Company Registration No. 05360848

OMEGA BUSINESS PARK LIMITED

Report and financial statements

31 March 2011

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REPORT AND FINANCIAL STATEMENTS 2011

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M A Johnson
P Duckett
A McFarlane

SECRETARY

P Duckett

REGISTERED OFFICE

Nexus House
Nexus
Randles Road
Knowsley Business Park
Knowsley
Merseyside
L34 9HX

BANKERS

Lloyds Banking Group
Liverpool Corporate Centre
5 St Paul Square
Old Hall Street
Liverpool
L3 9AE

SOLICITORS

DLA Piper LLP
India Buildings
Water Street
Liverpool
L2 0NH

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Liverpool
United Kingdom

DIRECTORS' REPORT

The directors present their annual report and the audited financial statement of the company for the year ended 31 March 2011 The directors' report has been prepared in accordance with the special provisions relating to small companies under section 417(1) of the Companies Act 2006 Accordingly, an enhanced business review has not been prepared

PRINCIPAL ACTIVITY

The company is principally engaged in the letting of industrial and other properties

BUSINESS REVIEW

As shown in the company's profit and loss account on page 7, the company made a profit after tax of £77,700 (2010 £50,030)

The balance sheet on page 8, shows that the company's net liabilities value was £536,686 (2010 net assets value £710,637) The movement in shareholders' funds is principally attributable to the profit for the year and the downwards property revaluations recognised through reserves totalling £1,325,023

GOING CONCERN

The Company is part of the Spencer Commercial Property Limited Group and as such is party to the cross guarantee of the Group's debt facilities Therefore, in making an assessment of the Company's going concern assumption the directors have considered assumptions and conclusions of Group's management in making their assessment of going concern on a group basis

The directors are currently in the process of completing a transaction to dispose of the Company ("the transaction") which, if successful, will result in the refinancing of the Company's funding facilities

The Group's property portfolio is currently financed via bank loans of £181 76 million which were negotiated in June 2011 by the Company's ultimate parent undertaking, Spencer Commercial Property Limited and to which the Company is a party and a guarantor These facilities are due for renewal on 10 December 2012, with scheduled capital repayments of £10 76 million on 15 December 2011 and £15 0 million on 1 December 2012

The directors consider that the transaction will complete by 31 December 2011, therefore providing the Company with replacement funding In addition, based on discussions with the Group's bankers, the directors do not anticipate that repayment of the capital instalment of £10 76 million on 15 December 2011 will be required whilst progress is made towards completion of the transaction However there is a risk that the transaction will not complete and that the bank may enforce its right to require repayment on 15 December 2011 when the facilities become repayable on demand These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

Further, the intentions of future directors, should the transaction complete, may differ from those of the current directors and therefore an uncertainty exists as to the future intentions of the purchaser However, having made enquiries of the directors of the potential purchaser in respect of their future intentions it is the expectation of the directors at the date of approval of the financial statements that the company would continue to trade for the foreseeable future after the transaction

The directors remain confident that the transaction will complete and on this basis, after making enquiries, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements

DIRECTORS

The directors who held office during the year and thereafter except as noted below are listed below

J D Spencer	(resigned 21 September 2010)
M A Johnson	
K M Spencer	(resigned 13 September 2010)
P Duckett	
A McFarlane	(appointed 14 June 2011)

DIRECTORS' REPORT (continued)

AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP has expressed its willingness to continue in office as auditor A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by order of the Board

P Duckett
Director

13th Dec 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 judgments and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA BUSINESS PARK LIMITED

We have audited the financial statements of Omega Business Park Limited for the year ended 31 March 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 15 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's 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 auditors' 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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we became aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the Accounting Policies in note 1 to the financial statements concerning the Company's ability to continue as a going concern

The directors are currently in the process of completing a transaction to dispose of the Company ("the transaction") which, if successful, will result in the refinancing of the Company's funding facilities The Company is currently a guarantor to the banking facilities of its ultimate parent undertaking, Spencer Commercial Properties Limited, which are due for renewal on 10 December 2012 with scheduled capital repayments of £10 8 million and £15 0 million on 15 December 2011 and 1 December 2012 respectively The directors consider that the transaction will complete by 31 December 2011, therefore providing the Company with replacement funding In addition, based on discussions with the Group's bankers, the directors do not anticipate that repayment of the capital instalment of £10 76 million on 15 December 2011 will be required whilst progress is made towards completion of the transaction However there is a risk that that the transaction will not complete and that the bank may enforce its right to require repayment on 15 December 2011 when the facilities become repayable on demand

These conditions, as explained in the Accounting Policies in note 1 to the financial statements, indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA BUSINESS PARK LIMITED (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report

Anthony Farnworth BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Liverpool
United Kingdom
14/12/2011

