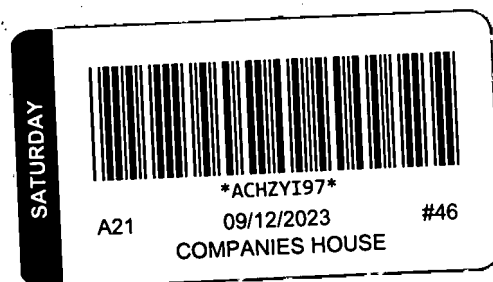


COMPANY REGISTRATION NUMBER: 04134738

Helical Services Limited
Audited Financial Statements
31 March 2023



Helical Services Limited

Financial Statements

Year ended 31 March 2023

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Helical Services Limited

Officers and Professional Advisers

The board of directors

TJ Murphy
GA Kaye
J R Moss
M C Bonning-Snook

Company secretary

Helical Registrars Limited

Registered office

5 Hanover Square
London
W1S 1HQ

Auditor

Deloitte LLP
Statutory auditor
2 New Street Square
London
United Kingdom
EC4A 3BZ

Helical Services Limited

Directors' Report

Year ended 31 March 2023

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

Directors

The directors who served the company during the year and up to the date of signing were as follows:

TJ Murphy
GA Kaye
J R Moss
M C Bonning-Snook

Dividends

A dividend of £nil (2022: £nil) was declared and paid in the year.

Directors' liability insurance and indemnity

The Helical Group maintains Directors' and Officers' liability insurance which is subject to annual renewal. To the extent permitted by UK law, the Group also indemnifies the Directors against legal proceedings brought in connection with the execution of their duties as company directors. The Group policy covers all of the subsidiary company Directors.

Helical Services Limited

Directors' Report *(continued)*

Year ended 31 March 2023

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of issuance of the annual report. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The going concern of the company is fundamentally predicated on the basis that Helical plc, the ultimate parent company, has provided a letter of support for the company on the basis that the company is integral to the overall Group. The letter of support confirms that Helical plc will provide sufficient support to enable the company to meet their liabilities as they fall due for a period of at least 12 months from the date of authorisation of the financial statements. A full going concern review has been performed at the Group level whereby a going concern assessment is based on forecasts for the next 12-month period to September 2024. As at 31 March 2023, the company had a net current liability position of £15.0m (2022: £14.3m).

At the date of signing the financial statements, inflationary pressures and the cost of living crisis continue to cast uncertainties around the strength of the economic recovery. Further disruption to the global markets began in February 2022 with the outbreak of the Russian-Ukrainian War, however, this event has not had any adverse impact on the performance of the company or the Group to date.

Future developments

The directors do not anticipate any significant change in the activity of the Company and its profitability. The directors expect the general level of activity to remain consistent with 2023 in the forthcoming year.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company arise from the financing of its investments. The Company is financed by equity and intra group loans. The Company is a subsidiary of Helical Plc. The Group co-ordinates its cash flows, liquidity position and borrowing facilities on a group basis and further disclosures relating to these matters are included in the annual report of the Group.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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 judgments 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.

Helical Services Limited

Directors' Report *(continued)*

Year ended 31 March 2023

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Audit and Risk Committee undertook a tender process in respect of the external audit service during the year. RSM UK have been proposed for appointment.

This report was approved by the board of directors on 29 September 2023 and signed on behalf of the board by:



Helical Registrars Limited
Company Secretary

Helical Services Limited

Independent Auditor's Report to the Members of Helical Services Limited

Year ended 31 March 2023

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Helical Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position; and
- the statement of changes in equity; and
- the related notes 1 to 20.

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).

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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Helical Services Limited

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

Year ended 31 March 2023

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Helical Services Limited

Independent Auditor's Report to the Members of Helical Services Limited *(continued)*

Year ended 31 March 2023

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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, Financial Reporting Standards, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Environmental Laws, Data Protection Act and Landlord and Tenant Act.

We discussed among the audit engagement team and relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- We presume a risk of material misstatement due to fraud relating to revenue recognition. This has been pinpointed to the completeness of entire revenue balance. In order to address the risk identified we have performed substantive testing over revenue recognised over the course of the year and ensured these are recognised in appropriately, in line with agreements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Helical Services Limited

Independent Auditor's Report to the Members of Helical Services Limited *(continued)*

Year ended 31 March 2023

Report on other legal and regulatory requirements

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 directors' report.

Matters on which we are required to report by exception

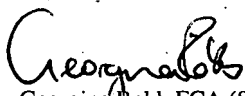
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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.



