Company Registration No. 05092507

DP9 LIMITED
REPORT AND FINANCIAL STATEMENTS
31 March 2022

DP9 Limited
Registered number: 05092507

COMPANY INFORMATION

DIRECTORS	Christopher Beard Barnaby Collins Christopher Goddard David Griffiths Paul Henry Samuel Hine Malcolm Kerr Hugh Morgan David Morris James Pool Oliver Sheppard Craig Tabb Richard Ward Christopher Gascoigne (appointed 12 May 2022)
COMPANY SECRETARY	David Griffiths
REGISTERED NUMBER	05092507
REGISTERED OFFICE	100 Pall Mall London SW1Y 5NQ
BANKERS	The Royal Bank of Scotland Threadneedle St. Branch PO Box 412 62-63 Threadneedle St London EC2R 8LA
AUDITOR	Grant Thornton UK LLP Priory Place New London Road Chelmsford Essex CM2 0PP

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REPORT AND FINANCIAL STATEMENTS 2022

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DP9 Limited
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STRATEGIC REPORT
For the Year ended 31 March 2022

INTRODUCTION

DP9 Ltd is one of the leading consultancies in planning, development and regeneration in the UK. The practice remains independent and provides advice to major national and international developers and landowners, with a key client base in the UK, Asia, Europe and the US.

RISKS AND UNCERTAINTIES

Property development inherently entails significant risks due to its vulnerability to both political and economic fluctuations at the global and local level. As consultants in this sector, we too are indirectly influenced by the uncertainties confronting our clients. Factors such as interest rate fluctuations and inflationary pressures on developmental costs and the cost of capital remain significant risks for most of our clients, potentially influencing the scope of projects on which DP9 provides advisory services.

BUSINESS REVIEW

During the 2022 financial year the company's results improved with the company being engaged on over 766 active projects (2021 - 702).

Professional fee revenue, excluding recharged expenses, grew to £23.8 million (2021 - £20.8m), a 14.8% increase. This was after decrease in 2021 as a result of the impact and uncertainty of the COVID-19 pandemic on the development market. The fees generated in 2022 were the highest achieved in the company's history.

The company's financial position is considered healthy with net assets of £7.7 million and cash reserves of £2.5 million and no liquidity concerns.

The Directors are pleased with the 2022 results and the company's financial position and look to continue to grow the company's revenue via organic growth.

KEY PERFORMANCE INDICATORS

The company uses a range of standard key financial performance indicators, net profit margin, debtor days and non-financial performance indicators including staff turnover.

In the 2021/22 financial year the business met the majority of its targets apart from staff turnover, which was higher than target. This was exacerbated by the COVID-19 pandemic with a higher than usual amount of voluntary leavers, particularly at the more junior level. For senior staff positions staff turnover operated well within set targets.

	2022	**2021**
Operating profit (excluding amortisation)	12,836,501	11,425,260
Operating profit margin (excluding amortisation)	51%	51%
Debtor days	61	55

The report was approved by the Board on 15th November 2023 and signed on its behalf.

Malcolm Kerr

M J Kerr
Chief Executive Officer

DIRECTORS' REPORT
For the Year ended 31 March 2022

The directors present their annual report and the audited financial statements for the year ended 31 March 2022.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the Directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

• select suitable accounting policies and then apply them consistently;
• make judgements and accounting estimates that are reasonable and prudent; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

RESULTS AND DIVIDENDS

The profit for the year before tax amounted to £12,836,501 (2021 - £10,773,321) with a retained profit after tax of £10,304,065 (2021 - £8,878,336).

The Directors do not propose the payment of a dividend.

