

Report & Consolidated Financial Statements Calico Enterprise Limited - Year ended 31 March 2021

Company Number: 06329047

Charity Number: 1125312

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Directors, Executive Officers, Advisors and Bankers

Directors

Richard Jones CBE (Chair)
Karen Ainsworth (Vice-Chair)
Andrew Henderson
Anne Coates (resigned 1 March 2021)
Georgina Nolan (resigned 6 July 2020)
Grahame Elliott CBE
Kelly Shaw
Lynn McCracken (resigned 28 April 2021)
Michelle Pilling (resigned 1 December 2020)
Mushtaq Khan
Sharon Livesey
Sallie Bridgen (appointed 23 July 2021)
Susan Moore (appointed 23 July 2021)

Company Secretary

Stephen Aggett

Executive Officers

Group 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 Support Service	Stacey Garvin
Head of Skills & Enterprise	Samantha Howarth

Registered Office

Centenary Court
Croft Street
Burnley
BB11 2ED

Registered Number

06329047

Charity Number

1125312

External Auditor

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

Solicitor

Forbes Solicitors
Rutherford House
4 Wellington Street
St. Johns
Blackburn
BB1 8DD

Bankers

National Westminster Bank
6th Floor, 1 Spinningfields Square
Manchester
M3 3AP

Report of the Directors

The Directors are pleased to present their report along with the financial statements for the year ended 31 March 2021, which are also prepared to meet the requirements for a directors report and accounts for Companies Act purposes.

The Directors are also the company trustees for charity purposes.

Principal activities

Calico Enterprise Limited was incorporated as a not for profit, charitable company limited by guarantee to assist in the delivery of a range of support and worklessness related services.

Objectives and Activities

Incorporated as a charitable company limited by guarantee, Calico Enterprise Limited was established on 31 July 2007 with the following objectives:

1. To relieve the charitable need of people with disabilities, ill health or in necessitous circumstances by the provision of support services to enable them to live in the community.
2. The advancement of education, training and the relief of people who are unemployed, low paid, low skilled or have no skills.

Governing Document

The Company is registered as a Charity (no. 1125312) with the Charity Commission. Registration with the Charities Commission in England and Wales was confirmed on 1 August 2008. Calico Enterprise Limited is a registered charitable company limited by guarantee.

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 Ltd ("Acorn") and Calico Enterprise Ltd ("Enterprise"). Syncora sits between the legal entities and the Calico Group ("Calico") Board. This arrangement was made to enhance continued growth by integrating service and company offers and allowing competition with larger scale 'lead' providers. The Calico Group is the ultimate parent of the Syncora Group of Companies.

Public Benefit

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

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

The Board

The Board continually reviews and assesses the skills and experience necessary to ensure the effective performance of their responsibilities. Four retirements from the Common Board took place during the financial year as Members reached the end of their term of office, or for personal reasons. Two appointments have been made to the Common Board since the year-end and further appointments will be made as necessary.

The Board Members acknowledge that, notwithstanding the operation of a Common Board, each company is a legal entity in its own right, with its own distinct Board. When taking decisions, the Board members are under a duty to act in the best interests of each separate legal entity. In the event that circumstances arise in which Board Members are unable independently to fulfil their duties to each company, a written procedure is adopted. The Rules of each company provide guidance on dealing with any conflicts.

The Directors of Calico Enterprise Limited are listed on page 1. The Directors possess the skills and experience necessary to fulfil their responsibilities to the Company.

Calico carries out annual appraisals on an individual and collective basis which supports a Board development programme. This programme focuses on Board performance and ensuring the Board is future effectiveness together with tailored events on specific business-related topics where a training need has been identified. The Board and its committees obtain external specialist advice from time to time as necessary.

In 2020 Calico launched a New Generation Board Diversity Programme aimed at young people and minority ethnic backgrounds. Calico and has successfully recruited 5 New Generation Board members to its Homes and Syncora Boards and the Nominations and Remuneration Committee. The Diversity programme is run in partnership with the Housing Diversity Network and there is a training programme that supports the members for 2 years with the aim that at the end of the programme the members will be ready to move into a Board member position.

The Board delegates the day-to-day management and implementation to the Chief Executive and Executive Directors. The Executive Team meet weekly and attend Board meetings.

Syncora Group has insurance policies that indemnify its Board members and Executive Officers against liability when acting for the Syncora group.

Report of the Directors (continued)

The Board (continued)

New Board Members as part of their induction undergo training on their legal obligations under charity and company law; the content of the Articles of Association; the board and decision-making processes; the business plan and recent financial performance of the company. The induction programme also covers Syncora's strategy purpose, history, aims and objectives.

In order to operate effectively and ensure appropriate governance in business-critical areas the Board has delegated authority to two Group Committees.

The Non-Executive Directors are trustees for charity purposes.

Remuneration policy

The Group Board is responsible for setting the remuneration policy, and in doing so pays close attention to remuneration levels in the sector in determining the remuneration packages of the senior officers. Basic salaries are set having regard to each senior officers responsibilities and pay levels for comparable positions.

