

COMPANY NUMBER: 3860803
CHARITY NUMBER: 1091544

SAFENET DOMESTIC ABUSE AND SUPPORT SERVICES LTD

Report and Financial Statements

Year ended 31 March 2018

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Directors, Executive Officers, Advisors and Bankers

Board

Chair	K Ainsworth
Vice Chair	S Livesey
Other Directors	R Horman (resigned 31 March 2018) K Shaw A Huntington (resigned 10 January 2018) S Iftaker (resigned 31 March 2018) A Phillips (resigned 10 January 2018) A Coates (appointed 1 April 2018) G N Elliott (appointed 1 April 2018) A Henderson (appointed 1 April 2018) R Jones (appointed 1 April 2018) M Khan (appointed 1 April 2018) L McCracken (appointed 1 April 2018) G Nolan (appointed 1 April 2018) M Pilling (appointed 1 April 2018)
Company Secretary	H J Gauder (resigned 10 January 2018) S Aggett (appointed 10 January 2018)
Executive Officers Charity Manager	H.J.Gauder
Registered Office	Centenary Court Croft Street Burnley BB11 2ED
External Auditor	Beever & Struthers Chartered Accountants and Business Advisors St George's House 215-219 Chester Road Manchester M15 4JE
Solicitors	Forbes Solicitors Rutherford House 4 Wellington Street St. Johns Blackburn BB 8DD
Bankers	Yorkshire Bank 25 Manchester Road Burnley Lancashire BB11 1HX

Report of the Directors

The Board is pleased to present its report along with the financial statements for the year ended 31 March 2018. This report incorporates the requirements of the Trustees' Annual Report.

Objectives and Activities

The charity protects victims and survivors of domestic violence and abuse from further harm. It provides services to support victims and survivors; and works to prevent violence and abuse, and to promote safe and healthy relationships.

SafeNet Domestic Abuse and Support Services ("SafeNet") provides temporary emergency accommodation and community based support services to women, children and men experiencing domestic violence. The key priorities for the charity during the year 2017/18 were:

SafeNet Services to Victims of Domestic Abuse:

Safe Accommodation - Refuges

SafeNet Refuges in Burnley, Lancaster, Preston and Rochdale operated 24 hours a day, responding to emergency referrals from partner agencies, admitting women and their children, supporting them throughout their stay at the Refuge. The Support Service provided emotional and practical support to enable victims/survivors to move away from abusive relationships and successfully resettle within the community.

Safe Houses

In Burnley and Lancaster, SafeNet delivered accommodation in separate 'SafeHouses' which offer a safe place to a wider variety of victims who may not be able to access a place in the communal refuge ie. those with higher level dependency issues, mental health needs and also male victims of abuse.

Male Victims Safe House

We established a specialist 3 x unit Male Victim Safe House which we launched in May 2017.

Community Based IDVA Service

We deliver a community based Independent Domestic Violence Advisor (IDVA) service in the Blackpool area to those experiencing domestic abuse and who are assessed as high risk by referral agencies. The IDVA's advocate on behalf of clients referred into MARAC (Multi Agency Risk Assessment Conference) where agencies work in partnership to agree a safety plan for the victim and children involved.

Who and What We Support

Both the Refuge and the Community Based Services included provision for women and children with:

- additional health needs (including mental health issues, self-harming behaviours, substance misuse and dependency issues, sexual and reproductive health issues and issues relating to physical disability).
- specialised, cultural sensitive support needs – for minority ethnic women and children to overcome language barriers and support different lifestyles and cultures
- children's needs- services to children who are resident in the refuge, and those in the community which meet their emotional, psychological, physical, social and educational developmental needs.

All individual and group work with children is designed to:

- address emotional health needs
- develop children's potential through building self-esteem, confidence and opportunities
- take into account the unique circumstances of the individual child, and is based on the core principles of a client centred approach and ethos.

