

Company Number: 03437588

OMEGA UNDERWRITING HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

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Directors and Professional Advisors

Directors	Michael Duffy (resigned 13 January 2022) Sheldon Lacy (appointed 12 January 2022) Gavin Phillips (appointed 4 January 2022)
Registered Office	Floor 29 22 Bishopsgate London EC2N 4BQ
Company Number	03437588
Independent Auditor	Ernst & Young LLP ("EY") 25 Churchill Place Canary Wharf London E14 5EY

Contents	Page
Strategic Report	3
Directors' Report	5
Independent auditor's report	7
Income statement	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13

Strategic Report

The directors present their Strategic Report on Omega Underwriting Holdings Limited ("the Company") for the year ended 31 December 2022.

Review of the business

The principal activity of the Company is to act as a holding company.

The Company has reported a profit on ordinary activities before tax for the year of £71,000 (2021: Profit £43,000).

Results

The results of the Company for the year ended 31 December 2022 are set out in the financial statements on pages 10 to 19.

Key performance indicators (KPIs)

The Board monitors the progress of the Company by reference to the following KPIs:

	2022 £'000	2021 £'000
Profit for the year	71	43
Net assets	2,620	2,549

Principal risks and uncertainties

The directors consider that the Company is exposed to credit risk on its financial assets. As detailed in note 11 there are no other significant risks or uncertainties.

Stakeholder Engagement

Key stakeholders and how we engage are detailed below.

Group Shareholders

The Canopus Group Limited ("the Group") highly values the views of its shareholders and maintains open and transparent communication channels with them. This dialogue and ensuring their ongoing support is critical to the success of the business. The shareholders afford the ability to plan for the long term, which has been central to the Group transformation programme this year. They provide the Group with financial support and security and are kept informed with detailed financial information on a quarterly basis, in addition to the annual report, providing more in-depth insights into the Group. Feedback from shareholders is provided to the CGL Board.

Strategic Report (continued)

Principal Decisions 2022

Introduction

The Company defines a principal decision as any decision of the Board that is material to the Company and/or is significant to any of its stakeholders. Thus, a key decision may include, but is not limited to:

- New business strategy or significant changes to existing strategy.
- Capital allocation decisions, including payments of dividends.
- Material corporate activity including acquisitions and disposals.
- Large-scale restructuring.
- Appointments to the Board.
- Decisions relating to major regulatory and/or legal matters.

The Company's governance framework, policies and procedures are designed to ensure that the Board takes into account the views of all the Company's stakeholders and the impact of its activities on the community, environment and the Company's reputation, to ensure that decision-making is collaborative and well informed. Discussed below are how the Directors considered the matters set out in section 172(1) (a)-(f) of the Companies Act 2006 when discharging their duties and the effect of that on principal decisions taken by the Board.

Principal Decisions

The Board made the following appointments during 2022:

- Sheldon Lacy was appointed a director of the Company, effective 12 January 2022.
- Gavin Phillips was appointed a director of the Company, effective 4 January 2022.

When considering appointments to the Board, the Board places the interest of stakeholders at the core of its considerations. The Board seeks candidates with insurance and strategic experience to enable the Board to deliver long-term sustainable growth to the Company for the benefits of its shareholder and wider stakeholders.

The Board shall continue to ensure that the nomination process is inclusive and fair and that all nominations to the Board are made after careful consideration of the candidates' individual competence, skills and experience, measured against identified criteria and considering the interest of stakeholders.

During 2022 the following resignation from the Board was received:

- Michael Duffy resigned from the Board effective 13 January 2022.

Post balance sheet events

Following an application by the directors to remove its permissions under Part 4A of the Financial Services and Markets Act 2000, the company's subsidiary, Omega Underwriting Agents Limited (OUAL), was de-authorised by the PRA effective 17 May 2023.

The Strategic Report was approved by the Board on 31 July 2023 and signed on its behalf by:



Gavin Phillips
Director
1 August 2023

Directors' Report

Directors' Report for the year ended 31 December 2022

The directors present their Report and the audited financial statements of the Company for the year ended 31 December 2022.

