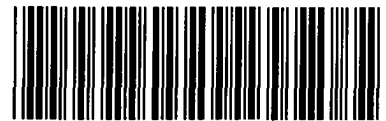


**REGISTERED NUMBER: 01554950 (England and Wales)**

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 30 April 2018  
for  
Emerson International Limited

SATURDAY



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Contents of the Financial Statements  
for the Year Ended 30 April 2018

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Independent Auditor's Report	4
Income Statement	6
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Emerson International Limited  
Company Information  
for the Year Ended 30 April 2018

**DIRECTORS:**

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

**SECRETARY:**

V Maharaj

**REGISTERED OFFICE:**

Emerson House  
Heyes Lane  
Alderley Edge  
Cheshire  
SK9 7LF

**REGISTERED NUMBER:**

01554950 (England and Wales)

**AUDITOR:**

BDO LLP, Statutory Auditor  
3 Hardman Street  
Spinningfields  
Manchester - UK  
M3 3AT

Strategic Report  
for the Year Ended 30 April 2018

The directors present their strategic report for the year ended 30 April 2018.

**BUSINESS MODEL**

The principal activities of the company comprise that of an investment holding company.

The company is a wholly owned subsidiary of Emerson Developments (Holdings) Limited, the ultimate parent company of the Emerson Group. The Emerson Group is a family owned and run property investment and development business which manages and controls all group companies on a unified basis, trading under the Orbit Developments, Emerson Management Services and Jones Homes' brands.

**STRATEGY, OBJECTIVES AND PRINCIPAL RISKS**

The company's primary strategic objective is to act as the holding company for certain overseas investments of its parent company, Emerson Developments (Holdings) Limited.

The principal risks centre around exposure to movements in interest and foreign currency exchange rates. The directors routinely monitor such risks and where possible take appropriate action as required to mitigate the impact of interest rate and foreign currency fluctuations on overseas investments.

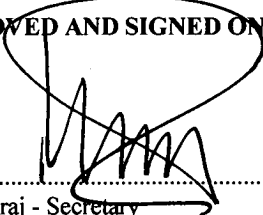
**REVIEW OF THE YEAR**

The company reported a loss before tax for the year of £4,677,581 (2017: profit £15,306,653). The loss for the year is the result of exchange rate fluctuations which impact performance due to the re-translation of loans denominated in foreign currencies.

**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 ON BEHALF OF THE BOARD BY:**

  
.....  
V Maharaj - Secretary

Date: 20 November 2018

Report of the Directors  
for the Year Ended 30 April 2018

The directors present their report with the financial statements of the company for the year ended 2018.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2018 (2017: £nil).

**DIRECTORS**

The Directors who served during the year were as follows:

P.E. Jones OBE (Chairman)

Mrs A. Jones

M.E. Jones

A.E. Jones

**FUTURE DEVELOPMENTS**

Information on likely future developments has been included in the strategic report.

**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 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 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, BDO LLP, Registered Auditor, is deemed re-appointed as auditor for the succeeding year.

**APPROVED AND SIGNED ON BEHALF OF THE BOARD BY:**

.....  
V Maharaj - Secretary

Date: 20 November 2018

Independent Auditor's Report to the Members of  
Emerson International Limited

**Opinion**

We have audited the financial statements of Emerson International Limited (the 'company') for the year ended 30 April 2018 which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of  
Emerson International Limited

**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 the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 [www.frc.org.uk/auditorsresponsibilities](http://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.

BDO LLP

Gary Harding (Senior Statutory Auditor)  
for and on behalf of BDO LLP, Statutory Auditor  
Manchester - UK

Date: 20 November 2018

BDO LLP is a limited liability partnership registered in England and Wales (with  
registered number OC305127).

