Company Registration No. 05092507

DP9 LIMITED
REPORT AND FINANCIAL STATEMENTS
31 March 2021

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
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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DP9 Limited
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STRATEGIC REPORT
For the Year ended 31 March 2021

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. During the 2021 financial year, DP9 was engaged on over 702 active projects in its core London market. On a regional basis DP9 provides advice to a growing range of clients, as the number of complex regional development opportunities continues to increase.

BUSINESS REVIEW

After a period of strong business growth, culminating in a record year to March 2020, the COVID-19 pandemic and subsequent delays to development activity saw the business's total professional fees excluding recharged expenses reduce by 8.1% to £20.7m . Given the unprecedented nature of the pandemic, with contingency planning indicating possible revenue reductions in excess of 25%, the Board view the March 2021 results as extremely positive. Forecasts for the 2022 financial year predict a strong recovery with annual professional fees excluding recharged expenses expected to be in the region of £22.5m returning to, and potentially exceeding, pre-pandemic turnover levels due to pent-up development demand.

During the pandemic the business made a strategic decision not to materially reduce staff head count, opting instead to introduce short term cashflow measures. As a result, direct costs (excluding debt impairment costs and project related expenses) actually increased by 7%. Administration expenses (excluding amortisation) fell by 14.1%, with the cost decreases largely driven by COVID-19 lockdowns, resulting in a temporary pause to business development and marketing activities along with reductions in discretionary staff expenditure. The removal of prior year one-off costs relating to the EOT transition accounted for the remaining cost savings. Despite the ongoing impact of the COVID-19 pandemic, debt impairment costs stabilised as the business proactively managed its client relationships. Cash collection rates and overall debt recoverability remain a key issue for the business and have shown significant improvement.

Overall EBITA decreased by 3.4% when compared to the prior year, the main driver being revenue reduction given the fact that increases in direct costs were offset by savings in administration expenses and debt impairment costs.

DP9 continues to maintain focus on its three key strategic aims: business continuity; enhancing competitiveness; and maximising growth opportunities. To support these aims, DP9 is committed to bringing forward new talent at all levels of the business, from Director to graduate, via internal advancement and targeted external recruitment. Even at the height of the COVID-19 pandemic the business still recruited a full graduate intake. DP9 continues to adapt its service offering to reflect changes in the market place, particularly with regard to new and innovative forms of development. While London remains the business's core market, DP9 is increasingly providing regional services, advising a range of clients on complex redevelopment projects.

PRINCIPAL RISKS AND UNCERTAINTIES

Property development by its nature carries a relatively high level of risk given its sensitivities to both political and economic events. Consultants operating in the sector are therefore indirectly exposed to the same risks and uncertainties that our clients face.

The COVID-19 global pandemic increased that risk and uncertainty. The resultant lockdowns saw a reduction in development activity, however, due to both government support and investor demand the property sector has made a strong recovery. Nevertheless, new risks have now emerged, including the future demand for commercial office space, the accelerated decline of the retail sector and the potential shift in residential demand both in terms of location and product type. However, significant development opportunities have been created, especially with regard to the repurposing of retail space and the drive to reinvigorate towns and cities to meet future demands.

STRATEGIC REPORT (continued)
For the Year ended 31 March 2021

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The ever changing political landscape generates increasing uncertainty, from the Government's latest planning white paper, to Net Zero requirements, and increasing demands for greater levels of affordable housing. These uncertainties continue to increase the risk and cost profile for developers, which in turn could reduce activity. Global political uncertainty is also now impacting the UK property market and while DP9's client base is not directly affected, the indirect consequences of higher inflation and higher interest rates may well have a measurable impact.

Interest rate risk, historically a key development risk, has since 2008 been effectively ignored as borrowing rates were held at extremely low levels. However, the supply side of the economy started to face growing inflationary pressure, caused by labour shortages in the construction sector and a significant rise in raw material prices due to COVID-19 supply chain distribution. Both of these factors led to substantial increases in build costs, which in themselves are now a major concern for developers. This inflationary pressure has also been accelerated by global political factors and has now resulted in a material change to monetary policy, with interest rates expected to rise rapidly to more historic trend levels. As a result, interest rate risk has now returned to the development market and while DP9 is not dependent on third party financing, a substantial proportion of our client base access the debt markets to fund transactions. Given the rising cost of capital, transaction levels and development activity may well reduce, directly impacting DP9 revenues. Furthermore the residential market may face additional headwinds as end user demand could be significantly reduced due to costs of living concerns, again potentially resulting in less residential development activity.

