

Company Number: 05697675

# **OMEGA ADMINISTRATION SERVICES LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2017**



## **Directors and Professional Advisors**

|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | Paul Cooper (resigned 31 December 2017)<br>Michael Duffy<br>Robert Harden (appointed 16 January 2017, resigned 31 May 2018)<br>Nigel Meyer (appointed 31 May 2018)<br>Laurie Davison (appointed 31 May 2018) |
| <b>Company Secretary</b>    | Mariana Daoud-O'Connell (appointed 27 June 2017)   |
| <b>Registered Office</b>    | Gallery 9<br>One Lime Street<br>London<br>EC3M 7HA   |
| <b>Company Number</b>       | 05697675   |
| <b>Independent Auditors</b> | Ernst & Young LLP ("EY")<br>25 Churchill Place<br>Canary Wharf<br>E14 5EY  |

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## Strategic Report

The directors present their Strategic Report on Omega Administration Services Limited ("the Company") for the year ended 31 December 2017.

### Review of the business

The Company has reported a profit on ordinary activities before tax for the year of £nil (2016: £37,000).

### Future developments

The Company was a service company with the aim of becoming dormant in the future.

### Results

The results of the Company for the year ended 31 December 2017 are set out in the financial statements on pages 8 to 16.

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks.

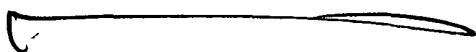
The directors have considered the risks and uncertainties facing the Company and have the requisite controls in place to manage and mitigate those risks and uncertainties.

### Key performance indicators (KPIs)

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

|                     | 2017<br>£'000 | 2016<br>£'000 |
|---------------------|---------------|---------------|
| Profit for the year | -             | 37            |

The Strategic Report was approved by the board on 27 June 2018 and signed on their behalf by:



Nigel Meyer  
Director  
27 June 2018

## **Directors' Report**

### **Directors' Report for the year ended 31 December 2017**

The directors present their Report and the audited financial statements of the Company for the year ended 31 December 2017.

#### **Dividends**

A cash dividend of £nil (2016: £470,336) was paid in 2017 to the Company's immediate parent Omega Underwriting Holdings Limited.

#### **Directors**

The directors set out on page 1 have held office during the whole of the period from 1 January 2017 to the date of this report, unless otherwise indicated.

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

#### **Qualifying third party indemnity provision**

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

#### **Post balance sheet events**

Note 9 to these financial statements disclose events after the end of the reporting year.

#### **Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in the operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Disclosure of information to auditors**

Each director of the Company has confirmed at the date of this report that:

- in fulfilling their duties as a director they have taken appropriate steps in order to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information;
- so far as they are aware, there is no relevant audit information of which the auditors have not been made aware.

#### **Independent Auditors**

Ernst & Young LLP were the auditors for the year ended 31 December 2017.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

## **Directors' Report (continued)**

### **Statement of directors' responsibilities (continued)**


Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors' Report was approved by the board on 27 June 2018 and signed on their behalf by:

  
Nigel Meyer  
Director  
27 June 2018

## **Independent Auditor's Report to the members of Omega Administration Services Limited**

### **Opinion**

We have audited the financial statements of Omega Administration Services Limited for the year ended 31 December 2017 which comprise Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its result 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 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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 the other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditor's Report to the members of Omega Administration Services Limited (Continued)**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

*Angus Millar (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP  
London*

*Date: 27 June 2018*

**Income statement**

**Year ended  
31 December**

|  | Note | <b>2017<br/>£'000</b> | 2016<br>£'000 |
|--|------|-----------------------|---------------|
| Other income   |      | -                     | 37            |
| <b>Operating profit</b>                                | 4    | -                     | 37            |
| <b>Profit on ordinary activities before income tax</b> |      | -                     | 37            |
| Income tax expense on ordinary activities              | 5    | -                     | -             |
| <b>Profit for the financial year</b>                   |      | -                     | 37            |


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

## Statement of financial position

|                                  |      | As at 31 December |               |
|----------------------------------|------|-------------------|---------------|
|                                  | Note | 2017<br>£'000     | 2016<br>£'000 |
| <b>Current assets</b>            |      |                   |               |
| Trade and other receivables      |      | -                 | -             |
|                                  |      | -                 | -             |
| <b>Net assets</b>                |      | -                 | -             |
| <b>Equity</b>                    |      |                   |               |
| Ordinary shares                  | 8    | -                 | -             |
| Retained earnings                |      | -                 | -             |
| <b>Total shareholders' funds</b> |      | -                 | -             |

The notes on pages 12 to 16 are an integral part of these financial statements.

The financial statements on pages 9 to 16 were authorised for issue by the board of directors on 27 June 2018 and were signed on its behalf.

  
 Nigel Meyer  
 Director  
 27 June 2018  
 Omega Administration Services Limited  
 Registered no. 05697675

## Statement of changes in equity

|  | Retained<br>earnings<br>£'000 | Total Share<br>holders' funds<br>£'000 |
|--|-------------------------------|--|
| <b>Balance as at 1 January 2016</b>            | <b>433</b>                    | <b>433</b>                             |
| Profit for the financial year                  | 37                            | 37                                     |
| <b>Total comprehensive income for the year</b> | <b>470</b>                    | <b>470</b>                             |
| Dividends                                      | (470)                         | (470)                                  |
| Balance as at 31 December 2016                 | -                             | -                                      |
| <b>Balance as at 1 January 2017</b>            | <b>-</b>                      | <b>-</b>                               |
| Profit for the financial year                  | -                             | -                                      |
| <b>Total comprehensive income for the year</b> | <b>-</b>                      | <b>-</b>                               |
| Dividends                                      | -                             | -                                      |
| <b>Balance as at 31 December 2017</b>          | <b>-</b>                      | <b>-</b>                               |

## Notes to the financial statements

### 1. General information

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

The Company is a subsidiary of Canopus AG ("CAG") and is incorporated and domiciled in the UK. The address of its registered office is Gallery 9, One Lime Street, London EC3M 7HA.

