

Delphi Medical Consultants Limited  
Report and Financial Statements  
Year ended 31 March 2021

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## Officers and professional advisors

### Directors

Grahame Elliott CBE  
Richard Jones CBE  
Michelle Pilling (resigned 1st December 2020)  
Georgina Nolan (resigned 6th July 2020)  
Anne Coats (resigned 1st March 2021)

### Company Secretary

Stephen Aggett

### Executive Officers

Chief Executive	Anthony Duerden
Executive Director of Group Finance	Stephen Aggett
Executive Director of Group Operations	Helen Thompson
Executive Director of Organisational Development	Vicki Howard

### Company Leads

Head Of Corporate Services	Emma Knappe
Head Of Integrated Services	Karon Brown
Head Of Medicines Management	Colin Fearn
Head Of Prison and Psychosocial Interventions	Claire Illingworth
Head Of Clinical Services	Julian Coxon

### Registered Office

Centenary Court  
Croft Street  
Burnley  
Lancashire  
BB11 2ED

### Registered Number

06014150

### External Auditor

Beever and Struthers  
Chartered Accountants and Statutory Auditor  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

### Bankers

HSBC  
Newhouse Road  
1 Oxford Square  
Blackpool  
Lancashire  
FY4 4YH

## Report of the Directors

The Directors are pleased to present this report along with the audited financial statements for the year ended 31 March 2021.

### Objectives and Activities

Incorporated as a limited company, Delphi Medical Consultants Limited was established on 30 November 2006. The principal activity of the company during the period was to provide clinical and non-clinical substance misuse services.

### Group Structure

Syncora Limited (registered number 11171831) was established in 2018 as a holding company with a common board for each of its subsidiaries which are SafeNet Domestic Abuse and Support Services Ltd ("Safenet"), Acorn Recovery Projects ("Acorn") and Calico Enterprise Limited ("Enterprise"). Syncora sits between the legal entities and the Calico Group Board. This arrangement was made to enhance continued growth by integrating service and company offers and allowing competition with larger scale 'lead' providers.

Delphi Medical Limited and Delphi Medical Consultants Limited ("Delphi"), subsidiaries of Acorn, provide clinical and psychosocial detoxification services which compliments existing services provided by Acorn. Delphi is the lead provider of integrated substance misuse services in Blackpool and in Manchester and Buckley Hall Prisons, working alongside Acorn.

### Directors

The Directors, together with details of the changes which have occurred up to the date of approval of this report are set out on page 1.

### Review of the Business

Delphi Medical Consultants Limited ("DMC") is a private limited company which since October 2016 has formed part of the group of companies within The Calico Group.

DMC is a subsidiary company of Acorn Recovery Projects (Acorn), which is a subsidiary of Syncora Limited (Syncora). Both are governed via the Syncora Board.

With passion and excellence, DMC makes a difference to people's lives by providing innovative and specialist addiction services that lead the way 'from Dependence to Freedom'. DMC provides clinical and psychosocial services as part of an integrated recovery pathway that supports and facilitates clients to engage in genuine recovery.

DMC service provision spans community and prison settings and is focused on developing pathways that bring substance misuse into broader health and social care provision with the aim of improving the health and wellbeing of all DMC clients and their families. DMC's aim is to inspire those they work with to better achieve their potential.

DMC has defined the culture of the organisation by implementing core values. Values are referenced in all DMC decision making; from decisions about patient care through to strategic planning.

### Key Risks and Challenges

As part of the Calico Group approach to risk management, DMC and Delphi Medical Limited has in place a risk map which is reviewed by the Syncora Board on a quarterly basis.

DMC has a number of key strategic contracts delivering substance misuse services and clinical and psychosocial contracts across the North West of England. Retention of these contracts is a key risk as they represent circa 50% of the operational activity and income.

DMC has contracts in place with Blackpool Council to deliver integrated substance misuse services in Blackpool. This contract is being delivered in conjunction with Acorn Recovery Projects (with DMC as lead provider) and DMC will be aiming to retain this contract in conjunction with Acorn Recovery Projects (DMC as lead provider).

DMC also has a contract with Greater Manchester Mental Health NHS Foundation Trust (GMMH) to provide clinical and psychosocial services HMP Manchester and HMP Buckley Hall and successfully won a new contract to provide psychosocial services in HMP Garth and HMP Wymott. GMMH and DMC will be bidding to retain the contract for HMP Manchester and HMP Buckley Hall from April 2022. DMC will also be continuing to bid to provide services for new prison contracts.

