

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

Annual Report and Financial Statements

From the date of incorporation on 14 June 2017 to 30 September 2018



FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

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FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

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

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

Mr D Smith (appointed 14 June 2017)

REGISTERED OFFICE

c/o Skadden, Arps, Slate, Meagher & Flom (Uk) Llp
40 Bank Street
Canary Wharf
London
United Kingdom
E14 5DS

AUDITOR

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne
United Kingdom

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

STRATEGIC REPORT

The Director presents his Strategic Report for the first financial period from 14 June 2017 to 30 September 2018 under FRS102.

THE BUSINESS MODEL

FC Skyfall Intermediate Holdco 1 Limited (“the Company”) acts as a holding company, which conducts corporate activities on behalf of the Company’s parent undertaking, FC Skyfall Upper Midco Limited and its subsidiaries (the “Group”). The Group owns care homes which are managed by the operating subsidiaries, HC-One Limited, which is one of the leading care home operators in the UK providing nursing and residential care, Meridian Healthcare Limited, providing nursing and residential care for the elderly and HC-One Beamish Limited, providing nursing and residential care for the elderly. The Group also owns a number of homes leased to a third party operator.

BUSINESS REVIEW

On 28 June 2017, as part of the refinancing and reorganisation transaction, the Company acquired a 100% issued share of capital of FC Skyfall Intermediate Holdco 2 Limited for £203.7m. On 30 June 2017 the Company further invested £16,300,000 in the new issued share capital of FC Skyfall Intermediate Holdco 2 Limited.

RESULTS

The Company’s profit before taxation for the period to 30 September 2018 was £6.2m mainly due to dividends received. As at 30 September 2018 net assets of the Company were £220.0m.

PRINCIPAL RISKS AND UNCERTAINTIES

The Director of the Company has the overall responsibility for the FC Skyfall Upper Midco Limited group (“the Group”), of which the Company is a subsidiary. The principal risks and uncertainties of the Group also apply to the Company. The consolidated financial statements of FC Skyfall Upper Midco Limited, for the year ended 30 September 2018, are publicly available from Companies House at Crown Way, Cardiff, Wales CF14 3UZ.

There are no further risks specific to the Company.

SUBSEQUENT EVENTS

No significant events are noted between the period ended 30 September 2018 and the date of signing of this report. See note 9 to the financial statements.

GOING CONCERN

The going concern position of the Company is dependent on the overall going concern of the Group headed by FC Skyfall Upper Midco Limited.

The Directors have reviewed the going concern of the Company and the Group carefully in the preparation of the consolidated financial statements.

Management have prepared detailed forecasts for the Group for the period to 30 September 2020. Net debt levels, servicing costs and covenant requirements are closely monitored and managed in accordance to the Group’s objectives, policies and processes.

The Group maintains sufficient cash resources to meet its day-to-day working capital requirements.

The Directors believe that the Group and the Company are well placed to manage its risk appropriately.

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

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

STRATEGIC REPORT
(Continued)

Approved by the Board and signed on its behalf by:



Mr D Smith
Director
Date: 25 January 2019

Registered office address:
40 Bank Street
Canary Wharf
London
United Kingdom
E14 5DS

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

DIRECTORS' REPORT

The Directors present their annual report on the affairs of FC Skyfall Intermediate Holdco 1 Limited ("the Company"), together with the audited financial statements and auditor's report for the first financial period from 14 June 2017 to 30 September 2018.

INCORPORATION

The Company was incorporated in United Kingdom and registered in England and Wales on 14 June 2017.

PRINCIPAL ACTIVITY

The principal activity of the Company's parent undertaking, FC Skyfall Upper Midco Limited and its subsidiaries (the "Group"), is 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 principal activity of the Company is to act as a holding company. The Directors intend to continue this activity in the forthcoming year.

DIVIDENDS

Dividends of £6,177,941 were proposed and paid in respect of the financial period.

DIRECTOR

The following Director served during the period and to the date of signing:

Mr D Smith (appointed 14 June 2017)

The current Director of the Company is detailed on page 1.

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 period and remain in force to the date of this report.

