Company registration number 11385808 (England and Wales)

TIRTLR HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

TIRTLR HOLDINGS LIMITED

COMPANY INFORMATION

Directors	L D Jones 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

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TIRTLR HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Review of the business
Despite a fall in turnover in the year, completions have increased from 2021, 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the potential development law whereby permitted development conversions from B1 office space to C3 residential could be withdrawn in the near future thus making stock much harder to acquire.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 D Jones
Director

20 December 2023

TIRTLR HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities
The principal activity of the company continued to be that of a holding company and the group principal activity 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 £780,000. 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 D Jones
J Jones

Auditor
The auditor, Royston Parkin, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 D Jones
Director

20 December 2023

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 2023 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 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 group's and the parent company's affairs as at 31 March 2023 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 group and parent 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 parent 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 irregularities, including fraud and the audit response

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TIRTLR HOLDINGS LIMITED

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

20 December 2023

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 2023

	Notes	2023 £	2022 £
Turnover	**3**	22,088,341	13,306,904
Cost of sales		(19,924,725)	(6,516,488)
Gross profit		2,163,616	6,790,416
Distribution costs		(3,764,238)	(3,970,770)
Administrative expenses		(1,538,065)	(1,577,744)
Other operating income		5,799	77,627
Movement in guaranteed rents provision	**4**	(1,701,216)	(1,412,196)
Stock impairment	**4**	-	(154,000)
Operating loss	**5**	(4,834,104)	(246,667)
Interest receivable and similar income	**9**	15,284	14,371
Interest payable and similar expenses	**10**	(165,947)	(133,419)
Loss before taxation		(4,984,767)	(365,715)
Tax on loss	**11**	1,002	341,523
Loss for the financial year		(4,983,765)	(24,192)

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 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**13**		79,356		91,401
Current assets					
Stocks	**16**	12,196,750		17,664,216	
Debtors	**17**	1,829,906		2,811,996	
Cash at bank and in hand		2,996,786		1,717,744	
		17,023,442		22,193,956	
Creditors: amounts falling due within one year	**18**	(7,365,472)		(2,447,739)	
Net current assets			9,657,970		19,746,217
Total assets less current liabilities			9,737,326		19,837,618
Creditors: amounts falling due after more than one year	**19**		(2,065,628)		-
Provisions for liabilities					
Provisions	**21**	2,222,112		2,672,353	
			(2,222,112)		(2,672,353)
Deferred income	**22**		(12,187,180)		(18,139,094)
Net liabilities			(6,737,594)		(973,829)
Capital and reserves					
Called up share capital	**24**		100		100
Profit and loss reserves			(6,737,694)		(973,929)
Total equity			(6,737,594)		(973,829)

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 20 December 2023 and are signed on its behalf by:

L D Jones
Director

Company registration number 11385808 (England and Wales)

TIRTLR HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments	**14**		213		211
Current assets					
Debtors	**17**	8,007,684		12,865,002	
Cash at bank and in hand		2,942,207		1,649,056	
		10,949,891		14,514,058	
Creditors: amounts falling due within one year	**18**	(5,556,414)		(2,395,029)	
Net current assets			5,393,477		12,119,029
Net assets			5,393,690		12,119,240
Capital and reserves					
Called up share capital	**24**		100		100
Profit and loss reserves			5,393,590		12,119,140
Total equity			5,393,690		12,119,240

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £5,945,550 (2022 - £6,317,237 profit).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 20 December 2023 and are signed on its behalf by:

L D Jones
Director

Company registration number 11385808 (England and Wales)

TIRTLR HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2021		100	(644,737)	(644,637)
Year ended 31 March 2022:				
Loss and total comprehensive income		-	(24,192)	(24,192)
Dividends	**12**	-	(305,000)	(305,000)
Balance at 31 March 2022		100	(973,929)	(973,829)
Year ended 31 March 2023:				
Loss and total comprehensive income		-	(4,983,765)	(4,983,765)
Dividends	**12**	-	(780,000)	(780,000)
Balance at 31 March 2023		100	(6,737,694)	(6,737,594)

