

**Ultima Holdings Limited**

**Report and Financial Statements**

**30 September 2007**

**Target Winters Limited**

SATURDAY



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**REPORT AND FINANCIAL STATEMENTS 2007**

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**REPORT AND FINANCIAL STATEMENTS 2007**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P V Taylor	Director
D C Nicholson	Director

**SECRETARY**

R Mortimer

**REGISTERED OFFICE**

25 Hanover Square  
London  
W1S 1JF

**BANKERS**

Barclays Bank Plc  
2 High Street  
Chelmsford  
Essex  
CM1 1BG

**AUDITORS**

Target Winters  
29 Ludgate Hill  
London  
EC4M 7JE

## DIRECTORS' REPORT

The Directors have pleasure in presenting the annual report and the audited financial statements for the year ended 30 September 2007

The Directors report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

## PRINCIPAL ACTIVITY

Ultima Holdings Limited is the parent company of a group of companies that was engaged in the operation of nursing and residential care homes. Since April 2002, none of the group companies have traded, save for activities to clear up outstanding trade balances

## BUSINESS REVIEW

The results for the year to 30 September 2007 are set out on page 7 of the financial statements

On 12 December 2006 Delta G-Co Limited and Starsign Limited, both incorporated and registered in the Isle of Man, jointly acquired 100% issued share capital of Libra No 2 Limited from the ultimate subsidiary undertakings of The Royal Bank of Scotland plc, Primemodern Limited and Libra No 1 Limited

The ultimate parent undertaking of Delta G-Co Limited and Starsign Limited is Delta Commercial Property LP, a limited partnership incorporated in the Isle of Man

## DIVIDENDS

No dividends in respect of the year are proposed (2006 - £nil)

## GOING CONCERN

Details regarding going concern are set out in note 1 to the financial statements

## DIRECTORS

The following Directors served throughout the year except as noted

<b>Directors</b>		<u>Date Appointed</u>	<u>Date Resigned</u>
P V Taylor	Director	12 December 2006	
R N Midmer	Director	12 December 2006	28 June 2007
P Aubery	Director	3 March 2006	12 December 2006
T V Castledine	Director	3 March 2006	12 December 2006
S B Eighteen	Director	3 March 2006	12 December 2006
A C Farnell	Director	3 March 2006	12 December 2006
N S Moy	Director	3 March 2006	12 December 2006
D C Nicholson	Director	28 June 2007	

No Director has, or has had any interests in the shares of the Company. No Director holds a service contract with the Company and there is no Company share option scheme in existence

None of the Directors has had any interests in the shares of the new ultimate parent company, Delta Commercial Property LP

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

## DIRECTORS' REPORT

(Continued)

### AUDITORS

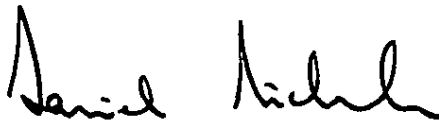
In the case of each of the persons who are Directors of the Company at the date when this report is approved

- so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's auditors are unaware, and
- each of the Directors has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

On 2 July 2007, Winters, the company's auditor, was succeeded by Target Winters Limited. The directors consented to treating the appointment of Winters as extending to Target Winters Limited with effect from 2 July 2007. A resolution to re-appoint Target Winters Limited as the company's auditor will be proposed at the Annual General Meeting.

Approved by and signed on behalf of the Directors



D C Nicholson

Director

Date 28<sup>th</sup> January 2008

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the Annual Report and the financial statements. The Directors have chosen to prepare the accounts for the Company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the Directors to prepare such financial statements for each financial year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the Company and of the profit or loss of the Company for that year and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the Directors are required to

- (a) select suitable accounting policies and then apply them consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- (d) 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF ULTIMA HOLDINGS LIMITED**

We have audited the financial statements of Ultima Holdings Limited for the year ended 30 September 2007, which comprise of the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors**

The directors' responsibilities for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanation we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implication for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 September 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.

