

House
Resource Centre & Sensory Room



ring
stones

Report and Consolidated Financial Statements
Year ended 31 March 2021

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Registered Number: 08156713

Officers and professional advisors

Board Directors

Executive Anthony Duerden (Chair)
Ed Barber (resigned 25 June 2021)
Helen Thompson
Stephen Aggett (appointed 25 June 2021)
Vicki Howard (appointed 25 June 2021)

Non-executive
2021) Graham Cocking (appointed 25 June
2021) Scott Brerton (appointed 25 June

Company Secretary Stephen Aggett

Executive Officers

Managing Directors James Macaree
Steven Noonan (resigned 31 October 2020)

Registered Office Centenary Court
Croft Street
Burnley
BB11 2ED

Registered Number 08156713

External Auditor Beever and Struthers
St Georges House
215 Chester Road
Manchester
M15 4JE

Solicitors Forbes Solicitors
73 Northgate
Blackburn
BB2 1AA

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

Strategic Report

The Directors are pleased to present the strategic report as required by the Companies Act 2006.

Review of the Business

A local and reliable developer generating high levels of social profit in East Lancashire through local sustainable employment and apprenticeships, remain key to its success.

The level of business and the construction market in general remain buoyant and the directors anticipate that this trading performance will continue with a strong order book of new build developments in place for 2021/22 and with a recent successful award onto the Innovation Chain North New Build Framework of £750 million, Ring Stones can continue to grow with external business being a priority. Ring Stones future plans include working for external companies on New Build projects, expanding work on Empty Homes projects outside of the Burnley area, partnering with subcontractors to deliver an integrated construction offer and working on predevelopment plans with Calico Homes on their joint largest project to date at the former Burnley General Hospital site. The Ring Stones Business Plan has been to maintain and grow their current workstreams through efficiencies and continuous improvement. A new ambitious growth plan is being developed for 2022 to set the direction for the longer term future to further diversify and secure more external work.

In collaboration with the Calico Group, Ring Stones is one of the few construction companies in Lancashire to achieve National Skills Academy for Construction (NSAFC) status. NSAFC is used for construction procurement and planning to aid the creation of employment and skills interventions, including apprenticeships, construction careers information and advice, work placements, job creation and upskilling opportunities that are relevant and proportionate to the construction activity being procured and is perfectly aligned with our purpose of "making a real difference to people's lives". Each project has an employment and skills plan created that includes employment and skills targets to deliver tangible benefits for the local community. The company actively include its subcontracted supply chain to ensure as many outcomes as possible can be delivered. Ring Stones remain committed in nurturing our own talent and continue to invest in training and professional development opportunities for colleagues to ensure they are they best they can be and contribute to the Calico purpose and invest back into the communities we work in.

As part of the Calico Group, Ring Stones were acknowledged by Inclusive Companies as one of the top five inclusive employers in the UK. This recognition is based on an amalgamation of topics including recruitment procedures, training, workforce data and a host of diversity related initiatives. The diversity of our employees is 88% (2020:88%) male, 12% (2020:12%) female, 5% (2020:4%) who self-identify as disabled, 3% (2020: 5%) from a BME background, and 0% LGBTQ.

Development projects

Ring Stones were active on four New Build schemes this year with three completing in the period and a further one starting. These have all been housing developments for shared ownership and affordable rent. The COVID -19 Pandemic that commenced in March 2020 meant that all sites were closed for a period of seven weeks thus reducing operational activity in this period. All sites became operational following Government Guidelines in June 2020 albeit on a reduced activity and phased return. All planned site completions were completed in the financial year as planned.

In an ongoing partnership with Calico Homes, Ring Stones have continued to bring Empty Homes back to life completing over forty in the year with a further 30 planned for 2021/22 this continues the group focus on regenerating neighbourhoods and the impact already on the area of focus has helped transform the locality.

The Company also delivers planned programme works including boiler replacements, roofing, damp proof course works and a range of responsive day to day repair services.

Ring Stones' strategic objectives include developing and empowering our staff and apprentices to achieve their maximum potential and the on-going commitment to training includes all managers attending a leadership skills course. Courses on finance, construction and quantity surveying have all been undertaken in the year as the next generation of construction professionals are trained.

Strategic Report (Continued)

Key performance indicators

The business uses a number of key performance indicators (KPI's) to measure the financial performance of its operations. These KPIs include turnover and margin, performance of contracts against budgets, profitability and cash flow performance. In addition to financial performance the business operates a suite of operational KPI's regarding resident satisfaction, environmental and waste utilisation, employee and training indicators along with the monitoring of Health & Safety and quality benchmarks.