DIRECTORS

The Directors who served the company during the year were as follows:

Christopher Beard
Barnaby Collins
Christopher Goddard
David Griffiths
Paul Henry
Samuel Hine
Malcolm Kerr
Hugh Morgan
David Morris
James Pool
Oliver Sheppard
Craig Tabb
Richard Ward

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DIRECTORS' REPORT (continued)
For the Year ended 31 March 2022

FUTURE DEVELOPMENTS

DP9 Ltd will maintain its focus on central London, where its strength and expertise is unrivalled. As the Company's clients expand their search for more viable opportunities in the wider London area, DP9 will continue to support their planning requirements, offering both strategic and commercial development advice. The business will also look to expand its client base, supporting joint venture opportunities between landowners and developers, whilst also providing strategic advice to local government development vehicles and other public sector organisations who are responsible for large land banks or major redevelopment sites.

In addition, the business will continue to investigate lateral diversification opportunities which can add value to our client offering.

FINANCIAL RISK MANAGEMENT

The Company has exposure to two main areas of risk - liquidity risk and customer credit default. To a lesser extent the Company is exposed to interest rate risk. The Directors have implemented various control procedures to effectively manage these risks (see Note 22).

DIRECTORS LIABILITIES

During the year the Company had in force an indemnity provision in favour of one or more Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

• so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and

• that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

There were no post balance sheet events.

The report was approved by the Board on 15 November 2023 and signed on its behalf.

Malcolm Kerr

M J Kerr
Chief Executive Officer

Grant Thornton

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DP9 LIMITED

OPINION

We have audited the financial statements of DP9 Limited (the 'company') for the year ended 31 March 2022, which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity, Statement of cash flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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 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.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

GrantThornton

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DP9 LIMITED

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the 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.

MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER COMPANIES ACT 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

MATTER ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

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 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.

Grant Thornton

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DP9 LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, 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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur: United Kingdom Generally Accepted Accounting Practice ("UK GAAP"), the Companies Act 2006, United Kingdom Corporation Tax legislation, anti-bribery legislation, GDPR and employment law.

- We enquired of management concerning the Company's policies and procedures relating to:
  - The identification, evaluation and compliance with laws and regulations;
  - The detection and response to the risks of fraud; and
  - The establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - Journal entries that increased revenues or that reclassified costs from the Statement of comprehensive income to the the Statement of financial posistion;
  - Potential management bias in determining accounting estimates.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed noncompliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the client operates; and
  - understanding of the legal and regulatory requirements specific to the entity including, the provisions of the applicable legislation, the regulator's rules and related guidance, including guidance issued by relevant authorities that interprets those rules and the applicable statutory provisions.

Grant Thornton

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DP9 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.

Grant Thornton UK LLP

Andrew Hodgekins
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Chelmsford
15 November 2023

DP9 Limited
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STATEMENT OF COMPREHENSIVE INCOME
For the Year ended 31 March 2022

	Note	2022 £	2021 £
TURNOVER	5	25,276,344	22,536,510
Cost of sales		(8,340,260)	(7,563,544)
GROSS PROFIT		**16,936,084**	**14,972,966**
Administrative expenses		(4,083,922)	(4,248,952)
Other operating income		14,215	97,206
OPERATING PROFIT	6	**12,866,377**	**10,821,220**
Interest receivable and similar income	9	294	1,098
Interest payable and similar charges	10	(30,170)	(48,997)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**12,836,501**	**10,773,321**
Tax on profit on ordinary activities	11	(2,532,436)	(1,894,985)
PROFIT FOR THE FINANCIAL YEAR		**10,304,065**	**8,878,336**

There was no other comprehensive income within the current or prior year.

The notes on pages 12 to 26 form part of these financial statements.

DP9 Limited
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STATEMENT OF FINANCIAL POSISTION
As at 31 March 2022

