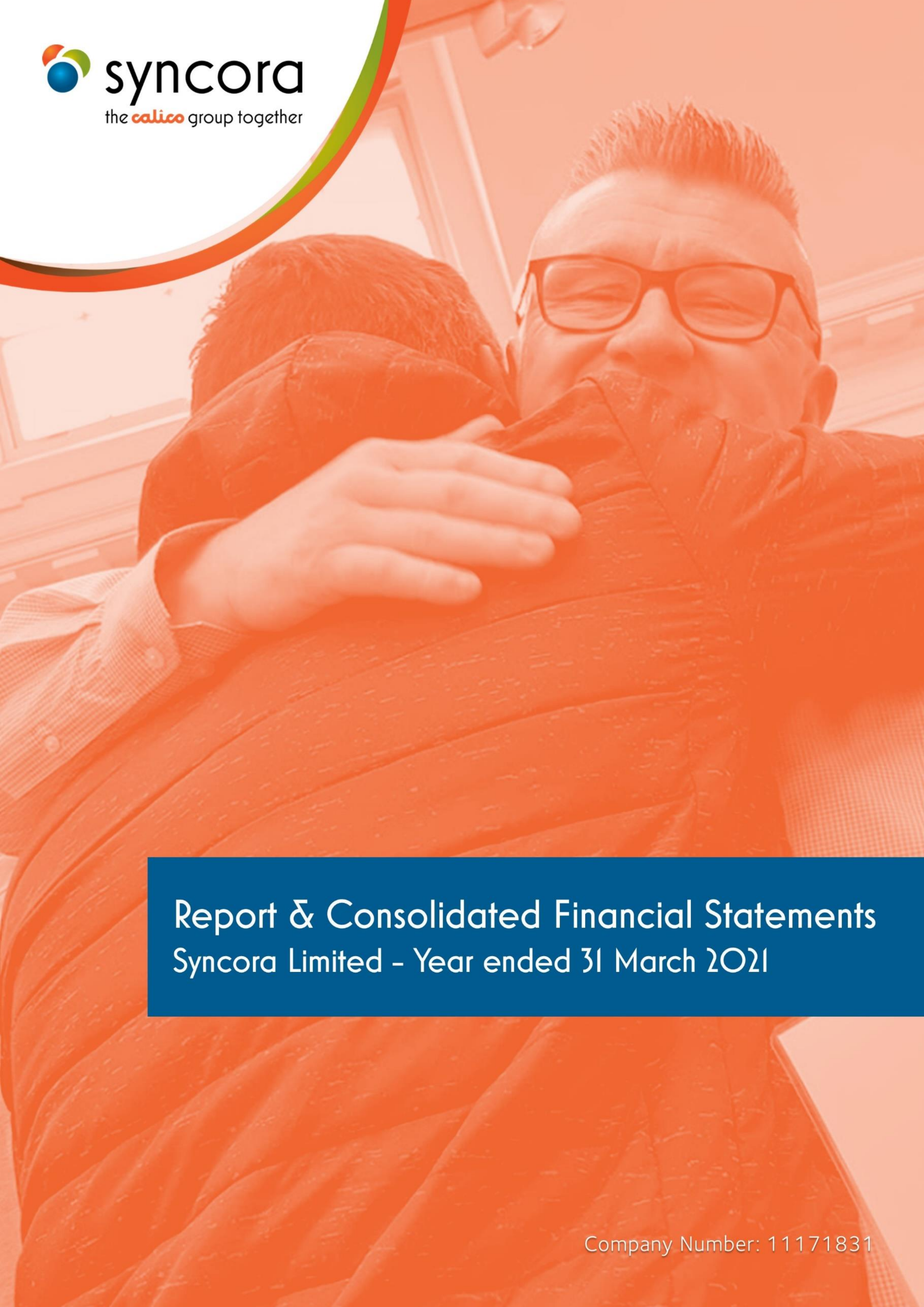
syncora

the calico group together



Report & Consolidated Financial Statements

Syncora Limited - Year ended 31 March 2021

Company Number: 11171831

Contents

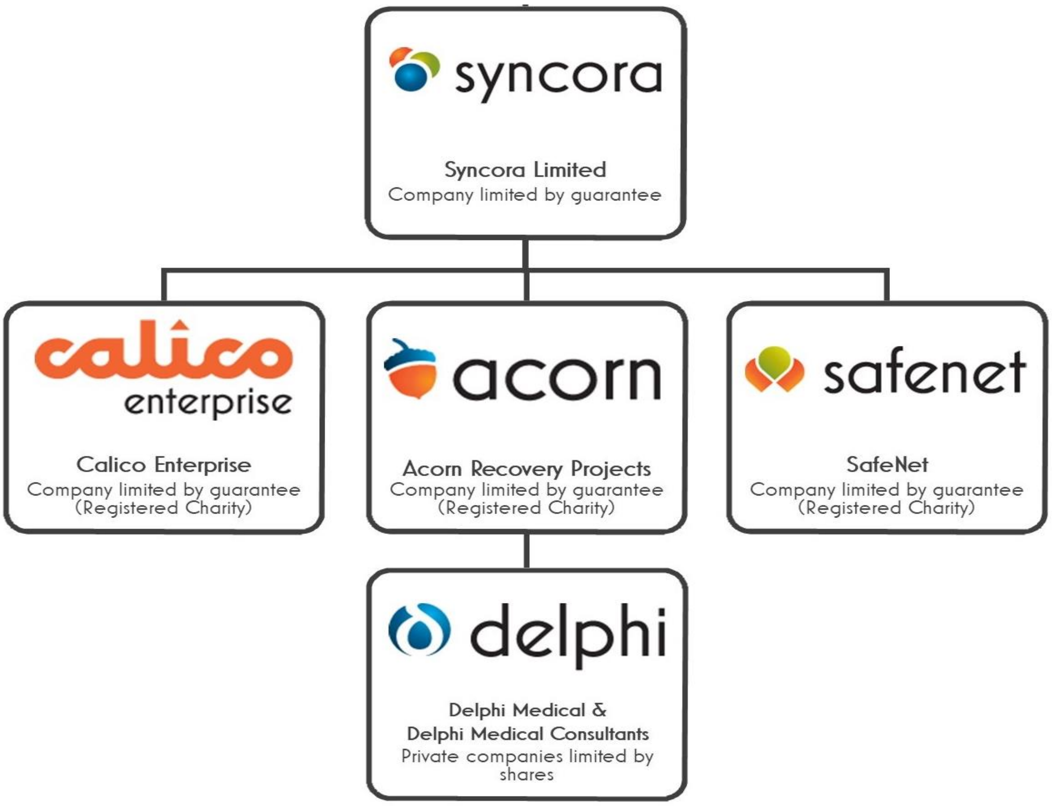
Board Members, Executive Officers, Advisors and Bankers