Inter-Agency Working

We contribute effectively to inter-agency working in Lancashire and Greater Manchester, leading work in a number of areas. We work to raise the profile of the charity; to promote awareness of domestic abuse and the range of services available.

Finance and Resource Management

We manage our finances to ensure that SafeNet has sufficient funds to maintain core services in the short and long term, and ensure that all SafeNet premises, resources and working practices meet recognised standards for quality, security and health and safety.

Report of the Directors (continued)

Development of Organisation and Staff

We maintain effective management and staffing structures, to ensure that staff and volunteers have the knowledge and skill to deliver excellent services as required, and to provide quality work placements for students. Also to help board members govern effectively, set clear strategy, and monitor organisational effectiveness.

Growth

SafeNet's Growth Strategy concentrates on the maintenance and consolidation of existing services across Lancashire and Greater Manchester; and further expansion in conjunction with the property owning strength and expertise of the Calico Group:

Growth Targets 2017 - 2018

1. Maintain existing SafeNet services:

- Maintain Refuge Services
- Secure Revenue Funding for Jane's Place Recovery Refuge for years 2 and 3
- Maintain and grow community based support services

2. Extend and expand SafeNet specialist services in Lancashire and beyond, to support more victims and survivors of abuse

- Elevate SafeNet's profile
- Tender to deliver new domestic abuse services where viable
- Safe houses
- Male Safe houses

3. Corporate and Governance Restructure

- New Calico Company
- New Function for current SafeNet Board Members

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the directors consider how planned activities will contribute to the aims and objectives they have been set.

The Company undertakes and manages its activities in line with the above objectives through the provision of support contracts. The directors receive regular updates on performance and feel that the objectives have been achieved as set out in the next section.

Achievements and Performance

SafeNet has achieved targets or has targets on-going or pending for 2017 -18 as follows:

1. Maintain existing SafeNet services:

• Maintain Refuge Services

ACHIEVED: We will continue to maintain refuge provision in Burnley and Preston until 2019; when the PEH fund will be reviewed. We have maximised income through HB's utilising 'intensive housing management' to cover housing management costs for accommodation based services.

We tendered for and retained Lancaster Refuge Service in 2017.

We established SafeNet Rochdale Refuge Service, working closely with stakeholders and commissioners.

• Secure Revenue Funding for Jane's Place Recovery Refuge for years 2 and 3

ON-GOING: we worked to identify sources of funding to replace time limited DCLG funds, to gain and sustain alternative funding, including a bid to the Big Lottery, Garfield Western & Henry Smith. We passed Stage 1 of the Big Lottery application process and are currently working on Stage 2. The Government have announced a second round of MHCLG (previously DCLG) Fund early in the new financial year which will provide the best opportunity for full cost recovery. We have the support of influential supporters who are working with us to create more secure funding for Jane's Place.

• Maintain and grow community based support services

ACHIEVED: We've retained the Blackpool IDVA Service with a direct extension from Blackpool Council early in 2018; continuing to work closely with Blackpool Council to help shape the future of Blackpool Services. We are keen to develop accommodation based support services for Blackpool if possible. We have sustained community based domestic abuse group work programmes in Lancaster and plan to extend this service further.

Report of the Directors (continued)

2. Extend and expand SafeNet specialist services in Lancashire and beyond, to support more victims and survivors of abuse

- **Elevate SafeNet's profile**

ACHIEVED AND ON-GOING: We have increased our social media presence and public profile, held high profile events such as the Reception at the Houses of Parliament, produced animated shorts to promote Jane's Place and worked closely with commissioners, stakeholders and partner agencies

- **Tender to deliver new domestic abuse services where viable**

PENDING: We continue to identify gaps in the market and potential developments such as expansion of services in Blackpool, Preston and Rochdale. It is likely that Calderdale and Bradford may tender services in the next financial year. We have interest from across the UK for developing our Jane's Place service model.

- **Safe houses**

ON-GOING: We are developing additional safe houses all the areas in which we currently operate refuge services, in particular for those areas with no current safe house provision such as for Preston and Rochdale.