	Note		2022 £		2021 £
FIXED ASSETS					
Intangible assets	12		4,158		15,329
Tangible assets	13		604,711		808,978
			608,869		**824,307**
CURRENT ASSETS					
Stocks	14	78,982		92,275	
Debtors: Amounts falling due within one year	15	12,068,467		10,280,702	
Cash at bank and in hand		2,548,117		3,522,156	
		14,695,566		**13,895,133**	
CREDITORS: amounts falling due within one year	16	(7,204,898)		(6,015,276)	
NET CURRENT ASSETS / (LIABILITIES)			7,490,668		7,879,857
TOTAL ASSETS LESS CURRENT LIABILITIES			**8,099,537**		**8,704,164**
CREDITORS: amounts falling due greater than one year	17		(425,000)		(850,000)
NET ASSETS			**7,674,537**		**7,854,164**
CAPITAL AND RESERVES					
Called up share capital	19		1,281		1,281
Share premium account	20		1,004,263		1,004,263
Capital redemption reserve	20		158		158
Profit and loss account	20		6,668,835		6,848,462
SHAREHOLDERS' FUNDS			**7,674,537**		**7,854,164**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 November 2023

David Griffiths

D P P Griffiths
Finance Director

The notes on pages 12 to 26 form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
As at 31 March 2022

	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 April 2020	**1,281**	**1,004,263**	**158**	**1,923,498**	**2,929,200**
Profit & total comprehensive income for the year	-	-	-	8,878,336	8,878,336
Capital contribution	-	-	-	(3,953,372)	(3,953,372)
At 31 March 2021	**1,281**	**1,004,263**	**158**	**6,848,462**	**7,854,164**

	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 April 2021	**1,281**	**1,004,263**	**158**	**6,848,462**	**7,854,164**
Profit & total comprehensive income for the year	-	-	-	10,304,065	10,304,065
Capital contribution	-	-	-	(10,483,692)	(10,483,692)
At 31 March 2022	**1,281**	**1,004,263**	**158**	**6,668,835**	**7,674,537**

The notes on pages 12 to 26 form part of these financial statements.

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STATEMENT OF CASH FLOWS
As at 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	**10,304,065**	**8,878,336**
Adjustments for:		
Amortisation of intangible assets	11,171	683,862
Depreciation of tangible assets	217,652	184,192
Reclassification of fixed assets to revenue expenditure	-	50,886
Interest paid	30,170	48,997
Interest received	(294)	(1,098)
Decrease / (Increase) in debtors	(1,787,765)	2,576,133
Decrease in stocks	13,293	46,995
Increase in creditors	486,146	13,074
Cash from operations	9,274,438	12,481,377
Corporation tax	259,431	157,021
Net cash generated from operating activities	**9,533,869**	**12,638,398**
Cash flows from investing activities		
Purchase of tangible fixed assets	(13,385)	(128,024)
Interest received	294	1,098
Net cash used in investing activities	**(13,091)**	**(126,926)**
Cash flows from financing activities		
Repayment of loan notes	-	(7,561,064)
Loans received from directors	419,045	1,809,487
Bank loan received	-	500,000
Repayment of bank loans	(400,000)	(200,000)
Interest paid	(30,170)	(48,997)
Capital contributions	(10,483,692)	(3,953,372)
Net cash used in financing activities	**(10,494,817)**	**(9,453,946)**
Net increase in cash and cash equivalents	**(974,039)**	**3,057,526**
Cash and cash equivalents at beginning of year	3,522,156	464,630
Cash and cash equivalents at the end of year	**2,548,117**	**3,522,156**

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2022

1. Company Information

DP9 Limited is a Company, limited by shares, incorporated in England. The registered office is 100 Pall Mall, London, SW1Y 5NQ.

The company's principal activity during the year was the provision of high quality professional planning, development and regeneration advice to clients operating in the UK property sector.

2. Basis of preparation of the financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see Note 3).

Going Concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Recognition of income on contracts in progress at the year end

Due to the nature of the Company's operations, contracts operate over the year end and as such, management estimate the stage of completion of contracts and recognise the proportion of income based on costs incurred.

4. Principal Accounting policies

4.1 Business combinations

Acquisitions of businesses are accounted for using the purchase method, with acquisition accounting used. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Company plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill.

