Aquila

Aquila Services Group plc

Unaudited Interim Results for the six months ended 30 September 2019

Company Registration No. 08988813 (England and Wales)

Unaudited Interim Results for the six months ended 30 September 2019

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

The Group works in the UK and internationally. Its expertise is in the provision, financing and management of affordable housing by housing associations, local authorities, government agencies and other non-profit organisations; high level business advice to the property sector and support for organisations including multi-academy education trusts and sports foundations working in communities to improve health and well-being opportunities.

Results highlights

	6 months to 30 September 2019 (unaudited)	6 months to 30 September 2018 (unaudited)	Year ended 31 March 2019 (audited)
	£000s	£000s	£000s
Revenue	**3,891**	3,592	7,656
Gross Profit	**980**	773	1,867
Operating Profit	**254**	222	607
EPS	**0.55p**	0.47p	1.32p
Declared Dividend per Share	**0.30p**	0.29p	0.89p
Cash Balances	**1,127**	1,029	1,720

Chair's statement

Dear Shareholder,

I am pleased to present the half-year report and the interim results for the 6 months to 30 September 2019.

Aquila Services Group plc ('the Company') is the holding company for Altair Consultancy & Advisory Services Ltd ('Altair') and Aquila Treasury & Finance 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, 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 half-year results for the Group demonstrates the continuing sustainability of our business model and the benefits of investment in longer term planned growth, both organic and targeted acquisitions. The period included the acquisition of our newest trading subsidiary, Oaks, the continuing expansion of our development services offering, and our international work.

The six months has seen a continuation of the strategy described in the annual report for the previous financial year. Our governance and executive team have been streamlined to concentrate on our particular specialisms. We have now moved from the integration of the 'pod' property consultancy business into an expansion phase. We now have a solid base to grow our international business and the brand has now been renamed Altair International to reflect our growth beyond Africa. Responding to market forces, we are reshaping our traditional interim support services to a short term placement model specialising in support at higher skills levels, building on the success of this model for our development expertise.
The results of this balanced strategy are allowing both our longer term objectives to be matched with the targets of increasing turnover and higher operating profit which are reflected in the results for the period. The acquisition of Oaks in June 2019 and the need to integrate that business into the Group means that there was only a marginal contribution to both turnover and operating profit from the new business in the period, but we anticipate benefits gradually being realised in the second half of the year. Despite the uncertainty that much of the economy faces and reflected in our operating environment, our business model enables us to enter this new period with expectations of continuing progress and this confidence is reflected in the continuation of our progressive dividend policy for the half-year.

There are likely to be further acquisition opportunities in the coming years that could fit our business model. To date we have utilised new equity and cash generated from retained profits as consideration and avoided debt, in particular to provide comfort to those accepting our equity. As opportunities become larger, we will seek to continue this approach but for the right business fit, we may need to look at other financing structures.

Chair's statement

Trading results

The Group saw an increase in turnover of 8.3% for the 6 months to 30 September 2019 compared to the 6 months ended 30 September 2018. Gross profit was £980k (September 2018: £773k; March 2019: £1,867k) with operating profits before share option charges of £306k (September 2018: £281k; March 2019: £724k).

	6 months to 30 September 2019 (£000's)	6 months to 30 September 2018 (£000's)	Year ended 31 March 2019 (£000's)
Turnover	3,891	3,592	7,656
Gross Profit	980	773	1,867
Operating profit (before share options charge)	306	281	724
Share option charge	52	59	117
Operating profit (after share option charge)	254	222	607
EPS	0.55p	0.47p	1.32p

The Group has a strong net asset position with over £1.1m in cash held at the 30 September 2019.

Dividend

The Directors propose to declare an interim dividend of 0.30p (2018: 0.29p) per share, an increase of 3.5% which will be paid on 20 December 2019 to shareholders on the register at 6 December 2019.

Business review

Our business streams and investments

The underlying business of Altair remains robust and we have seen significant growth in both demand and our client base for most of our consultancy business, specifically our development, project management and recruitment services. This reflects the relaxation of government restraints on local authorities entering into direct supply of homes, the historically cheap borrowing available to our clients and the potential surpluses to be made from development of residential accommodation for market sale or rent which supports cross-subsidy for affordable housing. With some evidence of a downturn in residential property values in London and the South East, it is yet to be seen whether this will make our clients more cautious and how this impacts on the private investors, mainly institutions and private equity houses, who are looking for long term investments in the sector and whom we have been supporting. Historically, downturns in the property market have been seen as opportunities by our clients, many of whom tend to act on a counter-cyclical business model, and we are not expecting this to have a major impact on the demand for our services.

