

Aquila



Unaudited Interim Results for the six months ended 30 September 2022

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 shows the results for the six months ended 30 September 2022 compared with the six months ended 30 September 2021 and the financial year ended 31 March 2022.

	6 months to 30 September 2022 (unaudited) £'000	6 months to 30 September 2021 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000
Revenue	5,874	4,855	10,119
Gross profit	1,078	1,055	2,206
Operating profit	302	304	718
Profit after tax	244	247	579
Earnings per share	0.61p	0.62p	1.45p
Cash balances	1,718	1,886	2,193
Total dividend payable	0.25p	0.20p	0.60p

Dividend

The directors propose an interim dividend of 0.25p (2021: 0.20p). This will be paid on 20 December 2022 to shareholders on the register at 9 December 2022.

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 2022.

Aquila Services Group plc ("the Company") is the holding company for Altair Consultancy & Advisory Services Ltd ("Altair"), Aquila Treasury & 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 and sports foundations, working in communities to improve health and well-being opportunities.

The services provided by the Group are embedded in the activities which are or should be a necessary requirement of a responsible society. We assist our clients whether public, private or NGO's in assisting organisations and communities in the delivery of better housing options, education and funding opportunities for schools and charities through our professional expertise. The Group has a responsibility to ensure that our consultants and advisors provide high quality services that are founded in both experience, technical expertise and are value for money. These services embrace an agenda that includes contributions to addressing inequalities and reducing or reversing the impact of climate change.

The six months under review have overseen the transition from managing the business during a pandemic to taking advantage of our growth agenda. Increased demand has seen turnover grow by over 20% when comparing the current period to the same period last year. To support this expansion in certain areas of the business we have recruited a number of senior-level consultants with specific skills

and to facilitate retention in a highly competitive marketplace have also reviewed and enhanced our reward packages. In addition to direct recruitment costs the period under review has seen investment in both induction and client relationship time to ensure the success of these new appointments.

Supplementing this expansion of senior appointments, we continue to invest in our staff, believing in our 'grow your own' programme with in-house and external training including offering management development courses for all our aspiring managers. We have successfully recruited to the second year of our graduate programme, which continues to be an essential part of our medium term strategy. Taken together this investment in the future has increased direct costs so that operating profit remains at the same level as the comparable period.

I am pleased to report that turnover for the six months ended 30 September 2022 was £5.9m (30 September 2021 £4.9m), earnings before tax were £302k (30 September 2021 £304k) and net current assets including cash of £1.7m continues to be strong at £2.7m (30 September 2021 £2.4m including cash of £1.9m).

The Directors have declared an interim dividend of 0.25p per share (interim 30 September 2021 0.20p per share), an increase of 25% which will be paid on 20 December 2022 to shareholders on the register at 9 December 2022. This increase reflects the progressive dividend strategy of the Group going forward.

The results for the half year are encouraging given the transition that was needed as the pandemic restrictions were lifted, moving delivery to reflect the requirements of clients which included more on-site working as well as continued virtual engagement. This had to be balanced with increased recruitment and training responsibility for members of the Executive team.

Not all the sectors we work in have opened up at the same pace. The housing and sporting sectors have moved ahead faster than education and international though both the latter are now showing early signs of recovery. Despite the travails of the world economy especially the tragedy of the Ukraine invasion and the confused domestic political, economic and fiscal environment we continue to see opportunities for growth in our business sectors. To take advantage of these we need to continue our investment in consultancy resources and into our development of digital platforms.

A successful future for the Group is achieved by ensuring that there is a continuing balance between investment in service provision, growing reserves to ensure the Group continues to be financially resilient and enhancing returns to shareholders such as through the progressive dividend policy. Current business trends give us confidence that we have the resources and strategies in place to continue to grow and meet all three objectives.

The Group works with organisations and agencies whose objectives are those of social responsibility in enhancing the life opportunities of their communities. For us to support our clients both efficiently and successfully we must share those objectives and understand the needs of both clients and their constituents. We want everybody who works for us, with us and those that support us, including our shareholders, to join our clients in being proud of what is being achieved.



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Derek Joseph – Chair
25 November 2022

Management Report

The Management of the Group are pleased to present their report for the period ended 30 September 2022.