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NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2022

4. Principal Accounting policies (Continued)

4.2 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The intangible assets are amortised on a straight line basis over the following useful economic lives:

Goodwill	6 years
Client Relationships	5 years
Brand	5 years
Software development costs	5 years

4.3 Tangible Assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Leasehold improvements	5 years
Furniture, fittings and equipment	3 - 5 years
Computer equipment	3 years

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

4. Principal Accounting policies (Continued)

4.4 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income.

4.5 Stocks

Stocks represent direct expenditure on long term contracts, which is yet to be recovered. Cost is based on the cost of purchase and any directly attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its recoverable value. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

4.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

4.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

4. Principal Accounting policies (Continued)

4.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial posistion when there is an 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.

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2022

4. Principal Accounting policies (Continued)

4.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

4.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the Company recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

4.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial posistion. The assets of the plan are held separately from the Company in independently administered funds.

4.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

4.13 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

4. Principal Accounting policies (Continued)

4.14 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income, in the year in which they are incurred.

4.15 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

4.16 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract; and
- the stage of completion of the contract at the end of the reporting period can be measured reliably.

5. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Professional fees & expenses	24,496,113	21,263,085
Service charges	780,231	1,273,425
	25,276,344	**22,536,510**

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	**25,276,344**	**22,536,510**

6. Operating profit

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

	2022 £	2021 £
Depreciation of tangible fixed assets	217,652	184,192
Amortisation of intangible assets, including goodwill	11,171	683,862
Fees payable to the Company's auditors for the audit of the company's annual accounts	41,000	36,000
Fees payable to the Company's auditors for other services:		
Tax compliance services	8,250	7,000
Other operating lease rentals	593,696	577,764
Defined contribution pension cost	307,342	277,170
Government grants - furlough	(3,600)	(77,219)

Government grants disclosed above are amounts claimed by the Company under the Coronavirus Job Retention Scheme and are included within other operating income.

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7. Employees

Staff costs, including Directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	7,159,968	6,671,880
Social security costs	887,276	801,658
Cost of defined contribution scheme	307,342	277,170
	8,354,586	**7,750,708**

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
Professional	73	65
Administration	18	19
	91	**84**

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	2,454,777	2,466,451
Company contributions to defined contribution pension schemes	99,945	102,093
	2,554,722	**2,568,544**

During the year retirement benefits were accruing to 8 Directors (2021- 9) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £242,495 (2021 - £251,354).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £nil (2021 - £nil).

9. Interest receivable and similar income

	2022 £	2021 £
Other interest receivable	**294**	**1,098**

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10. Interest payable and similar charges

	2022 £	2021 £
Interest payable on overdrafts and bank loans	**30,170**	**48,997**

11. Tax on profit on ordinary activities

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	**2,532,436**	**1,894,985**

Factors affecting the tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% Main rate (2020 - 19% Main rate). The differences are explained below:

Profit on ordinary activities before tax	**12,836,501**	**10,773,321**
Tax on profit on ordinary activities at standard rate 19% (2021 - 19%)	2,438,935	2,046,931
Factors affecting charge for the year:		
Fixed asset differences	(1,393)	220
Expenses not deductible	23,807	9,080
Effect of change in tax rate	1	-
Other permanent differences	71,086	(161,246)
Total actual amount of current tax	**2,532,436**	**1,894,985**

There were no deferred tax charges or balances recognised in 2022 or 2021.

On 3 March 2021, the Chancellor of the Exchequer announced that the main rate of corporation tax in the United Kingdom will rise to 25% with effect from 1 April 2023 for companies earning annual taxable profits in excess of £250,000. Companies earning annual taxable profits of £50,000 or less will continue to pay corporation tax at 19% with a marginal rate adjustment for companies earning annual taxable profits between the two levels. These changes had been substantively enacted at the prior year Statement of financial position date and therefore an adjustment has been made to deferred taxation balances to account for this change.

