

OMEGA INGREDIENTS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 AUGUST 2020

OMEGA INGREDIENTS LIMITED
REGISTERED NUMBER: 04277313

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	564,387	579,628
Investments	5	40	40
		<u>564,427</u>	<u>579,668</u>
Current assets			
Stocks		1,601,881	1,708,856
Debtors: amounts falling due within one year	6	1,043,587	1,148,967
Cash at bank and in hand		400,531	124,411
		<u>3,045,999</u>	<u>2,982,234</u>
Creditors: amounts falling due within one year	7	(875,272)	(1,317,307)
Net current assets		<u>2,170,727</u>	<u>1,664,927</u>
Total assets less current liabilities		<u>2,735,154</u>	<u>2,244,595</u>
Creditors: amounts falling due after more than one year	8	(174,859)	(249,546)
Provisions for liabilities			
Deferred tax	10	(56,430)	(53,260)
		<u>(56,430)</u>	<u>(53,260)</u>
Net assets		<u><u>2,503,865</u></u>	<u><u>1,941,789</u></u>
Capital and reserves			
Called up share capital	11	5,004	5,000
Merger reserve	11	96	-
Profit and loss account		2,498,765	1,936,789
		<u><u>2,503,865</u></u>	<u><u>1,941,789</u></u>

OMEGA INGREDIENTS LIMITED
REGISTERED NUMBER: 04277313

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Steven Pearce
Director

Date: 6 May 2021

The notes on pages 3 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Omega Ingredients Limited is a private company limited by shares and incorporated in England and Wales, registration number 04277313. The registered office is Hydra House, Orion Court, Great Blakenham, Suffolk, IP6 0LW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in GBP (£) and all values are rounded to the nearest £, except where stated.

The following principal accounting policies have been applied:

2.2 Going concern

The Directors have considered the Company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term. Nevertheless, the Directors have considered the current financial strength of the Company, together with the range of measures the Directors can take to mitigate ongoing costs should they need to, and ultimately should it be required, the support now being offered by the UK government for which the Company would be eligible to apply.

Based on this, the Directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and, based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue 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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.6 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.11 Development costs

In the research phase of an internal project it is not possible to demonstrate the the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years. If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis:

Freehold property	-	Over 50 years
Long-term leasehold property	-	Over 10 years
Plant and machinery	-	15% Reducing balance
Fixtures and fittings	-	15% Reducing balance
Office equipment	-	25% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at a general meeting.

2.20 Invoice discounting

The Company has an invoice discounting agreement. The amount owed by customers to the Company are included within trade debtors and the relevant amounts owed from/to the invoice discounting company are included within debtors/creditors.

3. Employees

The average monthly number of employees, including directors, during the year was 29 (2019 - 27).

OMEGA INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation						
At 1 September 2019	332,775	47,763	208,145	50,892	130,189	769,764
				390		
Additions	-	-	25,747		14,979	41,116
				51,282		
At 31 August 2020	332,775	47,763	233,892		145,168	810,880
Depreciation						
At 1 September 2019	18,185	21,180	61,127	21,517	68,127	190,136
				4,406		
Charge for the year on owned assets	6,656	4,776	23,702		16,817	56,357
				25,923		
At 31 August 2020	24,841	25,956	84,829		84,944	246,493
Net book value						
At 31 August 2020	307,934	21,807	149,063	25,359	60,224	564,387
				29,375		
At 31 August 2019	<u>314,590</u>	<u>26,583</u>	<u>147,018</u>		<u>62,062</u>	<u>579,628</u>

The net book value of assets held under finance leases or hire purchase contracts, included above in plant and machinery, is £44,985 (2019 - £52,875).

OMEGA INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2019	40
Additions	100
	<hr/>
At 31 August 2020	140
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Impairment	
Charge for the period	100
	<hr/>
At 31 August 2020	100
	<hr/>
Net book value	
At 31 August 2020	40
	<hr/>
At 31 August 2019	40
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During the year the company acquired 100% of the share capital of Maverick Innovations Limited, in a share for share exchange.

Subsequently the trade and assets were hived up into Omega Ingredients Limited and as a result the investment has been impaired.

6. Debtors

	2020 £	2019 £
Trade debtors	682,901	900,715
Other debtors	236,189	137,980
Prepayments and accrued income	88,370	110,272
Tax recoverable	36,127	-
	<hr/>	<hr/>
	1,043,587	1,148,967
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OMEGA INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. Debtors (continued)

Included within other debtors due within one year is a loan to Steven Pearce, a director, amounting to £111,161 (2019 - £75,000). Interest is charged at 2.5% per annum.

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	26,940	73,560
Proceeds of factored debts	-	272,928
Trade creditors	417,319	696,350
Amounts owed to group undertakings	32,193	9,478
Other taxation and social security	195,957	141,147
Obligations under finance lease and hire purchase contracts	61,796	15,176
Other creditors	16,958	1,099
Accruals and deferred income	124,109	107,569
	<u>875,272</u>	<u>1,317,307</u>

Details of security provided:

Obligations under finance lease and hire purchase contracts are secured on assets to which they relate.
Proceeds of factored debts are secured on the debtors to which they relate.

OMEGA INGREDIENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	148,668	219,194
Net obligations under finance leases and hire purchase contracts	19,199	30,352
Other creditors	6,992	-
	<u>174,859</u>	<u>249,546</u>

Included within bank loans is £175,609 (2019 - £195,490) which is secured on the property to which it relates and by personal guarantee given by Elizabeth Pearce and Steven Pearce.

This bank guarantee was released on 27th August 2020 and subsequently replaced by a new guarantee given by Steven Pearce.

9. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	26,940	73,560
	<u>26,940</u>	<u>73,560</u>
Amounts falling due 2-5 years		
Bank loans	54,345	117,788
	<u>54,345</u>	<u>117,788</u>
Amounts falling due after more than 5 years		
Bank loans	94,323	101,406
	<u>94,323</u>	<u>101,406</u>
	<u>175,608</u>	<u>292,754</u>

OMEGA INGREDIENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Deferred taxation

	2020 £
At beginning of year	(53,260)
Charged to profit or loss	(3,170)
At end of year	<u>(56,430)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(56,430)	(53,260)
	<u>(56,430)</u>	<u>(53,260)</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
0 (2019 - 5,000) Ordinary shares of £1.000000 each	-	5,000
5,003,540,000 (2019 - 0) Ordinary shares of £0.000001 each	5,004	-
	<u>5,004</u>	<u>5,000</u>

On 31 January 2020 the nominal value of the shares in the company were amended from £1 per share to £0.0000010 per share.

Following the amendment to the nominal value of the shares, 3,540,000 additional ordinary shares of £0.0000010 were issued as part of the transaction of acquiring Maverick Innovations Ltd.

The merger relief fund reserve was created due to the merger of Omega Ingredients Limited and Maverick Innovations Limited.

OMEGA INGREDIENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Post balance sheet event

On 6 November 2020 the entire share capital of Omega Ingredients Limited was acquired by Maverick Active Holdings Limited in a share for share exchange. As of that date the revised Omega Group Structure is as follows: Holding Company: Maverick Active Holding Limited (company number (12812797) which is the new holding company of Omega Ingredients Limited (which continues as a trading company) and its two wholly owned subsidiary companies: Maverick Innovations Limited (now a dormant company) and Omega Ingredients Corp. (USA incorporated Company which acts as Omega Ingredient Limited's agent in the US).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.