Aquila at a Glance

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

The Group continues to implement its business strategy to encompass all the professional consultancy services that the Group’s client base demands. The Group now provides advice and support across the affordable housing, regeneration, sport, charity and education sectors. Its purpose is to assist organisations that benefit local communities such as housing associations, local authorities, government agencies, multi-academy trusts, charities, other non-profit organisations and those set up for community benefit, as well as providing related high-level business advice to the commercial property sector.

Business performance and position

Altair Consultancy and Advisory Services Ltd (‘Altair’)

Altair is a specialist management consultancy company that works with organisations that govern, manage, regulate or build housing. Operating within the UK and Europe, its international client base is increasing with continuing and new contracts in Africa and investment in expansion into Asia.

The services that Altair offers cover housing development and regeneration, property asset management, health and safety compliance and building safety advice, strategic financial advice, governance and risk management, executive and non-executive recruitment. Our digital, transformation and people services and our technical asset team are areas of continued significant investment and growth.

Clients contract with Altair on a fixed-fee basis, through retained contracts in our finance,

governance and transformation business streams, and placements for members of the property team, and increasingly for our transformation team, at client sites.

The first half of the year has seen significant growth, specifically in our technology, transformation and people business stream where we have been successful in winning further large-scale projects with housing associations wishing to transform their businesses in a post-COVID world where different working practices have been developed and the infrastructure now needs to change to reflect this. We have continued to invest in this growing team, both with permanent and associate consultants.

We have further invested in our technical team, dealing with health and safety compliance, building safety and asset management. Our partnership with Cadline Ltd to develop a digital Building Information Management-aligned tool, DynamicAIM, has led to a number of pilot projects being implemented within our client base. All organisations need to hold digital records of their buildings over 18 metres as required by the Building Safety Act 2022 and indications are that this may be rolled out on a wider basis to smaller buildings in coming regulatory updates. We are leading the way in developing a digital tool and will continue to invest in this important area of building safety.

There continues to be demands for our property team, both assisting Registered Providers and Local Authorities in their development and regeneration programmes. Our digital appraisal model Podplan has had further success with circa 40 clients now using the model.

Our international work is returning and we have won new contracts in Burkina Faso and Rwanda. With the ongoing housing crisis in many developing countries, some caused by climate change, we continue to develop our products and services for these markets.

Governance and finance continue to be resilient and our teams are delivering work across the United Kingdom and Republic of Ireland. We have won the first merger advisory piece of work in the Republic of Ireland which will provide the template for future partnerships.

We expect to see a return on the investment in employees in the second half of the year. The uncertain economic and policy landscape will provide further opportunities for us to further support our clients across the entirety of their business.

Aquila Treasury and Financial Solutions Ltd (‘ATFS’)

ATFS is a specialist treasury management consultancy authorised and regulated by the Financial Conduct Authority that operates across the UK and Europe. It provides advice on treasury policy and strategy, debt and capital market finance, banking and card merchant services, value for money, and financial market information services to local authorities, charities, housing associations, education bodies, private sector housing providers and government bodies.

Work is delivered through fixed price contracts as retained general treasury advisers and information subscription agreements. Specific advisory project contracts are on a fixed fee basis, won through competitive procurement tenders, payable on agreed project milestones.

Following the retirement of the Chief Executive at the end of the financial year we have recruited a Corporate Finance Director to lead the team and further develop its products to reflect the changing landscape, including a new ESG offering.

The housing business in England continues to perform in-line with expectations and the next half should see further improvement in this position. Competitive pressures have slowed the work in Scotland and we are refining our offering to be able to ensure a stronger second half.

The debt advisory work within the education sector continues to be challenging and we have increased our marketing and relationship management across this area. The card services

business has seen a successful transition following the retirement of the previous director and we continue to be a leader in this area.

Oaks Consultancy Limited (‘Oaks’)

Oaks is a specialist sports, charity, statutory and education consultancy operating within the UK and Europe with an increasing international presence. Oaks’ clients include national and international sports teams and governing bodies, national and international charities, statutory organisations and local authorities, multi academy trusts and teaching school alliances, housing associations and corporate businesses.

