding year other than as stated in the profit and loss account. Accordingly, no statement of comprehensive income is presented.

# NHP HOLDCO 3 LIMITED

## BALANCE SHEET As at 30 September 2019

	Notes	2019 £'000	2018 £'000
<b>FIXED ASSETS</b>			
Investments	5	480	480
<b>CURRENT ASSETS</b>			
Debtors	6	7	7
<b>CREDITORS: amounts falling due within one year</b>	7	(429)	(409)
<b>NET CURRENT LIABILITIES</b>		<b>(422)</b>	<b>(402)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>58</b>	<b>78</b>
<b>CREDITORS: amounts falling due after more than one year</b>	8	(198)	(198)
<b>NET LIABILITIES</b>		<b>(140)</b>	<b>(120)</b>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	10	2	2
Profit and loss account	10	(142)	(122)
<b>SHAREHOLDERS' DEFICIT</b>		<b>(140)</b>	<b>(120)</b>

These financial statements of NHP Holdco 3 Limited (registered number FC027929) were approved by the Board of Directors and authorised for issue on 3<sup>rd</sup> April 2020. They were signed on its behalf by:



Mr D Smith  
Director



**NHP HOLDCO 3 LIMITED****STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 September 2019**

	<b>Called-up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
<b>At 1 October 2017</b>	2	(102)	(100)
Loss for the financial year	-	(20)	(20)
<b>At 30 September 2018</b>	<b>2</b>	<b>(122)</b>	<b>(120)</b>
Loss for the financial year	-	(20)	(20)
<b>At 30 September 2019</b>	<b>2</b>	<b>(142)</b>	<b>(140)</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 September 2019**

**1. ACCOUNTING POLICIES**

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

**General information and basis of accounting**

NHP Holdco 3 Limited ("the Company") is a private company limited by shares and is incorporated and registered in Cayman Islands under Companies Law (2004 Revision) of the Cayman Islands. The address of the registered office is given on page 1. The principal activity of the Company is to act as a holding company to a group of companies specialised in the management and running of care homes principally for the elderly. The Group also owns the freeholds of care homes which are leased to the operating subsidiaries (HC-One Limited, Meridian Healthcare Limited and HC-One Beamish Limited) and a small number of third party operators.

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 the parent undertaking, FC Skyfall Upper Midco Limited, which can be obtained from the Companies House at Crown Way, Cardiff, Wales CF14 3UZ. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, remuneration of key management personnel and related party transactions.

**Exemption from consolidation**

The Company has taken advantage of section 401 of the Companies Act 2006 from the requirement to prepare group financial statement as the Company is itself a subsidiary undertaking of FC Skyfall Upper Midco Limited. These financial statements provide information about the Company as an individual undertaking and not about its group.

**Going concern and COVID-19**

Notwithstanding net current liabilities as at 30 September 2019 and a loss for the year then ended, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Directors have performed a going concern assessment for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds through funding from its parent, FC Skyfall Upper Midco Limited. The company is part of the FC Skyfall Upper Midco Limited group of companies (the "Group"). The company meets its day to day working capital requirements from cash resources and intercompany balances with other Group companies. Therefore the going concern assessment of the company is dependent on that of the Group as a whole.

FC Skyfall Upper Midco Limited has indicated its intention to continue to make available such funds as are needed by the company at the balance sheet date for 12 months from the date of approval of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, subject to the uncertainty described below, they have no reason to believe that it will not do so. A material uncertainty exists in the Group in respect of going concern as there is a risk of breach of financial covenants on its term loans in a COVID-19 downside scenario.

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 September 2019**

### **1. ACCOUNTING POLICIES (Continued)**

#### **Going concern and COVID-19 (continued)**

The Group's directors have prepared detailed cash flow and covenant compliance forecasts for the Group for the period to 30 September 2024. Net debt levels, servicing costs, working capital and covenant requirements are closely monitored and managed in accordance to the Group's objectives, policies and processes, and these have each been considered as part of these forecasts. At 30 September 2019 the Group was financed by £12.2m of cash, £264.7m of terms loans and £14.0m of loan notes with related parties. There are financial covenants on the term loans.

Excluding the potential impact of COVID-19 which is considered below, these cash flow forecasts and projections indicate that, taking into account reasonably possible downsides in trading performance, the Group will have adequate resources to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

The Group's directors have separately considered the uncertainty as to the future impact of COVID-19 on the going concern assessment.

