



CHRYSALIS

"A safe home, A fresh start, A bright future!"®



2023
CHRYSALIS
GROUP
ANNUAL REPORT

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Legal and Administrative Details

REGISTERED OFFICE:

3 Brook Office Park
Folly Brook Road
Emersons Green
Bristol
BS16 7FL

INDEPENDENT ACCOUNTANTS:

Fawcetts LLP Chartered Accountants
Windover House
St Ann Street
Salisbury
SP1 2DR

PRINCIPAL BANKER:

Barclays Bank Barclays
4th Floor, Bridgewater House
Counterslip
Finzels Reach
Bristol
BS1 6BX

LAWYER ADDRESS:

Geldards LLP
4 Capital Quarter,
Tyndall Street,
Cardiff
CF10 4BZ

Structure, Governance and Management

The directors present their report with the financial statements of the company for the period ended 31 December 2023.

LEGAL STRUCTURE

The Company was incorporated on the 27th January 2023 and is registered in England under number 14621546.

BOARD

Directors who served during the period ended 31 December 2023 and to date, were as follows:

Colin Mackell (appointed 27/1/23)
Malcolm Evans (appointed 30/6/23)
Anne Tew (appointed 30/6/23)
Kevin Neal (appointed 1/1/24)

PRINCIPAL OBJECTIVES AND ACTIVITIES

The Chrysalis Group is made up of a number of organisations working from within the specialist supported housing, care, specialist support and specialist service delivery sector, that combines traditional and tailored approaches to scheme creation, development, funding, investment, design, and operational delivery.

We provide this with a level of expertise that is recognised as innovative, pragmatic, quality and uniquely person driven to each individual's needs. Our approach and style is continually recognised as leading the field in delivering effective and evidence-based outcomes that work, are viable, and remain flexible, yet sustainable.

We are made up of a number of specialist service providers that are designed to address some of society's most pressing issues and demands such as homelessness, crime, rehabilitation, addiction, domestic abuse and sexual violence, trauma, mental health, illness, disability and inequality.

We are committed wholeheartedly to continuing to provide a solution that continues to address, at scale, the undeniable and pressing need to provide for the lack of, care and support interventions and the delivery of good quality, specialist, structured, and adequately managed supported housing.

Collectively providing these services for over 20 years, we have naturally built up a vast amount of experience of knowing how to appropriately support, care for and to house people who are vulnerable, especially those who have particularly challenging and complex life experiences. These people are often difficult to find viable solutions for, desperately need access to appropriate support, care and or treatment with adequate and effective levels of support and or care being provided for them, from within, safe appropriately designed, structured accommodation, and or services.

We have a network of direct and indirect delivery partners and joint ventures including with local authority and NHS commissioners, Integrated Commissioning Boards (ICB's), including specialist developers, private and social investors, alongside excellent care and support providers large and small from across the U.K.

Chrysalis Group Services Limited (CGS) has 5 subsidiaries which includes Chrysalis Supported Association Ltd (CSA), a Non-Profit Private Registered Social Landlord, RSL/Housing Association, Opoka and the Compass Project 2012 (CIC). Opoka is a Charitable incorporated Organisation (CIO). Both CSA and Opoka operate their own independent Boards to ensure good governance. CGS acts as the overarching strategy and supervisory board that currently consists of two Executive and two Non-Executive members.

The management teams have delegated responsibility for the day-to-day running of the relevant organisation but the ultimate responsibility will sit with the Chrysalis Group board as the Parent.

Therefore, our combined day to day objectives and activities of the Chrysalis Group include:

- Providing Specialist Supported Housing for people with Disabilities, Complex Needs, Addiction, Domestic Abuse, Homelessness, Mental Health Issues, and other support needs.
- Tailoring all schemes to meet the specific needs of Residents, including providing timely access to appropriate support, treatment, and or care.
- Working with local authorities, NHS commissioners, ICB's, Developers, Investors, and other Care & Support Providers, including our own to deliver high-quality, effective, viable, and sustainable services.
- Ensuring good governance and oversight through the Chrysalis Group board, as well as the individual boards of CSA, Opoka, and The Compass Project.
- Supporting the independence and autonomy of CSA, Opoka, and Compass through the transition to fully independent trustee boards.
- Managing the day-to-day operations of the organisations within the Chrysalis Group while maintaining ultimate responsibility at the group level.

CHRYSLIS GROUP STRUCTURE

The Group was set up to enable its subsidiaries to diversify, strengthen governance and create investments opportunities while driving growth and quality enabling a range of collaborative opportunities that continue to raise the profile and reputation of the Group's offer.

Separate companies are created where separation due to service delivery or governance arrangements makes this a more appropriate model. This contributes to the following:

- Focus on delivery of clear objectives for each area, reporting on each
- Utilising and maximising unique skill sets relevant to that delivery area
- Ring fencing risk within each delivery area
- Ring fencing investment opportunities
- Clear offering for partnerships working within each area

Chrysalis Group Services Limited

Directors Report for the period ended 31 December 2023



Chrysalis Group Services Limited

Date Formed: 27/01/2023
Company Number: 14621546

Directors:

- Colin Mackell (CEO)
- Anne Tew (CFO + Secretary)
- Malcolm Evans (Chair)
- Kevin Neal NED

Chrysalis Maintenance Services Limited

Company Number:
14631730

Directors:
- Colin Mackell
- Anne Tew
- Matthew Bennett

Date Formed:
27/01/2023

Chrysalis Supported Association Limited

Company Number:
IP29818(R)

