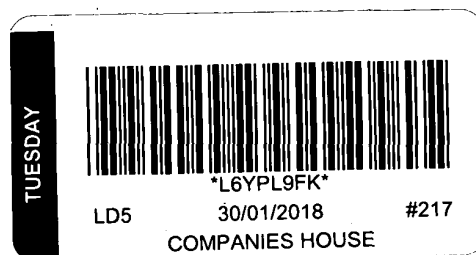


**COMPANY REGISTRATION NUMBER: 04134738**

**Helical Services Limited (previously Helical Bar Services Limited)**

**Report and Financial Statements**

**31 March 2017**



# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Financial Statements**

**Year ended 31 March 2017**

---

<b>Contents</b>	<b>Pages</b>
Officers and professional advisers	<b>1</b>
Strategic report	<b>2</b>
Directors' report	<b>3 to 4</b>
Independent auditor's report to the members	<b>5 to 6</b>
Statement of income and retained earnings	<b>7</b>
Statement of financial position	<b>8</b>
Notes to the financial statements	<b>9 to 16</b>

---

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Officers and Professional Advisers**

---

### **The board of directors**

TJ Murphy  
GA Kaye

### **Company secretary**

Helical Registrars Limited

### **Registered office**

5 Hanover Square  
London  
W1S 1HQ

### **Auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditors  
London

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Strategic Report**

**Year ended 31 March 2017**

---

Helical Services Limited ("the Company") provides administration services to Helical plc and its subsidiaries ("the Group"), employing all the Group's directors and other employees. These administration services are charged to Group companies in the form of an annual management charge reflecting the level of services provided to each company. In addition, the Company acts as development manager on a small number of properties held in joint venture with third parties.

The directors consider the future activity of the Company to be comparable to the current year.

### **Results and dividends**

The results for the year can be found in the Statement of Income and Retained Earnings on page 7. The fall in turnover from prior year is largely driven by a fall in project management fees and management charges which are linked to the sales and purchases activity in the year and the timing of these are dependant on the stages of projects. The directors have not paid a dividend (2016: £nil).

### **Principal risks and uncertainties**

The principal risks of Helical Services Limited are closely linked to those of Helical plc, the company's ultimate parent undertaking. An assessment of the principal risks and uncertainties facing the Helical plc group are available in its annual report and accounts for the year ended 31 March 2017.

The main risk facing Helical Services Limited is that of employment and retention of key personnel. The company employs highly experienced senior management and the average length of service is high. The Nominations Committee and the Board of Helical plc regularly review succession planning issues and remuneration is set to attract and retain high calibre staff.

This report was approved by the board of directors on 26 January 2018 and signed by order of the board by:



Helical Registrars Limited

Company Secretary

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Directors' Report**

**Year ended 31 March 2017**

---

The directors present their report and the financial statements of the company for the year ended 31 March 2017.

### **Directors**

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

TJ Murphy  
GA Kaye  
DCE Walker  
ME Slade

(Resigned 25 July 2016)

### **Dividends**

The directors do not recommend the payment of a dividend.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

## Helical Services Limited (previously Helical Bar Services Limited)

### Directors' Report *(continued)*

Year ended 31 March 2017

---

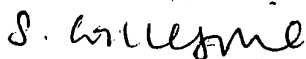
#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the Company receives notice under Section 488(1) of the Act.

This report was approved by the board of directors on 26 January 2018 and signed by order of the board by:



Helical Registrars Limited

Company Secretary

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Independent Auditor's Report to the Members of Helical Services Limited (previously Helical Bar Services Limited)**

We have audited the financial statements of Helical Services Limited (previously Helical Bar Services Limited) for the year ended 31 March 2017 which comprise the statement of income and retained earnings, the statement of financial position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 to 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 has been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the 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 any material misstatements in the Strategic Report and the Directors' Report.

## Helical Services Limited (previously Helical Bar Services Limited)

### Independent Auditor's Report to the Members of Helical Services Limited (previously Helical Bar Services Limited) (continued)

---

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.