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 in its own right, 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 have 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.

Employees

Calico Enterprise are able to attract a wide range of staff from different backgrounds. The diversity of employees is 59% (2020:59%) male, 41% (2020:41%) female, 8% (2020:5%) who self-identify as disabled, 5% (2020:4%) from a BAME background, and 3% LGBTQ.

Achievements and Performance

The purpose of Enterprise is to be a catalyst for change in people's lives. The company creates opportunities to help people make the positive changes they seek, contributing to the Calico Groups purpose of providing quality services that make a real difference to peoples' lives. This is achieved through the delivery of social enterprise, skills and support contracts. Its achievements are summarised in the sections below.

Social Enterprise

The company delivers a number of social enterprises which are work streams that operate as businesses, whilst still targeting the delivery of social impact.

Calico Interiors

This work stream provides a property services offer to all group companies, as well as other contractors and registered providers. It is a self-financing apprentice-led social enterprise providing work experience, skills and development to apprentices who carry out the work overseen and trained by supervisors. The prime purpose of the enterprise is to enable apprenticeships to be completed and for individuals to move to sustainable employment. The work stream employs six former apprentices as management and supervisory staff, and between six and nine apprentices. Each year, second and third year apprentices are supported to find employment in the construction sector. The service also enables volunteering and work experience opportunities for individuals seeking to secure employment

Clean Team

This is an intermediate labour market social enterprise providing work experience and the opportunity for individuals to gain valuable experience and move forward with more sustainable employment. In the last year two people have been supported into new roles. The focus of recruitment is long term unemployed with a particular emphasis on ex-offenders or individuals at risk of offending. It provides property clearance and cleaning services predominately to Calico Homes' empty properties, is self-financing and is looking to expand across the North West.

Report of the Directors (continued)

Skills Contracts

Furniture Matters

The service provides reuse, recycling and training social enterprise activities. Based in Morecambe, and Blackpool, Furniture Matters extensively refurbish unwanted white goods, computers, and other household goods and gives them out at low cost to local people in need. In the last 12 months the work stream has collected 1,250 tonnes of furniture recycling or reusing 61%, diverting these items from landfill and providing quality items for 608 families with low incomes. Furniture Matters also provides a range of volunteering and accredited training opportunities for people in the local area who are out of work, want to develop new skills, or want to gain vital work experience. Last year 12 volunteers were supported across various sites, progressing two into employment within the work stream. The number of volunteers has reduced in 2020 due to the restrictions in place as a result of the global Covid-19 pandemic. Enterprise will seek to bring experience and the value of Furniture Matters programmes and integrate this with existing services to increase social value outcomes

The company provides a number of services that promote skill, and personal development.

Constructing the Future ("CtF")

CtF is a shared apprenticeship initiative and successfully creates full time apprenticeships through linking together employment on short term development contracts and now operates across the whole of the North West. Constructing the Future transferred into Calico Enterprise in 2014 having previously been an external business operation. Calico Enterprise now employs between 30-50 apprentices directly and costs reimbursed by the customer. The programme is supported by CITB Construction Skills, the construction industry's training and skills development body. In the last 12 months 11 apprentices have qualified as tradespersons. The success rate for individuals moving into long term employment, is consistently over 75%, with 100% of the 11 that completed their apprenticeship in 2020 moving into employment. The service has, in the period, increased its scope to provide support services to local authorities whose objective is to increase the number of apprentices within their locality.

Afta Thought

The service provides training services using acting and drama to bring to life challenging subject matter. The work stream has delivered practice changing training services to individuals that work in local authorities, healthcare services, housing associations and other charitable bodies as well as a number of private sector businesses. Afta Thought employs a small core team of professionals and utilises a network of associate actors.

Careers service

The service delivers pre-employment careers support and guidance to individuals moving closer to the workplace, or opportunities for employment. Over the last 12 months one-to-one support sessions have been delivered to 184 individuals. Programmes help people to improve self esteem, build confidence, and motivation. Key partners include; National Lottery Building Better Opportunities Changing Futures and Age of Opportunity programmes, Department of Work and Pensions, and the European Social Investment Fund (ESIF). In 2020 Calico Enterprise have also been successful in becoming a Government Kickstart provider, 56 roles have been created, with 17 young people starting a paid work placement before March 2021.

Right Start

The service supports school aged children and in particular leavers with support around raising their aspirations. There were not any new students in 2020 that were able to be supported due to Covid-19 restrictions. However Enterprise continued to work with young people that had previously accessed the scheme to support them with their employment journey. The service provides guided learning, often in the classroom setting exploring issues and challenges that young people are confronted with, seeking to develop resilience and emotional intelligence to help prepare individuals for the world of work. Funding was received from the European Social Investment Fund (ESIF).

Support Contracts

Calico Enterprise also provides a number of services that support vulnerable people to achieve and maintain independence.