A key challenge for DMC in bidding processes sits with its main competitors, who are NHS trusts, large voluntary sector providers, and large private sector organisations. DMC are able to compete on the quality which can be delivered, and now benefit from Calico Group added value. DMC continue to address these risks on an ongoing basis via an effective business strategy and accompanying risk management plan.

As part of the Calico Group approach to risk management, Delphi Medical Consultants Limited and Delphi Medical Limited has in place a risk map which is reviewed by the Syncora Board on a quarterly basis.

## Report of the Directors (continued)

### Key Opportunities

Opportunities for DMC lie within securing more contracted services, focusing on key business strengths and known areas of success. This financial year will see DMC bid for a greater number of contracts and focus on growing the business through longer term sustainable contracts.

Over this last financial year DMC's reputation has grown under the watch of contract commissioners and local partners. DMC's response to Covid-19 has been extremely positive, keeping clients safe, and the business has had its most successful year to date financially despite numerous challenges to overcome.

Now part of Syncora, DMC has support to grow and enhance its profile across the North West. DMC is part of a combined Group business strategy for growth based upon geography and themed work-streams and developing bidding models within the Group that enable DMC to bid for a wider breadth of work, with partners from within the Group structure.

### Key Performance Indicators (KPIs)

In the 2020/21 financial year, all contractual KPIs were met and exceeded. Additionally all inspections conducted this financial year were positive with no recommendations for improvement observed.

Due to the nature of our services, DMC has legal and contractual obligations to adhere to the following: -

- Care Quality Commission – involving regular planned and unplanned inspections.
- Home Office Inspections.
- Her Majesty's Inspectorate of Prisons Inspections.
- Investigations into Death in Custody/Death in Service.
- Production of Coroners reports and attendance at court/court reports.
- General Medical Council – medical revalidation and accountable officer for Clinicians.
- Nursing & Midwifery Council – compliance with NICE guidelines and accountability for Nurses.
- KPI Frameworks directed by Commissioners.
- KPI Frameworks directed by the Syncora Board.
- Implementation of performance monitoring systems to ensure high quality performance across services.
- Audit, reviews, implementing improvement and managing change.

As well as the above, we manage financial performance through performance of contracts against budgets, contribution to overhead costs and cash flow performance.

### Employees

We are able to attract a diverse range of employees. The diversity of our employees within Delphi Medical Consultants Limited is 24% (2020:25%) male, 76% (2020:75%) female, 7% (2020:4%) who self-identify as disabled, 7% (2020:7%) from a BME background, and 8% LGBTQ.

### Conflict Resolution Policy

The Board Members acknowledge that regardless of the number of Boards within the Group upon which they serve, each Group Member is a legal entity, with its own distinct Board. When taking decisions, the Board Members on each Board are under a duty to act in the best interests of each separate legal entity. The rules of each Group member include appropriate wording to deal with conflicts generally, and also state that merely sitting on the Board of another Group member will not give rise to a conflict. However, in the event that circumstances arise in which the Board Members are unable to independently fulfil their duties to each Group member on which they serve (a Conflict Situation) there is a written procedure which shall be adopted.

### NHF Code of Governance

The Syncora Group has adopted the NHF Code of Governance 2015, compliance is reviewed and self-assessed annually.

The Board confirm compliance with the Code for the full year ended 31 March 2021.

In June 2021, the Syncora Board approved the adoption of the 2020 Charity Governance Code for the year ended 31 March 2022. This governance code will apply to all entities within the Syncora Group.

### Statement of Directors' Responsibilities in respect of the Annual Report & Financial Statements

The Directors are responsible for preparing the Directors' 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102").

## Report of the Directors (continued)

### Statement of Directors' Responsibilities (continued)

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement as to disclosure of information to auditor

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 the auditor is unaware. The Directors have confirmed that they have taken all the steps that they ought to have taken as Director in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### Covid-19

Despite the current Covid-19 outbreak, there is no expectation or evidence in the forecasts or the financial performance of the year to date that would suggest the pandemic will have a significant impact on the financial position of the business.

The Syncora Group have been undertaking regular forecast updates in each of its entities to help mitigate unexpected risks. Although the long-term effects of the Pandemic are still largely uncertain, adding in this additional exercise allows the Board to identify any potential future changes to the business.

