

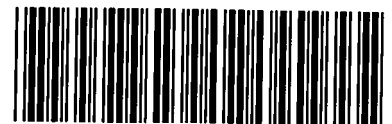
Omega Red Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2018

Company Registration No: 06399736

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COMPANY INFORMATION

Company Name

Omega Red Holdings Limited

Company Registration No

06399736

Registered Office

Dabell Avenue

Blenheim Industrial Estate

Bulwell

Nottinghamshire

NG6 8WA

United Kingdom

Directors

Mr A P Page

Mr D Taylor

Mr N R Shailer

Company Secretary

Mr R K Bhalla

Auditor

Deloitte LLP

Statutory Auditor

2 New Street Square

London

EC4A 3BZ

United Kingdom

STRATEGIC REPORT

Principal activities

The Company's principal activity is that of an intermediate holding company.

Financial and business review

The Company's results for the year ended 31 March 2018 were as expected by the Directors. The dividend income from shares in subsidiary companies was in line with budget and reflected higher trading profits and liquid resources in those companies compared with the prior year. As an intermediary holding company the directors do not consider there to be any key performance indicators relevant to the Company.

Future developments

With regards to future developments, the Directors' expectation is for the principal activity to remain unchanged over the forthcoming year. The Company will remain an intermediate holding company.

Principal risks and uncertainties

There is an established risk management and internal control framework in place within the Company, including significant input from Directors. The Directors believe the most significant risk faced by the Company is the financial performance of its subsidiaries as it receives dividend income to fund interest obligations. The Directors believe all the significant risks faced by the Company are appropriately controlled through effective management of the subsidiaries' business.

The Strategic Report was approved by the Board of Directors on 13 December 2018.



Mr D Taylor
Director

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report and audited financial statements for the year ended 31 March 2018. In preparing this Directors' Report, the Directors have complied with S414C(11) of the Companies Act 2006 by including certain disclosures required by S416(4) within the Strategic Report.

Future developments

Details of future developments can be found in the strategic report on page 1.

Financial results and dividends

The Company's financial results for the year ended 31 March 2018 are shown in the profit and loss account on page 11. The profit for the financial year amounted to £1,935,000 (2017: £1,225,000). Dividend payments in the year ended 31 March 2018 amounted to £1,935,000 (2017: £1,225,000). The directors do not propose a further dividend.

Financial risk management

As an intermediate holding company, the Company is not, in the opinion of the Directors, exposed to material financial risks other than the performance of its subsidiaries.

Going concern

The Company has received confirmation from a subsidiary company that amounts payable to it, as disclosed as a creditor payable within one year in the financial statements, will not be called for payment until such time that the Company has sufficient liquid resources to fund such a payment. The Company is also in a net asset position. After making enquiries and taking account of the factors noted above, the directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

Directors

The Directors who held office during the year, and subsequently, were as follows:

Mr A P Page

Mr D Taylor

Mr N R Shailer

DIRECTORS' REPORT

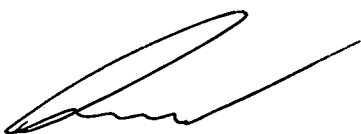
Independent auditor

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.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

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

Approved by the Board of Directors and signed on its behalf by



Mr D Taylor

Director

13 December 2018

Registered Office: Dabell Avenue, Blenheim Industrial Estate, Bulwell, Nottinghamshire, NG6 8WA.

Registered in England and Wales

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK". 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 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 judgments 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 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.

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Omega Red Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, 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.

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

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.

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

Report on other legal and regulatory requirements

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 the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

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

Matters on which we are required to report by exception

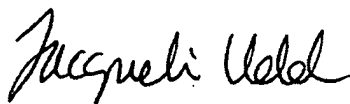
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

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.



Jacqueline Holden FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

14 December 2018

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2018

	Note	2018 £'000	2017 £'000
Income from shares in UK subsidiary undertakings - Dividends received		2,650	1,940
Operating profit		2,650	1,940
Finance charges	5	(715)	(715)
Profit before taxation		1,935	1,225
Taxation on profit	6	-	-
Profit after taxation		1,935	1,225

The results above are all derived from continuing operations.

