Company registration number 05150902 (England and Wales)

QUINN ESTATES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

QUINN ESTATES LIMITED

COMPANY INFORMATION

Director	M W Quinn
Secretary	J Cavell
Company number	05150902
Registered office	The Cow Shed Highland Court Farm Bridge Canterbury Kent United Kingdom CT4 5HW
Auditor	Azets Audit Services 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent United Kingdom TN23 1FB

QUINN ESTATES LIMITED

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QUINN ESTATES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The director presents the strategic report for the year ended 31 March 2022.

Fair review of the business
The company's objectives are to grow its core business through continued improvements, efficiencies and good practices; aligning our processes to match the requirements of our major clients. We strive to be the South East's leading mixed-use developer.

The company's principal activities remain consistent with previous years. Its activities involve gaining planning permission on land and the development of building projects.

The financial position remains strong and in line with the directors' expectations. Net assets have increased from £2,454,196 as at 31 March 2021 to £2,765,407 as at 31 March 2022 following another strong trading year.

The results for the year and the financial position at the year-end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Principal risks and uncertainties
The director perceives the company's risks as follows:

Cyclical property market movements
Senior management has extensive experience and detailed understanding of the core markets in which the company operates. This expertise is supplemented by market leading external advisors and contacts to ensure the correct decisions are made at the right time.

Operational complexity
The business recognises there are certain complexities within the planning and delivery of the work undertaken. The Director looks to mitigate this risk by focusing its activities in the South East, with an understanding that local relationships and local knowledge play a key role in the company's success.

Competition
The business is exposed to typical commercial risks due to the competitive market of property development in the UK. The Director looks to mitigate this risk by providing high quality buildings across a mixed portfolio of projects.

Liquidity risk
Liquidity risk is actively managed through the preparation and review of consistent financial information, including budgets, cash flows and management accounts.

Key performance indicators
We consider the key financial performance indicators of the company to be turnover and the gross profit margin. Turnover on our core business has increased from £15.2m in 2021 to £24.9m in 2022 which is in line with the directors expectations due to a full year of work on our Deal and Herne Bay sites. The overall gross profit margin has fallen, moving to 11.8% for 2022 compared with 12.8% in 2021 as a result of rising material and labour costs throughout the construction industry.

On behalf of the board

M W Quinn
Director
23 December 2022

QUINN ESTATES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The director presents his annual report and financial statements for the year ended 31 March 2022.

Director
The director who held office during the year and up to the date of signature of the financial statements was as follows:

M W Quinn

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

Ordinary dividends were paid amounting to £300,000. The director does not recommend payment of a final dividend.

Political donations
The recipients and amounts of political donations are as follows:

Conservative Party - £31,200

Statement of director's responsibilities
The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement 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 company's auditor is unaware. Additionally, the director individually has taken all the necessary steps that they ought to have taken as director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

Accounting standards require the director to consider the appropriateness of the going concern basis when preparing the financial statements. The director confirms that they consider that the going concern basis remains appropriate.

On behalf of the board

M W Quinn
Director

23 December 2022

QUINN ESTATES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF QUINN ESTATES LIMITED

Opinion
We have audited the financial statements of Quinn Estates Limited (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the 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 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
In auditing the financial statements, we have concluded that the director's 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 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 director 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 director is 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- • the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF QUINN ESTATES LIMITED

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's 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, 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director
As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

A further description of our responsibilities 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.

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud. we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Robert Reynolds (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

23 December 2022

Chartered Accountants
Statutory Auditor

5th Floor
Ashford Commercial Quarter
1 Dover Place
Ashford
Kent
United Kingdom
TN23 1FB

QUINN ESTATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Turnover	3	24,948,868	15,195,093
Cost of sales		(22,017,106)	(13,257,358)
Gross profit		2,931,762	1,937,735
Administrative expenses		(2,190,450)	(1,249,259)
Other operating income		-	65,353
Operating profit	4	741,312	753,829
Interest receivable and similar income	7	32,756	-
Interest payable and similar expenses	8	(888)	(9,626)
Profit before taxation		773,180	744,203
Tax on profit	9	(161,969)	(224,589)
Profit for the financial year		611,211	519,614

The profit and loss account has been prepared on the basis that all operations are continuing operations.

