Helical Bar plc
Report & accounts
2010

financial highlights

Profit before tax, property write-downs and investments gains	£9.7m[1]
Diluted EPRA earnings per share	2.9p[2]
Final dividend per share	0.25p
Diluted EPRA net asset value per share	272p[2]

[1] Pre-tax loss as adjusted for property write-downs and net gain on sale and revaluation of investment properties (see Results for the year section of the Financial Review on page 31)

[2] Calculated in accordance with the best practice recommendations of EPRA

performance indicators

Total gross shareholder return

Total Returns		Performance measured over 1 year %pa	3 years %pa	5 years %pa	10 years %pa	15 years %pa	20 years %pa	25 years[5] %pa
Helical Bar plc	1	20.2	-6.1	9.5	14.6	16.8	15.6	31.2
UK Equity Market	2	52.3	-0.2	7.2	2.6	7.8	8.8	10.2
Listed Real Estate Sector Index	3	56.7	-25.3	-5.2	4.4	5.8	4.6	6.5
Direct Property – monthly data	4	16.3	-8.2	1.6	6.4	8.0	7.2	8.8

[1] Growth over 1 year, 3 years etc. to 31.03.10
[2] Growth in FTSE All-Share Return Index over 1 year, 3 years etc. to 31.03.10
[3] Growth in FTSE 350 Real Estate Super Return Index over 1 year, 3 years, 5 years and 10 years to 31.03.10
For data prior to 31 March 2000 FTSE All Share Real Estate Sector Index has been used
[4] Growth in Total Return of IPD UK Monthly Index (All Property) over 1 year, 3 years etc to 31.03.10
[5] Growth in UK Equity Markets, Listed Real Estate Sector Index and Direct Property since inception (1 January 1986, 1 January 1986 and December 1986 respectively)

Total portfolio - unleveraged returns

	Annualised over 1 year %pa	2 years %pa	3 years %pa	5 years %pa	10 years %pa	20 years %pa
Helical	8.5	0.8	0.0	9.9	13.5	15.7
IPD Benchmark	17.4	(7.7)	(7.4)	2.2	6.5	6.9
Helical's percentile rank	90	5	3	2	2	0

Source: Investment Property Databank

"0"= top ranked fund

Note: excludes the surplus but includes writedowns arising from the directors' valuation of trading and development stock.

The Investment Property Databank ("IPD") produces a number of independent benchmarks which are regarded as the main indices of unleveraged commercial property returns. The IPD Benchmark referred to above is the IPD Universe of March Valued Funds.

Front cover: Clyde Shopping Centre, Clydebank

Helical Bar is a property development and investment company. We create shareholder value through a wide variety of high margin activities with property investment at our core. The intention is that property investment should provide a stable income stream to cover overheads and interest costs. Our spread of activities gives us the flexibility to deploy capital rapidly across our business and focus on whatever opportunities offer the best returns at different points of the property cycle.

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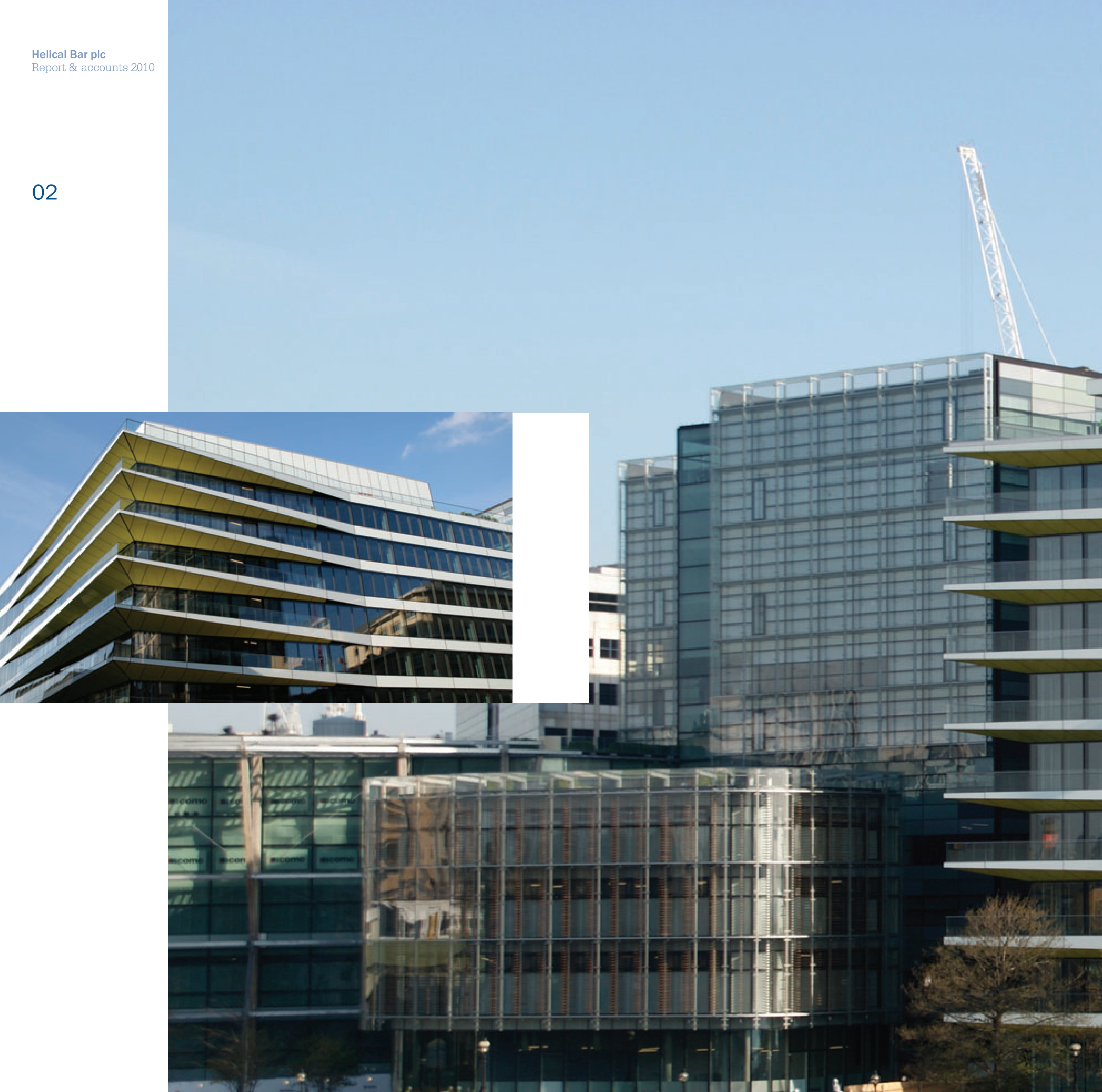


Riverbank House, London EC4
Riverbank House, EC4 is a 320,000 sq ft new office building built for the City of London / Pace Investments and pre-let in its entirely to Man Group. Building work started in late 2006 and recently completed with the building handed over to the tenant for its fit-out. Helical has a development management agreement with the owners under which it received a profit related fee.

Since we last reported to shareholders, the Group has successfully re-entered the investment market by acquiring, with joint venture partners, properties valued at more than £120m at yields that offer substantial potential for capital growth, whilst providing excellent cash returns.

chairman's statement

This move back into investment properties marks the start of a re-alignment of the Group's activities as we realise cash from the sale of our industrial and change of use development portfolio and re-invest these funds into high yielding investment assets with good growth prospects as well as Central London offices and other development opportunities.

We have protected our balance sheet by not having a dilutive and deeply discounted rights issue, preferring to rely on the successful placing in January 2009, which raised £26m at a small premium to net asset value per share. The result is that our net asset value performance over the last two years shows a decline of 21.2% in adjusted diluted net asset value per share which comfortably outperforms our peer group. In addition, over this two year period, our property portfolio provided an unleveraged return of 0.8% p.a. compared to a decline in the IPD benchmark of 7.7% p.a.

King Street, Hammersmith
London W6

Results

The profit before tax, property write-downs and investment gains reduced to £9.7m (2009: £16.2m). Development profits, before stock write downs, reduced to £8.7m (2009: £15.6m). There were no trading property profits (2009: loss of £0.5m) and an increased contribution from the Group's share in the results of joint ventures of £3.7m (2009: £1.8m). However, write-downs of trading and development stock of £10.0m, mainly resulting from a reduction in the carrying value of land held for industrial and change of use potential, are set against these profits. Net rental income fell to £14.2m (2009: £17.7m), mainly the result of the sale of Rex House, London SW1. Profit before tax was £7.9m (2009: £71.9m).

Administration costs increased from £8.1m to £8.7m with the costs of share awards higher at £1.2m (2009: credit £0.4m). Net finance costs before capitalised interest reduced from £14.5m to £11.5m due to a lower average level of borrowings during the year and lower average interest rates. Capitalised interest reduced to £3.2m from £6.9m. There was a profit on mark to market valuation of the Company's financial instruments of £1.2m (2009: loss of £13.4m). The Company made a loss on currency movements of £1.1m (2009: gain of £4.0m) on its Polish operations.

Valuation yields on our investment portfolio fell by 70 basis points (2009: rise of 180). This created a like for like rise in values of 7.9% (2009: fall of 25.7%), reflected as a gain on revaluation of £13.1m (2009: loss of £68.0m). A loss on sale of investment properties of £4.9m compares with a gain of £1.3m in the previous year.

Diluted earnings per share were 9.1p (2009: loss 56.6p) and diluted EPRA earnings per share were 2.9p (2009: 9.0p).

The Group's diluted EPRA net asset value per share fell by 5% to 272p (2009: 286p). The directors' valuation of trading and development stock showed a surplus of £33m (2009: £45m) and excluding this surplus the adjusted diluted net asset value per share reduced to 241p (2009: 242p).

A second interim dividend of 2.75p was paid to shareholders on 1 April 2010, originally in lieu of the final dividend. However, the Board is recommending to shareholders an additional final dividend of 0.25p per share, payable, if approved, after the Annual General Meeting in July. IFRS dividends are accounted for once approved and, as a consequence, these accounts include the final dividend from 2009 and both of the interim dividends from 2010, thereby reducing diluted EPRA net asset value per share by 2.75p more than if the second interim had been paid as a final dividend in July. However, taken with the interim dividend paid in December 2009 of 1.75p (2009: 1.75p) and the final dividend of 0.25p it represents a total dividend of 4.75p (2009: 4.50p), an increase of 5.6% for the year.

Financing

In the year to 31 March 2010, Helical strengthened its financial position by re-negotiating the terms on £183m of secured loans, repaying £29m and removing loan covenants for between two and three years. Whilst property values have recovered from their low point in August 2009, the Group will continue to monitor loan to value covenants, where applicable, and all income covenants to ensure that any potential breaches are avoided. Helical has repaid £68m of debt during the period, partly as a result of its renegotiation of loans and partly arising from the sale of Rex House and industrial units at Southampton, Southall and Kidlington. Since the year end, the Group has repaid £9m of loans from the sale of Watford, Paignton and Whitstable and will repay a further £10m on the sale of Fieldgate Street, London E1 in June 2010.

At 31 March 2010 the Group had net borrowings of £203.0m (2009: £224.7m) and gross property values of £435.5m (2009: £497.2m). The ratio of net borrowings to the value of the property portfolio (including directors' valuation of stock) was 46.6% (2009: 45.2%). Net debt to equity gearing at 31 March 2010 was 84% (2009: 95%).

At 31 March 2010, the Group had £92.6m (2009: £147.9m) of fixed rate borrowings with an average effective interest rate of 6.43% (2009: 6.31%) and an average length of 2.3 years (2009: 3.2 years) and £34m of interest rate caps at an average of 6.00% (2009: 6.73%). In addition, the Group had a £34m floor at 4.50% until 2013.

Outlook

Despite the recovery in commercial property values since August 2009 there remain significant uncertainties over the current strength and future direction of the UK economy. Continued volatility in Europe and its impact on the Euro, and uncertainty surrounding the new UK Government's plans to stabilise the domestic economy, threaten to slow the recent rise in property values. However, the next 18 months should see an increase in activity as the domestic banks seek to sell assets following recent rises in values. The Helical brand is ideally placed to take advantage of any opportunities as a result of its strong balance sheet, well-established industry, banking and investor partnerships coupled with the experience and skills of its management team.

Giles Weaver
Chairman

16 June 2010

Battersea Studios
London W8

2-4 Eastcheap, London EC3 –
acquired June 2010

In the year to 31 March 2010, commercial property started to recover from the 44% decline in capital values between their peak in June 2007 and their trough in July 2009. Since then, capital values have improved by approximately 14%. This recovery is now stalling as buyers digest the potential clouds on the horizon. The derivative market points to negligible capital growth for the foreseeable future and IPF forecasts are no more optimistic. The overwhelming concern centres on the banking crisis spilling over into a sovereign wealth problem whilst on a domestic level, the market remains worried over tenant demand/failure, forced sales as the banks slowly unload and a constipated new planning regime.

chief executive's statement

Set against good gains by the majors with a strong London weighting, Helical's efforts this year at first may seem pedestrian. This is a function of how we have managed our way through the last three years of crisis. I draw your attention to the Chairman's Statement on our adjusted net asset value per share outperformance over the last two difficult years which demonstrates the virtues of avoiding hugely dilutive rights issues. That path never was and never will be Helical's way. Shareholders can be grateful that your management team maintains a sizeable shareholding in the company.

In every market cycle, Helical has experienced a period during which it repositions its business to prepare for opportunities in forthcoming years. It is no accident that half of our portfolio is made up of development and trading property rather than mainstream investment stock. Now is the time to be working up major projects, both in Central London offices and in large residential plays in West London, as well as keeping an eye open for attractive investment opportunities as and when they arise.

Interestingly, we made our first major investment acquisition in four and a half years when buying the Clyde Shopping Centre in Glasgow with joint venture partners last autumn. This was followed by the purchase of nine industrial and office investments last month. More recently we have been appointed 'asset and development manager' at the 360,000 sq ft City office property, 200 Aldersgate, reflecting our long experience of City development. Legal agreements have been exchanged to acquire the site at Mitre Square, London EC3 from the City of London and Ansbacher and a planning application for a new, high quality office development of 270,000 sq ft NIA has been submitted. A start on site could be as early as the first quarter of 2011. With responsibility for some 3,500 residential units to be built in West London at Fulham Wharf, Hammersmith Town Hall and White City, in addition to our growing Retirement Villages portfolio, we look also to benefit from an improving residential market.

Having successfully navigated our way through the crisis period and in doing so outperformed our peers, we now look to monetising our portfolio of opportunity, sharing risk with partners, and maintaining a strong balance sheet.

Michael Slade
Chief Executive

16 June 2010

Our portfolio - how we commit our capital

	London offices %	Provincial offices %	In town retail %	Out of town retail %	Industrial %	Change of use %	Retirement villages %	Total %
Investment	19.6	2.4	22.5	4.2	6.1	-	0.9	55.7
Trading and development	0.4	4.3	2.1	11.2	7.5	5.0	13.8	44.3
Total	20.0	6.7	24.6	15.4	13.6	5.0	14.7	100.0

Note: excludes the surplus arising from the directors' valuation of trading and development stock.

Mitre Square, London EC3

business review

Our goals

Our overriding long term strategy is to make excellent returns for our shareholders through a broadly based, diversified property business, which has access to a very wide range of opportunities.

We do this with a small, long serving management team who have a significant proportion of their own wealth invested in a 17% stake in the Company and have no competing interests. We try to keep execution risk to a minimum, working with first rate joint venture partners when we move into new areas of property business.

Development programme

Helical seeks to provide a continuing flow of development profits. It has good experience across the different sectors of offices, retail, industrial, mixed use and residential/retirement village schemes. These developments are either pre let or speculative and financed either by Helical or by third party funding partners. Helical tends to develop smaller schemes on its own and works on larger schemes either as development manager, typically being paid a small fee in return for a greater share of profit to incentivise a successful outcome, or with equity invested alongside our partner.

Year to 31 March 2010

Profits from the Group's development programme of £8.7m (2009: £15.6m) were again turned into net losses by provisions of £10.0m (2009: £23.3m) made against the carrying value of development stock. The profits generated during the year came from a range of developments including the retail schemes at Opole, Poland and Trinity Square, Nottingham; industrial schemes at Kidlington and Southall and at Aycliffe industrial estate; our office scheme at Riverbank House, London EC1 and at Bramshott Place Retirement Village. Provisions were made against the carrying value of land held for industrial and change of use potential. In addition to these schemes the Group's efforts were directed towards progressing our position in a range of schemes across the portfolio, details of which are outlined over the following pages.

Fulham Wharf, London SW6

The Hub, Pacific Quay, Glasgow

offices

The focus of the Group over the last year has been on those schemes recently completed or under construction, looking for tenants for the space, where vacant, and progressing a small number of major schemes for the future.

Riverbank House, London EC4
See page 2.

200 Aldersgate Street, London EC1
Originally developed in the late 1980's, this 360,000 sq ft office building has remained vacant since Clifford Chance left for Canary Wharf in 2005. We have been appointed as asset and development managers with a view to refreshing and re-cladding parts of the building and creating a "vertical village" for office users. It is anticipated that the works will be completed in late 2010, following which the building will be re-launched on the market.

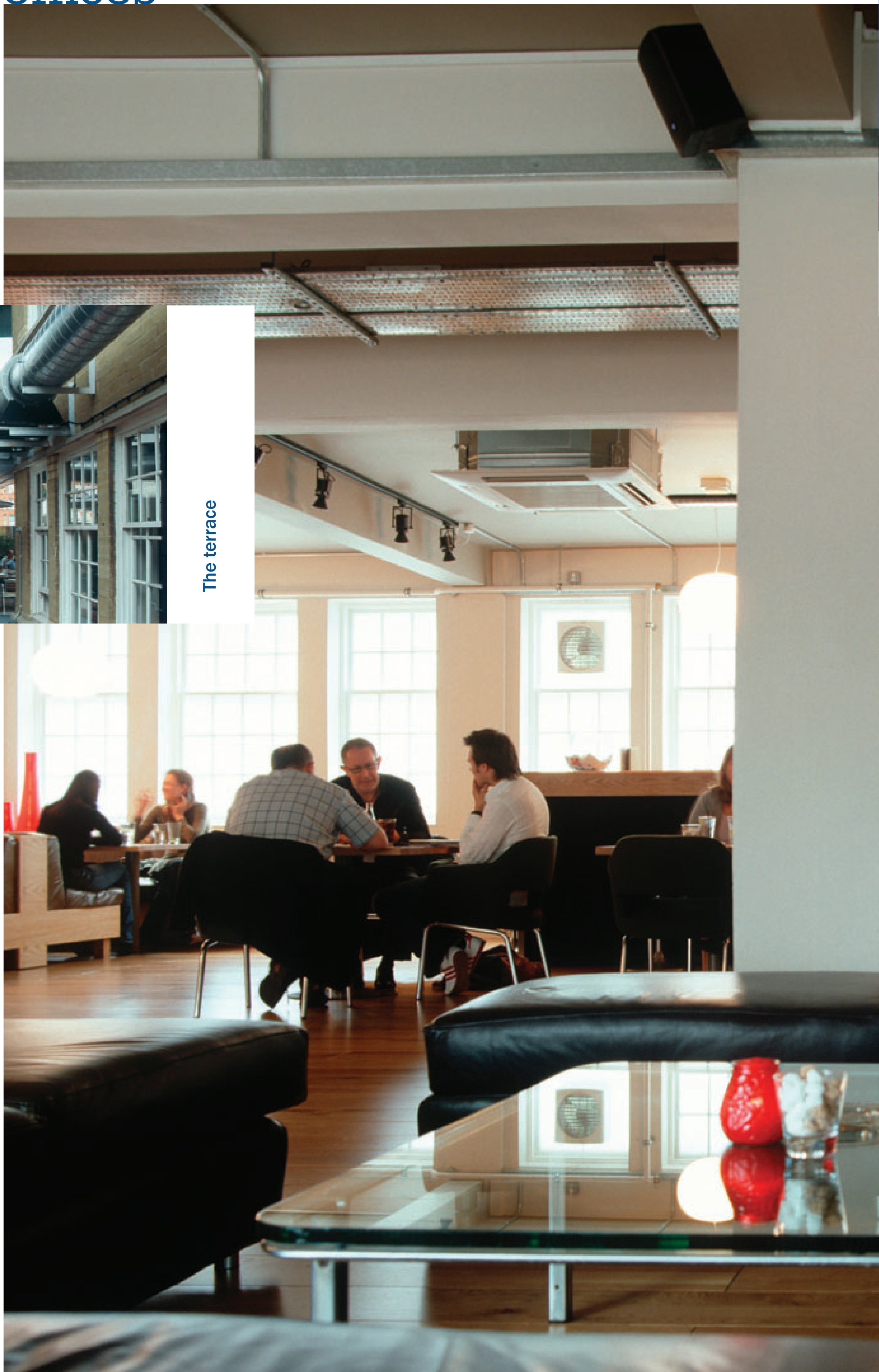
Mitre Square, London EC3
Legal agreements have been signed to acquire the site at Mitre Square, London EC3 from the City of London and Ansbacher. A planning application for a new high quality office development of 270,000 sq ft NIA has been submitted. A start on site could be as early as the first quarter of 2011.

The Hub, Pacific Quay, Glasgow
See opposite.

Clareville House, Panton Street, London SW1
This 75,000 sq ft office refurbishment for the National Grid UK Pension Fund was completed in February 2008. During the year, we have achieved lettings to restaurant Busaba Eathai and office tenants Novus Leisure Ltd and good progress is being made on the remainder of the vacant space. Due to movements in rental and yield pricing it is very unlikely a further profit payment will be forthcoming.

The Hub, Pacific Quay, Glasgow
The Hub, Pacific Quay, Glasgow was completed in 2009. This new 60,000 sq ft building offers flexible office space with an onsite cafe and events area. Located in the midst of a media hotbed with BBC Scotland and STV as neighbours, this scheme has been partly let to The Digital Design Studio, the commercial arm of Glasgow School of Art, Shed Media and other high-tech, media-oriented tenants.

offices



The terrace

Exterior of Shepherds Building

Shepherds Building, Shepherds Bush, London W14
Recently refurbished Shepherds Building is West London's answer to the creative working spaces that have proved so popular on the east side of town. Close to the BBC, Notting Hill and Hammersmith and with easy access to the West End via the Central Line on Shepherds Bush Green, Shepherds Building is ideal for new creative businesses. The new Westfield shopping centre has transformed the area into a major destination in the capital. Shepherds Building offers spaces from 200 sq.ft. in a striking refurbished 1950s building brought up-to-date with an exciting scheme.

retail

Europa Centralna, Gliwice

retail

In Poland we have three schemes totalling over 117,600 sq m (1.2m sq ft):

Park Handlowy Mlyn, Wroclaw

See opposite

Park Handlowy Turawa, Opole

Opole is located approximately 40km to the west of Wroclaw along the A4 motorway and is the administrative centre of the Opole province. This shopping centre and retail park is anchored by a Carrefour Hypermarket and a Praktiker DIY store and comprises approximately 41,000 sq m (440,000 sq ft) of retail space. The scheme has been forward funded and sold to Standard Life and is due for completion in the first quarter of 2011.

Europa Centralna, Gliwice

This scheme is being developed on land to the south of Gliwice at the intersection of the A4 and A1 motorways. This highly visible site has unparalleled accessibility and will be a major regional shopping destination. The retail park and shopping centre, comprising approximately of 67,000 sq m (720,000 sq ft) of retail space, will incorporate three distinct parts, being a foodstore, DIY and household goods and fashion. The scheme has been part pre-let to Castorama, Media Expert and others. We are currently in detailed discussions with potential joint venture partners. Construction is due to commence by the end of 2010 with completion in the first quarter of 2012.

Park Handlowy Mlyn, Wroclaw
Wroclaw is a large city in West Poland, some 100km from the German border and 470km south of Warsaw. This 9,600 sq m (103,000 sq ft) out of town retail development was completed in December 2008 and is fully let to a number of domestic and international retailers including Halfords, Media Expert, Deichmann, Komfort and others. The scheme is currently under offer for sale to a private property investment fund.

Clyde Shopping Centre, Clydebank

Clyde Shopping Centre is the dominant retail location in Clydebank and for the north west of Glasgow. The centre comprises in excess of 625,000 sq ft of net retail floor space with 121 shops, six anchor stores (Asda, Primark, BHS, Dunnes, Boots and Argos), cafes, a multiplex cinema (not part of the acquired property) and parking for nearly 1,700 cars. The centre was originally opened in 1978 and subsequent phases were built in 1980, 1987 and 2003.

retirement villages

A retirement village is a private residential community in which active over-55s are able to live independently in retirement. Residents have typically down-sized from a larger family home into a cottage or apartment with no maintenance or security issues. With access to a central clubhouse containing a bar and restaurant facilities and health and fitness rooms and surrounded by maintained grounds, this retirement option is proving increasingly popular.

Bramshott Place, Liphook, Hampshire

See opposite

Cherry Tree Yard, Faygate, Horsham, West Sussex

Cherry Tree Yard, a 30 acre site, had operated as a sawmill with outside storage for many years. Now vacant, we were granted planning permission, at appeal, in May 2009 following a public inquiry where the Inspector allowed a development comprising a retirement village of 148 units, eight affordable housing units, a 50 bed residential care home and a central facilities clubhouse building. Demolition and enabling works will commence shortly with construction of the retirement village and clubhouse, to be built in phases, expected to commence in late 2010.

St Loye's College, Exeter

This 19 acre site was acquired in 2007 from the St Loye's Foundation, a long established rehabilitation college in the city of Exeter. Resolution to grant planning permission was obtained in October 2009 for a retirement village of 206 units, a 50 bed residential care home, an affordable "extra-care" block of 50 units and a central facilities clubhouse building. Construction of the retirement village and clubhouse in phases is expected to commence during 2011.

Ely Road, Milton, Cambridge

This 21 acre site was acquired from EDF in 2006 and was previously used as a training centre and depot. Located within the Green Belt, planning permission has been obtained for a retirement village of 101 units and a central facilities clubhouse building.