Bury Floating Support Service

This Floating Support Families service had been contracted by Bury Metropolitan Borough Council since 2010, it was re-tendered in 2019 as a larger generic service to provide support to over 300 people per year and Enterprise successfully retained the contract. Alongside the floating support that is offered to people to maintain their accommodation, the team also provide 29 units of dispersed supported accommodation for those experiencing homelessness. To date the team have supported 580 clients, 145 people have been supported to move into new or more suitable accommodation, 44 residents have been housed in supported accommodation and 100% of customers would recommend the service.

Report of the Directors (continued)

Syrian Resettlement Programme

The service provides resettlement for refugees from Syria on behalf of Pendle, Burnley, Rossendale and Hyndburn Borough Councils and provides the support required to enable the families to re-settle in the United Kingdom. The service supports the families to integrate into their local communities and assists with housing and benefit advice, accessing health services, enrolling in education and training opportunities and employability. The programme also supports families to engage with specialist legal services. Over the last 12 months the team have worked with 67 families across the four districts, with all individuals of working age in education, training or employment. The service will be recontracted from July 2021 with the UK Resettlement Scheme (UKRS). The schemes purpose is to resettle vulnerable refugees in need of protection from a range of regions of conflict and instability across the globe with Hyndburn, Burnley and Pendle committing to take families over 2021/2022.

Enterprise has also been awarded the Refugee Digital Inclusion Service which is a 2-year contract commissioned by Lancashire County Council working with Asylum seekers and Refugees across Lancashire. 16 volunteer Digital Champions have been recruited and trained from the refugee community to support this service.

Gateway (Burnley)

The 'Gateway Burnley' opened in August 2018 and is a homeless service for people with complex needs and the first in the area. Awarded the 'Best Homelessness Scheme' at the national Housing 24 awards in 2019, referrals are taken from Lancashire local authorities. The service is dual funded through Supporting People income and housing benefit. Over the last 12 months, 77 people have been supported with 38 successful move-on's. Along with Westgate, a 4-bed supported accommodation project for those with low level needs, Gateway has 2 move on properties leased from Calico Homes. These are furnished flats for residents of Gateway to move into, they can continue to receive light touch support from a key worker whilst getting used to living independently. This will also allow an individual to continue addressing issues such as rent arrears by payment plan that would generally be preventing them from securing a property. In addition, Gateway provides 2 Navigator roles to work with street homeless and provide a pathway into accommodation. These posts are funded by MHCLG and cover Burnley, Pendle and Rossendale local authorities and to date, working closely with the housing options teams Enterprise have housed 85 individuals.

Be Well Personal Health Budgets

Working with East Lancashire CCG a co-ordinated delivery of Personalised Care within East Lancashire was achieved. The service helps individuals with multiple acute and complex medical conditions, including mental health, to receive care in a more familiar setting, provided in a more personalised way. The team currently has 48 live Personal Health Budget's and 15 on hold due to Covid-19 and individuals who are shielding. Plans are being reviewed and many are entering year 2 and in some cases year 3 plans. A number of these are now decreasing in cost, as individuals become more independent.

Assure

This provides services around technology enabled care including an emergency alarm service to help people live safely, securely and independently in their own home, whilst giving family and carers the reassurance that help is at hand should it be needed.

Additional Services

While relatively short term, each of these additional services will help Calico Enterprise to develop an evidence base of successful outcomes for charitable recipients and support the likelihood of securing further contracts with these client groups in the future.

Chorley Accommodation Finding Service

This is a service commissioned by Chorley Borough Council since 2015 to enable single homeless people to access accommodation predominately within the Private Rented Sector and to provide up to 6 hours of floating support to those in need of additional support when housed.

Lancaster Accommodation Finding Service

This service is to enable single homeless people to access accommodation predominately within the Private Rented Sector.

Lancaster Floating Support and Resettlement Service

Originally commissioned for 6 months in October 2020, the contract is to provide Intensive Housing Floating Support & Resettlement Service for Rough Sleepers & those at risk of Rough Sleeping. The team have received 57 referrals into service and 50 of those are either actively working to increase their independent living skills or have moved onto permanent or supported accommodation as a result of the service. The contract has been extended for a further 6 months.

Supported housing services

This is the delivery of small units of generic supported accommodation for people moving on from homelessness services.

East Lancashire Families

Commissioned by Lancashire County Council the service provides accommodation and support to families owed a statutory duty by local authorities in Hynburn, Burnley, Pendle and Rossendale. The service aims to address any barriers and identify support needs in relation to independent living skills to enable families to successfully move on to their own general needs tenancies. This contract has been extended until April 2023.

