

# Aquila



## Unaudited interim results for the six months ended 30 September 2024

Company Registration No. 08988813 (England and Wales)

# Group highlights

## Our purpose

To make a better, more sustainable, and socially responsible world.

## Our vision

- To have a direct beneficial impact on communities and lives in the UK and beyond.
- To offer staff the opportunity to inspire positive change in an environment with a strong social focus.
- To provide investors the opportunity of supporting an organisation that combines strong performance with a positive social outcome.

## Our culture and values

- We collaborate**  
Working together to succeed together
- We innovate**  
We challenge the norm
- We care**  
We go the extra mile

## What we do

Our work helps our clients to develop a response to a changing world and make a positive difference to the communities in which they operate. We work throughout the UK and internationally with clients across housing and regeneration, sport and education, charity and government sectors.

## Financial highlights

The following table show the results for the six months ended 30 September 2024 compared with the six months ended 30 September 2023 and the financial year ended 31 March 2024.

	Six months to 30 Sept 2024 (unaudited) £'000	Six months to 30 Sept 2023 (unaudited) £'000	Year ended 31 March 2024 (audited) £'000
Revenue	6,293	5,923	12,400
Gross profit	1,372	1,039	2,319
<b>Underlying operating profit*</b>	<b>169</b>	<b>99</b>	<b>305</b>
<b>Profit after tax</b>	<b>90</b>	<b>68</b>	<b>137</b>
Cash balances	919	1,649	1,448
<b>Total dividend payable</b>	<b>0.3p</b>	<b>0.25p</b>	<b>0.85p</b>

\*Underlying operating profit is calculated by adjusting the reported pre-tax profit for share-based payment charges and impairment of goodwill.

## Dividend

The directors propose an interim dividend of 0.3p (2023: 0.25p). This will be paid on 31 January 2025 to shareholders on the register at 27 December 2024.

## Chair's statement

Dear Shareholder, I am pleased to present the half-yearly report and the interim results for the six months to 30 September 2024.

Aquila Services Group plc ("the Company") is the holding company for Altair Consultancy & Advisory Services Ltd ("Altair"), Aquila Treasury and Financial Solutions Ltd ("ATFS") and Oaks Consultancy Ltd ("Oaks") which form the Group ("the Group").

The group is an independent consultancy specialising in the provision, financing, and management of affordable housing by housing associations, local authorities, government agencies and other non-profit organisations. The Group also provides high level business advice to the commercial property sector and support for organisations including multi-academy education trusts, charities and sports foundations, working in communities to improve health and well-being opportunities.

This is the first report since the Group delisted its shares from the London Stock Exchange on 22 March 2024. This decision was taken after reviewing the cost benefits that the listing provided and we had come to the conclusion that many of the aims put forward when the shares were first listed in 2015 had not been fully realised and were now becoming harder to achieve. At the same time, professional costs related directly to the listing were increasing, as were the resources required to meet the regulatory burden.

The delisting has assisted a reorganisation that has included the integration of the Oaks business into the Altair trading group and a similar proposal is now being implemented for the treasury and financial services teams previously held within the ATFS regulated subsidiary. These changes have streamlined the business and produced a number of operational efficiencies, which in the short term has had some cost implications which has offset some of the initial savings from the delisting.

Turnover for the 6 months to 30 September 2024 was £6,293k (6 months to 30 September 2023 £5,923k, year ended 31 March 2024 £12,400k).

Underlying operating profit for the 6 months was £169k (6 months to 30 September 2023 £99k, year ended 31 March 2024 £305k).

Profit after tax and exceptional items for the 6 months was £90k (6 months to 30 September 2023 £68k, year

ended 31 March 2024 £137k) with deductions for tax being £30k (6 months to 30 September 2023 £25k, year ended 31 March 2024 £74k) and exceptional items of £45k (6 months to 30 September 2023 £nil, year ended 31 March 2024 £94k).

The exceptional item was the loss on the sale of the Group's investment in AssetCore Ltd following the sale of the entire share capital of the company.

Group turnover increased by 6% compared to the same period last year. There were challenges within a number of business streams, which I have detailed below.

Oaks who work with the education and charities sector, particularly sports, were impacted by the reducing real value of grants received by these organisations and reduction of non-statutory income. This was difficult for clients at a time of increasing inflation particularly in their core staff costs, given government's economic position and the concern about the financial position of the education sector. Although we believe that there are longer term growth prospects, the Group needed to consolidate the capacity within the Altair brand and be more focused about the business offering. This has now been implemented.

International, which had been a growing business in the last financial year, is experiencing increasing headwinds because of reductions by the developed economies in the grants and loans available to encourage affordable housing programmes. This has been compounded by the recent number of the countries which are prospective recipients being involved in conflict or climate caused disasters as well as political upheaval. The expectation is that when and if some of the major military and political issues are resolved, there will be an increasing demand for the Group's services, particularly in restructuring. In the meantime we need to ensure the maintenance of our core capabilities.

