

Company Registration No. 07521873 (England and Wales)

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
COMPANY INFORMATION**

Directors	D T Milloy E M Young A A King A D King	(Appointed 30 April 2019) (Appointed 30 April 2019) (Appointed 30 April 2019)
Secretary	K M Park	
Company number	07521873	
Registered office	Condor House St Paul's Churchyard London United Kingdom EC4M 8AL	
Auditor	Johnston Carmichael LLP 227 West George Street GLASGOW G2 2ND	

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
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**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present the strategic report for the year ended 31 December 2019.

The principal activities of the Group are those of property development at a 575 acre mixed use development site located in Warrington, off J8 of the M62 motorway, known as Omega.

Fair review of the business

The site at Omega has continued to perform well and delivered further positive results in 2019 with an operating profit of £1,981,860 within our trading subsidiary Omega Warrington Limited. The Group statement of comprehensive income shows an operating profit of £6,121,806 (2018 - £14,064,167) which includes negative goodwill amortisation arising in the group financial statements of £4,139,946 (2018 - £1,102,058).

Phase 3A of the residential development on Omega South (which includes a proposal for up to 1,100 new homes plus retail, leisure and community uses) was sold during the year and will deliver 180 homes.

Planning consent was obtained for three distribution units totalling 736,299 square feet. Construction work started on site in quarter 1 of 2020. Omega is perceived as the pre-eminent manufacturing and logistics site in the Northwest of England and is well-placed to benefit from the ongoing demand in what is a relatively buoyant property sector.

Further information on the Omega development site can be found on the website at www.omegaopportunity.com.

The Board considers profits generated to be the key indicator of the group. The profit before tax delivered by our trading subsidiary Omega Warrington Limited in 2019 was £1,759,621 compared to £11,205,151 in the previous year. The nature of large scale property development means that year-on-year profits may vary significantly due to the timing and stage of deals as is demonstrated here.

Principal risks and uncertainties

The main risk to the Group would be a slowdown in the housing market in the Warrington area, as the recovery of monies spent on infrastructure works at the site depends on site sales to house builders. Cash flow models for the Group recognise the uncertainty regarding the dates of recovery of costs.

Development and performance

The Group will continue to work to develop the Omega site & will pursue further development opportunities which arise that are in line with Group strategy.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

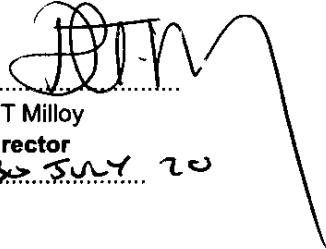
S.172 matters

Section 172(1) of the Companies Act 2006 provides that the directors of the Group must act in a way that they consider, in good faith, would be most likely to promote the success of the Group for the benefit of all of its members as a whole, and in doing so have regard (amongst other matters) to various other stakeholder interests, as follows:

- the likely consequences of any decision in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and the environment;
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Group.

The directors work together to run and grow the business. Formal chaired, minuted meetings are held monthly where strategic, operational and financial matters are reviewed and discussed, providing a platform for well-informed decision making. We work closely with our consultants and suppliers to develop a motivated and well trained team. Health and safety is of paramount importance in our business.

On behalf of the board


.....
D T Milloy
Director
30 JUL 20
.....

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

On 25 November 2019, the company changed its name from M2 Omega Limited to Omega St Helens Limited.

Principal activities

The principal activity of the company and group continued to be that of property development.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D T Milloy	
E M Young	(Appointed 30 April 2019)
A A King	(Appointed 30 April 2019)
A D King	(Appointed 30 April 2019)
A Sutherland	(Resigned 30 April 2019)

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £11,320,045. The directors do not recommend payment of a further dividend.

Auditor

Johnston Carmichael LLP were appointed as auditor to the group during the year and in accordance with section 487 (2) of the Companies Act 2006 they are deemed to be re-appointed.