Managing Director:
- Maxine Gall

Date Formed:
31/08/2004

Non-Executive Directors:
- Kevin Barker-Lee (Chair)
- Rino Ferringo
- Gillian Borg
- Nora Law
- David Leech
- Beatrice Pounder

Compass Project 2012 CIC

Company Number:
08043211

Director:
- Colin Mackell
- Rino Ferringo

Date Formed:
24/04/2012

Opoka CIO

Company Number:
CE026183/1195206

Trustees:
- Joanna Szuryn (Chair)
- Milena Zepp-Suwara
- Elzbieta Wassell
- Sandra Paslawska
- Aneta Wrzos-Porada

Date Formed:
19/03/2021

GROUP COMPANIES

Chrysalis Supported Association Limited

Chrysalis Supported Association (CSA) is a non-profit private Registered Social Landlord (RSL) commonly referred to as a Housing Association (HA) or a Registered Provider (RP).

CSA's predominate object is to deliver homes, and related support and/or care services to a range of vulnerable people across the U.K.

CSA does not currently operate a general needs portfolio and neither does it currently receive any direct government subsidy.

CSA delivers intensive housing management services which includes the provision of a reactive, responsive, planned and cyclical maintenance services with a 365 day a year emergency out of hours service.

The way this is delivered depends on the following:

- The needs of the tenant
- The vulnerability and diagnosis of the tenant
- The risks posed by the tenant or to the tenant
- The type of scheme the tenant resides in

Opoka Charitable Incorporated Organisation

Established in 2012, Opoka is a specialist bilingual domestic abuse service for Polish women and children. Since 2012, Opoka has expanded services to meet the needs of the Polish community and has reached tens of thousands of vulnerable and isolated Polish families.

OPOKA aims to help women and children in the Polish community improve health, well-being, financial stability, and happiness.

Services have extended from standard domestic abuse services to include a successful children's community programme, education, and life skills development, helping clients to access work and safe house provision for single women with children.

Chrysalis Maintenance Service Limited

Services offered by Chrysalis Maintenance include small repairs due to wear due tear or damage, cyclical maintenance such as gutter clearance and gardening as well as annual health and safety checks with resulting actions and 24 hour emergency cover.

Originally developed as part of Chrysalis Supported Association, this specialised maintenance service is to respond to the needs of the supported tenants in the housing.

In July 2023 the service was moved into a separate company, from Chrysalis Supported Association, to allow it to offer these specialised services to other housing landlords across all the areas covered.

Compass Project 2012 CIC

Compass, a Bristol Social Enterprise founded in April 2012 set up for and informed by people in recovery from addiction and managed by a team of skilled professionals and trained mentors. Its main focus is to help others recovering from addiction and mental health issues, so they gain the support, skills and direction to enable them feel, empowered, and confident enough to move into mainstream society and live their lives independently.

The program teaches skills in IT, English, CV Building, Driving, Retail Sales & Management, Recycling, Gardening, Property Maintenance, Furniture Making & Restoration, selling in a second-hand shop, including recycled goods restyled or repurposed from donations as well as life skills such as money management. Additionally it offers tailored and specialist support, psycho-educational workshops, psychotherapy and counselling and group support to those on the program.

GROUP VISION AND MISSION

Vision

To actively grow and diversify our business as a leading ethical customer-focussed provider of high-quality supported housing and related services through the external provision of our strong expertise, attracting larger levels of investment.

Mission

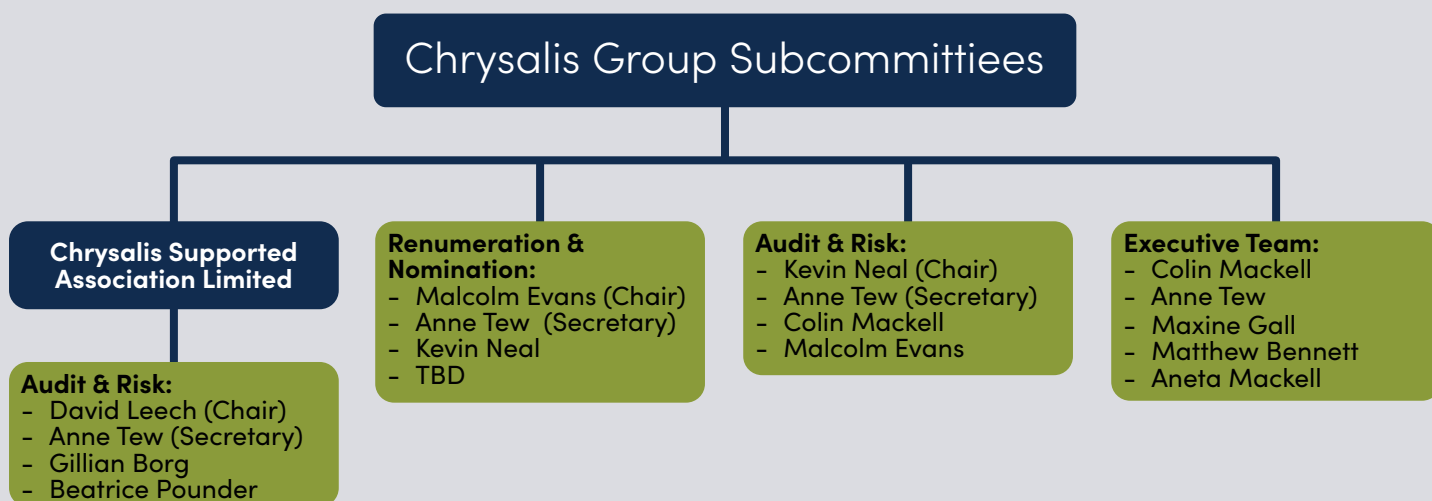
To safeguard and promote the wellbeing of our service users and communities across the UK, providing high quality, good value, sustainable services and homes, demonstrating that commercial opportunity and activities through the group can underpin our commitment to deliver for social good.