PROFIT AND LOSS ACCOUNT
For the year ended 31 March 2011

	Note	2011 £	2010 £
Turnover	1	370,314	242,320
Cost of sales		(177,565)	(148,782)
Gross profit		192,749	93,538
Administrative expenses - other		(8,299)	(2,902)
Deficit on revaluation of investment properties		(74,654)	-
Total administrative expenses		(82,953)	(2,902)
Operating profit		109,796	90,636
Interest payable and similar charges	3	(48,852)	(40,606)
Profit on ordinary activities before taxation	2	60,944	50,030
Tax on profit on ordinary activities	4	16,756	-
Profit for the financial year	11,12	77,700	50,030

The result for the year is derived from continuing operations

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 March 2011

	Note	2011 £	2010 £
Profit for the financial year		77,700	50,030
(Deficit)/surplus on revaluation of investment properties	11	(1,325,023)	251,694
Total recognised gains and losses relating to the financial year	11	(1,247,323)	301,724

BALANCE SHEET
As at 31 March 2011

	Notes	2011 £	2011 £	2010 £	2010 £
FIXED ASSETS	5		2,000,000		3,390,000
CURRENT ASSETS					
Debtors	6	206,577		106,990	
CREDITORS: amounts falling due within one year	7	(2,743,263)		(2,786,053)	
NET CURRENT LIABILITIES			(2,536,686)		(2,679,063)
TOTAL ASSETS LESS CURRENT LIABILITIES			(536,686)		710,937
CREDITORS: amounts falling due after more than one year	8		-		(300)
NET (LIABILITIES)/ASSETS			(536,686)		710,637
CAPITAL AND RESERVES					
Called up share capital	10		1		1
Profit and loss account	11		(536,687)		(614,387)
Revaluation reserve	11		-		1,325,023
SHAREHOLDERS' (DEFICIT)/FUNDS	12		(536,686)		710,637

The financial statements of Omega Business Park Limited (registered number 05360848) were approved by the Board of Directors and authorised for issue on 13th Dec 2011 They were signed on its behalf by

P Duckett
Director

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with applicable United Kingdom law and accounting standards A summary of the more important accounting policies, which have been applied consistently in both in the current and prior year is set out below

Going concern

The directors' report on page 2 describes the Company's business activities, financial performance and its financial position The Company is part of the Spencer Commercial Property Limited Group and as such is party to the cross guarantee of the Group's debt facilities Therefore, in making an assessment of the Company's going concern assumption the directors have considered assumptions and conclusions of Group's management in making their assessment of going concern on a group basis

The directors are currently in the process of completing a transaction to dispose of the Company ("the transaction") which, if successful, will result in the refinancing of the Company's funding facilities

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Further, the intentions of future directors, should the transaction complete, may differ from those of the current directors and therefore an uncertainty exists as to the future intentions of the purchaser However, having made enquiries of the directors of the potential purchaser in respect of their future intentions it is the expectation of the directors at the date of approval of the financial statements that the company would continue to trade for the foreseeable future after the transaction

The directors remain confident that the transaction will complete and on this basis, after making enquiries, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Investment properties

Investment properties are included in the financial statements at open market values, based on the latest directors' valuation Any surplus or deficit arising is transferred to the revaluation reserve, except that a deficit is expected to be permanent, and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit is charged (or credited) to the profit and loss account

In accordance with SSAP 19, no depreciation is provided in respect of freehold or long leasehold properties This is a departure from the Companies Act 2006, which requires all properties to be depreciated However, the directors consider that this departure from the statutory accounting rules is necessary for the financial statements to give a true and fair view Depreciation is only one of many factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

1. ACCOUNTING POLICIES (continued)

Cash flow exemption

The Company is exempt, under the terms of FRS 1 (Revised 1996), from publishing a cash flow statement due to it being a small company

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the company's taxable profits and its results as in the financial statements that arise from the gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

Turnover

Property rental income and the appropriate allocation of rental premiums are accounted for on an accruals basis and are recognised as the services are provided Turnover excludes sales related taxes

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instruments to the extent that they are not settled in the period in which they arise

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's profit before taxation was all derived from its principal activity and all arose in the United Kingdom

The profit on ordinary activities before taxation is stated after charging

	2011	2010
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	2,800	2,800

There are no employees other than the directors and no remuneration has been paid to them in either the current or the prior year

3. NET INTEREST

	2011	2010
	£	£
On bank loans and overdrafts	48,852	40,606

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax credit comprises

	2011 £	2010 £
Corporation tax		
Adjustment in respect of prior year	(16,756)	-

The differences between the total and current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2011 £	2010 £
Profit on ordinary activities before tax	60,944	50,030
Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2010 28%)	17,064	14,008
Effects of		
Expenses not deductible for tax	21,008	-
Capital allowances in excess of depreciation	(4,964)	(24,255)
Group relief	-	10,247
Utilisation of tax losses	(46,787)	-
Losses carried forward	13,679	-
Adjustment in respect of prior year	(16,756)	-
Current tax credit for year	(16,756)	-