### 2. Summary of significant accounting policies

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

#### 2.1 Authorisation of the financial statements and basis of preparation

The financial statements of the Company for the year ended 31 December 2017 were authorised for issue by the board of directors on 27 June 2018 and the balance sheet was signed on the board's behalf by Nigel Meyer.

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

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

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

- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - o 10(d), (statement of cash flows);
  - o 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
  - o 16 (statement of compliance with all IFRS);
  - o 38A (requirement for minimum of two primary statements, including cash flow statements);
  - o 38B-D (additional comparative information);
  - o 40A-D (requirements for a third statement of financial position);
  - o 79(a)(iv) (outstanding shares at the beginning and end of the current period);
  - o 111 (cash flow statement information); and
  - o 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' (impact of IFRSs that have yet to be issued);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group;
- Paragraph 118(e) of IAS 38, 'Intangible Assets' (carrying amount at the beginning and end of the current period);
- IFRS 7, 'Financial Instruments: Disclosures'; and
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value Measurement' (disclosure).

## **2. Summary of significant accounting policies (continued)**

### **2.1.1 Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The company is no longer trading and has not incurred any income or expenditure during the year. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

## **2.2 Foreign currency translation**

### **(a) Functional and presentational currency**

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

### **(b) Transactions and balances**

Monetary assets and liabilities are translated into Pounds Sterling at the exchange rates prevailing at the balance sheet date. Income and expense transactions are translated using the rates prevailing at the date of transaction or appropriate average rates. All other foreign exchange gains are presented in the income statement within 'Other income' and losses within 'Administrative expenses'.

## **2.3 Financial assets**

### **2.3.1 Classification**

The Company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, are not intended to be sold in the short term and do not fall into the other categories of financial assets as described above. Loans and receivables are measured at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in the profit and loss account when there is objective evidence that the syndicate will not be able to collect all amounts due according to their original terms. These are reversed if the payment is received.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within interest income or expenses in the period in which they arise.

## **2.4 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

## **2. Summary of significant accounting policies (continued)**

### **2.5 Share capital**

Ordinary shares are classified as equity.

### **2.6 Current income tax**

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

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

The Company is a fully owned subsidiary of Omega Underwriting Holdings Limited ("OUHL") which is incorporated and domiciled in the UK. The company tax balances are ceded to other group companies by way of group relief.

## **3. Critical accounting estimates and judgements**

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

## **4. Operating profit**

Operating profit is stated after:

|                        | <b>2017</b>  | 2016  |
|------------------------|--------------|-------|
|                        | <b>£'000</b> | £'000 |
| Foreign exchange gains | -            | 37    |

Auditors' remuneration of £1,000 (2016: £1,300) for audit fees have been borne by another group company.

## 5. Income tax

### Tax expense included in profit and loss

|  | 2017<br>£'000 | 2016<br>£'000 |
|--|---------------|---------------|
| Current tax:                                 |               |               |
| - UK Corporation tax on profits for the year | -             | -             |
| Total current tax                            | -             | -             |
| <b>Tax on profit on ordinary activities</b>  | -             | -             |

Total tax assessed for the year is different from the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below.

|   | 2017<br>£'000 | 2016<br>£'000 |
|---|---------------|---------------|
| Profit on ordinary activities before tax                                      | -             | 37            |
| Profit multiplied by the standard rate of tax in the UK of 19.25% (2016: 20%) | -             | 7             |
| Effects of:   |               |               |
| -Group relief at no charge  | -             | (7)           |
| <b>Total tax charge</b>   | -             | -             |

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 20% to 19% from 1 April 2017.

## 6. Directors' emoluments and staff costs

No persons were employed by the Company during the year ended 31 December 2017 (2016: nil).

The Company's directors are employed by Canopus Services Limited ("CSL"). Staff and directors' costs were borne by a fellow group undertaking and no recharges were made by CSL to the Company for the year ended 31 December 2017 (2016: £nil).

The directors did not receive any emoluments from the Company for their qualifying services during the year ended 31 December 2017 (2016: £nil).

## 7. Capital and other commitments

There were no capital commitments contracted for but not provided at 31 December 2017 (2016: £nil).



## 8. Share capital

### Ordinary shares of £1 each

|                | 2017<br>Number | 2017<br>£ |
|----------------|----------------|-----------|
| At 1 January   | 1              | 1         |
| At 31 December | 1              | 1         |

## 9. Post balance sheet events

On 9 March 2018, Sompo Holdings, Inc. ("Sompo Holdings") sold its interest in the Canopus group of companies to a private equity consortium led by Centerbridge Partners, L.P. ("Centerbridge"). The new ultimate controlling parties are CCP GP Investors Holdings (Cayman) LP, CCP III Cayman GP Limited and CCP III SBS Cayman GP Limited (acting in concert) along with Gallatin Point (GP) LLC

## 10. Controlling parties

The Company's immediate UK parent is Omega Underwriting Holdings Limited which is registered in England and Wales.

The ultimate controlling parties are CCP GP Investors Holdings (Cayman) LP, CCP III Cayman GP Limited and CCP III SBS Cayman GP Limited (acting in concert) along with Gallatin Point (GP) LLC.