GOVERNANCE

Within the group there is a Charitable Incorporated Organisation, a provident Society that is also a Registered Housing Landlord, a Charitable Incorporated Company as well as commercial limited companies. It is therefore essential that the Governance Framework used within the Group is fit for all the entities and their stakeholders and recognises the regulatory requirements of each organization within the group.

Chrysalis Group is committed to the seven principles of good governance in line with its adopted code of governance: The Charity Governance Code. Although the group is a mix of commercial and 'not for profit' organisations the board have decided this is the best code to represent the governance standards the group requires as a whole. It is also clear that all governance codes have many elements in common. Variations will be applied where appropriate on a company by company basis but these will be documented with the reasons.

The group board is currently supported by a Group, Audit and Risk sub-committee and a Group Nomination and Remuneration committee and CSA has its own independent Audit and Risk Committee. The Board members may delegate any of their powers or functions to an 'Executive Committee'. An executive committee has delegated authority to act on the Board members' behalf, in line with their terms of reference and any other instructions the Board members give. An executive committee has decision-making powers so long as the committee is quorate.



Message from the Group CEO

I am delighted to see our first period as a Group come to fruition and I genuinely want to extend all of my gratitude to all non-executive and executive staff, including the operational team, in continuing to remain committed to the changes that have come as part of this transition.

As Chrysalis' founder it has been genuinely rewarding to watch the organisation thrive and to be spearheading the changes in order to drive up excellence and to attract partnership working and commercial investment. This change has resulted in key changes in excellent governance, risk management, HR function, employee training and welfare, Board training and development, all while focussing on value for money.

The benefits throughout are already being realised with vertically integrated operational and management systems that are saving time, increasing confidence in the brand and maintaining reputational excellence.

We are now able to engage strategically and directly with investment and commissioning partners providing a coherent and viable strategy platform that delivers on the expertise demanded from our direct provisions. We look forward to an exciting year ahead as we will launch our longer-term strategy and business plans and identify and agree funding to continue to grow. In 2024, we will also see the re-launch of our Compass Project CIC 2012, this will bring a new focus on our drug, alcohol and mental health provisions including our alternative to prison programme.

Part of the change throughout 2024-25 will be the introduction and induction of an entirely voluntary non-executive board in our Housing Association CSA Ltd, mirroring the trusteeship of OPOKA CIO. This will continue to demonstrate our ongoing commitment to bringing impartiality to our strategic governance objectives and to drive up confidence with our stakeholders.

Our parent company will drive forward cohesive strategy throughout the group and will continue to ensure that we provide the right level of support and training to all of our subsidiaries to ensure they continue to flourish independently and confidently to meet their objectives while achieving excellence as a group, to remain at the forefront of specialist provision.

Moving in this direction means that we will also be able to ensure we target the highest accreditation standards including working towards ISO standards to ensure that all stakeholders and beneficiaries can continue to have confidence in our ability to meet the demands of a fast paced and ever-changing operating environment. I would like to recognise all of my colleagues, our legal team(s), our service users, investors and all of our partners big and small and look forward to the next chapter in our journey with renewed optimism as we target an ambitious, joined up, vertically integrated strategy that will seek to acquire, stabilise and grow at a significant rate, over the years to come.

I would also like to welcome Anne Tew to our Group CFO position, who previously coming from a public company environment brings a wealth of experience in both the for profit, institutional markets, and non-profit sectors. I am excited to work with Anne as we continue to bed in the operational integrations and align the Groups governance and risk management strategy.



Colin Mackell
Group CEO

Housing

Chrysalis Supported Association Limited continues to pride itself on delivering effective and appropriate intensive housing management services to all tenants. These intensive services not only ensure that tenants are living in safe and well maintained homes with the right support, but also promote tenancy sustainment regardless of the tenants needs and presentation.

Housing vulnerable adults is a privilege, so we ensure that the culture within the organisation reflects this by investing in our teams training and the monitoring of services. The whole team are aware that the part we play in tenants safety, well-being and independence is essential and non-negotiable.