Report of the Directors (continued)

Priorities and targets for 2021 – 2022

Social enterprise and skills contracts

- To be an innovative and responsible business that is accountable for its own financial performance and social sustainability whilst still delivering results and doing the right things.
- To provide authentic leadership and management to create the right culture, aiming to have diverse, positive and collaborative teams working to their unique strengths and talents for the benefit of customers and the Calico Group.
- To positively progress customers and enabling the Calico Group to demonstrate social impact through the delivery of innovative services built on the principle of social enterprise, skills and employability, training and personal development.
- To establish a new approach to marketing and communication that demonstrates the Enterprise offer enabling growth in service portfolio across the Northwest of England.
- To grow Constructing the Future shared apprenticeship offer and skills and employability services. To expand social enterprise offer focusing on property and environmental services.
- Seek new partnerships across the Northwest of England that facilitate expansion of the Enterprise service offer, helping manage some of the risks associated with current service delivery.
- To explore the potential for partnership with Calico's Building Company – Ring Stones - which will support Skills and employability objectives.

Support Contracts

- To ensure all new contracts are implemented and embedded with quality and focus and in line with the Calico Group's values.
- To establish and further develop the Enterprise model and offer around Homelessness, further building partnerships to maximise growth opportunities.
- To work proactively with the Business Development and Strategic Growth team to fully understand the opportunities and direction of travel for Enterprise support services, therefore maximising opportunities
- To continue to develop and nurture links and partnerships with the Health Sector, identifying opportunities to redesign, adjust or provide new services which support the wider external and internal Health agenda.
- Design and model the Enterprise Care offer to further understand opportunities to develop into the 'care' provider field.
- To continue to review and evaluate established contracts for viability and growth/expansion opportunities.
- To review and adapt reporting mechanisms to further enable demonstration the impact of services telling the story of the difference Enterprise have made.

Enterprise will continue to develop and monitor Key Performance Indicators which demonstrate the quality of services (customer satisfaction being a key part) and the added value that they give to further build on reputation as a quality provider of services.

Plans for Future Periods

Over the last financial year the business has undertaken a structural review of its operations. They have focused on their business growth activities around areas where they understand they can make the biggest impact and difference, both socially and financially. There has been increased activity in homelessness and prevention services, employability services and within Furniture Matters. Covid-19 did not have a significant impact on financial position of the business at March 2021 which is not expect any carry forward into the next financial year.

The skills and employability service play a critical role in the Burnley Together partnership, launched and led by Burnley Borough Council in response to the impact of Covid-19 on the residents of Burnley. Calico Enterprise are the lead provider in some initiatives as a result of this partnership, focusing on skills and employment support for young people.

Future Funding

The business has identified opportunities with their skills and employability service to expand current and undertake new activity within the capacity of existing resources. Enterprise has performed well is in a good position should the lead partner require additional delivery in the current year. The business has established a new partnership with Active Lancashire and commenced delivery of the More Positive Together Partnership in July 2020. The partnership with Procure Plus is ongoing, which provides funding for activity enabling Enterprise to support individuals into employment. Enterprises is aiming to retain these contract when due for review.

Work is underway to prepare for the changes being made to European Funding and the introduction of the Community Renewal Fund and the UK Shared Prosperity Fund.

In the Care and Support part of the business, the Syrian Resettlement (now Global Resettlement Program) service will be re-contracted in July 2021 with the UK Resettlement Scheme (UKRS). This is a significant contract that performs and Enterprise continues to work with partners in Central Lancashire to instigate the development of another Gateway project, similar in nature to the programme currently being delivered in Burnley that generates positive surplus.

Report of the Directors (continued)

Related Parties

Calico Enterprise Limited is a subsidiary of Syncora Limited, which in turn is a subsidiary of The Calico Group Limited. Office accommodation is shared with Calico Homes Limited whose employees provide services, e.g. Finance, HR, IT to the employees of Calico Enterprise Limited. An arm's length charge is made for these services.

Principal Risks and Uncertainties

As part of the Calico Group approach to risk management, Calico Enterprise has in place a risk map which is reviewed by the Syncora Board on a quarterly basis. The directors have undertaken a review of the major strategic risks faced by the charity and have put in place systems to mitigate Calico Enterprise's exposure to the major risks.

Regular reporting on control issues provides assurance to successive levels of management and to the Board. It is supplemented by regular reviews by internal audit who provide independent assurance to the Board. The arrangement for review includes a rigorous procedure which is monitored internally and ensures corrective action is taken in relation to any significant control issues. The business has implemented a programme of control risk self-assessment and is further embedding this at different levels of the organisation. This will continue to strengthen each business areas control arrangements.

Utilising this approach the Enterprise business has identified the following risks to the successful achievement of its objectives:

- Contract Performance
- Financial Performance
- Robust Forecasting
- Income Management
- Group Cohesion
- Health and Safety
- Regulatory and legislative compliance
- Staff Retention
- Growth Capacity
- Socio-economic conditions

Investment Powers and Policy

Long term significant reserves are not envisaged. Surplus monies are invested in high interest bearing deposit accounts until required for use by the charity.

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 Directors. 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 Syncora Reserves Policy states that Enterprise will aim to keep unrestricted reserves to cover at least two months of variable expenditure to cover costs that are not contract related where there may not be notice of changes. The current level of free reserves is a deficit £103,000 (2020: £162,000). This is a calculation of the unrestricted funds less the tangible fixed, intangible assets and investments. Enterprise have not designated anything for essential future spending. The targeted reserves level are £346,000. The company is committed to reduce the under provision over the next 4 years. This will take place through positive trading leading to the company holding the targeting unrestricted reserves.