There was no other comprehensive income in either year other than the profit for the financial year therefore a statement of comprehensive income is not presented.

The accompanying notes are an integral part of these financial statements.

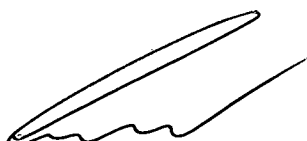
BALANCE SHEET

As at 31 March 2018

	Note	2018 £'000	2017 £'000
Fixed Assets			
Investments	8	17,762	17,762
Creditors - amounts falling due within one year	9	(2,490)	(2,490)
Net Current Liabilities		(2,490)	(2,490)
Total assets less current liabilities		15,272	15,272
Creditors - amounts falling due in more than one year	10	(14,291)	(14,291)
Net Assets		981	981
Capital and Reserves			
Called up share capital	11	400	400
Profit and loss account		581	581
Shareholders' Funds		981	981

The accompanying notes are an integral part of these financial statements.

The financial statements of Omega Red Holdings Limited, registered number 06399736, were approved by the Board of Directors and authorised for issue on 13 December 2018.



Mr D Taylor

Director

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2018

	Called-up Share Capital	Profit and Loss Account	Total
	£'000	£'000	£'000
At 1 April 2016	400	581	981
Profit for the financial period	-	1,225	1,225
	400	1,806	2,206
Dividends (Note 7)	-	(1,225)	(1,225)
At 31 March 2017	400	581	981
Profit for the financial period	-	1,935	1,935
	400	2,516	2,916
Dividends (Note 7)	-	(1,935)	(1,935)
At 31 March 2018	400	581	981

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

1. Statement of Accounting Policies

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

a) General information and basis of accounting

Omega Red Holdings Limited (the Company) is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

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 ultimate parent, Hydrades IV Limited, which are publicly available. The company was, at the end of the year, a wholly-owned subsidiary of another company and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement and remuneration of key management personnel.

b) Going concern

The Company has received confirmation from a subsidiary company that amounts payable to it, as disclosed as a creditor payable within one year in the financial statements, will not be called for payment until such time that the Company has sufficient liquid resources to fund such a payment. The Company is also in a net asset position. After making enquiries and taking account of the factors noted above, the directors have a reasonable expectation that the company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis in preparing the annual report and financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

1. Statement of Accounting Policies (continued)

c) 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.

d) Dividends

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

e) Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment.

f) Operating costs

Audit fees of £2,000 (2017: £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 and subsequently measured at amortised cost.

h) Related party transactions

As at 31 March 2018, the Company was an indirectly wholly owned subsidiary undertaking of Hydriades IV Limited, the ultimate parent company in the United Kingdom. As such, the Company has taken advantage of the exemption from disclosing transactions with other members of the group headed by Hydriades IV Limited, as consolidated financial statements for this company in which the financial statements of the Company are included, are publicly available.

i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

1. Statement of Accounting Policies (continued)

i) Financial instruments (continued)

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

1. Statement of Accounting Policies (continued)

i) Financial instruments (continued)

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions in respect of the carrying amounts of assets and liabilities recognised in the financial statements. These are based on historical experience, future forecasts and other factors that are considered to be relevant. It is recognised that historical experience and forecasts change over time and these judgements, estimates and assumptions are therefore reviewed and amended where necessary on a regular basis. However, it is also recognised that the actual outcomes may still differ to the judgements, estimates and assumptions made.

Critical judgements in applying the Company's accounting policies

Provided below are details of the principal accounting judgements, estimates and assumptions that the Directors have made when applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Carrying Values of Fixed Asset Investments – Critical Judgement

As at 31 March 2018 and 31 March 2017, the main critical judgement that the Directors had made in applying the Company's accounting policies is that in respect of the carrying value of fixed asset investments held in the Company balance sheet.

In the opinion of the Directors, there are no other critical judgments or sources of estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

3. Staff Costs

No employees were employed by the Company during the year or the previous year.

4. Directors' Remuneration

None of the Directors who served during the year received any remuneration from the Company as Directors of the Company.

These Directors were remunerated by other Group companies. It is not practicable to allocate the remuneration for these Directors between their services as Directors of the Company and their services as Directors of other Group companies.