KEY PERFORMANCE INDICATORS

The company uses a range of standard key financial performance indicators, including average revenue per project, net profit per project and debtor days. Non-financial performance indicators include staff turnover and client retention. In the 2020/21 financial year the business met all of its key performance targets including Debtor Days. After COVID-19 related write-offs in the previous year, the Board further tightened its debt management systems. While Directors continue to take personal responsibility for the collection of their individual debts, the timing of Director remuneration is now also linked to debt recovery levels. Furthermore, the business has continued to improve its client management and reporting systems to identify any potential debt problems earlier in the project life cycle. These changes continue to drive an increase in cash collection rates and overall debt recovery, as demonstrated by the significant improvement in debtor days.

The report was approved by the Board on 7 November 2022 and signed on its behalf.

Malcolm Kerr

M J Kerr
Chief Executive Officer

DIRECTORS' REPORT
For the Year ended 31 March 2021

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

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 £10,773,321 (2020 - £4,021,294) with a retained profit after tax of £8,878,336 (2020 - £3,159,168).

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 2021

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 23).

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.

AUDITORS

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report was approved by the Board on 7 November 2022 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 2021, which comprise the Statement of comprehensive income, balance sheet, 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 2021 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.

Grant Thornton

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.

GrantThornton

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 Balance Sheet;
  - 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.

GrantThornton

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
7 November 2022

DP9 Limited
Registered number: 05092507

STATEMENT OF COMPREHENSIVE INCOME
For the Year ended 31 March 2021

	Note	2021 £	2020 £
TURNOVER	**5**	22,536,510	24,187,593
Cost of sales		(7,563,544)	(7,997,494)
GROSS PROFIT		**14,972,966**	**16,190,099**
Administrative expenses		(4,248,952)	(12,143,247)
Other operating income		97,206	-
OPERATING PROFIT		**10,821,220**	**4,046,852**
Interest receivable and similar income	**9**	1,098	1,382
Interest payable and similar charges	**10**	(48,997)	(26,310)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**10,773,321**	**4,021,924**
Tax on profit on ordinary activities	**11**	(1,894,985)	(862,756)
PROFIT FOR THE FINANCIAL YEAR		**8,878,336**	**3,159,168**

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

The notes on pages 13 to 27 form part of these financial statements.

DP9 Limited
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BALANCE SHEET
As at 31 March 2021

	Note		2021 £		2020 £
FIXED ASSETS					
Intangible assets	12		15,329		699,191
Tangible assets	13		808,978		916,031
			824,307		**1,615,222**
CURRENT ASSETS					
Stocks	14	92,275		139,270	
Debtors: Amounts falling due within one year	15	10,280,702		12,856,836	
Cash at bank and in hand		3,522,156		464,630	
		13,895,133		**13,460,736**	
CREDITORS: amounts falling due within one year	16	(6,015,276)		(11,521,758)	
NET CURRENT ASSETS / (LIABILITIES)			7,879,857		1,938,978
TOTAL ASSETS LESS CURRENT LIABILITIES			**8,704,164**		**3,554,200**
CREDITORS: amounts falling due greater than one year	17		(850,000)		(625,000)
NET ASSETS			**7,854,164**		**2,929,200**
CAPITAL AND RESERVES					
Called up share capital	20		1,281		1,281
Share premium account	21		1,004,263		1,004,263
Capital redemption reserve	21		158		158
Profit and loss account	21		6,848,462		1,923,498
SHAREHOLDERS' FUNDS			**7,854,164**		**2,929,200**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 November 2022

David Griffiths

D P P Griffiths
Finance Director

The notes on pages 13 to 27 form part of these financial statements.

DP9 Limited
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STATEMENT OF CHANGES IN EQUITY
As at 31 March 2021

	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 April 2019	**1,084**	**-**	**-**	**4,199,143**	**4,200,227**
Profit & total comprehensive income for the year	-			3,159,168	3,159,168
Issue of shares	355	1,004,263	-	-	1,004,618
Share buy back	(158)	-	158	(2,187,196)	(2,187,196)
Capital contribution	-	-	-	(3,247,617)	(3,247,617)
At 31 March 2020	**1,281**	**1,004,263**	**158**	**1,923,498**	**2,929,200**

	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**

The notes on pages 13 to 27 form part of these financial statements.