*Stephen Maslin*

Stephen Maslin (Senior Statutory Auditor)

Grant Thornton UK LLP  
Chartered Accountants and Statutory Auditors  
London

*29th July 2018*



# Helical Services Limited (previously Helical Bar Services Limited)

## Statement of Income and Retained Earnings

Year ended 31 March 2017

	Note	2017 £	2016 £
<b>Turnover</b>	<b>4</b>	<b>9,491,756</b>	<b>55,842,666</b>
Cost of sales		<b>(15,016,900)</b>	<b>(19,384,974)</b>
<b>Gross (loss)/profit</b>		<b>(5,525,144)</b>	<b>36,457,692</b>
Administrative expenses		<b>(100,000)</b>	<b>(101,957)</b>
Change in fair value of current asset investments	<b>5</b>	<b>(1,035,288)</b>	<b>—</b>
<b>Operating (loss)/profit</b>	<b>6</b>	<b>(6,660,432)</b>	<b>36,355,735</b>
Interest payable	<b>9</b>	<b>(167)</b>	<b>(883)</b>
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(6,660,599)</b>	<b>36,354,852</b>
Taxation on ordinary activities	<b>10</b>	<b>(2,555,144)</b>	<b>129,385</b>
<b>(Loss)/profit for the financial year and total comprehensive income</b>		<b>(9,215,743)</b>	<b>36,484,237</b>
<b>Retained earnings at the start of the year</b>		<b>56,617,831</b>	<b>20,133,594</b>
<b>Retained earnings at the end of the year</b>		<b>47,402,088</b>	<b>56,617,831</b>

All the activities of the company are from continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

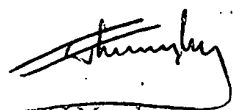
# Helical Services Limited (previously Helical Bar Services Limited)

## Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	11	62,404,187	77,601,787
Investments	12	3,951,752	15,421,204
		<u>66,355,939</u>	<u>93,022,991</u>
<b>Creditors: amounts falling due within one year</b>	14	(18,953,850)	(36,405,159)
<b>Net current assets</b>		<u>47,402,089</u>	<u>56,617,832</u>
<b>Total assets less current liabilities</b>		<u>47,402,089</u>	<u>56,617,832</u>
<b>Net assets</b>		<u>47,402,089</u>	<u>56,617,832</u>
<b>Capital and reserves</b>			
Called up share capital	17	1	1
Profit and loss account	18	47,402,088	56,617,831
<b>Members funds</b>		<u>47,402,089</u>	<u>56,617,832</u>

These financial statements were approved by the board of directors and authorised for issue on 26 January 2018, and are signed on behalf of the board by:



T.J. Murphy  
Director

Company registration number: 04134738

The notes on pages 9 to 16 form part of these financial statements.

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Notes to the Financial Statements**

**Year ended 31 March 2017**

---

### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **2. Company information**

Helical Services Limited is a company limited by shares incorporated in England and Wales within the United Kingdom. The address of its registered office is disclosed on page 1, which is also its principal place of business.

#### **Principal activity**

The company is principally engaged in providing services to Helical plc and its subsidiary undertakings.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The figures within the financial statements have been rounded to the nearest £.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Helical plc which can be obtained from their registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) No cash flow statement has been presented for the company.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Recognition of development management project revenue, where payment for these services is triggered by a future event (sale or letting of the property).
- Calculation and assessment of the recoverability of deferred tax assets, where it has been assumed that sufficient taxable profits will be available in future periods to allow the asset to be recovered.

# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

---

### 3. Accounting policies (continued)

#### Judgements and key sources of estimation uncertainty (continued)

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Determination of the stage of completion of development management projects which impact the amount of development management revenue. There are no changes in assumptions for which the reasonably possible outcomes would have a material impact on the revenue recognised in the year.

- Recognition of share-based payments which is dependent upon the estimated number of performance share plan awards that will vest at the end of the periods based on future forecast performance and employee retention. The 2014 award is an actual figure therefore the estimation is around 2015 and 2016 vesting percentages. As at 31 March 2017, the estimated vesting percentage for 2015 was 42.57% and for 2016 was 33.33%. These have been sensitised for a range of reasonably possible vesting outcomes. If it was estimated that nil% of the remaining shares were expected to vest it would result in a credit to the Statement of Income and Retained Earnings of £1.6m and if it was estimated that 100% were expected to vest it would result in a £2.4m additional charge.