Oaks provides consultancy advice and guidance on strategy and business planning, organisational and cultural change programmes, impact measurement, together with implementation support in relation to income generation and diversification. Contracts are delivered through a mix of fixed-fee projects and retained contracts for general advisory services.

The sports and charities sector have proved to be resilient and provided Oaks with a strong start to the year. The Education sector continues to be challenging and the business has reviewed its offering in this area to reflect the changed economic environment. We anticipate this continuing into the second half. To counter-balance this the work in the charities sector has grown, providing strategic advice to national charities as well as fund-raising opportunities to smaller organisations.

Advice to the sports sector continues to be the central pillar of Oaks work. The UEFA contracts within Europe have continued and grown and being able to travel has meant that work can be delivered in-country. The large number of Sports Foundations have provided sustainable projects on and retainers for the delivery of their community projects plus assisting them in raising the necessary funds.

In addition to its current European profile, Oaks is delivering commissions in the USA through its Laureus relationship and is exploring further international opportunities.

Cross-group working continues, specifically within the housing sector and this will provide opportunities for further growth.

Investments

The Group continues to hold a 5.3% equity stake in AssetCore, a company building a financial debt management platform for the affordable housing sector.

Group-wide initiatives

Green Group

The objective of the Green Group is to reduce the Group's environmental impact, to maintain Carbon Neutral Plus status and develop further initiatives to mitigate the Group's impact on the environment.

EDI Group

The purpose of the Equality Diversity and Inclusion (EDI) Group is to drive the EDI agenda across subsidiaries including developing frameworks and raising awareness for the implementation of a range of initiatives to foster a culture of equality, diversity and inclusion at Aquila.

Further information about, and activities within the groups, is available on the website.

Outlook

The strong performance and investment in the first half has positioned the Group well for the second half of the year being reported.

Challenges remain with the uncertain economic outlook and the cost-of-living pressures which affects clients and colleagues alike. We have reviewed and invested in those areas that will help organisations through this period to ensure there is potential for continued growth across the Group.

The focus on technology, transformation, building safety and asset management in the housing sector should provide a significant return on the investment in the first half of the year. The changes in Government and the economic pressures, including the recent announcement in the Autumn Statement capping social housing rents at 7% (the previously agreed rent formula would have meant a rent increase of 11.1%), will mean significantly reduced income for these organisations. This will require changes to their operating model, development and investment programmes, and some will need to seek partnerships and mergers for their long-term future. The Group is positioned well to respond to these pressures.

There continues to be opportunities within the sports and charities sectors for raising funds through grant awards during this time of 'economic squeeze' which in turn provides the platform for further work on developing and changing strategies to ensure a robust future for our clients.

Our changed approach to delivering treasury advice into the housing and education sectors is leading to new contracts and the increasing importance of ESG across all sectors gives the Group the opportunity to provide advice to new and existing clients.

Going concern basis

The Board updates its three-year business plan annually. This includes a review of the Company's cash flows and other key financial ratios over the period. These metrics are subject to sensitivity analysis which involves flexing a number of the main assumptions underlying the forecast, both individually and in unison. Where appropriate, this analysis is carried out to evaluate the potential impact of the Company's principal risks. The three-year review also makes certain assumptions about the normal level of capital investment likely to occur and considers whether additional financing facilities will be required.

The Group does not have any bank debt and remains in a strong cash position with balances at the end of September 2022 at £1.7m and net current assets at £2.7m.

The Directors continue to review the forecasts on a monthly basis applying stress tests to the reforecasts to ensure viability of the outputs. The Group continue to monitor cash balances, debtors and cash generation on a daily basis. Based on the results of these analyses, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due in the next twelve months and over the three-year period of their assessment.

Risks and uncertainties

The key risks and uncertainties relating to the Group's operations remain largely consistent with those disclosed in the Group's Annual Report and Accounts for the year ended 31 March 2022. These are listed below:

- Financial risk
- Unfavourable economic conditions and/or changes to government policy
- Competition
- Staff skills, retention, recruitment and succession
- Data governance

The Group seeks to mitigate all these risks through ensuring that it monitors changes in statutory, regulatory and financial requirements and maintains good relationships with its clients, principal contacts within government, regulators and other key influencers within the sector. The Group is well placed to provide the full range of services needed by its clients as the external environment changes. A detailed explanation of the risks relevant to the Group is on Page 22 of the Annual Report and Accounts for the year ended 31 March 2022 and is available on the Company's website at www.aquilaservicesgroup.co.uk.