QUINN ESTATES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**11**		83,704		17,959
Investments	**13**		500		500
			84,204		18,459
Current assets					
Stocks	**14**	3,916,527		2,706,835	
Debtors	**15**	6,815,455		8,902,558	
Cash at bank and in hand		208,777		869,154	
		10,940,759		12,478,547	
Creditors: amounts falling due within one year	**16**	(8,210,175)		(9,996,837)	
Net current assets			2,730,584		2,481,710
Total assets less current liabilities			2,814,788		2,500,169
Creditors: amounts falling due after more than one year	**17**		(33,206)		(42,892)
Provisions for liabilities					
Deferred tax liability	**18**	16,175		3,081	
			(16,175)		(3,081)
Net assets			2,765,407		2,454,196
Capital and reserves					
Called up share capital	**20**		1		1
Profit and loss reserves			2,765,406		2,454,195
Total equity			2,765,407		2,454,196

The financial statements were approved and signed by the director and authorised for issue on 23 December 2022

M W Quinn
Director

Company Registration No. 05150902

QUINN ESTATES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2020		1	2,184,581	2,184,582
Year ended 31 March 2021:				
Profit and total comprehensive income for the year		-	519,614	519,614
Dividends	**10**	-	(250,000)	(250,000)
Balance at 31 March 2021		1	2,454,195	2,454,196
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	611,211	611,211
Dividends	**10**	-	(300,000)	(300,000)
Balance at 31 March 2022		1	2,765,406	2,765,407

QUINN ESTATES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**25**		(72,044)		568,690
Interest paid			(888)		(9,626)
Income taxes paid			(226,308)		(87,452)
Net cash (outflow)/inflow from operating activities			(299,240)		471,612
Investing activities					
Purchase of tangible fixed assets		(93,650)		(11,015)	
Proceeds on disposal of tangible fixed assets		(243)		-	
Interest received		32,756		-	
Net cash used in investing activities			(61,137)		(11,015)
Financing activities					
Repayment of bank loans				50,000	
Dividends paid		(300,000)		(250,000)	
Net cash used in financing activities			(300,000)		(200,000)
Net (decrease)/increase in cash and cash equivalents			(660,377)		260,597
Cash and cash equivalents at beginning of year			869,154		608,557
Cash and cash equivalents at end of year			208,777		869,154

1 Accounting policies

Company information

Quinn Estates Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Cow Shed, Highland Court Farm, Bridge, Canterbury, Kent, United Kingdom, CT4 5HW.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the director has prepared profit and cash flow projections and on the basis of these projections has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of construction services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 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, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance
Motor vehicles	25% straight line

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 credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1 Accounting policies **(Continued)**

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Work in progress

Stock and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of work in progress over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Work in progress is accumulated and invoiced to the relevant related companies when agreed between the companies.

1 Accounting policies **(Continued)**

1.8 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal 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 company 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1 Accounting policies **(Continued)**

1.11 Equity instruments

Equity instruments issued by the company 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 company.

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 company'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 when the company has 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 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

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

1.15 Leases

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

1 Accounting policies **(Continued)**

1.16 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.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Property development	24,948,868	15,195,093

	2022	2021
	£	£
Turnover analysed by geographical market		
UK	24,948,868	15,195,093

	2022	2021
	£	£
Other revenue		
Interest income	32,756	-
Grants received	-	65,353

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2022 £	2021 £
Government grants	-	(65,353)
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	16,000
Depreciation of owned tangible fixed assets	27,905	6,080
Loss on disposal of tangible fixed assets	243	-
Operating lease charges	92,731	91,707

5 Employees

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

	2022 Number	2021 Number
	23	18

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	1,212,129	821,646
Social security costs	134,729	84,082
Pension costs	60,543	14,882
	1,407,401	920,610

