Company Registration No. 11385808 (England and Wales)

TIRTLR HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

TIRTLR HOLDINGS LIMITED

COMPANY INFORMATION

Directors	L Jones Mrs J Jones
Company number	11385808
Registered office	The Hart Shaw Building Europa Link Sheffield Business Park Sheffield S9 1XU
Auditor	Royston Parkin Limited 2 President Buildings Savile Street East Sheffield, South Yorkshire S4 7UQ

TIRTLR HOLDINGS LIMITED

CONTENTS

TIRTLR HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair review of the business
Despite a fall in turnover in the year, completions have increased from 2019, in real terms, the figures have increased as indicated by a rise in deferred income.

Despite the turbulent year with Brexit and COVID-19, the developments produced have sold very well. The expansion into wider areas has seen an increased desire for investors to acquire a more nationwide portfolio and spread their risk.

There has also been an increased influx from overseas investors taking advantage of the weak pound sterling and thus making property investment in the United Kingdom an attractive proposition. With this in mind, the business is looking further a field to work in collaboration with overseas agents in countries such as Hong Kong and the Middle East to enable their clients to purchase the product the business will produce.

As evidenced on the balance sheet, the group maintains a strong liquidity position.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Principal risks and uncertainties
Management consider that the key risk for the company are the changes in the potential development law whereby permitted development conversions from B1 office space to C3 residential could be withdrawn in the near future thus making stock much harder to acquire.

Additionally, the costs of converting and developing is set to increase with the latest Grenfell reports being released whereby it is almost certain that buildings are going to be required to have much more stringent systems in place to tackle potential fire issues ultimately costing more to produce the typical product.

In anticipation of the above, the business will seek to acquire more land to build out of the ground and will limit the height these buildings will reach to ensure the fire risk is reduced and mitigating a number of requirements that will be introduced for tall buildings over 30 metres in height.

This year has been a challenging year with the impact COVID-19 has had on the business. Whilst sales have remained strong, the nervousness from our larger clients has been highlighted by the pandemic and their pledge to purchase in the future. They have confirmed they will be investing in the future with more caution as they have lost large sums of monies in other asset investment classes.

With regards to the construction of the sites, obtaining materials for the development of our sites has been challenging in particular the availability of plaster and plaster boards. This has obviously impacted and delayed the delivery of our developments with a typical delay being experienced of 3 to 4 months across the portfolio. Delays also have reduced projected profits.

Finally, the largest impact COVID-19 has had on the business has been in the area of our lettings business. Arrears have drastically increased despite the introduction of furlough as a number of our tenants tend to work in the sectors of hospitality and retail which has been hardest impacted by the pandemic. In addition, the inability to perform face to face viewings and increased reluctance of prospective tenants to carry out such viewings is taking a huge effect on this side of the business.

Other performance indicators
The business will continue to set KPI's for each respective department to work within and review these on a monthly basis. Any area of the business not performing will be strengthened with personnel to ensure every aspect of the business runs as effectively and efficiently as possible.

The key area for the business to progress is delivering the product on time with a quality that is not improvised. Stringent JCT contracts are in place and monitored to ensure this is delivered.

On behalf of the board

L Jones
Director

5 August 2022

TIRTLR HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities
The principal activity of the company continued to be that of a holding company and the group principal activities continued to be that of buying and selling of real estate.

Results and dividends
The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £650,000. The directors do not recommend payment of a further dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

L Jones
Mrs J Jones

Auditor
Royston Parkin Limited were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities
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 group and company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

L Jones
Director

5 August 2022

TIRTLR HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TIRTLR HOLDINGS LIMITED

Opinion

We have audited the financial statements of TIRTLR Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent company's affairs as at 31 March 2021 and of the group's 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Extent to which the audit was considered capable of detecting irrregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Lynn Pridmore (Senior Statutory Auditor)
For and on behalf of Royston Parkin