Board	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
Registered Number	11171831
External Auditor	Beever and Struthers Chartered Accountants and Statutory Auditor St George's House 215-219 Chester Road Manchester M15 4JE
Solicitors	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 Board

The Board is pleased to present its annual report and the financial statements for the year ended 31 March 2021.

Principal activities
Syncora Limited (Syncora) was incorporated 26th January 2018 as a not for profit company limited by guarantee to act as the parent body for the Calico Group ("Calico") care and support entities. Syncora is the holding company with a common board for each of its subsidiaries which are: SafeNet Domestic Abuse Support Services Ltd, Acorn Recovery Projects, Calico Enterprise Limited, Delphi Medical Consultants limited and Delphi Medical Limited. The company sits between the legal entities and the Calico Group Board. This arrangement will enhance continued growth by integrating service and company offers and maximise the synergies and opportunities across the wide range of services provided by the Group companies.



Review of the year
Details of the Syncora Group annual performance and future are set out within the Strategic Report that follows the Report of the Board.

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 Syncora Ltd are listed on page 1. The Directors possess the skills and experience necessary to fulfil their responsibilities to the Company.

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

Report of the Board (continued)

The Board (continued)
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.

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.

Audit & Assurance Committee
The Group Audit Committee met 4 times during the year. The Committee is responsible for reviewing the Calico Group's risk management framework and reports to the Board on the effectiveness of the Company's internal control arrangements. The Committee also review and consider the Calico Group's compliance with regulatory and legal requirements. The Committee addresses internal and external control issues, considering the scope of work of both internal and external audit activities including their appointments. It also considers the financial statements and recommends their approval to the Board.

Remuneration Committee
The Group Remuneration Committee met 4 times during the year. The Committee advises the Board on Non-executive member recruitment and remuneration and the appointment and remuneration of the Chief Executive and Executive Directors, taking independent advice and using consultants as necessary. The committee also sets the objectives for the Chief Executive and reviews performance against those objectives.

Conflict Resolution Policy
The Board Members acknowledge that regardless of the number of Boards within the Group upon which they serve, each Group Member is a legal entity, with its own distinct Board. When taking decisions, the Board Members on each Board are under a duty to act in the best interests of each separate legal entity. The rules of each Group member include appropriate wording to deal with conflicts generally, and 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.

Pensions
Executive Directors and senior leadership are eligible to join the Social Housing Pension Scheme. The Executive Officers participate in the scheme on the same terms as all other eligible staff. Full details of the scheme are given in note 1 to the financial statements.

Employees
The strength of Syncora lies in the quality and commitment of its employees. The contribution of its employees is essential in the ability of Syncora' ability to deliver its strategic objectives and commitments to customers.

Syncora continues to provide information on its objectives, progress, and activities through briefings from senior staff, regular departmental meetings, an annual staff conference, One Calico events, a performance and personal growth framework and a regularly updated intranet site. There is an Employee Voice Group which represents staff from across Calico and meet regularly with senior leaders to consider how Calico delivers services and runs its business.

Syncora is committed to inclusivity for all its employees and customers. Calico has established "This is Me" groups to support our colleagues and communities. The aim of these groups is to influence Calico's culture to ensure inclusivity and diversity in all realms. The vision of the This is Me Groups is "*Through our own diversity and lived experiences we will celebrate and champion (LGBTQ+/BAME/Youth) across the Calico Group and our communities".* Calico has retained its two ticks for disability recruitment, is a member of the HouseProud Network and a member of the Housing Diversity Network.

The Calico Group has been acknowledged by Inclusive Companies as one of the top 5 inclusive employers in the UK. This recognition is based on amalgamation of topics including recruitment procedures, training, workforce data and a host of diversity related initiatives. The Calico Group attracts a diverse range of staff from different backgrounds. Syncora's diversity of employees is 35% male, 65% female, 7% who self-identify as disabled, 12% from a BME background and 5% who identify as LGBTQ+.

Report of the Board (continued)

Health and Safety
The Board is aware of its Health and Safety responsibilities and has a policy statement in place, supported by a robust framework of policies and procedures. and receives regular reports on health and safety issues arising from across the organisation. The Health and Safety Performance Team, chaired by the Chief Executive, meets on a regular basis and receives regular reports on health and safety issues arising from across the organisation.

Internal controls assurance
The Board has overall responsibility for risk management and is responsible for ensuring the organisation has an effective system of internal control.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss, in line with the Board's view that risks should be controlled and not avoided.

In meeting its responsibilities, the Board has adopted a risk-based approach to establishing and maintaining internal controls that are embedded within day-to-day management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which Syncora is exposed.

The process for identifying, evaluating and managing the significant risks faced by Syncora is ongoing and has been in place throughout the period commencing 1 April 2020 up to the date of approval of the annual report and financial statements. The Board receives and considers reports from management on these risk management and control arrangements on a regular basis during the year and considers at each meeting whether the risk map needs amending as a result of the meeting.

Assurance on the effectiveness of key risk controls is reviewed annually both by Audit and Assurance Committee and the Board.