Target Winters Ltd

Target Winters Limited  
Chartered accountants and registered auditors  
London  
Date 28<sup>th</sup> January 2008

**PROFIT AND LOSS ACCOUNT**  
**Year ended 30 September 2007**

	Note	2007 £	2006 £
<b>OPERATING PROFIT</b>		-	-
Interest receivable and similar income		39	25
Interest payable and similar charges		(32)	(94)
Amounts written back to investment	2	545	49
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		552	(20)
Tax on profit/(loss) on ordinary activities	3	-	-
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT/(LOSS) FOR THE YEAR</b>		552	(20)
<b>Retained loss brought forward</b>		(13,645,814)	(13,645,794)
<b>Retained loss carried forward</b>		(13,645,262)	(13,645,814)

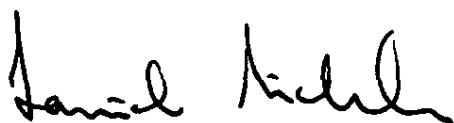
There are no recognised gains or losses for the current financial or preceding year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.



**BALANCE SHEET**  
**As at 30 September 2007**

	Note	£	2007 £	£	2006 £
<b>FIXED ASSETS</b>					
Investments	4		4,688,611		4,688,066
<b>CURRENT ASSETS</b>					
Debtors	5	6,974		6,974	
Cash at bank and in hand		2,917		2,909	
			<u>9,891</u>	<u>9,883</u>	
<b>CREDITORS: amounts falling due within one year</b>	6	(4,373,664)		(4,373,663)	
<b>NET CURRENT LIABILITIES</b>			<u>(4,363,773)</u>		<u>(4,363,780)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>324,838</u>		<u>324,286</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		13,970,100		13,970,100
Profit and loss account			<u>(13,645,262)</u>		<u>(13,645,814)</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>			<u>324,838</u>		<u>324,286</u>

These financial statements were approved by the Directors on 28th January 2008



Director  
D C Nicholson

## NOTES TO THE ACCOUNTS

Year ended 30 September 2007

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with all applicable United Kingdom accounting standards and in compliance with the Companies Act 1985. The particular accounting policies adopted are described below.

The accounting policies have been followed consistently during the current and previous years.

#### Exemption from consolidation

The Company has not prepared consolidated financial statements, as it is a subsidiary undertaking of NHP Securities No 3 Limited, who in turn is an intermediate subsidiary undertaking of Libra No 2 Limited, which prepares consolidated financial statements. These financial statements provide information about the Company as an individual undertaking and not about its group.

#### 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 which have originated at the balance sheet date and which could give rise to an obligation to pay more or less tax in the future. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not recognised in respect of gains and losses on revalued assets unless the company has entered into a binding agreement to sell the assets and the gains or losses have been recognised in the profit and loss account. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Interest

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

#### Going concern

On 20 May 2004 NHP Securities No 3 Limited acquired the whole of the issued share capital of Ultima Holdings Limited.

The Company and its subsidiaries is dependant on financial support from NHP Securities No 3 Limited. A letter of financial support dated 28<sup>th</sup> January 2008 was received from NHP Securities No 3 Limited to the Company and its subsidiaries, which will extend its support for a period of sixteen months from 30 September 2007. The Director considers that this support will continue for the foreseeable future and accordingly has prepared these financial statements on the going concern basis.

#### Investments

Fixed asset investments are stated at cost less provision for diminution in value.

### 2. AMOUNTS WRITTEN BACK ON INVESTMENTS

	2007 £	2006 £
Write back to fixed asset investments	545	49

**NOTES TO THE ACCOUNTS**

**Year ended 30 September 2007**

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

	2007 £	2006 £
Profit/(loss) before tax	552	(20)
Tax on profit/(loss) at standard rate	166	(6)
Factors affecting tax charge		
Increase in tax losses carried forward	-	6
Utilisation of tax losses brought forward	(166)	
Current year tax charge	-	-

**4. FIXED ASSET INVESTMENTS**

	Shares in group undertakings and participating interests £	Loans to group undertakings and participating interests £	Total £
<b>Cost</b>			
At 1 October 2006 and 30 September 2007	12,408,682	4,928,112	17,336,794
<b>Provision for diminution in value</b>			
At 1 October 2006	(7,720,616)	(4,928,112)	(12,648,728)
Write back of provision for the year	545	-	545
At 30 September 2007	(7,720,071)	(4,928,112)	(12,648,183)
<b>Net book value</b>			
At 30 September 2007	4,688,611	-	4,688,611
At 30 September 2006	4,688,066	-	4,688,066

At 30 September 2007, the Company held investments in the following subsidiary undertakings

Name	Country of incorporation	% Holdings	Class of shares held
Ultima Healthcare Limited	Great Britain	100%	Ordinary
Ultima Care Limited	Great Britain	100%	Ordinary
Eton Hall Homes Limited	Great Britain	100%	Ordinary
Platinum Healthcare Limited	Great Britain	100%	Ordinary

**NOTES TO THE ACCOUNTS**

**Year ended 30 September 2007**

**4 FIXED ASSET INVESTMENTS (continued)**

None of the above subsidiary undertakings have traded during the current or preceding year. Previously they were trading as nursing and residential care homes.