Dividends

No dividend was paid during the year (2021: £nil). The directors do not recommend the payment of a dividend.

Directors

The directors set out on page 1 have held office during the whole of the period from 1 January 2022 to the date of this report, unless otherwise indicated.

None of the directors held a direct interest in the shares of the Company.

Political donations

No political donations were made by the Company (2021: £nil).

Qualifying third party indemnity provision

The Company has put in place Directors and Officers ("D&O") Insurance and an indemnity in the Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of the duties of office. The indemnity is a qualifying third-party indemnity provision under s.232 and s.234 of the Companies Act 2006.

Going concern

The directors have considered the going concern basis of preparation of the Company's financial statements as at 31 December 2022. This included the factors likely to affect its future performance as well as the Company's principal risks and uncertainties.

Having assessed the principal risks to liquidity and solvency for the Company, the directors have concluded that there are no material uncertainties that may cast significant doubt on the Company's financial ability to continue as a going concern and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least until 31 July 2024 and that therefore it is appropriate to adopt a going concern basis for the preparation of the financial statements, and accordingly these financial statements have been prepared on a going concern basis.

Future developments

There are no future developments to report in this section.

Disclosure of information to auditors

In the case of each of the persons who are directors of the Company at the time the report is approved:

- So far as the directors are aware, there is no relevant audit information, being information needed by the Company's auditor in connection with the auditor's report, of which the auditor is unaware; and
- Having made enquiries of fellow directors of the Company and the Company's auditor, each director has taken all the steps that he or she ought to have taken as a director to become aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)

Independent Auditor

Ernst & Young LLP were the statutory auditor for the year ended 31 December 2022.

Ernst & Young LLP have expressed their willingness to continue in office as auditor.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101, 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.

Some information is not shown in the Directors' Report because it is shown in the Strategic Report instead under s414c (ii). This information is business review and principal activities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website.

The Directors' Report was approved by the Board on 31 July 2023 and signed on its behalf by:



Gavin Phillips
Director
1 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA UNDERWRITING HOLDINGS LIMITED

Opinion

We have audited the financial statements of Omega Underwriting Holdings Limited ("the company") for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its profit 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.

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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period 31 July 2024 which is 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA UNDERWRITING HOLDINGS LIMITED (CONTINUED)

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Omega Underwriting Holdings Limited Year ended 31 December 2022
A Canopus Group Company

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA UNDERWRITING HOLDINGS LIMITED (CONTINUED)

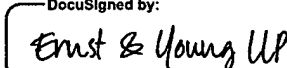
Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are direct laws and regulations, related to elements of the financial reporting framework (UK GAAP and the Companies Act 2006), and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters of the company. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the company and UK regulatory bodies, reviewed minutes of the Board and gained an understanding of the company's approach to governance.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls that the company has established to address risks identified by the company, or that otherwise seek to prevent, deter or detect fraud. We also considered areas of significant judgement, including complex transactions, performance targets, external pressures and their potential to influence management to manage earnings or influence the perceptions of investors and stakeholders. We tested manual journals, including segregation of duties, and tested specific transactions backing to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions. These procedures were designed to provide reasonable assurance that the financial statements were materially free from fraud or error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved making enquiry of those charged with governance and senior management for their awareness of any non-compliance of laws or regulations; inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees at a company level; inquiring about the company's methods of enforcing and monitoring compliance with such policies; and inspecting significant correspondence with regulatory bodies.
- The company operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

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

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.

DocuSigned by:

BA098CDE68684E0...
Andrew Blackmore (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
1 August 2023

Income statement

		Year ended 31 December	
	Note	2022 £'000	2021 £'000
Operating profit		-	-
Profit on ordinary activities before interest and taxation		-	-
Finance income	5	71	43
Profit on ordinary activities before income tax		71	43
Income tax expense on ordinary activities	6	-	-
Profit for the financial year		71	43

The income statement relates entirely to continuing activities.