DP9 Limited
Registered number: 05092507

STATEMENT OF CASH FLOWS
As at 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	**8,878,336**	**3,159,168**
Adjustments for:		
Amortisation of intangible assets	683,862	7,993,537
Depreciation of tangible assets	184,192	61,503
Reclassification of fixed assets to revenue expenditure	50,886	-
Interest paid	48,997	26,310
Interest received	(1,098)	(1,382)
Decrease / (Increase) in debtors	2,576,133	(278,119)
Decrease / (Increase) in stocks	46,995	(107,346)
Increase / (Decrease) in creditors	13,074	658,848
Cash from operations	12,481,377	11,512,519
Corporation tax	157,021	562,446
Net cash generated from operating activities	**12,638,398**	**12,074,965**
Cash flows from investing activities		
Purchase of tangible fixed assets	(128,024)	(866,006)
Purchase of intangible assets	-	(1,630)
Interest received	1,098	1,382
Net cash used in investing activities	**(126,926)**	**(866,254)**
Cash flows from financing activities		
Repayment of loan notes	(7,561,064)	(7,428,781)
Loans received from / (repaid to) directors	1,809,487	(175,505)
Bank loan received	500,000	1,000,000
Repayment of bank loans	(200,000)	(125,000)
Interest paid	(48,997)	(26,310)
Capital contributions	(3,953,372)	(3,247,617)
Issue of ordinary capital	-	1,004,618
Purchase of own shares	-	(2,187,196)
Net cash used in financing activities	**(9,453,946)**	**(11,185,791)**
Net increase in cash and cash equivalents	**3,057,526**	**22,920**
Cash and cash equivalents at beginning of year	464,630	441,710
Cash and cash equivalents at the end of year	**3,522,156**	**464,630**

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

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.

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.

4. Principal Accounting policies (Continued)

4.3 Tangible Assets (Continued)

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.

4.4 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 balance sheet 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 Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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 2021

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 Balance Sheet. 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 Balance Sheet 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:

	2021 £	2020 £
Professional fees & expenses	21,263,085	23,753,460
Service charges	1,273,425	410,000
Sundry income	-	24,133
	22,536,510	**24,187,593**

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	**22,536,510**	**24,187,593**

6. Operating profit

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

	2021 £	2020 £
Depreciation on tangible fixed assets	184,192	61,503
Amortisation of intangible assets, including goodwill	683,862	7,993,537
Fees payable to the Company's auditors for the audit of the company's annual accounts	36,000	30,000
Fees payable to the Company's auditors for other services:		
Tax compliance services	7,000	6,900
Other operating lease rentals	577,764	658,093
Defined contribution pension cost	277,170	297,943
Government grants - furlough	(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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NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

7. Employees

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

	2021 £	2020 £
Wages and salaries	6,671,880	6,205,462
Social security costs	801,658	759,580
Cost of defined contribution scheme	277,170	297,943
	7,750,708	**7,262,985**

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

	2021	2020
Professional	65	67
Administration	19	19
	84	**86**

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	2,466,451	2,393,271
Company contributions to defined contribution pension schemes	102,093	104,998
	2,568,544	**2,498,269**

During the year retirement benefits were accruing to 9 Directors (2020 - 10) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £251,354 (2020 - £227,809).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £nil (2020 - £nil).

9. Interest receivable and similar income

	2021 £	2020 £
Other interest receivable	**1,098**	**1,382**

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

10. Interest payable and similar charges

	2021 £	2020 £
Interest payable on overdrafts and bank loans	**48,997**	**26,310**

11. Tax on profit on ordinary activities

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	**1,894,985**	**862,756**

Factors affecting the tax charge for the year

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

	2021	2020
Profit on ordinary activities before tax	**10,773,321**	**4,021,924**
Tax on profit on ordinary activities at standard rate 19% (2020 - 19%)	2,046,931	764,166
Factors affecting charge for the year:		
Fixed asset differences	220	-
Expenses not deductible	9,080	28,752
Effect of change in tax rate	-	2,606
Other permanent differences	(161,246)	67,232
Total actual amount of current tax	**1,894,985**	**862,756**

There were no deferred tax charges or balances recognised in 2021 or 2020.

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 not been substantively enacted at the Balance Sheet date and therefore no adjustment has been made to deferred taxation balances to account for this change.

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

12. Intangible assets

	Client relation-ships £	Brand £	Goodwill £	Software £	Total £
Cost					
At 1 April 2020	6,933,396	1,127,022	46,939,582	180,073	55,180,073
Additions	-	-	-	-	-
At 31 March 2020	**6,933,396**	**1,127,022**	**46,939,582**	**180,073**	**55,180,073**
Amortisation					
At 1 April 2020	6,933,396	1,127,022	46,287,643	132,821	54,480,882
Charge for the year	-	-	651,939	31,923	683,862
At 31 March 2021	**6,933,396**	**1,127,022**	**46,939,582**	**164,744**	**55,164,744**
Net book value					
At 31 March 2021	**-**	**-**	**-**	**15,329**	**15,329**
At 31 March 2020	-	-	651,939	47,252	699,191

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 2021 was £nil (31 March 2020 - £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 2021 was £nil (31 March 2020 - £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 2021 was £nil (31 March 2020 - £651,939) and the Goodwill has been fully amortised.