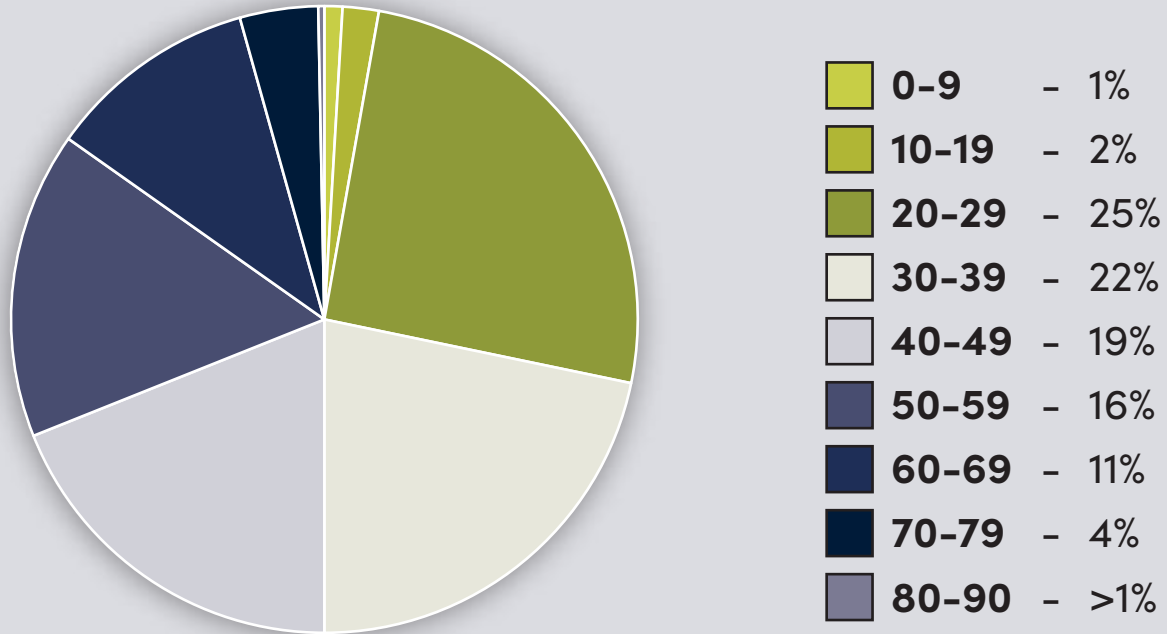
Chrysalis provides housing to adults with a variety of needs and ensures that each service is adapted accordingly. Housing officers and maintenance operatives are trained to not only complete the standard checks in terms of tenancy management and property condition, but also how to engage with people who may have a learning disability, autism, mental health issues and/or physical disabilities. This enables the team to establish respectful and trusting relationships with tenants, meaning that when we visit we are a welcome visitor to their home.

Engaging with tenants regularly enables us to really get to know who are tenants are and what is important to them. We know that a 'one size fits all' approach is not effective and that we must remain adaptable. We learn so much from our tenants and value the time that we spend with them.

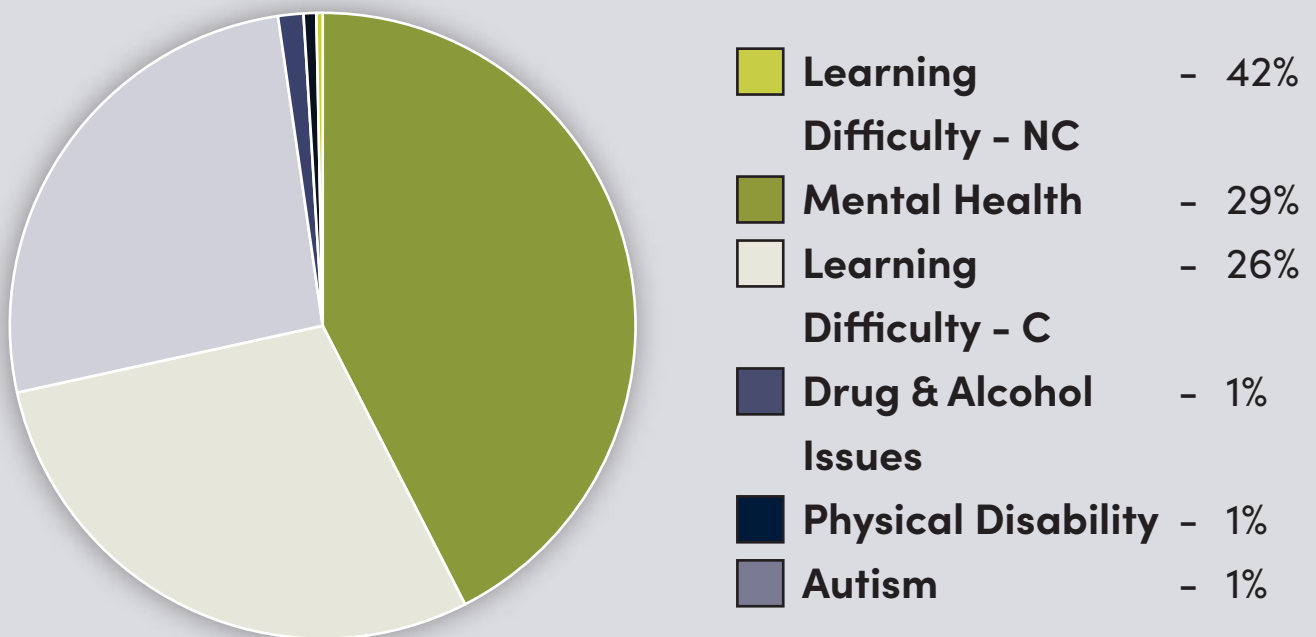


Tenant Demographics

Client Age Groups



Client Disabilities



Opoka CIO

OPOKA IS A SUBSIDIARY OF CHRYSALIS SUPPORTED ASSOCIATION:

OPOKA CIO's mission to support Polish women and their children remains unwavering. With a focus on providing a comprehensive and high-quality domestic abuse and sexual violence support service, they continue to make a difference in the lives of those affected.

Opoka CIO, the first specialist bilingual domestic abuse service in the UK, has opened up the first Safe Structured Supported Accommodation in the UK for Polish Women who are single or with children with the assistance of Chrysalis Supported Association as registered housing provider.

OUR SERVICES:

The OPOKA CIO is making a difference in the lives of Polish women and their children who are experiencing sexual and domestic violence. The organization strives to provide culturally sensitive support and empowerment to those in need. The Trustees regularly review the objectives and activities of OPOKA CIO to ensure that the organization is achieving its goals. This report highlights the success of each key activity against measurable targets. Opoka are proud to work towards positive outcomes, all while maintaining their strongly held values. We offer the following services:



Opoka offer a confidential helpline and self-referral route via their website, providing women with the support they need in a way that best suits them.