TIRTLR HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2021		100	6,106,903	6,107,003
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	6,317,237	6,317,237
Dividends	**12**	-	(305,000)	(305,000)
Balance at 31 March 2022		100	12,119,140	12,119,240
Year ended 31 March 2023:				
Profit and total comprehensive income		-	(5,945,550)	(5,945,550)
Dividends	**12**	-	(780,000)	(780,000)
Balance at 31 March 2023		100	5,393,590	5,393,690

TIRTLR HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash absorbed by operations	**26**		(4,043,724)		(705,520)
Interest paid			(109,509)		(24,057)
Income taxes refunded/(paid)			693,348		(11,346)
Net cash outflow from operating activities			(3,459,885)		(740,923)
Investing activities					
Purchase of tangible fixed assets		(11,985)		(33,379)	
Proceeds on disposal of tangible fixed assets		-		13,156	
Interest received		15,284		14,371	
Net cash generated from/(used in) investing activities			3,299		(5,852)
Financing activities					
Proceeds from borrowings		3,450,000		-	
Proceeds of new bank loans		2,095,011		-	
Repayment of bank loans		(29,383)		-	
Dividends paid to equity shareholders		(780,000)		(305,000)	
Net cash generated from/(used in) financing activities			4,735,628		(305,000)
Net increase/(decrease) in cash and cash equivalents			1,279,042		(1,051,775)
Cash and cash equivalents at beginning of year			1,717,744		2,769,519
Cash and cash equivalents at end of year			2,996,786		1,717,744

TIRTLR HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 amounts 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 2023. 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.

Revenue from the provision of rental guarantees is recognised when the company has an unconditional right to the income.

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.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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

1 Accounting policies **(Continued)**

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.

2 Judgements and key sources of estimation uncertainty **(Continued)**

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 21 – Provisions for liabilities. Actual outcomes could vary significant from these estimates.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Letting agent fees	672,081	659,028
Sale of property	21,139,124	11,168,723
Rental guarantee fees	277,136	1,479,153
	22,088,341	13,306,904

	2023	2022
	£	£
Other significant revenue		
Interest income	15,284	14,371
Concierge and service charges	71,112	12,856
COVID grants received	-	6,956

4 Exceptional item

	2023	2022
	£	£
Expenditure		
Movement in provisions	1,701,216	1,412,196
Impairment of stock sold at a loss in the next financial year	-	154,000
	1,701,216	1,566,196

The company recognises the cost in relation to the guaranteed rent provisions as an exceptional item, see note 21 for further details.

5 Operating loss

	2023	2022
	£	£
Operating loss for the year is stated after charging/(crediting):		
Government grants	-	(6,956)
Depreciation of owned tangible fixed assets	24,030	25,389
Profit on disposal of tangible fixed assets	-	(5,472)
Operating lease charges	654,104	12,900

6 Auditor's remuneration

	2023	2022
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	26,000
	31,000	31,000

7 Employees

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

	Group		Company	
	2023	2022	2023	2022
	Number	Number	Number	Number
	19	21	-	-

7 Employees (Continued)

Their aggregate remuneration comprised:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	568,761	568,761	-	-
Social security costs	42,831	40,931	-	-
Pension costs	10,791	13,559	-	-
	622,383	623,251	-	-

8 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	19,752	17,688
Company pension contributions to defined contribution schemes	1,560	1,300
	21,312	18,988

9 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	13,969	768
Other interest income	1,315	13,603
Total income	15,284	14,371

10 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	7,020	-
Interest on other borrowings	102,489	24,000
Unwinding of discount on provisions	56,438	109,362
Other interest	-	57
Total finance costs	165,947	133,419

11 Taxation

	2023	2022
	£	£
Current tax		
Adjustments in respect of prior periods	(1,002)	(341,523)

11 Taxation **(Continued)**

The actual credit 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:

	2023	2022
	£	£
Loss before taxation	(4,984,767)	(365,715)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(947,106)	(69,486)
Tax effect of expenses that are not deductible in determining taxable profit	2,717	(20,462)
Tax effect of utilisation of tax losses not previously recognised	(9,533)	-
Unutilised tax losses carried forward	314,556	81,080
Adjustments in respect of prior years	(4,630)	(341,523)
Permanent capital allowances in excess of depreciation	2,000	(2,485)
Depreciation on assets not qualifying for tax allowances	-	3,835
Unrealised profit adjustment	640,994	7,518
Taxation credit	(1,002)	(341,523)