The arrangements adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework include:

- **Identifying and evaluating key risks**
  The Calico Syncora Group's risk management framework, setting out the Board's attitude to risk in the achievement of its objectives, underpins the risk management, business planning and control arrangements. These arrangements clearly define management responsibility for the identification, evaluation, and control of significant risks. The Executive Officers regularly consider reports on these risks and the Chief Executive is responsible for reporting to the Board any significant changes affecting key risks

- **Information and reporting systems**
  Financial reporting procedures include the Board review and approval of the annual budgets, and are supported by regular reporting, forecasts and cashflows which are reviewed and monitored by the Board throughout the year. Reports on key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes are regularly produced and reviewed. The outcomes of these reviews are formally reported and discussed by the Board quarterly.

- **Monitoring arrangements**
  Regular management reporting on control issues provides assurance to successive levels of management and to the Board. The Calico Group and Syncora have a number of policies and frameworks in place to support the systems of internal control. These cover issues such as fraud, whistleblowing, delegated authority, treasury management, health and safety, data protection and the code of conduct.

- **External Assurance**
  Internal Audit
  Internal Audit is provided by BDO LLP who are responsible for the independent and objective review of the effectiveness of the internal control system within the Calico Group and this provides independent assurance to the Board, via the Group Audit and Assurance Sub-Committee. The arrangements include a rigorous procedure, monitored by the Group Audit and Assurance Sub-Committee, for ensuring that corrective action is taken in relation to any significant control issues.

  External Audit
  External Audit is provided by Beevers and Struthers LLP who provide an external audit management letter, which is required to report any material weaknesses in internal controls identified in the course of their audit work, has been received. There were no such weaknesses identified on the effectiveness of existing internal controls that directly relate to the Financial Statements.

Report of the Board (continued)

National Housing Federation (NHF) Code of Governance
The Syncora Group has chosen to adopt 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. It should be noted that:

Group Board member Grahame Elliott and Syncora Board member Karen Ainsworth have served on the Boards of subsidiaries, Acorn Recovery Projects and Safenet Domestic Abuse and Support Services respectively, for over 9 years. While this is not in line with best practice the Board and Audit & Assurance Committee consider that Graham and Karen continue in their role due to the extensive knowledge, experience and skill that they bring to the Boards. Both of these positions will be reviewed annually.

In June 2021, the Group Board approved that Homes and the Calico Group will adopt the NHF Code of Governance 2020 for the year ended 31 March 2022 and is working towards full compliance by March 2022. The Board also approved that Syncora will adopt the 2020 Charity Governance Code for the year ended 31 March 2022. This governance code will apply to all entities within the Syncora Group.

Capital structure and treasury management
Within the Syncora Group, there is one entity, Acorn who has an external loan faciiltiy in place with Barclays Bank. As at 31 March 2021 the loan totalled £0.231m (2020: £0.261m) and there were not any additional borrowings undertaken in year. Acorn's loan is based on both fixed and floating rates and the loan is secured by fixed charges on Acorn properties.

Reserves
The Syncora Reserves Policy aims to keep unrestricted reserves to cover at least two months of variable expenditure to cover costs that are not contract related or where there is no notice of changes. After transfer of the total comprehensive surplus for the year £0.713m (2020: £0.213m), the Syncora Group reserves at the year end amounted to £0.976m (2020: £0.262m). Syncora Group reserves are calculated from income and expenditure reserve of £0.808m and a positive restricted reserve of £0.168m.

Statement of directors' responsibilities for the annual report and financial statements
Company law requires the directors to prepare financial statements for each financial period. Under that law directors have elected to prepare the financial statements in accordance with the Companies Act 2006.

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 Group and Company, and of the surplus or deficit of the Group for that period. In preparing these financial statements the Board is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on a going concern basis

The Board is responsible for keeping proper accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable it to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for taking reasonable steps to safeguard the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is also responsible for the maintenance and integrity of the corporate and financial information on the Group's websites. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors:
In so far as each director is aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Going concern
After making enquiries the Board has a reasonable expectation that Syncora and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future.

The Board is confident that Syncora Group remains a going concern for the following key reasons:

- Following the third lockdown announcement in January 2021, the Board continued its Business Continuity arrangements, which meant that all services that were able to be delivered safely were able to continue.
- Preparation of detailed financial forecasts, which demonstrate that the organisation has sufficient cash to meet its commitments.
- The subsidiaries within the Group have had sustained positive cashflows in prior years and have a number of medium term contracts in place and have also retained contracts in recent years, providing security.

Report of the Board (continued)

Going concern (continued)
After making enquiries, the Board is of the opinion that the Group has adequate resources to continue in operational existence for the foreseeable future. There was a surplus of £1m (2020: loss £0.4m) and net liabilities of £0.5m (2020: £1.5m), which includes £0.48m (2020: £0.21m) provision for the SHPS defined benefit scheme liability.

Syncora Group continues to adopt the going concern basis in the financial statements. After the deduction of the net liabilities of £0.5m (2020: £1.5m) from the fixed asset total of £2.1m (2020: £2.2m) for the year the Group has total net assets of £1.6m (2020: £0.7m).

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

This report was approved by the Board on 14 September 2021 and signed on its behalf by:

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

Strategic Report

The Syncora Group is part of The Calico Group. The Group's innovative charities and businesses provide a diverse range of services, with each Group company having its own specialism, expertise, and a track record across a range of disciplines including housing, healthcare, support, employability, and construction. Working alongside the rest of The Calico Group , Syncora Limited was incorporated 26th January 2018 as a private company limited by guarantee without share capital to act as the parent body for the Care and Support companies of the Calico Group.

Principal Activities, by Company
Acorn Recovery Projects ("Acorn") was incorporated as a not for profit company limited by guarantee to provide an innovative range of recovery services which enable individuals and their families to break free from drug, alcohol, and other addictions. Acorn helps to find not just immediate recovery, but emotional, social, lifelong recovery. Acorn is the parent entity of Delphi Medical Limited and Delphi Medical Consultants Limited ("Delphi") who provide clinical treatment for detoxification services which complements existing recovery services provided by Acorn Recovery Projects.