Statement of directors' responsibilities

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). 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 group and company, and of the profit or loss of the group 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

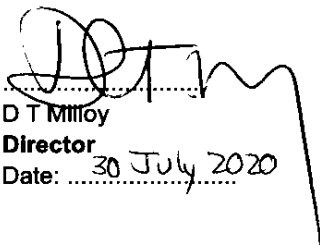
Future developments

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



D T Milloy
Director
Date: 30 July 2020

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OMEGA ST HELENS LIMITED**

Opinion

We have audited the financial statements of Omega St Helens Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity and notes to the financial statements, 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 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2019 and of the group's 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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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 group's or the parent 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.

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 this regard.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF OMEGA ST HELENS LIMITED**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 group's and the parent 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 group or the parent 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.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF OMEGA ST HELENS LIMITED**

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Hugh Boyle (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

3 August 2020

**Chartered Accountants
Statutory Auditor**

227 West George Street
Glasgow
G2 2ND

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover	3	23,352,006	49,974,556
Cost of sales		(21,094,672)	(36,371,964)
Gross profit		2,257,334	13,602,592
Administrative expenses		(275,474)	(483)
Goodwill amortisation credit	10	4,139,946	1,102,058
Loan waiver		-	(640,000)
Operating profit	4	6,121,806	14,064,167
Interest receivable and similar income	6	27,082	20,887
Interest payable and similar expenses	7	(249,321)	(1,741,976)
Profit before taxation		5,899,567	12,343,078
Tax on profit	8	(223,287)	(1,290,306)
Profit for the financial year	19	5,676,280	11,052,772
Total comprehensive income for the year		5,676,280	11,052,772

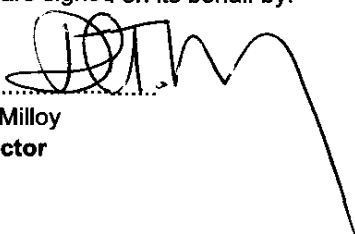
Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
GROUP BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Negative goodwill	10	(4,139,946)		(8,279,892)	
Current assets					
Development work in progress	13	14,930,872		15,922,139	
Debtors	14	14,104,969		10,108,180	
Cash at bank and in hand		11,408,596		19,648,286	
		<u>40,444,437</u>		<u>45,678,605</u>	
Creditors: amounts falling due within one year	15	<u>(30,895,483)</u>		<u>(17,968,975)</u>	
Net current assets		<u>9,548,954</u>		<u>27,709,630</u>	
Total assets less current liabilities		<u>5,409,008</u>		<u>19,429,738</u>	
Creditors: amounts falling due after more than one year	16		-	(8,376,965)	
Net assets		<u>5,409,008</u>		<u>11,052,773</u>	
Capital and reserves					
Called up share capital	18		1		1
Profit and loss reserves	19		5,409,007		11,052,772
Total equity		<u>5,409,008</u>		<u>11,052,773</u>	

The financial statements were approved by the board of directors and authorised for issue on 30 July 2020 and are signed on its behalf by:


D T Milloy
Director


A A King
Director

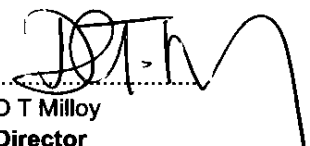
**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
COMPANY BALANCE SHEET**


AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments	11		100		100
Current assets					
Debtors	14	2,000,001		1	
Creditors: amounts falling due within one year	15	(2,000,100)		(100)	
Net current liabilities			(99)		(99)
Total assets less current liabilities			<u>1</u>		<u>1</u>
Capital and reserves					
Called up share capital	18		<u>1</u>		<u>1</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £11,320,045 (2018 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 30 July 2020 and are signed on its behalf by:


D T Milloy
Director


AA King
Director

Company Registration No. 07521873

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2018		1	-	1
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	11,052,772	11,052,772
Balance at 31 December 2018		1	11,052,772	11,052,773
Year ended 31 December 2019:				
Profit and total comprehensive income for the year		-	5,676,280	5,676,280
Dividends	9	-	(11,320,045)	(11,320,045)
Balance at 31 December 2019		1	5,409,007	5,409,008

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2018		1	-	1
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	-	-
Balance at 31 December 2018		1	-	1
Year ended 31 December 2019:				
Profit and total comprehensive income for the year		-	11,320,045	11,320,045
Dividends	9	-	(11,320,045)	(11,320,045)
Balance at 31 December 2019		1	-	1

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

Company Information

Omega St Helens Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Condor House, St Paul's Churchyard, London, United Kingdom, EC4M 8AL.