12 Dividends

	2023	2022
Recognised as distributions to equity holders:	£	£
Interim paid	780,000	305,000

13 Tangible fixed assets

Group	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	7,770	18,405	161,798	187,973
Additions	-	-	11,985	11,985
At 31 March 2023	7,770	18,405	173,783	199,958
Depreciation and impairment				
At 1 April 2022	3,278	16,661	76,633	96,572
Depreciation charged in the year	673	570	22,787	24,030
At 31 March 2023	3,951	17,231	99,420	120,602
Carrying amount				
At 31 March 2023	3,819	1,174	74,363	79,356
At 31 March 2022	4,492	1,744	85,165	91,401

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

14 Fixed asset investments

		Group		Company	
		2023	2022	2023	2022
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	213	211

Movements in fixed asset investments

Company	Shares in subsidiaries
	£
Cost or valuation	
At 1 April 2022	211
Additions	2
At 31 March 2023	213
Carrying amount	
At 31 March 2023	213
At 31 March 2022	211

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 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
TIRTLR2 Limited	England and Wales	Ordinary	100.00
The Investment Room 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
TIRTLR10 Limited	England and Wales	Ordinary	100.00
TIRTLR11 Limited	England and Wales	Ordinary	100.00
TIRTLR12 Limited	England and Wales	Ordinary	100.00
TIRTLR13 Limited	England and Wales	Ordinary	100.00
			-

16 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Work in progress	11,931,126	16,894,813	-	-
Finished goods and goods for resale	265,624	769,403	-	-
	12,196,750	17,664,216	-	-

The carrying amount of stocks includes £6,850,000 (2022 - £nil) pledged as security for liabilities.

17 Debtors

Amounts falling due within one year:	Group 2023 £	2022 £	Company 2023 £	2022 £
Trade debtors	785,889	1,784,199	-	-
Corporation tax recoverable	-	692,346	-	-
Amounts owed by group undertakings	-	-	7,446,007	12,865,002
Other debtors	294,030	335,451	85,024	-
Prepayments and accrued income	749,987	-	476,653	-
	1,829,906	2,811,996	8,007,684	12,865,002

18 Creditors: amounts falling due within one year

		Group		Company	
		2023	2022	2023	2022
	Notes	£	£	£	£
Other borrowings	20	3,450,000	-	3,450,000	-
Trade creditors		3,385,413	2,172,109	-	-
Amounts owed to group undertakings		-	-	2,064,632	2,392,827
Other taxation and social security		193,704	62,059	-	-
Deferred income	22	7,200	7,200	-	-
Other creditors		117,079	36,281	4,318	2,202
Accruals		212,076	170,090	37,464	-
		7,365,472	2,447,739	5,556,414	2,395,029

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2023	2022	2023	2022
	Notes	£	£	£	£
Bank loans and overdrafts	20	2,065,628	-	-	-

20 Loans and overdrafts

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	2,065,628	-	-	-
Other loans	3,450,000	-	3,450,000	-
	5,515,628	-	3,450,000	-
Payable within one year	3,450,000	-	3,450,000	-
Payable after one year	2,065,628	-	-	-

Included in bank loans is loan drawn in March 2023 with an 18 month term loan, which is secured over the development in the company which holds the loan TIRTLR6 Limited. The loan is interest bearing at 10% and the interest is payable in full at the end of the term. The loan includes an interest retention of £120,000 which was deducted off the first draw down. Subject to certain criteria and valuations of the ongoing development this loan includes a facility of up to £9,250,000.

Included in other loans is a loan drawn in January 2023, which is due for repayment in full in December 2023. The loan is held by the parent company but is secured over the development in TIRTLR3 Limited. The loan is interest bearing at £37,500 per month, a 15% repayment charge is also due when the loan is repaid.