Georgina Robb FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
2 New Street Square
London
United Kingdom
EC4A 3BZ

29 September 2023

Helical Services Limited

Statement of Comprehensive Income

Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	5	6,917,768	7,014,880
Cost of sales		(6,431,133)	(13,101,158)
Gross profit/(loss)		486,635	(6,086,278)
Administrative expenses		(323,887)	(100,000)
Operating profit/(loss)		162,748	(6,186,278)
Interest payable	9	(8)	(52)
Profit/(loss) before taxation		162,740	(6,186,330)
Taxation	10	–	(1,709,281)
Profit/(loss) for the financial year and total comprehensive income		162,740	(7,895,611)

All the results of the company are from continuing operations.

There were no recognised gains and losses in both the current and prior years other than those included in the Statement of Comprehensive Income.

The notes on pages 12 to 20 form part of these financial statements.

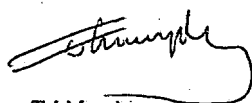
Helical Services Limited

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	11	849,021	-
Current assets			
Debtors	12	5,851,557	3,897,788
Creditors: amounts falling due within one year	13	<u>(20,871,859)</u>	<u>(18,231,809)</u>
Net current liabilities		<u>(15,020,302)</u>	<u>(14,334,021)</u>
Total assets less current liabilities		<u>(14,171,281)</u>	<u>(14,334,021)</u>
Net liabilities		<u>(14,171,281)</u>	<u>(14,334,021)</u>
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account	16	<u>(14,171,282)</u>	<u>(14,334,022)</u>
Shareholders deficit		<u>(14,171,281)</u>	<u>(14,334,021)</u>

These financial statements were approved by the board of directors and authorised for issue on 29 September 2023, and are signed on behalf of the board by:



T J Murphy
Director

Company registration number: 04134738

The notes on pages 12 to 20 form part of these financial statements.

Helical Services Limited

Statement of Changes in Equity

Year ended 31 March 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2021	1	(6,438,411)	(6,438,410)
Loss for the year		(7,895,611)	(7,895,611)
Total comprehensive income for the year	–	(7,895,611)	(7,895,611)
At 31 March 2022	1	(14,334,022)	(14,334,021)
Profit for the year		162,740	162,740
Total comprehensive income for the year	–	162,740	162,740
At 31 March 2023	1	(14,171,282)	(14,171,281)

The notes on pages 12 to 20 form part of these financial statements.

Helical Services Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 5 Hanover Square, London, W1S 1HQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the requirements of the Companies Act 2006.

3. Principal activity

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

4. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis with adjustments made for investments in shares held at fair value.

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 £.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of issuance of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The going concern of the company is fundamentally predicated on the basis that Helical plc, the ultimate parent company, has provided a letter of support for the company on the basis that the company is integral to the overall Group. The letter of support confirms that Helical plc will provide sufficient support to enable the company to meet their liabilities as they fall due for a period of at least 12 months from the date of authorisation of these financial statements. A full going concern review has been performed at the Group level whereby a going concern assessment is based on forecasts for the next 12-month period to September 2024. As at 31 March 2023, the company had a net current liability position of £15.0m (2022: £14.3m).

At the date of signing these financial statements, the cost of living crisis continue to cast uncertainties around the strength of the economic recovery. Further disruption to the global markets began in February 2022 with the outbreak of the Russo-Ukrainian War, however, this event has not had any adverse impact on the performance of the company or the Group to date.

Helical Services Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

4. Accounting policies *(continued)*

Share-based payments

The company provides share-based payments in the form of Performance Share Plan awards and a Share Incentive Plan. The fair values of shareable payments related to employees' service are determined indirectly by reference to the fair value of the related instrument at the grant date. The company uses a combination of the BlackScholes and stochastic valuation models and the resulting value is amortised through the Income Statement over the vesting period of the share-based payments.

For the Performance Share Plan and Share Incentive Plan awards, where market conditions apply, the expense is allocated to the Income Statement evenly over the vesting period.

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 Income Statement 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.

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.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) Disclosures in respect of related party transactions.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts 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.

Helical Services Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

4. Accounting policies *(continued)*

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

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:

- 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; and
- Recognition of development management project revenue, where payment for these services is triggered by a future event (sale or letting of a property).

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:

- 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 period based on future forecast performance and employee retention. The 2020 award is based on the 31 March 2023 results so does not require estimation but the 2021 and 2022 vesting percentages do require estimation. As at 31 March 2023, the estimated vesting percentage for 2021 was 25% and for 2022 was 20%. 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 Comprehensive Income of £0.6m and if it was estimated that 100% were expected to vest it would result in a £1.6m additional charge.

Revenue recognition

Turnover represents management charges and project management fees receivable. Management charges are recognised based on the performance each company within the Helical Group that uses the Company's services. Project management fees are recognised on a stage of completion basis.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Helical Services Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

4. Accounting policies *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

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 for the year in which reversal of the timing difference is expected to occur.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Helical Services Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

4. Accounting policies (continued)

Financial instruments (continued)

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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.