- **Male Safe Houses**

ON-GOING: Work is underway to establish a safe house for male victims in Rochdale, this is one of the obligations of our contract with commissioners in Rochdale

3. Corporate and governance restructure

- **New Calico Company**

ACHIEVED: we have worked with all companies in the Calico Group to establish Syncora as a collaborative company in readiness for larger tenders. Syncora was established during the year and is now the parent company of SafeNet, Acorn, Calico Enterprise and Delphi

- **New Function for current SafeNet Board Members**

PENDING We are keen to establish SafeNet Supporters Group as 'ambassadors' or as a 'domestic abuse interest group' for ex board members and other interested supporters

This is our seventh year as part of The Calico Group, and the partnership is beneficial to both organisations. We continue to work closely to harmonise our organisations strategically via shared goals and policies and procedures and work to strengthen our position in relation to existing contracts and future proposals to extend domestic violence and similar support services. We continue to build on our previous success and maintain high standards in our provision of supported housing. Demand for our service remains consistently high. We offer an established service based on best practice, providing guidance and inspiration to others in the field.

During 2017/18 we worked to ensure that high quality services were maintained and that developments were planned and continued to be adequately resourced in priority areas.

Best Companies

In February 2018, Calico was recognised for being in the Top 100 Best Companies to work for in the Sunday Times top 100 for the 10th Year in a row. The survey includes staff from Calico Homes, Calico Enterprise, Acorn, Delphi, Ringstones and SafeNet. It was a fantastic achievement for all companies in the Calico Group and demonstrates our success as an employer of choice.

Staff Performance

SafeNet staff team has seen some significant changes during this year, with some turnover of staff due to funding changes and a significant restructure. Even so, SafeNet has continued to extend its staff team to include a whole new staff team at Jane's Place, staff at the new Male Victim Service and several new staff in our new Rochdale service who TUPE'd into SafeNet. Reflecting our organisation's ethos of being 'run by women, for women' our staff team continues to be women only, however, we are exploring the possibility of employing male staff via one of our Calico companies. Our team is diverse, with a wide range of staff from different backgrounds and with different language skills. Sickness levels are low which evidences a well motivated team.

Financial Review

The income, expenditure and resulting surplus, and the company's financial position at the end of the year are shown on pages 12 and 13 of the financial statements.

As in previous years, we have provided high quality supported housing for women and children escaping domestic abuse, in East, Central South and North Lancashire areas, and this year we extended our remit to include services in Blackpool. Demand for our services remains consistently high.

We have worked hard to raise funds for our children's services and to build links with local schools, though identifying funding for additional support for children this has become increasingly difficult.

Report of the Directors (continued)

Plans for Future Periods **Priorities and Targets for 2018 – 2019**

Our key objectives include:

1. Maintain existing SafeNet services:

a) Maintain Refuge Services - sustain and stabilise funding

- Maximise income through HB's utilising 'intensive housing management' to cover housing management costs for accommodation based services
- Monitor proposals to change/end HB payments, contribute to consultations about the future of refuge accommodation services, influence decisions which impact on the continuation of Refuge Services
- Maintain current traditional communal refuge provision in Burnley, Lancaster and Preston until 2020 when the PEH fund will be reviewed and consider other forms of funding / delivering accommodation services

b) Secure Specialist Accommodation Services: Jane's Place Recovery Refuge and the Male Victim Safe House

- Identify sources of funding to replace time limited DCLG funds, work to gain and sustain alternative funding, apply to the Big Lottery and work with Trusts such as Garfield Western and Henry Smith
- Jane's Place Service Offer to Commissioners, spot purchase type funding arrangements
- Raise the profile of SafeNet, Jane's Place and Male Victim Services on regional and national stage working closely with supporters

c) Maintain and grow community based support services

- Work closely with Blackpool Council to retain the Blackpool IDVA Service beyond September 2018