SUBSEQUENT EVENTS

No significant events are noted between the period ended 30 September 2018 and the date of signing of this report. See note 9 to the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are disclosed in the Strategic Report on pages 2-3.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

DIRECTORS' REPORT (Continued)

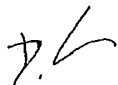
AUDITOR

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

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have 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.

Approved by the Board and signed on its behalf by:



Mr D Smith
Director
Date: 25 January 2019

Registered office address:
40 Bank Street
Canary Wharf
London E14 5DS

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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), 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 accounting 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.

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.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of FC Skyfall Intermediate Holdco 1 Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs from the date of incorporation on 14 June 2017 to 30 September 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED
(Continued)**

Other information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED
(Continued)**

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report and Strategic report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report and Strategic report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.



David Johnson (Senior Statutory Auditor (FCA))
for and on behalf of Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
Date: 25 January 2019

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

PROFIT AND LOSS ACCOUNT For the period ended 30 September 2018

	Notes	Period 14 June 2017 to 30 September 2018 £
TURNOVER	3	6,177,941
PROFIT BEFORE TAXATION	4	6,177,941
Tax on profit	5	-
PROFIT FOR THE FINANCIAL PERIOD		6,177,941

Results are derived wholly from continuing operations.

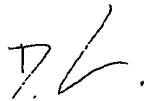
There is no other comprehensive income in the current period other than the profit for the period. Accordingly no separate statement of comprehensive income is disclosed.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

BALANCE SHEET
As at 30 September 2018

	Notes	2018 £
FIXED ASSETS		
Investments	6	220,041,392
TOTAL ASSETS		<u>220,041,392</u>
CAPITAL AND RESERVES		
Called up share capital	7	220,041,392
Profit and loss account		-
SHAREHOLDERS' FUNDS		<u>220,041,392</u>

These financial statements of FC Skyfall Intermediate Holdco 1 Limited (registered number 10817818) were approved by the Board of Directors and authorised for issue on 25 January 2019. They were signed on its behalf by:



Mr D Smith
Director

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2018

	Note	Called up share capital	Profit and loss account	Total
		£	£	£
At 14 June 2017		-	-	-
Issue of share capital		220,041,392	-	220,041,392
Profit for the financial period		-	6,177,941	6,177,941
Dividends paid on equity shares	8	-	(6,177,941)	(6,177,941)
At 30 September 2018		<u>220,041,392</u>	<u>-</u>	<u>220,041,392</u>

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 September 2018

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently from the date of incorporation on 14 June 2017 to 30 September 2018:

General information and basis of accounting

FC Skyfall Intermediate Holdco 1 Limited is a company incorporated in the United Kingdom under the Companies Act 2006. This is the first accounting period of the Company. 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 activities are set out in the Directors' report on page 4.

The average monthly number of employees (excluding executive directors) was nil.

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, 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 a cash flow statement, the remuneration of key management personnel, and the disclosure of intercompany transactions with other group undertakings within the FC Skyfall Upper Midco Limited Group.

Exemption from consolidation

The Company has taken advantage of section 400 of the Companies Act 2006 from the requirement to prepare Group financial statements 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

The going concern position of the Company is dependent on the overall going concern of the Group headed by FC Skyfall Upper Midco Limited.

The Directors have reviewed the going concern of the Company and the Group carefully in the preparation of the consolidated financial statements.

Management have prepared a detailed forecast for the Group for the period to 30 September 2020. Net debt levels, servicing costs and covenant requirements are closely monitored and managed in accordance to the Group's objectives, policies and processes.

The Group maintains sufficient cash resources to meet its day-to-day working capital requirements.

The Directors believe that the Group and the Company are well placed to manage its risk appropriately.

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 Company has 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the period ended 30 September 2018

1. 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 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 period, to recover or settle the carrying amount of its assets and liabilities.

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.

Investments

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

Dividend

Dividend receivable and dividend payable are recognised in the financial statements when amounts have been declared and paid.

Turnover

The Company recognises turnover when the amount can be reliably measured and when there is a right to consideration. Turnover is recorded at the value of consideration due.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the period ended 30 September 2018

1. ACCOUNTING POLICIES (Continued)

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.