Directors' Report

The Directors are pleased to present their report and the audited financial statements for the year to 31 March 2021.

Objectives and Activities

Incorporated as a limited company, Calico JV Limited ("Calico JV") was incorporated on 26 July 2012. The principal activity of the company during the year was that of a holding company. It held 99% (2020: 99%) of the members' capital of Ring Stones Maintenance & Construction LLP ("Ring Stones"), which started trading on 1 October 2012, whose principal activity was that of the provision of building maintenance and construction services.

On 30th March 2021, the assets of Ring Stones were transferred to Calico JV and became Ring Stones Maintenance and Construction Limited.

Directors

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

Principal risks and uncertainties

A significant level of our activity is generated through Calico Homes, which could be impacted by legislation or changes in spending priorities resulting from Welfare reform. A proportion of our activities are with organisations external to Calico where continued price-based competition is faced and so there is a continual drive towards lower costs and more efficient and effective working. Ring Stones will continue to periodically assess the impact of new government initiatives such as Modern Methods of Construction ("MMC") and Green initiatives to ensure these are considered in our future plans and forecasts.

Governance

Ringstones have adopted the NHF Code of Governance 2015 for the financial year ended 31 March 2021. Compliance is reviewed and self-assessed annually. The Board confirm compliance with the Code for the full year ended 31 March 2021. The Ring Stones Board will review which Code of Governance is most appropriate to adopt for the year ended 31 March 2022.

Directors' Report (Continued)

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").

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 Board is 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.
- 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.

Auditor

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

Approved by the Board and signed on its behalf by:

Stephen Aggett
Company Secretary
13 September 2021

Independent Auditor's Report to the Members of Ring Stones Maintenance and Construction Limited (formerly Calico JV Limited)

Opinion

We have audited the financial statements of Ringstones Maintenance and Construction Limited (formerly Calico JV Limited) for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies (note 1). The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A "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, in the circumstances 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 Board's 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 company'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 Board 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 members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, 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.

Independent Auditor's Report to the Members of Ring Stones Maintenance and Construction Limited (continued)

Matters on which we are required to report by exception

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.
- 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 page 5, 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 limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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.

Independent Auditor's Report to the Members of Ring Stones Maintenance and Construction Limited (continued)

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

- 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.

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

	Note	For the year ended 31 March 2021	Combined & Restated* year ended 31 March 2020
		£'000	£'000
Turnover		13,985	11,317
Cost of Sales		(11,352)	(9,727)
Gross Profit		2,633	1,590
Operating costs		(1,573)	(1,317)
Amortisation of Intangible Assets		-	(64)
Operating Profit	2	1,060	209
Interest payable		(7)	(6)
Charitable donation		(200)	(200)
Profit for the year before taxation		853	3
Taxation on Profit	5	(159)	(19)
Retained Profit		694	(16)

Statement Of Changes In Equity

	Called Up Share Capital £'000	Income and Expenditure Reserve £'000	Total £'000
At 31 st March 2019	-	(394)	(394)
Loss for the year	-	(16)	(16)
At 31 st March 2020	-	(410)	(410)
Profit for the year	-	694	694
At 31st March 2021	-	284	284

* * The prior year figures have been restated to include the trading activity of Ring Stones Maintenance and Construction LLP. On 30th March 2021 Ring Stones Maintenance and Construction LLP merged with Calico JV (Ring Stones LLP was a subsidiary undertaking of the company). The combined results have also been restated, refer to Note 17

Statement Of Financial Position

	Note	31 March 2021 £'000	Combined & Restated* 31 March 2020 £'000
Fixed Assets			
Intangible assets	6	3	2
Tangible fixed assets	7	45	44
		<u>48</u>	<u>46</u>
Current Assets			
Debtors	8	2,088	825
Cash at bank and in hand		124	1,162
		<u>2,212</u>	<u>1,987</u>
Creditors: Amounts falling due within one year	9	<u>(1,976)</u>	<u>(2,443)</u>
Net Current Assets / (Liabilities)		236	(456)
Total assets less current liabilities		<u>284</u>	<u>(410)</u>
Creditors: Amounts falling due after more than one year	10	-	-
Net Assets / (Liabilities)		<u>284</u>	<u>(410)</u>
Capital and Reserves			
Share Capital		-	-
Income and Expenditure		284	(410)
		<u>284</u>	<u>(410)</u>

* The prior year figures have been restated to include the trading activity of Ring Stones Maintenance and Construction LLP. On 30th March 2021 Ring Stones Maintenance and Construction LLP merged with Calico JV (Ring Stones LLP was a subsidiary undertaking of the company). The combined results have also been restated, refer to Note 17.