To date across the Group the impact has been that occupancy rates have remained stable, death rates within the Group's care homes have not materially differed to historical rates and the Group has received a number of requests from NHS and LA to block book beds. However the Group's directors cannot predict the longer term impact of the crisis including:

- (i) what the NHS demand for vacant beds will be;
- (ii) what the impact of the crisis will be on the death rate and occupancy levels within the Group's care homes; and
- (iii) what the impact of self-isolation, care home isolation and other social distancing measures will have on payroll costs.

The current predictions of the impact of the virus on UK death rates vary widely but should the more pessimistic estimates prove correct, assuming the current high demand for beds from the NHS reduces and payroll costs are significantly increased, there would be a significant impact on the Group's profitability and cashflows and the Group would be at risk of breaching its financial covenants on the loans. Therefore the Group would require support from the banks by way of a covenant waiver or deferral.

Whilst the Group's directors believe that the Group would continue to have the support of its shareholders and the banks in these circumstances, there is no certainty that this would be the case. The Group's directors consider the specific downside scenario impact of COVID-19 on the Group's occupancy levels and cashflows to be so significant that it represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, to continue realising their assets and discharging their liabilities in the normal course of business. The directors of the Company have assessed the conclusions reached by the Group's directors and agree with their conclusion.

Based on these indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2019**

**1. ACCOUNTING POLICIES (Continued)**

**Taxation**

Current tax, including UK corporation 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.

**Foreign currencies**

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions. All monetary assets and liabilities in foreign currencies are expressed in sterling at the period end rates. Gains and losses arising from the movements in exchange rates during the period are dealt with in the profit and loss account.

**Investment**

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

**Interest**

Interest payable is recognised in the financial statements on an accruals basis.

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2019**

**1. ACCOUNTING POLICIES (Continued)**

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

*Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

*Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. There are no critical accounting judgements in the preparation of the financial statements.

**Key sources of estimation uncertainty**

Determining whether the investment in subsidiary undertakings should be impaired based on the financial position and future prospect of the investment requires judgement. See note 5.

**3. LOSS BEFORE TAXATION**

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

The Directors' emoluments have been borne by HC-One Limited, a Group Undertaking during the current and preceding year.

No audit fees have been charged to the profit and loss account. Fees payable to the Company's auditor for the audit of the Company's annual financial statements were £1,000 for the current and preceding year and have been borne by NHP Management Limited, a group undertaking. The Company did not incur any non-audit fees during the year (30 September 2018: £nil).

## NHP HOLDCO 3 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 30 September 2019

#### 4. TAX ON LOSS

	2019 £'000	2018 £'000
<b>Current tax:</b>		
Tax charge for the year	-	-
Reconciliation of current year charge:		
<b>Loss before tax</b>	<b>(20)</b>	<b>(20)</b>
Tax on loss at standard rate of 19.0% (2018: 19.0%)	(4)	(4)
Factors affecting tax charge:		
Effects of group relief	4	4
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

The standard rate of tax applied to reported profit is 19.0% (2018: 19.0%).

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset as at 30 September 2019 has been calculated based on this rate. In the 11 March 2020 Budget it was announced that the UK tax rate will remain at the current 19% and not reduce to 17% from 1 April 2020. This will have a consequential effect on the company's future tax charge.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2019**

**5. INVESTMENTS**

	<b>£'000</b>
<b>Cost and net book value</b>	
<b>At 1 October 2018 and 30 September 2019</b>	<b>480</b>

At 30 September 2019, the Company held investments either directly or indirectly in the following subsidiary undertakings:

<b>Name</b>	<b>Country of incorporation</b>	<b>% Holdings</b>	<b>Principal activity</b>
Libra CareCo Holdings Limited <sup>a</sup>	United Kingdom	100%	Dormant company
Libra CareCo Investments 1 Limited <sup>a</sup>	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra CareCo Investments 2 Limited <sup>a</sup>	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra GuaranteeCo Limited <sup>a</sup>	United Kingdom	100%	Dormant company
Libra CareCo Limited <sup>a</sup>	United Kingdom	100%	Parent company of subsidiary undertakings with investment in care home properties
NHP Limited <sup>a</sup>	United Kingdom	100%	Parent company of subsidiary undertakings with investment in care home properties
NHP Securities No.1 Limited <sup>a</sup>	United Kingdom	100%	Investment in care home properties
NHP Securities No.2 Limited <sup>a</sup>	United Kingdom	100%	Investment in care home properties
NHP Securities No.3 Limited <sup>a</sup>	United Kingdom	100%	Investment in care home properties
NHP Securities No.4 Limited <sup>a</sup>	United Kingdom	100%	Dormant company
NHP Securities No.9 Limited <sup>b</sup>	Jersey	100%	Dormant company
NHP Securities No.11 Limited <sup>b</sup>	Jersey	100%	Parent company of NHP Securities No.9 Limited
NHP Management Limited <sup>a</sup>	United Kingdom	100%	Management of care home property portfolios
NHP Operations (York) Limited <sup>a</sup>	United Kingdom	100%	Care home property development
LLNH Limited <sup>a</sup>	United Kingdom	100%	Dormant company
Care Homes No. 1 Limited <sup>c</sup>	Cayman Islands	100%	Investment in care homes properties

\* Held directly by NHP Holdco 3 Limited. All others are indirect.

All shares held are ordinary shares.

<sup>a</sup> The registered address is Southgate House, Archer Street, Darlington, County Durham, DL3 6AH.

<sup>b</sup> The registered address is 47 Esplanade, St Helier, Jersey, Channel Islands, JE1 0BD.

<sup>c</sup> The registered address is c/o Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008, Cayman Islands.

**6. DEBTORS**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Prepayments	2	2
Deferred tax asset (see note 9)	5	5
	<u>7</u>	<u>7</u>

## NHP HOLDCO 3 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (Continued) For the year ended 30 September 2019

#### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Amounts due to group undertakings	352	348
Loan note interest group undertaking	77	61
	<u>429</u>	<u>409</u>

##### Amounts owed to group undertakings

As at 30 September 2019 HC-One Limited was owed by the Company £12,000 (2018: £10,000) and this amount is unsecured and due on demand with no fixed repayment date, bearing no interest.

As at 30 September 2019 Libra CareCo Limited was owed by the Company £15,000 (2018: £15,000) and this amount is unsecured and due on demand with no fixed repayment date, bearing no interest.

As at 30 September 2019 NHP Management Limited was owed by the Company £43,000 (2018: £41,000) and this amount is unsecured and due on demand with no fixed repayment date, bearing no interest.

As at 30 September 2019 NHP Securities No. 3 Limited was owed by the Company £282,000 (2018: £282,000) and this amount is unsecured and due on demand with no fixed repayment date, bearing no interest.

##### Loan notes interest due to group undertakings

As at 30 September 2019, the interest due to FC Skyfall Bidco Limited totalled £77,000 (2018: £61,000).

#### 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £'000	2018 £'000
Loan notes due to group undertaking	<u>198</u>	<u>198</u>

On 12 November 2014 the Company issued a loan note of £198,000 to FC Skyfall Bidco Limited, its intermediate parent undertaking for an advance it made to the Company to enable it to repay an inter-company debt owed to LIBRA No 3 Limited, the Company's former intermediate parent undertaking. The loan note bears interest at 8% per annum with repayment date on 19 November 2022.

#### 9. DEFERRED TAX

	2019 £'000	2018 £'000
<b>Deferred tax</b>		
Losses	5	5
	<u>5</u>	<u>5</u>
<b>Deferred tax assets:</b>		
Asset at 1 October	5	5
Deferred tax charge for the year	-	-
<b>Asset at 30 September</b>	<u>5</u>	<u>5</u>



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2019**

**10. CAPITAL AND RESERVES**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Called-up, allotted and fully paid:</b>		
207,590 Ordinary Shares at £0.01 each	2	2

The profit and loss account represents cumulative profits or losses, net of other adjustments.

**11. CONTINGENT LIABILITIES AND GUARANTEES**

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 3<sup>rd</sup> April 2020 the outstanding loan amount is £254.2m.

**12. SUBSEQUENT EVENTS**

No other significant events are noted between the year ended 30 September 2019 and to the date of signing of this report.

**13. 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 key management personnel of the Company are also the key management personnel of the Group and other group undertakings. Management do not believe it is possible to allocate these costs to each individual company. Further details can be found in the consolidated financial statements of FC Skyfall Upper Midco Limited.

**14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking is NHP Holdco 2 Limited, a company incorporated 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 2019 are available from Companies House at Crown Way, Cardiff, Wales, CF14 3UZ.