

**NHP MANAGEMENT LIMITED**

**Annual Report and Financial Statements**

**For the year ended 30 September 2016**

FRIDAY



\*A63U9LC8\*

A28

07/04/2017

#346

COMPANIES HOUSE

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30  
SEPTEMBER 2016**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Statement of changes in equity</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10</b>

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30  
SEPTEMBER 2016**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Dr C Patel  
Mr D Smith

**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**

Skadden, Arps, Slate, Meagher & Flom (UK) LLP  
Canary Wharf  
London E14 5DS

Gowling WLG (UK) LLP  
4 More London Riverside  
London SE1 2AU

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Newcastle upon Tyne  
United Kingdom

## **DIRECTORS' REPORT**

The Directors present their annual report on the affairs of NHP Management Limited ("the Company"), together with the audited financial statements and auditor's report for the year ended 30 September 2016. 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 2016, 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 2016 are set out in the profit and loss account on page 7.

### **DIVIDENDS**

No dividends in respect of the year are proposed (2015 - £nil).

### **DIRECTORS**

The following Directors served throughout the period, were as follows:

Dr C Patel  
Mr D Smith

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**

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 2018. 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 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.

**DIRECTORS' REPORT (Continued)**

**SUBSEQUENT EVENTS**

No other significant events are noted after the year ended 30 September 2016. See note 15 to the financial statements.

**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.

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.

**APPROVAL OF REDUCED DISCLOSURES**

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objection has been received.

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board and signed on its behalf by:



Mr D Smith  
Director  
Date: 24 January 2017  
Southgate House  
Archer Street  
Darlington  
County Durham DL3 6AH

## **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 judgments and accounting estimates that are reasonable and prudent; 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.

**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 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2016 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 (Continued)**

**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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.



David Johnson (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Newcastle Upon Tyne, United Kingdom  
Date: 25 January 2017



**PROFIT AND LOSS ACCOUNT**  
**For the year ended 30 September 2016**

	Notes	2016 £	2015 £
<b>TURNOVER AND GROSS PROFIT</b>	3	161,394	1,472,067
Administrative (expenses)/ income			
- on-going		(239,662)	5,921,211
- exceptional costs		(44,538)	(630,000)
<b>OPERATING (LOSS)/ PROFIT</b>		(122,806)	6,763,278
Net interest payable and similar charges	6	(284)	(494)
<b>(LOSS)/ PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	7	(123,090)	6,762,784
Tax on (loss)/ profit on ordinary activities	8	-	-
<b>(LOSS)/ PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPANY</b>		(123,090)	6,762,784

Turnover and operating (loss)/ profit are derived wholly from continuing operations.

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.

# NHP MANAGEMENT LIMITED

## BALANCE SHEET As at 30 September 2016

	Notes	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Investment	9		130,000		-
<b>CURRENT ASSETS</b>					
Debtors	10	14,751,665		15,150,320	
Cash at bank and in hand		1,739		-	
		<u>14,753,404</u>		<u>15,150,320</u>	
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(19,779,076)</u>		<u>(19,922,902)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(5,025,672)</u>		<u>(4,772,582)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(4,895,672)</u>		<u>(4,772,582)</u>
<b>NET LIABILITIES</b>			<u>(4,895,672)</u>		<u>(4,772,582)</u>
<b>CAPITAL AND RESERVES</b>					
Called-up share capital	13		2		2
Profit and loss account			<u>(4,895,674)</u>		<u>(4,772,584)</u>
<b>SHAREHOLDERS' DEFICIT</b>			<u>(4,895,672)</u>		<u>(4,772,582)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements of NHP Management Limited (registered number 03288142) were approved by the Board of Directors and authorised for issue on 24 January 2017. They were signed on its behalf by:



Mr D Smith  
Director

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 September 2016**

	<b>Called-up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 October 2014</b>	2	(11,535,368)	(11,535,366)
Profit for the financial year		6,762,784	6,762,784
<b>At 30 September 2015</b>	2	(4,772,584)	(4,772,582)
Loss for the financial year		(123,090)	(123,090)
<b>At 30 September 2016</b>	2	(4,895,674)	(4,895,672)

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 September 2016**

**1. ACCOUNTING POLICIES**

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

**General information and basis of accounting**

NHP Management 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 activities are set out in the Director's report on page 2.

The average monthly number of employees (excluding executive directors) was 3 (2015: 3).

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS102) as issued by Financial Reporting Council

The prior year financial statements did not require a restatement for material adjustments on adoption of FRS 102 in the current year. For more information, see note 19.

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 FRS102 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. Exemptions have been taken in these separate Company financial statements in relation to a cash flow statement.

**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.

The Directors have received written confirmations from its group undertakings that they do not intend to recall any debts due on demand for a period of at least 12 months from the date of approval of the financial statements for the year ended 30 September 2016. The Company's group undertakings have sufficient recourse to continue to support the Company.

Management have prepared detailed forecasts for the Group for the period to 30 September 2018. 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 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**1. ACCOUNTING POLICIES (Continued)**

**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.

**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.

**Employee benefits**

The Company makes contribution to defined contribution schemes. The total expense charged to profit and loss account is the contribution payable in the year.

**Interest**

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**1. ACCOUNTING POLICIES (Continued)**

**Financial instrument**

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 statement of financial position 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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**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. There are no critical accounting judgments in the preparation of the financial statements.

**Key sources of estimation uncertainty**

There are no key sources of estimation uncertainty applied in the preparation of financial statements.