Our business streams that provide support with governance, management structures, financial modelling and business planning have seen steady demand during the period. With government's attention diverted to other matters, there have been few serious new initiatives or regulatory change that supports demand for these specialisms. We continue to grow our client base, now working with an increasing number of the large-scale investors in social housing such as L&G and the Man Group. We would expect that with a period of stable government concentrating on wider domestic issues, there will be a more dynamic environment for these business streams to support.

Our specialist treasury management subsidiary (ATFS) has had a quiet period with cheap debt and both investors and institutions only too willing to lend to the sector. Most have already satisfied the forward funding requirements in advance of the possible Brexit outcome. The focus of client demand has moved to portfolio management from fundraising. For this business it is a period of transformation as it concentrates on providing ongoing services and is now looking to widen its offering to more than debt management. In particular for both the Finance and Treasury teams the increase in the cost of borrowing for local authorities, as a result of a 1% rise in their principle funder mechanism, the Public Works Loan Board (PWLB) means that local authorities may now look to non-government borrowing to deliver their programmes. This is seen as a major opportunity and we are actively looking to support our local authority clients in remodelling their business plans and seeking alternative forms of finance.

Traditionally, the Group has included a team of associate consultants available to cover as locums or interims for gaps in senior staffing at clients, resulting from staff turnover, maternity/paternity leave or initial staffing for new initiatives. The restriction on the expansion of this business was always the pressure on finding suitable associates, particularly when our interims were often recruited as permanent staff by our clients. Over the last 12 months there has been a rapid change as our client base is increasingly dominated by larger organisations who can fill gaps from redeploying existing staff. This service was also at a cost disadvantage because many of our clients cannot recover the VAT charged and larger clients with a continuing requirement can and do use social media to recruit directly or in some cases keep a team within their own establishment. At the same time, demand for more short term but full time support for specific projects has increased where high level expertise is needed and the timeframe is not long enough to provide internal 'climatization' to the organisation or the sector. This is referred to as the 'placement' model and uses a mix of associates with higher skill levels and in-depth familiarisation with the sector, as well as our own specialist staff. This model has been particularly successful within our development business stream and we are increasingly rolling it out to other parts of the business, as a variation of the interim model.

Altair Africa has now been rebranded as Altair International, as we work with clients in other parts of the world. The business continues to grow and during the period significant new contracts were signed in Rwanda, Nigeria and Kyrgyz Republic, as well as a contract to review the role of

Chair's statement

Continued from overleaf

Real Estate Investment Trusts (REITs) internationally for the Centre For Affordable Housing Finance (CAHF). We have also been successful in being added to framework procurement arrangements in a number of countries such as Kenya and those operated by pan national organisations. Some contracts are directly between Altair and the client but most are part of a consortium covering a wider range of activities. We are now in the process of looking to formalise arrangements to bid for larger contracts as part of joint ventures with other major international operators, such as Sweco, an architectural and engineering consultancy, and a UK based consultancy that specialises in economic advice. At the same time, we are building a 'book' of smaller, local consultancies as many contracts require a minimum percentage of local content. Our aim is to continue to build this business stream as part of our client diversification strategy.

In June 2019 we acquired the entire share capital of Oaks Consultancy Ltd, a sport and education consultancy whose main client base is the UK community and voluntary sector, local authorities, membership organisations and socially minded private sector business. They are growing this client base and recently achieved some international contracts particularly as part of the Worldwide Grass Roots Football initiatives. Oaks business focuses on three core areas: strategy, business planning and income generation; many strands of which are complementary to our existing Altair services. Oaks have recently been awarded their first contract with housing providers, since acquisition. The commission is to provide income generation support for 14 BME Housing Associations in support of the Leadership 2025, diverse sector leadership Foundation programme. We expect that for our UK and international clients this will enable businesses to deliver a wider service offering to a broader range of clients.