- It is assumed that there will be future taxable profits to allow the deferred tax asset to be recovered but if this estimation is incorrect, some or all of the asset will need to be written off in future periods.

#### Revenue recognition

Turnover represents management charges and project management fees receivable.

#### Corporation and deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

### 3. Accounting policies (continued)

#### Share-based payments

The company provides share-based payments in the form of performance share plan awards relating to shares in Helical plc. The fair value of share-based payments related to employees' service are determined indirectly by reference to the fair value of the related instrument at the reporting date. The company uses a combination of the Black-Scholes and stochastic valuation models and the resulting value is amortised through the Statement of Income and Retained Earnings over the vesting period of the share-based payments with a corresponding liability recognised.

For the performance share plan and share incentive plan awards, where non-market conditions apply, the expense is allocated over the vesting period, to the statement of income and retained earnings based on the best available estimate of the number of awards that are expected to vest. Estimates are subsequently revised if there is any indication that the number of awards expected to vest differs from previous estimates.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Distributions in respect of equity instruments are debited directly to equity.

#### Current asset investments

Current asset investments are revalued to fair value at the Balance Sheet date.

### 4. Turnover

Turnover arises from:

	2017	2016
	£	£
Project management fees	1,084,729	34,981,071
Management charges receivable	8,407,027	20,861,595
	<u>9,491,756</u>	<u>55,842,666</u>

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

The whole of the turnover is attributable to continuing operations.

### 5. Change in fair value of current asset investments

	2017	2016
	£	£
Change in fair value of current asset investments	<u>(1,035,288)</u>	<u>-</u>

The amount charged to the Income Statement is the movement in fair value of the shares held in the Employee Share Ownership Plan (The ESOP), see Note 12 for further information.

# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

### 6. Operating profit

Operating profit or loss is, stated after charging:

	2017	2016
	£	£
Defined contribution plans expense	<u>195,786</u>	<u>177,254</u>

### 7. Particulars of employees

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017	2016
	No	No
Average number of employees	<u>35</u>	<u>34</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	9,927,439	6,600,243
Social security costs	1,356,977	2,790,247
Other pension costs	195,786	177,254
	<u>11,480,202</u>	<u>9,567,744</u>

### 8. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	<u>6,691,000</u>	<u>10,979,000</u>

Remuneration of the highest paid director in respect of qualifying services:

	2017	2016
	£	£
Aggregate remuneration	<u>2,642,000</u>	<u>3,867,000</u>

Included within the above is an aggregate amount of £2,388,000 (2016: £5,032,000) in relation to share awards that vested during the year, of which £687,000 (2016: £1,785,000) was in relation to the highest paid director. The highest paid director was awarded shares under the 2014 Performance Share Plan to the face value of £1,242,000 (2016: £1,576,000). The total directors' remuneration for the year to 31 March 2016 has been restated because the disclosure in the financial statements for that year included directors of the wider Helical plc group who are not directors of the company in error. This has been corrected in these financial statements.

### 9. Interest payable

	2017	2016
	£	£
Other interest payable and similar charges	<u>167</u>	<u>883</u>

# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

### 10. Taxation on ordinary activities

#### Major components of tax expense/(income)

	2017 £	2016 £
<b>Current tax:</b>		
UK current tax expense	1,173,699	3,575,876
<b>Deferred tax:</b>		
Origination and reversal of timing differences	1,381,445	(3,705,261)
<b>Taxation on ordinary activities</b>	<u>2,555,144</u>	<u>(129,385)</u>