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

Social Housing Pension Scheme ("SHPS")

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.

The Group also participates in a defined benefit multi-employer pension scheme, Social Housing Pension Scheme, administered by TPT Retirement Solutions. Further details of the assumptions and the defined benefit pension plan is in note 1 & 7.

Statement of Directors' Responsibilities

The Directors (who are also directors of Calico Enterprise Limited for the purposes of company law) 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

Report of the Directors (continued)

Statement of Directors' Responsibilities (continued)

- 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.

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 the 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.

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 Calico Enterprise Limited ("Enterprise") 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 Enterprise that were able to be delivered safely were able to continue. These included services required by and provided to vulnerable tenants at Gateway and within Floating Support, extra services required by councils to allow for government compliance, supplies provided by Furniture Matters to internal customers to enable business continuity for internal developments, continuing work for repairs and voids and working with the education providers to re-establish courses and projects. The lockdown restrictions ceased in July 2021.
- Enterprise took advantage of the Furlough scheme offered by the government as the business felt the impact on Apprenticeships and Training sessions being paused. The furlough income significantly reduced the negative impact on the business, predominantly due to the reduction of income from these paused services.
- At 31 March 2021, following a surplus of £7k (2020: £437k) Enterprise had net assets of £185k (2020: £178k).
- Enterprise are forecasting positive cash flows and a future profitable performance.

The Calico Group Board confirms it has a reasonable expectation that the organisation has 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.

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 Directors and signed on their behalf by:

Stephen Aggett
Company Secretary
14 September 2021
For the year ended 31 March 2021

Independent Auditor's Report to the members of Calico Enterprise Limited

Opinion

We have audited the financial statements of Calico Enterprise Limited "the charitable company" for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Statement of Financial Position 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 2021 and of its incoming resources and application of resources 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 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 (who are also the trustees for charity purposes) 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, which includes the directors' report and the strategic report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors report included within the Directors' report have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the members of Calico Enterprise Limited (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 strategic report or the directors' report included within 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:

- In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report; or
- 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 7-8, the directors (who are also the trustees for charity purposes) 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 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 directors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, and taxation legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Independent Auditor's Report to the members of Calico Enterprise Limited (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining the accounting estimates set out in [Note 1] were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website 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.

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 Financial Activities

For the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £'000	Unrestricted Funds 2020 £'000
Income from Donations	2	-	201
Income from Charitable activities	3	<u>5,382</u>	<u>4,590</u>
Total Income		<u>5,382</u>	<u>4,791</u>
 Expenditure			
Expenditure on Charitable activities	4	<u>5,078</u>	<u>4,571</u>
Total Expenditure		<u>5,078</u>	<u>4,571</u>
 Net Income/(Expenditure) for the year		304	220
Initial recognition of multi-employer defined benefits scheme			
Actuarial Gain/(Loss)	7	(297)	217
 Net movement in funds		7	437
 Reconciliation of Funds			
Funds brought forward 31 March		178	(259)
 Funds Carried Forward 31 March 2021		<u>185</u>	<u>178</u>

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

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

The notes on pages 13 to 23 form part of the accounts.

Statement of Financial Position At 31 March 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible fixed assets	10	263	268
Intangible fixed assets	11	24	72
Total Fixed Assets		287	340
Current assets			
Stock		18	21
Debtors	12	660	620
Cash and cash equivalents		251	73
		929	714
Creditors: amounts falling due within one year	13	(556)	(663)
Net current (liabilities)/assets		373	51
Total assets less current liabilities		660	391
Creditors: amounts falling due after one year		-	-
Provision for liabilities: Pension provision		(475)	(213)
Net (liabilities)/assets		185	178
Unrestricted funds			
General unrestricted funds b/f		178	(259)
Surplus in Year		7	437
Total unrestricted funds	14/15	185	178

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 13 to 23 form part of these financial statements.

The financial statements were approved by the Directors and authorised for issue 14 September 2021

Signed on their behalf by:

Stephen Aggett
Company Secretary
14 September 2021
For the year ended 31 March 2021

Notes to the Financial Statements

Calico Enterprise Limited is registered with the Charities Commission in England and Wales and is limited by guarantee. The company's principal activity is the delivery of a range of care and worklessness related services. The registered office is Centenary Court, Croft Street, Burnley, Lancashire, BB11 2ED.

1. Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with 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) (updated 1 January 2019) – (Charities SORP (FRS102)), 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 which is the functional currency of the entity.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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.

