

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2015
for
Emerson Commercial Developments Limited

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for the Year Ended 30 April 2015

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Emerson Commercial Developments Limited

Company Information
for the Year Ended 30 April 2015

DIRECTORS:

P E Jones OBE
Mrs A Jones
M E Jones
A E Jones

SECRETARY:

Ms A C Weatherby

REGISTERED OFFICE:

Emerson House
Heyes Lane
Alderley Edge
Cheshire
SK9 7LF

REGISTERED NUMBER:

01013185 (England and Wales)

AUDITOR:

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
4 Hardman Square
Manchester
M3 3EB

Strategic Report
for the Year Ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

BUSINESS MODEL

The principal activity of the company is that of Property investment providing a range of office space and industrial opportunities across a property portfolio of approximately 5,200 sq ft.

The company has a proven business model based on selective acquisition and development with properties actively managed to deliver a flexible and personal offer to customers.

STRATEGY, OBJECTIVES & PRINCIPAL RISKS

The strategic objectives of the company are to:

- continue to maintain and increase occupancy whilst pro-actively managing the company's property portfolio to drive sustainable profitability and shareholder return;
- selectively pursue strategic property investment opportunities that meet the company's investment criteria for return and risk;
- expand the company's full service provision to customers with a property management or facilities management requirement.

The primary operating risks for the company centre around the macro level factors of the markets in which it operates, in particular the level of customer demand, pricing, discounts and lease terms. The directors consider that their experience and flexibility in pro-actively managing its portfolio to be key strengths of the business.

To ensure effective control and management of the principal business risks the directors regularly review the key performance indicators of the company, which include occupancy levels, tenant payment performance, rental levels, interest cover and property values.

REVIEW OF THE YEAR

Turnover remained level at £4,077 (2014: £4,114) reflecting the unit being vacant for majority of the year. The company's principal property was successfully re-let towards the end of the financial year.

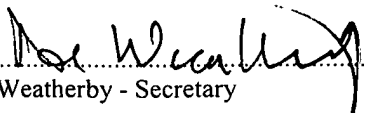
Loss before tax was £34,806 (2014: loss £5,573).

Net assets at 30 April 2015 were £408,759 (2014: £515,489).

FUTURE OUTLOOK

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

APPROVED AND SIGNED BY ORDER OF THE BOARD BY::


.....
Ms A C Weatherby - Secretary

Date: 18 January 2016

Report of the Directors
for the Year Ended 30 April 2015

The directors present their report with the financial statements of the company for the year ended 30 April 2015.

DIVIDENDS

The total distribution of dividends for the year ended 30 April 2015 was £80,000 (2014: £nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

P E Jones OBE
Mrs A Jones
M E Jones
A E Jones

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the strategic report, the 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable laws). 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

In so far as each of the Directors is aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

In accordance with section 487 of the Companies Act 2006, Grant Thornton UK LLP, Statutory Auditor, is deemed re-appointed as auditor for the succeeding year.

APPROVED AND SIGNED BY ORDER OF THE BOARD BY:

.....
Ms A C Weatherby - Secretary

Date: 18 January 2016

Report of the Independent Auditor to the Members of
Emerson Commercial Developments Limited

We have audited the financial statements of Emerson Commercial Developments Limited for the year ended 30 April 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 2015 and of its loss 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.

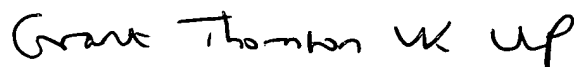
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Christopher Martin Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester

Date:  January 2016

Profit and Loss Account
for the Year Ended 30 April 2015

	Notes	2015 £	2014 £
TURNOVER	2	4,077	4,114
Administrative expenses		<u>(39,046)</u>	<u>(9,963)</u>
OPERATING LOSS	4	(34,969)	(5,849)
Interest receivable and similar income		<u>163</u>	<u>276</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(34,806)	(5,573)
Tax on loss on ordinary activities	5	<u>8,076</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(26,730)</u>	<u>(5,573)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year.

Balance Sheet
30 April 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Investments	7	50,250	50,250
Investment properties	8	196,740	196,740
		<u>246,990</u>	<u>246,990</u>
CURRENT ASSETS			
Debtors	9	12,128	883
Cash at bank		151,879	286,497
		<u>164,007</u>	<u>287,380</u>
CREDITORS			
Amounts falling due within one year	10	2,238	18,881
NET CURRENT ASSETS		<u>161,769</u>	<u>268,499</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>408,759</u>	<u>515,489</u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and loss account	13	408,659	515,389
SHAREHOLDERS' FUNDS	15	<u>408,759</u>	<u>515,489</u>

The financial statements were approved and authorised for issue by the Board of Directors on **18** January 2016 and were signed on its behalf by:

.....
P E Jones OBE - Director

Notes to the Financial Statements
for the Year Ended 30 April 2015

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards except that the true and fair override is used in respect of Investment Properties as detailed below.