The financial statements on pages 8 to 18 were approved by the directors and authorized for issue on 13 September 2021 and signed on their behalf by:

Stephen Aggett
Company Secretary
 13 September 2021

Statement Of Cash Flows

	31 March 2021	Combined & Restated* 31 March 2020
Note	£'000	£'000
Cash flows from operating activities		
Operating profit	1,060	209
Amortisation of intangible assets	2	75
Depreciation of tangible assets	24	21
(Increase)/Decrease in debtors	(1,215)	356
(Decrease)/Increase in creditors	(660)	563
Corporation Tax paid	(14)	(2)
Gift Aid	(200)	(200)
Net cash (used in)/generated from operating activities	(1,003)	1,022
Cash flows from investing activities		
Purchases of Intangible assets	(3)	-
Purchases of tangible assets	(25)	(47)
Disposal of Investment	-	27
Net cash used in investing activities	(28)	(20)
Cash flows from financing activities		
Interest paid	(7)	(6)
Net cash used in financing activities	(7)	(6)
Net (decrease)/increase in cash and cash equivalents	(1,038)	996
Cash and cash equivalents at the beginning of the year	1,162	166
Cash and cash equivalents at end of year	124	1,162

The notes on page 11 to 18 form part of these accounts.

* The prior year figures have been restated to include the trading activity of Ring Stones Maintenance and Construction LLP. On 30th March 2021 Ring Stones Maintenance and Construction LLP merged with Calico JV (Ring Stones LLP was a subsidiary undertaking of the company). The combined results have also been restated, refer to Note 17.

Notes To The Financial Statements

1. Accounting Policies

Ring Stones Maintenance and Construction Limited (formerly Calico JV Limited) is a limited company incorporated in England and Wales. The registered office is Centenary Court, Croft Street, Burnley, BB11 2ED.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation to include certain items at fair value, and in accordance with the Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)' and the Companies Act 2006 and are presented in £000's 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 financial instruments.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors report on pages 4 to 5. In addition, notes on pages 11 to 18 of the financial statements include the Company's objectives, policies, and processes for managing its capital.

The Coronavirus pandemic meant that all development sites were closed for six weeks. During this time, no significant additional costs were incurred and timing delays at this level were already factored into the Calico Homes business plan.

The Company has sufficient financial resources, and access to overdraft funds, together with long-term contracts, with other companies in the Calico Group. These contracts are supported and managed through a blend of directly employed staff and sustainable local and regional subcontractors providing specialist or ad-hoc services.

Goods and materials are sourced from suppliers with strong financial standing with the ability to continue to source supplies on behalf of the Company. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have considered the cash flow projections for the next two years.

Thus, they continue to adopt the going concern basis of accounting in preparing the annual 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.** Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- b) **Stock and Work in progress.** Stock is held at cost and this is regularly compared to the recoverable amount to ensure no impairment is required. The pandemic meant that development sites were closed for six weeks, however, during this time no significant additional costs were incurred. From internal reviews, the amounts recoverable on contracts were found to be stated at the lower of cost and net realisable value.

Notes To The Financial Statements (Continued)

Accounting Policies (continued)

Turnover and revenue recognition

Turnover represents the fair value of services provided in the case of time charge work and the value of services provided as a proportion of the total value of the contract in the case of fixed fee contracts. Turnover is net of value added tax. Provision is made in full for estimated losses if the costs of fulfilling the contract exceed the recoverable amount. Turnover is only recognised to the extent that it is probable that it will be recoverable.

Amounts recoverable on long term contracts which are included in debtors are stated at the net sales value of the work done less amounts received as progress payments on account.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Amounts recoverable on contracts

This represents work done based on estimated amounts recoverable less any amounts billed on account.

Intangible fixed assets

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%

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value over their expected useful lives, using straight-line method. The principal annual rates used are:

Furniture, fixtures & fittings	10-33%
Plant & tools	20-33%
Computers & office equipment	20-33%
Motor vehicles	20-33%

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

Notes To The Financial Statements (Continued)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Reverse premiums and similar incentives received on leases to enter into operating lease agreements are released to Statement of Comprehensive Income over the term of the lease.