Oaks are based in offices in Birmingham City Centre employing 18 staff. The financial statements for Oaks at 31 March 2019 showed turnover for the 12 months of £909k with profit before taxation of £251k. This latter needs to be adjusted for senior management salaries, as like many smaller private companies, managers relied on dividends for much of their remuneration. The consideration for the purchase has recently been finalised as it depended on confirming the values of certain assets and liabilities. The agreed total, excluding any additional deferred consideration is £1,144,679 of which 35% was paid in cash and 65% in new shares in the Aquila Group. As the acquisition was only completed part way through the period, and the weeks following were, in the main, a period of integration, the benefit of the acquisition will start to be generated in the second period.

Lastly, we continue to hold our equity stake in 3C Consultancy and AssetCore, respectively a specialist IT consultancy and a company building a financial debt management platform for the affordable housing sector. We hold 25% of the equity of 3C which continues to see a growing business, and around 8% of the equity of AssetCore which now has 12 live housing association clients and continues to develop its platform. AssetCore is currently in the process of a rights issue to existing shareholders for additional equity to assist in funding the future product development. Our Group Chief Executive Steven Douglas CBE continues to act as a non-executive director of 3C Consultancy and I remain as a non-executive director of AssetCore. Richard Wollenberg, a non-executive director of Aquila, and myself hold shares in AssetCore amounting to approximately a total of 8% each of the issued equity. Both of us have agreed to contribute to the current fundraising through a rights issue by the company.

Risks and uncertainties

The Directors do not consider that the Group's principal risks and uncertainties have changed since the publication of the annual report for the year ended 31 March 2019, which contains a detailed explanation of the risks relevant to the Group on Page 9 and is available at www.londonstockexchange.com/exchange/news/market-news/market-news-detail/AQSG/14126154.html

Outlook

The continuing success of the Group is to be responsive to our client base whilst at the same time growing the range of services and further exploiting our technical expertise. As can be seen from my report, there are always continuing subtle changes in our market place to which we have to respond. The history of the Group as one of the major providers of these services is that we are constantly listening and adjusting our offering. Nowhere is this more emphasised than in our recognition of the trends in the 'interim' services and the movement towards the placement model.

The acquisition of Oaks, the widening of our service offering and the diversification of our client base, particularly in the international sector, is part of our longer term planning and we anticipate this will be a recurring theme.

The sectors in which we work are essential elements of developed and developing economies that wish to make a better and more socially sustainable world. They reflect basic needs, not fashion or transient technology and, providing we continue to offer the relevant high quality support, there will always be a demand for our services. For the benefit of both our clients and our shareholders, it is important that we remain a robust, growing and dynamic organisation. We believe we have the right business model and that all our stakeholders, particularly our shareholders, will see progress reflected in our financial results.

Lastly, I cannot end without thanking the staff and my fellow directors for all their efforts during the period and hope that we continue to provide them with an exciting and rewarding place to work.

I look forward to reporting to you further after the year end.

Derek Joseph - Chair
25 November 2019

Directors' report

Substantial shareholdings

As at 30 September 2019, the Company was aware of the following notifiable interests in its voting rights:

	Number of Ordinary shares	Percentage of Voting rights	Nature of holding
Richard Wollenberg*	3,808,406	10.8%	Direct
Chris Wood	3,279,440	9.3%	Direct
Susan Kane	3,279,440	9.3%	Direct
Fiona Underwood**	3,279,440	9.3%	Direct
Steven Douglas	3,144,305	8.9%	Direct
Derek Joseph	3,005,538	8.5%	Direct
Jeffrey Zitron	2,798,403	7.9%	Direct
Matt Carroll	1,307,229	3.7%	Direct
Hannah Breitschadel	1,307,229	3.7%	Direct

*Includes shares held by immediate family members of Richard Wollenberg.
**Fiona Underwood's shares are held in a nominee account at Old Mutual plc.

Related party transactions

During the 6 months to 30 September 2019, the non-executive directors were paid fees of £7,000 (6 months to September 2018: £5,054).

During the 6 months to 30 September 2019, the Group charged £Nil (6 months to September 2018: £5,214) to DMJ Consultancy Services Limited for office costs and secretarial services, a company in which Derek Joseph is a director and shareholder.