6 Director's remuneration

	2022 £	2021 £
Remuneration for qualifying services	8,628	8,125

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Other interest income	32,756	-

8 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	888	30
Other finance costs:		
Other interest	-	9,596
	888	9,626

9 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	148,875	142,265
Adjustments in respect of prior periods	-	81,314
Total current tax	148,875	223,579
Deferred tax		
Origination and reversal of timing differences	13,094	1,010
Total tax charge	161,969	224,589

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

	2022	2021
	£	£
Profit before taxation	773,180	744,203
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	146,904	141,399
Tax effect of expenses that are not deductible in determining taxable profit	46,421	17,484
Group relief	(18,805)	(5,220)
Permanent capital allowances in excess of depreciation	(12,551)	(11,398)
Other non-reversing timing differences	-	1,010
Under/(over) provided in prior years	-	81,314
Taxation charge for the year	161,969	224,589

10 Dividends

	2022	2021
	£	£
Interim paid	300,000	250,000

11 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2021	37,245	14,568	-	51,813
Additions	-	3,150	90,500	93,650
At 31 March 2022	37,245	17,718	90,500	145,463
Depreciation and impairment				
At 1 April 2021	28,731	5,123	-	33,854
Depreciation charged in the year	2,130	3,150	22,625	27,905
At 31 March 2022	30,861	8,273	22,625	61,759
Carrying amount				
At 31 March 2022	6,384	9,445	67,875	83,704
At 31 March 2021	8,514	9,445	-	17,959

12 Associates

Details of the company's associates at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Downriver Holdings Limited	United Kingdom	Investment holding	Ordinary	50.00	-
Downriver Properties Limited	United Kingdom	Buying and selling of own real estate	Ordinary	0	50.00

13 Fixed asset investments

	Notes	2022	2021
		£	£
Investments in associates	12	500	500

13 Fixed asset investments **(Continued)**

Movements in fixed asset investments

	Shares in participating interests £
Cost or valuation	
At 1 April 2021 & 31 March 2022	500
Carrying amount	
At 31 March 2022	500
At 31 March 2021	500

14 Stocks

	2022 £	2021 £
Work in progress	3,916,527	2,706,835

15 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	260,238	275,580
Gross amounts owed by contract customers	1,272,379	1,193,179
Amounts owed by parent undertaking	311,125	-
Amounts owed by undertakings in which the company has a participating interest	906,053	903,153
Other debtors	3,781,173	6,405,165
Prepayments and accrued income	284,487	125,481
	6,815,455	8,902,558

16 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans		9,687	7,108
Trade creditors		4,612,275	3,622,467
Amounts owed to parent undertaking		-	1,983,196
Corporation tax		148,875	219,201
Other taxation and social security		498,522	232,312
Deferred income		232,333	1,034,583
Other creditors		2,214,281	2,466,818
Accruals and deferred income		494,202	431,152
		8,210,175	9,996,837

17 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans		33,206	42,892

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Balances:	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	16,175	3,081

Movements in the year:	2022 £
Liability at 1 April 2021	3,081
Charge to profit or loss	13,094
Liability at 31 March 2022	16,175

The deferred tax liability set out above relates to accelerated capital allowances.

19 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	60,543	14,882

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2022	2021	2022	2021
Ordinary share capital	**Number**	**Number**	£	£
Issued and fully paid				
Ordinary share of £1 each	1	1	1	1

21 Financial commitments, guarantees and contingent liabilities

The company is part of a group registration for value added tax along with its parent company Quinn Investments Limited. The company would become liable should Quinn Investments Limited become unable to meet any future VAT obligations. As at 31 March 2022 the VAT liability of Quinn Estates Limited amounted to £354,391. The group VAT liability as at 31 March 2022 amounted to £314,127.

