

LIBRA CARECO HOLDINGS LIMITED

Annual Report and Unaudited Financial Statements

For the year ended 30 September 2019



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

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

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr J Hutchens (resigned 5 February 2020)
Mr D Smith

REGISTERED OFFICE

Southgate House
Archer Street
Darlington
County Durham
DL3 6AH

DIRECTORS' REPORT

The Directors have pleasure in presenting their annual report and the unaudited financial statements for the year ended 30 September 2019.

BUSINESS REVIEW

The company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year and preceding financial year. It is anticipated that the company will remain dormant for the foreseeable future. Key performance indicators are not considered necessary for an understanding of the development, performance or position of the business of the company. There are no risks or uncertainties facing the company including those within the context of the use of financial instruments.

DIRECTORS

The directors who served throughout the year were as follows:

Mr J Hutchens (resigned 5 February 2020)
Mr D Smith

The current Directors of the Company are detailed on page 1.

THIRD-PARTY INDEMNITY PROVISIONS

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

GOING CONCERN AND COVID-19

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

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

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

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

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

DIRECTORS' REPORT (Continued)**GOING CONCERN AND COVID-19 (Continued)**

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

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


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

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

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

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

Approved by the Board and signed on its behalf by:



Mr D Smith
 Director
 Date: 3 April 2020
 Southgate House
 Archer Street
 Darlington
 County Durham DL3 6AH

BALANCE SHEET
As at 30 September 2019

	Notes	2019 £	2018 £
INVESTMENTS	4	2,060	2,060
DEBTORS	5	50	50
NET ASSETS		<u>2,110</u>	<u>2,110</u>
CAPITAL AND RESERVES			
Called-up share capital	6	2,110	2,110
Profit and loss account		-	-
SHAREHOLDERS' FUNDS		<u>2,110</u>	<u>2,110</u>

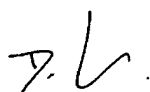
Libra CareCo Holdings Limited (registered number 05296574) did not trade during the current year and has neither profit or loss, nor any other items of comprehensive income. There have been no movements in shareholders' funds during the current or preceding financial year. For the year ending 30 September 2019 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 4 to 7 were approved and authorised for issue by the Board of Directors on 3 April 2020.

Signed on behalf of the Board of Directors



Mr D Smith
 Director
 Date: 3 April 2020

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2019

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. They have been applied consistently throughout the current and preceding year.

The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1. The Company is dormant.

Exemption from consolidation

The Company has taken advantage of section 400 of the Companies Act 2006 from the requirement to prepare group accounts 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.

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 undertaking, FC Skyfall Upper Midco Limited, which can be obtained from the Companies House at Crown Way, Cardiff, Wales CF14 3UZ.

Investments

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

Going Concern and COVID-19

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2019

1. ACCOUNTING POLICIES (Continued)

Going Concern and COVID-19 (Continued)

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2. 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 other items of comprehensive income during either the current or preceding financial year. There have been no movements in shareholders' funds during the current or preceding financial year and therefore no statement of changes in equity has been included.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The Company had no employees during the current or 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 HC-One Limited, a group undertaking during the current and preceding year, and were not recharged to the Company.

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

4. INVESTMENTS

Cost	Shares in subsidiary undertakings £
At 1 October 2018 and 30 September 2019	2,060

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

Name	Country of incorporation	% Holdings	Principal activity
Libra CareCo Investments 1 Limited ^{*a}	Great Britain	100%	Parent company of Libra Investments 2 Limited
Libra CareCo Investments 2 Limited ^a	Great Britain	100%	Parent company of Libra CareCo Limited and Libra GuaranteeCo Limited
Libra GuaranteeCo Limited ^a	Great Britain	100%	Dormant company
Libra CareCo Limited ^a	Great Britain	100%	Parent company of NHP Limited
NHP Limited ^a	Great Britain	100%	Parent company of subsidiary undertakings with investment in care home properties
NHP Securities No.1 Limited ^a	Great Britain	100%	Investment in care home properties
NHP Securities No.2 Limited ^a	Great Britain	100%	Investment in care home properties
NHP Securities No.3 Limited ^a	Great Britain	100%	Investment in care home properties
NHP Securities No.4 Limited ^a	Great Britain	100%	Dormant company
NHP Securities No.9 Limited ^b	Jersey	100%	Dormant company
NHP Securities No.11 Limited ^b	Jersey	100%	Parent company of NHP Securities No.9 Limited
NHP Management Limited ^a	Great Britain	100%	Management of care home property portfolios
NHP Operations (York) Limited ^a	Great Britain	100%	Care home property development
LLNH Limited ^a	Great Britain	100%	Dormant company
Care Homes No. 1 Limited ^c	Cayman Islands	100%	Investment in care home properties

* held directly by Libra CareCo Holdings Limited. All others are indirect.

All shares held are ordinary shares.

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

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

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

5. DEBTORS

	2019 £	2018 £
Amount due by group undertaking	50	50

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

6. CALLED-UP SHARE CAPITAL

	2019 £	2018 £
Called-up, allotted and fully paid:		
211,000 ordinary shares at 1p each	2,110	2,110

7. SUBSEQUENT EVENTS

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

8. 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 cost of the annual return fee was borne by NHP Management Limited, a group undertaking, without any right of reimbursement.

No other related party transaction is noted.

9. CONTINGENT LIABILITIES

The Company and its group undertakings are guarantors to a facility agreement entered into by FC Skyfall Bidco Limited, the Company's intermediate parent undertakings. The facility is secured by a fixed and floating charge over the group assets and unlimited guarantee from its group undertakings. As at 3 April 2020, the outstanding loan amount is £254.2m.

10. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is NHP Holdco 3 Limited, a company incorporated in the Cayman Islands. The Directors regard FC Skyfall LP, a limited partnership incorporated and registered in the Cayman Islands, as the ultimate parent undertaking. There is no controlling party beyond FC Skyfall LP.

The largest group into which these financial statements are consolidated is FC Skyfall Holdco 3 Limited with registered office at c/o Trident Trust Company (Cayman) Limited, One Capital Place, Shedden Road, PO Box 847, George Town, Grand Cayman KY-1103.

The smallest group in which the results of the Company are consolidated is that headed by FC Skyfall Upper Midco Limited, a company incorporated in England and Wales. The registered address of FC Skyfall Upper Midco Limited is 25 Canada Square, Level 37, London, England, E14 5LQ.

Copies of financial statements of all the companies for the year ended 30 September 2019 are available from Companies House at Crown Way, Cardiff, Wales, CF14 3UZ.