Delphi Medical Ltd is the lead provider of integrated substance misuse services in Blackpool and in Manchester and in prisons in the North West, working alongside Acorn. Delphi provide safe and effective detoxification services from drugs and/or alcohol, to patients funded privately or via their Local Authority. Services are provided from The Pavilion, which is a stunning residential detoxification facility situated in private grounds, just outside Lancaster.

Delphi Medical Consultants Ltd ("DMC") makes a difference to people's lives by providing innovative and specialist addiction services that lead the way 'from Dependence to Freedom'. DMC provides clinical and psychosocial services as part of an integrated recovery pathway that supports and facilitates clients to engage in genuine recovery. DMC service provision spans community and prison settings and is focused on developing pathways that bring substance misuse into broader health and social care provision with the aim of improving the health and wellbeing of all DMC clients and their families.

SafeNet Domestic Abuse and Support Services ("SafeNet") provides temporary emergency accommodation and community-based support services to women, children and men experiencing domestic abuse, and on-going support to re-establish healthy lives.

Enterprise provides support 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, and the advancement of education, training, and the relief of people who are not in work, low paid, low skilled or have no skills.

Objectives and Activities
Acorn supports people through their recovery journey in a passionate way – going 'One Step Further' with individuals to help them achieve a life worth living. Acorn continues to serve over 200 individuals at any one time through a range of services and interventions across the Lancashire, Cheshire and Greater Manchester footprint. Acorn's core values are centred around achieving abstinence-based recovery –there are 73 members of staff, which includes 85% of staff who are in recovery themselves, and a great strength is their ability to support and share their experiences with others going through their recovery journey.

As part of the Calico Group, Acorn has been able to widen the available support to its customers, particularly around services such as supported housing and employment opportunities where the company is working with its internal partners in Calico Homes and Enterprise.

Delphi Medical Ltd's aim is to inspire those they work with to better achieve their potential. All Delphi services are focused on developing pathways that bring substance misuse into broader health and social care provision with the aim of improving the health and wellbeing of all Delphi clients and their families.

DMC's response to Covid-19 has been positive, in respect of keeping clients safe, and also the business achieved its most successful year to date financially despite numerous challenges to overcome. Now part of Syncora, DMC has the strength of Syncora and the Calico Group supporting growth and further enhancing its profile across the North West.

SafeNet's services to Victims of Domestic Abuse include accommodation-based services, communal refuges, move-on support, & dedicated male victim safe houses. Safenet also provide community based support, outreach and floating support with the aim to provide immediate support in crisis situations, and on-going support to build positive change.

Enterprise's purpose is to be a catalyst for change in people's lives by creating opportunities to help people make the positive changes they seek. This is achieved through the delivery of social enterprise, skills, and support contracts.

Achievements and Performance
Throughout the COVID 19 pandemic Syncora has continued to focus on effective management and leadership and ensuring sufficient oversight and assurance reporting is in place across all Syncora companies. All companies within Syncora have received grant monies and additional funding in relation to the pandemic which has been used to ensure vital services for its customers have continue to be delivered across Syncora throughout 20/21.

Acorn has benefitted from several grant applications and donations. Acorn services include a volunteering program, counselling, and community services. Acorn works within a range of community settings alongside partner agencies including Delphi Medical Ltd, Change Grow Live (CGL), New Leaf, Greater Manchester Health and Social Care Partnership and Lancashire and South Cumbria Foundation Trust, Supported Housing, Prison in-reach & outreach.

Strategic Report (continued)

Achievements and Performance (continued)
Delphi Medical Ltd's Pavillion has seen an improvement in its financial position, benefiting from a more stable occupancy level and more consistent uptake of services from both privately funded patients and patients coming to Delphi via their local authority.

DMC have various contracts in place across Local Authorities and also Mental Health Trusts. These contracts deliver integrated substance misuse services, provide clinical and psychosocial services to two prisons, and there has been an additional new contract to provide psychosocial services in an additional two prisons until 2025. DMC will continue to tender for appropriate contracts in line with the companies aims and objectives. .

SafeNet has successfully secured new funding for mental health & also a continuation of funding from Ministry of Justice supporting specialisms and developed and extended provision for male victims and complex needs. SafeNet has established additional accommodation to support the Covid-19 crisis provision of 30 units, along with additional 40 longer term units in the North West, and a new refuge opened in Lancaster.

Calico Enterprise's objectives for personal change are achieved through the delivery of social enterprise, skills and support contracts. Calico Enterprise has continued operating its support services, expanding across Lancashire. In addition, the work streams initiatives continue which includes Calico Interiors, Clean Team, Constructing the Future, Careers Service, Catering, Calico Assure, Furniture Matters and Afta Thought. Calico Enterprise also provides services that support vulnerable people to achieve and maintain independence including floating support service, provide support to over 300 people this year, and a global resettlement programme, providing the support required to enable the families to re-settle in the United Kingdom, and Gateway, a homelessness service for people with complex needs.

Key Performance Highlights
Growth indicators are particularly strong with over £3.4million contracts won in the year with a 69% tender success rate.
All Care Quality Commission (CQC) ratings remain "good", with positive feedback received from the CQC.

Syncora have supported 12,637 customers in the last 12 months achieving a consistent satisfaction level of above 90%. CQC Assessments have remained at 100% either rated as good or higher and 100% of safeguarding recommendations have been actioned within the agreed timescales.

Priorities and targets for 2021 – 2022
The Syncora Group's priorities for the coming year are to:

- Create a Syncora growth strategy
- Create a Syncora customer strategy
- Review substance misuse offer
- Focus on Leadership & management arrangements
- Supporting staff – resilience

Acorn is focussing on nurturing relationships the company has with providers supporting existing contract relationships and will also be focussed on increasing contracts. Acorn is aiming to secure new premises to deliver an enhanced residential rehabilitation offer.There are plans to strengthen the Group offer with Delphi Medical and Acorn targeting further community and prison contracts.