	Capital and Reserve at 30 September 2007	Loss for the year ended 30 September 2007
	£	£
Ultima Healthcare Limited	4,688,609	545
Platinum Healthcare Limited	111,649	(6)
Eton Hall Homes Limited	25,757	-
Ultima Care Limited	(5,306,986)	(29)

**5. DEBTORS**

	2007 £	2006 £
Amount owed by group undertaking	<u>6,974</u>	<u>6,974</u>

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

	2007 £	2006 £
Amounts owed to group undertaking	<u>4,373,664</u>	<u>4,373,663</u>

Included in amounts owed is a loan owed to a subsidiary undertaking of £3,753,000. This loan bears interest at a rate of 6% per annum. No interest was charged during the current or preceding year.

**7 CALLED UP SHARE CAPITAL**

	2007 £	2006 £
<b>Authorised.</b>		
100 "A" Ordinary shares of £1 each	100	100
11,029,900 "B" Ordinary Shares of £1 each	11,029,900	11,029,900
13,970,000 "C" Non-voting Ordinary Shares of £1 each	<u>13,970,000</u>	<u>13,970,000</u>
	<u>25,000,000</u>	<u>25,000,000</u>
<b>Called up, allotted and fully paid:</b>		
100 "A" Ordinary shares of £1 each	100	100
13,970,000 "C" Non-voting Ordinary Shares of £1 each	<u>13,970,000</u>	<u>13,970,000</u>
	<u>13,970,100</u>	<u>13,970,100</u>

"A" and "B" Ordinary Shares rank pari passu with the other in respect of the rights attaching to them. At various times in the year ended 31 May 2001, 13,970,000 of the authorised "B" Ordinary Shares of £1 each were converted and re-designated as 13,970,000 "C" non-voting Ordinary Shares of £1 each. These were issued at par to NHP Securities No. 3 Limited.

**NOTES TO THE ACCOUNTS**

**Year ended 30 September 2007**

**8 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS**

	2007 £	2006 £
Profit / (Loss) for the year	552	(20)
Net increase/ (decrease) in shareholders' funds	552	(20)
Shareholders' funds at the beginning of the year	(13,645,814)	(13,645,794)
Shareholders' funds at the end of the year	(13,645,262)	(13,645,814)

**9. RELATED PARTY TRANSACTION**

In accordance with Financial Reporting Standard No 8 "Related Party Disclosures", transactions with other undertakings within the Libra No 2 Limited (previously within 'Libra CareCo Offshore Superholdco Limited') group have not been disclosed in these financial statements

**10. POST BALANCE SHEET EVENTS**

No significant events are noted

**11. CONTINGENT LIABILITIES**

The Company is one of the guarantors to a £1,172 million term loan facility agreement entered into by Libra No 3 Limited, a subsidiary undertaking of the Company's intermediate parent undertaking, Libra No 2 Limited with Credit Suisse on 15 January 2007

**12 PARENT UNDERTAKINGS AND CONTROLLING PARTIES**

The immediate parent undertaking is NHP Securities No 3 Limited, a company incorporated in Great Britain and registered in England and Wales

The ultimate and parent undertaking is Delta Commercial Property LP, a limited partnership incorporated and registered in the Isle of Man. In the opinion of the Directors, there is no ultimate controlling party in that company

The results of the Company are consolidated within Libra No 2 Limited, its intermediate parent undertaking, a company incorporated and registered in the Cayman Islands. Libra No 2 Limited is both the smallest and largest group including the Company for which consolidated accounts are prepared

Copies of the Libra No 2 Limited consolidated financial statements to 30 September 2007, which include the results of the Company, are available from Libra Group at 25 Hanover Square, London, W1S 1JF