### Going Concern

The Calico Group Board is confident that Delphi Medical Consultants Limited remains a Going Concern for the following reasons:

- Following the third lockdown announcement in January 2021 the Group Board continued its Business Continuity arrangements, which meant that all services within DMC that were able to be delivered safely were able to continue. These included services required by and provided to the Prisons. Additional costs associated with self-isolation was covered by Greater Manchester Mental Health trust therefore no financial impact was felt by the business. The lockdown restrictions ceased in July 2021.
- DMC are forecasting positive cash flows and a future profitable performance.
- There are plans to strengthen the Group offer with DMC and Acorn Recovery Projects hoping to secure further community and prison contracts.
- There will be new opportunities for DMC centred around the Government's announcement of nationwide increased funding for detox services, which is now starting to filter through to Delphi's services.

The Calico Group Board confirms it has a reasonable expectation that the organisation and subsidiaries have adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

### Auditor

The Directors will be carrying out a tender process in respect of the auditor appointment for the next financial period.

Delphi Medical Consultants Limited  
Company number: 06014150

## Report of the Directors (continued)

### Small company provisions

The report of the Directors has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The Directors have taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

Approved by the Board and signed on its behalf by: -

Stephen Aggett

**Company Secretary**

14 September 2021

For the year ended 31 March 2021

## **Independent Auditor's Report to the members of Delphi Medical Consultants Limited**

### **Opinion**

We have audited the financial statements of Delphi Medical Consultants Limited "the company" for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, the Statement of Financial Position and notes to the financial statements including a summary of significant accounting policies. 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 company's affairs as at 31 March 2021 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 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, as set out in the accounting policies, 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **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 directors 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.



## Independent Auditor's Report to the members of Delphi Medical Consultants Limited (continued)

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3-4, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006, tax legislation and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws relating to taxation matters.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

## **Independent Auditor's Report to the members of Delphi Medical Consultants Limited (continued)**

### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

### **Use of our report**

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.

Lee Cartwright (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: 24 September 2021

## Statement of Comprehensive Income

For the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	2	4,705,963	3,806,241
Cost of Sales		(928,694)	(1,005,006)
Gross profit		<u>3,777,269</u>	<u>2,801,235</u>
Administrative expenses		(3,413,909)	(2,751,187)
<b>Operating profit</b>		<u>363,360</u>	<u>50,048</u>
Bank Charges		-	-
<b>Profit on ordinary activities before taxation</b>		<u>363,360</u>	<u>50,048</u>
Taxation on profit on ordinary activities	6	-	-
<b>Total comprehensive income for the year</b>		<u>363,360</u>	<u>50,048</u>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent		<u>363,360</u>	<u>50,048</u>

All of the activities in the current and prior financial periods are derived from continuing operations.

The notes on pages 11 to 15 form part of the accounts.

## Statement of Changes in Equity

For the year ended 31 March 2021

	Called-up Share Capital £	Income and Expenditure Reserve £	Total £
<b>At 31 March 2019</b>	1,000	63,770	64,770
Profit for the year	-	50,048	50,048
<b>At 31 March 2020</b>	<u>1,000</u>	<u>113,818</u>	<u>114,818</u>
Profit for the year	-	363,360	363,360
<b>At 31 March 2021</b>	<u>1,000</u>	<u>477,178</u>	<u>478,178</u>

## Statement of Financial Position

At 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible Assets	7	15,069	12,008
<b>Current assets</b>			
Cash at bank and in hand		11,395	28,475
Debtors	8	2,367,632	1,651,731
		<u>2,379,027</u>	<u>1,680,206</u>
<b>Creditors: amounts falling due within one year</b>	9	(1,915,918)	(1,577,396)
<b>Total assets less current liabilities</b>		<u>463,109</u>	<u>102,810</u>
<b>Provision for liabilities</b>			
<b>Net assets</b>		<u>478,178</u>	<u>114,818</u>
<b>Capital and reserves</b>			
Called up share capital	10	1,000	1,000
Income and Expenditure Reserve		477,178	113,818
		<u>478,178</u>	<u>114,818</u>

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small company's regime.

The notes on pages 11 to 15 form part of these financial statements.

The financial statements were approved by the Director and authorised for issue on 14 September 2021 and signed on their behalf by:

Stephen Aggett  
**Company Secretary**  
14 September 2021

## Notes to the Financial Statements

### 1. Accounting policies

Delphi Medical Consultants Limited is a limited company incorporated in England & Wales. The registered office is Centenary Court, Croft Street, Burnley, Lancashire, BB11 2ED.