2. Extended SafeNet services in Lancashire and beyond, to support more victims and survivors of abuse

a) New Opportunities: tender to deliver new domestic abuse services where viable and identify service gaps and potential developments

- Pendle: Expression of interest in refuge services (2017) awaiting tender
- Calderdale: Expression of interest in refuge services (2017) awaiting tender
- Blackpool: Setting up new office/lease, ICT, workspace etc. – promotion of new location
- Work with the OPCC to further develop community based domestic abuse group work programmes in local communities across Burnley, Lancaster, Preston & Blackpool

b) Safe houses: develop additional safe houses all the areas in which we currently operate refuge services, in particular for those areas with no current safe house provision such as for Preston and Rochdale. Consider the viability of developing safe houses elsewhere if viable.

- Redwood House Rochdale Pilot - set up a large safe house in Rochdale, up to 6 units
- Male SafeHouse in Rochdale – as commissioned

c) Elevate Safenet's profile – increase our social media presence and public profile, working closely with commissioners, stakeholders and partner agencies

3. Partnership Work: strategic development, paying attention to the relationships and links we are building in the areas we work, establish and develop partnership increased contributions and activities with statutory and voluntary partners in each locality.

- Strategic / Geographic Development teams to allocate time to pay attention to external relationships and involvement: visiting local services to raise awareness and promote SafeNet services; attend local/regional multi-agency meetings; distribute relevant information (email/social media), mini training sessions, joint activities
- Internal Collaboration ways to work across the Calico Group at different levels
- Establish a 'SafeNet Supporters Group' for Patrons, Ambassadors and Supporters

Report of the Directors (continued)

4. Focus on staff potential and wellbeing: working to create the best conditions for staff to be focussed, present, motivated and supported.

- Support staff to achieve their potential and wellbeing through performance and development framework and managers through the 'Leaders Journey'
- Support and development through bespoke Practice (Clinical) Supervision for all frontline staff SafeNet has a proactive approach to increasing its income and works closely with our Calico partners to secure the best level of income from Housing Benefits and to secure steady, re-occurring funding for its Children's and community based services
- We will continue to work hard to find effective solutions to funding issues and to work in partnership with funding agencies to gain appropriate funding for all our services

Structure, Governance and Management

Group Structure

A review of the Group's company and governance structures has taken place over the past year to ensure they can best support our purpose by ensuring there is adequate leadership capacity and that the Group continues to grow and develop.

A number of options relating to changes in structure of the Group to help with these objectives were considered by all Boards. It has been agreed to establish Syncora Limited (registered number 11171831) a holding company with a common board for each of its subsidiaries which are SafeNet, Acorn and Calico Enterprise. This holding company will sit between the legal entities and the Calico Group Board. This new arrangement will enhance continued growth by integrating service and company offers and allowing competition with larger scale 'lead' providers.

Governing Document

The Company is registered as a Charity (no. 1091544) with the Charity Commission.

The Charity is constituted as a Company limited by guarantee (no. 3860803) and is governed by its Articles of Association. New Articles of Association were adopted on 10 January 2018.

In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Appointment of Directors

Syncora Limited may by ordinary resolution appoint a person who has been approved by The Calico Group Limited.

The minimum number of Trustees per the Articles of Association is 3 and there is no maximum number.

Directors' Induction and Training

Upon appointment new Trustees receive the following:

- A copy of the Statutory Information of the Incorporated Company;
- A copy of the most recent Annual Report and Accounts;
- Access to the Policy and Procedures manual;
- A copy of the Charity Commissioners Guide to the responsibilities of a Charity Trustee;
- Copies of the previous minutes of Trustee Meetings.

A programme has been established to continuously develop professional and effective boards of trustees throughout the Calico Group so that they can manage business successfully. The main objectives of the programme are to:

- Strengthen the role of the boards.
- Equip Trustees to make considered decisions and address challenging problems.
- Ensure boards work within legal frameworks and comply with regulatory standards.
- Establish boards as leaders with the vision to determine strategic direction.