Under Section 248 of the Companies Act 1985, the company is exempt from preparing consolidated accounts as it qualifies as a small company.

The accounts present information about it as an individual undertaking and not about its group.

The principal accounting policies of the company, which have been applied consistently in dealing with items considered material to the company's affairs, have remained unchanged from the previous year and are set out below.

Cash flow statement

Advantage has been taken of the exemption in Section 248 Companies Act 1985 from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover, which excludes value added tax, comprises amounts invoiced during the year for the rent of commercial property.

Investment properties

The company's property is held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows :

i) investment properties are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year, and

ii) no depreciation is provided in respect of leasehold investment properties where the lease has over 20 years to run.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the Directors believe that the policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

Foreign currencies

All assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Realised exchange differences on short term trading transactions have been included in the profit and loss account.

Investments

Investments are carried at cost less any provision for impairment.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

1. **ACCOUNTING POLICIES - continued**

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability. Debt issue costs are offset against the debt and amortised over the term of the loan.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves.

2. **TURNOVER**

The turnover comprises entirely of rental income derived in the United Kingdom.

3. **DIRECTORS' EMOLUMENTS**

During the year the Directors neither received nor were due to receive any emoluments from the company. No other persons were employed by the company in the financial year.

4. **OPERATING LOSS**

The operating (loss) / profit is stated after charging:

	2015 £	2014 £
Audit fees	1,175	1,175

5. **TAXATION**

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2015 £	2014 £
Deferred tax - current year	(8,076)	-
Tax on loss on ordinary activities	(8,076)	-

UK corporation tax has been charged at 20% (2014 - 20%).

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

5. **TAXATION - continued**

Factors affecting the tax credit

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(34,806)</u>	<u>(5,573)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	(6,961)	(1,115)
Effects of: Utilisation of tax losses	6,961	1,115
Current tax credit	<u>-</u>	<u>-</u>

6. **DIVIDENDS**

	2015 £	2014 £
Final - paid	<u>80,000</u>	<u>-</u>

7. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 May 2014 and 30 April 2015	<u>50,250</u>
NET BOOK VALUE	
At 30 April 2015	<u>50,250</u>
At 30 April 2014	<u>50,250</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

The company holds 500 £1 ordinary shares representing 50% (2014 : 50%) of the share capital of Woodblane Developments (Holdings) Limited, a company incorporated in Scotland. The shares are not quoted and are shown at cost in the balance sheet. As the company does not exert a significant influence over Woodblane Developments (Holdings) Limited, its result has not been included in these accounts. Woodblane Developments (Holdings) Limited has not traded in the year and has net assets of £22,537 at 30 April 2015.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

8. **INVESTMENT PROPERTIES**

	Total £
COST	
At 1 May 2014	
and 30 April 2015	196,740
NET BOOK VALUE	
At 30 April 2015	196,740
At 30 April 2014	196,740

Investment properties comprise freehold land of £120,740 and long leasehold land and buildings of £76,000.

In the opinion of the directors, the open market value of the investment property is not significantly different from the stated amount.

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Other debtors	-	593
VAT	-	290
Deferred tax asset	8,076	-
Prepayments and accrued income	4,052	-
	<u>12,128</u>	<u>883</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	294	848
VAT	24	-
Directors' current accounts	250	250
Accruals and deferred income	1,670	17,783
	<u>2,238</u>	<u>18,881</u>

11. **DEFERRED TAX**

	£
Credit to Profit and Loss Account during year	(8,076)
Balance at 30 April 2015	<u>(8,076)</u>

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal	2015	2014
Number:	Class:	value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

13. **RESERVES**

	Profit and loss account £
At 1 May 2014	515,389
Deficit for the year	(26,730)
Dividends	(80,000)
	<hr/>
At 30 April 2015	<u>408,659</u>

14. **RELATED PARTY DISCLOSURES**

The company is related to Emerson Developments (Holdings) Limited and PE Jones (Properties) Limited, companies which are subject to common influence. There are no amounts outstanding with these companies at 30 April 2015.

During the year the company has received property management services from companies within the Emerson Developments (Holdings) Limited Group, for which a management fee of £200 (2014 - £200) was charged during the year.

15. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Loss for the financial year	(26,730)	(5,573)
Dividends	(80,000)	-
	<hr/>	<hr/>
Net reduction of shareholders' funds	(106,730)	(5,573)
Opening shareholders' funds	515,489	521,062
	<hr/>	<hr/>
Closing shareholders' funds	<u>408,759</u>	<u>515,489</u>