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Fiona Underwood –
 Executive Director
 25 November 2022

Directors' report

Responsibility Statement

The Directors, whose names and functions are set out at the end of this report, are responsible for preparing the Unaudited Interim Condensed Consolidated Financial Statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Accounting Standard 34 on Interim Financial reporting ("IAS 34"). The Directors confirm that, to the best of their knowledge, this Unaudited Interim Condensed Consolidated Report has been prepared in accordance with UK-adopted International Accounting Standard 34. The interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 namely:

- An indication of key events occurred during the period and their impact on the Unaudited Interim Condensed Consolidated Financial Statements and a description of the principal risks and uncertainties for the second half of the financial year; and
- material related party transactions that have taken place during the period and that have materially affected the financial position or the performance of the business during that period.

Remuneration of Directors and key management personnel

The remuneration of the key management personnel of the Group, including all directors of subsidiary companies, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosure.

	6 months to 30 September 2022 (unaudited) £'000	6 months to 30 September 2021 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000
Wages and salaries	499	580	1,189
Share-based payments	5	(7)	(7)
Post-retirement benefits	24	24	49
	528	597	1,228



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**Claire Banks -
Group Finance Director**
25 November 2022

Condensed consolidated statement of comprehensive income for the six months ended 30 September 2022

	Six months to 30 September 2022 (unaudited) £'000	Six months to 30 September 2021 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000
Revenue	5,874	4,855	10,119
Cost of sales	(4,796)	(3,800)	(7,913)
Gross profit	1,078	1,055	2,206
Administrative expenses	(776)	(751)	(1,488)
Operating profit	302	304	718
Income tax expense	(58)	(57)	(139)
Profit for the period	244	247	579

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	41,153	41,153
Basic earnings per share	0.61p	0.62p	1.45p
Diluted earnings per share	0.60p	0.60p	1.41p

Condensed Consolidated Statement of Financial Position as at 30 September 2022

	30 September 2022 (unaudited) £'000	30 September 2021 (unaudited) £'000	31 March 2022 (audited) £'000
Non-current assets			
Goodwill	3,317	3,317	3,317
Right of use assets	229	317	273
Property, plant and equipment	50	32	40
Investments	71	71	71
	<u>3,667</u>	<u>3,737</u>	<u>3,701</u>
Current assets			
Trade and other receivables	2,574	2,110	2,593
Cash and bank balances	1,718	1,886	2,193
	<u>4,292</u>	<u>3,996</u>	<u>4,786</u>
Current liabilities			
Trade and other payables	1,266	1,380	1,917
Lease liabilities	89	85	88
Corporation tax	222	157	144
	<u>1,577</u>	<u>1,622</u>	<u>2,149</u>
Net current assets	<u>2,715</u>	<u>2,374</u>	<u>2,637</u>
Non-current lease liabilities	150	241	196
Net assets	<u>6,232</u>	<u>5,870</u>	<u>6,142</u>
Equity			
Share capital	1,998	1,998	1,998
Share premium account	1,712	1,712	1,712
Merger reserve	3,042	3,042	3,042
Share-based payment reserve	358	396	415
Retained losses	(878)	(1,278)	(1,025)
Equity attributable to the owners of the parent	<u>6,232</u>	<u>5,870</u>	<u>6,142</u>