Bramshott Place, Liphook, Hampshire

The original Bramshott Place Village was an Elizabethan mansion built in 1580 by a local merchant. Whilst this was demolished in the mid 19th Century and replaced by Bramshott Grange, the original Grade II listed Tudor Gatehouse remains and has been fully restored. Bramshott Grange operated most recently as a hospital for the elderly but closed in 1987. The land and buildings remained derelict until Helical acquired them in 2001. Changing planning from its previously designated employment use to a retirement village took several years but was eventually achieved in 2006.

The development of 151 cottages and apartments, and the new clubhouse, started in late 2007 and has proceeded in phases as units are sold. Currently, we have sold 33 units in phases 1 & 2 with reservations on a further 28 units out of a total of 96 units built or under construction. The remaining 55 units are expected to be built in 2010/11.

retirement villages

change of use and mixed use

White City, London W12

We continue to work with the London Borough of Hammersmith and Fulham and the GLA in the production of an Opportunity Area Planning Framework for White City which will set out a blueprint for the area's potential. The aspiration for us and our landowning consortium (Aviva, M&S, BBC and Land Securities) is a major mixed use scheme east of Wood Lane, London W12 incorporating some 3.5m sq ft of residential and commercial floorspace with a creative industries bias. The ownership interests of our consortium lie immediately opposite BBC Television Centre and just north of Westfield's new shopping centre.

Fulham Wharf, London SW6

At Fulham Wharf we are finalising, with landowner Sainsbury's, a planning application for a 100,000 sq ft new foodstore together with circa 475 residential units. The proposal is to demolish the adjacent dilapidated buildings, construct a new store with housing above and turn the existing store into new housing, creating new public spaces and enhancing access to a Thames riverside walkway within the development.

King Street, Hammersmith, London W6

We have a development agreement with the London Borough of Hammersmith & Fulham, in partnership with residential specialist Grainger plc, for the regeneration of the west end of King Street, Hammersmith. We will submit a planning application in Summer 2010 for new council offices, a foodstore and restaurants around a new public square, over 320 new homes and a new public footbridge across the Great West Road, which will re-connect Hammersmith to the River Thames and Furnival Gardens.

Parkgate, Shirley, West Midlands

At Parkgate, Shirley we have revised our plans for the redevelopment of this site and will be submitting a new planning application to Solihull Metropolitan Borough Council later this Summer. The development will, however, continue to include an 85,000 sq ft Asda supermarket, 64,000 sq ft of retail and circa 120 residential apartments and townhouses.

Bluebrick, Wolverhampton

At Bluebrick, Wolverhampton, we currently own a refurbished disused railway station with planning permission for casino use and are looking for a tenant and/or purchaser for this building. In previous years, we have sold off parcels of land for student housing, residential, hotel, car showroom and public house use.

Leisure Plaza, Milton Keynes

At Leisure Plaza, Milton Keynes, we have planning consent for a 165,000 sq ft retail store, 65,000 sq ft casino, 50,000 sq ft ice rink and 25,000 sq ft of other leisure.

student accommodation

Completion of the sale of our site at Fieldgate Street, London, E1, which has planning consent for 340 student rooms, is due in June 2010. At 200 Great Dover Street, London, SE1, currently an investment property, let to Conoco Phillips until June 2011, we are appealing against a planning refusal for a new development of 35,000 sq ft of offices and 245 student rooms.

industrial development

We have built 120 units totalling over 570,000 sq ft for onward sale to owner occupiers at two sites in Oxford as well as at Southampton, Southall (West London) and Hailsham. We have sold 43 of these units (220,000 sq ft), and have let a further seven units (29,000 sq ft). These schemes include sales of parcels of land for car showrooms, builders merchants and self-storage uses and the development of trade counter schemes. In addition, we own a vacant site in Stockport with planning permission for trade counters, industrial units and a builders merchant, self storage and car showroom. Infrastructure works have recently commenced at this site.

governetz

Helical Governetz was formed in 2007 in anticipation of demand for the wholesale reform of the government estate which is inefficient, outdated and poorly located. The intention is to provide office campus accommodation where civil service, local government, wider public sector bodies, and private sector servicing organisations can share facilities, accommodation and services. The buildings will meet all the requirements of SOGE – Sustainability on the Government Estate.

Whilst these initiatives will take time to come to fruition we have been encouraged by our preliminary discussions with government bodies. At Keele, Staffordshire we are planning a sustainable business park within Keele University Science and Business Park. At Waverley, Rotherham, South Yorkshire in partnership with Harworth Estates, a division of UK Coal plc, we are planning a sustainable mixed use development of up to 600,000 sq ft of offices. Other projects are under discussion at Newport, Preston and Porton Down.

quotient

In January 2007 we acquired a research facility near Newmarket in a joint venture with the majority shareholder of Quotient who occupy the buildings. As part of the transaction we acquired a minority stake in Quotient, a fast growing biosciences company.

Parkgate, Shirley

Mixed use development at
Trinity Square, Nottingham

portfolio statistics

investment portfolio

In recent years we have retained those assets identified as having potential for future growth, or which provided a strong cash flow to the business, having disposed of assets which had reached their maximum potential. The remaining portfolio provided a source of income to cover overheads and finance costs but this, as with the rest of the property sector, suffered from valuation falls in 2007 and 2008.

By July 2009, the cycle appeared to be turning with capital values increasing despite continuing falls in rental values. This is reflected in a like-for-like increase in values of 7.9% on the investment portfolio over the year.

During this financial year we sold our short leasehold interest in Rex House, London SW1 to the freeholders, The Crown Estate, for £34m. The sale price, reflecting an initial yield of 12% on a head lease with just 26 years remaining, was at 8% below the 31 March 2009 valuation.

We made our first significant investment property acquisition for four and a half years at the end of 2009, acquiring Clyde Shopping Centre in Glasgow with joint venture partners, and, following the year end, bought a portfolio of nine industrial and office assets located predominantly in London and the South East.

Valuation movements

Sector	Valuation increase/ (decrease %	Weighting %
London offices	7.9	44
Provincial offices	(5.9)	6
Total offices	6.2	
In town retail	10.7	27
Out of town retail	19.9	9
Total retail	13.0	
Industrial	1.7	14
Total	7.9	100

Valuation yields

Sector	Initial %	On letting voids %	On rack rental value %	Equivalent %	True equivalent %
Offices	6.6	8.2	8.2	7.9	8.3
Retail	6.6	7.9	7.9	7.6	7.9
Industrial	6.3	9.4	10.1	9.2	9.7
All	6.6	8.2	8.3	7.9	8.3

Capital values, vacancy rates and lease terms

Sector	Capital value psf £	Vacancy rate %	Average unexpired lease term Years
All offices	232	14	4.2
London offices	249	17	2.6
Retail	151	8	13.9
Industrial	44	18	4.6
Total	132	13	10.1

Lease expiries and tenant break options in:

	2010	2011	2012	2013	2014
Percentage of rent roll	8.9%	15.0%	5.1%	9.5%	5.6%
Number of leases	70	58	31	26	20
Average rent per lease	£26,300	£53,900	£34,400	£76,300	£58,300

Lease expiries and tenant breaks in year

	2010 £	%
Leases renewed	2,235,900	
Break options not exercised	763,400	
Tenants holding over	182,700	
	3,182,000	87
Rents lost at break/expiry	498,500	13
	3,680,500	100

Passing rent changes in the year

	Rent £	Change £
Rent lost at break/expiry	(498,485)	(498,485)
Rent lost through administration	(638,105)	(638,105)
Leases renewed	2,235,916	157,508
Tenants holding over	182,730	–
Fixed uplifts	1,918,904	184,737
New lettings	1,014,137	1,014,137
		219,792

Investment Portfolio – changes in rental value

	March 2009 – March 2010 %	
Industrial	8.1	
Out of town retail	0.3	
In town retail	7.5	
Total retail	5.4	
Provincial offices	-5.6	
London offices	-3.7	(+2.3% since September 2009)
Total offices	-4.1	
Total	0.8	

Development and trading portfolio

Project type	Book cost £m	Write down £m	Written down book cost £m	Directors' valuation £m	Surplus over book cost £m
Change of use	23	(1)	22	32	10
Industrial development for freehold sales	38	(6)	32	32	-
Retirement village development	61	(2)	59	72	13
Office development	20	(1)	19	19	-
Retail development (Helical Poland)	45	-	45	55	10
Others – Mainly mixed development	6	-	6	6	-
Total	193	(10)	183	216	33

Basis of valuation – the Directors' valuation of the properties is based on current site values.

property portfolio

Income producing assets

Offices

Address	Region	Tenure	Acquired	Area Sq. ft. (NIA)
Shepherds Building, Shepherds Bush, London W14	London	Freehold	2000	151,000
61 Southwark Street, London SE1	London	Freehold	1998	67,000
200 Great Dover Street, London SE1	London	Leasehold	2008	36,000
80 Silverthorne Road, Battersea, London SW8	London	Freehold	2005	56,000
82 Silverthorne Road, Battersea, London SW8	London	Freehold	2008	52,000
Fordham, Newmarket	South East	Freehold	2007	70,000
Amberley Court, Crawley	South East	Freehold	2006	31,000
				463,000

Retail - Shopping Centre

Address	Region	Tenure	Acquired	Area Sq. ft. (NIA)
Clyde Shopping Centre, Clydebank	Scotland	Leasehold	2010	627,000
				627,000

Retail - In town

Address	Region	Tenure	Acquired	Area Sq. ft. (NIA)
Morgan Department Store, Cardiff	Wales	Freehold	2005	246,000
1 - 5 Queens Walk, East Grinstead	South East	Freehold	2005	37,000
				283,000

Retail - Out of town

Address	Region	Tenure	Acquired	Area Sq. ft. (NIA)
Otford Road Retail Park, Sevenoaks	South East	Freehold	2003	42,000
Stanwell Road, Ashford	South East	Leasehold	2004	32,000
Brixham Road, Paignton	South West	Freehold	2005	24,000
				98,000

Industrial

Address	Region	Tenure	Acquired	Area Sq. ft. (NIA)
Standard Industrial Estate, North Woolwich E16	London	Leasehold	2002	50,000
Westgate, Aldridge	Midlands	Freehold	2006	184,000
Waterfront Business Park, Fleet, Hampshire	South East	Freehold	2000	54,000
Dales Manor Business Park, Sawston, Cambridge	South East	Freehold	2003	62,000
Hawtin Park, Blackwood	Wales	Freehold	2003	249,000
Winterhill Industrial Estate, Milton Keynes	Midlands	Freehold	2004	24,000
Golden Cross, Hailsham	South East	Freehold	2001	102,000
				725,000

Helical interest	Description	Average passing rent	Vacancy rate
100%	Media style offices refurbished in 2001	£22.50	2%
100%	Refurbished with added penthouse suite	£18.65	0%
100%	Fully let, re-development potential	£19.95	0%
75%	Media style offices refurbished in 2006	£18.37	13%
75%	Media style offices built in 2008	£0.00	100%
53%	R & D space and offices on 32 acres	£15.37	0%
95%	Partial refurbishment of office campus	£13.88	12%

Helical interest	Description	Average passing rent	Vacant space
60%	Multi-let regional shopping centre	£13.74	7%

Helical interest	Description	Average passing rent	Vacant space
100%	Refurbished store let as retail units + arcades	£12.84	15%
89%	Retail units 95% let to Sainsbury’s	£8.37	0%

Helical interest	Description	Average passing rent	Vacant space
75%	Retail park let to Wickes, Currys & Carpetright	£17.37	0%
75%	Solus unit let to Focus DIY store	£17.76	0%
77%	Solus unit let to Focus DIY store, sold In May 2010	£8.75	0%

Helical interest	Description	Average passing rent	Vacant space
60%	Multi-let industrial estate	£8.95	10%
90%	Single-let refurbished industrial unit	£2.93	0%
100%	Multi-let industrial estate	£5.93	47%
67%	Multi-let industrial estate	£7.28	0%
100%	Offices and industrial units	£2.04	0%
50%	Offices and industrial units	£0.00	51%
100%	Industrial units	£4.36	89%

Development programme

Offices

Address	Region	Area Sq. ft. (NIA)	Helical interest
Riverbank House, London EC4	London	320,000	Dev. Man.
200 Aldersgate Street, London EC1	London	360,000	Dev. Man.
Mitre Square, London EC3	London	275,000	100%
Clareville House, London SW1	London	75,000	Dev. Man.
The Hub, Pacific Quay, Glasgow	Scotland	60,000	100%
Forest Gate, Crawley	South East	63,000	100%
		1,153,000	

Industrial

Address	Region	Area Sq. ft. (NIA)	Helical interest
Scotts Road, Southall, West London	London	167,000	100%
Millbrook Trading Estate, Southampton	South East	110,000	100%
Langford Lane, Kidlington, Oxford	South East	72,000	100%
Tiviot Way, Stockport	North West	189,000	100%
Watlington Road, Cowley, Oxford	South East	71,000	100%
Ropemaker Park, Hailsham	South East	70,000	90%
		679,000	

Retail - Out of town

Address	Region	Area Sq. ft. (NIA)	Helical interest
Wroclaw	Poland	103,000	50%
Opole	Poland	440,000	50%
Europa Centralna, Gliwice	Poland	720,000	50%
		1,263,000	

Change of use potential

Address	Region	Area Sq. ft. (NIA)	Helical interest
White City, London W12	London	3,500,000	Consortium
Fieldgate Street, London E1	London	-	100%
Cawston, Rugby	Midlands	-	100%
Arleston, Telford	Midlands	-	100%
		3,500,000	

Fund/owner	Type of development
City of London /Pace Investments	New office building completed May 2010
Deutsche Pfandbriefbank	Refurbishment to be completed in Oct 2010
	New office building
National Grid UK Pension Fund	Refurbishment completed 2009
Helical	New office building completed 2009
Helical	Refurbished and new offices

Fund/owner	Type of development	Description
Helical	New build	Industrial units
Helical	New build	Industrial and trade counter
Helical	New build	Industrial units
Helical	New build	Industrial, trade counter etc
Helical	New build	Industrial and offices
Helical	New build	Industrial and food store/rest

Fund/owner	Type of development	Description
Helical	New build	Completed development, fully let
Standard Life	New build	Under construction
Helical	New build	To commence late 2010

Fund/owner	Type of development	Description
Consortium	Site	Commercial and residential
Helical	Site	Sold since year end
Helical	Site	32 acre greenfield site with residential potential
Helical	Site	19 acre greenfield site with residential potential

C4.1, Milton Keynes

Development programme

Retirement villages

Address	Region	Units	Helical interest	Description
Bramshott Place, Liphook, Hampshire	South East	151	100%	33 units sold, 28 under offer
Lime Tree Village, Rugby	Midlands	154	33%	153 units sold
St Loye's College, Exeter	South West	206	100%	Resolution to grant planning consent for a retirement village granted in October 2009
Maudsley Park, Great Alne	Midlands	150	100%	314,000 sq ft industrial estate on a 20 acre site with potential for a retirement village
Ely Road, Milton, Cambridge	South East	101	100%	Planning consent for a retirement village granted in 2009
Cherry Tree Yard, Faygate, Horsham	South East	148	100%	Planning consent for a retirement village granted in May 2009
		910		

Mixed use developments

Address	Region	Helical interest	Description
C4.1, Milton Keynes	Midlands	50%	110,000 sq ft Sainsbury's, 440 residential units and 35,000 sq ft retail and offices
King Street, Hammersmith, London	London	50%	Planning application to be made for new council offices, foodstore and restaurants
Fulham Wharf, London SW6	London	Dev. Man.	100,000 sq ft foodstore and 475 residential units
Leisure Plaza, Milton Keynes	Midlands	50%	Consent for 165,000 sq ft retail store, 65,000 sq ft casino, 75,000 sq ft other leisure
Parkgate, Shirley, West Midlands	Midlands	50%	80,000 sq ft Asda supermarket, 70,000 sq ft retail, 100 residential units
Bluebrick, Wolverhampton	Midlands	75%	Refurbished railway station with permission for casino use
Hagley Road, Quinton, Birmingham	Midlands	75%	Consent for 16,000 sq ft retail. Site under offer

Morgan Department Store,
Cardiff

A property company's share price should reflect growth in net assets per share. Our Group's main objective is to maximise growth in assets from increases in investment portfolio values and from retained earnings from other property related activities.

Risk is an integral part of any company's business activities and Helical's ability to identify, assess, monitor and manage each risk to which it is exposed is fundamental to its financial stability, current and future financial performance and reputation.

performance & risk

Key performance indicators and benchmarks

We incentivise management to outperform the Group's competitors by setting the right levels for performance indicators against which rewards are measured. We also design our remuneration packages to align management's interests with shareholders' aspirations. Key to this is the monitoring and reporting against identifiable performance targets and benchmarks. For a number of years we have reported on these, the most important of which are:

Investment Property Databank
The Investment Property Databank ("IPD") produces a number of independent benchmarks of property returns which are regarded as the main industry indices. They have compared the ungeared performance of Helical's total property portfolio against that of portfolios within IPD for the last 20 years. The Group's annual performance target is to exceed the top quartile of the IPD database. Helical's ungeared performance for the year to 31 March 2010 was 8.5% (2009: -6.3%) compared to the IPD median benchmark of 17.4% (2009: -24.2%) and upper quartile benchmark of 21.5% (2009: -21.9%).

As referred to in the Chief Executive's statement, the year to 31 March 2010 was a period during which the Group repositioned its business, and this had an impact on performance. However, over two, three and five years the Group's property portfolio continued to outperform the IPD benchmark.

IPD (all monthly and quarterly valued funds)
Ungeared returns

	31.3.10 %	31.3.09 %	31.3.08 %
Helical	8.5	(6.3)	(1.6)
IPD upper quartile	21.5	(21.9)	(6.3)
Percentile rank	90.0	1	8

To 31 March 2010	2 years	3 years	5 years
Helical	0.8	0.0	9.9
IPD benchmark	(7.7)	(7.4)	2.2
Percentile rank	5	3	2

The returns on shareholder capital earned by Helical are generally higher than those measured by IPD due to the use of gearing.

The returns noted above take no account of the £33m (2009: £45m) surplus of trading and development stock above book value arising from the directors' valuation.

Total Shareholder Return
Total Shareholder Return ("TSR") measures the return to shareholders from share price movements and dividend income and is used to compare returns between companies listed on the London Stock Exchange. Helical's TSR for the year to 31 March 2010 was 20.2% (2009: 22.3%) compared to the median of the listed real estate sector of 56.7% (2009: -62.2%).

However, over three, five, ten, fifteen, twenty and twenty-five years Helical's TSR has outperformed the Listed Real Estate Sector Index as shown on the inside front cover of this Report and Accounts.

Net asset value
Net asset value per share represents the share of net assets attributable to each ordinary share. Whilst the basic and diluted net asset per share calculations provide a guide to performance the property industry prefers to use an adjusted diluted net asset per share. The adjustments necessary to arrive at this figure are shown in note 34 to these accounts.

Management is incentivised to exceed 15% p.a. growth in net asset value per share.

The adjusted diluted net asset value per share, excluding trading stock surplus, at 31 March 2010 was 241p (2009: 242p).

Including the surplus on valuation of trading and development stock, the diluted EPRA net asset value per share at 31 March 2010 was 272p (2009: 286p). Diluted EPRA triple net asset value per share was 259p (2009: 269p).

Risk management

Risk governance
The responsibility for the governance of the Group's risk profile lies with the Board of Directors of Helical. The Board is responsible for setting the Group's risk strategy by assessing risks, determining its willingness to accept those risks and ensuring that the risks are monitored and that the Group is aware of and, if appropriate, reacts to, changes in those risks. The Board is also responsible for allocating responsibility for risk within the Group's management structure.

Risk register
The Group maintains a Risk Register which enables the Board to focus on perceived specific key risks, assessing their magnitude and the probability of negative outcomes. This Risk Register is reviewed at each quarterly Board meeting and strategies are adopted to minimise and eliminate the risks identified.

Strategic risks
Strategic risks are those risks that may adversely affect the Group's financial performance by following an inappropriate strategy or by the failure to execute an appropriate strategy. Strategic risks arise over a long time frame where there are fundamental differences between the business environment in which the Group operates and the environment assumed on the establishment of that strategy.

The Group's reputation is a key component of its ability to achieve its strategic goals and success in meeting these goals depends not only on the effective management of risks but also on the maintenance of its reputation among stakeholders i.e. employees, investors, regulators, business partners, financial institutions and the public.

Measuring the impact of the Group's reputation on its business dealings is not a science and, in the view of the Group, may best be measured by the willingness of stakeholders to continue to deal with Helical. During the last year there have been no signs that we are not seeing all the opportunities in property that we would expect and recent transactions suggest that we continue to be a Group that others want to deal with. Internally, risks to the Group's reputation are mitigated by the application of an internal Code of Conduct and "whistle blowing" procedures which are reviewed annually.

The other main strategic risks identified by the Group include:

- long-term under-performance of the real estate sector compared to alternative forms of investment e.g. equities, gilts;
- regulatory changes which significantly impact on the attractiveness of real estate as an investment compared to alternative forms of investment, or on the attractiveness of investing in real estate through a listed group;
- the effect of global events e.g. oil prices, international conflicts and terrorism, economic impacts of global inflation/depression on UK real estate in general and on London, as a financial centre, in particular;
- macro-economic changes such as interest rate rises affecting yields achievable on real estate;
- overdependence on an inadequate level of business relationships restricting an ability to source opportunities; and,
- retention of key senior employees.

The principal strategic risks noted above and the underlying drivers of such risks are monitored by management and discussed regularly in the Business Plan presented by the Group's Finance Director to the full Board each year.

In addition the Group receives regular updates on the impact of economic scenarios on the real estate sector as well as subscribing to a number of economic journals in order that senior employees are kept up-to-date.

The Board has a schedule of matters specifically reserved to it for decision. The Board controls the business but delegates day-to-day responsibility to the executive management. However, there are a number of matters which are required to be or, in the interests of the Group, should only be decided by the Board of Directors as a whole.

The Board monitors the financial performance of the Group at regular Board meetings where comparisons against budgets and forecasts are made together with a review of key performance indicators.

The remuneration packages of senior directors and employees are seen as the key to their retention and motivation. These remuneration packages are designed to provide a basic level of salary below the median of the Group's peer group but with cash bonuses and share awards at the top end of the peer group rewarding outperformance compared to that peer group.

The most recent annual review of the strategic risks faced by the Group indicate that the business of Helical is appropriate to the business environment in which it competes.

During the year under review, commercial property started to recover from the 44% decline in capital values between their peak in June 2007 and their trough in July 2009. Since then capital values have improved by approximately 14%.

Operational risks
Operational risks are those that the Group may suffer a loss from inadequate internal processes, systems, resources, incorrect decision-making or through external events.

Losses from operational risk can arise from:

- people-related issues such as inadequate resources, skills or departure of key personnel;
- software or hardware failure, inadequate IT security, failure of back-up facilities;
- incorrect or inappropriate use of valuation models, inappropriate gearing levels, breaches of authorisation levels;
- fraud from internal or external sources;
- external events leading to a loss of a major provider of services e.g. contractor failure.

The Group's approach is not to eliminate operational risk, but rather to identify the areas in which it might arise and to contain it within acceptable limits through the application of effective controls. Ultimately, the management of operational risk is dependent upon the application of sound management judgement. The close involvement of the executive directors in the day-to-day running of the business is critical to that judgement.

The Group has not suffered any material losses arising from exposure to operational risks in the year under review.

Market risks

Market risks arise from the possibility that the Group may suffer reduced income or a loss resulting from fluctuations in the values of, or income from, its real estate portfolio.

Market risk is a key component of the Group's long-term strategy with exposure to the various real estate sectors fluctuating as perceptions of the future performance of each of those sectors change. Net asset value growth, a key performance indicator, is dependent upon an ability to move easily between sectors at the appropriate time.

The Group's directors constantly analyse fluctuations in market movements using evidence gathered from a variety of public and personal sources, using this analysis to determine the future direction of real estate investment.

Selecting the most appropriate level of exposure to each sector is fundamental to the success of the Group. Measuring that success is undertaken by comparing the Group's portfolio returns over short-, medium- and long-term periods with those as reported by Investment Property Databank ("IPD"), the source of the main real estate sector indices.

In the year under review, the Group's real estate portfolio underperformed compared to the majority of property funds in the IPD index. However, over the medium- and long-term, the Group's performance compares favourably with the rest of the sector as reported by IPD on the inside front cover and page 28.

Clareville House, Panton Street
London SW1

Liquidity risks

Liquidity risks arise from having insufficient financial resources to enable the Group to meet its obligations as they fall due, or can only secure them at an excessive cost. Liquidity risks also arise where the Group has insufficient resources to enable investment decisions, arising from its assessment of market risks, to be executed.

The Group finances its operations from the cash flow generated by its operations, bank borrowings, both secured and unsecured and over short-, medium- and long-term periods, and from the capital markets through share issues.

The management of cash and debt is monitored daily with medium-term cash flows prepared weekly and long-term cash flows discussed regularly in management meetings and presented to the Board at each quarterly Board meeting.

The Group's overall approach is to provide sufficient liquidity to be able to meet, from cash resources and available facilities, the expected requirements of the business. The guiding principle is to ensure that funding is obtained from diverse providers with a range of maturities, backed up by interest rate protection where appropriate. This is to ensure that a stable flow of financing is available and to provide protection in the event of market disruption.

The Group's cash resources, bank borrowings, interest rate protection and gearing are noted on pages 74 to 80.

Credit risks

Credit risk is the possibility that the Group may suffer a loss from the failure of its tenants, borrowers, suppliers or other counterparties to meet their financial obligations to the Group, including their failure to meet them in a timely manner. It includes the risks that the Group may suffer a loss as a result of guarantees to third parties. Credit risk in order to earn a return is not a central feature of the Group's business activities, rather it is a consequence of those activities.

The Group is exposed to credit risk in respect of the financial stability of the tenants and potential tenants in its real estate portfolio. It is also exposed to credit risk where cash flows from the sales of real estate, whether investment or trading properties or funded developments, are deferred. The potential failure of major suppliers such as contractors or sub-contractors also exposes the Group to credit risk. Guarantees to third parties, such as banks, where the Group is in joint venture with partners expose the Group to risks that those partners are unable to fulfil their obligations.

The financial assessment of tenants, potential tenants, contractors and potential partners are part of the daily routine of the Group. The assessment of these third parties is undertaken by the finance department in discussion with the executive responsible for the real estate decision.