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
Within one year	121,584	98,220
Between two and five years	103,921	141,773
	225,505	239,993

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	48,100	46,590

Transactions with related parties

During the year the company entered into the following transactions with related parties:

23 Related party transactions **(Continued)**

Mark Quinn is a director and controlling shareholder of Quinn Estates Limited. During the year, Quinn Estates Limited made sales to M Quinn of £12,106 (2021:£10,832) in respect of the construction of his personal property.

Mark Quinn is also a director and controlling shareholder of Quinn Estates Kent Limited. During the year, Quinn Estates Limited made sales to Quinn Estates Kent Limited of £2,959,494 (2021: £1,754,462). Included within debtors is an amount due from Quinn Estates Kent Limited of £1,698,435 (2021: £4,617,931).

Mark Quinn is also a director and controlling shareholder of Quinn Estates Kent Limited. Quinn Estates Kent Limited has numerous joint venture arrangements with 3rd parties in relation to various development projects. During the year, Quinn Estates Limited made sales to these third parties of £8,078,054 (2021: £5,993,713). Included within debtors is an amount due from these third parties of £1,189,504 (2021: £1,135,253). Included within creditors is an amount due to these third parties of £582,485 (2021: £454,610).

Mark Quinn is also a director and controlling shareholder of Quinn Estates Kent Limited. Quinn Estates Kent Limited has a number of subsidiaries in relation to various development projects. During the year, Quinn Estates Limited made sales to these subsidiaries of £7,275,823 (2021: £2,987,958). During the year, Quinn Estates Limited made purchases from these subsidiaries of £75,000 (2021: £75,000). Included within debtors is an amount due from these subsidiaries of £654,068 (2021: £554,980). Included within creditors is an amount due to these subsidiaries of £nil (2021: £nil).

Mark Quinn is also a director and shareholder of several joint venture arrangements in relation to various development projects. During the year, Quinn Estates Limited made sales to these joint ventures of £2,420,928 (2021: £45,015 credit). Included within debtors is an amount due from these joint ventures of £79,950 (2021: £25,000). Included within creditors is an amount due to these joint ventures of £228,990 (2021: £31,758).

Mark Quinn is also a director and controlling shareholder of Quinn Homes Limited. Included within debtors is an amount due from Quinn Homes Limited of £2,950 (2021: £15,020).

Mark Quinn is also a director of Downriver Holdings Limited, an associate of Quinn Estates Limited. Included within debtors is an amount due from Downriver Holdings Limited of £906,053 (2021: £903,153). During the year, Quinn Estates Limited made sales to Downriver Holdings Limited of £34,345 (2021: £171,524).

The company has taken advantage of the exemption available in FRS 102 whereby it has not disclosed transactions entered into between two or more members of a group, where the subsidiary which is party to the transactions is wholly owned by such a member.

24 Ultimate controlling party

The immediate parent company is Quinn Investments Limited, a company incorporated in Great Britain. Their registered office is The Cow Shed, Highland Court Farm, Bridge, Kent, CT4 5HW.

The ultimate controlling party is considered to be Mr M Quinn by virtue of his majority shareholding in Quinn Investments Limited.

25 Cash (absorbed by)/generated from operations

	2022	2021
	£	£
Profit for the year after tax	611,211	519,614
Adjustments for:		
Taxation charged	161,969	224,589
Finance costs	888	9,626
Investment income	(32,756)	-
Loss on disposal of tangible fixed assets	243	-
Depreciation and impairment of tangible fixed assets	27,905	6,080
Movements in working capital:		
Increase in stocks	(1,209,692)	(650,223)
Decrease in debtors	2,087,103	1,050,321
Decrease in creditors	(916,665)	(1,415,714)
(Decrease)/increase in deferred income	(802,250)	824,397
Cash (absorbed by)/generated from operations	(72,044)	568,690

26 Analysis of changes in net funds

	1 April 2021	Cash flows	31 March 2022
	£	£	£
Cash at bank and in hand	869,154	(660,377)	208,777
Borrowings excluding overdrafts	(50,000)	7,107	(42,893)
	819,154	(653,270)	165,884