There will be new opportunities for *Delphi Medical Ltd* centred around the Government's announcement of nationwide increased funding for detox services, which is now starting to filter through to Delphi's services. The Delphi companies are part of a combined Group business strategy for growth based upon geography and themed work-streams and developing a bidding model within the Group to enable the Delphi companies to bid for large scale service models across the North West.

A key challenge for *DMC* in bidding processes sits with its main competitors, NHS trusts, large voluntary sector providers, and large private sector organisations. DMC are able to compete on the quality which can and is being delivered which puts it in a positive position for the future..

SafeNet's growth strategy concentrates on the maintenance and consolidation of existing services across Lancashire and Greater Manchester, and further expansion in conjunction with the property-owning strength and expertise of the Calico Group. This will include extension of contracts to 5 years (currently 3 years), and extension of refuge commission.

Enterprise's priorities for the coming year are to establish and further develop the company model and offer around Homelessness, a nd continuing to develop and nurture links and partnerships with the health sector.

The Syncora group is continuing to invest in further growth in 2 senior leadership posts. In 21/22 Syncora has recruited a new Director of Treatment and Recovery which will lead both Acorn and Delphi. In addition a new Managing Director for Syncora is due to join the organsation in September 2021.

Strategic Report (continued)

Principal Risks and Uncertainties
As part of the Calico Group approach to risk management, Syncora Group companies have in place risk maps which are 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 exposure to the major risks. The Risk Map includes a mix of both strategic and operational risks. The most significant risks faced by Syncora Group are shown in the table below:

Risk code and title	Management controls
Capacity for Growth	• Growth strategy in place that has been approved by the Board, with regular updates on progress provided. • Quarterly Growth report provided to Exec and Board for purpose of monitoring growth activity. • Strategic Growth Group established with mandate to ensure growth opportunities are pursued appropriately. • Growth should be focused on key business areas identified in the forward plan. • Consideration to be given to need to progress combined approach to a Group business development team. • Continued relationship building with current and potential funders. • Diversification projects explored. • 2 new senior leadership posts introduced adding much needed resource
Health & Safety -Serious incident	• Safeguarding and health and safety policies are in place. Policy leads ensure effective and appropriate action is taken. • Professional boundaries policy is in place. • Risk assessments are completed for all clients which include risks posed to themselves, staff and other clients. • Health and safety assessments and testing carried out such as legionella and fire. • Regular health and safety checks completed in all properties and audited via CQC Registered Managers. • Feedback received from clients on an ongoing basis to improve performance. • Group Board receive annual compliance report on Health and Safety. • All managers have an awareness of the reputational risk map and actions to be taken to mitigate any risks.
Pandemic	• Risk assessments implemented for each service area with regular reviews • Government guidance followed • Remote ways of working implemented • Groups restricted where social distancing can be maintained. • Reduced staffing rotas • Support for staff who have had to shield • Worked closely with funders to ensure ability to continue to accept referrals safely. • Respond to Pandemic in line with national guidance and in conjunction with commissioners. • Services monitoring effectiveness and client care during the pandemic. • Additional expenditure monitored. Budgets re-forecasted.

The Board are satisfied with the progress being made and that the various companies in the Group will grasp the opportunities that they generate or that arise during the coming year and manage the challenges to minimise or mitigate their effect.

This report was approved by the Board on 14 September 2021 and signed on its behalf by:

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

Independent Auditor's Report to the Members of Syncora Limited

Opinion
We have audited the financial statements of Syncora Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the 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 "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 group's and of the parent company's affairs as at 31 March 2021 and of the group's 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 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 directors (who are also the directors of the company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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 Syncora Limited (continued)

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors report .

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

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

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 company or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

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

Independent Auditor's Report to the Members of Syncora Limited (continued)

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

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

Lee Cartwright FCA (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

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Turnover	2	18,604	15,866
Operating costs	2	(17,792)	(16,063)
Operating surplus/(loss)		812	(197)
Interest receivable and similar income		30	1
Interest payable and financing costs	4	(39)	(8)
Surplus/(loss) before tax		803	(204)
Taxation	8	7	-
Payment to charity under gift aid scheme		200	200
Surplus for the year after tax		1,010	(4)
Actuarial gain in respect of pension schemes	6	(297)	217
Total comprehensive profit for the year		713	213

The notes on pages 18 to 32 form part of these financial statements.

Consolidated Statement of Financial Position
As at 31 March 2021

	Note	2021	2020
		£'000	£'000
Fixed assets			
Tangible fixed assets	9	2,076	2,071
Intangible fixed assets and goodwill	10	49	147
		2,125	2,218
Current assets			
Stock		18	21
Debtors	11	2,521	1,740
Cash and cash equivalents		810	434
		3,349	2,194
Creditors: Amounts falling due within one year	12	(3,826)	(3,702)
Net current assets/(liabilities)		(477)	(1,508)
Total assets less current liabilities		1,648	710
Creditors: Amounts falling due after more than one year	13	196	226
Provisions for liabilities	16	476	222
		672	448
Capital and reserves			
Income and expenditure reserve		808	122
Restricted reserve		168	140
Group reserves before minority interest		976	262
Total reserves		976	262
		1,648	710

The notes on pages 18 to 32 form part of these financial statements.

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

Richard Jones
Chair of the Board
14 September 2021
For the year ended 31 March 2021

Statement of Financial Position – Syncora Limited

As at 31 March 2021

	Note	2021	2020
		£'000	£'000
Fixed assets			
Investments		-	-
Current assets			
Debtors	11	6	3
Cash at bank and in hand		-	11
		6	14
Creditors: Amounts falling due within one year	12	(6)	(14)
Net current assets		-	-
Net assets		-	-
Capital and reserve			
Income and expenditure reserve		-	-
Total Funds		-	-

Syncora Limited is a private company limited by guarantee without share capital

The notes on pages 18 to 32 form part of these financial statements.