Opoka are grateful for the support of their generous donors, which allows them to continue providing these essential services to those who need it most. Their staff attends a broad range of meetings across the breadth of the community and sector to drive referrals, and they are dedicated to advocating for those who need it most. They've given presentations to the police and domestic abuse services to further their mission and support those who need their services.

Who is the service for?

THE SERVICE WILL BE FOR POLISH WOMEN WHO:

- Are survivors of domestic violence.
- Have up to two children.
- Find it difficult to find support and suitable housing.
- Struggle to access services because of language barriers or knowledge.
- Are isolated, vulnerable and have limited financial independence.
- Who are unable to access safety and culturally sensitive support in Polish elsewhere.

THE DIFFERENCE AND OUTCOMES OPOKA'S WORK IS MAKING:

- Improve the immediate safety, health, and wellbeing of women and children and help them to feel safe and more empowered to seek help.
- Reduce disadvantage and inequality by helping women to improve their financial and economic security by supporting them to develop life and employment skills and helping them to access work.
- Raise community awareness and reach the most vulnerable, isolated, and marginalised families who need support.
- Strengthen local capacity to support women and children by training and working with local professionals who work with and support them.
- Improve the sustainability of funding for services.

WE ARE ACHIEVING THE ABOVE BY:

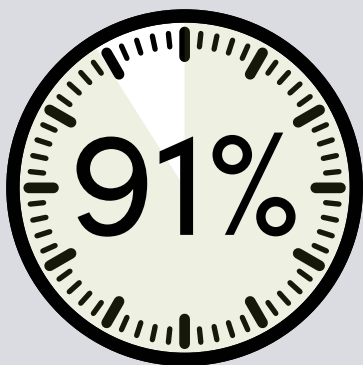
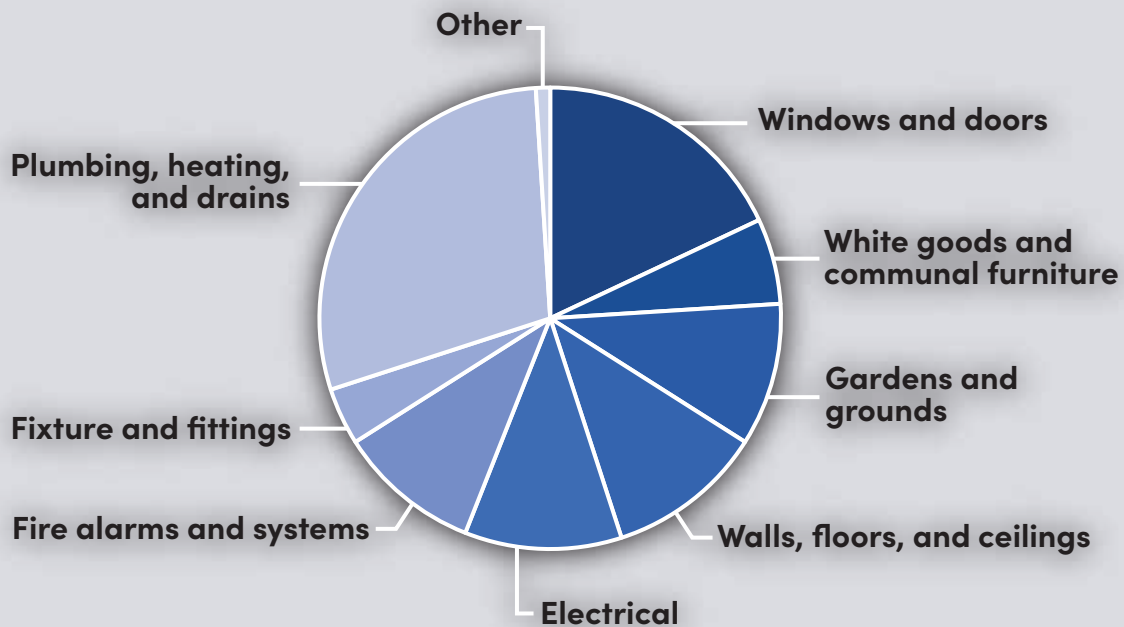
- Reducing domestic abuse, sexual and physical violence within Polish community and improving the lives of women and children by helping to prevent and to improve early interventions of domestic abuse, sexual and physical violence.
- Reducing discrimination against Polish people in the UK, particularly when trying to access work and social protection and improving awareness of UK rights, support, and social protection systems to empower Polish women and children to improve their equality.
- Reducing depression and suicide among Polish families in the UK by improving access to mental health support for Polish families and overcoming mental health stigma and barriers to seeking help.



Chrysalis Maintenance Services

On the 1st July the maintenance services operated by Chrysalis Supported Association transferred to a separate legal entity called Chrysalis Maintenance Services Limited. This company is also part of the Chrysalis group and still supplies all the maintenance support for Chrysalis Supported Association properties as general maintenance or cyclical maintenance for which a standard fee per property is agreed each year in advance and additional ad hoc repairs which is quoted for. The benefits of this change is to allow better clarity of the service costs and allow the maintenance arm to offer services outside the group for greater efficiency while the group retains the expertise developed.

Types of repairs made



of repairs completed within given time

<1% of repairs were related to damp & mould

Group ESG Policy

The Environmental, Social and Governance (“ESG”) policy of Chrysalis is to ensure so far as it is applicable and reasonably practicable that our operations will be carried out with a commitment to:

- protecting and enhancing the environment by minimising negative impact and maximising positive impact on the environment;
- ensuring appropriate conduct towards, positive impact on and good relationships with employees, customers/service users, suppliers, subcontractors, and the community in which it operates; and
- conducting our business with integrity and high standards of business ethics, through appropriate structures, systems, processes and procedures.

