

LLNH LIMITED

Report and unaudited Financial Statements

30 September 2014

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REPORT AND FINANCIAL STATEMENTS 2014

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REPORT AND FINANCIAL STATEMENTS 2014

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

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

COMPANY SECRETARY

Mr D Smith

REGISTERED OFFICE

Southgate House
Archer Street
Darlington
County Durham DL3 6AH

BALANCE SHEET
30 September 2014

	Note	2014 £	2013 £
CURRENT ASSETS			
Cash at bank and in hand		1	1
NET CURRENT ASSETS		1	1
NET ASSETS		1	1
CAPITAL AND RESERVES			
Called up share capital	3	1	1
Profit and loss account		-	-
EQUITY SHAREHOLDERS' FUNDS		1	1

LLNH LIMITED (registered number 3429499) did not trade during the current or preceding period and has made neither profit nor loss, nor any other recognised gain or loss.

For the year ending 30 September 2014 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

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

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

These financial statements on pages 2 to 5 were approved and authorised for issue by the Board of Directors on 29 April 2015.

Signed on behalf of the Board of Directors



D Smith
 Director
 Date: 29 April 2015

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2014

1. GOING CONCERN

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

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

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

The Disposal was successfully concluded on 12 November 2014 following an acquisition made by Formation Capital, a leading healthcare-focused private investment firm in the USA, and Safanad, a global investment firm, in partnership with Court Cavendish Healthcare Management Services Limited. Consequently, NHP Holdco 1 Limited and all its subsidiaries including HC-One and TTCC have been transferred to the new owner. See note 14 for further details.

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

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

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

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

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

2. INVESTMENTS

The Company has a 49.99% holding in the LLNHP Partnership, which is dormant. The original investment, representing a capital contribution, has been fully repaid and hence is carried at £nil (2013: £nil). Any future profits of the Partnership will continue to be shared between the Partners in accordance with the provisions of the Partnership Deed dated 27 October 1997. The results of the Partnership are consolidated in the financial statements of NHP Securities No. 4 Limited.

3. PROFIT AND LOSS ACCOUNT

No profit and loss account is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the year under review or the preceding financial year. There have been no movements in shareholders' funds during the year under review or the preceding financial year.

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

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

None of the Directors received emoluments in relation to their services to the Company during the current or preceding year. Directors' emoluments have been borne by NHP Management Limited, a group undertaking during the current and preceding year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2014

5. CALLED UP SHARE CAPITAL

	2014	2013
	£	£
Called up, allotted and fully paid:		
1 Ordinary Share of £1	1	1

6. CONTINGENT LIABILITIES AND GUARANTEES

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

7. POST BALANCE SHEET EVENTS

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

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

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

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

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

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

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

8. RELATED PARTY TRANSACTIONS

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

No other related party transaction is noted.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 September 2014

9. PARENT UNDERTAKINGS

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

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

Following the change to new ownership on 12 November 2014 FC Skyfall Bidco Limited, a company incorporated in the United Kingdom and registered in England and Wales, becomes the Company's immediate parent undertaking. As disclosed in note 15, LIBRA No 2 Limited and LIBRA No 3 Limited have been placed into liquidation on 12 December 2014 hence NHP Holdco 1 Limited is both the smallest and largest group including the Company for which consolidated accounts are prepared.

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