Taxation

The charge for taxation for the year is based on the surplus arising from activities in the year which are liable to tax. A tax provision on the surplus has been provided at the relevant corporation tax rate.

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.

	For the year ended 31 March 2021	Restated For the year ended 31 March 2020
	£'000	£'000
2. Operating Profit		
Operating Profit is stated after charging:		
Operating Leases		
• Land and Buildings	-	32
• Other	32	36
Auditors Remuneration		
• Audit	9	11
• Other services	-	1
Amortisation of intangible fixed assets	2	73
Depreciation of tangible fixed assets	24	21
	<hr/> <hr/>	<hr/> <hr/>

Notes To The Financial Statements (Continued)**3. Employees**

Average monthly number of employees:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Administration	15	13
Direct labour	53	46
	<u>68</u>	<u>59</u>

	£'000	£'000
Employee Costs		
Wages and salaries (gross)	1,903	1,701
Social security costs	171	156
Pension costs (note 11)	60	56
	<u>2,134</u>	<u>1,914</u>

4. Board members and executive officers

	For the year ended 31 March 2021 £,000	Restated For the Year ended 31 March 2020 £,000
The aggregate emoluments paid to non-executive officers	3	3
Emoluments of the executive officers and Managing Director, excluding pension contributions	158	145
Total key management personnel remuneration	<u>161</u>	<u>148</u>

The non-executive directors each received an annual allowance of £2.5k (2020: £2.5k).

The board members and executive officers (the key management personnel) are those as listed on page 1.

5. Taxation

	For the year ended 31 March 2021 £,000	For the year ended 31 March 2020 £,000
Current tax charge		
UK Corporation tax on profit for the period	164	19
Adjustment in respect of prior years	(5)	-
	<u>159</u>	<u>19</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before tax	853	3
Taxation at the standard rate of corporation tax in the UK of 19% (2020: 19%)	162	1
Expenses not deductible for tax purposes	2	18
Adjustments in respect of prior years	(5)	-
Current tax charge for the period	<u>159</u>	<u>19</u>

Notes To The Financial Statements (Continued)**6. Intangible Assets**

	Computer Software and Licences £'000	Total £'000
Cost		
At 1 April 2020	93	93
Additions	3	3
At 31 March 2021	<u>96</u>	<u>96</u>
Amortisation		
At 1 April 2020	91	91
Charge for the period	2	2
At 31 March 2021	<u>93</u>	<u>93</u>
Net Book Value		
At 31 March 2021	<u>3</u>	<u>3</u>
At 31 March 2020	<u>2</u>	<u>2</u>

7. Tangible Fixed Assets

	Furniture, Fixtures and Fittings £'000	Plant and Tooling £'000	Computers and Office Equipment £'000	Vehicles £'000	Total £'000
Cost					
At 1 April 2020	71	58	44	13	186
Additions	8	4	13	-	25
Disposals	-	-	-	(13)	(13)
At 31 March 2021	<u>79</u>	<u>63</u>	<u>57</u>	<u>-</u>	<u>198</u>
Depreciation					
At 1 April 2020	41	56	32	13	142
Charge for the period	17	1	6	-	24
Disposals	-	-	-	(13)	(13)
At 31 March 2021	<u>58</u>	<u>57</u>	<u>38</u>	<u>-</u>	<u>153</u>
Net Book Value					
At 31 March 2021	<u>21</u>	<u>5</u>	<u>19</u>	<u>-</u>	<u>45</u>
At 31 March 2020	<u>30</u>	<u>2</u>	<u>12</u>	<u>-</u>	<u>44</u>

Notes To The Financial Statements (Continued)

8. Debtors	31 March 2021	Restated 31 March 2020
	£'000	£'000
Trade debtors	10	50
Provision for bad debt	(8)	(48)
Amounts recoverable on contracts	24	7
Amounts owed from group undertakings	1,984	753
Amounts due from Taxation	37	-
Other debtors	7	46
Prepayments	34	17
	<u>2,088</u>	<u>825</u>

9. Creditors: Amounts falling due within one year	31 March 2021	Restated 31 March 2020
	£'000	£'000
Trade creditors	847	1,491
Corporation Tax	164	19
Other tax and social security	11	28
Accruals and deferred income	602	466
Amounts due on contracts for work undertaken	292	282
Pension Creditor	12	-
Amounts owed to group undertakings	48	157
	<u>1,976</u>	<u>2,443</u>

10. Creditors: Amounts falling due after more than one year.

There were no amounts falling due after more than one year.