In the year under review bad debts constituted less than 3% of gross rental income.

financial review

Consolidated income statement

Results for the year

The Group made profits of £9.7m (2009: £16.2m) before revaluation of its investment portfolio, writedown of its trading and development properties and its loss on sale of investment properties. A revaluation surplus of £13.1m (2009: deficit £68.0m) less a £10.0m (2009: £23.3m) writedown of trading and development stock, a gain on sale of investments of £nil (2009: £1.9m) and a £4.9m loss on sale of investment property (2009: profit £1.3m) reduced this profit to £7.9m (2009: loss £71.9m). Profit after tax was £9.6m (2009: loss £53.5m).

Net rental income

Net rental income fell by 20% to £14.2m (2009: £17.7m) reflecting the sale of Rex House, London SW1 during the year. Rental costs increased to £4.7m (2009: £3.1m) as irrecoverable service charges on vacant units increased. Tenant bad debts remain low at less than 3% of gross rental income.

Development profits

Development profits from the schemes in Turawa Poland, Liphook, Riverbank House and Trinity Square Nottingham were offset by stock write-downs of £10.0m (2009: £23.3m) to give a development loss for the year of £1.3m (2009: £7.7m).

Trading profits

There were no trading profits in the year (2009: £0.5m).

Share of results of joint ventures

During the year the Asset Factor sold its investment in NB Entrust and this, together with profits from the Group's share of net income and revaluation surplus from its investment in Clyde Shopping Centre, and profits at C4.1, Milton Keynes contributed to the Group's share of the results of its joint ventures of £3.7m (2009: £1.8m).

Gain on sale and revaluation of investment properties

During the year the Group sold investment properties with book values of £40.4m (2009: £9.0m) on which it made a £4.9m loss (2009: £1.3m profit). The properties sold included Rex House, London SW1, residential units in Cardiff and offices in Glasgow. The revaluation surplus for the year was £13.1m (2009: deficit £68.0m).

Administrative expenses

Administrative expenses increased to £8.7m (2009: £8.1m) with the increased cost of share awards offsetting a reduction in other costs. Administrative expenses, before impairment of goodwill, share based payments charge and executive bonuses, reduced to £6.7m (2009: £7.4m).

Finance costs, finance income and derivative financial instruments

Interest payable on bank loans, before capitalised interest, decreased from £15.9m to £11.0m due to a fall in average interest rates and the repayment of the bank loan secured on Rex House. Capitalised interest reduced to £3.2m from £6.9m as interest rates fell and developments were completed.

Net finance costs	**2010 £000**	2009 £000	2008 £000
Interest payable on bank loans	**10,956**	15,890	11,901
Other interest payable	**696**	362	265
Finance arrangement costs	**872**	321	163
Interest capitalised	**(3,196)**	(6,855)	(9,296)
	9,328	9,718	3,033

Finance income earned on cash deposits decreased to £1.0m (2009:£2.1m).

Interest receivable	**(1,039)**	(2,082)	(2,579)

Derivative financial instruments have been valued on a mark to market basis and a surplus of £1.2m (2009: deficit £13.4m) has been recognised in the Income Statement.

Foreign exchange losses and gains

A foreign exchange loss of £1.1m (2009: gain of £4.0m) has been recognised in respect of the Group's retail developments in Poland.

Taxation

The Group corporation tax charge for the year is less than the standard rate of 28% due to the use of capital allowances, tax relief on share awards and tax losses. The adjustment in respect of prior periods related to corporation tax recoverable from previous years.

The deferred tax credit for the year reflects a reduction in the provision for tax on temporary differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases in accordance with IFRS.

The deferred tax asset is principally derived from tax losses which the Group believe will be utilised against profits in the foreseeable future.

Dividends
The Board is recommending to shareholders at the Annual General Meeting on 21 July 2010 a final dividend of 0.25p per share to be paid on 23 July 2010 to shareholders on the register on 25 June 2010. This final dividend, amounting to £265,000 has not been included as a liability at 31 March 2010, in accordance with IFRS.

During the year the Group paid the 2009 final dividend of 2.75p per share and an initial interim dividend for 2010 of 1.75p per share. On 3 March 2010 a second interim dividend was declared at 2.75p per share and was paid on 1 April 2010. This dividend was included in current liabilities at 31 March 2010.

Dividends	**2010 pence**	2009 pence	2008 pence
First interim	**1.75**	1.75	1.75
Second interim	**2.75**	-	-
Prior period final	**2.75**	2.75	2.75
Total	**7.25**	4.50	4.50

Earnings/(loss) per share
Earnings per share in the year to 31 March 2010 were 9.1p (2009: loss of 56.6p) per share and on a diluted basis were 9.1p (2008: loss of 56.6p) per share. Diluted EPRA earnings per share decreased to 2.9p (2009: 9.0p) per share.

Earnings/(loss) per share	**2010 pence**	2009 pence	2008 pence
Earnings/(loss) per share	**9.1**	(56.6)	(13.5)
Diluted earnings/(loss) per share	**9.1**	(56.6)	(13.5)
Diluted EPRA earnings per share	**2.9**	9.0	11.6

Earnings/(loss) per share calculations are based on the weighted average number of shares held in the year. This is a different basis to the net asset value per share calculations which are based on the number of shares at 31 March 2010.

In accordance with IAS 33 on Earnings per Share, no weighting adjustment has been made for share awards in existence during the years to 31 March 2009 and 31 March 2008 as a loss was made during that year. Accordingly, the basic and diluted loss per share for these years are the same.

Diluted EPRA earnings per share excludes from earnings the IFRS effects of including the gain on sale and revaluation of investment properties (net of tax) and fair value movement on derivative financial instruments (net of tax).

Consolidated balance sheet

Investment portfolio
During the year investment properties with a book value of £40.4m were sold. No new properties were acquired (Clyde Shopping Centre is included in these accounts as an investment in joint ventures). In addition, around £4.2m of capital expenditure was spent on refurbishing various office, industrial and retail buildings. At 31 March 2010 there was a revaluation surplus, net of joint venture share, of £13.1m (2009: deficit £68.0m) on the investment portfolio.

Investment portfolio	**2010 £000**	2009 £000	2008 £000
Cost or valuation at 1 April	**241,287**	306,778	316,025
Additions at cost	**4,192**	16,011	31,601
Transferred from land, trading and development properties	**-**	1,514	-
Disposals	**(40,438)**	(9,005)	(6,250)
Joint venture share of revaluation	**1,756**	(6,006)	(2,044)
Revaluation	**13,104**	(68,005)	(32,554)
Cost or valuation at 31 March	**219,901**	241,287	306,778

Net asset values

The performance of the Group in the year to 31 March 2010 has increased equity shareholders funds, on which the net asset value per share is calculated, by £5.5m. This has led to a 1% increase in diluted net assets per share to 228p (2009: 226p). Taking into account the directors' valuation of trading and development stock of £33m (2009: £45m), the diluted EPRA net assets per share decreased by 5% to 272p (2009: 286p).

Net asset values per ordinary share	**2010 pence**	2009 pence	2008 pence
Diluted	**228**	226	289
Adjusted diluted	**241**	242	306
Diluted EPRA	**272**	286	352
Diluted EPRA triple NAV	**259**	269	335

The net asset value per share calculations are included in Note 34 of this statement.

Borrowings and financial risk

The Group's sales of investment properties and development sites have decreased debt and, at 31 March 2010, net debt had decreased from £224.7m to £203.0m. Taken with an increase in net assets of £5.5m, the decrease in net debt combined to decrease the Group's net gearing from 95% to 84%.

The fair value of the Group's investment, trading and development portfolio at 31 March 2010 was £435.4m (2009: £497.2m). With net borrowings of £203.0m (2009: £224.7m) the ratio of net borrowings to the value of the property portfolio was 46.6% (2009: 45.2%).

At 31 March 2010 the Group had £92.6m (2009: £147.9m) of fixed rate borrowings with an average effective interest rate of 6.43% (2009: 6.31%) and an average length of 2.3 years (2009: 3.2 years), and £34m of interest rate caps at an average of 6.00% (2009: £110m at 6.73%).

Net debt and gearing	**2010**	2009	2008
Net debt	**£203.0m**	£224.7m	£205.5m
Gearing	**84%**	95%	76%

The Group seeks to manage financial risk by ensuring that there is sufficient financial liquidity to meet foreseeable needs and to invest surplus cash safely and profitably. At the year end, Helical had £8.2m (2009: £38.6m) of undrawn bank facilities and cash of £39.8m (2009: £72.8m). In addition it had £32m (2009: £64m) of uncharged property on which the Group could borrow funds.

As at 16 June 2010, Helical's average interest rate was 4.51%.

Going concern

The directors have reviewed the current and projected financial position of the Group making reasonable assumptions about future trading performance.

The key areas of sensitivity are:

- timing and value of property sales
- availability of loan finance and related cash flows
- future property valuation and its impact on covenants and potential loan repayments
- committed future expenditure
- future rental income and potential bad debts
- repayment timing and value of trade receivables

The forecast cashflows have been sensitised to eliminate those cash inflows which are less certain and to take account of a potential further deterioration of property valuations. From their review the directors believe that the Group has adequate resources to continue to be operational as a going concern for the foreseeable future.

Nigel McNair Scott
Finance Director

16 June 2010

corporate responsibility

Introduction

Helical recognises that its business activities impact on the environment and the wider communities in which we operate. As our business involves working with joint venture partners and outsourcing partners, our direct impacts as a business are relatively small. However, we are aware of the influence we can exert through the implementation of responsible environmental and social practices via our partners, contractors and suppliers.

An endorsement of Helical's commitment to managing environment and social impacts is our continued listing in the FTSE4Good Index. The FTSE4Good Index measures the performance of companies that meet globally recognised corporate responsibility standards and facilitates investment in those companies. Maintaining listed status on this Index remains a key priority for Helical, and informs our evolving approach to Corporate Responsibility.

Managing Corporate Responsibility

In our 2009 Annual Report, we provided an update on how we had analysed the way that our business manages environmental and social issues. Based on feedback from investors and evolving corporate and investor-led disclosure requirements, we revised and updated our environmental management system, which has been in place since 2003. The updated environmental management system is available on the Group website and includes the following:

- Revised 'Environment' and 'Corporate Responsibility' policies which set out Helical's high-level commitment across a number of impact areas. The addition of a Corporate Responsibility Policy in particular was in direct response to investor feedback suggesting that our focus needed to encompass social issues.
- Annual (and rolling) performance targets to enable us to focus our efforts throughout the year on measurable, yet achievable performance goals. Improved environmental performance disclosure was also a key piece of investor feedback. This year we have reported on energy and water consumption across our managed multi-let assets.
- Key Performance Indicators (KPIs) to help us monitor progress towards these targets and to ensure that we are able to report in line with investor disclosure requirements, notably FTSE4Good.
- A checklist to assist us in applying minimum sustainability requirements across our development activities. In collaboration with our consultants, we developed a sustainability project management checklist to ensure that sustainability issues are incorporated into all decisions throughout the development lifecycle.

The management system we have developed has been designed specifically to reflect the flexibility of Helical's business model. It also reflects the key role that our partners play in delivering enhanced sustainability outcomes in all our business ventures, be they large-scale developments such as the King Street redevelopment project in Hammersmith, or in the management of individual multi-let assets such as at 61 Southwark Street, London SE1 or Battersea Studios, London SW8.

Review of progress in the year to 31st March 2010

We manage our environmental and social impacts because there are business benefits in doing so. These benefits include increased ability to secure planning consent, improved marketability of assets to prospective tenants, reduced operating costs of assets, mitigating the risk of future legislation and regulation, and enhanced corporate reputation.

Below we outline our progress in relation to the each of our Corporate Responsibility impact areas.

Environment

Our high-level corporate commitments to environmental issues are outlined in the company's Environmental Policy which can be found on the company website. The Policy details our commitments across a range of impact areas and our development and property management activities. The following examples provide a snapshot of some of the environmental initiatives undertaken over the past 12 months.

- At our managed multi-let properties, we continue to improve energy and water efficiency through the implementation of low and no cost measures. For example, at Shepherds Building, we recently replaced water pumps to increase efficiency. We have also installed motion sensors in common parts staircases to reduce the need for lighting when the stairways are not in use. Engagement with tenants has also led to an improved arrangement whereby security guards switch off lights after office hours to conserve electricity.
- We continue to offer recycling facilities at all our managed assets. At the Hub, for instance, we recently introduced recycling facilities to all tenants, enabling them to recycle common waste streams such as paper, cardboard and aluminium cans. To reduce waste, we have also replaced paper towels with hand dryers in common parts toilets, at both the Hub, Glasgow and Shepherds Building, London W14.
- At our Stockport Gateway Development, as part of the infrastructure works, we have been particularly mindful of ecology impacts, moving badgers to a local country park. We also committed to various cycle way improvements and country park contributions, and will be remediating the land on which we are developing to remove harmful contaminants.

In response to investor feedback, below we present our utility consumption performance for 3 of our multi-let buildings under management as well as our head office.

	Electricity 2008/09 kWh	Electricity 2009/10 kWh	Gas 2008/09 kWh	Gas 2009/10 kWh	Water 2008/09 m^3	Water 2009/10 m^3
11-15 Farm Street, London W1	209,439	161,822	66,929	78,659	3,857	2,800
Battersea Studios 1 & 2, London SW8	2,226,416	2,398,007	1,194,606	1,331,818	5,366	4,703
61 Southwark Street, London SE1	900,553	906,531	567,217	567,370	3,772	6,706
Shepherds Building, London W14	3,376,730	3,367,740	no gas	no gas	9,092	6,989

Helical has set itself 18 targets to guide its Corporate Responsibility programme over the next 12 months. These targets address a range of impacts arising from our development and property management activities, including resource use and waste production, pollution, biodiversity, tenant engagement, flood risk and sustainable design and construction. A full list of these targets can be found on the Helical Bar website.

Employees

As at 31st March 2010, we employed a team of 24 people, 42% of whom are women. We continue to enforce our equal opportunities, harassment and sexual discrimination policies. We also continue to monitor compliance with our whistle blowing policy which was implemented last year. There have been no incidents to report against this policy to date.

High levels of staff retention remains a key feature of our business. Consequently, we retain a highly skilled and experienced team. The table below shows a breakdown of our staff by length of service.

	Total number of staff	Average length of of service (years)
Directors and management	9	14
Finance	7	8
Administration	8	6

Our staff retention levels not only reflect competitive remuneration and benefits packages but also our commitment to enhancing the professional and personal skills of our team. During 2009 we provided an average of 5.8 hours of training per employee, including funding for one staff member to complete a Masters degree in Real Estate. As in previous years, we continue to evaluate training needs in line with business objectives.

Communities

Helical Bar takes a strong interest in community issues. Community engagement is an on-going concern throughout the development process, from planning until development completion. The following examples demonstrate how community engagement has benefited the communities that we worked with over the past year.

- We have successfully consulted at our Hammersmith and Fulham Wharf projects on a number of occasions during the course of the past 12 months. Both developments are major planning applications, and feedback from the consultations has been incorporated into the eventual design for the schemes. In particular in Hammersmith, we will be creating a new public square, the design for which was chosen through public consultation.
- We have made a number of in-kind contributions through our Clyde Shopping Centre in Clydebank alongside our joint venture partner, Prime Commercial Properties. An empty retail unit was loaned to St Margaret's hospice to host an art exhibition and auction, which subsequently raised £1,500 for the hospice. Space was also donated to the Lennox Partnership to distribute information on schemes to get unemployed local people back into work, by providing information on education and skills course available in the local area.
- Our Stockport Gateway development contributed around £6,000 to local allotments in the Stockport area.

We continue to make corporate donations to charity. We contributed £12,923 to charitable causes last year, including donations to The Healing Foundation, Land Aid and the Coldstream Guards.

Health & Safety

Helical's Health & Safety policy aims to develop a corporate culture that is committed to the prevention of injuries and ill health to its employees or others that may be affected by its activities. The Board of Directors and senior staff are responsible for implementing this policy and ensure that health and safety considerations are always given priority in planning and in day-to-day activities. Helical recognises its legal responsibility for health and safety. The Chief Executive has overall responsibility for policy formulation, development and implementation. The Company shall liaise and co-operate with the appropriate authorities and will obtain expert advice where necessary to determine the risks to health and safety in its activities. Facilities are provided for employer/employee consultation on health and safety matters. All employees are expected to co-operate with the Company to achieve the objectives of this Policy and must ensure that their own work, so far as is reasonably practicable, is carried out without risk to themselves or others. The Company is committed to providing relevant information and necessary ongoing training to employees in respect of risks to health and safety, which may arise out of their activities or at their workplace. In 2009, we updated our Health & Safety Policy to reflect the latest legislative and regulatory developments. Our Health & Safety policy can be found on the company website at www.helical.co.uk.

Suppliers

Fair treatment of suppliers remains a key priority for Helical Bar, particularly in challenging market conditions where smaller suppliers in particular may rely on our payments for balanced cash flow. The company's policy is to settle all agreed liabilities within the terms established with suppliers. During the past year, our average payment period to suppliers was 26 days.

the board of directors and senior management

The Board of Helical Bar plc is collectively responsible for providing the entrepreneurial leadership of the Group within a framework of controls and reporting structures which assist the Group in pursuing its strategic aims and business objectives.

The Board of Helical Bar plc comprises five executive directors and four non-executive directors.

Board of Directors and other officers

Executive directors

Chief Executive
Michael Slade, BSc (Est Man) FRICS FSVA, joined the Board as an executive director in 1984 and was appointed Chief Executive in 1986. Aged 63.

Finance Director
Nigel McNair Scott, MA FCA FCT, joined the Board as a non-executive director in 1985 and was subsequently appointed Finance Director in 1987. A former director of Johnson Matthey plc and Govett Strategic Investment Trust plc, he is Chairman of Avocet Mining Plc. Aged 64.

Director
Gerald Kaye, BSc (Est Man) FRICS, was appointed to the Board as an executive director in 1994 and is responsible for the Group's development activities. He is a former director of London & Edinburgh Trust Plc. Aged 52.

Director
Matthew Bonning-Snook, BSc (Urb Est Surveying) MRICS, was appointed to the Board as an executive director in 2007. Prior to joining Helical in 1995 he worked for Richard Ellis (now CB Richard Ellis), and oversees many of Helical's office and mixed use developments. Aged 42.

Director
Jack Pitman, MA (Cantab) MRICS, was appointed to the Board as an executive director in 2007. Before joining the Group in 2001 he was a director of Chester Properties Ltd. He is responsible for overseeing a number of joint venture projects, an investment portfolio and retirement village projects. Aged 41.

Non-executive directors

Chairman
Giles Weaver, FCA, was appointed to the Board as a non-executive director in 1993 and was appointed Chairman following the 2005 AGM. He is Chairman of the Nominations and Appointments Committee. A past Chairman of Murray Johnstone Ltd, he is Chairman of Kenmore European Industrial Fund Limited and a director of Aberdeen Asset Management plc and IRP Property Investments Limited as well as being Chairman or a director of a number of investment companies. Aged 64.

Antony Beevor, MBE, BA, was appointed to the Board as a non-executive director in 2000. He is the Senior Independent Director and Chairman of the Audit Committee. He is also a member of the Remuneration and Nominations and Appointments Committees. A former Head of Corporate Finance at Hambros Bank and former Chairman of Croda International Plc, he is Deputy Chairman of the Takeover Panel. He was awarded an MBE in January 2010 for services to the Fairbridge youth charity. Aged 70.

Wilf Weeks, OBE, was appointed to the Board as a non-executive director in 2005. He is a member of the Audit, Remuneration and Nominations and Appointments Committees. Founder and Chairman of GJW Government Relations, he is now the Chairman of European Public Affairs at Weber Shandwick. He was awarded an OBE in June 2006 for his services to the arts in London. Aged 62.

Andrew Gulliford, BSc (Est.Man), FRICS, was appointed to the Board as a non-executive director in 2006. He is Chairman of the Remuneration Committee and a member of the Audit and Nominations and Appointments Committees. A former Deputy Senior Partner of Cushman & Wakefield Healey & Baker, he is a non-executive director of McKay Securities PLC, IRP Property Investments Limited and various other companies. Aged 63.

Company Secretary
Tim Murphy, BA (Hons) FCA, was appointed Company Secretary in 1994. Aged 50.

Senior management

John Inwood, BSc (Hons) MRICS, joined the Group as a management executive in 1995. Aged 44.

Duncan Walker, MA (Hons) (Oxon), PG Dip Surveying, joined the Group as a development executive in 2007. Aged 31.

Directors and their interests

The directors, all of whom were in office during the year, and their interests, all of which were beneficial, in the ordinary shares of the Company are listed below. Other than in respect of the award of shares under the terms of the Company's Share Incentive Plan on 8 June 2010, there have been no changes in the directors interests in the period from 31 March 2010 to 16 June 2010.

	Ordinary 1p shares 31 March 2010	Ordinary 1p shares 31 March 2009
Giles Weaver	**113,794**	113,794
Michael Slade	**13,671,417**	13,615,240
Nigel McNair Scott	**2,520,114**	2,467,956
Gerald Kaye	**1,451,683**	1,406,048
Matthew Bonning-Snook	**256,919**	231,786
Jack Pitman	**290,172**	265,831
Antony Beevor	**14,013**	14,013
Wilf Weeks	**3,509**	3,509
Andrew Gulliford	**8,772**	8,772
Total directors' interests	**18,330,393**	18,126,949
Issued share capital	**107,407,522**	107,087,012
Percentage of issued share capital	**17.1%**	16.9%

Principal activities

The principal activity of the Company is that of a holding company and the principal activities of the subsidiaries are property investment, dealing and development.

Statement of directors' responsibilities

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 financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs).

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and article 4 of the IAS Regulations. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the Group's auditors are unaware; and,
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

We, the directors listed below, confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the group and the undertakings included in the consolidation taken as a whole; and,
- the management report includes a fair review of the development and performance of the business and the position of the group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

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

On behalf of the Board

Michael Slade
Chief Executive

Nigel McNair Scott
Finance Director

16 June 2010

shareholder information

Dividends

A first interim dividend of 1.75p (2009: 1.75p) was paid on 23 December 2009 to shareholders on the shareholder register on 4 December 2009. A second interim dividend of 2.75p (2009: nil) was paid on 1 April 2010 to shareholders on the register on 12 March 2010. A final dividend of 0.25p (2009: 2.75p) per share is recommended for approval at the Annual General Meeting on 21 July 2010. The total ordinary dividend paid in the year of 7.25p (2009: 4.50p) per share amounts to £7,657,000 (2009: £4,130,000)

Share Capital

At 1 April 2009 there were 107,087,012 ordinary 1p shares in issue. On 30 March 2010 options over 320,510 ordinary 1p shares were exercised. At 31 March 2010 and 16 June 2010 there were 107,407,522 ordinary shares in issue.

Substantial Shareholdings

At 8 June 2010, the shareholders listed below had notified the Group of a disclosable interest of 3% or more in the nominal value of the ordinary share capital of the Group:

	Number of ordinary shares at 8 June 2010	%
Michael Slade – Chief Executive	13,671,417	12.7
Aberdeen Asset Managers	7,754,730	7.2
Threadneedle Asset Management	4,670,914	4.4
Kempen Capital Management	4,602,525	4.3
Legal & General Investment Management	4,391,941	4.1
BlackRock Inc.	4,423,675	4.1
Dimensional Fund Advisors	3,881,723	3.6
PPGM Investments	3,334,863	3.1

Amendment of articles of association

The company's articles of association can be amended only by a special resolution of the members, requiring a majority of not less than 75% of such members voting in person or by proxy.

Takeovers Directive

Where not provided elsewhere in this Directors' report, the following provides the additional information required for shareholders as a result of the implementation of the Takeovers Directive into English law.

The Group's share capital consists of both ordinary shares and deferred shares. Each class of shares rank pari passu between themselves. Details of the Group's share capital can be found in note 29 to the financial statements. There are no restrictions on the transfer of the ordinary shares in the Group other than certain restrictions which may from time to time be imposed by laws and regulations (for example: insider trading laws) and pursuant to the Listing Rules of the Financial Services Authority whereby certain employees of the Group require the approval of the Group to deal in the ordinary shares.

On a show of hands at a general meeting of the Group, every holder of ordinary shares present in person and entitled to vote shall have one vote and on a poll every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. The Notice of the Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the meeting. The rules governing the appointment and replacement of Directors and changes to the articles of association accord with usual English company law provisions.

Subject to the Group's memorandum of association, the articles of association, any statute or subordinate legislation for the time being in force concerning companies and affecting the company, and directions given by special resolution, the business of the Group shall be managed by the Directors, who may exercise all the powers of the Group.

Annual general meeting

The Annual General Meeting of the Group will be held on 21 July 2010 at 11.30 a.m. at The Westbury Hotel, Bond Street, London W1S 2YF.

The notice of meeting and the resolutions to be proposed at that meeting are set out in the enclosed circular. A summary of the resolutions to be proposed at the meeting is as follows:

Resolutions

1 To receive and consider the accounts for the year ended 31 March 2010;

2 To declare a final dividend of 0.25 pence per 1p share;

3 To re-elect Giles Weaver as a director of the company;

4 To re-elect Antony Beevor as a director of the company;

5 To re-elect Gerald Kaye as a director of the company;

6 To re-appoint Grant Thornton UK LLP as Independent Auditor;

7 To authorise the directors to fix the remuneration of the Independent Auditor;

8 To approve the Directors' Remuneration Report for the year ended 31 March 2010;

9 To authorise the allotment of ordinary shares pursuant to section 551 of the Companies Act 2006;

10 To disapply pre-emption rights on the allotment of ordinary shares pursuant to sections 570 (1) and 573 of the Companies Act 2006;

11 To authorise the market purchase by the Company of its own shares;

12 To amend the Company's Articles of Association;

13 To amend the notice period for a general meeting (other than an annual general meeting) to 14 days;

14 To authorise the Helical Bar plc 2010 Company Share Option Plan.

Auditors

Grant Thornton UK LLP have expressed their willingness to continue in office. In accordance with section 489(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP will be proposed at the Annual General Meeting on 21 July 2010.

corporate governance report

The Combined Code

The Group is committed to applying the highest principles of corporate governance and, except where stated, has complied throughout the year with the Code provisions set out in Section I of the Combined Code (2008). The Group also takes into account the corporate governance guidelines of institutional shareholders and their representative bodies.