5. Turnover

Turnover arises from:

	2023	2022
	£	£
Rendering of services	60,000	60,000
Project management fees	934,614	1,640,262
Management charges receivable	5,923,154	5,314,618
	<u>6,917,768</u>	<u>7,014,880</u>

Helical Services Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

5. Turnover (continued)

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.

6. Administrative expenses

Auditor's remuneration is borne by the ultimate parent undertaking, Helical plc. The audit fee for the auditing of the financial statements for 2023 for this company is £9,500 (2022: £9,000). There are no non-audit services fees for 2023 (2022: none).

Administrative expenses include management charges of £84,998 (2022: £100,000). Also included within administrative expenses is a charge of £238,889 (2022: £nil) to reduce the Investment to its market value at the year end.

7. Particulars of employees

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

	2023	2022
	No.	No.
Average number of employees	<u>26</u>	<u>28</u>

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

	2023	2022
	£	£
Wages and salaries	6,423,046	7,163,562
Social security costs	1,009,426	1,331,148
Other pension costs	287,865	273,183
	<u>7,720,337</u>	<u>8,767,893</u>

The average monthly number of employees of the Group during the year was 26 (2022: 28) all of whom are UK head office staff. There were an average of five (2022: five) management, five (2022: seven) property executives and 16 (2022: 16) administrative staff.

Within cost of sales is the share-based payment charge for the year of £1,012,000 (2022: £3,859,000) which is not included in the staff costs above.

Full disclosures around share-based payments are available in the Group's Annual Report which can be obtained from Helical plc, 5 Hanover Square, London, W1S 1HQ or from the Group's website at www.helical.co.uk.

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	<u>5,150,774</u>	<u>6,794,330</u>

Helical Services Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

8. Directors' remuneration (continued)

Included within the above is an aggregate amount of £2,306,565 (2022: £3,047,798) in relation to share awards that vested during the year, of which £902,213 (2022: 1,202,453) 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 £1,423,750 (2022: £1,382,300).

Full disclosures around share-based payments for Directors are available in the Group's Annual Report (Director's Remuneration Report on pages 110-131) which can be obtained from Helical plc, 5 Hanover Square, London, W1S 1HQ or from the Group's website at www.helical.co.uk.

9. Interest payable

	2023 £	2022 £
Other interest payable and similar charges	<u>8</u>	<u>52</u>

10. Taxation

Major components of tax expense

	2023 £	2022 £
Deferred tax:		
Origination and reversal of timing differences	<u>-</u>	<u>1,709,281</u>
Taxation	<u>-</u>	<u>1,709,281</u>

The Helical plc Group became a REIT on 1 April 2022. As a result, the deferred tax asset associated with the Company's property was released as at 31 March 2022.

Reconciliation of tax expense

The tax assessed on the profit/(loss) for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023 £	2022 £
Profit/(loss) before taxation	<u>162,740</u>	<u>(6,186,330)</u>
Profit/(loss) by rate of tax	<u>30,921</u>	<u>(1,175,393)</u>
Unused tax losses	-	1,037,469
Non-taxable writeback of debt provision	(393,913)	-
Non-taxable net (credit) / charge in respect of PSPs	(427,988)	69,754
Tax losses surrendered to fellow group companies	874,327	-
Other timing differences	(83,347)	68,170
Reversal of deferred tax asset on conversion to a UK REIT	<u>-</u>	<u>1,709,281</u>
Tax on profit/(loss)	<u>-</u>	<u>1,709,281</u>

Helical Services Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

11. Investments

	Investments £
Cost	
At 1 April 2022	–
Additions	1,535,464
Disposals	(447,554)
Revaluations	(238,889)
At 31 March 2023	849,021
Impairment	
At 1 April 2022 and 31 March 2023	–
Carrying amount	
At 31 March 2023	849,021
At 31 March 2022	–

The above investment represents shares held in Helical plc, the parent company of Helical Services Limited.

12. Debtors

	2023 £	2022 £
Trade debtors	60,000	33,164
Amounts owed by group undertakings	4,310,943	3,077,351
Prepayments	66,539	187,607
Accrued income	1,314,089	529,646
Other debtors	99,986	70,020
	5,851,557	3,897,788

Amounts owed by group undertakings are repayable on demand, unsecured and interest free.

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	13,471,351	6,619,466
Accruals	7,275,880	11,427,570
Social security and other taxes	124,592	175,523
Other creditors	36	9,250
	20,871,859	18,231,809

Amounts owed to group undertakings are repayable on demand, unsecured and interest free.

Helical Services Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2023

14. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £287,865 (2022: £273,183).

15. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The Company has one class of ordinary shares which carry no right to fixed income.

16. Reserves

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

17. Capital commitments

The company had no capital commitments at 31 March 2023 or at 31 March 2022.

18. Contingencies

The company had no contingent liabilities at 31 March 2023 or at 31 March 2022.

19. 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.

20. Ultimate parent company

The immediate and 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.