The financial statements on pages 13 to 32 were approved and authorised for issue by the Board on 14 September 2021 and signed on its behalf by:

Richard Jones
Chair of the Board
14 September 2021
For the year ended 31 March 2021

Consolidated Statement of Changes in Reserves

	Income and expenditure reserve £'000	Restricted reserve £'000	Total excluding non-controlling interest £'000	Non-controlling interest £'000	Total including non-controlling interest £'000	Restricted fund £'000	Unrestricted fund £'000
Balance at 31 March 2019	(94)	144	50	-	**50**	144	(94)
Surplus from Statement of Comprehensive income	213	-	213	-	**213**	-	213
Transfer of restricted expenditure from unrestricted reserve	4	(4)	-	-	**-**	(4)	4
Balance at 31 March 2020	123	140	263	-	**263**	140	123
Surplus from Statement of Comprehensive income	713	-	713	-	**713**	-	713
Transfer of restricted expenditure from unrestricted reserve	(28)	28	-	-	**-**	(28)	28
Balance at 31 March 2021	808	168	976	-	**976**	168	808

syncora
the calico group together

Consolidated Statement of Cash Flows

For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Net cash inflow from operating activities	21	548	(511)
Cash flow from investing activities			
Interest received		30	29
Purchase of tangible fixed assets	9	(133)	(47)
Purchase of intangible fixed assets	10	-	-
Net cash from/(used in) investing activities		(103)	(18)
Cash flow from financing activities			
Interest paid		(39)	(46)
Repayment of borrowings		(30)	(29)
Net cash used in financing activities		(69)	(75)
Net change in cash and cash equivalents		376	(604)
Cash and cash equivalents at beginning of the year		434	1,038
Cash and cash equivalents at end of the year		810	434

The notes on pages 18 to 32 form an integral part of these accounts

Notes to the Consolidated Financial Statements

Legal Status
Syncora Limited is a not for profit, non charitable company limited by guarantee incorporated in England & Wales. The Company is non asset holding and provides strategy and direction to the Group ensuring opportunities are seen with a whole Group perspective. Syncora Limited has a common board for Safenet Domestic Abuse Support Services Ltd, Acorn Recovery Projects, Enterprise Limited, Delphi Medical Limited and Delphi Medical Consultants Limited. The registered office is Centenary Court, Croft Street, Burnley, Lancashire, BB11 2ED.

1. Accounting policies

Basis of accounting
The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The financial statements are presented in sterling £'000 because that is the functional currency of the Group.

The Syncora Group Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in respect to financial instruments and presentation of a cash flow statement.

Going concern
The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted and we consider it appropriate to continue to prepare financial statements on a going concern basis.

The Board are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. There was a surplus of £1.01m (2020: loss £4k) and net liabilities of £478k (2020: £1.5m), which includes £475k (2020: £213k) provision for the SHPS defined benefit scheme liability.

Basis of consolidation
The consolidated financial statements incorporate the results of Syncora Limited, and its subsidiary undertakings Calico Enterprise Limited, SafeNet Domestic Abuse and Support Services Ltd, Acorn Recovery Projects, Delphi Medical Limited and Delphi Medical Consultants Limited.

Using the acquisition or merger method of accounting as required, where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition, being the date the Group obtains control. Where the merger method is used, the results are incorporated from the date that control passes. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

Where necessary, adjustments are made to financial statements of subsidiaries to bring accounting policies used into line with those used by other members of the group.

The Group has taken advantage of the exemption granted under Section 408 of Companies Act 2006 from disclosing the unconsolidated Statement of Comprehensive Income for the parent entity.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- **Pension and other post-employment benefits.** The cost of defined benefit contributions and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

Other key sources of estimation and assumptions:

- **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.
- **Goodwill and intangible assets.** The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (continued)

Merger accounting
Where merger accounting is used, the investment is recorded at the nominal value of shares issued together with the fair value if any additional consideration paid. In the Group's financial statements, merged subsidiary undertakings are treated as if they already had been a member of the group. The results of such a subsidiary are included for the whole period in the year it joins the group. The corresponding figures for the previous year include its results for that period and the assets and liabilities at the previous balance sheet date.

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. This is currently 5 years. The Group 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 and any legal, regulatory or contractual provisions that can limit useful life assumptions that market participants would consider in respect of similar businesses.

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%

Turnover
Turnover represents supporting people services contract income, revenue grants from local authorities and other income and are recognised in relation to the period when the goods or services have been supplied.

Turnover is stated exclusive of Value Added Tax ("VAT") and a summary can be found in note 2 to the financial statements.

Loan Interest payable
Loan Interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Loan finance issue costs
These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised.

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

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

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted. Deferred tax assets are only recognised to the extent that their recovery is reasonably expected in the foreseeable future.

Value added tax
The Group charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and not recoverable.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (continued)

Tangible fixed assets and depreciation

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

• Freehold property	75 years
• Leasehold properties	75 years or the term of the lease (whichever is lower)
• Furniture, fixtures and fittings	10-33%
• Computers and office equipment	5-33%
• Motor vehicles	25%

Leased assets
Assets held under finance leases are included in the balance sheet and depreciated in accordance with the Company's normal accounting policies. The present value of future rentals is shown as a liability.

The interest element of rental obligations is charged to the income and expenditure account over the period of the lease in proportion to the balance of capital repayments outstanding.

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

Stock
Stock is stated at lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stock is assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of Comprehensive Income.

Short-term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Holiday Pay accrual
A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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

The Group 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 6.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (continued)

Financial instruments
Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Commitments to receive or make a loan to another entity which meet the conditions in paragraph 11.8(c) of FRS 102 are measured at cost less impairment.