5 August 2022

Chartered Accountants
Statutory Auditor

2 President Buildings,
Savile Street East,
Sheffield,
South Yorkshire
S4 7UQ

TIRTLR HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 as restated £
Turnover	3	27,679,800	21,781,077
Cost of sales		(21,092,766)	(18,965,286)
Gross profit		6,587,034	2,815,791
Distribution costs		(2,553,063)	(1,620,866)
Administrative expenses		(1,563,343)	(1,548,446)
Other operating income		382,459	-
Movement in guaranteed rents provision	4	(4,332,464)	(2,123,861)
Stock impairment	4	(269,805)	-
Operating loss	5	(1,749,182)	(2,477,382)
Interest receivable and similar income	9	2,037	10,015
Interest payable and similar expenses	10	(3,344)	(1,737)
Loss before taxation		(1,750,489)	(2,469,104)
Tax on loss	11	-	(25,398)
Loss for the financial year		(1,750,489)	(2,494,502)

Loss for the financial year is all attributable to the owner of the parent company.

Total comprehensive income for the year is all attributable to the owner of the parent company.

TIRTLR HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 as restated £	2020 as restated £
Fixed assets					
Tangible assets	**13**		91,095		122,274
Current assets					
Stocks	**17**	14,020,415		22,298,262	
Debtors	**18**	791,197		1,258,150	
Cash at bank and in hand		2,769,519		3,664,124	
		17,581,131		27,220,536	
Creditors: amounts falling due within one year	**19**	(1,643,669)		(852,237)	
Net current assets			15,937,462		26,368,299
Total assets less current liabilities			16,028,557		26,490,573
Provisions for liabilities					
Provisions	**20**	3,494,707		2,696,117	
			(3,494,707)		(2,696,117)
Deferred income	**21**		(13,178,487)		(22,038,605)
Net (liabilities)/assets			(644,637)		1,755,851
Capital and reserves					
Called up share capital	**23**		100		100
Profit and loss reserves			(644,737)		1,755,751
Total equity			(644,637)		1,755,851

The financial statements were approved by the board of directors and authorised for issue on 5 August 2022 and are signed on its behalf by:

L Jones
Director

TIRTLR HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	**14**		210		208
Current assets					
Debtors	**18**	7,996,908		7,438,379	
Cash at bank and in hand		2,549,133		3,613,333	
		10,546,041		11,051,712	
Creditors: amounts falling due within one year	**19**	(4,439,248)		(4,295,676)	
Net current assets			6,106,793		6,756,036
Net assets			6,107,003		6,756,244
Capital and reserves					
Called up share capital	**23**		100		100
Profit and loss reserves			6,106,903		6,756,144
Total equity			6,107,003		6,756,244

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £759 (2020 - £3,995,571 profit).

The financial statements were approved by the board of directors and authorised for issue on 5 August 2022 and are signed on its behalf by:

L Jones
Director

Company Registration No. 11385808

TIRTLR HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2019 as restated		100	5,480,253	5,480,353
Year ended 31 March 2020:				
Loss and total comprehensive income for the year		-	(2,494,502)	(2,494,502)
Dividends	**12**	-	(1,230,000)	(1,230,000)
Balance at 31 March 2020 as restated		100	1,755,751	1,755,851
Year ended 31 March 2021:				
Loss and total comprehensive income for the year		-	(1,750,488)	(1,750,489)
Dividends	**12**	-	(650,000)	(650,000)
Balance at 31 March 2021		100	(644,737)	(644,637)

TIRTLR HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2019		100	3,990,573	3,990,673
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	3,995,571	3,995,571
Dividends	**12**	-	(1,230,000)	(1,230,000)
Balance at 31 March 2020		100	6,756,144	6,756,244
Year ended 31 March 2021:				
Profit and total comprehensive income for the year		-	759	759
Dividends	**12**	-	(650,000)	(650,000)
Balance at 31 March 2021		100	6,106,903	6,107,003