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12. Intangible assets

	Client relation-ships	Brand	Goodwill	Software	Total
	£	£	£	£	£
Cost					
At 1 April 2021	6,933,396	1,127,022	46,939,582	180,073	55,180,073
Additions	-	-	-	-	-
At 31 March 2022	**6,933,396**	**1,127,022**	**46,939,582**	**180,073**	**55,180,073**
Amortisation					
At 1 April 2021	6,933,396	1,127,022	46,939,582	164,744	55,164,744
Charge for the year	-	-	-	11,171	11,171
At 31 March 2022	**6,933,396**	**1,127,022**	**46,939,582**	**175,915**	**55,175,915**
Net book value					
At 31 March 2022	**-**	**-**	**-**	**4,158**	**4,158**
At 31 March 2021	-	-	-	15,329	15,329

In April 2014 the company acquired 100% of the business of DP9 partnership, comprising its trade and assets as a going concern, for the purchase price of £55,000,000 and the assumption of the business's liabilities.

The partnership was a UK General Partnership engaged in planning, development and regeneration consultancy, to which the company had historically provided management services.

Following the transaction independent valuers were instructed to estimate the value of any identifiable intangible assets arising from the acquisition of the Partnership. Two such assets were identified, being Client Relationships and any associated contracts, together with Brand and the related trademarks.

As at the date of acquisition the Client Relationships of DP9 were measured at a fair value of £6,933,396. The carrying amount as at 31 March 2022 was £nil (31 March 2021 - £nil).

As at the date of acquisition the DP9 Brand was measured at a fair value of £1,127,022. The carrying amount as at 31 March 2022 was £nil (31 March 2021 - £nil).

The acquisition of DP9 in April 2014 led to the company recognising Goodwill of £46,939,582. The Directors have estimated the useful economic life of the acquired Goodwill to be 6 years. This estimate is based upon NPV analysis of the expected future cash flows required to provide a return on the overall investment. The carrying amount as at 31 March 2022 was £nil (31 March 2021 - £nil) and the Goodwill has been fully amortised.

Amortisation of intangible fixed assets is included in administrative expenses.

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For the Year ended 31 March 2022

13. Tangible fixed assets

	Assets under construction £	Leasehold improv-ements £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2021	4,083	794,493	239,267	356,135	1,393,978
Additions	-	-	5,717	7,668	13,385
Transfers between categories	(4,083)		4,083	-	-
Disposals	-	-	-	-	-
At 31 March 2022	**-**	**794,493**	**249,067**	**363,803**	**1,407,363**
Depreciation					
At 1 April 2021	-	141,424	121,396	322,180	585,000
Charge for the year	-	153,664	38,311	25,677	217,652
At 31 March 2022	**-**	**295,088**	**159,707**	**347,857**	**802,652**
Net book value					
At 31 March 2022	**-**	**499,405**	**89,360**	**15,946**	**604,711**
At 31 March 2021	4,083	653,069	117,871	33,955	808,978

14. Stocks

	2022 £	2021 £
Long term contract balances	78,982	92,275

Long term contract balances consist of:

	2022 £	2021 £
Costs to date	158,745	151,475
Less provision for losses	(79,763)	(59,200)
	78,982	**92,275**

15. Debtors

	2022 £	2021 £
Trade debtors	4,575,963	3,377,637
Other debtors	717,856	394,365
Prepayments and accrued income	6,774,648	6,508,700
	12,068,467	**10,280,702**

All amounts are due within one year
An impairment loss of £126,855 (2021: £123,364) was recognised against trade debtors.

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16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans and overdraft	350,000	325,000
Trade creditors	663,569	266,065
Corporation tax	1,246,203	986,772
Taxation and social security	485,056	979,933
Other creditors	84,632	65,842
Accruals and deferred income	1,941,425	1,376,696
Amounts due to directors	2,434,013	2,014,968
	7,204,898	**6,015,276**

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	425,000	850,000
	425,000	**850,000**

The bank loans and overdraft are secured by a fixed and floating charge against the assets of the company.

The company has a loans of £775,000 (2021 - £1,175,000) with the Royal Bank of Scotland PLC. The loans are repayable over 4 years. The interest rate on the loan is 2.90% per annum about the Bank's Base Rate.