Financial instruments held by the Group are classified as follows:

- Financial assets such as cash, current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method.
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method.
- Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method.
- Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment.
- An investment in another entity's equity instruments other than non-convertible preference shares and non-puttable ordinary and preference shares are held at fair value.
- Derivatives such as interest rate swaps are classified as financial assets or financial liabilities at fair value.

Impairment of financial assets
Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Other financial instruments are assessed for impairment either individually or grouped on the basis of similar credit risk characteristics.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in profit or loss immediately.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

(a) For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

(b) For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

Notes to the Consolidated Financial Statements (continued)

2. Turnover, operating expenditure and operating surplus / (deficit)

Continuing activities

	2021 Turnover £'000	2021 Operating costs £'000	2021 Operating surplus £'000	2020 Turnover £'000	2020 Operating costs £'000	2020 Operating deficit £'000
Group activities	18,604	(17,792)	812	15,866	(16,063)	(197)

3. Profit on ordinary activities

The operating profit is stated after charging/(crediting):-

	Note	2021 £'000	2020 £'000
Depreciation of tangible fixed assets	9	127	121
(Gain)/loss on disposal of other tangible fixed assets		-	-
Amortisation of intangible fixed assets	10	98	92
Operating lease rentals – land and buildings		758	75
Operating lease rentals – other		65	194
Auditor's remuneration (excluding VAT):			
• for audit services		23	18
• for non-audit services		-	-

4. Interest payable and finance costs

	2021 £'000	2020 £'000
Loans and bank overdrafts	5	8
Net interest on pension deficit	34	-
	39	8

5. Employees

Average monthly number of employees

	2021 No.	2020 No.
Administration	54	46
Housing and community services	347	258
Non social-housing activity	112	144
Total	513	448
Full-time equivalents (36.25 hours/week)	387	355

Notes to the Consolidated Financial Statements (continued)

5. Employees (continued)

	2021	2020
Employee Costs	**£'000**	**£'000**
Wages and salaries (gross)	10,269	9,307
Social security costs	871	767
Other pension costs	341	394
Termination payments	10	15
Total	11,491	10,483

Number of employees in the Group with emoluments, including pension contributions, between:

	2021	2020
	No.	**No.**
£60,000 to £70,000	3	2
£70,000 to £80,000	1	2
£80,000 to £90,000	2	1

6. Pensions

Social Housing Pension Scheme

The Group participates in a defined benefit multi-employer pension scheme, Social Housing Pension Scheme, administered by TPT Retirement Solutions. 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 (£000s)	31 March 2020 (£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)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION	Period from 31 March 2020 to 31 March 2021 (£000s)
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

Notes to the Consolidated Financial Statements (continued)

6. Pensions (continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS	**Period from 31 March 2020 to 31 March 2021 (£000s)**
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.

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

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)	**Period from 31 March 2020 to 31 March 2021 (£000s)**
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)

Notes to the Consolidated Financial Statements (continued)

6. Pensions (continued)

ASSETS	31 March 2021 (£000s)	31 March 2020 (£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.

KEY ASSUMPTIONS	31 March 2021 % per annum	31 March 2020 % 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

Notes to the Consolidated Financial Statements (continued)

7. Board members and Key Management Personnel Remuneration

Eight Board members received salaries during the period.

	2021	2020
	£	£
Board Member salaries	38,000	41,500

	Group	Group
	2021	2020
	£'000	£'000
The aggregate emoluments paid to or receivable by non-executive Directors	38	42
The aggregate emoluments paid to or receivable by company leads	528	234
The aggregate compensation paid to or receivable by company leads	-	-
The emoluments paid to the highest paid company lead (excluding pension)	77	77
The aggregate pension costs for company leads	10	14
The aggregate amount of any consideration receivable from third parties for making available the services of executive officer	-	-
Total key management personnel remuneration	**566**	**276**

The key management personnel are the company leads of the group entities and the Board members of Syncora

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

8. Taxation on ordinary activities

Most subsidiaries in the group hold charitable status and therefore their activities are deemed to be non-taxable. The exceptions to this are any profits made by Delphi Medical Limited, Delphi Medical Consultants Limited and Syncora Limited.

	2021	2020
	£'000	£'000
UK corporation tax charge for the year	1	-
Deferred taxation charge for the year	(8)	-
	(7)	-
Profit/(loss) on ordinary activities before tax at standard rate of corporation tax	803	(4)
Surplus on ordinary activities before tax at standard rate of corporation tax of 19%	153	(1)
Effect of charitable income and expenditure not subject to tax	(112)	(56)
Adjustment for short term timing differences	(40)	-
Depreciation in excess of capital allowances	(8)	-
Loss carried forward	-	57
Tax charge for period	(7)	-

Notes to the Consolidated Financial Statements (continued)

9. Tangible fixed assets

	Freehold property	Leasehold property	Furniture, fixtures & fittings	Computers & Office Equipment	Motors	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 31 March 2020	1,347	790	523	296	54	**3,011**
Additions	-	-	51	82	-	**133**
Disposals	-	-	-	-	(5)	**(5)**
At 31 March 2021	1,347	790	574	378	49	**3,139**
Depreciation and impairment						
At 31 March 2020	259	83	320	245	32	**940**
Charged in year	13	10	64	33	8	**127**
Disposals	-	-	-	-	(4)	**(4)**
At 31 March 2021	272	93	384	278	36	**1,068**
Net book value at 31 March 2021	**1,075**	**697**	**190**	**100**	**13**	**2,076**
Net book value at 31 March 2020	1,088	707	204	43	22	2,071

Notes to the Consolidated Financial Statements (continued)

10. Intangible Fixed Assets

	Goodwill	Software & Licences	Group Total
Cost	**£'000**	**£'000**	**£'000**
At 31 March 2020	411	62	473
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	411	62	473
Amortisation			
At 31 March 2020	304	22	326
Charge for the year	82	16	98
At 31 March 2021	386	38	424
Net Book Value at 31 March 2021	**25**	**24**	**49**
Net Book Value at 31 March 2020	107	40	147