Income Statement  
for the Year Ended 30 April 2018

		2018	2017
	Notes	£	as restated £
<b>TURNOVER</b>		-	-
Administrative expenses		(6,875,808 )	13,564,787
<b>OPERATING (LOSS)/PROFIT</b>	4	(6,875,808 )	13,564,787
Interest receivable	5	3,317,805	2,703,051
Interest payable	6	(1,119,578 )	(961,185 )
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(4,677,581 )	15,306,653
Tax on (loss)/profit	7	351,408	(1,619,943 )
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u>(4,326,173 )</u>	<u>13,686,710</u>



Emerson International Limited (Registered number: 01554950)

Statement of Comprehensive Income  
for the Year Ended 30 April 2018


	2018	2017
		as restated
Notes	£	£
<b>(LOSS)/PROFIT FOR THE YEAR</b>	(4,326,173 )	13,686,710
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR</b>	<u>(4,326,173 )</u>	<u>13,686,710</u>

The notes form part of these financial statements

Balance Sheet  
30 April 2018

		2018		2017 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Investments	9		59,843,150		69,120,243
<b>CURRENT ASSETS</b>					
Debtors	10	98,519,786		95,513,988	
<b>CREDITORS</b>					
Amounts falling due within one year	11	134,002,335		135,947,457	
<b>NET CURRENT LIABILITIES</b>			(35,482,549)		(40,433,469)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			24,360,601		28,686,774
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		100		100
Revaluation reserve			7,065,164		7,065,164
Retained earnings			17,295,337		21,621,510
<b>SHAREHOLDERS' FUNDS</b>			24,360,601		28,686,774

The financial statements were approved and authorised for issue by the Board of Directors on 20 November 2018 and were signed on its behalf by:

  
.....  
P E Jones OBE - Director

**Statement of Changes in Equity  
for the Year Ended 30 April 2018**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 May 2016</b>	100	7,934,800	7,065,164	15,000,064
<b>Changes in equity</b>				
Profit for the year	-	13,686,710	-	13,686,710
Total comprehensive income	-	13,686,710	-	13,686,710
<b>Balance at 30 April 2017</b>	100	21,621,510	7,065,164	28,686,774
<b>Changes in equity</b>				
Deficit for the year	-	(4,326,173)	-	(4,326,173)
Total comprehensive loss	-	(4,326,173)	-	(4,326,173)
<b>Balance at 30 April 2018</b>	100	17,295,337	7,065,164	24,360,601

The notes form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 30 April 2018

1. **GENERAL INFORMATION**

Emerson International Limited is a limited liability company incorporated in England. The Registered Office is set out on page 1 to the financial statements and the nature of the company's operations and its principal activities are set out in the Strategic Report.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposures to price, credit, liquidity and cash flow risk are described in the Strategic Report.

The company meets its day to day working capital requirements through available cash resources and committed banking facilities and those of the group. Based on the company's forecasts and projections, and those of the Group, together with available market information and the directors' knowledge and experience of the company's property portfolio and markets, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

**Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

**Foreign currencies**

Foreign currency transactions are translated at the actual rate of exchange. All assets and liabilities in foreign currencies have been translated into sterling at the rate of exchange ruling at the balance sheet date.

**Investments**

Investments in subsidiary undertakings are carried at cost net of provision for impairment. Cost is represented by the net asset value of subsidiary undertakings as at 1 May 2014. Fixed asset investments include quasi-equity loans to group undertakings which are denominated in dollars and retranslated in to pounds as at the year end in line with the foreign currency policy.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2018

2. **ACCOUNTING POLICIES - continued**

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

**Financial instruments**

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in interest payable in the income statement.

Other basic financial instruments including amounts due to and from related parties, with no stated interest rate and receivable or payable within one year, are recorded at transaction price. Such assets and liabilities are subsequently carried at amortised cost using the effective interest rate method. Any losses arising from impairment are recognised in the income statement.

**Reserves**

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Revaluation reserve represents the cumulative gains arising on revaluation of subsidiary undertakings prior to conversion to FRS102.
- Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

3. **DIRECTORS' EMOLUMENTS**

During the year the directors neither received nor were due to receive any emoluments from the company (2017: £nil).

4. **OPERATING (LOSS)/PROFIT**

The operating loss (2017 - operating profit) is stated after charging/(crediting):

	2018	2017 as restated
	£	£
Foreign exchange differences	6,660,808	(13,784,847)

The auditor's remuneration is borne by the ultimate parent company.