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") and with the Companies Act 2006, and are presented in sterling £ for the year ended 31 March 2021.

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

#### Going concern

After reviewing the company's forecasts and projections, the Director's have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing these financial statements. Delphi Medical Consultants Limited is owed £1.6m (2020: £1.5m) by Delphi Medical Limited, a company with net current liabilities of £1,728k and total net liabilities of £1,726k. Should this debt not be recovered, Delphi Medical Consultants Limited may be unable to meet its obligations.

The Calico Group Board is confident that Delphi Medical Consultants Limited ("DMC") remains a Going Concern for the following reasons:

- Following the third lockdown announcement in January 2021 the Group Board continued its Business Continuity arrangements, which meant that all services within Delphi Medical Consultants Limited that were able to be delivered safely were able to continue. These included services required by and provided to the Prisons. Additional costs associated with self-isolation was covered by Greater Manchester Mental Health trust therefore no financial impact was felt by the business. The lockdown restrictions ceased in July 2021.
- Delphi Medical Consultants Limited are forecasting positive cash flows and a future profitable performance.
- There are plans to strengthen the Group offer with Delphi Medical Consultants Limited and Acorn Recovery Projects hoping to secure further community and prison contracts.
- There will be new opportunities for DMC centred around the Government's announcement of nationwide increased funding for detox services, which is now starting to filter through to Delphi's services.

The Calico Group Board confirms it has a reasonable expectation that the organisation and subsidiaries have adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

#### Value Added Tax ("VAT")

The supply of health services provided by registered doctors is VAT exempt. The financial statements include VAT to the extent that it is suffered by the Group and not recoverable.

#### Taxation

The charge for taxation for the year is based on the profits arising on taxable activities undertaken at the appropriate enacted rate.

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Except as noted below, full provision for deferred taxation is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted. Deferred tax assets are only recognised to the extent that their recovery is reasonably expected in 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. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statement.

#### Turnover

Turnover comprises of medical treatment income. Turnover is stated exclusive of Value Added Tax ("VAT").

## Notes to the Financial Statements (continued)

### 1. Accounting policies (continued)

#### Pensions

The Group operates defined contribution plans for the benefit of its employees. The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

#### Tangible Assets

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. Tangible assets are stated at cost less depreciation. Depreciation is provided evenly on the costs of the assets to write them down to their estimated residual values over their expected useful lives. The principle annual rates used for tangible assets are:

- Fixtures, fittings, tools and equipment 25%

#### Financial instruments

Financial assets and liabilities are initially measured at the transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

### 2. Turnover

	<b>2021</b>	<b>2020</b>
	£	£
Medical Treatment Income	4,705,963	3,806,241
	<u>                    </u>	<u>                    </u>

### 3. Operating profit

The operating profit for the year is stated after charging:-

	<b>2021</b>	<b>2020</b>
	£	£
Depreciation	11,345	11,345
Auditor's fees	4,082	4,218
	<u>                    </u>	<u>                    </u>

### 4. Directors' remuneration

The Director's, also members of the larger group of the Syncora Limited Board a holding company with a common board for each of its subsidiaries, which are SafeNet, Acorn, Delphi, and Calico Enterprise. These members received a total remuneration of £38,000 in 2021 (2020: £42,000).

The Syncora Board receive an annual allowance. The Chair receives £6,000 and all other Board members £3,500.

### 5. Employees

Employee numbers are a combination of Delphi Medical Limited and Delphi Medical Consultants Limited. All employees are on dual contracts with both entities. The average monthly number of employees during the year, analysed by function, was as follows:

	<b>2021</b>	<b>2020</b>
	Number	Number
Community and Prison staff	92	71
Finance and administration	16	13
Detoxification staff	<u>23</u>	<u>24</u>
	<u>131</u>	<u>108</u>

## Notes to the Financial Statements (continued)

### 5. Employees (continued)

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff costs consist of:		
Salaries	3,035,298	2,463,810
Social security costs	277,500	234,700
Pension contributions	<u>139,986</u>	<u>132,766</u>
	<b><u>3,452,784</u></b>	<b><u>2,831,276</u></b>
Allocated to <i>Delphi Medical Limited</i>	(541,380)	(551,527)
	2,911,404	2,279,749

Aggregate number of full time equivalent staff whose remuneration (basic salary, benefits in kind, employer's pension contributions and compensation for loss of office) exceeded £60,000 in the period:

	<b>2021</b>	<b>2020</b>
	No.	No.
£60,000 to £70,000	2	1
£70,000 to £80,000	-	1
£80,000 to £90,000	1	-

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
The aggregate emoluments paid to or receivable by non-executive Directors	38	42
The aggregate emoluments paid to or receivable by executive officers	215	75
The emoluments paid to the highest paid officer excluding pension	77	71
The aggregate pension costs for executive officers	4	4
The aggregate amount of any consideration payable to / (receivable from) third parties for making available the services of non-executive Directors	(28)	(31)
<b>Total key management personnel remuneration</b>	<b>225</b>	<b>86</b>

### 6. Taxation

	<b>2021</b>	<b>2020</b>
	£	£
<i>Current tax charge</i>		
UK Corporation tax on prior year's profit	<u>-</u>	<u>-</u>
<i>Factors affecting the tax charge for the period</i>		
Profit/(loss) on ordinary activities before tax	<u>363,359</u>	<u>50,048</u>
Taxation at the standard rate of corporation tax of 19% (20: 20%)	69,038	9,509
Non tax deductible expense	2,156	2,155
Utilised losses brought forward	(9,774)	(11,664)
Group relief	<u>(61,420)</u>	<u>-</u>
Current tax charge for the period	<u>-</u>	<u>-</u>

## Notes to the Financial Statements (continued)

### 7. Tangible Fixed Assets

	Computers	Fixtures & Fittings	Total
	£	£	£
<b>Cost</b>			
At 1 April 2020	32,195	13,185	45,380
Additions	14,406	-	14,406
			-
At 31 March 2021	46,601	13,185	59,786
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1 April 2020	24,033	9,339	33,372
Charge in the year	8,049	3,296	11,345
At 31 March 2021	32,082	12,635	44,717
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book amount at 31 March 2021</b>	<b>14,519</b>	<b>550</b>	<b>15,069</b>
	<u>          </u>	<u>          </u>	<u>          </u>
Net book amount at 31 March 2020	8,162	3,846	12,008

### 8. Debtors

	2021	2020
	£	£
Trade debtors	593,986	74,354
Prepayments	196,777	37,354
Amounts owed by group undertakings	<u>1,576,869</u>	<u>1,540,023</u>
	<b>2,367,632</b>	<b>1,651,731</b>
	<u>          </u>	<u>          </u>

### 9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	114,441	133,424
Taxation and social security	244	-
Accruals and deferred income	914,513	174,136
Amounts due to group undertakings	<u>886,720</u>	<u>1,269,836</u>
	<b>1,915,918</b>	<b>1,577,396</b>
	<u>          </u>	<u>          </u>

### 10. Share capital

At 31 March 2021, the number of authorised, allotted, called up and fully paid £1 ordinary shares was 1,000 (2020: 1,000).



## Notes to the Financial Statements (continued)

### 11. Parent undertaking

The Company is a 100% subsidiary of Acorn Recovery Projects, a company incorporated in England and Wales.

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

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

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

No other accounts include the results of the charity.

### 12. 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.

Calico Homes Limited make Purchase ledger and payroll payments on behalf of the Syncora Group and these amounts are then recharged back to the relevant entities.

**Syncora Limited ("Syncora")**, the parent company.

Trustees are members of the Syncora Limited Board a holding company with a common board for each of its subsidiaries, which are SafeNet, Acorn and Calico Enterprise. During the year, these members received a total remuneration of £38k (2020: £42k).

During the year, Syncora recharged overheads amounting to £21k (2020: £37k).

At 31 March 2021, the company owed Syncora £Nil (2020: £Nil).

**Acorn Recovery Projects ("Acorn")**, the parent company

There were no transactions during the year (2020: £Nil).

At 31 March 2021, the company owed Acorn £568k (2020: £954k). The company and Acorn have delivered joint contracts. The money for these contracts goes into Delphi Medical Ltd.

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

There were no transactions during the year (2020: £Nil).

At 31 March 2021, the company owed Homes £318k (2020: £316k).

**Delphi Medical Limited ("Medical")**, a fellow subsidiary of Acorn

During the year, there were no transactions (2020: £Nil). DMC make purchase ledger payments on behalf of DML and these amounts are recharged back to DML.

At 31 March 2021, DML owed the company £1,577k (2020: £1,537k).

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

There were no transactions during the year (2020: £Nil).

At 31 March 2021, the company owed Enterprise £Nil (2020: £3k).