The group consists of Omega St Helens Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company is a qualifying entity for the purposes of FRS 102 and has taken advantage of the exemption available from the requirement to present a company only cash flow, related notes and disclosures.

1.2 Basis of consolidation

The consolidated financial statement incorporate those of Omega St Helens Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The consolidated financial statement incorporate the results of business combinations using the purchase method. In the Group Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at fair values at the acquisition date. The results of acquired operations are included in the Group Statement of Comprehensive Income from the date control was obtained. They are deconsolidated from the date control ceases. When the excess is negative, this is recognized and separately disclosed on the face of the Balance Sheet as negative goodwill.

Miller Group Holdings (UK) Limited and Omega Warrington Limited have been included in the financial statements using the purchase method of accounting. Accordingly, the Group Statement of Comprehensive Income include the results and of Miller Group Holdings (UK) Limited and Omega Warrington Limited for the year ended 31 December 2019.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents the value of the sales of property developments, rents receivable, management fees and other property income.

Where turnover is derived from long term contracts, the value of work done during the year ascertained by reference to contract measurement in accordance with the stage of completion of the contract when the following conditions are satisfied:

- The amount of turnover can be measured reliably;
- It is probable that the Company will receive the consideration due under the contract
- The stage of completion of the contract at the end of the reporting period can be measured; and
- The costs incurred and the costs to complete the contract can be measured reliably.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a straight line basis over its expected life, which is 8 years.

Negative goodwill arising on business combinations in respect of acquisitions is included on the Balance Sheet and released to the Statement of Comprehensive Income in the periods in which the non-monetary assets arising on the same acquisition are recovered. Any excess exceeding the fair value of non-monetary assets acquired shall be recognised in the Statement of Comprehensive Income in the periods expected to benefit.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Development work in progress

Developments in progress are stated at the lower of cost and estimated selling price less costs to complete and sell.

Costs exclude expenditure incurred in acquiring the material and other costs in bringing them to their existing location and condition.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 group after deducting all of its liabilities.

**OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

OMEGA ST HELENS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Development work in progress - £14.9m (2018 - £15.9m)

In order to assess the appropriateness of the carrying value of the development work in progress, the directors are required to consider the potential for each site held in order to assess whether any impairments are required. By using this approach this ensures that the development work in progress is stated at the lower of cost and estimated selling price less costs to complete and sell.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Carrying value of goodwill - (£4.1m) (2018: (£8.3m))

The directors assess the carrying value of negative goodwill for impairment at least annually, or more frequently when there is an indication that goodwill may be impaired. Assessment requires consideration of the underlying acquisition to which the goodwill relates.

3 Turnover and other revenue

	2019 £	2018 £
Turnover analysed by class of business		
Property development	23,352,006	49,974,556
	<u>23,352,006</u>	<u>49,974,556</u>
	2019 £	2018 £
Other significant revenue		
Interest income	27,082	20,887
	<u>27,082</u>	<u>20,887</u>
	2019 £	2018 £
Turnover analysed by geographical market		
United Kingdom	23,352,006	49,974,556
	<u>23,352,006</u>	<u>49,974,556</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after (crediting):		
Amortisation of intangible assets	(4,139,946)	(1,102,058)

5 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	6,000	6,000
Audit of the financial statements of the company's subsidiaries	9,000	11,000
	<u>15,000</u>	<u>17,000</u>
For other services		
Taxation compliance services	<u>8,040</u>	<u>8,000</u>

6 Interest receivable and similar income

	2019	2018
	£	£
Interest income		
Interest on bank deposits	<u>27,082</u>	<u>20,887</u>

7 Interest payable and similar expenses

	2019	2018
	£	£
Other interest on financial liabilities	<u>249,321</u>	<u>1,741,976</u>

8 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	279,945	1,290,306
Adjustments in respect of prior periods	(56,658)	-
Total current tax	<u>223,287</u>	<u>1,290,306</u>