Organisation

The activities of the charity are divided into work streams – the provision of housing related support (Refuge Support) and management of the housing service, support to children both resident and non-resident (Children's Services), Community Based Support Services offering support to victims in legal and court process (IDVA Service).

Each of these areas is provided with support and guidance from the employees of The Calico Grp Limited under the direction of the Managing Director Helen Gauder.

Report of the Directors (continued)

Related Parties

SafeNet Domestic Abuse and Support Services is a subsidiary of Syncora Ltd. Employees of The Calico Group Limited provide services, e.g. payroll to the employees of SafeNet Domestic Abuse and Support Services. An arm's length charge is made for these services. The day to day management of the charity is delegated to the Managing Director. None of the directors received any remuneration in respect of their roles as directors of SafeNet.

Karen Ainsworth was also a board member of Calico Homes Limited until her resignation on 11 June 2018.

Risk Management

The directors have undertaken a review of the major strategic risks faced by the charity and have put in place systems to mitigate SafeNet's exposure to the major risks .These systems are reviewed annually.

The main risks identified relate to Government policy, the availability of contracts and funding and the role of the voluntary sector. Reduced funding could lead to reductions in services, in particular for Refuge Accommodation Based Services and Children's Services.

Reserves Policy

The objective of having unrestricted funds in reserve is to enable the charity to cope with unplanned events. Very often, the effects of the event can be managed in the long term, but the charity needs reserves in the meantime. There is no rule on how large reserves should be; this will depend a great deal on the nature of the charity's activities and the level of external risk perceived by the trustees. It will also depend on what other action the charity is taking to mitigate the effects of the external threats, as this will affect the level of reserves required.

The organisation will attempt to maintain an overall target level which will enable a restructure of the service following any changes to Domestic Abuse service funding. We would take advantage of the notice periods on funding arrangements to allow us to remodel the service. As a result of this, we do not have to retain large reserves. However reserves are also built up to enable investment in accommodation to grow and expand the service. This will be over and above those reserves represented by fixed assets within the charity's balance sheet.

The Trustees will monitor and review the level of reserves annually, in line with guidance issued by the Charity Commission.

Governance Development

Trustees / Board Members have been appraised annually and individual and group development planned. The governance function will be further developed through an appropriate development plan including key priorities as follows:

- Consideration of size, representation, skills and experience and diversity of the trustees, and the inclusion of service users.
- Develop a succession and recruitment strategy for the future.
- Develop more information and resources for members co-ordinated into a Board member resource pack which will include all of the constitutional requirements.
- Carry out trustee appraisals on a regular basis and provide a development plan to respond to identified needs.

Voluntary Help

Over the past year we have recruited several new volunteers in addition to existing volunteers. They have been trained to assist residents in practical tasks and life skills. They provide additional emotional support alongside the existing paid staff. Volunteers typically work five hours per week. The financial statements exclude costs for voluntary help, which cannot be quantified.

Statement of Directors' Responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards 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 charitable company will continue in business

Report of the Directors (continued)

Statement of Directors' Responsibilities (continued)

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

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

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which auditors are unaware. Each of the directors have confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

NHF Code of Governance

As a Group we have chosen to adopt the NHF Code of Governance as an appropriate set of governance principles.

The Code deals with our Board, the way it operates, our constitution, the role of chair, the chief executive, equalities and probity, in fact everything which you would expect to see in a well-run Board and organisation. Each year, we review whether we fully comply with this Code - where we do not, we agree an action plan and do what is necessary to comply with the Code.

The Board certifies that the Company is pleased to report full compliance with this Code where relevant for the year ended 31 March 2018 following an annual review that took place in March 2018.

Auditor

Beever & Struthers, Chartered Accountants and Business Advisors have indicated their willingness to be appointed into office. A resolution will be proposed at the Annual General Meeting to reappoint them as auditor to the charity for the ensuing year.