There are no recognised gains or losses apart from those included in the income statement above. Accordingly no statement of comprehensive income is presented.

The notes on pages 13 to 19 are an integral part of these financial statements.

Statement of financial position

		As at 31 December	
	Note	2022 £'000	2021 £'000
Fixed assets			
Investments	7	400	400
		400	400
Current assets			
Debtors: amounts falling due within one year	8	2,220	2,149
		2,220	2,149
Creditors amounts falling due within one year		-	-
Net current assets		2,220	2,149
Net assets		2,620	2,549
Equity			
Called up share capital	9	1,000	1,000
Retained earnings		1,620	1,549
Total shareholders' funds		2,620	2,549

The notes on pages 13 to 19 are an integral part of these financial statements.

The financial statements on pages 10 to 19 were authorised for issue by the board of directors on 31 July 2023 and signed on its behalf by:

Gavin Phillips

Gavin Phillips
Director
1 August 2023
Omega Underwriting Holdings Limited
Registered no. 03437588

Statement of changes in equity

	Called up share capital (note 9)	Retained earnings	Total shareholders' funds
	£'000	£'000	£'000
Balance as at 1 January 2021	1,000	1,506	2,506
Profit for the financial year	-	43	43
Balance as at 31 December 2021	1,000	1,549	2,549
Balance as at 1 January 2022	1,000	1,549	2,549
Profit for the financial year	-	71	71
Balance as at 31 December 2022	1,000	1,620	2,620

The notes on pages 13 to 19 are an integral part of these financial statements.

Notes to the financial statements

1. General information

The principal activity of the Company is to act as a holding company.

The Company is a subsidiary of Canopus Group Limited ("CGL") and is incorporated and domiciled in the UK. The address of its registered office is Floor 29, 22 Bishopsgate, London EC2N 4BQ. The Company is limited by shares.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Authorisation of the financial statements and basis of preparation

The financial statements of the Company for the year ended 31 December 2022 were authorised for issue by the board of directors on 31 July 2023 and the statement of financial position was signed on the board's behalf by Gavin Phillips.

The financial statements of the Company have been prepared in accordance with the Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historic cost convention, as modified by financial assets and financial liabilities measured at fair value through profit and loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The Company meets the definition of a qualifying entity under FRS 100 issued by the FRC.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - o 10(d), (statement of cash flows);
 - o 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - o 16 (statement of compliance with all IFRS);
 - o 38A (requirement for minimum of two primary statements, including cash flow statements);
 - o 38B-D (additional comparative information);
 - o 40A-D (requirements for a third statement of financial position);
 - o 79(a)(iv) (outstanding shares at the beginning and end of the current period);
 - o 111 (cash flow statement information); and
 - o 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' (impact of IFRSs that have yet to be issued);
- Paragraph 17 and 18a of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group;
- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value Measurement' (disclosure);

2. Summary of significant accounting policies (continued)

2.1 Authorisation of the financial statements and basis of preparation (continued)

- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from contracts with customers'; and
- The Company adopted the relevant presentation requirements of IAS 1 formats for the Statement of financial position and the Statement of profit or loss and other comprehensive income in accordance with Schedule 1 to the Regulations, as amended by Statutory Instrument 2015/980, which permits a company a choice of adapted or statutory formats. The Company chose IAS 1 presentation format to be aligned with the Group financial statements.

Under the provisions of Section 401 (1) and (2) of the Companies Act 2006, the Company is exempt from the requirement to prepare and deliver consolidated group financial statements on the grounds that the ultimate parent undertaking, as set out in note 13, prepares group financial statements.

2.1.1 Going concern

The directors have considered the going concern basis of preparation of the Company's financial statements as at 31 December 2022. This included the factors likely to affect its future performance as well as the Company's principal risks and uncertainties.