Deferred tax assets totalling £92,548 in respect of short-term timing differences and tax losses were not recognised as at 31 March 2011 (2010 £167,063) as in the current year there was insufficient evidence that these assets would be recoverable in future years

5 FIXED ASSETS

	Leasehold investment properties £
Valuation	
At 1 April 2010	3,390,000
Additions	9,677
Revaluations	(1,399,677)
At 31 March 2011	2,000,000

The historical cost of revalued leasehold investment properties is £2,074,654 (2010 £2,064,977)

The investment properties were valued on an open-market existing use basis on 31 March 2011 by the directors

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

6. DEBTORS

	2011 £	2010 £
Trade debtors	51,154	39,603
Other debtors and prepayments	135,720	61,130
Other tax and social security	-	6,257
Corporation tax receivable	16,756	-
Amounts owed to group undertakings (note 15)	2,947	-
	206,577	106,990

All debtors are due within one year

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank overdraft	958,663	967,450
Bank loans (secured)	1,705,569	1,705,569
Trade creditors	6,335	84,735
Accruals and deferred income	50,258	28,299
Other tax and social security	9,333	-
Amounts owed to group undertakings (note 15)	13,105	-
	2,743,263	2,786,053

The loans from Lloyds Banking Group are on an interest only basis and were repayable in December 2010 Interest was payable at 0 95% over LIBOR The loans were part of a group facility with Spencer Commercial Property Limited and have been repaid since the year end and replaced with a new group loan, which is due for repayment on 10 December 2012, with two capital repayments of £10 76 million due on 15 December 2011 and £15 0 million due on 1 December 2012 Omega Business Park Limited remains a guarantor to the group facility

The bank loans are secured by a fixed charge over the company's investment properties

8. CREDITORS· AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Amounts owed to group undertakings (note 15)	-	300
	-	300

9. PROVISIONS FOR LIABILITIES

Deferred taxation

	2011 £	2010 £
Corporation tax deferred by accelerated capital allowances	119,455	123,680
Losses	(212,003)	(280,497)
Deferred tax asset not recognised	(92,548)	(156,817)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

9. PROVISIONS FOR LIABILITIES (continued)

Deferred taxation (continued)

Deferred tax assets totalling £92,548 in respect of short-term timing differences and tax losses were not recognised as at 31 March 2011 (2010 £156,817) as in the current year there was insufficient evidence that these assets would be recoverable in future years

10 SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
1 ordinary share of £1 each	1	1

11. RESERVES

	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2010	1,325,023	(614,387)	710,636
Profit for the financial year	-	77,700	77,700
Revaluation of investment properties	(1,325,023)	-	(1,325,023)
At 31 March 2011	-	(536,687)	(536,687)

The deficit arising in the year on the investment properties has been deemed to be permanent and thus the excess of the deficit over the previously recognised surplus over cost relating to the same property has been charged to the profit and loss account

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S (DEFICIT)/FUNDS

	2011 £	2010 £
Profit for the financial year	77,700	50,030
Revaluation of investment properties	(1,325,023)	251,694
Net change in shareholders' funds	(1,247,323)	301,724
Opening shareholder's funds	710,637	408,913
Closing shareholder's (deficit)/funds	(536,686)	710,637

13. GROUP BORROWING FACILITY

The company is party to the cross guarantee of the Group's debt facility At 31 March 2011 the total debt amounted to £182,755,953 (2010 £187,954,329) Since the year end the Group debt has been repaid and replaced with a new facility totalling £182,755, 955 held in Spencer Commercial Property Limited, which is due for repayment on 10 December 2012 , with capital repayments of £10 76 million due on 15 December 2011 and £15 0 million due on 1 December 2012 Omega Business Park Limited remains a party to the cross-guarantee

14. ULTIMATE PARENT UNDERTAKING

The directors consider that the immediate parent undertaking is Spencer Holdings Limited and the ultimate parent undertaking and controlling party of this company is Spencer Commercial Property Limited which is registered in England and Wales

Copies of the financial statements of Spencer Holdings Limited and Spencer Commercial Property Limited can be obtained from the company's registered office

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2011

15 GROUP AND RELATED PARTY TRANSACTIONS

During the year the company had the following transactions with related parties

	2011 £	2010 £
Purchases from Greenbrook Construction Limited	(3,395)	-
Purchases from Spencer Property Asset Management Limited	(3,646)	-
Purchases from Spencer Holdings Limited	(10,105)	
Recharges to Spencer Industrial Estates Limited	2,947	-

Amounts due from group companies in note 6 comprise

	2011 £	2010 £
Spencer Industrial Estates Limited	2,947	-
	2,947	-

Amounts owed to group undertakings in note 7/8 comprise

	2011 £	2010 £
Spencer Holdings Limited	13,105	300
	13,105	300