

# **Omega Red Holdings Limited**

**Accounts for the Year Ended 31 March 2013**

**Together with Directors' and Independent Auditor's  
Reports**

**Company Registration No: 6399736**

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## **DIRECTORS' REPORT**

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The Directors have pleasure in submitting their report and accounts for the year ended 31 March 2013

### **Principal Activity, Business Review and Risks**

The Company's principal activity is that of an intermediate holding company, which the Directors expect to continue for the foreseeable future. The Directors consider the main risk to the Company to be the financial performance of its subsidiary as it receives dividend income to fund interest obligations and consider this risk has been appropriately managed during the year and expect it to be appropriately managed in the future.

### **Financial Results and Dividends**

The Company's financial results for the year ended 31 March 2013 are shown in the profit and loss account on page 6. The profit for the financial year ended 31 March 2013 was £2,784,000 (2012 £2,400,000). For the year ended 31 March 2013 the Company made interim dividend payments of £2,784,000 (2012 £2,400,000).

### **Directors**

The Directors who held office during the year, and subsequently (except as noted), were as follows:

C J Watkins

A P Page

A J Garcia

C T McElhone (resigned 1 April 2012)

## **DIRECTORS' REPORT**

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### **Going Concern**

The Company's business activities, together with the factors likely to affect its future development, are set out in the Principal Activities, Business Review and Risks section above. The Company funds its interest obligations due by receipt of dividends receivable from its subsidiary company. The Directors have considered the subsidiary Company's ability to pay dividends to the Company for a period of 12 months from the approval of the accounts in forming its assessment of the going concern assumption and consider the going concern basis to be appropriate.

### **Independent Auditor**

In accordance with the Companies Act 2006, the Directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and that the Board has taken all reasonable steps to make itself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

A resolution proposing the reappointment of Deloitte LLP as auditor will be put to the Board of Directors.

By Order of the Board of Directors



**P J McKenzie**

Company Secretary

27 September 2013

Registered Office Dabell Avenue, Blenheim Industrial Estate, Bulwell, Nottingham, NG6 8WA

Registered in England and Wales

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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The following statement, which should be read in conjunction with the auditor's statement of its responsibilities set out in the Independent Auditor's Report, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the auditor in relation to the accounts

Company Law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year. Under that law the Directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these accounts, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the accounts.

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 accounts 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.

The Directors, having prepared the accounts, are required to provide the auditor with such information and explanation as the auditor thinks necessary for the performance of its duty.

## **INDEPENDENT AUDITOR'S REPORT**

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### **To the member of Omega Red Holdings Limited**

We have audited the financial statements of Omega Red Holdings Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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).

This report is made solely to the Company's member, 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 member those matters we are required to state to it 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 member 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 the Auditor.

### **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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## INDEPENDENT AUDITOR'S REPORT

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### Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2013 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

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which financial statements are prepared is consistent with the financial statements

### 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 by the Company, 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

David Hall, FCA

**David Hall FCA (Senior Statutory Auditor)**

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Birmingham, United Kingdom

27 September 2013

## PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2013

	Note	2013 £'000	2012 £'000
Income from shares in UK subsidiary undertakings - Dividends received		3,499	3,115
<b>Profit on ordinary activities before finance charges</b>		<b>3,499</b>	<b>3,115</b>
Finance charges	3	(715)	(715)
<b>Profit for the financial year</b>		<b>2,784</b>	<b>2,400</b>

There were no other recognised gains or losses in either year other than the profit for the financial year

A statement of movements in reserves is given in note 10 to the financial statements

The principal differences between the current tax rate for the Company and the standard rate of corporation tax are as follows

Standard rate of corporation tax	24.0%	26.0%
UK dividends receivable - not chargeable to corporation tax	(30.2%)	(33.8%)
Group relief surrendered and not paid	6.2%	7.8%
Current tax rate for the year	-	-

The results above are all derived from continuing operations

The accompanying notes are an integral part of these financial statements

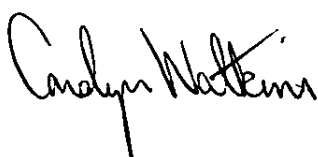
## BALANCE SHEET

As at 31 March 2013

	Note	2013 £'000	2012 £'000
<b>Fixed Assets</b>			
Investments	5	17,762	17,762
<b>Current Assets</b>			
Debtors - amounts recoverable within one year	6	-	492
		-	492
<b>Creditors - amounts falling due within one year</b>	7	(2,490)	(2,982)
<b>Net Current Liabilities</b>		(2,490)	(2,490)
Total assets less current liabilities		15,272	15,272
Creditors - amounts falling due in more than one year	8	(14,291)	(14,291)
<b>Net Assets</b>		981	981
<b>Capital and Reserves</b>			
Called up share capital	9	400	400
Profit and loss account	10	581	581
<b>Shareholders' Funds</b>	11	981	981

The accompanying notes are an integral part of these financial statements

The financial statements of Omega Red Holdings Limited, registered number 6399736, were approved by the Board of Directors and authorised for issue on 27 September 2013



**C J Watkins**  
Director



## NOTES TO THE ACCOUNTS

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### 1. Statement of Accounting Policies

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

#### (a) Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The accounts have been prepared on a going concern basis. The Directors have considered the assumptions for preparing the accounts on a going concern basis. These are set out in the Directors' Report.