TIRTLR HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Cash generated from operations	**26**		75,577		1,117,659
Interest paid			(3,344)		(1,737)
Income taxes paid			(318,875)		(268,059)
Net cash (outflow)/inflow from operating activities			(246,642)		847,863
Investing activities					
Purchase of tangible fixed assets		-		(171,245)	
Proceeds on disposal of tangible fixed assets		-		64,000	
Receipts arising from repayments of loans made		-		1,229,821	
Interest received		2,037		10,015	
Net cash generated from investing activities			2,037		1,132,591
Financing activities					
Dividends paid to equity shareholders		(650,000)		(1,230,000)	
Net cash used in financing activities			(650,000)		(1,230,000)
Net (decrease)/increase in cash and cash equivalents			(894,605)		750,454
Cash and cash equivalents at beginning of year			3,664,124		2,913,670
Cash and cash equivalents at end of year			2,769,519		3,664,124

1 Accounting policies

Company information

TIRTLR Holdings Limited ("the company") is a private limited company, domiciled and incorporated in England and Wales. The registered office is The Hart Shaw Building, Europa Link, Sheffield, S9 1XU. The business address is Samuel House, Fox Valley, Stocksbridge, Sheffield, S36 2AA.

The group consists of TIRTLR Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of TIRTLR Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1 Accounting policies **(Continued)**

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. For revenue which is derived from properties sold as part of a development this is invariably when the property is signed off as habitable, not on legal completion, cash received on legal completion is recognised as deferred income. For revenue which is derived from the sale or resale of habitable properties, this is on legal completion.

Revenue for letting agent services is recognised as the agreed services are provided to landlords.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% reducing balance
Computers	33% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value. Costs comprise of direct costs of property purchase and any construction costs incurred in relation to bringing the stocks to their present condition. Net realisable value consists of the estimated selling price less all direct costs associated with the sale.

1.9 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition
Revenue from the sale of properties is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. As a result, revenue and the associated costs of sale are recognised at different points depending on the nature of the property being sold. The directors have assessed that the following judgements are the most significant to the financial statements:

- For properties sold as part of a development, the risk and rewards are invariably transferred when the development is signed off by an independent third party as habitable. This can be after "completion" when the property is legally sold, in which case the revenue is included in deferred income.
- For properties that are already habitable, including properties that were purchased by the group for resale, the risks and rewards of ownership pass on legal completion of the sale.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Guaranteed rent agreements issued on property sales
The group issue "rental guarantees" primarily, but not exclusively, on the sale of properties that it is developing. The rental guarantee is a contract entered into by a group company which guarantees a landlord/investor a net yield, usually in the range of 8-10% of the property price. Guarantees are not entered into for all properties sold in the year but are used to provide security of investment to key customers. The agreements usually pay out the guaranteed amount in full up to the point the property is habitable and then for a further 2 years from that date, topping up the rent and covering unforeseen costs and void periods as necessary to meet the contracted amount. The group does have some legacy guarantees that are lifetime guarantees. Most contracts include a three month termination notice period.

The directors are of the opinion that the substance of the contracts is most fairly represented by the accounting treatment used for a warranty provision. Therefore, on legal completion of a sale with a rental guarantee a provision is recognised for the future outflows expected to occur under the agreement. The provision required/recognised is heavily dependent on several factors including, expected date of habitability, expected occupancy rates, expected market rent, expected increase in other associated property costs and the discount rate used.

Provisions for contracts which, due to the increase in rental yields over time, are no longer expected to be loss making over the course of the next 12 months are not recognised as a liability. Contracts which are expected to be profit generating are not recognised as an asset.

The carrying amounts of these provisions can be found with further explanation in note 20 – Provisions for liabilities. Actual outcomes could vary significant from these estimates.

3 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Letting agent fees	710,899	673,488
Sale of property	26,968,901	21,107,589
	27,679,800	21,781,077

	2021	2020
	£	£
Other significant revenue		
Interest income	2,037	10,015
Concierge and service charges	72,170	-
COVID grants received	85,788	-
Compensation	30,000	-
Commissions received	97,500	-

4 Exceptional item

	2021	2020
	£	£
Expenditure		
Movement in guaranteed rents provision	4,332,464	2,123,861
Impairment of stock sold at a loss in the next financial year	269,805	-
	4,602,269	2,123,861

The company recognises the cost in relation to the guaranteed rent provisions as an exceptional item, see note 20 for further details.