In fulfilling the ESG Commitment, Chrysalis Group seeks to:

- comply with all applicable local and national laws, rules, regulations and other measures having the force of law that are relevant to any aspects of our ESG Commitment; and
- where it is practicable and appropriate to do so, establish and meet standards relevant to any aspects of our ESG Commitment which are higher than the standards imposed by law.

All employees must, in carrying out their duties, adhere to the principles and objectives of the Group ESG Policy. Training will be given to employees to ensure that they are familiar with, and work in accordance with, the ESG Policy.

Chrysalis Group expects suppliers of goods and services to the group and contractors working for the group and their suppliers and sub-contractors to adopt and implement the ESG Commitment in their own businesses.

All contractors working on behalf of Chrysalis are expected to adopt standards fully consistent with those set out in the ESG Policy and to achieve comparable levels of performance.

Chrysalis’ ESG strategy underpins the group’s activities across all our subsidiaries where we operate. It sets out the group’s approach to sustainable purpose and forms the basis of the group’s decisions by focusing on business ethics and compliance, people and culture and community involvement. Chrysalis delivers products and services to our stakeholders that support, impact and underpin socially responsible themes.

Chrysalis readily acknowledges that it has both a moral and a legal responsibility to minimise our impact on the environment and provide positive social impacts. Chrysalis is committed to seeking opportunities to continually improve the operations whether any goods or services are environmentally and / or socially preferable and these will be important factors when any purchasing decision is made.

Chrysalis ensures, where practicable, either through our own actions or by negotiation with any landlord, that buildings occupied by us are designed, constructed and operated to optimise their environmental performance within the funding available.

Chrysalis Group Services Limited

Directors Report for the period ended 31 December 2023

Chrysalis looks for operational opportunities to reduce consumption of resources including water and by carefully examining contracts and focusing on running our business while we take control of our gas, water, electricity sources and telecoms services. We have the experience and market knowledge to ensure that our business and tenant usage costs are kept down to the minimum, whilst the business runs effectively, and resources are managed efficiently.

Chrysalis looks for operational opportunities to improve social impact and have a positive impact within the communities it operates through the selection and delivery of the products and services it provides through the adoptions of the principles of the 17 international sustainable development goals.



Chrysalis is aware of the responsibility to operate a strong corporate governance framework as a public company as well as working within regulated markets. As such it has laid out our corporate governance framework as a separate document.

Chrysalis aims to meet, and in some cases exceed, all relevant, current and foreseen statutory regulations (including the Environmental Regulations), charity codes of practice and other requirements that we adopt. Chrysalis also specifies that contractors comply with the same when working on our premises.

Chrysalis will communicate openly with staff and others, educating, training, empowering and motivating our colleagues, and other relevant persons, contractors and organisations to encourage them to support our environmental, social and governance objectives. Chrysalis will respond appropriately to reasonable external requests for environment, social and governance information.

Chrysalis shall set annual environment and social objectives and targets which are regularly monitored and reviewed.

Accreditations and Memberships

INVESTORS IN PEOPLE®

We invest in people Silver

All Chrysalis Group companies are provided all HR services by the parent company Chrysalis Group Services Limited centrally and therefore retains consistency while remaining efficient. We value our staff and are proud to retain the IIP accreditation after the formation of the group. We have used this position to continue to improve what we provide to all of our staff as follows:

- Brought payroll in house to manage directly
- Increased staff benefits with private health and life insurance added
- Introduced monthly touching base and information sharing meetings for all staff
- Updated the staff handbook and staff contracts
- Introduced an all staff training plan
- Bolstered the induction process including for new board members



Financial Report

Anne Tew, Group CFO

This is the first Financial Report for Chrysalis Group Services Limited having been formed in January 2023 and starting operating from July 2023. For the purposes of accounting it is the parent company of four other entities and provides services to those entities such as finance, strategic planning, governance and HR. This will allow for a stronger focus on growth into the future. There are many opportunities for the Chrysalis Group to expand its work to meet an ever growing need, and the board has ensured that the Group is ready for this opportunity through this new structure. This report shows the consolidated position for the group from its formation on the 1st July.

Chrysalis Group's finances remain strong, as evidenced within the enclosed accounts, ensuring that we can continue to deliver the services that our tenants and service users have become accustomed to.

FINANCIAL REVIEW:

The Chrysalis Group's total incoming resources for the six months to the 31st December 2023 was £5,298,831 from which £5,120,768 net was expended to leave a surplus of £178,063 which has been added to reserves in line with the management's strategy on building the group for future growth.

The Chrysalis Group board recognise the need to maintain the properties in Chrysalis Supported Association in good order as these are critical to upholding the standards and key objectives of the charity. At the same time the board understand the need to diversify what it is able to offer and grow the group as a whole. Therefore the board is to report a retained surplus for the year that provides increased financial stability. The Chrysalis Group has a net asset value at the balance sheet date of £2,505,341.

RESERVES AND PROVISIONS POLICY:

During the year clear policies for provisions and reserves were agreed and approved by the board. Targets for the provisions/reserves in Chrysalis Supported Association and Opoka in particular have been identified and progress towards these targets has been good during 2023. These provisions/reserves are to ensure the year end figures reflect can meet the needs of future requirements identified.

The directors regularly review the requirement for reserves maintained by the Group according to the needs of each subsidiary.

The current level of free reserves across the group is £438,554.