**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 2016 £	Year ended 30 September 2015 £
Management fees, excluding value added tax, received from:		
group undertakings	221,394	1,472,067
Write back of management fees – prior year	(60,000)	-
	<u>161,394</u>	<u>1,472,067</u>

**4. STAFF COSTS**

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

	Year ended 30 September 2016 £	Year ended 30 September 2015 £
Wages and salaries	185,000	341,278
Social security costs	25,500	66,074
Pension – defined contribution scheme	24,450	24,450
	<u>234,950</u>	<u>431,802</u>

	Year ended 30 September 2016 No.	Year ended 30 September 2015 No.
<b>Average number of employees (excluding executive directors):</b>		
<b>Group</b>	<b>No.</b>	<b>No.</b>
Administrative	<u>3</u>	<u>3</u>

**5. DIRECTORS' EMOLUMENTS**

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.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**6. NET INTEREST PAYABLE AND SIMILAR CHARGES**

	2016 £	2015 £
Interest receivable from bank deposits	15	651
Bank charges	(299)	(1,145)
	<u>(284)</u>	<u>(494)</u>

**7. (LOSS)/ PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

(Loss)/ profit on ordinary activities before taxation is stated after (charging) / crediting:

	2016 £	2015 £
Depreciation of other fixed assets	-	(1,415)
Write back of provision for doubtful debts – group undertakings	-	6,906,570
Write back of professional fees	35,800	-
Exceptional costs - restructuring	(44,538)	(630,000)
	<u>(10,738)</u>	<u>(3,148,845)</u>

The analysis of auditor's remuneration is as follows:

Fees payable to the Company's auditors for the audit of the Company's annual account

(25,300) (18,800)

Fees payable to the Company's auditors and their associates for other services to the Company:

- tax compliance services

(41,880) ( 38,987)

(67,180) (57,787)

**8. TAX ON (LOSS)/ PROFIT ON ORDINARY ACTIVITIES**

	2016 £	2015 £
Corporation tax	-	-
(Loss)/ profit before tax	(123,090)	6,762,784
Tax on (loss)/ profit at standard rate of 20% (2015: 20.5%)	(24,618)	1,386,278
Factors affecting tax charge:		
Non-deductible expenditure	18	26
Income not taxable for tax purposes	-	(1,415,752)
Group relief not paid for	19,770	-
Movement in deferred tax not recognised	(4,830)	29,448
	<u>(8,668)</u>	<u>(1,059,600)</u>
Total tax charge for the year	-	-

The standard rate of tax applied to reported profit on ordinary activities is 20.0% (2015: 20.5%).

Finance Act No.2 2015 included provisions to reduce the corporate tax to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020. In addition, Finance Bill 2016 was substantively enacted on 6 September 2016 which introduced a further reduction in the main rate of corporation tax from 18% to 17% from 1 April 2020. Accordingly these rates have been applied when calculating deferred tax assets and liabilities as at 30 September 2016.

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



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**9. INVESTMENT**

<b>Capital Contribution</b>	<b>£</b>
At 1 October 2015	-
Capital contribution to TTCC Ltd	130,000
	<hr/>
At 30 September 2016	130,000
	<hr/> <hr/>

During the year, a working capital loan of £130,000 provided to TTCC Ltd, a group undertaking was converted into capital contribution.

**10. DEBTORS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts due within one year:</b>		
Other debtors	21,890	696,146
Amount due from group undertakings	14,703,521	14,422,996
Prepayments and accrued income	26,254	31,178
	<hr/>	<hr/>
	14,751,665	15,150,320
	<hr/> <hr/>	<hr/> <hr/>

Amounts due from group undertakings are unsecured and are due on demand bearing no interest.

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

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Other creditors	364,976	957,780
Other taxation and social security	-	6,701
Amounts owed to group undertakings	19,246,188	18,797,569
Accruals and deferred income	167,912	160,852
	<hr/>	<hr/>
	19,779,076	19,922,902
	<hr/> <hr/>	<hr/> <hr/>

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

**12. DEFERRED TAXATION**

	<b>Provided</b>		<b>Unprovided</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	-	-	(27,765)	(39,835)
Losses carried forward	-	-	(74,700)	(116,331)
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	(102,465)	(156,166)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**13. CAPITAL AND RESERVES**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Called-up, allotted and fully paid:</b>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For the year ended 30 September 2016**

**14. EMPLOYEE BENEFITS**

*Defined contribution schemes*

The Company makes contribution to defined contribution schemes for all qualifying employees. The total expense charged to profit and loss account for the year ended 30 September 2016 was £24,450 (2015: £24,450).

**15. CONTINGENT LIABILITIES AND GUARANTEES**

The Company and its group undertakings are guarantors to a facility agreement entered into by FC Skyfall Lower Midco Limited and FC Skyfall Bidco Limited, the Company's intermediate parent undertakings and FC Skyfall TA Limited, the Company's related group undertaking. The facility is secured by a fixed and floating charge over the group assets and unlimited guarantee from its group undertakings. As at 24 January 2017 the outstanding loan amount is £281.5m.

**16. SUBSEQUENT EVENTS**

No other significant events are noted after the year ended 30 September 2016.

**17. 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 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.

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

The immediate parent undertaking is NHP 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 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.

Copies of FC Skyfall Upper Midco Limited consolidated financial statements for the year ended 30 September 2016 are available from Companies House at Crown Way, Cardiff, Wales CF14 3UZ.

**19. TRANSITION TO FRS 102**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 30 September 2015 were prepared under previous UK GAAP hence the transition date to FRS 102 was 1 October 2014. Other than disclosures made in the financial statements, there were no material adjustments on adoption of FRS 102 for the first time.