Having assessed the principal risks to liquidity and solvency for the Company, the directors have concluded that there are no material uncertainties that may cast significant doubt on the Company's financial ability to continue as a going concern and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least until 31 July 2024 and that therefore it is appropriate to adopt a going concern basis for the preparation of the financial statements, and accordingly these financial statements have been prepared on a going concern basis.

2.2 Foreign currency translation

(a) Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pound Sterling' (£), which is also the Company's functional currency.

(b) Transactions and balances

Monetary assets and liabilities are translated into Pound Sterling at the exchange rates prevailing at the balance sheet date. Income and expense transactions are translated using the rates prevailing at the date of transaction or appropriate average rates.

Non-monetary assets and liabilities carried at historical cost are translated in the balance sheet at the exchange rate prevailing on the original transaction date except where there has been a change in the functional currency.

2.3 Finance income

Finance income consists of interest on loans to group undertakings.

2.4 Financial assets

2.4.1 Classification

On initial recognition, financial assets are measured at fair value. Subsequently, they can be measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification depends on two criteria:

- I. the business model within which financial assets are managed; and
- II. their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

2. Summary of significant accounting policies (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, are not intended to be sold in the short term and do not fall into the other categories of financial assets as described above. On initial recognition loans and receivables are measured at fair value. Subsequently they are measured at amortised cost.

Debtors

Debtors are amounts due from associated group companies. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Debtors are measured at amortised cost using the effective interest method.

2.5 Impairment

The impairment model assesses financial assets not held at FVTPL. As a result, the Company must determine forward looking expected credit losses (ECL) for all its financial assets held at amortised cost.

The Company has applied the simplified approach to establishing an ECL in relation to debtors. Debtors represent amounts due from managed syndicates and associated group companies.

2.6 Investments in Subsidiaries

Investments in subsidiary undertakings are stated at cost, less any provision for impairment.

The recoverability of these balances is dependent on the financial position and future prospects of the subsidiary companies. The principal risks relating to these subsidiaries are outlined in their respective 31 December 2022 Annual report & financial statements.

2.7 Called up share capital

Ordinary shares are classified as equity.

2.8 Current income tax

The tax expense for the period represents current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholder's funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Any tax balances are ceded to other group companies by way of group relief.

2.9 New and amended standards and interpretations

In the current year, the Company has applied amendments to IFRS issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2022. The new effective requirements are:

- Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework.
- Amendments to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use.
- Amendments to IAS 37 Onerous Contracts – Costs of Fulfilling a Contract
- Annual improvements to IFRS Standards 2018-2020

None of these amendments have had a material impact to the Company.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There have been no critical accounting estimates or judgements used during the year.

4. Auditors remuneration

	2022 £'000	2021 £'000
Audit of the Company's financial statements	2	2

The audit fees have been borne by another group company.

5. Finance income

	2022 £'000	2021 £'000
Interest income	71	43
Total finance income	71	43

6. Income tax

Tax expense included in profit and loss

	2022 £'000	2021 £'000
Current tax:		
UK Corporation tax on profits for the year	-	-
Total current tax	-	-
Tax on profit on ordinary activities	-	-

Total tax assessed for the year is different from the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below.

	2022 £'000	2021 £'000
Profit on ordinary activities before tax	71	43
Profit multiplied by the standard rate of tax in the UK of 19% (2021: 19%)	13	8
Effects of:		
Group relief	(13)	(8)
Total tax charge	-	-

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalisation of the global economy.

6. Income tax (continued)

The Pillar Two Global anti-Base Erosion rules (GloBE Rules) represent the first substantial overhaul of the international tax rules in almost a century. The GloBE Rules propose four new taxing mechanisms under which multinational enterprises (MNEs) would pay a minimum level of tax (Minimum Tax): the Subject to Tax Rule is a tax treaty-based rule that generally proposes a Minimum Tax on certain cross-border intercompany transactions that otherwise are not subject to a minimum level of tax; the Income Inclusion Rule (IIR); the Under Taxed Payments Rule (UTPR); and the Qualified Domestic Minimum Top-up Tax (QDMT) generally propose a Minimum Tax on the income arising in each jurisdiction in which an MNE operates.