5 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Government grants	(85,788)	-
Depreciation of owned tangible fixed assets	31,179	34,007
(Profit)/loss on disposal of tangible fixed assets	-	40,299
Operating lease charges	18,643	31,065

6 Auditor's remuneration

	2021	2020
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	5,000	5,000
Audit of the financial statements of the company's subsidiaries	26,000	25,000
	31,000	30,000

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021	2020	Company 2021	2020
	Number	Number	Number	Number
	22	25	2	2

Their aggregate remuneration comprised:

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Wages and salaries	564,773	632,468	-	-
Social security costs	46,506	57,697	-	-
Pension costs	27,257	55,468	-	-
	638,536	745,633	-	-

8 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	17,516	17,256
Company pension contributions to defined contribution schemes	7,160	18,260
	24,676	35,516

9 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	2,037	10,015

10 Interest payable and similar expenses

	2021	2020
	£	£
Other interest	3,344	1,737

11 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	-	25,398

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	(1,750,489)	(2,469,104)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(332,593)	(469,130)
Tax effect of expenses that are not deductible in determining taxable profit	29,257	11,078
Unutilised tax losses carried forward	238,907	1
Under/(over) provided in prior years	-	(812,921)
Unrealised profit adjustment	64,429	1,296,370
Taxation charge	-	25,398

12 Dividends

	2021	2020
Recognised as distributions to equity holders:	£	£
Interim paid	650,000	1,230,000

13 Tangible fixed assets

Group	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020 and 31 March 2021	7,770	18,405	141,709	167,884
Depreciation and impairment				
At 1 April 2020	708	14,148	30,754	45,610
Depreciation charged in the year	1,779	1,663	27,737	31,179
At 31 March 2021	2,487	15,811	58,491	76,789
Carrying amount				
At 31 March 2021	5,283	2,594	83,218	91,095
At 31 March 2020	7,062	4,257	110,955	122,274

The company had no tangible fixed assets at 31 March 2021 or 31 March 2020.

14 Fixed asset investments

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	210	208

Movements in fixed asset investments

Company	Shares in subsidiaries
	£
Cost or valuation	
At 1 April 2020	208
Additions	2
At 31 March 2021	210
Carrying amount	
At 31 March 2021	210
At 31 March 2020	208

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

15 Subsidiaries (Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct
The Lettings Room Limited	England and Wales	Ordinary	100.00
TIRTLR1 Limited	England and Wales	Ordinary	100.00
TIRTLR2 Limited	England and Wales	Ordinary	100.00
The Investment Rocm Limited	England and Wales	Ordinary	100.00
TIRTLR3 Limited	England and Wales	Ordinary	100.00
TIRTLR4 Limited	England and Wales	Ordinary	100.00
TIRTLR5 Limited	England and Wales	Ordinary	100.00
TIRTLR6 Limited	England and Wales	Ordinary	100.00
TIRTLR7 Limited	England and Wales	Ordinary	100.00
TIR Lettings Limited	England and Wales	Ordinary	100.00
TIRTLR8 Limited	England and Wales	Ordinary	100.00
TIRTLR9 Limited	England and Wales	Ordinary	100.00

16 Financial instruments

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	50,516	679,372	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	1,538,702	675,612	n/a	n/a

17 Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Work in progress	13,049,552	22,298,262	-	-
Finished goods and goods for resale	970,863	-	-	-
	14,020,415	22,298,262	-	-

18 Debtors

	Group 2021	2020	Company 2021	2020
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	-	21,586	-	-
Corporation tax recoverable	339,477	171,960	-	-
Amounts owed by group undertakings	-	-	7,996,908	7,438,379
Other debtors	451,720	1,064,604	-	-
	791,197	1,258,150	7,996,908	7,438,379