Going concern

The Calico Group Board is confident that Calico Enterprise Limited ("Enterprise") 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 Enterprise that were able to be delivered safely were able to continue. These included services required by and provided to vulnerable tenants at Gateway and within Floating Support, extra services required by councils to allow for government compliance, supplies provided by Furniture Matters to internal customers to enable business continuity for internal developments, continuing work for repairs and voids and working with the education providers to re-establish courses and projects. The lockdown restrictions ceased in July 2021.
- Enterprise took advantage of the Furlough scheme offered by the government as the business felt the impact on Apprenticeships and Training sessions being paused. The furlough income significantly reduced the negative impact on the business, predominantly due to the reduction of income from these paused services.
- At 31 March 2021, following a surplus of £7k (2020: £437k) Enterprise had net assets of £185k (2020: £178k).
- Enterprise are forecasting positive cash flows and a future profitable performance.

The Calico Group Board confirms it has a reasonable expectation that the organisation has 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.

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:

- a) **Tangible fixed 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. 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.
- b) **Goodwill and intangible assets.** The company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. Where, in exceptional circumstances, the useful life of goodwill cannot be determined, the life will not exceed 10 years.

Notes to the Financial Statements (continued)

1. Accounting policies (continued)

Income

Income and how it is recognised is stated below.

Supporting People income for the provision of floating support is recognised in accordance with the Supporting People contract. Income from Lancashire County Council for the Help Direct service is recognised in accordance with the contract with Lancashire County Council. Other income is recognised at the point of delivery.

All income is stated exclusive of VAT. Investment income is recognised on a receivable basis.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis.

Some central costs are allocated directly and the remainder are apportioned to all work streams based on the turnover of the work stream.

Charitable activities include expenditure associated with the provision of Floating Support, Help Direct, Calico Interiors, Clean Team, Constructing the Future, National Careers Service, Calico Creative and Furniture Matters include both the direct costs and support costs relating to these activities.

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

Pensions

The Company 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.

The Company also participates in a defined benefit multi-employer pension scheme, Social Housing Pension Scheme, administered by TPT Retirement Solutions. The Company ceased contributions to this defined benefit scheme as at 1 August 2019. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. A liability for the Group's pension obligations is recognised net of plan assets. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method.

Further details of the assumptions and the pension plans are in note 7.

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.

Stock

All stock is recognised at the lower of cost and net realisable value. Stock represents white goods and paint supplies.

Leased assets

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

Tangible fixed assets

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

Depreciation on fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Motor vehicles	-	25% pa
Computer equipment	-	25% pa
Fixtures, fittings and equipment	-	20% pa
Leasehold improvements	-	20% pa
Leasehold property	-	Over 75 years
Freehold land	-	not depreciated

The useful economic lives of all tangible fixed assets are reviewed annually.

Intangible fixed assets

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Subsequently goodwill is carried at cost less accumulated amortisation and impairment losses.

Amortisation is calculated on a straight line basis over the estimated useful life. The company establishes a reliable estimate of the useful life of goodwill arising on business combinations based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life assumptions that market participants would consider in respect of similar businesses.

Notes to the Financial Statements (continued)

Intangible fixed assets (continued)

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use.
- The ability to use the software.
- The availability of adequate resources to complete the development.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The principal annual rates used are:

Software development costs 20 – 33%

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

2. Income from Donations

	2021 £'000	2020 £'000
Donations and similar incoming resources	-	201
	<u><u>-</u></u>	<u><u>201</u></u>

A donation totalling £Nil (2020: £200,000) was received from Ring Stones.

3. Income from Charitable activities

	2021 £'000	2020 £'000
Support contracts	2,554	2,029
Work initiatives	2,785	2,561
Other	43	
	<u><u>5,382</u></u>	<u><u>4,590</u></u>

4. Analysis of Charitable expenditure

	Support contracts £'000	Work initiatives £'000	Total 2021 £'000	Total 2020 £'000
Direct costs				
Staff costs	1,309	1,468	2,777	2,606
Other direct costs	884	974	1,858	1,472
Donation to Acorn	-	200	200	-
Apportioned central costs	114	119	233	481
Governance costs	<u>10</u>	<u>10</u>	<u>10</u>	<u>12</u>
	<u>2,307</u>	<u>2,771</u>	<u>5,078</u>	<u>4,571</u>

Apportioned central costs are support costs which have been apportioned to all work streams based on the turnover of the work stream in Note 3. Enterprise made a donation to Acorn of £200,000 in the year.

Notes to the Financial Statements (continued)

5. Net income / (expenditure)

	2021	2020
	£'000	£'000
This is after charging:-		
Depreciation of owned assets (Note 9)	40	33
Amortisation of intangible assets (Note 10)	47	41
Auditors remuneration for audit services (Note 4)	5	2
Operating Leases – Land & Buildings	245	39
Operating Leases - Other	45	10
	<hr/>	<hr/>

6. Employees

	2021	2020
	£'000	£'000
Staff costs consist of:		
Salaries and wages	2,729	2,625
Social security costs	215	182
Other pension costs	88	149
Redundancy	10	15
	<hr/>	<hr/>
	3,042	2,971

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

	2021	2020
	Number	Number
Support contracts	57	43
Work initiatives	87	97
Overheads	5	5
	<hr/>	<hr/>
	149	145
Full time equivalents (36.25 – 40 hours/week)	<hr/>	<hr/>
	127	125

7. Pensions

Social Housing Pension Scheme

The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. A liability for the Group's pension obligations is recognised net of plan assets. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. The Company ceased contributions to this defined benefit scheme as at 1 August 2019. The latest actuarial valuation was as at 30 September 2020.

FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION, AND DEFINED BENEFIT ASSET (LIABILITY)	31 March 2021	31 March 2020
	(£000s)	(£000s)
Fair value of plan assets	1,391	1,248
Present value of defined benefit obligation	1,866	1,461
Surplus (deficit) in plan	(475)	(213)
Defined benefit asset (liability) to be recognised	(475)	(213)
Net defined benefit asset (liability) to be recognised	(477)	(213)

Notes to the Financial Statements (continued)

7. Pensions (continued)

	Period from 31 March 2020 to 31 March 2021 (£000s)
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION	
Defined benefit obligation at start of period	1,461
Current service cost	-
Expenses	4
Interest expense	34
Member contributions	-
Actuarial losses (gains) due to scheme experience	(23)
Actuarial losses (gains) due to changes in demographic assumptions	6
Actuarial losses (gains) due to changes in financial assumptions	403
Benefits paid and expenses	(19)
Defined benefit obligation at end of period	1,866

	Period from 31 March 2020 to 31 March 2021 (£000s)
RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS	
Fair value of plan assets at start of period	1,248
Interest income	30
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	89
Employer contributions	43
Member contributions	-
Benefits paid and expenses	(19)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	1,391

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2020 to 31 March 2021 was £119,000.

	Period from 31 March 2020 to 31 March 2021 (£000s)
DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SoCI)	
Current service cost	-
Expenses	4
Net interest expense	4
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	8

Notes to the Financial Statements (continued)

7. Pensions (continued)

	Period from 31 March 2020 to 31 March 2021	(£000s)
DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)		
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	89	
Experience gains and losses arising on the plan liabilities - gain (loss)	23	
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(6)	
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(403)	
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(297)	
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	
Total amount recognised in Other Comprehensive Income - gain (loss)	(297)	

ASSETS	31 March 2021	31 March 2020
	(£000s)	(£000s)
Global Equity	222	183
Absolute Return	77	65
Distressed Opportunities	40	24
Credit Relative Value	44	34
Alternative Risk Premia	52	87
Fund of Hedge Funds	-	1
Emerging Markets Debt	56	38
Risk Sharing	51	42
Insurance-Linked Securities	33	38
Property	29	28
Infrastructure	93	93
Private Debt	33	25
Opportunistic Illiquid Credit	35	30
High Yield	42	-
Opportunistic Credit	38	-
Cash	-	-
Corporate Bond Fund	82	71
Liquid Credit	17	1
Long Lease Property	27	22
Secured Income	58	47
Over 15 Year Gilts	-	-
Index Linked All Stock Gilts	-	-
Liability Driven Investment	354	414
Net Current Assets	8	5
Total assets	1,391	1,248

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Notes to the Financial Statements (continued)

8. Pensions (continued)

KEY ASSUMPTIONS	31 March 2021	31 March 2020
	% per annum	% per annum
Discount Rate	2.21%	2.35%
Inflation (RPI)	3.22%	2.55%
Inflation (CPI)	2.87%	1.55%
Salary Growth	3.87%	2.55%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2021	21.6
Female retiring in 2021	23.5
Male retiring in 2041	22.9
Female retiring in 2041	25.1

9. Board Members and Key Management Personnel Remuneration

	2021 £'000	2020 £'000
The aggregate emoluments paid to or receivable by Directors	38	42
The aggregate emoluments paid to or receivable by executive officers	52	86
The emoluments paid to the highest paid officer excluding pension contributions	51	77
Pension cost for executive officers	1	9
The aggregate amount of any consideration payable to / (receivable from) third parties for making available the services of non-executive Directors	(28)	(31)
	<hr/>	<hr/>
Total key management personnel remuneration	62	97
	<hr/>	<hr/>

The Managing Director is a member of the Social Housing Pension Scheme. He is an ordinary member of the pension scheme and no enhanced or special terms apply. The Company does not make any further contribution to an individual pension arrangement for the Managing Director.

No senior officer received emoluments (basic salary, benefits in kind and employers pension contributions) above £60,000.

Directors' emoluments

Directors 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. 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.

Notes to the Financial Statements (continued)

10. Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1998 at section 252 of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects.

