

REGISTERED NUMBER: 01115981 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2020
for
IBC (Property) Limited



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for the Year Ended 30 April 2020

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JBG (Property) Limited

Company Information
for the Year Ended 30 April 2020

DIRECTORS:

P E Jones OBE
Mrs A Jones
J R Claber
N J Galleymore
M E Jones
A E Jones

SECRETARY:

V Maharaj

REGISTERED OFFICE:

Emerson House
Heyes Lane
Alderley Edge
Cheshire
SK9 7LF

REGISTERED NUMBER:

01115981 (England and Wales)

AUDITOR:

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

Strategic Report
for the Year Ended 30 April 2020

The directors present their strategic report for the year ended 30 April 2020.

BUSINESS MODEL

The principal activities of the company comprise the collection of ground rents from properties in which it holds ' the freehold reversionary interests.

The company is a wholly owned subsidiary of Jones Homes (North West) Limited, itself 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 strategic objectives of the company, in support of those of the group as a whole, are to drive sustainable profitability and shareholder return:

- through the timely collection of ground rents; and
- by pursuing other development opportunities, taking advantage of the company's strong balance sheet and access to financial resources;

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 housing demand, mortgage availability and land supply. The directors undertake regular reviews of key market indicators to ensure appropriate action is taken to achieve the company's operational objectives and effectively mitigate identified risks.

The directors recognise the increased business risk arising from the Covid-19 pandemic. Greater attention to forecasting the timing of income has also been adopted to enable the positive management of receipts and the company's liquidity.

REVIEW OF THE YEAR

As shown in the company's profit and loss account, turnover for the year was £140,675 (2019: £112,496). Profit before taxation was £160,575 (2019: £108,854) and profit after taxation was £130,066 (2019 : £88,172).

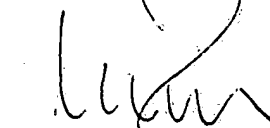
The directors are not aware of any significant events since the balance sheet date affecting the company.

FUTURE OUTLOOK

The longer-term impact of the Covid-19 pandemic is unknown however the company continues to be vigilant and, where necessary, engaging with all stakeholders to mitigate the financial impact of this unprecedented event.

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: 17 December 2020

JBG (Property) Limited (Registered number: 01115981)

Report of the Directors
for the Year Ended 30 April 2020

The directors present their report with the financial statements of the company for the year ended 30 April 2020.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2020 (2019: £nil).

DIRECTORS

The directors who served during the year were as follows:

P.E. Jones OBE (Chairman)
Mrs A. Jones
J.R. Claber
N Galleymore
G.J. Hardy (Retired 03.09.19)
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, 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 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.

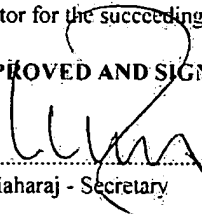
JBG (Property) Limited (Registered number: 01115981)

Report of the Directors
for the Year Ended 30 April 2020

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: **17** December 2020

Independent Auditor's Report to the Members of
JBG (Property) Limited

Opinion

We have audited the financial statements of JBG (Property) Limited (the 'company') for the year ended 30 April 2020 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 2020 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.

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 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, except to the extent otherwise explicitly stated in our 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 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
JBC (Property) 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.

Auditors' 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. 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: 17 December 2020

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

JBG (Property) Limited (Registered number: 01115981)

Income Statement
for the Year Ended 30 April 2020

	Notes	2020 £	2019 £
TURNOVER	3	140,675	112,496
Cost of sales		(16,727)	(18,059)
GROSS PROFIT		123,948	94,437
Administrative expenses		(35)	(47)
		123,913	94,390
Other operating income		35,194	13,305
OPERATING PROFIT	6	159,107	107,695
Interest receivable and similar income		1,468	1,159
PROFIT BEFORE TAXATION		160,575	108,854
Tax on profit	7	(30,509)	(20,682)
PROFIT FOR THE FINANCIAL YEAR		130,066	88,172

The notes on pages 11 to 14 form part of these financial statements

JBG (Property) Limited (Registered number: 01115981)

Statement of Comprehensive Income
for the Year Ended 30 April 2020

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		130,066	88,172
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>130,066</u>	<u>88,172</u>

The notes on pages 11 to 14 form part of these financial statements

JBG (Property) Limited (Registered number: 01159811)