The Board is accountable to the Group's shareholders for good corporate governance. This report and the Directors' Remuneration Report describe how the Group complies with the provisions of the Combined Code (2008) (the "Code").

Board of Directors

Compliance

Helical has 24 employees, including five executive directors. It operates with a strong management team of senior decision-makers backed up by finance and other support staff. Given its size the Board do not consider it appropriate to operate both a main board and a separate executive committee, a structure commonly seen in larger companies. However, despite its size, the Group is keen to promote exceptional talent to Board level at the earliest opportunity to expose such individuals to the broader issues facing the business, encourage their long term commitment to the Group and to provide for future succession. It is for these reasons that Helical's Board of five executive directors' is larger than those of other listed real estate companies.

Code provision A.3 requires a Board to have a balance of executive and non-executive directors and A.3.2 stipulates that at least half the Board, excluding the Chairman, should comprise independent non-executive directors. In the Group's view, this provision would, given the number of executive directors as noted above, create an unnecessarily large and unwieldy Board. Accordingly, it has long held the view that the appointment of non-executive directors should reflect a desire to add complementary skills and experience to the Board and not be driven by a requirement to match the number of executive directors, provided always that the interests of shareholders and other stakeholders are adequately protected.

In the Board's view, the current composition of the Board meets the criteria that it is comprised of directors with the appropriate balance of skills, experience, independence and knowledge of the Group to enable it to discharge its duties and responsibilities effectively. However, given the requirements of A.3.2, the Board will continue to keep this matter under review.

Chairman and Chief Executive

The Chairman and the Chief Executive collectively are responsible for the leadership of the Company. The Chairman's primary responsibility is for leading the Board and ensuring its effectiveness, whilst the Chief Executive is responsible for running the Company's business. The division of responsibilities is clearly established at Helical, is set out in writing and approved by the Board. The Chairman of Helical is Giles Weaver and the Chief Executive is Mike Slade.

Board composition

The Board currently consists of a Chairman, five executive directors and three independent non-executive directors.

The Chairman, Giles Weaver, has been a non-executive director of Helical since 1993 and was appointed Chairman in July 2005. He is a Chartered Accountant by training and has had a career in the financial services sector, including as a current and former Chairman or director of several listed companies in that sector. The experience he brings to the Group and the skills of leadership and guidance shown in Board meetings, together with his detachment from day-to-day issues within the Group, provide the Board with the necessary comfort that despite his time as a non-executive director, he provides an independent approach to the role of Chairman of Helical. Giles Weaver was Chairman of the Remuneration Committee until 12 February 2010 when he stepped down from the committee. He remains Chairman of the Nominations and Appointment Committee. As Chairman of Helical, Giles Weaver offers himself for re-election at the Annual General Meeting on 21 July 2010.

The Senior Independent Director is Antony Beevor who was first appointed to the Board in April 2000. He is a solicitor by training and worked in the City throughout his career, most recently as Head of Corporate Finance at Hambros Bank. A former Chairman of Croda International Plc, he is currently a Deputy Chairman of the Takeover Panel. He was awarded an MBE in January 2010 for services to Fairbridge youth charity. Antony Beevor is Chairman of the Audit Committee and a member of the Remuneration and Nominations and Appointments Committees. He has served on the Board for more than nine years and accordingly it has considered whether there are any reasons why he should not be regarded as independent. In the view of the Board, Antony Beevor continues to provide a robustly independent approach to his position as a non-executive director and to his roles as Senior Independent Director and Chairman of the Audit Committee. For this reason the Board continues to regard Antony Beevor as an independent non-executive director. However, as he has been on the Board for more than nine years and has reached the age of 70, he offers himself for re-election at the Annual General Meeting.

The remaining non-executive directors, both of whom are independent, are Wilf Weeks, who was appointed to the Board in 2005, and Andrew Gulliford, who was appointed to the Board in 2006, neither of whom are standing for re-election at the Annual General Meeting.

Board responsibilities
The Group supports the concept of an effective Board leading and controlling the Group. The Board provides entrepreneurial leadership of the Group within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Group's strategic aims, ensures that the necessary financial and human resources are in place for the Group to meet its objectives and reviews management performance. The Board sets the Group's values and standards and ensures that the Group's obligations to its shareholders and others are understood and met.

The members of the Board, and the roles of each director are given in the biographical details of the directors on page 36.

All directors take decisions objectively in the interests of the Group.

As part of their roles as members of the Board, non-executive directors constructively challenge and help develop proposals on strategy and the risk appetite of the Group. Non-executive directors scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible. They are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing and, where necessary, removing executive directors, and in succession planning. In addition to Boardroom discussions, the Chairman contacts other non-executive directors by telephone and, if appropriate, will hold meetings with the non executive directors without the executive directors present.

In addition to ad hoc meetings arranged to discuss particular transactions and events and the 2009 AGM, the full Board met on five occasions during the year under review. The attendance record of the directors is shown in the table below.

The Board has a schedule of matters specifically reserved to it for decision. The Board controls the business but delegates day-to-day responsibility to the executive management. However, there are a number of matters which are required to be or, in the interests of the Group, should only be decided by the Board of Directors as a whole. A summary of the decisions reserved for the Board is set out below:

Schedule of matters reserved for the Board:

- Strategy and management – responsibility for the overall management of the Group; approval of the Group's long-term objectives and commercial strategy; approval of annual administration budgets; oversight of the Group's operations; extension of the Group's activities into new business areas; any decision to cease to operate all or any material part of the Group's business.
- Structure and capital – changes to the Group's capital structure; major changes to the Group's corporate structure; changes to the Group's management and control structure; changes to the Group's listing or plc status.
- Financial reporting and controls – approval of interim and preliminary announcements; approval of annual report and accounts, including the corporate governance statement and the directors' remuneration report; approval of dividend policy; approval of significant changes in accounting policies or practices; approval of treasury policies.
- Internal controls – ensuring maintenance of a sound system of internal control and risk management.
- Communication – approval of resolutions and documentation to be put to shareholders in general meeting; approval of press releases concerning matters decided by the Board.
- Board membership and other appointments to senior management.
- Both the appointment and removal of the Company Secretary.
- Corporate governance matters including directors' performance evaluations.
- Approval of policies including code of conduct; share dealing code; health and safety policy; environmental and corporate social responsibility policy and equal opportunity policy.

Directors – information and professional development
The Board is supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties and its directors are free to seek any further information they consider necessary.

Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flows within the Board and its Committees and between senior management and non-executive directors, as well as facilitating induction and assisting with professional development as required. The Company Secretary is responsible for advising the Board through the Chairman on all governance matters.

The Board ensures that directors, especially non-executive directors, have access to independent professional advice at the Group's expense where they judge it necessary to discharge their responsibilities as directors. Training is available for new directors and other directors as necessary.

All directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that board procedures are complied with.

The Group has arranged appropriate insurance cover in case of legal action against its directors.

Meetings	Giles Weaver	Michael Slade	Nigel McNair Scott	Gerald Kaye	Matthew Bonning-Snook	Jack Pitman	Antony Beevor	Wilf Weeks	Andrew Gulliford
Full Board	5	5	5	5	5	5	5	5	5
Audit Committee	n/a	n/a	n/a	n/a	n/a	n/a	2	2	2
Remuneration Committee	4*	n/a	n/a	n/a	n/a	n/a	5	5	5
Nominations and Appointments Committee	2	n/a	n/a	n/a	n/a	n/a	2	2	2

*Giles Weaver stood down from the Remuneration Committee on 12 February 2010.

Directors – performance evaluation
The Chairman is responsible for the annual evaluation process, and will act on its outcome. This process involves each director submitting an appraisal to the Chairman in respect of the performance of the main Board, of each member of the Board and in respect of each Board Committee of which they are a member.

The non-executive directors, led by the senior independent non-executive director, are responsible for the performance evaluation of the Chairman, taking into account views of executive directors. Each director completes an evaluation of the Chairman's performance and provides this evaluation to the senior independent non-executive director.

During the year the Board undertook a formal evaluation of its own performance and that of its Committees and individual directors in the period and the Chairman reported results of that evaluation process to the Board.

The evaluation process reiterated previous concerns regarding the balance between the time spent considering the business and time spent on governance issues. The Board concluded that Board meeting timetables should be reviewed again to ensure that an appropriate amount of time is devoted to each area. The Senior Independent Director noted that there were no matters arising from the evaluation of the Chairman that necessitated any action or required a meeting to be held without the Chairman present. Otherwise, there were no significant matters arising out of the annual evaluation process which required action by the Board.

Relations with shareholders
The Group values the views of its shareholders and recognises their interest in the Group's strategy and performance, Board membership and quality of management. It therefore holds regular meetings with, and presentations to, its institutional shareholders to discuss its objectives. The Group also regularly meets, with the help of its brokers, institutions that do not currently hold shares in the Group to inform them of its objectives. The Chairman and Senior Independent Director are available to shareholders, should they wish to discuss matters relating to the Group. There were no meetings during the year between shareholders and non-executive directors.

The AGM is used to communicate with private investors and they are encouraged to participate. The members of the Audit, Remuneration and Nominations and Appointments Committees are available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to consider the annual report and accounts. The Group counts all proxy votes and will indicate the level of proxies lodged on each resolution, after it has been dealt with by a show of hands.

The Group communicates with all shareholders through the issue of regular press releases and through its website at **www.helical.co.uk**. The Group receives regular reports from sector analysts and its investor relations advisors on how it is viewed by its shareholders.

Nominations and Appointments Committee

The terms of reference of the Nominations and Appointments Committee are available by request and are included on the Group's website at www.helical.co.uk.

The membership of the Committee is as follows:

Giles Weaver (Chairman)
Antony Beevor
Wilf Weeks
Andrew Gulliford

Directors – appointments to the Board
Appointments are made on merit and against objective criteria. Care is taken to ensure that appointees have enough time available to devote to the job.

The Nominations and Appointments Committee controls the process for Board appointments and makes recommendations to the Board.

Directors re-election
All directors are subject to re-election, after receiving the recommendation of the Nominations and Appointments Committee, every three years and, on appointment, at the first AGM after appointment. The Nominations and Appointments Committee have recommended the re-appointment of the following directors at the 2010 AGM and confirms to shareholders that, following the annual formal performance evaluation, these directors continue to be effective and demonstrate commitment to their roles:

- Giles Weaver has served more than nine years on the Board and in accordance with the Code offers himself for re-election;
- Antony Beevor has served more than nine years on the Board and has reached the age of 70 and in accordance with the Code offers himself for re-election and;
- Gerald Kaye is due to retire by rotation and offers himself for re-election.

Biographical details of the directors are given on pages 36 and 39.

The work of the Nominations and Appointments Committee in the year
The Committee met twice during the period and a record of attendance at these meetings is shown above. During these meetings the Committee appointed Andy Gulliford as Chairman of the Remuneration Committee, in place of Giles Weaver who stepped down from the Committee, and resolved that Giles Weaver, Antony Beevor, Andy Gulliford, Michael Slade and Nigel McNair Scott be recommended to shareholders for re-appointment as directors at the 2009 AGM.

Accountability and audit

Financial reporting
The Board presents a balanced and understandable assessment of the Group's position and prospects. It seeks to do so in all published information and in particular in interim and preliminary announcements and other price-sensitive reports and reports to regulators as well as in the information required to be presented by statutory requirements.

Going concern
The directors have reviewed the current and projected financial position of the Group making reasonable assumptions about future trading performance.

The key areas of sensitivity are:

- timing and value of property sales
- availability of loan finance and related cash flows
- future property valuation and its impact on covenants and potential loan repayments
- committed future expenditure
- future rental income and potential bad debts
- repayment timing and value of trade receivables

The forecast cashflows have been sensitised to eliminate those cash inflows which are less certain and to take account of a further deterioration of property valuations. From their review the directors believe that the Group has adequate resources to continue to be operational as a going concern for the foreseeable future.

Audit Committee and auditors
The terms of reference of the Audit Committee are available by request and are included on the Group's website at www.helical.co.uk.

The membership of the Committee is as follows:
Antony Beevor (Chairman)
Wilf Weeks
Andrew Gulliford

The Committee endorses the principles set out in the FRC Guidance on Audit Committees.

The Board has formal and transparent arrangements for considering how it applies the Group's financial reporting and internal control principles and for maintaining an appropriate relationship with its auditors.

Whilst all directors have a duty to act in the interests of the Group, the Audit Committee has a particular role, acting independently from the executive, to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control.

Appointments to the Audit Committee are made by the Board on the recommendation of the Nominations and Appointments Committee in consultation with the Audit Committee Chairman.

The work of the Audit Committee in the year
The Audit Committee met twice during the year. A record of attendance at these meetings is shown on page 40. The Audit Committee met the external auditors on both occasions to discuss matters arising from the annual and interim audits, and with the executive board members and Chairman, reviewed and approved:

– the financial statements of the Group and the Preliminary Announcement of the annual results to 31 March 2009 and the Interim Statement on the half year results to 30 September 2009;

– the Group's internal controls and risk management systems;

– the re-appointment of the Group's external auditors;

– the external auditors independence and the provision of non-audit services by the external auditors; and,

– arrangements by which employees may, in confidence, raise concerns about possible improprieties, the Group's "Whistleblowing Policy".

It is common practice at Helical for Audit Committee meetings to be attended by all Board members who are available, whether or not they are members of the Audit Committee so that their input may be obtained. The second and fifth items in the above list were considered in depth at a full Board Meeting at which all Audit Committee members were present.

Internal control
The Board is responsible for maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets. Such a system is designed to manage, but cannot eliminate, the risk of failure to achieve business objectives. There are inherent limitations in any control system and, accordingly, even the most effective system can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The key features of the Group's system of internal control are as follows:

– clearly defined organisational responsibilities and limits of authority. The day-to-day involvement of the executive directors in the running of the business ensures that these responsibilities and limits are adhered to;

– financial controls and review procedures;

– financial information systems including cash flow, profit and capital expenditure forecasts. The Board receives regular and comprehensive reports on the day-to-day running of the business;

– an Audit Committee which meets with the auditors and deals with any significant internal control matter. In the year under review the Committee met with the Auditors on two occasions.

Internal audit
The Board reviewed its position during the year to 31 March 2010 and reaffirmed its stance that in view of the relatively small size of the Group it does not consider that an Internal Audit function would provide any significant additional assistance in maintaining a system of internal controls.

Audit independence
A policy of reviewing audit independence has been adopted whereby non-audit services undertaken by the auditors is approved prior to work being carried out. During the year under review non-audit services comprised a review of financial performance as required by the Group's Performance Share Plan. The audit committee considers the external auditors to be independent and has satisfied itself of the effectiveness of the external auditors, making use of information available from the Audit Inspection Unit of the Financing Reporting Council.

The Group's policy on awarding non-audit work to its auditors is designed to ensure that the Group receives the most appropriate advice without compromising the independence of the auditors. Whilst no fee caps or limits have been set by the Committee, the level of fees would be a factor in considering whether the auditors' independence could be affected by the award of non-audit work.

Giles Weaver
Chairman, on behalf of the Board

directors' remuneration report

The Board recognises that directors' remuneration is of legitimate concern to shareholders and is committed to following current best practice. This report has been prepared in accordance with the Companies Act 2006 and Schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008. It has been approved by the Board and will be submitted to shareholders for approval at the Group's Annual General Meeting to be held on 21 July 2010. Grant Thornton LLP has audited the disclosures of directors' remuneration and share awards on pages 45 to 50.

Remuneration Committee
The terms of reference of the Remuneration Committee are available on request and are included on the Group's website at www.helical.co.uk.

Remuneration Committee responsibilities
The Remuneration Committee ("Committee") has responsibility for determining and agreeing with the Board the framework or broad policy for the remuneration of the Chairman, Chief Executive and the Executive Directors and, subject to proposals submitted by the Chief Executive, shall recommend and monitor the level and structure of remuneration for such other members of the senior management as report directly to the Board. The remuneration of Non-Executive Directors shall be a matter for the Executive Directors to be decided at a meeting of the Board.

In determining such policy, the Committee shall take into account all factors which it deems necessary. The objective of the remuneration policy shall be to ensure that Executive Directors and senior management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group. Within the terms of the agreed policy, the Committee shall determine, for the Executive Directors:

- the total individual remuneration packages of each Executive Director including, where appropriate, basic salaries, bonuses, share awards, pensions and other benefits;
- targets for any performance related remuneration schemes;
- service agreements incorporating termination payments and compensation commitments.

In determining such packages and arrangements the Committee gives due regard to the recommendations of the Combined Code and the UK Listing Authority's Listing Rules.

Members of the Committee
The Committee was chaired by Giles Weaver from 1 April 2009 to 12 February 2010, and by Andrew Gulliford from that date. The remaining members of the Committee are Antony Beevor and Wilf Weeks. Giles Weaver stepped down from the Committee on 12 February 2010. All members of the Committee are independent Non-Executive Directors. None of the Committee has any personal financial interest in the matters to be decided (other than as shareholders), potential conflicts of interests arising from cross-directorships nor any day-to-day involvement in running the business.

Advisors to the Committee
The Committee consults the Chief Executive and Finance Director about its proposals and has access to professional advice from Hewitt New Bridge Street to help it determine appropriate remuneration levels.

Remuneration Committee meetings during the year
During the year the Committee met on five occasions to consider and approve the Directors' Remuneration Report for the year to 31 March 2009, approve the making and vesting of share awards under the terms of the Group's Performance Share Plan, the exercise of share options and the annual review of salaries.

Remuneration policy
The Group operates within a competitive environment and its performance depends on the individual contributions of the directors and employees. Executive remuneration packages are designed to attract, motivate and retain directors of the calibre necessary to maintain the Group's position as a market leader and to reward them for enhancing shareholder value and returns. The performance measurement of the Executive Directors and the determination of their annual remuneration package is undertaken by the Committee. In determining remuneration packages the Committee considers advice from its remuneration consultants and remuneration at comparable companies within the property sector. It also takes into account the remuneration structure below Board level.

The remuneration packages of individual directors are structured so that the performance related elements form a significant proportion of the total and are designed to align their interests with those of the shareholders. In setting the remuneration of directors the Committee seeks to agree basic salary levels below the median for the listed real estate sector. This policy helps to limit fixed costs, including associated employment costs such as national insurance.

In addition, the Group makes no pension payments in respect of its directors, who are obliged to provide for their retirement through basic salary and performance related payments.

Performance related cash bonus schemes operate for all Executive Directors. The Chief Executive and Finance Director participate in the Executive Bonus Plan. The remaining directors participate in a cash bonus scheme which has specific hurdles to meet before bonuses start to accrue. These two schemes are designed to supplement the annual salary of the Executive Directors by making cash payments when performance criteria have been met.

Share incentives are designed so that they recognise the long-term growth of the Group. The performance periods are longer term, being three to five years, and participants receive shares in Helical if performance criteria are met. Share incentive schemes are also designed to encourage long term investment in Helical by the directors. Participants in the Group's Performance Share Plan ("Plan") are required to retain shares received through the Plan until they own shares to the value of 2x salary for Directors. In addition, and whilst it is not a condition of their award, Directors are encouraged to retain the shares received on the vesting of share awards, net of any requirements to pay personal taxes. To date, all shares received by the Executive Directors under the terms of the group's Performance Share Plan and Share Incentive Plan have been retained, net of taxes paid, thereby increasing the management's shareholding in Helical.

Executive Directors' remuneration packages

As explained above, there are four main elements to the Executive Directors' remuneration packages:

i basic annual salary and benefits-in-kind;

ii performance related cash bonus payments;

iii Executive Bonus Plan; and,

iv share awards, being the Performance Share Plan and the all-employee Share Incentive Plan.

Basic annual salary and benefits-in-kind

Basic annual salaries for Executive Directors reflect their responsibilities and experience. They are set at a level below the median of other quoted real estate companies. During the year the Committee reviewed Executive Director's remuneration and discussed basic salary levels with Hewitt New Bridge Street. In considering whether basic salary levels should be increased, the Committee recognised that changes in responsibilities following the departure of Michael Brown, Deputy Chief Executive, in June 2009, should be reflected in the review. Reaffirming its policy of setting basic salary levels below the median of other quoted real estate companies, the Committee approved the increases noted below. Basic salary levels had not been increased for two years. Further, the Committee has agreed with all Executive and Non-Executive Directors' that there will be no increases in basic salary during the year to 31 March 2011.

Executive Directors' current annual basic salaries are as follows:

	From 1 July 2007 £	From 1 July 2009 £
Michael Slade	450,000	500,000
Nigel McNair Scott	300,000	335,000
Gerald Kaye	275,000	325,000
Matthew Bonning-Snook	235,000	275,000
Jack Pitman	235,000	275,000

Benefits-in-kind provided to Executive Directors comprise the provision of a company car and health insurance.

Balance of fixed versus variable pay

In line with its policy, the Committee seeks to ensure that the balance of remuneration provides a basic salary below the median, and performance related bonuses and share awards that reward outperformance of the Group's peer group. In the year to 31 March 2010 the balance of fixed versus variable pay on an actual basis compared to the maximum payable was as follows:

	Actual £		Maximum £	
Basic salaries and benefits in-kind	2,069,000	49%	2,069,000	16%
Annual cash bonus payments	880,000	21%	5,000,000	39%
Executive Bonus Plan	–	0%	2,000,000	15%
Share awards	1,302,000	30%	3,822,000	30%
	4,251,000	100%	12,891,000	100%

Note: Share awards reflect the market value of shares that vested during the year in accordance with the terms of the Group's Performance Share Plan and shares awarded under the terms of the Group's Share Incentive Plan. Share awards do not include share options exercised in the year which we were granted in 2000, 2001 and 2002.

The Group makes no pension contributions in respect of the Executive Directors.

Performance related cash bonus payments

The Committee establishes the objectives which must be met for performance related cash bonuses to be paid. The calculations of the performance related cash bonuses payable to each participant are directly related to the profits generated by the participants. In each case these profits are recognised in the accounts of the year in which the bonus is accrued and, generally, these profits have been received by the time the bonuses are paid. Any losses on other projects are deducted from the profits, as are all costs directly attributable to the generation of the profits, including all finance costs and an apportionment of central overheads. The net profits generated by each participant are available as a bonus pool and bonus payments are made based on individual performance. Bonuses are calculated in a range of 0 to 10% of the bonus pool with appropriate percentages depending on the level of equity contributed to each property and risks assumed. Gerald Kaye, Matthew Bonning-Snook and Jack Pitman were eligible for performance related cash bonuses in the period under review. The maximum amount payable in each year is a total of £5m. Payment of these performance related cash bonuses is at the discretion of the Committee. In the year under review a performance related cash bonus was paid to Matthew Bonning-Snook of £880,000 (2009: £735,000).

Executive Bonus Plan
The Group operates an Executive Bonus Plan ("2006 Plan") designed to align the motivations of the senior management team with the interests of shareholders and to link their remuneration to the performance of the Group's property portfolio. The Plan operates over a five year period from 1 April 2006 and cash bonuses will be paid annually subject to the achievement of challenging performance targets. Michael Slade and Nigel McNair Scott are eligible for Executive Bonus Plan bonuses.

Performance conditions The Committee may, at its discretion, award bonuses in respect of a financial year subject to performance conditions, the aim of which is to link the size of bonuses paid to the financial growth of the Group over that financial year. No bonus will be payable unless the following conditions are satisfied:

i Increase in net asset value; net asset value at the end of the financial year exceeds net asset value at the beginning of the financial year;

ii Absolute performance of the portfolio – ungeared total return; the percentage increase in the total return on property assets of the Group over the financial year (the "Performance Period") is greater than the percentage increase achieved by the portfolio ranked nearest to three-quarters up the performance table (taken in ascending order of return) (the "Upper Quartile") of the portfolios of all quarterly valued funds measured by the Investment Property Databank at the beginning of the relevant Performance Period and compounded monthly during the Performance Period (the "IPD Total Return Benchmark"); and,

iii Performance of the net asset value per share; the percentage increase in net asset value per share for the Performance Period must be greater than the percentage increase achieved by the Upper Quartile of the portfolios of all quarterly valued funds measured by the Investment Property Databank at the beginning of the relevant Performance Period and compounded monthly during the Performance Period (the "IPD Capital Growth Benchmark").

The Committee will recommend the size of the bonus payable by reference to the same sliding scale based on the amount by which the increase in net asset value per share exceeds the increase in the Upper Quartile of the IPD Capital Growth Benchmark, subject to a cap.

Calculation of amounts payable The total amount of the bonuses payable in any one year shall be determined by:

- calculating the difference between the percentage increase in net asset value per share for the Performance Period and the percentage increase in the Upper Quartile of the IPD Capital Growth Benchmark over the same period (the "Difference"); and,
- calculating the sum of the amounts payable in relation to each 1% of the Difference on the following basis:

Amount of Difference	% of base net asset value payable
Less than 1%	0.01
1% to less than 2%	0.02
And thereafter for every additional 1%	An increment of 0.01
For example: From 4% to less than 5%	0.05

If the net asset value at the end of a financial year is less than the net asset value at the beginning of that year, the bonus payable for any subsequent year will be calculated by reference to the highest net asset value in the preceding year.

Financial accounts The audited financial accounts which record the financial performance on which the Plan operates are those accounts prepared in accordance with International Financial Reporting Standards.

2006 Plan and individual limits The total amount payable under the 2006 Plan in any one year is limited to £2m (2009: £2m). An individual employee's participation in the 2006 Plan is limited so that the bonus which may be paid to him under the 2006 Plan will not exceed £1.5m per annum. There is a further limit that payments under the 2006 Plan in any year may not exceed 20% of the Group's pre-tax profits plus any payments under the 2006 Plan. Among other constraints the Committee could restrict the bonuses if payment would affect the financial or trading position of the Group. No Executive Bonus Plan bonuses have been paid in respect of the year to 31 March 2010 (2009: nil).

Timing of bonuses Bonuses will ordinarily be paid, subject to the performance conditions being satisfied, and provided that the participant remains a director or employee of the Group at the time of payment, on a specified bonus date, which will fall within four months of the end of the relevant Performance Period. Bonuses are not transferable, nor will benefits obtained under the 2006 Plan be pensionable.