11. Property, plant and equipment

	Vehicles £'000	Freehold Property £'000	Leasehold Property £'000	Computer Hardware £'000	Fixtures & Fittings £'000	Total £'000
<i>Cost or Valuation</i>						
As at 31 March 2020	49	70	140	69	107	435
<i>Additions</i>						
		-	-	35	-	35
As at 31 March 2021	<u>49</u>	<u>70</u>	<u>140</u>	<u>104</u>	<u>107</u>	<u>470</u>
<i>Depreciation</i>						
As at 31 March 2020	29	40	5	56	37	167
Charge for period	7	-	2	5	26	40
As at 31 March 2021	<u>36</u>	<u>40</u>	<u>7</u>	<u>61</u>	<u>63</u>	<u>207</u>
<i>Net Book Value</i>						
31 March 2021	<u>13</u>	<u>30</u>	<u>133</u>	<u>43</u>	<u>44</u>	<u>263</u>
31 March 2020	20	30	135	13	70	268

12. Intangible Fixed Assets

	Computer Software £'000	Goodwill £'000	Total £'000
<i>Cost or valuation</i>			
At 31 March 2020	62	160	222
Additions	-	-	-
At 31 March 2021	62	160	222
<i>Amortisation</i>			
At 31 March 2020	22	128	150
Charge for period	15	32	47
At 31 March 2021	<u>38</u>	<u>160</u>	<u>198</u>
<i>Net Book Value</i>			
At 31 March 2021	<u>24</u>	<u>-</u>	<u>24</u>
At 31 March 2020	40	32	72

The company purchased "Afta Thought" in March 2016 for £300,000. Deemed net assets on acquisition were £140,000 and hence goodwill £160,000 which is now fully amortised.

Notes to the Financial Statements (continued)

13. Debtors

	2021 £'000	2020 £'000
Trade Debtors	406	561
Intercompany Balance	66	25
Prepayments & Accrued Income	188	34
	660	620

14. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
VAT	69	-
Trade Creditors	58	176
Salary Control	13	-
Deferred Income	263	39
Accruals	141	97
Intercompany Balances	12	351
	556	663

15. Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Tangible Fixed Assets (Note 9)	263	-	263	268
Intangible Fixed Assets (Note 10)	24	-	24	72
Net Current Assets	372	-	372	51
Long Term Liabilities	-	-	-	-
Pension Liability (Note 6)	(475)	-	(475)	(213)
Net movement in funds	184	-	184	178

16. Movements in funds

	At 31 March 2020 £'000	Incoming Resources £'000	Outgoing resources £'000	Transfers £'000	At 31 March 2021 £'000
Restricted funds	-	-	-	-	-
Unrestricted funds	178	5,382	(5,375)	-	185
Total funds	178	5,382	(5,375)	-	185

Notes to the Financial Statements (continued)

17. Parent undertaking

The Company is a subsidiary of Syncora Limited, a not for profit, non-charitable company limited by guarantee, registered 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.

18. 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 of Enterprise.

Directors 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. These members received a total remuneration of £38,000 in 2021 (2020: £42,000).

During the year, Syncora recharged overhead costs to Enterprise amounting to £21,000 (2020: £14,000)

At 31 March 2021, the company owed to Syncora £2,000 (2020: £1,000).

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

During the year, Enterprise supplied Homes with cleaning, painting and decorating, catering and apprentice management services amounting to £407,000 (2020: £520,000) and Homes recharged office and property rent costs of £223,000 rent and £180,000 group contribution, totalling £403,000 (2020: £378,000).

At 31 March 2021, Homes owed the company £16,000 (2020: Homes owed the company £344,000).

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

During the year, Enterprise supplied cleaning and catering services, and an internal apprenticeship amounting to £5,000 (2020: £Nil).

Also, Enterprise made a donation to Acorn of £200,000 (2020: £Nil).

At 31 March 2021, the company owed Acorn £11,000 (2020: £3,000).

Ring Stones Maintenance and Construction Limited ("Ringstones"), a fellow subsidiary of Group

During the year, Enterprise supplied Ringstones with cleaning, painting and decorating services amounting to £438,000 (2020: £230,000).

At 31 March 2021, Ring Stones owed the company £27,000 (2020: £22,000).

Safenet Domestic Abuse Support Service ("Safenet") of Group

During the year, the company supplied Safenet with catering, cleaning, painting & decorating services and furniture amounting to £21,000 (2020: £3,000).

At 31 March 2021, Safenet owed the company £21,000 (2020: £3,000).

Delphi Medical Consultants Limited ("DMC"), a fellow subsidiary of Group

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

At 31 March 2021, DMC owed the company £Nil (2020: £3,000).

Delphi Medical Limited ("DML"), a fellow subsidiary of Group

There were no transactions during the year (2020: £1,000).

At 31 March 2021, DML owed the company £1,000 (2020: £Nil).

Notes to the Financial Statements (continued)

19. Financial commitments

Operating leases

The payments which the company is committed to make under operating leases are as follows:

	2021 £'000	2020 £'000
Motor vehicle leases expiring:		
· Less than one year	37	2
· Two to five years	173	-
Land and Buildings, leases expiring:		
· Less than one year	235	39
· Two to five years	243	21
Equipment:		
· Less than one year	8	8
· Two to five years	1	7
	360	77

*Motor Vehicle Leases & Property Leases renewed for 2020/2021 through until 2025/2026.