5. **INTEREST RECEIVABLE**

	2018	2017 as restated
	£	£
Group interest receivable	3,317,805	2,703,051

6. **INTEREST PAYABLE**

	2018	2017 as restated
	£	£
Bank interest payable	1,119,578	961,185

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2018

**7. TAXATION****Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	2018	2017 as restated
	£	£
Current tax:		
Corporation tax - current year	-	1,619,943
Group relief - current year	(351,408)	-
	<u>(351,408)</u>	<u>-</u>
 Tax on (loss)/profit	 <u>(351,408)</u>	 <u>1,619,943</u>

UK corporation tax has been charged at 19% (2017 - 19.92%).

**Reconciliation of total tax (credit)/charge included in profit and loss**

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

	2018	2017 as restated
	£	£
(Loss)/profit before tax	(4,677,581)	15,306,653
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.920%)	(888,740)	3,049,085
Effects of:		
Net expenses/income not deductible/taxable for tax	537,332	(1,429,142)
Total tax (credit)/charge	<u>(351,408)</u>	<u>1,619,943</u>

**8. PRIOR YEAR ADJUSTMENT**

The company has restated the prior year income statement to include the foreign exchange on Quasi-equity balances with subsidiary companies. These movements were previously reported through other comprehensive income. The result is an increase to last years reported profit of £6,734,927.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2018

9. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Loans to group undertakings £	Totals £
At 1 May 2017	12,572,705	56,547,538	69,120,243
Repayment	-	(6,208,771)	(6,208,771)
Exchange movements	-	(3,068,322)	(3,068,322)
At 30 April 2018	12,572,705	47,270,445	59,843,150

The company holds 100% of the ordinary share capital of:

- Emerson International Inc.(1)	Property development
- Rosewood Development Corporation (1)	Property trading
- Holiday Select Limited (2)	Dormant
- Spacesolve Limited (2)	Dormant
- Woodblane Developments (Commercial) Limited (3)	Dormant

Registered Office Address Key

1) 370 Centerpointe Cir Ste 1136, Altamonte Springs, FL 32701.

2) Emerson House, Heys Lane, Alderly Edge, Cheshire, SK9 7LF.

3) c/o Grant Thornton, 8 - 110 Queen St, Glasgow, Lanarkshire G1 3BX

The profit for the year after taxation attributable to members is £12,244,453 (2017: £7,872,659) and the aggregate profits to date are £42,573,991 (2017: £30,329,537).

Group accounts have not been prepared as the company is a wholly owned subsidiary of another.

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

	2018 £	2017 as restated £
Amounts owed by group undertakings	98,269,239	95,303,177
Prepayments and accrued income	250,547	210,811
	<u>98,519,786</u>	<u>95,513,988</u>

The amount owed by group undertakings is unsecured and repayable on demand. Interest was charge at \$LIBOR + 2.25%.

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

	2018 £	2017 as restated £
Bank loans and overdrafts (see note 12)	29,475,892	31,402,348
Amounts owed to group undertakings	104,275,894	102,714,353
Corporation tax payable	-	1,619,943
Accruals and deferred income	250,549	210,813
	<u>134,002,335</u>	<u>135,947,457</u>

The amount owed to group undertakings is unsecured, interest free and repayable on demand.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2018

**12. BANK LOANS AND OVERDRAFTS**

An analysis of the maturity of bank loans and overdrafts is given below:

	2018	2017 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	29,475,892	31,402,348

Bank loans represent a revolving credit facility that matures within one year accruing interest at \$LIBOR + 2.25% which is secured on the assets of group companies.

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017 as restated
			£	£
100	Ordinary	£1	100	100

**14. ULTIMATE PARENT COMPANY**

The company's ultimate parent company and ultimate controlling party is Emerson Developments (Holdings) Limited, a company incorporated in England.

The results of the company are included in the consolidated accounts of Emerson Developments (Holdings) Limited. A copy of these accounts may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff.

**15. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 Section 33 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.