In accordance with section 400 of the Companies Act 2006, the Company has taken the exemption from preparing consolidated financial statements because it is a wholly owned subsidiary of a company incorporated in the United Kingdom which prepares consolidated financial statements including the accounts of the Company drawn up in a manner equivalent to the Seventh European Company Law directive.

#### (b) Cash Flow Statement

Under the provisions of Financial Reporting Standard 1 "Cash Flow Statements", the Company has not prepared a cash flow statement because its ultimate UK parent company, Hydriades IV Limited, which indirectly holds 90% or more of the Company's share capital, prepares consolidated accounts. These consolidated accounts include, each year, the accounts of the Company, contain a consolidated cash flow statement and are publicly available.

#### (c) Dividends

Dividends are accrued if they have been paid or if they have been approved by shareholders before the year end.

#### (d) Fixed Asset Investments

Fixed asset investments are stated at cost less provision for any permanent diminution in value. Historic allocations of the fair value of options granted over the ordinary shares of the Company to employees of a subsidiary company is booked to the cost of investment in that subsidiary with the corresponding entry being a credit to reserves.

## NOTES TO THE ACCOUNTS

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**(e) Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using current tax rates at the balance sheet date. Where it is agreed that the Company will not be paid for tax losses surrendered to other Group undertakings, no credit is reflected for tax losses in the profit and loss account.

**(f) Management Expenses**

Audit fees of £2,000 (2012: £2,000) are borne by fellow Group undertakings. There were no fees paid by the Company to the Company's auditor for non-audit services in either year.

**(g) Borrowings**

All borrowings are initially recorded at the fair value of the consideration received.

**(h) Related Party Disclosures**

As at 31 March 2013, the Company was an indirectly wholly owned subsidiary undertaking of Hydriades IV Limited. As such, the Company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group headed by Hydriades IV Limited, as consolidated financial statements of this company, in which the accounts of the Company are included, are prepared each year and are publicly available.

## **2. Directors' Remuneration**

None of the Directors who served during the year received any remuneration as Directors of the Company and were remunerated for their services by a subsidiary undertaking or other Group company. It is not practicable to allocate these amounts between their services as Directors of the Company and other companies throughout the Group.

## NOTES TO THE ACCOUNTS

### 3. Finance Charges

	2013 £'000	2012 £'000
Interest payable on loan from parent undertaking	715	715
	<b>715</b>	<b>715</b>

### 4. Dividends

	2013 £'000	2012 £'000
Equity interests		
Interim dividends paid	2,784	2,400

### 5. Fixed Asset Investments

Cost and Net Book Value	£'000
At 1 April 2012 and 31 March 2013	<b>17,762</b>

Details of the Company's principal directly held investment, which is registered in England and Wales, at 31 March 2013 is provided below

Name	Class of Shares	Proportion of Shares Held	Nature of Business
Omega Red Group Limited	Ordinary	100%	Electrical earthing and lightning protection, installation, testing and maintenance services

### 6. Debtors

	2013 £'000	2012 £'000
<b>Amounts recoverable within one year:</b>		
Amounts owed by other group undertakings	-	492
	<b>-</b>	<b>492</b>

## NOTES TO THE ACCOUNTS

### 7. Creditors – amounts falling due within one year

	2013 £'000	2012 £'000
Amounts due to group undertakings	2,490	2,982
	<b>2,490</b>	<b>2,982</b>

### 8. Creditors - amounts falling due in more than one year

	2013 £'000	2012 £'000
Loan payable to parent undertaking	14,291	14,291
	<b>14,291</b>	<b>14,291</b>

The loan payable to a parent undertaking as at 31 March 2013 is unsecured. The lending parent undertaking has confirmed that it will not request repayment of the loan within twelve months from the approval of the financial statements for the year ended 31 March 2013.

### 9. Called up Share Capital

	2013 £'000	2012 £'000
Authorised		
376,131 (2012 376,131) ordinary share of £1 each	376	376
23,869 (2012 23,869) 'B' ordinary shares of £1 each	24	24
	<b>400</b>	<b>400</b>
Called up, issued and fully paid		
376,131 (2012 376,131) ordinary share of £1 each	376	376
23,869 (2012 23,869) 'B' ordinary shares of £1 each	24	24
	<b>400</b>	<b>400</b>

## NOTES TO THE ACCOUNTS

### 10. Reserves

	Profit and Loss Account £'000
Balance at 1 April 2012	581
Profit for the financial year	2,784
Dividends (note 4)	(2,784)
Balance at 31 March 2013	<u>581</u>

### 11. Reconciliation of Movements in Shareholders' Funds

	2013 £'000	2012 £'000
Profit for the financial year	2,784	2,400
Dividends (note 4)	(2,784)	(2,400)
Movement in shareholders' funds	-	-
Opening shareholders' funds	981	981
Closing shareholders' funds	<u>981</u>	<u>981</u>

### 12. Ultimate Controlling Party

The immediate parent company is Hydriades Limited which is registered in England and Wales. At the balance sheet date, the ultimate controlling party was Alinda Capital Partners LLC a company registered in the United States of America. The accounts of the Company are consolidated each year in the accounts of Hydriades IV Limited, the ultimate parent undertaking in the United Kingdom which is registered in England and Wales (and being the smallest and largest UK group in which the Company's accounts are consolidated), a copy of which can be obtained from its registered address, Green Lane, Walsall, WS2 7PD. The ultimate controlling party from 30 July 2013 is KKR Infrastructure Limited a company registered in the United States of America.