21 Provisions for liabilities

	Group 2023 £	2022 £	Company 2023 £	2022 £
Guaranteed rent agreements	2,222,112	2,450,406	-	-
Renovations provision	-	221,947	-	-
	2,222,112	2,672,353	-	-

Renovations provision

The brought forward provision relates to the expected costs of renovating the remaining flats of a property sold in 2019. The provision was settled in full on 4 July 2022. Therefore, no provision is required at the year end.

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 significantly from these estimates.

21 Provisions for liabilities **(Continued)**

Movements on provisions:

	Guaranteed rent agreements	Renovations provision	Total
Group	**£**	**£**	**£**
At 1 April 2022	2,450,406	221,947	2,672,353
Additional provisions in the year	580,752	-	580,752
Change in assumptions	746,655	-	746,655
Utilisation of provision	(1,985,948)	(221,947)	(2,207,895)
Unwinding of discount	56,438	-	56,438
Release of over utilisation of brought forward provision	373,809	-	373,809
At 31 March 2023	2,222,112	-	2,222,112

21 Provisions for liabilities **(Continued)**

Indication of expected timing of outflows:

	Guaranteed rent agreements	Renovations provision	Total
	£	£	£
Expected within 1 year	1,240,722	-	1,240,722
Expected after 1 year	981,390	-	981,390
	2,222,112	-	2,222,112

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	580,752	-	580,752
Change of assumptions	746,655	-	746,655
Release of over utilisation of brought forward provision	373,809	-	373,809
Recorded as exceptional item	1,701,216	-	1,701,216

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. The rationale for each amount included in the profit and loss account is as follows:

Additional provisions in the year - this relates to new guarantees entered into in the year.

Change in assumptions - given the under provision noted in the year the directors have reassessed some of the assumptions which has lead to a larger provision being recognised. The main two assumptions are; the shortfall between the rent received and the guaranteed rent & the expected completion date of developments that are still in progress which are covered by guarantees.

Under provision of brought forward provision - this is the amount the in year cost exceed the amount expected in the previous year, as a result of this the directors have reassessed some of the assumptions as noted above.

22 Deferred income

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Arising from property sales	12,194,380	18,146,294	-	-

22 Deferred income (Continued)

Deferred income is included in the financial statements as follows:

Current liabilities	7,200	7,200	-	-
Shown as deferred income on the face of the balance sheet	12,187,180	18,139,094	-	-
	12,194,380	18,146,294	-	-

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.

23 Retirement benefit schemes

	2023	2022
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	10,791	13,559

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.

24 Share capital

Group and company	**2023**	**2022**	**2023**	**2022**
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

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 £4,318 (2022 - £2,202). The loan is unsecured and is repayable upon demand.

At the year end a balance of £36,636 (2022 - £36,636) included as other debtors is due from a company with common director. There is no interest charged on this balance and the debt is not secured.

At the year end a balance of £101,200 (2022 - £nil) included as other creditors is due to a company under common control. There is no interest charged on this balance and the debt is not secured.

26 Cash absorbed by operations - group

	2023	2022
	£	£
Loss for the year after tax	(4,983,765)	(24,192)
Adjustments for:		
Taxation credited	(1,002)	(341,523)
Finance costs	165,947	133,419
Investment income	(15,284)	(14,371)
Gain on disposal of tangible fixed assets	-	(5,472)
Depreciation and impairment of tangible fixed assets	24,030	25,389
Decrease in provisions	(506,679)	(931,716)
(Decrease)/increase in deferred income	(5,951,914)	4,960,607
Movements in working capital:		
Decrease/(increase) in stocks	5,467,466	(3,643,801)
Decrease/(increase) in debtors	289,744	(1,667,930)
Increase in creditors	1,467,733	796,870
Increase in deferred income	-	7,200
Cash absorbed by operations	(4,043,724)	(705,520)

27 Analysis of changes in net funds/(debt) - group

	1 April 2022	Cash flows	31 March 2023
	£	£	£
Cash at bank and in hand	1,717,744	1,279,042	2,996,786
Borrowings excluding overdrafts	-	(5,515,628)	(5,515,628)
	1,717,744	(4,236,586)	(2,518,842)