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.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the period ended 30 September 2018

2. CRITICAL ACCOUNTING JUDGEMENTS

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. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. There are no significant judgements made by the Company in its accounting policies during the year.

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 annual assessment. See note 6.

3. TURNOVER

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

	Period from 14 June 2017 to 30 September 2018 £
Dividend received	6,177,941

4. PROFIT BEFORE TAXATION

The Company had no employees during the current period.

The Director of the Company is also a director of the other companies within the FC Skyfall Upper Midco Limited group. The Director's emoluments are paid by HC-One Limited, a group undertaking, during the current period, and no recharges to the Company.

Audit fee for the audit of the Company's annual financial statements is £nil for the current period.

No audit fees have been charged to the profit and loss account. Audit fees of £1,000 have been borne by NHP Management Limited in the current period, and are not repayable by the Company.

The Company did not incur any non-audit fees during the current period.

5. TAX ON PROFIT

	Period from 14 June 2017 to 30 September 2018 £
Current tax:	
Total tax charge	-
Profit before tax	6,177,941
Tax on profit at standard rate of 19.0%	1,173,809
Income not taxable	(1,173,809)
Total tax charge for the period	-

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the period ended 30 September 2018

5. TAX ON PROFIT (Continued)

The standard rate of tax applied to reported profit is 19.0%.

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.

6. INVESTMENTS

	Shares in subsidiary undertaking £
Cost and valuation	
At 14 June 2017	-
Additions	220,041,392
	220,041,392
At 30 September 2018	220,041,392

Shares in subsidiary undertakings

On 14 June 2017, the Company subscribed to one ordinary share of FC Skyfall Intermediate Holdco 2 Limited, a company incorporated in United Kingdom for £1. On 28 June 2017 the Company acquired another 203,741,391 ordinary shares of £1 each for £203,741,391. On 30 June 2017 the Company acquire a further 16,300,000 ordinary shares for £1 per share. At 30 September 2018, the Company owned 100% issued share capital of FC Skyfall Intermediate Holdco 2 Limited.

Name	Country of incorporation	% Holdings	Principal activity
FC Skyfall Intermediate Holdco 2 Ltd* ^a	United Kingdom	100%	Holding company
FC Skyfall Intermediate Holdco 3 Ltd ^a	United Kingdom	100%	Holding company
FC Skyfall Bidco Limited ^b	United Kingdom	100%	Holding company
NHP Holdco 1 Limited ^c	Cayman Islands	100%	Holding company
NHP Holdco 2 Limited ^c	Cayman Islands	100%	Holding company
NHP Holdco 3 Limited ^c	Cayman Islands	100%	Holding company
Libra CareCo CH2 PropCo Holdco Limited ^c	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra CareCo CH2 PropCo Limited ^c	United Kingdom	100%	Investment in care home properties
Libra CareCo CH3 PropCo Holdco Limited ^c	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra CareCo CH3 PropCo Limited ^c	United Kingdom	100%	Investment in care home properties
Libra CareCo Holdings Limited ^c	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra CareCo Investments 1 Limited ^c	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra CareCo Investments 2 Limited ^c	United Kingdom	100%	Investment company in group undertaking with investment in care home properties
Libra GuaranteeCo Limited ^c	United Kingdom	100%	Dormant company
Libra CareCo Limited ^c	United Kingdom	100%	Parent company of subsidiary undertakings with investment in care home properties

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the period ended 30 September 2018