We continue to monitor the regulatory developments in respect of (substantive) enactment of the GloBE Rules in all of the jurisdictions where they operate either through wholly or partially owned subsidiaries, joint ventures, flow through entities or permanent establishments.

Finance Act 2021 enacted the increase in the corporation tax rate from 19% to 25% from 1 April 2023.

7. Investments

The Company's fixed asset investments represent investments in subsidiary undertakings at their cost less any provisions for impairment, where applicable.

	2022 £'000	2021 £'000
At 1 January	400	400
Impairment during the year	-	-
At 31 December	400	400

Details of the Company's direct subsidiaries as at 31 December 2022 are stated below, all of which operate in the United Kingdom and are registered in England and Wales unless stated otherwise.

Subsidiaries	Principal Activities	Country of incorporation	Registered address	Effective ordinary shares held by the Company (%)
Omega Underwriting Agents Limited**	Managing Agent at Lloyd's	UK	Floor 29 22 Bishopsgate London EC2N 4BQ	100%
Omega Administration Services Limited*	Service Company	UK	Floor 29 22 Bishopsgate London EC2N 4BQ	100%
Omega Dedicated (No.2) Limited	Dormant Lloyd's Corporate Member	UK	Floor 29 22 Bishopsgate London EC2N 4BQ	100%

*Omega Administration Services Limited was placed into liquidation on 1 April 2022.

**Omega Underwriting Agents Limited was de-authorised by the PRA effective 17 May 2023.

8. Debtors: amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed by group undertakings	2,220	2,149

Amounts owed by group undertakings include a loan to CGL which carries interest at GBP base rate +2.23%.

9. Called up share capital

Ordinary shares of £0.05 each

Allotted, called up and fully paid	Number	£'000
At 1 January 2021	20,000,000	1,000
At 31 December 2021	20,000,000	1,000
At 31 December 2022	20,000,000	1,000

Deferred shares of £0.05 each

Allotted, called up and fully paid	Number	£'000
At 1 January 2021	1	-
At 31 December 2021	1	-
At 31 December 2022	1	-

10. Employees and directors

No persons were employed by the Company during the year ended 31 December 2022 (2021: nil).

The Company's directors are employed by Canopus Services Limited ("CSL"). Staff and directors' costs were borne by a fellow group undertaking and no recharges were made by CSL to the Company for the year ended 31 December 2022 (2021: £nil).

None of the directors received any emoluments from the Company for their qualifying services during the year ended 31 December 2022 (2021: £nil).

11. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company uses quantitative and qualitative information in order to reach a conclusion whether there has been any significant increase in credit risk from recognition.

Amounts owed by group companies – The amount includes inter-company balances with other group companies. The Company assesses the risk by reviewing the going concern assessment, the long-term forecasts of the Group and whether there have been any historic defaults. The Company has assessed the risk and does not consider there to be any significant risk of default given the credit rating and no history of default.

In 2022 the Company has made a loss allowance of £nil (2021: £nil) given the factors above.

12. Capital commitments

There were no capital commitments contracted for but not provided at 31 December 2022 (2021: £nil).

13. Immediate and ultimate parent undertaking and controlling party

The Company's immediate parent CGL is registered in Jersey.

CGL is the largest and smallest group of undertakings for which group accounts are drawn up and that are publicly available and of which the Company is a member. The group accounts can be obtained from the Canopus website.

The ultimate controlling parties of CGL are CCP GP Investors Holdings (Cayman) LP, CCP III Cayman GP Limited and CCP III SBS Cayman Limited.

14. Events after the end of the reporting period

Following an application made by the directors to remove its permissions under Part 4A of the Financial Services and Markets Act 2000, the company's subsidiary, Omega Underwriting Agents Limited (OUAL), was de-authorised by the PRA effective 17 May 2023.