The bank loans are further secured via personal guarantees from the board directors.

18. Leasing commitments

The company's future minimum operating lease payments are as follows:

	2022 £	2021 £
Amounts falling due with one year	628,564	381,506
Amounts falling due between one and five years	2,803,892	2,776,878
Amounts falling due later than 5 years	1,912,263	2,509,480

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19. Share capital

	2022 £	2021 £
Ordinary shares of £0.001 each		
Allotted, called-up and fully paid:		
1,250,000 (2021 - 1,250,000) Ordinary shares of £0.001 each	**1,250**	**1,250**

	2022 £	2021 £
Deferred Ordinary shares of £0.001 each		
Allotted, called-up and fully paid:		
31,250 (2021 - 31,250) Deferred Ordinary shares of £0.001	**31**	**31**

20. Reserves

Share premium account - the share premium account arose on the issue of shares by the Company at a premium to their nominal value.

Capital redemption reserve - represents the nominal value of own shares that have been acquired by the company and cancelled.

Called-up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - includes all current and prior period retained profits and losses.

Capital contributions - during the year the company made capital contributions of £10,483,682 (2021 - £3,953,372) to DP9 Trust Company Ltd as trustee of the DP9 Employee Ownership Trust, in line with its commitments under the sale and purchase agreement, for the entire issued share capital of DP9 Ltd, dated 22 August 2019.

21. Related party transactions

The Company's statutory Directors are the only individuals who have authority and responsibility for planning, directing and controlling the activities of DP9 Ltd and are consequently considered to be key management personnel. Total remuneration in respect of these individuals was £2,554,772 (2021 - £2,568,544).

The Company's Directors are no longer shareholders of the business. Dividends paid to the Company's Directors during the previous financial year amounted to £nil.

NOTES TO THE FINANCIAL STATEMENTS
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21. Related party transactions (continued)

During the year a number of Board Directors received repayments of £nil (2021 - £nil) for short term loans made to the company and a number of Board Directors made further loans to the company totalling £419,045 (2021 - £1,809,487). The amount owed to directors at the year end was £2,434,013 (2021 - £2,014,968) which was also the highest outstanding balance during the year. The loans were interest free and unsecured.

During the year the Company provided loans of £122,013 (2021 - £106,000) to Blue Investment Partners Ltd, a business which is under the control of the Directors. The amount due to the Company at the year end amounted to £336,103 (2021 - £214,090). The loan to Blue Investment Partners Ltd has been made at commercial terms and bears interest at 2% over DP9 Ltds cost of borrowing.

During the year the Company provided services to The Townscape Consultancy Limited, a business which is under the control of the Directors. Services and recharged costs provided to The Townscape Consultancy, during the year totalled £227,712 (2021 - £nil). The amount due to the Company at the year end amounted to £227,712 (2021 - £nil).

The Company's immediate and ultimate parent undertaking is DP9 Trustee Company Limited.

22. Financial risk management

The Company has exposure to two main areas of risk - liquidity risk and customer credit default. To a lesser extent the company is exposed to interest rate risk.

Liquidity risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Company has credit facilities available.

Customer credit exposure

The Company may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The Company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by additional credit control procedures, including in-house legal support, but also by strong on-going customer relationships.

Interest rate risk

The Company borrows from its bankers using either overdrafts or term loans whose tenure depends on the nature of the asset and management's view of the future direction of interest rate.

23. Financial instruments

	2022 £	2021 £
Financial assets that are debt instruments measured at amortised cost:		
Cash	2,548,117	3,522,156
Trade debtors	4,575,963	3,377,637
Other debtors	717,856	394,365
Accrued income	6,327,955	6,257,377
	14,169,891	**13,551,535**
Financial liabilities measured at amortised cost:		
Bank loans and overdrafts	775,000	1,175,000
Trade creditors	663,569	266,065
Other creditors	84,632	65,842
Accruals	1,941,425	1,376,696
Amounts due to directors	2,434,013	2,014,968
	5,898,639	**4,898,571**