OMEGA ST HELENS LIMITED
(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	5,899,567	12,343,078
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	1,120,918	2,345,185
Tax effect of income not taxable in determining taxable profit	(786,590)	(209,391)
Adjustments in respect of prior years	(56,658)	-
Group relief	(34,266)	(845,488)
Deferred tax adjustments in respect of prior years	(20,117)	-
Taxation charge	223,287	1,290,306

9 Dividends

	2019	2018
	£	£
Final paid	11,320,045	-

10 Intangible fixed assets

Group	Negative goodwill
	£
Cost	
At 1 January 2019 and 31 December 2019	(9,381,950)
Amortisation and impairment	
At 1 January 2019	(1,102,058)
Amortisation charged for the year	(4,139,946)
At 31 December 2019	(5,242,004)
Carrying amount	
At 31 December 2019	(4,139,946)
At 31 December 2018	(8,279,892)

The company had no intangible fixed assets at 31 December 2019 or 31 December 2018.

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(FORMERLY M2 OMEGA LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

11 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	12	-	-	100	100

Movements in fixed asset investments
Company

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019 and 31 December 2019	100
Carrying amount	
At 31 December 2019	100
At 31 December 2018	100

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect	
Miller Group Holdings (UK) Limited	1	Property development	Ordinary	100.00	-
Omega Warrington Limited	2	Property development	Ordinary	100.00	-

1. The registered office of Miller Group Holdings (UK) Limited is 201 West George Street, c/o Miller Developments, Glasgow, G2 2LW.

2. The registered office of Omega Warrington Limited is Condor House, St Paul's Churchyard, London, EC4M 8AL.

Miller Group Holdings (UK) Limited (company registration number SC453327) is exempt from the audit requirements of its individual accounts in relation to S479A of the Companies Act 2006 relating to subsidiary companies.

13 Development work in progress

	Group 2019 £	2018 £	Company 2019 £	2018 £
Development work in progress	14,930,872	15,922,139	-	-

OMEGA ST HELENS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

14 Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	6,912,000	104,547	-	-
Amounts owed by group undertakings	6,371,744	-	2,000,000	-
Other debtors	449,722	548,683	1	1
Prepayments and accrued income	371,503	9,454,950	-	-
	<u>14,104,969</u>	<u>10,108,180</u>	<u>2,000,001</u>	<u>1</u>

15 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	1,774,489	-	-	-
Amounts owed to group undertakings	2,000,000	-	2,000,000	100
Corporation tax payable	26,645	-	-	-
Other taxation and social security	2,525,183	-	-	-
Other creditors	11,370,567	16,388,480	100	-
Accruals and deferred income	13,198,599	1,580,495	-	-
	<u>30,895,483</u>	<u>17,968,975</u>	<u>2,000,100</u>	<u>100</u>

16 Creditors: amounts falling due after more than one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Notes				
Other borrowings	17	-	8,376,965	-
		<u>-</u>	<u>8,376,965</u>	<u>-</u>

17 Loans and overdrafts

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Infrastructure loans	-	8,376,965	-	-
	<u>-</u>	<u>8,376,965</u>	<u>-</u>	<u>-</u>
Payable after one year	-	8,376,965	-	-
	<u>-</u>	<u>8,376,965</u>	<u>-</u>	<u>-</u>

OMEGA ST HELENS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

18 Share capital

	Group and company	
	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	1	1

19 Reserves

Profit and loss

Profit and loss reserves represent accumulated comprehensive income/(expenditure) for the year and prior periods, less any dividends paid.

20 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Purchases	
	2019	2018
	£	£
Group		
Other Related Parties	225,000	-

The company has taken advantage of the exemption within FRS 102 section 33 from the requirement to disclose transactions with the wholly owned companies in the same group.

21 Controlling party

The company is a subsidiary undertaking of M2 Group Limited, registered address 201 West George Street, Glasgow, G2 2LW. M2 Group Limited is also the company's ultimate holding company. The company is included in the group accounts of M2 Group Limited, copies of which are available from its registered office.