19 Creditors: amounts falling due within one year

	Group 2021	2020	Company 2021	2020
	£	**£**	**£**	**£**
Trade creditors	922,163	482,743	-	-
Amounts owed to group undertakings	-	-	4,418,504	4,292,516
Corporation tax payable	-	151,358	-	985
Other taxation and social security	104,967	25,267	-	-
Other creditors	24,424	4,250	20,744	2,175
Accruals	592,115	188,619	-	-
	1,643,669	852,237	4,439,248	4,295,676

20 Provisions for liabilities

	Group 2021	2020	Company 2021	2020
	£	**£**	**£**	**£**
Guaranteed rent agreements	3,382,335	2,158,600	-	-
Renovations provision	112,372	537,517	-	-
	3,494,707	2,696,117	-	-

20 Provisions for liabilities **(Continued)**

Renovations provision

The provision remaining at the yearend is the expected costs of renovating the 26 flats on a site sold in the 2019. As part of the sales agreement each of the 57 flats were to be renovated as and when they became vacant, the initial provision was for £228,00. Of the 57 flats, the renovation of 31 of them was completed in year. The remaining provision on the 26 flats has not been discounted as they are all expected to be completed within 12 months.

The brought forward provision from the year to 31 March 2020 also included the costs of renovating a property sale of a similar nature. The initial provision for this development was £425,144. This was fully complete in the year to March 2021 and therefore no provision remains in the balance sheet.

Guaranteed rent agreements

The group issue "rental guarantees" primarily, but not exclusively, on the sale of properties that it is developing. The rental guarantee is a contract entered into by a group company which guarantees a landlord/investor a net yield, usually in the range of 8-10% of the property price. Guarantees are not entered into for all properties sold in the year but are used to provide security of investment to key customers. The agreements usually pay out the guaranteed amount in full up to the point the property is habitable and then for a further 2 years from that date, topping up the rent and covering unforeseen costs and void periods as necessary to meet the contracted amount. The group does have some legacy guarantees that are lifetime guarantees. Most contracts include a three month termination notice period.

The directors are of the opinion that the substance of the contracts is most fairly represented by the accounting treatment used for a warranty provision. Therefore, on legal completion of a sale with a rental guarantee a provision is recognised for the future outflows expected to occur under the agreement. The provision required/recognised is heavily dependent on several factors including, expected date of habitability, expected occupancy rates, expected market rent, expected increase in other associated property costs and the discount rate used.

Provisions for contracts which, due to the increase in rental yields over time, are no longer expected to be loss making over the course of the next 12 months are not recognised as a liability. Contracts which are expected to be profit generating are not recognised as an asset.

Actual outcomes could vary significant from these estimates.

Movements on provisions:

Group	Guaranteed rent agreements £	Renovations provision £	Total £
At 1 April 2020	2,158,600	537,517	2,696,117
Additional provisions in the year	3,382,335	-	3,382,335
Utilisation of provision	(2,954,745)	(425,145)	(3,379,890)
Release of over utilisation of brought forward provision	796,145	-	796,145
At 31 March 2021	3,382,335	112,372	3,494,707

20 Provisions for liabilities (Continued)

Indication of expected timing of outflows:

	Guaranteed rent agreements	Renovations provision	Total
	£	£	£
Expected within 1 year	1,195,093	112,372	1,307,465
Expected after 1 year	2,187,242	-	2,187,242
	3,382,335	112,372	3,494,707

The above represents the directors best estimate of the timing of outflows which they expect to fall due. Included within amounts expected to fall due after 1 year is the directors best estimate of amounts covered by lifetime guarantees. These have been provided for over the timeframe in which the rental yield is expected to increase so as to cover the minimum guarantee and all associate costs and voids. Depending on the age of the individual agreements amongst other factors (listed above) the period ranged from 6 - 10 years. Where applicable a discount rate of 5% has been applied to amounts falling due after 1 year.