11. Pension scheme

The Company participated in a defined contribution pension scheme with Building and Civil Engineering (B&CE) for the year ended 31st March 2021. There were sixty-seven (2020:forty-eight) staff members enrolled in the scheme during this period. The company contributions totaled £59,772 (2020: £55,793).

12. Share Capital Commitments and Contingent Liabilities

There are no capital commitments or contingent liabilities at 31 March 2021 (2020: None).

13. Share Capital

The authorised number of £1 Ordinary Shares at 31 March 2021 was 100 (2020:100). All shares are allocated and fully paid.

14. Parent Undertaking

The Company is a 100% subsidiary of The Calico Group Limited, a company incorporated in England and Wales.

Consolidated accounts which include the results of the Company can be obtained from:
The Company Secretary, The Calico Group Limited, Centenary Court, Croft Street Burnley, BB11 2ED.

No other accounts include the results of the Company.

The Directors consider The Calico Group Limited (Group) to be the ultimate parent equity.

Notes To The Financial Statements (Continued)

15. 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 unless otherwise stated.

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

During the year, the Company sales to Homes were £4,394,000 (2020: £3,464,000) and Homes recharged office costs amounting to £618,000 (2020: £340,000).

At 31 March 2021, Homes owed the Company £603,000 (2020: £105,000). In 2020 the company also owed Homes £62,000.

Hobstones Homes Limited (Hobstones), a subsidiary of Group

During the year, the Company sales to Hobstones were £9,315,000 (2020: £7,538,000).

At 31st March 2021 Hobstones owed the Company £631,000 (2020: £149,000)

Calico Enterprise Limited (Enterprise), a subsidiary of Syncora Limited, a subsidiary of Group.

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

Also during the year the Company made a charitable donation to Enterprise of £Nil (2020: £200,000).

At 31st March 2021, the Company owed Enterprise £27,000 (2020: £22,000).

Acorn Recovery Projects (Acorn), a subsidiary of Syncora Limited, a subsidiary of Group.

During the prior year, the Company lent Acorn £500,000 at interest rate of base rate plus 1% and repayable by 31st March 2022.

During the year, the Company made a charitable donation to Acorn of £200,000 (2020: £Nil).

At 31st March 2021, Acorn owed the Company £500,000 (2020: £500,000).

Delphi Medical (Delphi), a subsidiary of Syncora Limited, a subsidiary of Group.

During the year, the Company lent Delphi £250,000 (2020: £Nil) at interest rate of base rate plus 1% and repayable by 31st March 2022.

At 31st March 2021, Delphi owed the Company £250,000 (2020: £Nil).

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

During the year, Group recharged office costs amounting to £18,000 (2020: £18,000).

At 31st March 2021, the Company owed Group £21,000 (2020: £70,000).

16. Operating Leases

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

	31 March 2021 £'000	31 March 2020 £'000
Land and Buildings, leases expiring:		
• Within one year	-	32
• Two to five years	-	-
	<u>-</u>	<u>-</u>
Other leases expiring:		
• Within one year	14	-
• Two to five years	-	45
	<u>14</u>	<u>45</u>

Notes To The Financial Statements (Continued)

17. Prior Period Adjustment

During March 2021 the company completed a restructure including:

- On 30th March 2021 Calico JV Ltd merged with Ring Stones Maintenance and Construction LLP (Ring Stones LLP was a subsidiary undertaking of the company).
- On 26th April 2021 the company changed its name to Ring Stones Maintenance and Construction Limited

The Board are satisfied that the restructure meets the criteria of a merger and so merger accounting has been applied to the 2020/21 accounts and the comparatives have been restated to include the results of the combined entities for 2019/20. The accounts of the company therefor include the results of Calico JV Ltd and Ring Stones Maintenance and Construction LLP.

Any costs relating to the merger have been expensed.

The tables below contains summary information relating to the entities as at 31st March 2021.

	Ring Stones	Calico JV	Consolidation Adjustment	Combined
	£000's	£000's	£000's	£000's
Turnover	11,317	90	(90)	11,317
Cost of Sales	(9,727)			(9,727)
Distributed Profit	(90)		90	-
Intangible Assets	2	-		2
Tangible Fixed Assets	45			45
Debtors	1,098		(273)	825
Cash at bank	1,143	19		1,162
Creditors: Amounts falling due within 1 year	(2,288)	(430)	273	(2,445)
Share Capital		0.1		0.1
Income and Expenditure Reserve		(410)		(410)