Treasury continues to be impacted by our clients having less demand for new funds as they concentrate on the improvement of their existing stock and wait to see whether funds will be available for an increase in the construction of affordable homes by

both local authorities and housing associations, as indicated by the new government. The preparation for such programmes has assisted our property teams. In the meantime, we continue with our core treasury services but have widened the offering to providing support and training for existing teams and staff within our clients.

The October budget delivered by the new Chancellor that introduced increases in National Insurance contributions and the Living Wage presents further financial costs for business. Clients are currently assessing the impact and the effect on the resultant increase in fixed costs, which will potentially hamper their ambition and plans for investment but it may also mean a reduction in consultant spend.

The first half of this current financial year saw an increase in operating profit of 70% from the same period last year and we are optimistic that this improvement will continue into the second half of the year and form a platform for further growth. The senior team are focused on delivering efficiencies which should enable this progress to be realised on current turnover projections.

The Group previously indicated we would enable some of the benefit from the delisting, the cost savings, to be passed through to shareholders as was demonstrated by the increase in the previous year's final dividend. To continue this trend, the interim dividend is being increased by 20% from 0.25p to 0.30p and will be paid on 31 January 2025 to shareholders on the register at 27 December 2024.

We continue to assist through our website the opportunity for existing shareholders and prospective investors to buy and sell shares in the Group. To date, since the delisting, 1,977,850 shares have been traded. Any existing shareholder who wants to sell shares should email the Company Secretary, [claire.banks@aquilaservicesgrp.co.uk](mailto:claire.banks@aquilaservicesgrp.co.uk) with their name, address and contact phone number, the name and address of the registered holder of the shares if different, the number of shares that they wish to dispose of and the minimum price they are looking for. The Group will post this on the website. Potential investors should also contact our Company

Secretary with an indication of how many shares they are interested in and the price they are willing to pay. The Group cannot comment or give advice on any transaction but will notify interested investors when a potential seller's proposals are known on the website. Please note that we do not post individual's details on the website and the Group can only act as a post-box between buyers and sellers. We can assist with help on the forms that need to be completed in order to facilitate a transaction.

Many of our clients, especially those in the public sector, have been under significant pressure during the most recent six months, particularly with the restrictions in government spending and a changing administration. The Chancellor's recent statement of new monies and growth aspirations are helpful but we need to see the reality.

The Group provides many of the essential services that those operating in the affordable housing and community sectors need to maintain their impact and quality of services, the same ambitions as contained in the Chancellor's speech. This provides the Group with an essential platform for growth in the future.

The Group continues to be financially strong, we have no debt and net current assets at the date of these interim accounts were £2,685k compared to £2,866k at 31 March 2024 and £2,856k at 30 September 2023. We have increased profitability and a continuing strong order book in most of our main activities. The consolidation of the businesses in order to reduce overheads and headcount without impacting on capacity will provide a stronger basis for future growth.

We look forward to reporting encouraging progress after the year end.



–  
**Derek Joseph – Chair**  
4 December 2024

## Condensed Consolidated Statement of Comprehensive Income

### For the six months ended 30 September 2024

	Six months to 30 September 2024 (unaudited) £'000	Six months to 30 September 2023 (unaudited) £'000	Year ended 31 March 2024 (audited) £'000
Revenue	6,293	5,923	12,400
Cost of sales	(4,921)	(4,883)	(10,081)
<b>Gross profit</b>	<b>1,372</b>	<b>1,040</b>	<b>2,319</b>
Administrative expenses	(1,207)	(966)	(2,131)
<b>Operating profit</b>	<b>165</b>	<b>74</b>	<b>188</b>
Finance income	-	19	23
Loss in investments	(45)	-	-
<b>Profit before taxation</b>	<b>120</b>	<b>93</b>	<b>211</b>
Income tax expense	(30)	(25)	(74)
<b>Profit for the period</b>	<b>90</b>	<b>68</b>	<b>137</b>

#### Earnings per share attributable to owners of the parent

	'000	'000	'000
Weighted average number of shares:			
Basic	39,962	39,962	39,962
Diluted	41,016	41,016	41,016
<b>Basic earnings per share</b>	<b>0.23p</b>	<b>0.17p</b>	<b>0.34p</b>
<b>Diluted earnings per share</b>	<b>0.22p</b>	<b>0.16p</b>	<b>0.33p</b>