Amortisation of intangible fixed assets is included in administrative expenses.

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NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

13. Tangible fixed assets

	Assets under construction £	Leasehold improv-ements £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2020	825,343	26,177	112,724	352,595	1,316,839
Additions	4,083	95,738	24,663	3,540	128,024
Transfers between categories	(774,457)	672,578	101,879	-	-
Disposals	(50,886)	-	-	-	(50,886)
At 31 March 2021	**4,083**	**794,493**	**239,267**	**356,135**	**1,393,977**
Depreciation					
At 1 April 2020	-	25,552	89,080	286,176	400,808
Charge for the year	-	115,872	32,316	36,004	184,192
At 31 March 2021	**-**	**141,424**	**121,396**	**322,180**	**585,000**
Net book value					
At 31 March 2021	**4,083**	**653,069**	**117,871**	**33,955**	**808,978**
At 31 March 2020	825,343	625	23,644	66,419	916,031

14. Stocks

	2021 £	2020 £
Long term contract balances	92,275	139,270

Long term contract balances consist of:

	2021 £	2020 £
Costs to date	151,475	190,222
Less provision for losses	(59,200)	(50,952)
	92,275	**139,270**

NOTES TO THE FINANCIAL STATEMENTS
For the Year ended 31 March 2021

15. Debtors

	2021 £	2020 £
Trade debtors	3,377,637	7,578,386
Other debtors	394,365	364,943
Prepayments and accrued income	6,508,700	4,913,507
	10,280,702	**12,856,836**

All amounts are due within one year

An impairment loss of £123,364 (2020: £403,499) was recognised against trade debtors.

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	-	7,561,064
Bank loans and overdraft	325,000	250,000
Trade creditors	266,065	666,367
Corporation tax	986,772	829,751
Taxation and social security	979,933	1,355,024
Other creditors	65,842	107,585
Accruals and deferred income	1,376,696	546,486
Amounts due to directors	2,014,968	205,481
	6,015,276	**11,521,758**

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

	2021 £	2020 £
Bank loans and overdrafts	850,000	625,000
	850,000	**625,000**

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 £1,175,000 (2020 - £875,000) 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. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year	-	**7,561,064**

Other loans consists of interest free, unsecured Loan Notes, which are repayable on demand (as per the amended loan note instrument dated 04 March 2016 and effective from 01 May 2014).

The loan balances was fully repaid in the year.

19. *Leasing commitments*

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

	2021 £	2020 £
Amounts falling due with one year	381,506	175,080
Amounts falling due between one and five years	2,776,878	2,392,760
Amounts falling due later than 5 years	2,509,480	3,209,800

20. Share capital

	2021 £	2020 £
Ordinary shares of £0.001 each		
Allotted, called-up and fully paid:		
1,250,000 (2020 - 1,250,000) Ordinary shares of £0.001 each	**1,250**	**1,250**

	2021 £	2020 £
Deferred Ordinary shares of £0.001 each		
Allotted, called-up and fully paid:		
31,250 (2020 - 31,250) Deferred Ordinary shares of £0.001	**31**	**31**

21. 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 £3,953,372 (2020 - £3,247,617) 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.

22. 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 £2,568,544 (2020 - £2,498,269).

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.

During the year repayments of £7,561,064 (2020 - £7,428,781) were made to Loan Note holding Directors, with the total Loan Note balance outstanding at the end of the financial year due to Directors amounting to £nil (2020 - £7,561,064).

During the year a number of Board Directors received repayments of £nil (2020 - £175,505) for short term loans made to the company and a number of Board Directors made further loans to the company totalling £1,809,487 (2020 - £nil). The amount owed to directors at the year end was £2,014,968 (2020 - £205,481) 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 £106,000 (2020 - £108,090) 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 £214,090 (2020 - £108,090). The loan to Blue Investment Partners Ltd has been made at commercial terms and bears interest at 2% over DP9 Ltds cost of borrowing.

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

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23. 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.

24. Financial instruments

	2021 £	2020 £
Financial assets that are debt instruments measured at amortised cost:		
Cash	3,522,156	464,630
Trade debtors	3,377,637	7,578,386
Other debtors	394,365	364,943
Accrued income	6,257,377	4,675,753
	13,551,535	**13,083,712**
Financial liabilities measured at amortised cost:		
Other loans	-	7,561,064
Bank loans and overdrafts	1,175,000	875,000
Trade creditors	266,065	666,367
Other creditors	65,842	107,585
Accruals	1,376,696	546,486
Amounts due to directors	2,014,968	205,481
	4,898,571	**9,961,983**