Termination of employment If a participant dies, the bonus that would have been paid for the relevant financial year may, at the discretion of the Committee, be paid to the participant's personal representatives, but will be scaled down pro rata to reflect the period elapsed since the start of the Performance Period. If a participant's employment ends in any other circumstances prior to the payment of the bonus, no entitlement will arise.

Change of control In the event of a change in control of the Group, bonuses in respect of the financial year in which the change of control falls may be paid to the extent that the relevant performance target(s) have been satisfied over an adjusted Performance Period.

Termination of the 2006 Plan The Committee will not recommend the making of bonuses under the 2006 Plan in connection with a financial year later than the year ended 31 March 2011 without further shareholder authority.

Information subject to audit: Remuneration of directors

Share awards

Share options
The Group operated two share option schemes during the year.

The Helical Bar 1999 Share Option Scheme operated in respect of the grant of share options which exceeded the Inland Revenue limit of £30,000. Under this scheme the aggregate market value of shares issued or issuable to an individual under this and other option schemes may not exceed eight times his annual earnings. Unexercised share options granted over 1,356,405 shares at 1 April 2009 were all exercised during the year. There are no further outstanding share options and the scheme is unable to grant any further share options.

The Helical Bar 1999 Approved Share Option Scheme is an Inland Revenue approved scheme. Under the terms of this scheme options up to a maximum value of £30,000 per individual may be granted. Unexercised share options granted over 21,200 shares at 1 April 2009 were all exercised during the year. There are no further outstanding share options and the scheme is unable to grant any further share options.

The directors' interests in the share option schemes during the year were as follows:

	Type	At start of year	Options exercised in year	At end of year	Exercise price	Date granted	Date from which exercisable	Expiry date	Expected values if options exercised at 31 March 2010
Michael Slade									
Helical Bar 1999									
Share Option Scheme	Purchase	500,000	(500,000)	–	–	–	–	–	–
		500,000	(500,000)						
Gerald Kaye									
Helical Bar 1999									
Share Option Scheme	Purchase	347,095	(347,095)	–	–	–	–	–	–
		347,095	(347,095)	–					–
Matthew Bonning-Snook									
Helical Bar 1999									
Share Option Scheme	Purchase	210,000	(210,000)	–	–	–	–	–	–
		210,000	(210,000)	–					–
Jack Pitman									
Helical Bar 1999									
Share Option Scheme	Subscription	299,310	(299,310)	–	–	–	–	–	–
Helical Bar Approved 1999									
Share Option Scheme	Subscription	21,200	(21,200)	–	–	–	–	–	–
		320,510	(320,510)	–					

Nigel McNair Scott and Michael Brown (who resigned from the Board 4 June 2009) held no share options during the year to 31 March 2010.

Exercise of share options

In the period under review options over 320,510 new subscription shares and 1,057,095 shares held by the Group's ESOP were exercised. In order that the number of shares required by the ESOP to satisfy share awards be reduced, the Group agreed with employees that the number of shares acquired on the exercise of those options be reduced. To ensure that employees were not disadvantaged by the reduction, the exercise prices applied on the exercise of the options were correspondingly reduced.

The options exercised during the year by the directors, in accordance with this agreement and on the original basis, were as follows:

Director	Date of exercise	Type of option	Original number of shares	Reduced number of shares	Original exercise price	Reduced exercise price	Market value	Gain £000's
Michael Slade	09.06.09	Purchase	500,000	269,000	150.0p	1p	325.0p	973
			500,000					973
Gerald Kaye	09.06.09	Purchase	347,095	183,000	153.3p	1p	325.0p	663
			347,095					663
Matthew Bonning-Snook	09.06.09	Purchase	210,000	113,000	150.0p	1p	325.0p	407
			210,000					407
Jack Pitman	30.03.10	Subscription	299,310	n/a	141.5p	n/a	336.1p	582
	30.03.10	Subscription	21,200	n/a	141.5p	n/a	336.1p	41
			320,510					623

The market price of the ordinary shares at 31 March 2010 was 337.9p (2009: 287.5p). This market price varied between 293.5p and 404.1p during the year.

The gains on exercise of share options by Michael Slade, Gerald Kaye and Matthew Bonning-Snook include a cash bonus of 20p per 1p share in accordance with the matter referred to under special dividend below.

Special dividend
In order to compensate option holders for the payment of a special dividend or a distribution of capital, the Board has, under the terms of the Helical Bar 1999 Share Option Scheme ("the Scheme"), the authority to adjust the number of shares subject to option or the exercise price of those options.

The Group is unable to increase the number of shares under option in sufficient quantity to satisfy the requirement to compensate option holders for the special dividend of 100p paid in April 2002. An adjustment to the exercise price of the existing options would result in an increased national insurance cost to the Group. Accordingly, the Board has considered alternative ways of compensating option holders and, as a result, the Group compensates holders of options at the time the special dividend was declared, on the dates they exercise their options by 20p per 1p share (previously 100p per 5p share), equivalent to the special dividend.

In the year under review compensation of £211,000 was paid following the exercise of options over 1,057,095 1p shares.

Performance share plan

At the 2004 Annual General Meeting the Group received approval for the adoption of a Performance Share Plan ("PSP").

General
The operation of the PSP is supervised by the Committee.

The PSP is capable of delivering shares to an executive after a period of not less than three years, other than in exceptional circumstances and with the approval of the Committee, subject to meeting pre-specified performance targets.

Eligibility
All employees of the Group and its subsidiaries (including directors who are required to devote substantially the whole of their working time to the business of the Group) who are not under notice nor within six months of any contractual retirement ages will be eligible to receive invitations to participate in the PSP at the discretion of the Remuneration Committee.

Grant of awards
Awards may be made within the six weeks following approval at a general meeting, the announcement by the Group of its results for any period, or the removal of any statutory or regulatory restriction which had previously prevented an award being granted or any other times considered by the Remuneration Committee to be exceptional.

No awards may be made more than ten years after the adoption of the PSP by the Group. The Committee, advised by Hewitt New Bridge Street, reviewed the operation of the PSP during the year and it was agreed that no changes should be made.

An award consists of the right to acquire shares in the Group for either no payment or payment of a nominal sum. Awards are neither transferable nor pensionable.

Limit on individual participation
No awards may be granted over shares in any financial year whose value is greater than three times an employee's annual rate of salary.

Exercise of awards
Other than in exceptional circumstances, an award will vest no earlier than the third anniversary of its grant to the extent that the applicable performance conditions (see below) have been satisfied and the participant is still employed by the Group. Once exercisable, awards will then remain capable of exercise for a period of normally no more than six months.

The Remuneration Committee has set demanding performance conditions for the vesting of shares. There are two performance conditions, one based on absolute growth in the Group's net asset value per share and the other based on the gross (ungeared) total property return per share relative to other property funds as determined by IPD but excluding those funds worth less than £50m at the start of the three year period. Performance will be measured over the three years following grant.

Participants will not normally be permitted to sell shares received through the PSP, other than to meet taxation (and national insurance contributions) liabilities, until they own shares to the value of 2 x salary for directors and 1 x salary for other executives.

For the growth in net asset value, the "fully diluted triple net" net asset value as at the start of the financial year in which a grant takes place will be compared to the value three years later (having added back dividends).

Applicable conditions
(a) Absolute net asset value per share (having added back dividends) condition

Annual compound increase after three years	% of award vesting
15% p.a. or more	66.7
Between 7.5% p.a. and 15% p.a.	Pro rata between 6.7 and 66.7
7.5% p.a.	6.7
Below 7.5% p.a.	Zero

If UK inflation (RPI) is higher than 3% per annum over the three year period then the required compound increases will be raised by the excess over the 3% per annum average.

(b) Total property return v IPD property funds condition

Ranking after three years	% of award vesting
Upper quartile or above	33.3
Between median and upper quartile	Pro rata between 3.3 and 33.3
Median	3.3
Less than median	Zero

Provided the net asset value per share (having added back dividends) increases over the three year period.

Share awards will lapse where the gross return falls below the IPD median and where the growth in triple net asset value is below 7.5% per annum over the three year period. No share awards vest if the triple asset value falls over the three year period.

Alignment with shareholders' interests
The Remuneration Committee has analysed the potential gains that may be made by executives (directors and those below Board level) through the PSP and other incentive arrangements currently in place. It has concluded that the share of the increase in the value of the Group (measured as the increase in the net asset value plus cash returned as dividends to shareholders) that could accrue to all executives through the Group's long and short-term incentive and bonus plans (excluding gains on share options granted before December 2002) at the point at which the maximum awards vest might be of the order of 20%. At this point, in absolute terms, the Group will have increased its triple net asset value by at least 15% per annum with the Group's relative performance placing it in the top quartile of IPD, over the three year period.

Vesting of Awards
During the year the performance conditions relating to the third award, granted on 4 July 2006, were considered. The three year performance period to 31 March 2009 showed that the net asset value per share, calculated in accordance with the terms of the PSP, had increased by 2.9% p.a. During this three year period the total return of Helical's property portfolio, as determined by IPD, had increased by 5.5% p.a. compared to the upper quartile of the IPD Benchmark which had reduced by 5.9% p.a. Therefore, although the net asset value performance criteria was not met, the IPD comparison performance criteria was met. Accordingly, one third of the third award of shares vested and 482,061 shares, after deduction of shares sold to pay income tax, were transferred to award holders on 9 July 2009. The value of the shares on that date which were attributable to the directors is included in the table of the Remuneration of Directors on page 50.

Awards made to directors under the terms of the PSP which have not yet vested are as follows:

Director	Shares awarded 06.07.07 at 481.00p	Shares awarded 14.07.08 at 276.25p	Shares awarded 09.07.09 at 300.25p	Total shares awarded	Total award value £
Michael Slade	187,110	325,792	499,584	1,012,486	3,300,000
Nigel McNair Scott	124,740	217,195	334,721	676,656	2,205,000
Gerald Kaye	171,518	298,643	324,729	794,890	2,625,000
Matthew Bonning-Snook	146,570	255,204	274,771	676,545	2,235,000
Jack Pitman	146,570	255,204	274,771	676,545	2,235,000

It is currently expected that no shares will vest in respect of the share awards made on 6 July 2007 and 14 July 2008 and that 50% of the shares awarded on 9 July 2009 will vest.

PSP awards granted in 2007 and 2008 to Michael Brown, who resigned from the Board on 4 June 2009, were cancelled on his resignation.

Helical Bar 2002 Approved Share Incentive Plan
On 24 July 2002 the shareholders approved the Helical Bar 2002 Approved Share Incentive Plan (the "Plan"). Under the terms of this Plan employees of the Group are given up to £3,000 of free shares in any tax year. Participants in the Plan may purchase additional shares up to a value of £1,500 which is matched in a ratio of 2:1 by the Group. Provided participants remain employed by the Group for a minimum of three years they will retain the free and matching shares.

Shares allocated to, or purchased on behalf of, the directors under the rules of the Plan were as follows:

	5 June 2009 at 335.0p	10 August 2009 at 374.0p	23 December 2009 at 329.9p	8 June 2010 at 284.0p
Michael Slade	895	839	675	1,919
Nigel McNair Scott	895	839	675	1,919
Gerald Kaye	895	840	675	1,919
Matthew Bonning-Snook	895	837	673	1,915
Jack Pitman	895	839	675	1,919

Shares held by the Trustees of the Plan at 31 March 2010 were 223,624 (2009: 250,000).

Remuneration in respect of the directors was as follows:

Salaries and bonuses

	Salary/ fees £000	**Benefits-in-kind £000**	**Cash bonuses £000**	**Executive bonus plan £000**	**2010 Total £000**	Salary/ fees £000	Benefits-in-kind £000	Cash bonuses £000	Executive bonus plan £000	2009 Total £000	**2010 Pensions £000**	2009 Pensions £000
Chairman												
Giles Weaver	**75**	**–**	**–**	**–**	**75**	75	–	–	–	75	**–**	–
Non-executive directors												
Antony Beevor	**42**	**–**	**–**	**–**	**42**	42	–	–	–	42	**–**	–
Wilf Weeks	**35**	**–**	**–**	**–**	**35**	35	–	–	–	35	**–**	–
Andrew Gulliford	**36**	**–**	**–**	**–**	**36**	35	–	–	–	35	**–**	–
Executive directors												
Michael Slade	**488**	**39**	**–**	**–**	**527**	450	40	–	–	490	**–**	–
Nigel McNair Scott	**326**	**34**	**–**	**–**	**360**	300	30	300	–	630	**–**	–
Gerald Kaye	**312**	**34**	**–**	**–**	**346**	275	34	–	–	309	**–**	–
Matthew Bonning-Snook	**265**	**20**	**880**	**–**	**1,165**	235	19	735	–	989	**–**	–
Jack Pitman	**265**	**20**	**–**	**–**	**285**	235	20	–	–	255	**–**	–
Former Director												
Michael Brown	**74**	**5**	**–**	**–**	**79**	325	31	–	–	356	**–**	–
	1,918	**152**	**880**	**–**	**2,950**	2,007	174	1,035	–	3,216	**–**	–

Michael Brown resigned from the Board on 4 June 2009. No payments were made to him other than in respect of his contractual entitlement to salary to the date of his departure from the Company.

Michael Slade was the highest paid director during the year with a total remuneration of £1,890,000 (including gains on share awards) (2009: £4,962,000).

Share awards	**Vesting of PSP awards £000**	**Gain on exercise of share options £000**	**2010 Total gains £000**	Vesting of PSP awards £000	Gain on exercise of share options £000	2009 Total gains £000
Chairman						
Giles Weaver	–	–	–	–	–	–
Non-executive directors						
Antony Beevor	–	–	–	–	–	–
Wilf Weeks	–	–	–	–	–	–
Andrew Gulliford	–	–	–	–	–	–
Executive directors						
Michael Slade	**390**	**973**	**1,363**	1,576	2,896	4,472
Nigel McNair Scott	**244**	**–**	**244**	985	1,675	2,660
Gerald Kaye	**210**	**663**	**873**	847	706	1,553
Matthew Bonning-Snook	**105**	**407**	**512**	410	–	410
Jack Pitman	**101**	**623**	**724**	394	656	1,050
Former Director						
Michael Brown	**210**	**–**	**210**	847	1,124	1,971
	1,260	**2,666**	**3,926**	5,059	7,057	12,116

In order to compensate option holders for the payment of the special dividend in April 2002, the Group pays a cash bonus of 20p per share on the date option holders exercise their options, as noted on page 47. The gain on exercise of share options of the directors includes cash bonuses of £211,000 arising out of the exercise of options during the year. The cost of these cash bonuses is included in administrative expenses.

Information not subject to audit

Other Remuneration Matters

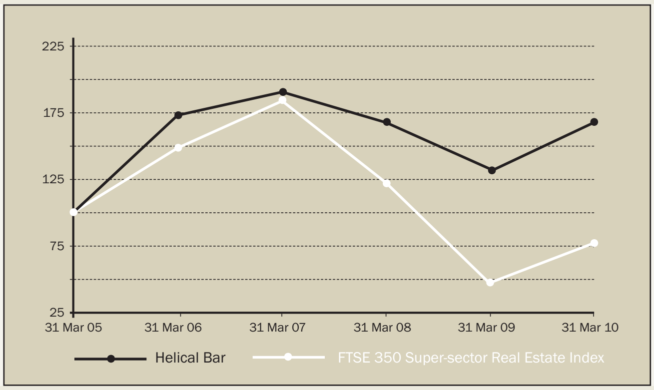
Service contracts The service contracts of Michael Slade and Nigel McNair Scott operate from 1 April 2007, and of Gerald Kaye, Matthew Bonning-Snook and Jack Pitman from 1 March 2010. No service contract provides for more than a one year notice period. On termination of employment each director is entitled to a payment in lieu of notice of basic salary and other contractual entitlements i.e. provision of car and health insurance.

Non-Executive Directors Non-Executive Directors are appointed by a Letter of Appointment and are subject to re-appointment by shareholders at the Group's AGM at least every three years. The remuneration of the Non-Executive Directors is determined by the Board and was last increased in April 2007. The appointment of Non-Executive Directors is terminable on three months notice. Non-Executive Directors do not participate in any of the Group's bonus or share award schemes.

Total shareholder return The performance criteria of the Group's 1999 share option schemes, referred to on pages 45 to 47 above, require the Group to exceed certain targets of total shareholder return. The total shareholder return for a holding in the Group's shares in the five years to 31 March 2010 is shown in the graph below.

Total shareholder return

Source: Thomson Reuters



This graph looks at the value, by 31 March 2010, of £100 invested in Helical on 31 March 2005 compared with the value of £100 invested in the FTSE 350 Super-sector Real Estate Index. The other points plotted are the values at intervening financial year-ends. Dividends received are re-invested in shares.

Directors' fees

Fees receivable by Nigel McNair Scott in his capacity as Chairman of Avocet Mining Plc are shown in the financial statements of that Company.

Andrew Gulliford
Chairman of the Remuneration Committee

16 June 2010

report of independent auditor

To the Members of Helical Bar plc

We have audited the financial statements of Helical Bar plc for the year ended 31 March 2010 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the group and company balance sheets, the group and company cash flow statements, the group and company statements of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities on page 37, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKP.

Opinion on financial statements

In our opinion:

- the Group financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2010 and of the group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

Separate opinion in relation to IFRSs

As explained in Note 1 to the group financial statements, the group in addition to complying with its legal obligation to comply with IFRSs as adopted by the European Union, has also complied with IFRSs as issued by the International Accounting Standards Board (IASB).

In our opinion the group financial statements comply with IFRSs as issued by the IASB.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and,
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited 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
- a Corporate Governance Report has not been prepared by the company.

Under the Listing Rules, we are required to review:

- the directors' statement, set out on page 42, in relation to going concern; and,
- the part of the Corporate Governance Report relating to the company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

Stephen Maslin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

London

16 June 2010

Clareville House, Panton Street, London SW1

index to the financial statements

consolidated income statement

For the year ended 31 March 2010

	Note	**Year ended 31.3.10 £000**	Year ended 31.3.09 £000
Revenue	3	**67,354**	81,770
Net rental income	4	**14,151**	17,682
Development property loss	5	**(1,293)**	(7,704)
Trading property loss	6	**(10)**	(514)
Share of results of joint ventures	20	**3,745**	1,846
Other operating income	5	**26**	6,752
Gross profit before net gain/(loss) on sale and revaluation of investment properties		**16,619**	18,062
Net gain/(loss) on sale and revaluation of investment properties	7	**8,195**	(66,670)
Gain on sale of investments	18	**–**	1,892
Gross profit/(loss)		**24,814**	(46,716)
Administrative expenses	8	**(8,680)**	(8,090)
Operating profit/(loss)		**16,134**	(54,806)
Finance costs	9	**(9,328)**	(9,718)
Finance income	9	**1,039**	2,082
Change in fair value of derivative financial instruments	23	**1,157**	(13,412)
Foreign exchange (losses)/gains		**(1,127)**	3,999
Profit/(loss) before tax		**7,875**	(71,855)
Taxation on profit/(loss) on ordinary activities	10	**1,711**	18,359
Profit/(loss) after tax		**9,586**	(53,496)
– attributable to minority interests		**(33)**	143
– attributable to equity shareholders		**9,619**	(53,639)
Profit/(loss) for the year		**9,586**	(53,496)
Basic earnings/(loss) per share	14	**9.1p**	(56.6p)
Diluted earnings/(loss) per share	14	**9.1p**	(56.6p)

consolidated statement of comprehensive income

For the year ended 31 March 2010

	Group Year ended 31.3.10 £000	Group Year ended 31.3.09 £000
Profit/(loss) for the year	**9,586**	(53,496)
Other comprehensive income		
Reclassification of prior year fair value adjustment realised in the year on disposal of available-for-sale investments	–	(1,028)
Fair value movements on available-for-sale investments	**2,962**	5,170
Associated deferred tax on fair value movements	**(829)**	(1,159)
Exchange difference on retranslation of net investments in foreign operations	**(131)**	(309)
Total comprehensive income/(expense) for the year	**11,588**	(50,822)
– attributable to equity shareholders	**11,621**	(50,965)
– attributable to minority interest	**(33)**	143
	11,588	(50,822)

group and company balance sheets

As at 31 March 2010

	Note	**Group 31.3.10 £000**	Group 31.3.09 £000	**Company 31.3.10 £000**	Company 31.3.09 £000
Non-current assets					
Investment properties	15	**219,901**	241,287	**–**	–
Owner occupied property, plant and equipment	17	**1,638**	1,745	**1,476**	1,721
Available-for-sale investments	18	**13,325**	13,310	**13,325**	13,310
Investment in subsidiaries	19	**–**	–	**31,822**	32,896
Investment in joint ventures	20	**26,384**	7,924	**5,383**	9,308
Derivative financial instruments	23	**1,944**	–	**1,944**	–
Goodwill	21	**16**	30	**–**	–
Deferred tax asset	11	**3,169**	3,440	**–**	–
		266,377	267,736	**53,950**	57,235
Current assets					
Land, developments and trading properties	22	**182,576**	210,415	**968**	853
Available-for-sale investments	18	**10,959**	7,684	**–**	–
Trade receivables and other receivables	24	**38,691**	40,591	**376,609**	348,948
Corporation tax receivable		**1,098**	868	**1,170**	862
Cash and cash equivalents	25	**39,800**	72,776	**25,258**	55,793
		273,124	332,334	**404,005**	406,456
Total assets		**539,501**	600,070	**457,955**	463,691
Current liabilities					
Trade payables and other payables	26	**(43,651)**	(51,215)	**(189,394)**	(193,015)
Borrowings	27	**(72,459)**	(48,155)	**(20,163)**	–
		(116,110)	(99,370)	**(209,557)**	(193,015)
Non-current liabilities					
Borrowings	27	**(170,299)**	(249,297)	**(7,354)**	(27,007)
Derivative financial instruments	23	**(10,485)**	(14,337)	**(3,299)**	(2,776)
Deferred tax provision	11	**–**	–	**(3,282)**	(3,218)
		(180,784)	(263,634)	**(13,935)**	(33,001)
Total liabilities		**(296,894)**	(363,004)	**(223,492)**	(226,016)
Net assets		**242,607**	237,066	**234,463**	237,675

group and company balance sheets

As at 31 March 2010

	Group 31.3.10 £000	Group 31.3.09 £000	**Company 31.3.10 £000**	Company 31.3.09 £000
Equity				
Called-up share capital	**1,339**	1,336	**1,339**	1,336
Share premium account	**70,828**	70,378	**70,828**	70,378
Revaluation reserve	**–**	529	**–**	–
Capital redemption reserve	**7,478**	7,478	**7,478**	7,478
Other reserves	**291**	291	**1,987**	1,987
Retained earnings	**162,547**	158,494	**152,831**	158,093
Own shares held	**–**	(1,597)	**–**	(1,597)
Equity attributable to equity holders of the parent	**242,483**	236,909	**234,463**	237,675
Minority interests	**124**	157	**–**	–
Total equity	**242,607**	237,066	**234,463**	237,675

The financial statements were approved by the Board of Directors on 16 June 2010.

Michael Slade
Director

Nigel McNair Scott
Director

group and company cash flow statements

For the year to 31 March 2010

	Group 31.3.10 £000	Group 31.3.09 £000	**Company 31.3.10 £000**	Company 31.3.09 £000
Cash flows from operating activities				
Profit/(loss) before tax	**7,875**	(71,855)	**3,736**	5,916
Depreciation	**334**	321	**296**	321
Revaluation (gain)/loss on investment properties	**(13,104)**	68,005	**–**	–
Net interest payable	**8,289**	6,999	**(1,846)**	(5,665)
Gain on sale of investments	**–**	(1,892)	**–**	(1,892)
Loss/(gain) on sales of investment properties	**4,909**	(1,335)	**–**	–
(Gain)/loss on valuation of derivative financial instruments	**(1,157)**	13,412	**16**	2,776
Share based payment charge/(credit)	**1,151**	(1,363)	**–**	–
Share of results of joint ventures	**(3,745)**	(1,846)	**–**	(2,243)
Investment written off in the year	**–**	–	**1,100**	5,675
Foreign exchange reserves	**(1,153)**	4,703	**–**	–
Other non-cash items	**2**	(448)	**(12)**	(796)
Cash flows from operations before changes in working capital	**3,401**	14,701	**3,290**	4,092
Change in trade and other receivables	**358**	3,503	**(27,661)**	3,404
Change in land, developments and trading properties	**30,707**	(23,632)	**(115)**	(307)
Change in trade and other payables	**(11,555)**	(8,688)	**(7,436)**	(4,851)
Cash inflow/(outflow) generated from operations	**22,911**	(14,116)	**(31,922)**	2,338
Finance costs	**(12,345)**	(16,992)	**(1,936)**	(1,597)
Finance income	**1,231**	2,497	**4,189**	6,396
Tax received	**834**	1,439	**808**	1,439
Tax paid	**(77)**	(331)	**(77)**	(89)
	(10,357)	(13,387)	**(2,984)**	6,149
Cash flows from operating activities	**12,554**	(27,503)	**(28,938)**	8,487
Cash flows from investing activities				
Purchase of investment property	**(4,192)**	(15,024)	**–**	–
Sale of investment property	**36,704**	10,340	**–**	–
Purchase of investments	**–**	(5,048)	**–**	–
Sale of investments	**–**	2,100	**–**	2,100
Investment in joint venture	**(18,641)**	–	**–**	–
Dividends from joint ventures	**3,926**	–	**3,926**	–
Cost of acquiring derivative financial instruments	**(1,437)**	–	**(1,437)**	–
Cost of cancelling interest rate swap	**(3,202)**	–	**–**	–
Purchase of shares by ESOP	**–**	(3,107)	**–**	(3,107)
Sale of plant and equipment	**28**	14	**28**	14
Purchase of leasehold improvements, plant and equipment	**(237)**	(77)	**(62)**	(53)
	12,949	(10,802)	**2,455**	(1,046)
Cash flows from financing activities				
Issue of shares	**453**	27,972	**453**	27,972
Borrowings drawn down	**13,739**	93,250	**10,000**	32,608
Borrowings repaid	**(67,923)**	(23,101)	**(9,757)**	(8,109)
Equity dividends paid	**(4,748)**	(4,130)	**(4,748)**	(4,130)
	(58,479)	93,991	**(4,052)**	48,341
Net increase in cash and cash equivalents	**(32,976)**	55,686	**(30,535)**	55,782
Cash and cash equivalents at 1 April	**72,776**	17,090	**55,793**	11
Cash and cash equivalents at 31 March	**39,800**	72,776	**25,258**	55,793

group and company statements of changes in equity

For the year to 31 March 2010

Group	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Own shares held £000	Minority interests £000	Total £000
At 31 March 2008	1,222	42,520	57,072	7,478	291	163,911	(3,992)	157	268,659
Revaluation deficit	–	–	(56,360)	–	–	56,360	–	–	–
Realised on disposals	–	–	(183)	–	–	183	–	–	–
Total comprehensive expense	–	–	–	–	–	(50,822)	–	–	(50,822)
Dividends	–	–	–	–	–	(4,130)	–	–	(4,130)
Minority interest	–	–	–	–	–	(143)	–	–	(143)
Purchase of shares	–	–	–	–	–	–	(3,107)	–	(3,107)
Performance share plan	–	–	–	–	–	(1,363)	–	–	(1,363)
Own shares held	–	–	–	–	–	(5,502)	5,502	–	–
Issue of shares	114	27,858	–	–	–	–	–	–	27,972
At 31 March 2009	1,336	70,378	529	7,478	291	158,494	(1,597)	157	237,066
Revaluation surplus	–	–	13,104	–	–	(13,104)	–	–	–
Realised on disposals	–	–	(13,633)	–	–	13,633	–	–	–
Total comprehensive income	–	–	–	–	–	11,588	–	–	11,588
Dividends	–	–	–	–	–	(7,657)	–	–	(7,657)
Minority interests	–	–	–	–	–	33	–	(33)	–
Purchase of shares	–	–	–	–	–	–	6	–	6
Performance share plan	–	–	–	–	–	1,151	–	–	1,151
Own shares held	–	–	–	–	–	(1,591)	1,591	–	–
Issue of shares	3	450	–	–	–	–	–	–	453
At 31 March 2010	1,339	70,828	–	7,478	291	162,547	–	124	242,607

The adjustment to retained earnings of £1,151,000 (2009: £1,363,000) adds back the share-based payments charge/(credit), in accordance with IFRS 2 Share-Based Payments.