Remuneration of Directors and key management personnel

The remuneration of the directors, who are the key management personnel of the Group, is set out below.

	6 months to 30 September 2019 (unaudited) £	6 months to 30 September 2018 (unaudited) £	Year ended 31 March 2019 (audited) £
Short-term employee benefits	295,833	283,592	655,495
Share-based payments	26,973	31,351	64,232
Post-retirement benefits	9,600	10,378	21,900
	332,406	325,321	741,627

Corporate governance

The UK Corporate Governance Code (the code), as appended to the listing rules, sets out Principles of Good Corporate Governance and Code provisions which are applicable to listed companies incorporated in the United Kingdom. As a standard listed company, the Company is not subject to the UK Corporate Governance Code, but the Board recognises the value of applying the principles of the code where appropriate and proportionate and endeavours to do so where practicable.

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 (IAS34).

The Directors confirm that, to the best of their knowledge, this Unaudited Interim Condensed Consolidated Report has been prepared in accordance with IAS34 as adopted by the European Union. 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

- 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.

Claire Banks - Group Finance Director
25 November 2019

Condensed consolidated statement of comprehensive income for the six months ended 30 September 2019

	Six months to 30 September 2019 (unaudited) £	Six months to 30 September 2018 (unaudited) £	Year ended 31 March 2019 (audited) £
Revenue	3,891,381	3,592,129	7,655,632
Cost of sales	(2,910,891)	(2,818,980)	(5,788,472)
Gross profit	980,490	773,149	1,867,160
Administrative expenses	(726,713)	(551,460)	(1,259,523)
Operating profit	253,777	221,689	607,637
Finance income	175	22	1,860
Profit before taxation	253,952	221,711	609,497
Income tax expense	(59,286)	(55,640)	(143,460)
Profit and total comprehensive income for the period	**194,666**	**166,071**	**466,037**
Earnings per share attributable to owners of the parent			
Weighted average number of shares:			
Basic	35,307,776	35,265,461	35,272,301
Diluted	40,688,624	39,989,368	40,353,113
Basic earnings per share	0.55p	0.47p	1.32p
Diluted earnings per share	0.48p	0.42p	1.15p

Condensed consolidated statement of financial position as of 30 September 2019

	Six months to 30 September 2019 (unaudited) £	Six months to 30 September 2018 (unaudited) £	Year ended 31 March 2019 (audited) £
Non-current assets			
Goodwill	3,778,748	2,027,688	2,027,688
Property, plant and equipment	94,232	90,458	72,270
Investment in associates	226,620	226,620	226,620
Investments	121,104	121,104	121,104
	4,220,704	2,465,870	2,447,682
Current assets			
Trade and other receivables	2,260,888	2,192,146	2,193,927
Cash and bank balances	1,126,850	1,028,951	1,719,068
	3,387,738	3,221,097	3,912,995
Current liabilities			
Trade and other payables	2,701,882	1,143,599	1,594,632
Corporation tax	268,306	197,415	162,691
	2,970,188	1,341,014	1,757,323
Net current assets	417,550	1,880,083	2,155,672
Net assets	**4,638,254**	**4,345,953**	**4,603,354**
Equity			
Share capital	1,765,389	1,763,273	1,765,389
Share premium account	1,487,512	1,487,512	1,487,512
Merger reserve	2,412,861	2,412,861	2,412,861
Share-based payment reserve	719,959	617,136	667,878
Retained losses	(1,747,467)	(1,934,829)	(1,730,286)
Equity attributable to the owners of the parent	**4,638,254**	**4,345,953**	**4,603,354**

Condensed consolidated statement of changes in equity

	Share capital £	Share premium account £	Merger relief reserve £	Share based payments reserve £	Retained losses £	Total equity £
As at 1 April 2018	**1,763,273**	**1,487,512**	**2,412,861**	**557,653**	**(1,906,940)**	**4,314,359**
Total comprehensive income	-	-	-	-	166,071	166,071
Share based payment	-	-	-	59,483	-	59,483
Dividend	-	-	-	-	(193,960)	(193,960)
As at 30 September 2018	**1,763,273**	**1,487,512**	**2,412,861**	**617,136**	**(1,934,829)**	**4,345,953**
Issue of shares	2,116	-	-	-	-	2,116
Transfer of exercise of options	-	-	-	(6,846)	6,846	-
Total comprehensive income	-	-	-	-	299,966	299,966
Share based payment	-	-	-	57,588	-	57,588
Dividend	-	-	-	-	(102,269)	(102,269)
As at 31 March 2019	**1,765,389**	**1,487,512**	**2,412,861**	**667,878**	**(1,730,286)**	**4,603,354**
Total comprehensive income	-	-	-	-	194,666	194,666
Share based payment	-	-	-	52,081	-	52,081
Dividend	-	-	-	-	(211,847)	(211,847)
As at 30 September 2019	**1,765,389**	**1,487,512**	**2,412,861**	**719,959**	**(1,747,467)**	**4,638,254**