FINANCIAL AND NON FINANCIAL MEASURES:

The Board has established a set of Key Performance Indicators, across the group, with targets to ensure they can monitor success in achieving their key aims and objectives. These are:

- Effectively Manage Housing Stock To Maintain A Low Percentage Of Voids.
- Effective Rent Collection In order To Safeguard Tenancies.
- Effective Complaints Management.
- Comply With Published Emergency Repairs & Response Times.
- Provide 100% Of Intensive Housing Management Visits.
- Provide An Effective Responsive Repairs Service.
- Involve All Key Stakeholders And Service Users In The Design And Planning Of Ongoing Management For All Housing & Housing Related Services.
- Continue To Develop High Quality Housing Stock.
- DV Referral type and contact method.
- DV outcomes.
- Types of repair.
- Repairs completed within target times.

FIXED ASSETS:

During the year The Group continued, through Chrysalis Supported Association, to lease residential properties, invested in the refurbishment of owned properties to raise standards of living and care and will continue to acquire and develop its own freehold portfolio in 2024. The Group will also be investing in the building for the Compass project to provide flexible accommodation to offer work based and life skills, support including therapy and a community space.

TREASURY MANAGEMENT:

The Board is responsible for determining the Group's treasury strategy including any borrowings. Treasury management revolves around the maintenance of a stable financial position ensuring the Group has sufficient and appropriate facilities available to it to meet its funding needs and sound cash management.

During 2023 the group moved its banking facilities to Barclays Bank and this included setting up two interest earning accounts. One of the accounts has a three month notice period on it and is used for funds retained to be approximately in line with calculated reserves in Chrysalis Supported Association. The other interest earning account is instant access. Weekly cash management ensures that any cash flow needs are available as required.

INTERNAL CONTROL:

The Board has overall responsibility for establishing and maintaining the whole system of internal control and reviewing its effectiveness.

The Group Board recognises that no system of internal control can provide absolute assurance or eliminate all risks and that the system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Group's assets and interests.

The Group Board confirms that there is an ongoing process for identifying, evaluating and managing the risks faced by the Group, that was put in place during the year under review and that this process will be regularly reviewed by the Board. This includes a new risk framework and a group risk register with not only regular risk assessment but also actions with responsible employee to manage and mitigate the identified risks.

During the year the Group Financial Regulations have been fully updated to reflect independent authorisation and the banking facilities were moved to Barclays Bank allowing for additional controls.

The finance team has also been expanded at the senior level to not only increase the financial capability of the group, but also to ensure the separation of duties in all transactions reducing any risks through increased controls. This included the appointment of both a Group CFO and Group Accountant with substantial group accounting experience.

The review of our risks and monitoring of progress towards the Group's strategic objectives within the board approved Risk Management Framework are standing agenda items for Board meetings. The risk register is also scrutinised by the Audit and Risk Committees.

STATEMENT OF DIRECTORS' RESPONSIBILITIES:

The directors are responsible for preparing the Report of the Directors 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). 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 surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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's 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.

ON BEHALF OF THE BOARD:



.....
C Mackell - Director

Date:

INDEPENDENT CHARTERED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF CHRYSALIS GROUP SERVICES LIMITED

We have reviewed the financial statements of Chrysalis Group Services Limited for the period ended 31 December 2023, which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Directors' responsibility for the financial statements:

As explained more fully in the Statement of Directors' Responsibilities set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' responsibility:

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), 'Engagements to review historical financial statements' and ICAEW Technical Release TECH 09/13AAF (Revised) 'Assurance review engagements on historical financial statements'. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics and the FRC's Ethical Standard, as applicable.

Scope of the assurance review:

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, we do not express an audit opinion on these financial statements. We do note that although no audit opinion is expressed, Chrysalis Group Services Limited's consolidated accounts include Chrysalis Supported Accommodation Limited, the most material member of the group. Chrysalis Supported Accommodation Limited's financial statements are fully audited and for the year ended 31 December 2023, the audit opinion was unmodified.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its surplus for the period then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

Use of our report:

This report is made solely to the company's directors, as a body, in accordance with our terms of engagement. Our review has been undertaken so that we might state to the directors those matters that we have agreed with them in a reviewer'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 directors as a body for our work, for this report, or for the conclusions we have formed.

Fawcetts LLP
Chartered Accountants
Windover House
St. Ann Street
Salisbury
SP1 2DR

Signed:

Date:

Chrysalis Group Services Limited

Financial Statements for the period ended 31 December 2023

Consolidated Profit and Loss

	Notes	Chrysalis Group Consolidated 6 months ending December		Chrysalis Group Services Limited 11 months ending December	
		2023 £	2022 £	2023 £	2022 £
Turnover		5,298,831		327,011	
Cost of sales		(4,027,038)		(14,400)	
Gross profit		<u>1,271,792</u>		<u>312,611</u>	
Administrative expenses		(1,123,468)		(303,145)	
Other operating income		29,738		20,061	
Operating profit	2	<u>178,063</u>	-	<u>29,527</u>	-
Profit on ordinary activities before taxation		<u>178,063</u>		<u>29,527</u>	
Tax		-		-	
Profit for the financial year		<u>178,063</u>		<u>29,527</u>	