Condensed Consolidated Statement of Changes in Equity

	Share capital £'000	Share premium account £'000	Merger reserve £'000	Share based payment reserve £'000	Retained losses £'000	Total equity £'000
Balance at 1 April 2021	1,998	1,712	3,042	580	(1,537)	5,795
Transfer on reserves	-	-	-	(172)	172	-
Total comprehensive income	-	-	-	-	247	247
Share based payment charge	-	-	-	(12)	-	(12)
Dividend	-	-	-	-	(160)	(160)
Balance at 30 September 2021	<u>1,998</u>	<u>1,712</u>	<u>3,042</u>	<u>396</u>	<u>(1,278)</u>	<u>5,870</u>
Transfer on reserves	-	-	-	(1)	1	-
Total comprehensive income	-	-	-	-	332	332
Share based payment charge	-	-	-	20	-	20
Dividend	-	-	-	-	(80)	(80)
Balance at 31 March 2022	<u>1,998</u>	<u>1,712</u>	<u>3,042</u>	<u>415</u>	<u>(1,025)</u>	<u>6,142</u>
Transfer on reserves	-	-	-	(63)	63	-
Total comprehensive income	-	-	-	-	244	244
Share based payment charge	-	-	-	6	-	6
Dividend	-	-	-	-	(160)	(160)
Balance at 30 September 2022	<u>1,998</u>	<u>1,712</u>	<u>3,042</u>	<u>358</u>	<u>(878)</u>	<u>6,232</u>

Condensed Consolidated Statement of Cash Flows for the six months ended 30 September 2022

	Six months to 30 September 2022 (unaudited) £'000	Six months to 30 September 2021 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000
Cash flow from operating activities			
Profit for the period	244	247	579
Income tax expense	58	57	139
Share based payment charge	6	(12)	8
Depreciation	59	56	118
Operating cash flows before movement in working capital	367	348	844
Decrease/(increase) in trade and other receivables	19	163	(320)
(Decrease) in trade and other payables	(652)	(549)	(12)
Cash generated by operations	(266)	(38)	512
Income taxes refunded/(paid)	20	11	(84)
Net cash (outflow)/inflow from operating activities	(246)	(27)	428
Cash flows from investing activities			
Purchase of property, plant and equipment	(25)	(11)	(37)
Net cash (outflow) from investing activities	(25)	(11)	(37)

	Six months to 30 September 2022 (unaudited) £'000	Six months to 30 September 2021 (unaudited) £'000	Year ended 31 March 2022 (audited) £'000
Cash flows from financing activities			
Lease liability payments	(44)	(43)	(85)
Dividends paid	(160)	(160)	(240)
Net cash (outflow) from financing activities	(204)	(203)	(325)
Net (decrease)/increase in cash and cash equivalents	(475)	(241)	66
Cash and cash equivalents at beginning of the period	2,193	2,127	2,127
Cash and cash equivalents at end of the period	1,718	1,886	2,193

Notes to the Condensed set of Financial Statements for the six months ended 30 September 2022

1. General information

The Company and its subsidiaries (together "the Group") are a major provider of consultancy services to organisations that develop, fund or manage affordable housing. It provides specialist housing, sport, education and treasury management consultancy services.

The Company is a public limited company domiciled in the United Kingdom and incorporated under registered number 08988813 in England and Wales. The Company's registered office is Tempus Wharf, 29a Bermondsey Wall West, London, SE16 4SA.

2. Basis of preparation

The Unaudited Condensed Consolidated Interim Financial Statements of the Group have been prepared on the basis of the accounting policies, presentation, methods of computation and estimation techniques used in the preparation of the audited accounts for the period ended 31 March 2022 and expected to be adopted in the financial information by the Company in preparing its annual report for the year ending 31 March 2023.

This Interim Consolidated Financial Information for the six months ended 30 September 2022 has been prepared in accordance with UK-adopted International Accounting Standard 34. This Interim Consolidated Financial Information is not the Group's statutory financial statements and should be read in conjunction with the annual financial statements for the year ended 31 March 2022, which were prepared in accordance with UK-adopted International Accounting Standards and have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis of matter without qualifying their report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The Interim Consolidated Financial Information for the six months ended 30 September 2022 is unaudited. In the opinion of the Directors, the Interim Consolidated Financial Information presents fairly the financial position, and results from operations and cash flows for the period.

The Directors have made an assessment of the Group's ability to continue as a going concern and are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group, therefore, continues to adopt the going concern basis in preparing its consolidated financial statements.

The financial statements are presented in sterling, which is the Group's functional currency as the UK is the primary environment in which it operates.