#### Reconciliation of tax expense/(income)

The tax assessed on the loss on ordinary activities for the year is higher than (2016: lower than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017 £	2016 £
(Loss)/profit on ordinary activities before taxation	(6,660,599)	36,354,852
(Loss)/profit on ordinary activities by rate of tax	(1,332,120)	7,205,516
Adjustment to tax charge in respect of prior periods	1,173,700	42,324
Effect of expenses not deductible for tax purposes	(726,683)	(2,280,433)
Tax losses surrendered to/(by) fellow group companies	1,341,512	(1,498,969)
Other timing differences	2,171,442	(3,835,282)
Difference in tax rates	(72,707)	237,459
<b>Tax on (loss)/profit on ordinary activities</b>	<u>2,555,144</u>	<u>(129,385)</u>

### 11. Debtors

	2017 £	2016 £
Trade debtors	392,725	325,837
Amounts owed by group undertakings	57,987,220	71,493,729
Deferred tax asset	3,130,276	4,511,721
Prepayments and accrued income	683,782	1,167,296
Other debtors	210,184	103,204
	<u>62,404,187</u>	<u>77,601,787</u>

The amounts owed by group undertakings are interest free and repayable on demand.

### 12. Investments

	2017 £	2016 £
Other investments	<u>3,951,752</u>	<u>15,421,204</u>

# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

### 12. Investments (continued)

The above current asset investment represents the payment for shares which are held in the ESOP.

Following approval at the 1997 Annual General Meeting of the Company's parent company, Helical plc, the Company established the Helical Employees' Share Ownership Plan Trust (the "ESOP") to be used as part of the remuneration arrangements for employees. The purpose of the ESOP is to facilitate and encourage the ownership of shares by or for the benefit of employees by the acquisition and distribution of shares in Helical plc.

The ESOP receives shares in Helical plc to satisfy the Company's obligations under its Share Option Scheme and Performance Share Plan. When performance targets are met for a particular award of shares, these shares vest. At this point, the relevant number of shares are transferred to the qualifying employees from the ESOP.

At 31 March 2017 the ESOP held 1,262,000 ordinary shares in Helical plc (2016: 3,901,000). The market value of these shares at 31 March 2017 was £3,951,752.

At 31 March 2017 options over nil (2016: nil) ordinary shares in Helical plc had been granted through the ESOP. At 31 March 2017 awards over 4,744,000 (2016: 6,558,000) ordinary shares in Helical plc, made under the terms of the Performance Share Plan, were outstanding. The vesting of these is dependent on a number of conditions and they are due to vest in three tranches across three years.

### 13. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2017 £	2016 £
Bank overdrafts	—	(1,692)

### 14. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	—	1,692
Accruals and deferred income	18,739,638	29,438,100
Social security and other taxes	201,462	6,949,596
Other creditors	12,750	15,771
	<u>18,953,850</u>	<u>36,405,159</u>



# Helical Services Limited (previously Helical Bar Services Limited)

## Notes to the Financial Statements (continued)

Year ended 31 March 2017

### 15. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in debtors (note 11)	<u>3,130,276</u>	<u>4,511,721</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Unused tax losses	333,506	–
Share-based payments	1,137,219	3,200,088
Net timing differences	<u>1,659,551</u>	<u>1,311,633</u>
	<u>3,130,276</u>	<u>4,511,721</u>

### 16. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £195,786 (2016: £177,254).

### 17. Called up share capital

#### Issued, called up and fully paid

	2017		2016	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 18. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 19. Capital commitments

The company had no capital commitments at 31 March 2017 or at 31 March 2016.

### 20. Contingencies

The company has entered into group cross guarantees in respect of the banking facilities of Helical plc and its subsidiaries. Other than that the company had no contingent liabilities at 31 March 2017 or at 31 March 2016.

# **Helical Services Limited (previously Helical Bar Services Limited)**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2017**

---

### **21. Related party transactions**

As the company is a wholly owned subsidiary of Helical plc, it is exempt from the requirement of FRS 102 to disclose transactions with other members of the Helical plc group.

No transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

### **22. Ultimate parent company**

The ultimate parent undertaking and controlling related party of this company is Helical plc, which is registered in England and Wales. The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Helical plc.

The company is a subsidiary of Helical plc and has been included in the consolidated accounts of that company. Copies of the parent undertaking's accounts can be obtained from the registered office at 5 Hanover Square, London W1S 1HQ.