Balance Sheet
30 April 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	423,004	428,224
CURRENT ASSETS			
Debtors	9	797,751	651,847
Cash at bank			2,323
		<u>797,751</u>	<u>654,170</u>
CREDITORS			
Amounts falling due within one year	10	<u>331,583</u>	<u>323,288</u>
NET CURRENT ASSETS		<u>466,168</u>	<u>330,882</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>889,172</u>	<u>759,106</u>
CAPITAL AND RESERVES			
Called up share capital	12	18,000	18,000
Retained earnings		<u>871,172</u>	<u>741,106</u>
SHAREHOLDERS' FUNDS		<u>889,172</u>	<u>759,106</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 17 December 2020 and were signed on its behalf by:


P E Jones OBE - Director

JBG (Property) Limited (Registered number: 01115981)

Statement of Changes in Equity
for the Year Ended 30 April 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2018	18,000	652,934	670,934
Changes in equity			
Profit for the year	-	88,172	88,172
Total comprehensive income	-	88,172	88,172
Balance at 30 April 2019	18,000	741,106	759,106
Changes in equity			
Profit for the year	-	130,066	130,066
Total comprehensive income	-	130,066	130,066
Balance at 30 April 2020	18,000	871,172	889,172

The notes on pages 11 to 14 form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 April 2020

1. GENERAL INFORMATION

JBG (Property) 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, together with available market information and the directors' knowledge and experience of the company's developments and markets, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In assessing future cash receipts the directors have taken into account the Covid-19 pandemic and its effects on the timing and collectability of rental receipts. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts..

Financial Reporting Standard 102 - 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).

Turnover

Turnover represents rents receivable in the year.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset less its residual value on a straight line basis as follows:

Freehold land	0% per annum
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Ground rents are capitalised at four years' income and are not amortised, as it is considered that they have an indefinite useful life. The directors have included capitalised ground rents within freehold land in tangible fixed assets.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

2. **ACCOUNTING POLICIES - continued**

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.

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

Basic financial instruments including trade debtors and amounts due to and from group undertakings, 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.
- Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

3. **TURNOVER**

Turnover comprises income from sales of HomeBuy Direct properties as well as Ground Rents received.

4. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 30 April 2020 nor for the year ended 30 April 2019.

5. **DIRECTORS' EMOLUMENTS**

During the year the directors neither received nor were due to receive any emoluments from the company (2019: £nil).

6. **OPERATING PROFIT**

The operating profit is stated after crediting :

	2020	2019
	£	£
Ground rent	112,073	112,496
Other operating income	3,264	4,335
Profit on disposal of fixed asset	15,965	8,970

Auditor's remuneration is borne by the ultimate parent company.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

7. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
Group relief - current year	30,509	20,682
Tax on profit	30,509	20,682

UK corporation tax has been charged at 19% (2019 - 19%).

8. **TANGIBLE FIXED ASSETS**

	Freehold land £
COST	
At 1 May 2019	428,224
Disposals	(5,220)
At 30 April 2020	423,004
NET BOOK VALUE	
At 30 April 2020	423,004
At 30 April 2019	428,224

Freehold land includes ground rents and is not depreciated.

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

	2020	2019
	£	£
Trade debtors	57,544	103,034
Amounts owed by group undertakings	697,425	548,612
Prepayments and accrued income	42,782	201
	797,751	651,847

The amounts owed by group undertaking is unsecured, interest free and repayable on demand.

Trade debtors represent amounts due under the HomeBuy Direct scheme, are secured on the properties concerned, and may be realised over a period in excess of one year.

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

	2020	2019
	£	£
Amounts owed to group undertakings	330,509	320,682
Other creditors	42	114
Accruals and deferred income	1,032	2,492
	331,583	323,288

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

Notes to the Financial Statements - continued
for the Year Ended 30 April 2020

11. LEASING AGREEMENTS

Future minimum lease rentals receivable under non-cancellable operating leases are as follows:

	2020 £	2019 £
Less than 1 year	122,507	124,793
Between 2 & 5 years	490,028	499,172
More than 5 years	118,262,361	120,404,759
Total	<u>118,874,896</u>	<u>121,028,724</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
18,000	Ordinary	£1	<u>18,000</u>	<u>18,000</u>

13. ULTIMATE PARENT COMPANY

The company's parent company and controlling party is Jones Homes (North West) Limited, a company incorporated in England.

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.

14. 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 the Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.