Analysis of charge to the profit and loss account:			Total
	£	£	£
Additional provisions in the year	3,382,335	-	3,382,335
Release of over utilisation of brought forward provision	796,145	-	796,145
Recorded as exceptional item	4,178,480	-	4,178,480

Due to the significant amounts involved and and the unpredictable nature of the estimates the directors have chosen to show the amounts charged to the profit and loss account each year as an exceptional item.

21 Deferred income

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Arising from property sales	13,178,487	22,038,605	-	-

Deferred income represents deposits and amounts paid on legal completion of property sales on developments prior to the risk and rewards of ownership being transferred to the purchaser. Amounts which relate to sales completions are secured over the legal title of the property it relates to which is included in stock, amounts which relate to deposits are unsecured.

22 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	27,257	55,468

22 Retirement benefit schemes **(Continued)**

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share capital

Group and company	**2021**	**2020**	**2021**	**2020**
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary of £1 each	100	100	100	100

24 Operating lease commitments

Lessee
At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		**Company**	
	2021	**2020**	**2021**	**2020**
	£	**£**	**£**	**£**
Within one year	-	27,975	-	-
	-	27,975	-	-

25 **Related party transactions**

Key management personnel are the directors of the company. The aggregate remuneration can be found in note 8.

Included in other creditors is an interest free loan from the director of the company for £10,744 (2020 - £2,174). The loan is unsecured and is repayable upon demand.

Sales of £6,641 (2020 - £nil) were made to a company with a common director.

Purchases of £nil (2020 - £1,886,800) were made from a company with a common director.

Included in other debtors is a retention of £8,425 (2020 - £600,625) held by a company with a common director.

Included in other debtors is a balance of £28,211 (2020 - £28,211) due from a company with a common director.

26 Cash generated from operations - group

	2021	2020
	£	£
Loss for the year after tax	(1,750,488)	(2,494,496)
Adjustments for:		
Taxation charged	-	25,398
Finance costs	3,344	1,737
Investment income	(2,037)	(10,015)
(Gain)/loss on disposal of tangible fixed assets	-	40,299
Depreciation and impairment of tangible fixed assets	31,179	34,007
Increase/(decrease) in provisions	798,590	(2,878,883)
(Decrease)/increase in deferred income	(8,860,118)	13,178,605
Movements in working capital:		
Decrease/(increase) in stocks	8,277,847	(7,155,747)
Decrease/(increase) in debtors	634,470	(30,021)
Increase in creditors	942,790	406,775
Cash generated from operations	75,577	1,117,659

27 Analysis of changes in net funds - group

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash at bank and in hand	3,664,124	(894,605)	2,769,519

28 Prior period adjustment

Changes to the balance sheet - group

	As previously reported	Adjustment at 1 Apr 2019	Adjustment at 31 Mar 2020	As restated at 31 Mar 2020
	£	£	£	£
Current assets				
Stocks	24,560,271	-	(2,262,009)	22,298,262
Debtors due within one year	1,662,788	-	(404,638)	1,258,150
Creditors due within one year				
Taxation	(344,142)	46,000	121,517	(176,625)
Other creditors	(24,872,817)	-	24,197,205	(675,612)
Provisions for liabilities				
Other provisions	-	(228,000)	(2,468,117)	(2,696,117)
Deferred income	-	-	(22,038,605)	(22,038,605)
Net assets	4,792,498	(182,000)	(2,854,647)	1,755,851
Capital and reserves				
Share capital	100	-	-	100
Profit and loss reserves	4,792,398	(182,000)	(2,854,647)	1,755,751
Total equity	4,792,498	(182,000)	(2,854,647)	1,755,851