Condensed consolidated statement of cash flows for the six months ended 30 September 2019

	Six months to 30 September 2019 (unaudited) £	Six months to 30 September 2018 (unaudited) £	Year ended 31 March 2019 (audited) £
Cash flow from operating activities			
Profit for the period	194,666	166,071	466,037
Interest received	(175)	(22)	(1,860)
Income tax expense	59,286	55,640	143,460
Shared based payment charge	52,081	59,483	117,071
Depreciation	29,052	25,149	51,692
Operating cash flows before movement in working capital	334,910	306,321	776,400
(Increase)/decrease in trade and other receivables	(66,961)	(82,468)	(84,249)
(Decrease)/increase in trade and other payables	(389,596)	114,679	565,712
Cash generated by operations	(121,647)	338,532	1,257,863
Income taxes paid	46,329	-	(122,544)
Net cash inflow/(outflow) from operating activities	**(75,318)**	**338,532**	**1,135,319**
Cash flow from investing activities			
Interest received	175	22	1,860
Purchase of property, plant and equipment	(51,014)	(19,860)	(28,215)
Acquisition of Goodwill	(254,214)	-	-
Acquisition of investment in an associate	-	(65,770)	(65,770)
Net cash outflow from investing activities	**(305,053)**	**(85,608)**	**(92,125)**
Cash flows from financing activities			
Proceeds of share issue	-	-	2,116
Dividends paid	(211,847)	(193,960)	(296,229)
Net cash outflow from financing activities	**(211,847)**	**(193,960)**	**(294,113)**
Net increase/(decrease) in cash and cash equivalents	(592,218)	58,964	749,081
Cash and cash equivalents at beginning of the period	1,719,068	969,987	969,987
Cash and cash equivalents at end of the period	**1,126,850**	**1,028,951**	**1,719,068**

Notes to the condensed set of financial statements for the six months ended 30 September 2019

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.

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 2019 and expected to be adopted in the financial information by the Company in preparing its annual report for the year ending 31 March 2020.

This Interim Consolidated Financial Information for the six months ended 30 September 2019 has been prepared in accordance with IAS 34, 'Interim Financial Reporting'. 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 2019, which have been prepared in accordance with International Financial Reporting Standard (IFRS) and have been delivered to the Registrar of Companies. The auditors have 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 2019 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 three reportable segments being: consultancy, interim management 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 (including housing associations and local authorities) across the housing sector. 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.

Interim Management – individuals are embedded within housing organisations (normally housing associations, local authorities and ALMOs) in a substantive role, normally for a specified period. Interim management provides the Group with a more extended forward sales pipeline as the average contract is for six months. This section of the business provides low risk as the interim consultants are placed on a rolling contractual basis and provides minimal financial commitment as associates to the business, rather than using employees for these roles.

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 Chief Executive for the purpose of resource allocation and assessment of segment performance.

	2019 **£**	2018 £
Revenue from Consultancy	3,320,072	2,532,640
Revenue from Interim Management	398,680	752,578
Revenue from Treasury Management	172,629	306,911
	3,891,381	3,592,129

Within consultancy revenues, approximately 6% (2018: 7%) has arisen from the segment's largest customer; within interim management 18% (2018: 13%); within treasury management 34% (2018: 36%).

Notes to the condensed set of financial statements for the six months ended 30 September 2019

3. Operating segments continued

Geographical information

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

	2019 £	2018 £
UK	3,643,400	3,387,891
Republic of Ireland	180,732	155,322
Rest of world	67,249	48,916
	3,891,381	3,592,129

4. Business combinations

On 11 June 2019, the Group acquired 100% of the issued share capital of Oaks Consultancy Ltd, a company incorporated in the UK. The principal activity of Oaks is that of consultancy within the sport and education sector.