11. Debtors

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Other debtors	2,004	1,502	-	-
Amounts owed from group undertakings	43	21	6	3
Prepayments and accrued income	474	217	-	-
Taxation and social security	-	-	-	-
	2,521	1,740	6	3

12. Creditors: amounts falling due within one year

	Group		Company	
	2021	**2020**	**2021**	**2020**
	£'000	**£'000**	**£'000**	**£'000**
Debt (Note 14)	35	36	-	-
Trade creditors	290	433	-	-
Amount owed to group undertakings	1,670	2,669	3	14
Other creditors	94	12	-	-
Accruals and deferred income	1,719	552	3	-
Other taxation and social security	18	-	-	-
Pension liability – SHPS (Note 6)	-	-	-	-
	3,826	3,702	6	14

Notes to the Consolidated Financial Statements (continued)

13. Creditors: amounts falling due after more than one year

	Group 2021 £'000	Group 2020 £'000
Debt (Note 14)	196	226
	196	225

14. Debt analysis

	Group 2021 £'000	Group 2020 £'000
Bank loans		
Within one year	36	36
Between two to five years	144	144
After five years	51	81
	231	261

Loan account no.	Expiry	Interest Rate %	Legal charge	Balance £
44461770	April 2028	2.56%	Rosemary Court	231,228

All the bank loans are Acorn loans from Barclays Bank plc totalling £231,228 (2020: £261,438) are secured by legal charges over specific assets held by Acorn (Rosemary Court), which at 31 March 2021 had a net book value of £451,050 (2020: £455,900).

Notes to the Consolidated Financial Statements (continued)

15. Operating leases

The Group had commitments of future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £'000	Group 2020 £'000
Land and buildings, leases expiring:		
• Within one year	687	218
• Two to five years	474	21
	1,161	239
Other leases expiring:		
• Within one year	53	16
• Two to five years	195	14
	248	30

Syncora Company has no Commitments for the period (2020: £Nil)

16. Provisions for liabilities

	2021 £'000	2020 £'000
SHPS – Social Housing Pension Scheme (Note 6)	475	213
Deferred taxation	1	9
	476	222

17. Contingent liabilities

There were no contingent liabilities at 31 March 2021 (2020: £Nil).

18. Parent Undertaking

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

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

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

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

These accounts include the results of the Company.

Notes to the Consolidated Financial Statements (continued)

19. Related parties

Members of Syncora Board are also members of other group company boards: Richard Jones CBE & Grahame Elliot CBE (Calico Group Board).

Transactions between related parties are on an arm's length basis at normal market prices. 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 entity.

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

Calico Homes Limited ("Homes"), *a fellow subsidiary of The Calico Group Limited*
During the year, Syncora Group supplied Homes with cleaning, painting and decorating, catering and apprentice management services amounting to £406,000 (2020: £633,000) and Homes recharged office costs and rent totalling £1,077,000 (2020: £820,000).

At 31 March 2021, Syncora Group owed to Homes £921,000 (2020: £2,169,000), and Homes owed Syncora Group £16,000 (2020:Nil).

Ring Stones Maintenance and Construction LLP ("Ringstones"), *a fellow subsidiary of The Calico Group Limited*
During the year, Syncora Group supplied Ringstones with catering, cleaning, painting and decorating services amounting to £438,000 (2020: £230,000).

At 31 March 2021, Ring Stones owed the company £27,000 (2020: £21,813). Syncora Group owed Ringstones £750,000 in respect of a company loan (2020: £500,000).

20. Investment in subsidiaries

As required by statute, the financial statements consolidate the results of:

- Syncora Limited, the parent undertaking
- Calico Enterprise Limited
- SafeNet Domestic Abuse and Support Services Ltd
- Acorn Recovery Projects
- Delphi Medical Limited
- Delphi Medical Consultants Limited

The Syncora Group is the Parent Company for Calico Enterprise Limited, SafeNet Domestic Abuse Support Services and Acorn Recovery Projects.

In January 2018 Syncora Limited, a company limited by guarantee, was formed to control the care and support entities. Calico Enterprise Limited is a charitable subsidiary formed to assist the delivery of a range of care and worklessness related services, SafeNet Domestic Abuse and Support Services Ltd is a charitable subsidiary which protects victims of domestic violence and abuse and provides services to support victims. Acorn Recovery Projects is a charitable subsidiary formed to help the recovery of addicts.

During a prior year, Acorn Recovery Projects acquired 100% of the shares of Delphi Medical Limited and Delphi Medical Consultants Limited which provide clinical treatment for detoxification services.

At 31 March 2021, Delphi had net liabilities £1,249,000 (2020: £1,468,961) following a surplus for the year £213,000 (2020: loss £298,038) and allotted share capital of £1,004 (1,004 of £1 Ordinary Shares).

Notes to the Consolidated Financial Statements (continued)

21. Reconciliation of Group surplus before tax to net cash generated from operating activities

	Note	2021 £'000	2020 £'000
Surplus/(loss) before tax		803	(204)
Adjustments for non-cash items:			
Pension adjustment	6	(34)	(18)
Depreciation of tangible fixed assets	9	127	121
Amortisation of intangible fixed assets	10	98	92
Tax received/(paid)		-	(4)
Payment to charity under gift aid scheme		200	200
Working capital movements:			
Decrease in stock		3	4
(Increase)/decrease in debtors		(815)	27
Increase/(decrease) in creditors		157	(736)
Adjustments for investing or financing activities:			
Interest payable and financing costs		39	8
Interest receivable and other income		(30)	(1)
Net cash generated from operating activities		**548**	**(511)**

22. Financial instruments

	2021 £'000	2020 £'000
Financial assets that are debt instruments measured at amortised cost:		
• Cash at bank and in hand	810	434
• Intercompany balances	43	21
• Other debtors	1,004	1,501
	2,857	1,956
Financial liabilities at amortised cost:		
• Bank loans	231	261
• Trade creditors	290	433
• Intercompany balances	1,670	2,669
	2,191	3,363