Approved by the trustees and signed on their behalf by:-

Stephen Aggett
Company Secretary
17 September 2018

Independent Auditor's Report to the Members of SafeNet Domestic Abuse and Support Services

Opinion

We have audited the financial statements of Safenet Domestic Abuse and Support Services "the charitable company" for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out the accounting policies note, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Directors has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of SafeNet Domestic Abuse and Support Services (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

Maria Hallows
(Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Statutory Auditor
St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: 17 September 2018

Statement of Financial Activities

For the year ended 31 March 2018

	Note	Total Unrestricted Funds	Total General Restricted Funds	Total Restricted Fixed asset Funds	Total Funds	Total Funds
		Year ended 31 March 2018 £'000	Year ended 31 March 2018 £'000	Year ended 31 March 2018 £'000	Year ended 31 March 2018 £'000	Year ended 31 March 2017 £'000
Income						
Donations and legacies	2	16	-	-	16	10
Income from investments	3	1	-	-	1	1
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		17	-	-	17	11
Income from Charitable activities	4	2,080	487	-	2,567	1,996
Total income		<hr/> <u>2,097</u>	<hr/> <u>487</u>	<hr/> <u>-</u>	<hr/> <u>2,584</u>	<hr/> <u>2,007</u>
Expenditure						
Expenditure on Charitable activities		<hr/> <u>1,918</u>	<hr/> <u>505</u>	<hr/> <u>-</u>	<hr/> <u>2,423</u>	<hr/> <u>1,773</u>
Total expenditure	5	<hr/> <u>1,918</u>	<hr/> <u>505</u>	<hr/> <u>-</u>	<hr/> <u>2,423</u>	<hr/> <u>1,773</u>
Net income/(expenditure) for the year	6	179	(18)	-	161	234
Gross Transfers between funds	13	4	-	(4)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Movement in Funds		183	(18)	(4)	161	234
Total Funds Brought Forward at 1 April 2017		862	86	152	1,100	866
Total Funds Carried Forward at 31 March 2018	13	<hr/> <u>1,045</u>	<hr/> <u>68</u>	<hr/> <u>148</u>	<hr/> <u>1,261</u>	<hr/> <u>1100</u>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All of the activities in the financial period are derived from continuing operations.

The Statement of Financial Activities includes all gains and losses in the period.

The notes on pages 13 to 18 form part of the accounts.

Balance Sheet

At 31 March 2018

	Note	2018 £'000	2017 £'000
Fixed assets			
Tangible fixed assets	9	778	712
Current assets			
Debtors	10	295	324
Cash at bank and in hand		484	129
		779	453
Creditors: amounts falling due within one year	11	296	65
Net current assets		483	388
Net assets		1,261	1,100
Unrestricted funds			
General Unrestricted Funds	13	1045	862
Restricted funds			
Fixed asset Restricted Fund	13	148	152
General Restricted Fund	13	68	86
Total Funds		1,261	1,100

The financial statements on pages 13 to 18 were approved by the trustees and authorised for issue on 17 September 2018 and signed on its behalf by:

Stephen Aggett
Company Secretary
17 September 2018

Notes to the Financial Statements

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006, and are presented in sterling £'000 for the year ended 31 March 2018.

As permitted under the Companies Act the company has adapted the Companies Act formats to reflect the special nature of its activities.

Going concern

The financial statements have been prepared on a going concern basis as the trustees are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. It is not considered that there are any judgements (apart from those involving estimates) that have had a significant effect on amounts recognised in the financial statements.

Other key sources of estimation and assumptions:

Tangible fixed assets

Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

FRS 102 disclosure exemptions

The charity meets the definition of a qualifying entity under FRS 102 and has taken advantage of the disclosure exemptions available to it in respect of preparation of a statement of cash flows and financial instruments.

Income

Voluntary income and donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods if donor's conditions have not been fulfilled, then the income is deferred.

Grants, where entitlement is not conditional on the delivery of specific performance by the company, are recognised when the company becomes unconditionally entitled to the grant. Grants, where related to performance and specific deliverances are accounted for as the company earns the right to consideration of its performance.