6. INVESTMENTS (Continued)

Name	Country of incorporation	% Holdings	Principal activity
NHP Limited ^c	United Kingdom	100%	Parent company of subsidiary undertakings with investment in care home properties
NHP Securities No.1 Limited ^c	United Kingdom	100%	Investment in care home properties
NHP Securities No.2 Limited ^c	United Kingdom	100%	Investment in care home properties
NHP Securities No.3 Limited ^c	United Kingdom	100%	Investment in care home properties
NHP Securities No.4 Limited ^c	United Kingdom	100%	Partner in LLNHP Partnership
NHP Securities No.5 Limited ^d	Jersey	100%	Investment in care home properties
NHP Securities No.8 Limited ^d	Jersey	100%	Investment in care home properties
NHP Securities No.9 Limited ^d	Jersey	100%	Investment in overriding leases of care home properties
NHP Securities No.10 Limited ^d	Jersey	100%	Investment in care home properties
NHP Securities No.11 Limited ^d	Jersey	100%	Parent company of NHP Securities No.9 Limited
NHP Securities No.12 Limited ^d	Jersey	100%	Investment in care home properties
NHP Management Limited ^c	United Kingdom	100%	Management of care home property portfolios
NHP Operations (York) Limited ^c	United Kingdom	100%	Care home property development
Care Homes No.1 Limited ^c	Cayman Islands	100%	Investment in care home properties
Care Homes No.2 (Cayman) Limited ^c	Cayman Islands	100%	Investment in care home properties
Care Homes No.3 Limited ^c	Cayman Islands	100%	Investment in care home properties
LLNH Limited ^c	United Kingdom	100%	Partner in LLHNP Partnership
Libra Intermediate Holdco Limited ^d	Jersey	100%	Investment company in care home operating Company
HC-One Limited ^c	United Kingdom	100%	Care home operator
Meridian Healthcare (Holdings) Limited ^c	United Kingdom	100%	Care home operator
Meridian Healthcare Limited ^c	United Kingdom	100%	Care home operator
Boxultra Limited ^c	United Kingdom	100%	Dormant company
Sweetgrove Limited ^c	United Kingdom	100%	Dormant company
Meridian Care Developments Limited ^c	United Kingdom	100%	Dormant company
Meridian Care Limited ^c	United Kingdom	100%	Dormant company
Meridian Care Group Limited ^c	United Kingdom	100%	Dormant company
Sanlor Care Homes (Scunthorpe) Limited ^c	United Kingdom	100%	Dormant company
FC Beamish Bidco Limited ^c	Isle of Man	100%	Holding company
HC-One Beamish Properties Ltd ^f	United Kingdom	100%	Investment in care home properties
HC-One Beamish Ltd ^c	United Kingdom	100%	Care home operator
HC-One Beamish Homecare Ltd ^c	Isle of Man	100%	Domiciliary care provider
FC Skyfall IOM Properties Ltd ^f	United Kingdom	100%	Investment in care home properties
RV Care Homes Limited ^c	United Kingdom	100%	Care home operator
RV Extra Care Limited ^c	United Kingdom	100%	Domiciliary care provider

* shares directly held by FC Skyfall Intermediate Holdco 1 Limited.
All shares held are ordinary shares.

^a The registered address is c/o Skadden, Arps, Slate, Meagher & Flom (UK) LLP, 40 Bank Street, Canary Wharf, London, E14 5DS.

^b The registered address is 25 Canada Square, Level 37, London, England, E14 5LQ.

FC SKYFALL INTERMEDIATE HOLDCO 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued) For the period ended 30 September 2018

6. INVESTMENTS (Continued)

^c The registered address is Southgate House, Archer Street, Darlington, County Durham, DL3 6AH.

^d The registered address is 47 Esplanade, St Helier, Jersey, Channel Islands, JE1 0BD.

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

^f c/o Integrated-Capabilities Limited, PO Box 665 Bridge Chambers, West Quay, Ramsey, Isle of Man, IM99 4PD

7. CALLED UP SHARE CAPITAL AND RESERVES

	2018 £
Called up, allotted and fully paid:	
Issued 220,041,392 ordinary shares issued at £1	220,041,392
	<u>220,041,392</u>

8. DIVIDENDS ON EQUITY SHARES

	Period from 14 June 2017 to 30 September 2018 £
Declared and paid during the year:	
Equity dividends on ordinary shares	<u>6,177,941</u>

9. SUBSEQUENT EVENTS

No significant events are noted between 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 group undertakings within the FC Skyfall Upper Midco Limited group.

There are no transactions between the Company and the Directors during the current period.

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 subsidiary 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 January 2019 the outstanding loan amount is £273m.

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is FC Skyfall Lower Midco Limited, a company incorporated in the United Kingdom and registered in England and Wales. 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 and 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 FC Skyfall Upper Midco Limited consolidated financial statements for the year ended 30 September 2018 are available from Companies House at Crown Way, Cardiff, Wales, CF14 3UZ.