The total of their emoluments received during their period of service in the year ended 31 March 2018 was £720,000 (2017: £718,000).

The number of Directors holding office at the end of the year who were active members of Group pension schemes was as follows:

	2018 Number	2017 Number
Defined Contribution Scheme	2	2

5. Finance Charges

	2018 £'000	2017 £'000
Interest payable on loan from parent undertaking	715	715
	715	715

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

6. Taxation on Profit

No tax charge arose in the year or the previous year.

The tax assessed on the profit for the year is lower than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are reconciled below.

	2018 £'000	2017 £'000
Profit before tax	1,935	1,225
Profit multiplied by standard UK corporation tax rate of 19% (2017: 20%)	368	245
UK dividends received not taxable	(504)	(388)
Group relief surrendered without payment	136	143
Total tax charge	-	-

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2017: 20%). A reduction in the future UK corporation tax rate to 17%, effective from April 2020, was substantively enacted in September 2016. Deferred tax has therefore been recognised at 17% (2017: 17%) being the statutory rate applicable in the periods that the deferred tax is expected to reverse.

7. Dividends

	2018 £'000	2017 £'000
Ordinary interim dividends paid of 483.8p (2017: 306.3p) per share	1,935	1,225

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

8. Fixed Asset Investments

Cost and Net Book Value	£'000
At 1 April 2017 and 31 March 2018	17,762

Details of the Company's principal directly held investment, which is registered in England and Wales at Dabell Avenue, Nottingham NG6 8WA, at 31 March 2017 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, maintenance and height safety services

Other subsidiaries of the Company as at 31 March 2018, which were all non-trading companies as at that date, and 100% owned by the Company, were as follows:

Omega Earthing Systems Limited
Omega Facility Services Limited
Omega Furse Contracting Limited
Omega Lightning Protection Limited
Omega Product Supplies Limited

As at 31 March 2018 the registered address of the above subsidiaries is Dabell Avenue, Nottingham NG6 8WA.

9. Creditors – amounts falling due within one year

	2018	2017
	£'000	£'000
Amounts due to group undertakings	2,490	2,490
	2,490	2,490

Amounts owed to related parties are interest free, unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

10. Creditors - amounts falling due in more than one year

	2018 £'000	2017 £'000
Loan payable to parent undertaking	14,291	14,291
	14,291	14,291

The loan payable to a parent undertaking as at 31 March 2018 is unsecured and bears interest at 5% (2017: 5%) per annum. 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 2018.

11. Share Capital

	2018 £'000	2017 £'000
Authorised:		
376,131 (2017: 376,131) ordinary share of £1 each	376	376
23,869 (2017: 23,869) 'B' ordinary shares of £1 each	24	24
	400	400
Called up, issued and fully paid:		
376,131 (2017: 376,131) ordinary share of £1 each	376	376
23,869 (2017: 23,869) 'B' ordinary shares of £1 each	24	24
	400	400

The Company's ordinary shares and ordinary B shares carry no right to fixed income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2018

12. Ultimate Controlling Party

The immediate parent company is Hydriades Limited which is registered in England and Wales. The ultimate parent company in the United Kingdom is Hydriades IV Limited, also registered in England and Wales which is the smallest and largest UK group preparing consolidated financial statements that include Omega Red Holdings Limited. The consolidated financial statements for that company can be obtained from the Company's registered office at Green Lane, Walsall WS2 7PD.

The ultimate controlling party during the year ended 31 March 2018 was KKR Infrastructure Limited, which during that year controlled and managed, and was the General Partner of the Global Infrastructure Fund of the investment business KKR & Co L.P., which is quoted on the New York Stock Exchange.

Since the end of the year, on 3 July 2018, the ultimate controlling party became Arjun Infrastructure Partners Limited a Company registered in England and Wales, which controls and manages and is the General Partner of a UK registered investment entity that acquired a majority equity interest of a holding company of Hydriades IV Limited and therefore of the Group, on that date.

13. Post balance sheet events

On 3 July 2018, the ultimate controlling party of the Group changed to Arjun Infrastructure Partners Limited as described in detail in note 12 above.