The transaction has been accounted for by the acquisition method of accounting. This comprises an initial consideration of £1,144,679 being £414,432 in cash and £730,247 in ordinary shares and a maximum deferred contingent consideration of £555,321 to be satisfied 35% cash and 65% shares, which is payable on the annual recurring revenue (ARR) growth of the acquired business. Deferred contingent consideration that becomes due shall be satisfied in the period from March 2020 to March 2022.

Due to the timing of the acquisition, the acquisition accounting adjustments were not complete as at 30 September 2019, however will be finalised prior to 31 March 2020.

The Board is continuing its evaluation of to what extent any additional identifiable assets acquired in relation to Oaks exist, and need to be shown separately from goodwill. The evaluation will be completed and reported on in the annual report and financial statements to March 2020.

The provisional carrying amount of each class of Oaks Consultancy Limited's assets before combination is set out below:

	Book value £
Tangible assets	34,273
Trade and other receivables	315,395
Cash and cash equivalents	181
Trade and other payables	(348,707)
	1,142
Goodwill arising on acquisition	1,751,060
Consideration:	
Satisfied by:	
Initial cash consideration	202,012
Deferred cash consideration	212,420
Deferred consideration of ordinary shares	730,247
Deferred contingent consideration	555,321
	1,700,000

Acquisition-related costs capitalised as part of the investment total £52,202.

Included within the Condensed Consolidated Statement of Comprehensive Income are the following amounts in relation to Oaks Consultancy Limited.

	£
Revenue	265,629
Loss	(1,474)

Notes to the condensed set of financial statements for the six months ended 30 September 2019

5. 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	Amount called up and fully paid £
As at 1 April 2018	35,265,461	1,763,273
Issued during the period	-	-
As at 30 September 2018	35,265,461	1,763,273
Issued during the period	42,315	2,116
As at 31 March 2019	35,307,776	1,765,389
Issued during the period	-	-
As at 30 September 2019	**35,307,776**	**1,765,389**

As at 1 April 2019 and 30 September 2019 a total of 5,438,532 options were held by Directors and employees of the Group. The exercise price of the options outstanding at 30 September 2019 range between £0.05 and £0.42.

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 0.30p will be paid on 20 December 2019 to shareholders on the register at 6 December 2019 at a cost of £105,923.

8. Related party disclosures

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

Dividends totalling £98,292 (2018: £90,100) were paid in the period in respect of Ordinary Shares held by the Company's directors.

During the period to 30 September 2019 the Group charged £Nil (2018: £5,000) to DMJ Consultancy Services Limited for administrative services, a company in which Derek Joseph serves as a director. At 30 September 2019, the balance owed to the Group by DMJ Consulting Limited was £Nil (2018: £5,000).

At 30 September 2019, the balance owed to Richard Wollenberg for services as a non-executive director were £6,000 (2018: £2,000).

Directors and advisors

Directors	Derek Joseph	Chair (Non-Executive Director)
	Steven Douglas CBE	Group Chief Executive
	Fiona Underwood	Executive Director and Chief Executive Altair
	Claire Banks	Group Finance Director and Company Secretary
	Richard Wollenberg	Non-Executive Director
Company Secretary	Claire Banks	
Registered Office	Tempus Wharf 29a Bermondsay Wall West London SE16 4SA	
Independent Auditors	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC2A 4EB	
Corporate Advisor	Beaumont Cornish Limited 10th Floor 30 Crown Place London EC2A 4EB	
Bankers	National Westminster Bank plc 50 High Street Egham Surrey TW20 9EU	
Registrars	Neville Registrars Neville House Steelpark Road Halesowen B62 8HD	
Company Number	08988813	
Company Website	www.aquilaservicesgroup.co.uk	

Financial Calendar

Year	Date	Comments
2019	26 November	Interim results 2019 announced
	5 December	Ex-dividend date
	6 December	Record date
	20 December	Payment date for interim dividend
2020	31 March	End of accounting year
	By 31 July	2020 Annual Financial Report to be published and announced
	July	Annual General Meeting
	August	Final dividend to be paid