Company	Share capital £000	Share premium £000	Revaluation reserve £000	Capital redemption reserve £000	Other reserves £000	Retained earnings £000	Own shares held £000	Total £000
At 31 March 2008	1,222	42,520	–	7,478	1,987	159,475	(3,992)	208,690
Total comprehensive income	–	–	–	–	–	8,250	–	8,250
Dividends	–	–	–	–	–	(4,130)	–	(4,130)
Purchase of shares	–	–	–	–	–	–	(3,107)	(3,107)
Own shares held	–	–	–	–	–	(5,502)	5,502	–
Issue of shares	114	27,858	–	–	–	–	–	27,972
At 31 March 2009	1,336	70,378	–	7,478	1,987	158,093	(1,597)	237,675
Total comprehensive income	–	–	–	–	–	3,986	–	3,986
Dividends	–	–	–	–	–	(7,657)	–	(7,657)
Purchase of shares	–	–	–	–	–	–	6	6
Own shares held	–	–	–	–	–	(1,591)	1,591	–
Issue of shares	3	450	–	–	–	–	–	453
At 31 March 2010	1,339	70,828	–	7,478	1,987	152,831	–	234,463

Notes:
Share capital – represents the nominal value of issued share capital.
Share premium – represents the excess of value of shares issued over their nominal value.
Revaluation reserve – represents the surplus of fair value of investment properties over their historic cost.
Capital redemption reserve – represents amounts paid to purchase issued shares for cancellation at their nominal value.
Retained earnings – represents the accumulated retained earnings of the Group.
Own shares held – relates to the shares purchased by the Helical Bar Employees' Share Ownership Plan Trust.

notes to the financial statements

1. Basis of preparation

These financial statements have been prepared in accordance with applicable International Financial Reporting Standards ("IFRS"), including International Financial Reporting Interpretations Committee ("IFRIC") interpretations as adopted by the European Union and as issued by the International Accounting Standards Board ("IASB").

The directors have taken advantage of the exemption offered by Section 408 of the Companies Act 2006 not to present a separate income statement for the parent company.

The financial statements have been prepared in Sterling (rounded to the nearest thousand) under the historical cost convention as modified by the revaluation of investment properties, available-for-sale investments and derivative financial instruments. The measurement bases and principal accounting policies of the Group are set out below. These accounting policies are consistent with those applied in the year to 31 March 2009, as amended to reflect any new Standards, Amendments to Standards and interpretations which are mandatory for the year ended 31 March 2010.

IAS 1 Presentation of Financial Statements (revised 2007) requires presentation of a comparative balance sheet as at the beginning of the first comparative period in some circumstances. Management considers that this is not necessary this year because the March 2008 balance sheet is the same as that previously published.

Status of Adoption of Significant New or Amended IFRS Standards or Interpretations
The Group adopted the following new and amended IFRS and IFRIC interpretations in the year.

IAS 1 Presentation of Financial Statements (revised 2007);
IAS 23 Borrowing Costs (revised 2007) (effective 1 January 2009);
IAS 27 Consolidated and Separate Financial Statements (Revised 2008) (effective 1 January 2009);
Amendment to IFRS 2 Share-based Payments - Vesting Conditions and Cancellations (effective 1 January 2009);
Amendment to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items (effective 1 July 2009);
Amendment to IAS 40 Investment Properties - Property that is being constructed or developed for future use as investment property (effective 1 January 2009);
Amendment to IFRS 7 Financial Instruments: Disclosures - Improving Disclosures About Financial Instruments (effective 1 January 2009);
Embedded Derivatives - Amendments to IAS 39 and IFRIC 9 (effective for annual periods ending on or after 30 June 2009);
IFRS 3 Business Combinations (revised 2008) (effective 1 July 2009);
IFRS 8 Operating Segments (effective 1 January 2009);
IFRIC 15 Agreements for the Construction of Real Estate (effective 1 January 2009); and,
IFRIC 16 Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008).

There has been no material impact as a result of adopting the above other than in the presentation of accounts under the revised requirements of IAS 1 and IFRS 8.

The following standards, interpretations and amendments have been issued but are not yet effective.
They will be adopted at the point they are effective:

IAS 27 (amended) Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate;
IAS 28 (revised 2008) Investments in Associates;
IAS 32 (amended) Financial Instruments - Presentation - Classification of Rights Issues;
IFRIC 17 Distributions of Non-cash Assets to Owners;
IFRIC 18 Transfer of Assets from Customers; and,
Improvements to IFRSs (April 2009).

The Directors do not expect that the adoption of these Standards and Interpretations in future periods will have a material impact on the financial statements of the Group.

2. Principal accounting policies

Basis of consolidation
The Group financial statements consolidate those of Helical Bar plc (the "Company") and all of its subsidiary undertakings (together the "Group") drawn up to 31 March 2010. Subsidiary undertakings are those entities over which the Group has the ability to govern the financial and operating policies through the exercise of voting rights. Subsidiaries are accounted for under the purchase method and are held in the Company balance sheet at cost and reviewed annually for impairment.

Joint Ventures are entities whose economic activities are controlled jointly by the Group and by other ventures independent of the Group and are accounted for using the equity method of accounting. Under IFRS the Group's share of the results and of the net assets of the joint ventures are shown in the Income Statement and Consolidated Balance Sheet ("Balance Sheet") respectively. Under IFRS the Company's cost of investment in joint ventures is shown in the Company Balance Sheet.

Associates are those entities over which the Group has significant influence but which are neither subsidiaries nor joint ventures.

Intra-group balances and any unrealised gains on transactions between the Company and its subsidiaries and between subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern
The accounts have been prepared on a going concern basis as explained in the Financial Review on pages 31 to 33.

Revenue recognition
Rental income - rental income receivable is recognised in the Income Statement on a straight line basis over the lease term. Any incentive for lessees to enter into a lease agreement and any costs associated with entering into the lease are spread over the same period.

Sale of goods - assets, such as trading properties, development sites and completed developments, are regarded as sold upon the transfer of the significant risks and rewards of ownership to the purchaser, in accordance with IAS 18 Revenue. This occurs on exchange of unconditional contracts for the sale of the site, on satisfaction of any and all conditions on a conditional contract for the sale of the site or on completion of the contract on a conditional sale where those conditions are satisfied at completion. Measurements of revenue arising from the sale of such assets is derived from the fair value of the consideration received in accordance with IAS 18 Revenue.

Construction contracts - where an asset is constructed under a specific contract with a purchaser (a “pre-sold development”) the initial sale of the site to that purchaser is recognised as a sale of goods in accordance with IAS 18 Revenue. The construction element of the contract is treated, for the purposes of revenue recognition, as a construction contract in accordance with IAS 11 Construction Contracts. Revenue is recognised by reference to the stage of completion which is typically determined by reference to project appraisals, normally supported by independent valuation certificates provided by quantity surveyors. The Company’s principal other responsibility on pre-sold developments is the identification of and agreement of terms with potential tenants of the completed building(s). The revenue recognition of this additional component of the funding agreements is considered separately to reflect the substance of the transaction as the rendering of services, in accordance with IAS 18 Revenue. The amount of revenue recognised is determined by reference to the percentage of the building(s) that are let.

Investment income - revenue in respect of investment and other income represents investment income, fees and commissions earned on an accruals basis and the fair value of the consideration received/receivable on investments held for the short-term. Dividends are recognised when the shareholders’ right to receive payment has been established. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate.

Share-based payments
The Group provides share-based payments in the form of performance share plan awards and a share incentive plan. These payments are discussed in greater detail in the Directors’ Remuneration Report on pages 43 to 50. The fair value of share-based payments related to employees’ service are determined indirectly by reference to the fair value of the related instrument at the grant date. All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2005 are recognised in the financial statements. The Group uses the stochastic valuation model and the resulting value is amortised through the Consolidated Income Statement (“Income Statement”) over the vesting period of the share-based payments.

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.

Depreciation
In accordance with IAS 40 Investment Property, depreciation is not provided for on freehold investment properties or on leasehold investment properties. The Group does not own the freehold land and buildings which it occupies. Costs incurred in respect of leasehold improvements to the Group’s head office at 11-15 Farm Street, London W1J 5RS are capitalised and held as short-term leasehold improvements. Leasehold improvements, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Residual values are reassessed annually.

Depreciation is charged so as to write off the cost of assets less residual value, over their estimated useful lives, using the straight line method, on the following basis:

Short leasehold improvements	– 10% or length of lease, if shorter
Plant and equipment	– 25%

Taxation
The taxation charge represents the sum of tax currently payable and deferred tax. The charge for current taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date. Tax payable upon realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred taxation.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The measurement of deferred tax assets and liabilities reflects the tax consequences of the manner in which Helical expects, at the balance sheet date, to recover or settle the carrying amount of those assets and liabilities. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

The deferred tax asset relating to share based payment awards reflects the estimated value of tax relief available on the vesting of the awards at the balance sheet date.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. It is recognised in the Income Statement except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The Group recognises a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except to the extent that both of the following conditions are satisfied:

a) the Group is able to control the timing of the reversal of the temporary difference; and,
b) it is probable that the temporary difference will not reverse in the foreseeable future.

Dividends
Dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which dividends are approved.

Investment properties
Investment properties are properties owned or leased by the Group which are held for long-term rental income and for capital appreciation. Investment properties are initially recognised at cost, including associated transaction costs, and revalued at the balance sheet date to fair value. These fair values are based on market values as determined by professionally qualified external valuers or are determined by the directors of the Group based on their knowledge of the property. In accordance with IAS 40, investment properties held under leases are stated gross of the recognised finance lease liability.

Gains or losses arising from changes in the fair value of investment properties are included as gains or losses on revaluation in the Income Statement of the period in which they arise.

In accordance with IAS 40, as the Group uses the fair value model, no depreciation is provided in respect of investment properties including integral plant.

Property that is being constructed or developed for future use as an investment property is treated as investment property in accordance with IAS 40.

When the Group redevelops an existing investment property for continued future use as investment property, the property remains an investment property measured at fair value and is not reclassified. Interest is capitalised before tax relief until the date of practical completion.

Gross borrowing costs associated with expenditure on properties under development or undergoing major refurbishment are capitalised. The interest capitalised is calculated using the Group's weighted average cost of borrowings. Interest is capitalised from the date of commencement of the development work until date of practical completion.

Details of the valuation of investment properties can be found in note 15.

Goodwill
Goodwill, representing the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses. Negative goodwill is recognised immediately after acquisition in the Income Statement.

Land, developments and trading properties
Land, developments and trading properties held for sale are inventory and are included in the Balance Sheet at the lower of cost and net realisable value.

Investments
Available-for-sale investments are revalued to fair value at the balance sheet date. Gains or losses arising from changes in fair value are recognised in the Statement of Comprehensive Income except to the extent that losses are attributable to impairment, in which case they are recognised in the Income Statement. Upon disposal, accumulated fair value adjustments are included in the Income Statement.

Trade receivables
Trade receivables do not carry any interest and are stated initially at fair value and subsequently at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts.

Cash and cash equivalents
Cash and cash equivalents are carried in the Balance Sheet at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits with banks, and other short-term, highly liquid investments with original maturities of three months or less.

Trade and other payables
Trade and other payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost.

Borrowing and borrowing costs
Interest bearing bank loans and overdrafts are initially recorded at fair value, net of finance and other costs yet to be amortised.

Borrowing costs directly attributable to the acquisition and construction of new developments and investment properties are added to the costs of such properties until the date of completion of the development or investment. After initial recognition borrowings are carried at amortised cost.

Derivative financial instruments
Derivative financial assets and financial liabilities are recognised on the Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

The Group enters into derivative transactions such as interest rate caps and floors, and forward foreign currency contracts in order to manage the risks arising from its activities. Derivatives are initially recorded at fair value and are subsequently remeasured to fair value based on market prices, estimated future cash flows and forward rates as appropriate. Any change in the fair value of such derivatives is recognised immediately in the Income Statement.

Further information on the categorisation of financial instruments can be found in note 23.

Leases
Leases are classified according to the substance of the transaction. A lease that transfers substantially all the risks and rewards of ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

In accordance with IAS 40, finance leases of investment property are accounted for as finance leases and recognised as an asset and an obligation to pay future minimum lease payments. The investment property asset is included in the balance sheet at fair value, gross of the recognised finance lease liability. Lease payments are allocated between the liability and finance charges so as to achieve a constant financing rate.

Foreign currencies
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the Income Statement in the period in which they arise. Exchange differences on non-monetary items are recognised in the Statement of Comprehensive Income to the extent that they relate to a gain or loss on that non-monetary item which is included in the Statement of Comprehensive Income, otherwise such gains and losses are recognised in the Income Statement.

The assets and liabilities in the financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. Income and expenses are translated at the average rate. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken directly to retained earnings in equity. On disposal of a foreign operation the cumulative translation differences (including, if applicable, gains and losses on related hedges) are transferred to the Income Statement as part of the gain or loss on disposal.

Net asset values per share
Net asset values per share have been calculated in accordance with the best practice recommendations of the European Public Real Estate Association (“EPRA”).

Earnings/(loss) per share
Earnings /(loss) per share have been calculated in accordance with IAS 33 and the best practice recommendations of EPRA.

Employee Share Ownership Plan Trust
Shares held in the Helical Bar Employee Share Ownership Plan Trust (“ESOP”) are shown as a deduction in arriving at equity funds. Assets, liabilities and reserves of the ESOP are included in the statutory headings to which they relate. Purchases and sales of own shares increase or decrease the book value of “Own shares held” in the Balance Sheet. At each period end the Group assesses and recognises the fair value of “Own shares held” and accounts for movement between book value and fair value as a reserves transfer.

Use of estimates and judgements
To be able to prepare accounts according to generally accepted accounting principles, management must make estimates and assumptions that affect the asset and liability items and revenue and expense amounts recorded in the financial accounts. These estimates are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances. The results of these considerations form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources.

Areas requiring the use of estimates and critical judgement that may significantly impact on the Group's earnings and financial position are:

- revenue on construction contracts where the valuation is spread over the construction period using estimates of the final outcome (note 3);
- valuation of investment properties, where external valuers are used to provide third party valuations (note 15);
- calculation of deferred tax liabilities, where indexation is used to reduce the provision for deferred tax on revaluation surpluses (note 11);
- 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 performance periods (note 31);
- calculation and assessment of the recoverability of deferred tax assets, where it has been assumed that sufficient taxable profits will be available in future periods to allow all of the assets to be recovered (note 11);
- valuation of the investment in Quotient Bioscience Group Limited, which is based on a valuation method (note 18);
- valuation of the investment in a property developer which is based on a valuation method (note 18); and,
- directors' valuation of land, development and trading properties include subjective assumptions including the results of future planning decisions and future sales values and timings (note 22).

3. Segmental information

The Group has adopted IFRS 8 Operating Segments with effect from 1 April 2009. IFRS 8 requires the identification of the Group's operating segments which are defined as being discrete components of the Group's operations whose results are regularly reviewed by the Chief Executive to allocate resources to those segments and to assess their performance. This has not led to a change in the division of operating segments to those disclosed in prior years and the Group continues to divide its business into the following segments:

- Investment properties, which are owned or leased by the Group for long-term income and for capital appreciation, and Trading properties which are owned or leased with the intention to sell; and,
- Development properties, which include sites, developments in the course of construction, completed developments available for sale and pre-sold developments.

Revenue	**Investment and trading Year ended 31.3.10 £000**	**Developments Year ended 31.3.10 £000**	**Total Year ended 31.3.10 £000**	Investment and trading Year ended 31.3.09 £000	Developments Year ended 31.3.09 £000	Total Year ended 31.3.09 £000
Rental income	**16,689**	**2,192**	**18,881**	19,989	792	20,781
Development income	**–**	**47,822**	**47,822**	–	54,097	54,097
Trading property sales	**525**	**–**	**525**	–	–	–
	17,214	**50,014**	**67,228**	19,989	54,889	74,878
Other revenue			**126**			6,892
Total revenue			**67,354**			81,770

All revenue is from external sales and is attributable to continuing operations. There were no inter-segmental sales.

Revenue for the year comprises revenue from construction contracts of £7,670,000 (2009: £16,251,000), revenue from the sale of goods of £37,926,000 (2009: £15,993,000), revenue from services of £2,877,000 (2009: £28,745,000), and rental income of £18,881,000 (2009: £20,781,000).

All revenues are within the UK other than £19,482,000 of development income derived from the Group's operations in Poland.

Profit before tax	Investment and trading Year ended 31.3.10 £000	Developments Year ended 31.3.10 £000	Total Year ended 31.3.10 £000	Investment and trading Year ended 31.3.09 £000	Developments Year ended 31.3.09 £000	Total Year ended 31.3.09 £000
Net rental income	12,904	1,247	14,151	17,008	674	17,682
Development property loss	–	(1,293)	(1,293)	–	(7,704)	(7,704)
Trading property loss	(10)	–	(10)	(514)	–	(514)
Share of results of joint ventures	3,158	587	3,745	(332)	2,178	1,846
Gain/(loss) on sale and revaluation of investment properties	8,195	–	8,195	(66,670)	–	(66,670)
	24,247	541	24,788	(50,508)	(4,852)	(55,360)
Gain on sale of investments			–			1,892
Other operating income			26			6,752
Gross profit/(loss)			24,814			(46,716)
Administrative expenses			(8,680)			(8,090)
Finance income			1,039			2,082
Finance costs			(8,171)			(23,130)
Foreign exchange (loss)/gain			(1,127)			3,999
Profit/(loss) before tax			7,875			(71,855)

Balance sheet	31.3.10 £000	31.3.10 £000	31.3.10 £000	31.3.09 £000	31.3.09 £000	31.3.09 £000
Investment properties	219,901	–	219,901	241,287	–	241,287
Land, development and trading properties	273	182,303	182,576	878	209,537	210,415
	220,174	182,303	402,477	242,165	209,537	451,702
Other assets			137,024			148,368
Total assets			539,501			600,070
Liabilities			(296,894)			(363,004)
Net assets			242,607			237,066

All non-current assets are derived from the Group's UK operations.

4. Net rental income

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Gross rental income	18,881	20,781
Rents payable	(12)	(12)
Property overheads	(3,732)	(2,394)
Net rental income	15,137	18,375
Third party share of net rental income	(986)	(693)
Group share of net rental income	14,151	17,682

Property overheads include lettings costs, vacancy costs and bad debt provisions.

5. Development property loss

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Development property income	47,822	54,097
Cost of sales	(38,638)	(26,274)
Sales expenses	(436)	(6,141)
Provision against book values	(10,041)	(29,386)
Development property loss	(1,293)	(7,704)

Within other operating income for the year ended 31 March 2009 of £6,752,000 was £6,642,000 relating to contributions from joint venture partners and tenants against the write-down of development stock. No such contributions were received in the year ended 31 March 2010.

6. Trading property loss

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Trading property sales	525	–
Cost of sales	(525)	–
Sales expenses	(10)	–
Provision against book values	–	(514)
Trading property loss	(10)	(514)

7. Net gain/(loss) on sale and revaluation of investment properties

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Net proceeds from the sale of investment properties	36,704	10,340
Book value (note 15)	(40,438)	(9,005)
Tenants incentives on sold investment properties	(1,175)	–
(Loss)/gain on sale of investment properties	(4,909)	1,335
Revaluation surplus/(deficit) on investment properties	13,104	(68,005)
Gain/(loss) on sale and revaluation of investment properties	8,195	(66,670)

8. Administrative expenses

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Administrative expenses	(8,680)	(8,090)
Operating profit/(loss) is stated after the following items that are contained within administrative expenses:		
Staff costs during the year:		
– salaries and other remuneration	4,012	4,368
– social security costs	470	506
– other pension costs	115	77
	4,597	4,951
Depreciation		
– owner occupied property, plant and equipment	334	321
Share-based payments charge/(credit)	1,151	(425)
Auditors' remuneration:		
Audit fees		
– audit of parent company and consolidated financial statements	143	163
– audit of company's subsidiaries	71	79
– interim audit of consolidated financial statements	39	30
– internal controls review	–	15
– financial accounts review	3	18
Non-audit fees		
– PSP review	3	3

Details of the remuneration of Directors amounting to £6,876,000 (2009: £15,332,000) are included in the Directors' Remuneration Report on pages 43 to 50. The amount of the share-based payments charge relating to share awards made to Directors is £921,000 (2009: credit of £348,000).

Other pension costs relate to payments to individual pension plans.

The average number of employees (management and administration) of the Group during the year was 25 (2009: 24).

9. Finance costs and finance income

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Interest payable on bank loans and overdrafts	**(10,956)**	(15,890)
Other interest payable and similar charges	**(696)**	(362)
Finance arrangement costs	**(872)**	(321)
Interest capitalised	**3,196**	6,855
Finance costs	**(9,328)**	(9,718)
Interest receivable and similar income	**1,039**	2,082
Finance income	**1,039**	2,082

All interest payable relates to interest on borrowings and all interest receivable relates to interest on cash and cash equivalents.

On projects where specific third party loans have been arranged, interest has been capitalised at the rate for the individual loan. The weighted average capitalised interest rate of such loans was 2.81% (2009: 6.04%). Where general finance has been used to fund the acquisition and construction of properties the rate used was a weighted average of the financing costs for the applicable borrowings of 3.61% (2009: 6.15%).

10. Taxation on profit on ordinary activities

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
The tax credit is based on the profit/(loss) for the year and represents:		
United Kingdom corporation tax at 28%		
– Group corporation tax	**–**	–
– adjustment in respect of prior periods	**1,152**	1,915
Current tax credit	**1,152**	1,915
Deferred tax at 28%		
– capital allowances	**(52)**	(480)
– revaluation surplus/(deficits)	**–**	12,566
– tax losses	**2,121**	5,285
– other temporary differences	**(1,510)**	(927)
Deferred tax credit	**559**	16,444
Tax credit on profit/(loss) on ordinary activities	**1,711**	18,359

Factors affecting the tax credit for the period:
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below:

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Profit/(loss) on ordinary activities before tax	**7,875**	(71,855)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	**(2,205)**	20,119
Effect of:		
– expenses not deductible for tax purposes	**(532)**	(390)
– income not subject to UK corporation tax	**910**	2,288
– capital allowances not reflected through deferred tax	**672**	–
– tax relief on share awards	**483**	(1,351)
– tax losses utilised	**(146)**	2,257
– operating profit of joint ventures	**1,082**	–
– prior year adjustment	**1,152**	1,915
– revaluation surplus/(deficit) not recognised through deferred tax	**3,669**	(6,475)
– chargeable gain in excess of loss on investment property	**(3,308)**	–
– other temporary differences	**(66)**	(4)
Total tax credit for the period	**1,711**	18,359

Factors that may affect future tax charges
The tax charge is expected to be less than the full rate in future years, primarily due to the Group continuing to claim allowances in respect of eligible expenditure on investment properties and unrealised capital losses at 31 March 2010 of £14.5m.

11. Deferred tax

Deferred tax provided for in the financial statements is set out below:

	Group 31.3.10 £000	Group 31.3.09 £000	**Company 31.3.10 £000**	Company 31.3.09 £000
Capital gains	**–**	–	**–**	–
Capital allowances	**(3,257)**	(3,205)	**(228)**	(179)
Available-for-sale assets	**(4,782)**	(3,218)	**(3,222)**	(3,218)
Tax losses	**7,704**	5,579	**168**	179
Other temporary differences	**3,504**	4,284	**–**	–
Deferred tax asset/(liability)	**3,169**	3,440	**(3,282)**	(3,218)

Other temporary differences represent deferred tax assets arising from the recognition of the fair value of derivative financial instruments and future tax relief available to the Group from capital allowances and when share awards vest.

If upon sale of the investment properties the Group retained all the capital allowances, the deferred tax provision in respect of capital allowances of £3.3m (2009: £3.2m) would be released and further capital allowances of £12.2m (2009: £11.8m) would be available to reduce future tax liabilities.