## Condensed Consolidated Statement of Financial Position

### As at 30 September 2024

	Six months to 30 September 2024 (unaudited) £'000	Six months to 30 September 2023 (unaudited) £'000	Year ended 31 March 2024 (audited) £'000
<b>Non-current assets</b>			
Goodwill	3,197	3,197	3,197
Right of use assets	283	397	339
Property, plant and equipment	72	63	68
Investments	-	71	71
	<b>3,552</b>	<b>3,728</b>	<b>3,675</b>
<b>Current assets</b>			
Trade and other receivables	3,538	3,221	3,592
Cash and bank balances	919	1,649	1,448
	<b>4,457</b>	<b>4,870</b>	<b>5,040</b>
<b>Current liabilities</b>			
Trade and other payables	1,580	1,703	1,995
Lease liabilities	114	105	76
Corporation tax	78	206	103
	<b>1,772</b>	<b>2,014</b>	<b>2,174</b>
<b>Net current assets</b>	<b>2,685</b>	<b>2,856</b>	<b>2,866</b>
<b>Non-current lease liabilities</b>	<b>186</b>	<b>298</b>	<b>280</b>
<b>Net assets</b>	<b>6,051</b>	<b>6,286</b>	<b>6,261</b>
<b>Equity</b>			
Share capital	1,998	1,998	1,998
Share premium account	1,712	1,712	1,712
Treasury stock	(68)	-	-
Merger reserve	3,042	3,042	3,042
Share-based payment reserve	380	370	376
Retained losses	(1,013)	(836)	(867)
<b>Equity attributable to the owners of the parent</b>	<b>6,051</b>	<b>6,286</b>	<b>6,261</b>

## Condensed Consolidated Statement of Changes in Equity

	Share Capital £'000	Share Premium account £'000	Treasury stock £'000	Merger reserve £'000	Share based payment reserve £'000	Retained losses £'000	Total equity £'000
<b>Balance at 1 April 2023</b>	1,998	1,712	-	3,042	364	(704)	6,412
Total comprehensive income	-	-	-	-	-	68	68
Share based payment charge	-	-	-	-	6	-	6
Dividend	-	-	-	-	-	(200)	(200)
<b>Balance at 30 September 2023</b>	<b>1,998</b>	<b>1,712</b>	<b>-</b>	<b>3,042</b>	<b>370</b>	<b>(836)</b>	<b>6,286</b>
Total comprehensive income	-	-	-	-	-	69	69
Share based payment charge	-	-	-	-	6	-	6
Dividend	-	-	-	-	-	(100)	(100)
<b>Balance at 31 March 2024</b>	<b>1,998</b>	<b>1,712</b>	<b>-</b>	<b>3,042</b>	<b>376</b>	<b>(867)</b>	<b>6,261</b>
Treasury stock	-	-	(68)	-	-	-	(68)
Total comprehensive income	-	-	-	-	-	90	90
Share based payment charge	-	-	-	-	4	-	4
Dividend	-	-	-	-	-	(236)	(236)
<b>Balance at 30 September 2024</b>	<b>1,998</b>	<b>1,712</b>	<b>(68)</b>	<b>3,042</b>	<b>380</b>	<b>(1,013)</b>	<b>6,051</b>

Condensed Consolidated Statement of Cash Flows  
for the six months ended 30 September 2024

	Six months to 30 September 2024 (unaudited) £'000	Six months to 30 September 2023 (unaudited) £'000	Year ended 31 March 2024 (audited) £'000
<b>Cash flow from operating activities</b>			
Profit for the period	90	68	37
Interest received	-	(19)	(23)
Income tax expense	30	25	74
Share based payment charge	4	6	12
Loss on sale of investment	45	-	-
Depreciation	84	63	160
Operating cash flows before movement in working capital	253	143	360
Decrease/(increase) in trade and other receivables	54	(91)	(462)
(Decrease)/increase in trade and other payables	(415)	(557)	(265)
Cash generated by operations	(108)	(505)	(367)
Income taxes (paid)/refunded	(55)	11	(141)
<b>Net cash (outflow) from operating activities</b>	<b>(163)</b>	<b>(494)</b>	<b>(508)</b>
<b>Cash flows from investing activities</b>			
Interest received	-	19	23
Income from sale of investment	26	-	-
Purchase of own shares into treasury	(68)	-	-
Purchase of property, plant and equipment	(32)	(33)	(74)
<b>Net cash (outflow) from investing activities</b>	<b>(74)</b>	<b>(14)</b>	<b>(51)</b>
<b>Cash flows from financing activities</b>			
Lease liability payments	(56)	(48)	(98)
Dividends paid	(236)	(200)	(300)
<b>Net cash (outflow) from operating activities</b>	<b>(292)</b>	<b>(248)</b>	<b>(398)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(529)</b>	<b>(756)</b>	<b>(957)</b>
Cash and cash equivalents at beginning of the period	1,448	2,405	2,405
<b>Cash and cash equivalents at end of the period</b>	<b>919</b>	<b>1,649</b>	<b>1,448</b>

**Directors**

Derek Joseph  
Non-Executive Chair

Dr Fiona Underwood  
Group Chief Executive  
Officer

Claire Banks  
Group Finance Director

Richard Wollenberg  
Non-Executive Director

**Company Secretary**

Claire Banks

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**Company Site**

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