Investment income is recognised on a receivable basis.

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, such as support costs, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Pensions

The Company participates in a stakeholder pension scheme; a defined contribution pension scheme. Contributions to the defined contribution pension plans are charged to the statement of financial activities in the year to which they relate. The assets of the scheme are invested and managed independently of the finances of the Company.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation less accumulated impairment. Assets with a cost of over £500 are capitalised.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives ("UEL"), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

Major components and their useful economic lives are as follows:

Structure – general needs refuge accommodation	75 years
Bathrooms	30 years
Kitchens	20 years

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected UEL, which is as follows:

Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	10 – 33%
Computers and office equipment	5 – 33%

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Restricted funds

Restricted funds are those funds which are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Grants towards the cost of the tangible fixed assets are treated as a separate restricted fund.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

2. Donations and Legacies

	2018 £'000	2017 £'000
Donations	16	10
	<hr/> <hr/>	<hr/> <hr/>

3. Income from Investments

	2018 £'000	2017 £'000
Bank interest receivable	1	1
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements (continued)

4. Income from Charitable Activities

	Unrestricted Funds 2018 £'000	Restricted Funds 2018 £'000	Total Funds 2018 £'000	Total Funds 2017 £'000
Support contracts	646	487	1,133	988
Contributions in respect of tenants	1,424	-	1,424	1,000
Training fees	10	-	10	8
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	2,080	487	2,567	1,996
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Analysis of Charitable Expenditure

	Refuge Services £'000	Support Contracts £'000	2018 Total £'000	2017 Total £'000
Direct Costs:				
Staff Costs	1,161	461	1,622	1,157
Other Direct Costs	757	44	801	616
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	1,918	505	2,423	1,773
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6. Net Incoming Resources

Net incoming resources are stated after charging:

	2018 £'000	2017 £'000
Depreciation of tangible fixed assets	40	28
Operating lease costs: other	261	163
Auditor's fees	2	2
	<hr/> <hr/>	<hr/> <hr/>

7. Employees

	2018 £'000	2017 £'000
Staff costs:		
Salaries and wages	1,502	1,074
Social security costs	114	76
Other pension costs	32	19
	<hr/> <hr/>	<hr/> <hr/>
	1,648	1,169
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees during the year, by function was:

	2018 No.	2017 No.
Direct charitable activities	62	46
Management and administration of the charity	17	12
	<hr/> <hr/>	<hr/> <hr/>
	79	58
	<hr/> <hr/>	<hr/> <hr/>
Number of Full Time Equivalent Employees	59	42
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements (continued)

8. Key Management Personnel Remuneration

	2018 £'000	2017 £'000
The aggregate emoluments paid to or receivable by trustees	-	-
The aggregate emoluments paid to or receivable by executive officers	51	51
The emoluments paid to the highest paid executive officer excluding pension	49	49
Contributions		
Pension cost for current officers	2	2
Total key management personnel remuneration	51	51

No employees earned over £60,000 per annum. (2017: Nil)

None of the trustees receive any remuneration in respect of their roles as trustees. Expenses of £395 (2017: £510) were paid to three trustees in respect of travel costs.

9. Tangible Fixed Assets

	Freehold property £'000	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 April 2017	558	165	105	151	979
Additions	-	-	39	67	106
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total at 31 March 2018	558	165	144	218	1085
Depreciation					
At 1 April 2017	33	39	88	107	267
Charge in year	7	4	17	12	40
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total at 31 March 2018	40	43	105	119	307
Net book values					
At 31 March 2018	518	122	39	99	778
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 April 2017	525	125	18	44	712
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

10. Debtors

	2018 £'000	2017 £'000
Prepayments and accrued income	78	86
Trade Debtors	43	38
Inter group balances	174	200
	<hr/>	<hr/>
	295	324
	<hr/>	<hr/>

Notes to the Financial Statements (continued)

11. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Accruals and deferred income	142	46
Trade Creditors	1	2
Inter group balances	153	17
	<hr/>	<hr/>
	296	65
	<hr/>	<hr/>

12. Analysis of net assets between funds

	Restricted Funds 2018 £'000	General Unrestricted Funds 2018 £'000	Restricted Funds 2017 £'000	General Unrestricted Funds 2017 £'000
Tangible fixed assets	148	630	152	560
Net current assets	-	483	-	388
	<hr/>	<hr/>	<hr/>	<hr/>
	148	1,113	152	948
	<hr/>	<hr/>	<hr/>	<hr/>

13. Movements in funds

	Total at 31 March 2017 £'000	Incoming Resources £'000	Outgoing Resources £'000	Gross Transfers between Funds £'000	Total at 31 March 2018 £'000
General Unrestricted Funds	862	2,097	1,914	183	1,045
Fixed Asset Restricted Fund	152	-	-	(4)	148
General Restricted Funds	86	487	505	(18)	68
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,100	2,584	2,419	161	1,261
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Restricted Fixed Asset Fund is amortised over the life of the fixed assets it relates to by an annual gross transfer to the General Unrestricted Fund.

14. Restricted Funds

Fixed Asset Restricted Fund

Capital Grants include:

The Henry Smith Charity donated £100,000 for freehold property renovation costs.

Take Pride Community Fund granted £25,200 for improvements.

Francis C Scott Charitable Trust donated £15,000 for fixtures and fittings.

Garfield Weston Foundation donated £25,000 for communal garden.

General Restricted Funds

The breakdown of this year's expenditure is as follows:

Funding Source	Project	£ '000
BBC Children In Need	Domestic Violence Children's Workers	44
Department for Communities and Local Government	DV Support Workers	271
Blackpool City Council	Independent Domestic Violence Advisors	181
Walney Extension Community Fund	Lancaster Rent	3
Francis C Scott	Lancaster Creche Worker	6
		<hr/>
		505
		<hr/>

Notes to the Financial Statements (continued)

15. Financial Commitments

Capital Commitments

There are no capital commitments.

Operating leases

The payments which the Company is committed to make in the next year under operating leases are as follows:

	2018 £'000	2017 £'000
Land and buildings:		
Within one year	332	165
Between one and two years	-	-
	<hr/>	<hr/>

16. Parent Undertaking

The Company is a 100% subsidiary of Syncora Ltd, a Company registered in England and Wales.

The trustees consider The Calico Group Limited to be the ultimate parent entity.

Consolidated accounts which include the results of the charity can be obtained from:

- The Company Secretary, The Calico Group Limited, Centenary Court, Croft Street, Burnley, BB11 2ED

No other accounts include the results of the charity.

17. Related Party Transactions

Sales and purchases of goods and services between related parties are at an arm's length basis at normal market prices. Any outstanding balances are unsecured and interest free.

The Calico Group Limited ("Group"), the parent company

There were no transactions during the year (2017: £Nil).

At 31 March 2018, the company owed Group £1,000 (2017: £Nil).

Calico Homes Limited ("Homes"), a fellow subsidiary of Group

During the year, Homes recharged rents amounting to £136,000 and office costs amounting to £111,000 (2017: £211,000).

At 31 March 2018, the company owed Homes £53,000 (2017: £17,000).

Calico Enterprise Limited ("Enterprise"), a fellow subsidiary of Group

During the year, Enterprise supplied cleaning, painting & decorating services amounting to £Nil (2017: £13,000).

At 31 March 2018, the company owed Enterprise £17,000 (2017: £Nil).

Ring Stones Maintenance & Construction LLP ("Ring Stones"), a fellow subsidiary of Group

During the year, Ring Stones supplied construction services amounting to £Nil (2017: £2,000).

At 31 March 2018, the company owed Ring Stones £Nil (2017: £Nil).

Acorn Recovery Projects ("Acorn"), a fellow subsidiary of Group

At 31 March 2018, Acorn owed the company £92,000 (2017: £200,000).