12. Dividends paid and payable

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Attributable to equity share capital		
Ordinary		
– first interim paid of 1.75p (2009: 1.75p) per share	**1,851**	1,640
– second interim payable on 1 April 2010 of 2.75p (2009: nil) per share	**2,909**	–
– prior period final paid of 2.75p (2009: 2.75p) per share	**2,897**	2,490
Total dividends paid and payable in year – 7.25p (2009: 4.50p) per share	**7,657**	4,130

An interim dividend of 1.75p was paid on 23 December 2009 to shareholders on the register on 4 December 2009. A second interim dividend of 2.75p was declared on 3 March 2010 and paid on 1 April 2010 to shareholders on the register on 12 March 2010. At 31 March 2010 this dividend was included within Other Payables. The final dividend, if approved at the AGM on 21 July 2010, will be paid on 23 July 2010 to shareholders on the register on 25 June 2010. This final dividend, amounting to £265,000, has not been included as a liability as at 31 March 2010, in accordance with IFRS.

13. Parent company

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income statement in the financial statements. The profit for year of the Company was £3,975,000 (2009: £7,157,000).

14. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year. This is a different basis to the net asset per share calculations which are based on the number of shares at the year end. Shares held by the ESOP, which has waived its entitlement to receive dividends, are treated as cancelled for the purposes of this calculation.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed exercise of all dilutive options.

The earnings/(loss) per share are calculated in accordance with IAS 33, Earnings per Share and the best practice recommendations of the European Public Real Estate Association (“EPRA”).

Reconciliations of the earnings/(loss) and weighted average number of shares used in the calculations are set out below.

	Year ended 31.3.10 000s	Year ended 31.3.09 000s
Ordinary shares in issue	**107,408**	107,087
Weighting adjustment	**(1,852)**	(12,242)
Weighted average ordinary shares in issue for calculation of basic and diluted earnings per share	**105,556**	94,845
Weighted average ordinary shares issued on exercise of share options	**294**	804
Weighted average ordinary shares to be issued on exercise of share options	**–**	703
Weighted average ordinary shares to be issued under performance share plan	**406**	918
Weighted average ordinary shares in issue for calculation of diluted EPRA earnings per share	**106,256**	97,270
Earnings/(loss) used for calculation of basic and diluted earnings per share	**9,619**	(53,639)
Basic earnings/(loss) per share	**9.1p**	(56.6p)
Diluted earnings/(loss) per share	**9.1p**	(56.6p)
Earnings/(loss) used for calculation of basic and diluted earnings per share	**9,619**	(53,639)
Net (gain)/loss on sale and revaluation of investment properties	**(8,195)**	66,670
Fair value movement on derivative financial instruments	**(1,157)**	13,412
Gain on disposal of investment	**–**	(1,892)
Deferred tax	**2,853**	(15,843)
Earnings used for calculation of diluted EPRA earnings per share	**3,120**	8,708
Diluted EPRA earnings per share	**2.9p**	9.0p

In accordance with IAS 33 no weighting adjustments have been made for share awards in existence during the year to 31 March 2009 as a loss was made during that year making the adjustments anti-dilutive. Accordingly, the basic and diluted losses per share for that year are the same.

Diluted EPRA earnings per share excludes from earnings the IFRS effects of including the gain on sale and revaluation of investment properties (net of tax) and fair value movement on derivative financial instruments (net of tax).

15. Investment properties

	Freehold 31.3.10 £000	**Leasehold 31.3.10 £000**	**Total 31.3.10 £000**	Freehold 31.3.09 £000	Leasehold 31.3.09 £000	Total 31.3.09 £000
Group						
Fair value at 1 April	**182,812**	**58,475**	**241,287**	230,853	75,925	306,778
Property acquisitions	**3,853**	**339**	**4,192**	14,159	1,852	16,011
Properties transferred from land, trading and development properties	**–**	**–**	**–**	1,514	–	1,514
Disposals	**(3,263)**	**(37,175)**	**(40,438)**	(9,005)	–	(9,005)
Revaluation surplus/(deficit)	**13,756**	**(652)**	**13,104**	(49,273)	(18,732)	(68,005)
Joint venture share of revaluation	**1,643**	**113**	**1,756**	(5,436)	(570)	(6,006)
Fair value at 31 March	**198,801**	**21,100**	**219,901**	182,812	58,475	241,287

A disposal of the investment property portfolio at its stated fair value would crystallise a net payment of £1,748,000 due to the Group's joint venture partners in respect of their share of the revaluation surplus (2009: £nil).

Interest capitalised during the year in respect of the refurbishment of investment properties amounted to £nil (2009: £1,065,000).

Interest capitalised in respect of the refurbishment of investment properties is included in investment properties to the extent of £5,767,000 (2009: £6,205,000).

Investment properties with fair value of £216,000,000 were held as security against borrowings.

Properties are stated at market value as at 31 March 2010, valued by professionally qualified external valuers except for investment properties valued by the Directors. The valuations have been prepared in accordance with the Valuation Standards (6th edition) published by the Royal Institution of Chartered Surveyors ("the Standards"). In their valuation reports, the valuers have noted, in accordance with Guidance Note 5 of the Standards, that the primary source of evidence for valuations is recent, comparable market transactions on arms length terms. The Directors have valued £3,751,000 (2%) of the investment portfolio on a discounted cashflow basis representing the present value of future income receivable upon the disposal by residents of units in the Group's retirement village portfolio.

The investment properties have been valued at 31 March 2010 as follows:

	£000
Cushman & Wakefield LLP	**211,050**
Drivers Jonas Deloitte	**5,100**
Directors' valuation	**3,751**
	219,901

The historical cost of investment property is £218,893,000 (2009: £240,583,000).

16. Operating lease arrangements

The Group earns rental income by leasing its investment properties to tenants under non-cancellable operating leases. At the balance sheet date the Group had contracted with tenants to receive the following future minimum lease payments:

	Group 31.03.10 £000	Group 31.03.09 £000
Not later than one year	**14,908**	17,715
Later than one year but not more than five years	**38,063**	49,037
More than five years	**38,983**	50,367
	91,954	117,119

The Company has no operating lease arrangements.

17. Owner occupied property, plant and equipment - Group

	Short leasehold improvement 31.3.10 £000	**Plant and equipment 31.3.10 £000**	**Total 31.3.10 £000**	Short leasehold improvement 31.3.09 £000	Plant and equipment 31.3.09 £000	Total 31.3.09 £000
Cost at 1 April	**2,071**	**554**	**2,625**	2,033	587	2,620
Additions at cost	**–**	**237**	**237**	38	39	77
Disposals	**–**	**(121)**	**(121)**	–	(72)	(72)
Cost at 31 March	**2,071**	**670**	**2,741**	2,071	554	2,625
Depreciation at 1 April	**518**	**362**	**880**	328	285	613
Provision for the year	**190**	**144**	**334**	190	131	321
Eliminated on disposals	**–**	**(111)**	**(111)**	–	(54)	(54)
Depreciation at 31 March	**708**	**395**	**1,103**	518	362	880
Net book amount at 31 March	**1,363**	**275**	**1,638**	1,553	192	1,745

Plant and equipment include vehicles, fixtures and fittings and other office equipment.

All short leasehold improvement, plant and equipment relates to the Company except for plant and equipment with a net book value of £162,000 as at 31 March 2010 (2009: £24,000).

18. Available-for-sale investments

	Non-Current Group £000	Non-Current Company £000	Current Group £000	Current Company £000
At 1 April 2009	13,310	13,310	7,684	–
Additions	–	–	338	–
Disposals	–	–	(10)	–
Fair value adjustments	15	15	2,947	–
At 31 March 2010	**13,325**	**13,325**	**10,959**	**–**

Included in non-current available-for-sale investments is an effective investment of 18% in Quotient Biosciences Group Limited ("Quotient"), a private bioscience company.

The valuation of the investment in Quotient is determined using a valuation technique as there is no active market for the shares. The valuation for one part of the business is based on the sales price of a similar business. Due to the difference in the technology involved the sales price is discounted by 60%.

The value of another part of the business is derived from the forecast revenue for the year to 31 March 2011 and a revenue multiple for the business based on the market capitalisation of similar businesses within the biosciences sector.

For the remainder of the business the valuation is derived from the forecast earnings for the year to 31 March 2011 and an earnings multiple for the business based on the market capitalisation of similar businesses within the biosciences sector.

The increase in the valuation of the investment in Quotient is recognised in the Statement of Comprehensive Income as is the associated movement in deferred tax.

It is believed that the correct discount factor of one of the parts of the business should be within the range of 50% to 60% based on the differing levels of progress of the technologies. The discount factor of 60% is deemed to be the most appropriate based on the known technological progress. However, were the discount factor 50% the value of the investment would be £1,272,000 greater and the shareholder funds would be increased by £916,000.

The revenue multiple is calculated from the sales values of other similar businesses. The multiple chosen is the average of the range of multiples identified. Were the earnings multiple at the bottom of the range the value of the investment would be £1,644,000 lower and the shareholder funds would be reduced by £1,184,000. Were the earnings multiple at the top of the range the value of the investment would be £3,645,000 greater and the shareholder funds would be increased by £2,624,000.

The earnings multiple is calculated from the sales values of other similar businesses. The multiple chosen is in the average of the range of multiples identified. Were the earnings multiple at the bottom of the range the value of the investment would be £312,000 lower and the shareholder funds would be reduced by £225,000. Were the earnings multiple at the top of the range the value of the investment would be £321,000 greater and the shareholder funds would be increased by £231,000.

The gain on sale of investments in 2009 of £1,892,000 was due to the Group selling a tenth of its holding in Quotient.

Included within current available-for-sale investments is an amount lent to a company promoting a mainly residential mixed-use development and an investment of 20% of the equity of this company. At the beginning of the year the Group had an entitlement to 10% of the equity of the company and the option to buy additional shares. During the year this entitlement and option were renegotiated to 20% of the equity without an option to buy additional shares. The loan was also renegotiated.

The loan and the equity are classed as available-for-sale investments and are held at fair value. The Group has determined its fair value by considering both the loan and the equity element separately. The loan element is valued at the fair value of the consideration receivable. The equity element is given a nil value with the Group valuing the underlying company on a break up basis at nil as they believe this is the most probable outcome. This nil valuation is derived because the Group believe that the value of the property and any other of the company's assets, after the repayment of the loan payable to the Group, would be required to repay the outstanding creditors leaving negligible value to the shareholders.

The movement in the fair value of the available-for-sale investments and the associated deferred tax movement are recognised in the Statement of Comprehensive Income.

19. Investment in subsidiaries

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
At 1 April	–	–	32,896	37,771
Acquired during year	–	–	26	800
Impairment in the carrying value of investments	–	–	(1,100)	(5,675)
At 31 March	–	–	31,822	32,896

The Company's principal subsidiary undertakings, all of which have been consolidated, are:

Name of undertaking	Nature of business	Percentage of ordinary share capital held
Albion Land (Bushey Mill) Ltd	Development	100%
Baylight Developments Ltd*	Investment	100%
Cranmer Investments (Whitstable) Ltd	Development	100%
Dencora (Docklands) Ltd	Investment	100%
Dencora (Fordham) Ltd	Investment	100%
Downtown Space Properties LLP	Development	70%
Harbour Developments (Bracknell) Ltd	Development	100%
HB Sawston No. 3 Ltd	Investment	100%
Helical (Aldridge) Ltd	Investment	100%
Helical (Ashford) Ltd	Investment	100%
Helical Bar Developments (South East) Ltd	Development	100%
Helical Bar (East Grinstead) Ltd	Investment	100%
Helical Bar (Great Dover Street) Ltd	Investment	100%
Helical Bar (Hawtin Park No. 3) Ltd	Investment	100%
Helical Bar Services Ltd	Management Services	100%
Helical Bar (Wales) Ltd*	Investment	100%
Helical Bar (White City) Ltd	Development	100%
Helical (Battersea) Ltd	Investment	100%
Helical (Bramshott Place) Ltd	Development	100%
Helical (Cardiff) Ltd	Investment	100%
Helical (Cowley) Ltd	Development	100%
Helical (Crawley) Ltd	Investment	100%
Helical (Exeter) Ltd	Development	100%
Helical (Faygate) Ltd	Development	100%
Helical (Fleet) No. 2 Ltd*	Investment	100%
Helical (Glasgow) Ltd	Investment/Trading	100%
Helical (Hailsham) Ltd	Development	100%
Helical (Kidlington) Ltd	Development	100%
Helical (Liphook) Ltd	Development (Jersey)	100%
Helical (Milton) Ltd	Development	100%
Helical (Paignton) Ltd	Investment	100%
Helical Retail Ltd	Development	100%
Helical Retail (RBS) Ltd*	Development	100%
Helical (Sevenoaks) Ltd	Investment	100%
Helical Sosnica Sp. z.o.o.*	Development (Poland)	100%
Helical (Southall) Ltd	Development	100%
Helical (Southampton) Ltd	Development	100%
Helical (Stockport) Ltd	Development	100%
Helical (Telford) Ltd	Development	100%
Helical (Winterhill) Ltd	Investment	100%
Helical Wroclaw Sp. z.o.o.*	Development (Poland)	100%
Prescot Street Investments Ltd	Investment	100%
14 Fieldgate Street Ltd	Development	100%
61 Southwark Street Ltd*	Investment	100%

All principal subsidiary undertakings operate in the United Kingdom other than Helical Sosnica Sp. z.o.o. and Helical Wroclaw Sp. z.o.o. and, unless otherwise indicated, are incorporated and registered in England and Wales. A full list of all subsidiaries is lodged with the Annual Return at Companies House.

*Ordinary capital is held by a subsidiary undertaking.

Investments in subsidiaries have been impaired based on a review of their fair value at the balance sheet date. A review of the fair value of the investments is undertaken periodically. The fair value of the investment in subsidiaries is based on the value of the subsidiaries underlying assets.

20. Investment in joint ventures

	Group 31.3.10 £000	Group 31.3.09 £000
Summarised statements of consolidated income		
Revenue	**1,835**	2,595
Operating profit	**3,207**	1,862
Sale of investment	**1,147**	–
Net finance costs	**(490)**	(16)
Profit before tax	**3,864**	1,846
Tax	**(119)**	–
Profit after tax	**3,745**	1,846
Summarised balance sheets		
Non-current assets	**45,305**	31
Current assets	**27,507**	22,677
Current liabilities	**(18,528)**	(14,784)
Non-current liabilities	**(27,900)**	–
Net assets	**26,384**	7,924

The cost of the Company's investment in joint ventures was £150,000 (2009: £150,000).

The Group did not have any contingent liabilities relating to its joint ventures (2009: £nil) and the joint venture companies did not have any contingent liabilities (2009: £nil) at the balance sheet date.

At 31 March 2010 the Group and the Company had interests in the following joint venture companies:

	Country of incorporation	Class of share capital held	Proportion held Group	Proportion held Company	Nature of business
Abbeygate Helical (Leisure Plaza) Ltd	United Kingdom	Ordinary	50%	–	Development
Abbeygate Helical (Winterhill) Ltd	United Kingdom	Ordinary	50%	–	Development
Abbeygate Helical (C4.1) LLP	United Kingdom	n/a	50%	–	Development
The Asset Factor Ltd	United Kingdom	Ordinary	50%	50%	Outsourcing
Shirley Advance LLP	United Kingdom	n/a	50%	–	Development
King Street Developments (Hammersmith) Ltd	United Kingdom	Ordinary	50%	–	Development
PH Properties Limited (BVI)	British Virgin Islands	Ordinary	60%	–	Investment

During the year the Group acquired a 60% economic interest in PH Properties Limited (BVI), a jointly controlled entity which owns a shopping centre in the UK. The results and financial position of PH Properties Limited (BVI) at the balance sheet date have been accounted for as a joint venture as Helical does not control PH Properties Limited (BVI).

21. Goodwill

	Group 31.3.10 £000	Group 31.3.09 £000
Cost at 1 April	**1,515**	1,515
Additions	**–**	–
Cost at 31 March	**1,515**	1,515
Impairment at 1 April	**1,485**	1,485
Impairment for the year	**14**	–
Impairment at 31 March	**1,499**	1,485
Fair value at 31 March	**16**	30

The carrying values of the Group's goodwill are reassessed at least annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If analysis indicates that the carrying value is too high, then this is reduced to its recoverable amount which is the higher of fair value and its value in use.

22. Land, developments and trading properties

Group	Development properties 31.3.10 £000	Trading stock 31.3.10 £000	Total 31.3.10 £000	Development properties 31.3.09 £000	Trading stock 31.3.09 £000	Total 31.3.09 £000
At 1 April	209,537	878	210,415	181,118	1,390	182,508
Construction costs	14,958	–	14,958	68,321	2	68,323
Interest capitalised	3,196	–	3,196	5,790	–	5,790
Properties transferred to investment properties	–	–	–	(1,514)	–	(1,514)
Disposals	(32,983)	(525)	(33,508)	(14,792)	–	(14,792)
Foreign exchange movements	(2,444)	–	(2,444)	–	–	–
Provision	(9,961)	(80)	(10,041)	(29,386)	(514)	(29,900)
At 31 March	182,303	273	182,576	209,537	878	210,415

Company	Development properties 31.3.10 £000	Development properties 31.3.09 £000
At 1 April	853	546
Construction costs	115	1,415
Disposals	–	(867)
Provision	–	(241)
At 31 March	968	853

The directors' valuation of trading and development stock shows a surplus of £33m above book value (2009: £45m).

Interest capitalised in respect of the development of sites is included in stock to the extent of £8,482,000 (2009: £8,749,000).

Land, developments and trading properties with carrying value of £154,917,000 (2009: £159,602,000) were held as security against borrowings.

23. Financial instruments

Categories of financial instruments
Financial assets in the Group include derivative financial assets which are designated as 'Fair value through the Income Statement'. Financial assets also include finance lease receivables, other receivables and cash and cash equivalents all of which are included within loans and receivables as well as available-for-sale investments.

Financial liabilities in the Group comprise derivative financial liabilities which are categorised as fair value through the Income Statement (non hedge). Financial liabilities also include secured bank loans, unsecured bond issues, unsecured loan notes, and bank loans and overdrafts, all of which are categorised as debt at amortised cost, and trade and other payables, provisions and current tax liabilities, which are classified as other financial liabilities.

Financial assets and liabilities by category
The financial instruments of the Group as classified in the financial statements can be analysed under the following IAS 39 Financial Instruments: Recognition and Measurement, categories:

Financial assets

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Loans and receivables	79,440	113,392	402,788	403,507
Fair value through income statement	1,944	–	1,944	–
Available-for-sale financial assets	24,284	20,994	13,325	13,310
Total financial assets	105,668	134,386	418,057	416,817

These financial assets are included in the balance sheet within the following headings:

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Available-for-sale investments	24,284	20,994	13,325	13,310
Derivative financial instruments	1,944	–	1,944	–
Trade receivables and other receivables	38,542	39,748	376,360	346,852
Corporation tax receivable	1,098	868	1,170	862
Cash and cash equivalents	39,800	72,776	25,258	55,793
Total financial assets	105,668	134,386	418,057	416,817

Financial assets are stated in accordance with IAS 32 Financial Instruments: Presentation.

For fair value of available-for-sale investments see note 18. The carrying value of the trade receivables and other receivables and cash and cash equivalents is deemed not to be materially different from the fair value.

Financial liabilities

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Fair value through income statement	(10,485)	(14,337)	(3,299)	(2,776)
Other financial liabilities	(280,748)	(337,263)	(216,911)	(220,022)
Total financial liabilities	(291,233)	(351,600)	(220,210)	(222,798)

These financial liabilities are included in the balance sheet within the following headings:

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Trade payables and other payables	(37,990)	(39,811)	(189,394)	(193,015)
Borrowings - current	(72,459)	(48,155)	(20,163)	–
Borrowings - non current	(170,299)	(249,297)	(7,354)	(27,007)
Derivative financial instruments	(10,485)	(14,337)	(3,299)	(2,776)
Total financial liabilities	(291,233)	(351,600)	(220,210)	(222,798)

The carrying value of trade payables and other payables and borrowings is not deemed to be materially different from the fair value. Financial liabilities are stated in accordance with IAS 32.

The Group and Company financial instruments that are measured subsequent to initial recognition at fair value are available-for-sale assets, forward exchange contracts and interest rate swaps, caps and floors.

Forward foreign exchange contracts are externally measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps, caps and floors are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates. Both would be classified as Level 2 fair value measurements, as defined by IFRS 7, Financial Instruments: Disclosure, being those derived from inputs other than quoted prices (included within Level 1) that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Available-for-sale assets, which are described in note 18 are classified as Level 3 fair value measurements, being those not based on observable market data. There were no transfers between categories in the current or prior year.

Derivative financial instruments

	Group Year ended 31.3.10 £000	Group Year ended 31.3.09 £000	Company Year ended 31.3.10 £000	Company Year ended 31.3.09 £000
Derivative financial assets				
Interest rate caps	94	–	94	–
Foreign exchange contracts	1,850	–	1,850	–
	1,944	–	1,944	–
Derivative financial liabilities				
Interest rate caps	–	153	–	153
Interest rate swaps	(7,186)	(11,561)	–	–
Interest rate floors	(3,299)	(2,929)	(3,299)	(2,929)
	(10,485)	(14,337)	(3,299)	(2,776)

The group's movement in the fair value of the derivative financial instruments in the year was a gain of £1,157,000 (2009: loss of £13,412,000); Company: loss of £16,000 (2009: £2,776,000).

Credit risk
Credit risks arise from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk the Group periodically assesses the financial reliability of customers, taking into account the financial position, past experience and other factors.

As at 31 March 2010 Helical has total credit risk excluding cash of £63.9m of which £24.3m is available-for-sale assets and £39.6m is loans and receivables. Available-for-sale assets are analysed in note 18.

Of the trade receivables held at 31 March 2010, two amounts of £2.4m and £4.5m were due from the sale of investment properties and were received on 19 April 2010 and 4 May 2010 respectively and a further £2.7m related to rent due from tenants which was received post year-end.

All other debtors are deemed to be recoverable.

The Group is not reliant on any major customer for its ability to continue as a going concern.

For further information on trade and other receivables, see note 24.

Liquidity risk
Liquidity risk is defined as the risk that the Group would not be able to settle or meet its obligations on time or at a reasonable price.

Liquidity and funding risks, related processes and policies are overseen by management.

Helical manages its liquidity risk on a consolidated basis based on business needs, tax, capital or regulatory considerations, if applicable, and through numerous sources of finance in order to maintain flexibility. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group's cash and cash equivalents are held with major regulated financial institutions and the directors regularly monitor the financial institutions that the group uses to ensure its exposure to liquidity risk is minimised.

For further information on borrowing facilities, see notes 27 and 28.

The maturity profile of the Group's contracted financial liabilities is as follows:

	Group 31.3.10 £000	Group 31.3.09 £000	**Company 31.3.10 £000**	Company 31.3.09 £000
Payable within 3 months	**59,464**	42,400	**192,428**	193,300
Payable between 3 months and 1 year	**79,548**	53,100	**19,880**	800
Payable between 1 and 3 years	**121,256**	147,800	**11,438**	28,300
Payable after 3 years	**69,651**	145,900	**400**	–
Total contracted liabilities	**329,919**	389,200	**224,146**	222,400

At 31 March 2010 Helical had £8.2m of undrawn borrowing facilities, £31.6m of uncharged property assets and cash balances of £39.8m. The above contracted liabilities assume that no loans are extended beyond their current facility expiry date. The management believe that these facilities, together with anticipated sales and the renewal of some of these loan facilities, mean that Helical can meet its contracted liabilities as they fall due.

Market risk
Helical is exposed to market risk, primarily related to interest rates, foreign currency exchange movements, the market value of the investments and accrued development profits. The Group actively monitors these exposures.

Interest rate risk
It is the Group's policy and practice to minimise interest rate cash flow exposures on long-term financing. Helical does this by using a number of derivative financial instruments including interest rate swaps and interest rate caps. The purpose of these derivatives is to manage the interest rate risks arising from the Group's sources of finance. The Group does not use financial instruments for speculative purposes.

Details of financing and financial instruments can be found in note 28.

In the year to 31 March 2010, if interest rates had moved by 1%, this would have resulted in the following movement to pre-tax losses and equity due to movements in interest charges and mark-to-market valuations of derivatives.

	31 March 2010 Impact on results £000	31 March 2010 Equity impact £000
1% increase – increase in net results and equity	2,917	2,917
1% decrease – decrease in net results and equity	(2,155)	(2,155)

There would have been no significant impact on the results or on the equity of the Company if interest rates had increased or decreased.

Foreign currency exchange risk
Due to its operations in Poland and its investment in a non-UK based property developer, Helical has exposure to exchange movements on foreign currencies. Helical's management monitors its exposure to risks associated with foreign currency exchange risk and reviews any requirements to act to minimise these risks. During the year Helical has entered into currency option contracts in order to reduce its exposure to these risks.

In the year to 31 March 2010 the Group made foreign exchange losses of £1,127,000 resulting from foreign exchange movements related to its Polish operations.

The Group's balance sheet translation exposure is summarised as follows:

	31 March 2010 Euro (£000)	31 March 2010 Zloty (£000)	31 March 2010 US dollars (£000)	31 March 2009 Euro (£000)	31 March 2009 Zloty (£000)	31 March 2009 US dollars (£000)
Gross currency assets	48,387	11,508	10,946	54,090	8,409	7,672
Gross currency liabilities	(25,399)	(3,826)	–	(29,941)	(6,562)	–
Net exposure	22,988	7,682	10,946	24,149	1,847	7,672

The group has entered into a fair-value hedge to reduce the effects of foreign exchange translation losses on stock. Any movement in the fair value of this instrument is shown in the Income Statement as part of the change in fair value of derivative financial instruments.

The Company's balance sheet translation exposure is almost exclusively due to intra-group loans and is summarised as follows:

	31 March 2010 Euro (£000)	31 March 2010 Zloty (£000)	31 March 2009 Euro (£000)	31 March 2009 Zloty (£000)
Gross currency assets	4,025	14,955	2,596	11,388
Gross currency liabilities	–	–	–	–
Net exposure	4,025	14,955	2,596	11,388

The Group's main currency exposure is to the euro. The sensitivity of the net assets and profit of the Group to a 10% change in the value of the foreign currencies against sterling is Euro: £2,299,000 (March 2009: £2,415,000), Zloty: £768,000 (March 2009: £185,000), US dollar: net assets: £788,000 (March 2009: £552,000), profit: £nil (March 2009: £nil).

The sensitivity of the net assets and profit of the Company to a 10% change in the value of the foreign currencies against sterling is Euro: £402,000 (March 2009: £260,000), Zloty: £1,496,000 (March 2009: £1,139,000).