Changes to the profit and loss account - group

	As previously reported	Adjustment	As restated
Period ended 31 March 2020	£	£	£
Cost of sales	(19,598,972)	633,686	(18,965,286)
Distribution costs	-	(1,620,866)	(1,620,866)
Administrative expenses	(1,511,363)	(37,083)	(1,548,446)
Other operating income	1,127,726	(1,127,726)	-
Exceptional items	-	(2,123,861)	(2,123,861)
Taxation	(318,875)	293,477	(25,398)
Profit/(loss) after taxation	1,487,871	(3,982,373)	(2,494,502)

28 Prior period adjustment **(Continued)**

Reconciliation of changes in equity - group

	Notes	1 April 2019 £	31 March 2020 £
Adjustments to prior year			
Renovation provision for sales in 2019 & 2020	1	(228,000)	(537,517)
Costs incorrectly recognised as current assets	2	-	(1,478,958)
Omission of adjustment for unrealised profit	3	-	(1,359,649)
Tax implications on the above adjustments	4	46,000	339,477
Total adjustments		(182,000)	(3,036,647)
Equity as previously reported		5,662,353	4,792,498
Equity as adjusted		5,480,353	1,755,851
Analysis of the effect upon equity			
Profit and loss reserves		(182,000)	(2,854,647)

	Notes	2020 £
Adjustments to prior year		
Renovation provision for sales in 2019 & 2020	1	(309,517)
Costs incorrectly recognised as current assets	2	(1,478,958)
Omission of adjustment for unrealised profit	3	(1,359,649)
Tax implications on the above adjustments	4	293,477
Total adjustments		(2,854,647)
Profit as previously reported		360,145
Loss as adjusted		(2,494,502)

28 Prior period adjustment **(Continued)**

Notes to reconciliation

Renovation provision for sales in 2019 & 2020

During the current year, it was identified that the company sold properties in the year to 31 March 2019 & 31 March 2020 which included a condition that the company must renovate apartments as and when they are vacated by tenants. As a result the following prior year adjustment has been noted:

2019

- Recognition of a provision as at 1 April 2019 of £228,000 with a corresponding reduction in the corporation tax charge and liability relating to that year of £46,000.
- £115,627 of this provision was utilised in the year to 31 March 2020 with the remaining amount to be utilised in future years. Of the amount utilised £57,277 had been included in the profit and loss account of TIRTLR2 Limited. The other £58,350 utilised had been paid for by a fellow group company and was included in the fellow group company's profit and loss account.

2020

- Recognition of a provision as at 1 April 2019 of £425,144 with a corresponding reduction in the corporation tax charge and liability relating to that year of £72,020. This provision was outstanding in full at 31 March 2020.
- Following the reduction in the tax liability, the previously reported corporation tax creditor became a corporation tax debtor of £88,000.

Costs incorrectly recognised as current assets

During the current year, it was identified that the group had incorrectly included commissions payable and legal and professional fees associated with the sale of properties as current assets. Amounts were included in work in progress (£902,360) or prepayments (£576,598). As these costs did not meet the definition of an asset at the previous yearend these have been removed from current assets and included in distribution costs.

Omission of adjustment for unreaslised profit

In the year to 31 March 2020 the group sold numerous developments between various group companies. As part of preparing the group financial statements to the same date, the consolidation adjustment needed to remove unrealised profit on intergroup transactions was not calculated correctly, this resulted in stock and profit being overstated by £2,262,009.

Tax implications on the above adjustments

The tax impact of the above adjustments has also been included as a prior period adjustment.

Other presentational changes

As part of preparing the current year's financial statements additional prior year adjustments have also been made to enhance understandability, notably:

- Deferred income on property development sales has been shown separately on the balance sheet, in the previous year it was included within accruals and deferred income in creditors due within 1 year.
- Provisions in relation to guaranteed rent agreements have been included in provisions on the balance sheet, in the previous year it was included within accruals and deferred income in creditors due within 1 year.
- The cost in relation to the movement in the provision mentioned above have now been included as an exceptional item, in the previous year it was included in cost of sales.
- Selling costs, being sales commission and legal and professional fees are now included in distribution costs, in the previous year these were included in cost of sales.

There are no prior year adjustments that affect the parent company's reported results.