3. Operating segments

The Group has two reportable segments being: consultancy, and treasury management services, the results of which are included within the financial information. In accordance with IFRS8 'Operating Segments', information on segment assets is not shown, as this is not provided to the chief operating decision-maker. The principal activities of the Group are as follows:

Consultancy – a range of services to support the business needs of a diverse range of organisations across the housing (including housing associations and local authorities), education and sports sectors. Most consultancy projects run over one to two months and on-going business development is required to ensure a full pipeline of consultancy work for the employed team.

Treasury Management – a range of services providing treasury advice and fund-raising services to non-profit making organisations working in the affordable housing and education sectors. Within this segment of the business several client organisations enter fixed period retainers to ensure immediate call-off of the required services.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment, without allocation of central administration costs, including Directors' salaries, finance costs and income tax expense. This is the measure reported to the Group's executives for the purpose of resource allocation and assessment of segment performance.

	6 months to 30 Sept 2022 £'000	6 Months to 30 Sept 2021 £'000
Revenue from Consultancy	5,643	4,566
Revenue from Treasury Management	227	289
	<u>5,874</u>	<u>4,855</u>

Within consultancy revenues, approximately 16% (2021: 8%) has arisen from the segment's largest customer; within treasury management 20% (2021: 27%).

Geographical information

Revenues from external customers, based on location of the customer, are shown below:

	6 months to 30 Sept 2022 £'000	6 months to 30 Sept 2021 £'000
UK	5,658	4,652
Europe	193	195
Rest of World	23	8
	<u>5,874</u>	<u>4,855</u>

4. Share capital

The Company has one class of share in issue being ordinary shares with a par value of 5p. Allotted, issued and called up ordinary shares of £0.05 each:

	Number '000	Amount called up and fully paid £'000
As at 1 April 2021	39,961	1,998
As at 30 September 2021	39,961	1,998
As at 31 March 2022	39,961	1,998
As at 30 September 2022	39,961	1,998

5. Share-based payment transactions

The Company operates an Unapproved Scheme and an Enterprise Management Incentives Scheme. The total cost recognised in the period to 30 September 2022 arising from share-based payment transactions is £6k (the credit for the period ended 30 September 2021: £12k).

Unapproved scheme	Number '000	Weighted average exercise price
Number of options outstanding at 1 April 2022 and 30 September 2022	171	£0.35

The exercise price of the options outstanding at 30 September 2022 is £0.35

EMI scheme	Number '000	Weighted average exercise price
Number of options outstanding at 1 April 2022	1,474	£0.05
Lapsed during period	(169)	£0.05
Granted during period	931	£0.26
Cancelled during period	(40)	£0.26
Number of options outstanding at 30 September 2022	2,196	£0.14
Number of options exercisable at 30 September 2022	1,305	£0.05

6. Going concern

The Group has sufficient financial resources to enable it to continue its operational activities for the foreseeable future. Accordingly, the Directors consider it appropriate to adopt the going concern basis in preparing these interim accounts.

7. Dividend

An interim dividend of 0.25p will be paid on 20 December 2022 to shareholders on the register at 9 December 2022 at a cost of £99,905.

8. Related party disclosures

Balances and transactions between the Group and other related parties are disclosed below:

During the 6 months to 30 September 2022, Derek Joseph, Chair, was paid £11.7k (6 months to September 2021: £11.5k) which includes £6.7k (6 months to September 2021: £6.5k) of consultancy fees in relation the Group's International business.

Richard Wollenberg, non-executive director, accrued fees of £2k (6 months to September 2021: £2k). At 30 September 2022, the balance owed to Richard Wollenberg for services as a non-executive director was £6k (6 months to September 2021: £2k).

Directors

Derek Joseph
Non-executive Chair

Dr Fiona Underwood
Group Managing Director

Claire Banks
Group Finance Director

Richard Wollenberg
Non-Executive Director

Company Secretary

Claire Banks
Claire.banks@aquilaservicesgrp.co.uk

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Registrars

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Company Number

08988813

Company Website

aquilaservicesgroup.co.uk

London Stock Exchange

[www.londonstockexchange.com/
stock/AQSG/aquila-services-group-
plc/company-page](http://www.londonstockexchange.com/stock/AQSG/aquila-services-group-plc/company-page)