In addition to the above the Group has entered in to a number of currency option contracts to act as cashflow hedges against development contracts in Poland and future expected profits on the development schemes. Whilst these contracts are designed to minimise foreign exchange risk on these transactions hedge accounting has not been applied and any movement to the fair value of the options is shown in the Income Statement as part of the change in fair value of derivative financial instruments. The details of these options is summarised below:

	Reason for hedging	Contract value	Contract rate	Fair value at 31/03/2010
Put euro – call zloty	Hedge against development contract	PLN 110m	4.1	£1,481,000
Put euro – call sterling	Hedge against anticipated development profit	EUR 10m	1.14	£369,000

24. Trade receivables and other receivables

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Trade receivables	**12,316**	19,001	**–**	116
Amounts owed by joint venture undertakings	**8,208**	11,978	**3,907**	7,017
Amounts owed by subsidiary undertakings	**–**	–	**365,955**	333,367
Other receivables	**3,520**	4,071	**1,816**	4,237
Prepayments and accrued income	**14,647**	5,541	**4,931**	4,211
	38,691	40,591	**376,609**	348,948

Receivables	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Fully performing	**36,911**	38,658	**376,360**	346,852
Past due < 3 months	**1,375**	1,061	**–**	–
Past due > 3 months	**256**	29	**–**	–
Total receivables being financial assets	**38,542**	39,748	**376,360**	346,852
Total receivables being non-financial assets	**149**	843	**249**	2,096
Total receivables	**38,691**	40,591	**376,609**	348,948

Past due receivables relate to a number of independent customers for whom there is no recent history of default. Against trade receivables, Helical held £0.7m of rental deposits at 31 March 2010 (2009: £0.7m).

Movements in the provision for impairment of trade receivables are as follows:

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Gross receivables being financial assets	**39,192**	39,873	**376,360**	346,852
Provisions for receivables impairment	**(650)**	(125)	**–**	–
Net receivables being financial assets	**38,542**	39,748	**376,360**	346,852
Receivables written off during the year as uncollectable	**637**	329	**–**	–

25. Cash and cash equivalents

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Rent deposits and cash held at managing agents	**1,274**	1,215	**–**	–
Cash secured against debt and cash held at solicitors	**1,295**	15	**–**	–
Cash allocated to pay dividend	**2,909**	–	**2,909**	–
Cash deposits	**34,322**	71,546	**22,349**	55,793
	39,800	72,776	**25,258**	55,793

26. Trade payables and other payables

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Trade payables	**4,635**	3,611	**108**	68
Social security costs and other taxation	**638**	332	**–**	–
Amounts owed to joint venture undertakings	**–**	5,603	**1,147**	835
Amounts owed to subsidiary undertakings	**–**	–	**175,469**	183,194
Other payables	**9,219**	9,767	**3,046**	122
Accruals and deferred income	**29,159**	31,902	**9,624**	8,796
	43,651	51,215	**189,394**	193,015

27. Borrowings

	Group 31.3.10 £000	Group 31.3.09 £000	Company 31.3.10 £000	Company 31.3.09 £000
Current borrowings	**72,459**	48,155	**20,163**	–
Bank loans repayable within:				
– one to two years	**29,644**	69,642	**–**	27,570
– two to three years	**72,725**	54,150	**7,650**	–
– three to four years	**68,878**	65,075	**–**	–
– four to five years	**–**	61,890	**–**	–
	171,247	250,757	**7,650**	27,570
Deferred arrangement costs	**(948)**	(1,460)	**(296)**	(563)
Non-current borrowings	**170,299**	249,297	**7,354**	27,007

Bank overdrafts and term loans in creditors falling due within one year and after one year are secured against properties held in the normal course of business by subsidiary undertakings to the value of £370,917,000 (2009: £393,400,000). These will be repayable when the underlying properties are sold. Bank overdrafts and term loans exclude the Group's share of borrowings in joint venture companies of £29,752,000 (2009: £5,644,000).

28. Financing and financial instruments

The policies for dealing with liquidity and interest rate risk are noted in the Financial Review on pages 31 to 33.

	Group 31.3.10 £000	Group 31.3.09 £000
Bank overdraft and loans – maturity		
Due after more than one year	**171,247**	250,757
Due within one year	**72,459**	48,155
	243,706	298,912

The Group has various undrawn committed borrowing facilities. The facilities available at 31 March 2010 in respect of which all conditions precedent had been met were as follows:

	Group 31.3.10 £000	Group 31.3.09 £000
Expiring in one year or less	**8,186**	35,646
Expiring in more than one year but not more than two years	**–**	3,000
	8,186	38,646

Interest rates - Group	%	Expiry	31.3.10 £000	%	Expiry	31.3.09 £000
Fixed rate borrowings:						
– swap rate plus bank margin	–	–	–	5.939	Sep 2009	14,324
– swap rate plus bank margin	5.330	Jun 2011	4,316	5.330	Jun 2011	4,536
– swap rate plus bank margin	5.650	Nov 2010	5,200	5.650	Nov 2010	5,200
– swap rate plus bank margin	–	–	–	7.273	Nov 2009	8,000
– swap rate plus bank margin	7.150	Oct 2012	28,500	7.150	Oct 2012	28,500
– swap rate plus bank margin	8.295	Oct 2014	6,690	7.150	Oct 2012	6,690
– swap rate plus bank margin	6.240	Dec 2013	10,120	6.240	Dec 2013	10,120
– swap rate plus bank margin	6.040	Jan 2011	4,200	6.040	Jan 2011	4,200
– swap rate plus bank margin	5.290	Mar 2012	3,570	5.290	Mar 2012	3,570
– swap rate plus bank margin	6.555	Aug 2013	9,912	6.555	Aug 2013	9,912
– swap rate plus bank margin	6.270	Oct 2010	14,652	6.270	Oct 2010	15,347
– swap rate plus bank margin	–	–	–	6.465	Aug 2013	37,500
– swap rate plus bank margin	3.555	Jun 2011	5,400	–	–	–
Weighted average	6.429	Jun 2012	92,560	6.313	May 2012	147,899
Floating rate borrowings	2.321	Jun 2012	151,146	2.251	Aug 2011	151,013
Total borrowings			243,706			298,912
Deferred arrangement costs			(948)			(1,460)
			242,758			297,452

Floating rate borrowings bear interest at rates based on LIBOR. The Company's borrowings consist of fixed rate borrowings of £6,690,000 at 8.295% expiring in October 2014 and remainder are floating rate borrowings (2009: all floating rate borrowings).

Hedging
In addition to the fixed rates, borrowings are also hedged by the following financial instruments:

Instrument	Value £000	Rate %	Start	Expiry
Current:				
– cap	30,000 – 40,950	6.000	May 2008	May 2013
– floor	30,000 – 40,950	4.500	May 2008	May 2013

Gearing

	Group 31.3.10 £000	Group 31.3.09 £000
Total borrowings	242,758	297,452
Cash	(39,800)	(72,776)
Net borrowings	202,958	224,676

Net borrowings exclude the Group's share of borrowings in joint ventures of £29,752,000 (2009: £5,644,000).

	Group 31.3.10 £000	Group 31.3.09 £000
Net assets	242,607	237,066
Gearing	84%	95%

29. Share capital

	31.3.10 £000	31.3.09 £000
Authorised	**39,577**	39,577
	39,577	39,577

The authorised share capital of the Company is £39,576,626.60 divided into ordinary shares of 1p each and deferred shares of 1⁄8p each.

	31.3.10 £000	31.3.09 £000
Allotted, called up and fully paid		
– 107,407,522 ordinary shares of 1p each (2009: 107,087,012)	**1,074**	1,071
– 212,145,300 deferred shares of 1⁄8p each	**265**	265
	1,339	1,336

As at 1 April 2009 the Company had 107,087,012 ordinary 1p shares in issue. In the year to 31 March 2010 320,510 new ordinary 1p shares were issued as the result of share options being exercised. The dates and number of shares issued are detailed in note 30. At 31 March 2010 there were 107,407,522 ordinary 1p shares in issue.

	Shares in issue 31.3.10 Number	Share capital 31.3.10 £000	Shares in issue 31.3.09 Number	Share capital 31.3.09 £000
Ordinary shares				
At 1 April	**107,087,012**	**1,071**	95,732,457	957
New shares issued	**320,510**	**3**	11,354,555	114
At 31 March	**107,407,522**	**1,074**	107,087,012	1,071
Deferred shares				
At 1 April	**212,145,300**	**265**	212,145,300	265
At 31 March	**212,145,300**	**265**	212,145,300	265

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and,
- to provide an adequate return to shareholders.

The Group sets the amount of capital in proportion to its overall financing structure. It manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Capital is defined as being issued share capital, retained earnings and other reserves. (2010: £235,005,000, 2009: £230,499,000).

The deferred shares were issued on 23 December 2004 to those shareholders electing to receive a dividend, rather than a capital repayment or further shares in the Company, as part of the Return of Cash approved by shareholders on 20 December 2004. The deferred shares carry no voting rights and have no right to a dividend or capital payment in the event of a winding up of the Company.

The Company's Articles of Association give the Company irrevocable authority to purchase all or any of the deferred shares for a maximum aggregate total of 1 penny for all deferred shares in issue on the date of such purchase.

30. Share options

At 31 March 2010 there were no unexercised options (2009: 320,510) over new ordinary 1p shares in the Company and no unexercised options (2009: 1,057,095) over purchased ordinary 1p shares held by the ESOP, under the Group's share option schemes.

During the period no new options were granted. Options over 320,510 new ordinary 1p shares and 1,057,095 purchased ordinary 1p shares were exercised. In order to reduce the number of shares required by the ESOP to satisfy share awards, the Company agreed with employees that the number of shares required on the exercise of purchase options be reduced. To ensure that employees were not disadvantaged by this reduction, the exercise prices applied on the exercise of the options were correspondingly reduced.

The effect of the reductions to the exercise prices was to reduce the weighted average exercise price on all options exercised from 149p to 34p. These reductions in exercise prices were not applied to options exercised over subscription shares.

	Original subscription options	Original purchase options	Original total options	Subscription options exercised	Reduced purchase options exercised	Total options exercised
8 June 2009	–	1,057,095	1,057,095	–	565,000	565,000
30 March 2010	320,510	–	320,510	320,510	–	320,510
	320,510	1,057,095	1,377,605	320,510	565,000	885,510

Summary of share options	**Number 31.3.10**	**Weighted average exercise Price 31.3.10**	Number 31.3.09	Weighted average exercise price 31.3.09
At 1 April	**1,377,605**	**149p**	4,569,660	131p
Options granted	**–**	**–**	–	–
Options exercised	**(1,377,605)**	**34p**	(3,192,055)	48p
Option expired/lapsed	**–**	**–**	–	–
At 31 March	**–**	**–**	1,377,605	149p

31. Share-based payments

The Group provides share-based payments to employees in the form of performance share plan awards and a share incentive plan. All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2005 are recognised in the financial statements. The Company uses a stochastic valuation model and the resulting value is amortised through the Income Statement over the vesting period of the share-based payments.

Share options granted after 7 November 2002

	Options	**2010 Weighted average exercise price**	Options	2009 Weighted average exercise price
Outstanding at beginning and end of period	**nil**	**n/a**	320,510	141.50

The inputs into the stochastic model of valuation of the options were as follows:

	2010	2009
Weighted average share price	**n/a**	146.72
Weighted average exercise price	**n/a**	141.50
Expected volatility	**n/a**	16%
Expected life	**n/a**	6 years
Risk free rate	**n/a**	4.48%
Expected dividends	**n/a**	1.99%

Expected volatility was determined by calculating the historical volatility of the Company's shares over the last six years. The expected life used in the model has been adjusted, based on the Company's best estimate, for the effects of employee changes (subject to good leaver provisions), exercise restrictions and behavourial considerations.

Performance share plan awards	**Awards**	**2010 Weighted average award value**	Awards	2009 Weighted average award value
Outstanding at beginning of period	**4,738,900**	**364p**	4,536,065	366p
Awards vested during the period	**(482,065)**	**377p**	(1,964,620)	280p
Awards lapsed during the period	**(964,130)**	**377p**	–	–
Awards cancelled during the period	**(555,644)**	**359p**	–	–
Awards made during the period	**2,133,222**	**300p**	2,167,455	276p
Outstanding at end of period	**4,870,283**	**332p**	4,738,900	364p

The performance share plan awards outstanding at 31 March 2010 had a weighted average remaining contractual life of one year nine months.

The inputs into the stochastic model of valuation of the PSP awards made in the year to 31 March 2010 were as follows:

	2010	2009	2008
Weighted average share price	**297.5p**	276p	502p
Weighted average exercise price	**–**	–	–
Expected volatility	**n/a**	n/a	n/a
Expected life	**3 years**	3 years	3 years
Risk free rate	**n/a**	n/a	n/a
Expected dividends	**1.51%**	1.63%	0.87%

The Group recognised a charge of £1,151,000 (2009: credit of £425,000) in relation to Share-based payments.

At the balance sheet date there were no exercisable awards.

32. Own shares held

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

The Trust purchases shares in the Company to satisfy the Company's obligations under its Share Option Schemes and Performance Share Plan.

At 31 March 2010 the Trust held 1,291,844 (2009: 2,338,904) ordinary 1p shares in Helical Bar plc.

At 31 March 2010 unexercised options over nil (2009: 1,057,095) ordinary 1p shares in Helical Bar plc had been granted over shares held by the Trust.

At 31 March 2010 outstanding awards over 4,870,283 (2009: 4,738,900) ordinary 1p shares in Helical Bar plc had been made under the terms of the Performance Share Plan over shares held by the Trust.

33. Contingent liabilities

The Group has no contingent liabilities.

The Company has entered into cross guarantees in respect of the banking facilities of its subsidiaries.

The Company has undertaken to provide support for some of its subsidiaries undertakings. However it does not believe that this support will be required in the foreseeable future.

Other than these contingent liabilities there were no contingent liabilities at 31 March 2010 (2009: £nil).

34. Net assets per share

	31.3.10 £000	**Number of shares 000s**	**31.3.10 pence per share**	31.3.09 £000	Number of shares 000s	31.3.09 pence per share
Net asset value	**242,607**	**107,408**		237,066	107,087	
Less: own shares held by ESOP	**–**	**(1,292)**		–	(2,339)	
deferred shares	**(265)**			(265)		
Basic net asset value	**242,342**	**106,116**	**228**	236,801	104,748	226
Add: unexercised share options	**–**	**–**		454	321	
Diluted net asset value	**242,342**	**106,116**	**228**	237,255	105,069	226
Adjustment for:						
– fair value of financial instruments	**9,978**			14,337		
– deferred tax	**3,257**			3,205		
Adjusted diluted net asset value	**255,577**	**106,116**	**241**	254,797	105,069	242
Adjustment for:						
– fair value of trading properties	**32,991**			45,455		
Diluted EPRA net asset value	**288,568**	**106,116**	**272**	300,252	105,069	286
Adjustment for:						
– fair value of financial instruments	**(9,978)**			(14,337)		
– deferred tax	**(3,257)**			(3,205)		
Diluted EPRA triple net asset value	**275,333**	**106,116**	**259**	282,710	105,069	269

The net asset values per share have been calculated in accordance with the best practice recommendations of the European Public Real Estate Association ("EPRA").

35. Related party transactions

At 31 March 2010 and 31 March 2009 the following amounts were due from the Group's joint ventures.

	At 31.3.10 £000	At 31.3.09 £000
Abbeygate Helical (Leisure Plaza) Ltd	**2,212**	1,516
Abbeygate Helical (Winterhill) Ltd	**(12)**	(162)
Abbeygate Helical (C4.1) LLP	**(598)**	(636)
King Street Developments (Hammersmith) Ltd	**1,634**	1,109
Shirley Advance LLP	**4,372**	4,320
The Asset Factor Ltd	**600**	4,270
PH Properties Limited (BVI)	**–**	–

All movements in joint venture balances related to loan repaid and loans advanced except for interest receivable from the Asset Factor in the year of £29,000.

At 31 March 2010 and 31 March 2009 there were the following balances between the Company and its subsidiaries.

	At 31.3.10 £000	At 31.3.09 £000
Amounts due from subsidiaries	**365,955**	333,367
Amounts due to subsidiaries	**175,469**	183,194

During the years to 31 March 2010 and 31 March 2009 there were the following transactions between the Company and its subsidiaries:

	Year ended 31.3.10 £000	Year ended 31.3.09 £000
Management charges receivable	**3,202**	3,404
Management charges payable	**271**	530
Interest receivable	**3,109**	5,232
Interest payable	**–**	–

Management charges relate to the performance of management services for the Company or its subsidiaries. Interest receivable relates to interest on loans made by the Company to its subsidiaries. All of these transactions, and the year-end balance sheet amounts arising from these transactions were conducted on an arm's length basis and on normal commercial terms. Amounts owed by subsidiaries to the company are identified in note 24. Amounts owed to subsidiaries by the company are identified in note 26.

The Group consider that the key management personnel are the directors and the detail of their remuneration is disclosed in the directors' remuneration report on pages 43 to 50. Share based payments for directors are disclosed in note 8.

ten year review

	IFRS 31.3.10 £000	IFRS 31.3.09 £000	IFRS 31.3.08 £000	IFRS 31.3.07 £000	IFRS 31.3.06 £000	IFRS 31.3.05 £000	UK GAAP 31.3.04 £000	UK GAAP 31.3.03 £000	UK GAAP 31.3.02 £000	UK GAAP 31.3.01 £000
Revenue	**67,354**	81,770	65,623	123,176	119,274	101,469	54,566	135,192	136,632	165,259
Net rental income	**14,151**	17,682	16,400	14,771	16,524	20,440	22,980	25,619	27,827	25,532
Development (loss)/profit	**(1,293)**	(7,704)	6,068	13,587	4,594	12,664	38	4,630	17,072	29,507
Trading (loss)/profit	**(10)**	(514)	(29)	2,094	13,441	5,771	1,031	349	154	920
Share of results of joint ventures	**3,745**	1,846	(98)	6,196	437	2,699	1,636	1,544	986	86
Other income	**26**	6,752	(315)	766	235	235	601	626	(67)	342
Gross profit before gain/(loss) on investment properties	**16,619**	18,062	22,026	37,414	35,231	41,809	26,286	32,768	45,972	56,387
Gain/(loss) on sale and revaluation of investment properties	**8,195**	(66,670)	(32,790)	40,637	43,551	44,204	2,035	2,126	2,463	709
Gain on sale of investments	**–**	1,892	–	–	–	–	–	–	–	–
Administrative expenses	**(8,680)**	(8,090)	(13,659)	(17,544)	(16,582)	(15,757)	(8,037)	(6,391)	(10,888)	(12,031)
Loss on sale of subsidiary	**–**	–	–	–	–	–	(59)	–	(195)	–
Negative goodwill	**–**	–	–	–	–	–	–	6,362	–	–
Net finance costs	**(7,132)**	(21,048)	(1,724)	(419)	(5,080)	(5,561)	(6,572)	(9,638)	(14,779)	(19,241)
Foreign exchange (losses)/gains	**(1,127)**	3,999	1,862	–	–	–	–	–	–	–
Profit/(loss) before tax	**7,875**	(71,855)	(24,285)	60,088	57,120	64,695	13,653	25,227	22,573	25,824
Tax	**1,711**	18,359	11,971	(8,000)	(9,676)	844	(2,199)	(7,660)	(5,353)	(5,471)
Profit/(loss) after tax	**9,586**	(53,496)	(12,314)	52,088	47,444	65,539	11,454	17,567	17,220	20,353
Investment portfolio	**219,901**	241,287	306,778	316,025	294,583	271,315	334,932	342,484	439,911	453,607
Shareholders' funds	**242,607**	237,066	268,659	282,186	230,097	186,165	234,917	226,870	227,653	223,606
Dividend per ordinary share	**7.25p**	4.50p	4.50p	4.05p	3.65p	3.32p	3.32p	3.00p	2.75p	2.50p
Special dividend per ordinary share	**–**	–	–	–	–	–	–	–	20.0p	–
Diluted earnings/(loss) per ordinary share	**9.1p**	(56.6p)	(13.5p)	53.7p	51.8p	53.7p	7.9p	11.8p	11.8p	13.5p
Diluted EPRA net assets per share	**272p**	286p	352p	374p	309p	238p	182p	155p	155p	151p

The financial statements for the year to 31 March 2005 have been restated to reflect the adoption of International Financial Reporting Standards.

The financial statements for the years 31 March 2001 to 31 March 2005 have been restated to reflect the impact of the 5 for 1 share issue on 1 September 2005

investor information

The report and financial statements, share price information, company presentations, the financial calendar, Corporate Governance, contact details and other investor information on the Group are available in the Investor Relations and Company Profile area of our website www.helical.co.uk.

Registrar
All general enquiries concerning holdings of ordinary shares in Helical Bar plc should be addressed to:

Capita Registrars
Northern House, Woodsome Park,
Fenay Bridge,
Huddersfield, HD8 0GA

Telephone: 0871 664 0300
Fax: 020 8639 2342
Website: www.capitaregistrars.com
Email: ssd@capitaregistrars.com

e-communication
UK shareholders may chose to be alerted about updates to the Financial Reports, Results, Press Releases and Events Calendar sections of the Group's website by subscribing to the Alerting Service at www.helical.co.uk. Shareholders may also submit their proxy votes electronically. To register for this service, shareholders should visit the Shareholders area of www.capitaregistrars.com.

Payment dividends
Shareholders whose dividends are not currently paid to mandated accounts may wish to consider having their dividends paid directly into their bank or building society account. This has a number of advantages, including the crediting of cleared funds into the nominated account on the dividend payment date. If shareholders would like their future dividends to be paid in this way, they should complete a mandate instruction available from the Registrars. Under this arrangement tax vouchers are sent to the shareholder's registered address.

Dividends for shareholders resident outside the UK
Instead of waiting for a sterling cheque to arrive by mail, you can ask us to send your dividends direct to your bank account. For information contact the Company's Registrar.

Dividend reinvestment plan (DRIP)
The Company offers shareholders the option to participate in a DRIP. This enables shareholders to reinvest their cash dividends in Helical Bar plc shares.

For further details, contact the Company's Registrar.

For participants in the plan, key dates can be found in the online financial calendar in the 'Investor relations' area at www.helical.co.uk.

ShareGift
Shareholders with a small number of shares, the value of which makes it uneconomic to sell them, may wish to consider donating them to a charity ShareGift, (registered charity 1052686) which specialises in using such holdings for charitable benefit.

Further information about ShareGift is available at www.sharegift.org or by writing to: ShareGift,
17 Carlton House Terrace,
London, SW1Y 5AH

Telephone: 020 7930 3737

Dividends
Dividend payment dates on the Company's Ordinary 1p shares in 2009 are as follows:

Dividend	Record Date	Payment Date	Amount
2008/09 Final	3 July 2009	24 July 2009	2.75p
2009/10 1st interim	4 Dec 2009	23 Dec 2009	1.75p

Dividend payment dates in 2010 will be as follows:

Dividend	Record Date	Payment Date	Amount
2009/10 2nd interim	12 March 2010	1 April 2010	2.75p
2009/10 Final	25 June 2010	23 July 2010	0.25p
2010/11 Interim	Dec 2010	Dec 2010	

Share price information

The latest information on the Helical Bar plc share price is available on our website www.helical.co.uk.

Registered office
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Registered in England and Wales
No. 156663.

glossary of terms

Average unexpired lease term	The average unexpired lease term expressed in years.
Capital value (psf)	The open market value of the property divided by the area of the property in square feet.
Diluted EPRA earnings per share	Earnings per share adjusted to exclude losses/gains on sale and revaluation of investment properties and their deferred tax adjustments, the tax on loss/profit on disposal of investment properties and fair value movements on derivative financial instruments, on a diluted basis. Details of the method of the calculation of the diluted EPRA earnings per share is available from EPRA.
Diluted EPRA net assets per share	Diluted net asset value per share adjusted to exclude fair value of financial instruments and deferred tax on capital allowances and on investment properties revaluation, but including the fair value of trading properties in accordance with the best practice recommendations of EPRA.
Diluted EPRA triple net asset value per share	Diluted EPRA net asset value per share adjusted to include fair value of financial instruments and deferred tax on capital allowances and on investment properties revaluation.
Diluted figures	Reported amounts adjusted to include the effects of potential shares issuable under the employee share option schemes.
Earnings per share	Profit after tax divided by the weighted average number of ordinary shares in issue.
EPRA	European Public Real Estate Association.
Equivalent yield	The constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value. Assumes rent is received in arrears.
Estimated rental value (ERV)	The market rental value of lettable space as estimated by the Company's valuers at each balance sheet date.
Initial yield	Annualised net rents on investment properties as a percentage of the investment property valuation.
IPD	The Investment Property Databank Limited (IPD) is a company that produces a number of independent benchmarks of unleveraged commercial property returns.
Net assets per share or net asset value (NAV)	Equity shareholders' funds divided by the number of ordinary shares at the balance sheet date.
Net gearing	Total borrowings less short-term deposits and cash as a percentage of equity shareholders' funds.
Passing rent	The annual gross rental income excluding the net effects of straightlining lease incentives.
Rack rental value %	The anticipated yield, which the initial yield will rise to once the rent reaches the ERV.
Total shareholder return (TSR)	The growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the period expressed as a percentage of the share price at the beginning of the period.
True equivalent yield	The constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value. Assumes rent is received quarterly in advance.
Unleveraged returns	Total property gains and losses (both realised and unrealised) plus net rental income expressed as a percentage of the total value of the properties.

financial calendar

Year ended 31 March 2010	Annual General Meeting to be held 21 July 2010 Final ordinary dividend payable 23 July 2010
Half year ending 30 September 2010	Results and interim ordinary dividend announced November 2010 Interim ordinary dividend payable December 2010
Year ending 31 March 2011	Results and final dividend announced June 2011 Final ordinary dividend payable July 2011

advisors

Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0GA
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Auditors	Grant Thornton UK LLP Grant Thornton House Melton Street Euston Square London NW1 2EP
Merchant bankers	Lazard Ltd 50 Stratton Street London W1J 8LL
Solicitors	Ashurst Clifford Chance Dechert Lawrence Graham Linklaters Lovells Mishcon de Reya Nabarro Norton Rose Wragge & Co

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