Chrysalis Group Services Limited

Financial Statements for the period ended 31 December 2023

Consolidated Balance Sheet

	Notes	Chrysalis Group Consolidated			
		2023		2022	
		£	£	£	£
Fixed Assets					
Tangible	4		1,990,688	-	
Investments					
Investments in subsidiaries	5		-		
Current Assets					
Debtors	6	668,300		-	
Cash at bank and in hand		2,367,279		-	
		<u>3,035,579</u>		<u>-</u>	
Creditors: Amounts falling due within one year	7	(957,726)		-	
Net current assets			<u>2,077,853</u>		<u>-</u>
Creditors: Amounts falling due more than one year	8		(1,563,200)		-
Net assets			<u>2,505,341</u>		<u>-</u>
Share capital	10		1		-
Equity			-		-
Profit and loss account			2,505,340		-
Shareholders' funds			<u>2,505,341</u>		<u>-</u>

	Notes	Chrysalis Group Services Limited			
		2023		2022	
		£	£	£	£
Fixed Assets					
Tangible	4		30,336	-	
Investments					
Investments in subsidiaries	5		5		
Current Assets					
Debtors	6	187,981		-	
Cash at bank and in hand		148,674		-	
		<u>336,656</u>		<u>-</u>	
Creditors: Amounts falling due within one year	7	(337,469)		-	
Net current assets			<u>(813)</u>		<u>-</u>
Creditors: Amounts falling due more than one year	8		-		-
Net assets			<u>29,528</u>		<u>-</u>
Share capital	10		1		-
Equity			-		-
Profit and loss account			29,527		-
Shareholders' funds			<u>29,528</u>		<u>-</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended December 2023.

The members have not required the company to obtain an audit of its financial statements for the period ended December 2023 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

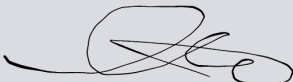
(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board of Directors and authorised for issue on **25 September 2024**.

Signed by:



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Colin Mackell - Director

Statement of Changes in Reserves

	Chrysalis Group Consolidated Income and Expenditure Reserve £	Chrysalis Group Services Limited Income and Expenditure Reserve £
Balance as at 27 January 2023	-	-
Transfer of retained earnings from new subsidiaries Surplus for the period	2,327,277 178,063	- 29,527
Balance as at 31 December 2023	2,505,340	29,527

Consolidated Statement of Cash Flow

	Notes	Chrysalis Group Consolidated 6 months ending December		Chrysalis Group Services Limited 11 months ending December	
		2023 £	2022 £	2023 £	2022 £
Cash flows from operating activities	10	510,460	-	6,533	-
Interest paid		(469)	-	-	-
Interest received		29,701	-	20,024	-
Net cash flow from operating activities		539,692	-	26,557	-
Cash flow from investing activities					
Net payments to acquire tangible fixed assets		(32,208)	-	(33,349)	-
Proceeds from sale of fixed assets		-	-	-	-
Issue of new loans		-	-	155,470	-
Repayment of loans		716,160	-	-	-
Net cash flow from investing activities		683,952	-	122,121	-
Cash flow from financing activities					
Payments for investments		-	-	(5)	-
Repayment of loans		(8,086)	-	-	-
Net cash from financing activities		(8,086)	-	(5)	-
Net change in cash and cash equivalents		1,215,558	-	148,673	-
Cash and cash equivalents at the beginning of the period		1,151,725	-	-	-
Cash and cash equivalents at the end of the period		2,367,282	-	148,673	-

1. Accounting Policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis. The company is dependent upon the support of a loan from a group company who has indicated that it will not call on the loan until the company has sufficient reserves. The director therefore considers that the going concern basis is appropriate. The financial statements do not contain any adjustments that might be necessary were the going concern basis to be no longer appropriate.

The financial statements are presented in Sterling (£) which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Depreciation policies:

Buildings	0.25%	Reducing Balance
Fixtures and Fittings	4 years	Straight line
IT Equipment	3 years	Straight line
Leasehold Improvements	Lease Term	Straight line
Vehicles	5 years	Straight line
White Goods & Furniture	4 years	Straight line

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Debtors

Debtors are measured at their recoverable amount.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Chrysalis Group Services Limited

Financial Statements for the period ended 31 December 2023

2. Operating Profit

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	6 months ending December		11 months ending December	
	2023	2022	2023	2022
	£	£	£	£
This is stated after charging:				
Depreciation of owned fixed assets	23,501	-	3,013	-
Auditors' remuneration - non-audit	7,425	-	5,000	-
Auditors' remuneration - audit	5,100	-	-	-

3. Average Number of Employees

During the year the average number of employees was 33 (2022: nil)

4. Tangible Fixed Assets

	Chrysalis Group Consolidated							Total £
	Freehold Property £	Leasehold Improvements £	Plant & Motor Vehicles £	Fixtures & Fittings £	White Goods £	Computers £	Capital WIP £	
Cost:								
At 1 July 2023	1,866,570	-	91,914	15,421	8,740	14,813	11,065	2,008,523
Additions	-	1,842	-	11,505	11,092	4,799	2,970	32,208
Disposals	-	-	-	-	-	-	(2,185)	(2,185)
Intercompany Additions	-	-	71,886	-	-	7,134	8,880	87,900
Intercompany Disposals	-	-	(71,886)	-	-	(7,134)	(8,880)	(87,900)
At 31 December 2023	1,866,570	1,842	91,914	26,926	19,832	19,612	11,850	2,038,546
Depreciation:								
At 1 July 2023	8,182	-	5,100	5,102	1,431	4,542	-	24,357
Depreciation	2,333	154	12,124	3,336	2,271	3,283	-	23,501
On disposals	-	-	-	-	-	-	-	-
At 31 December 2023	10,515	154	17,224	8,438	3,702	7,825	-	47,858
Net book values:								
At 1 July 2023	1,858,388	-	86,814	10,319	7,309	10,271	11,065	1,984,166
At 31 December 2023	1,856,055	1,688	74,690	18,488	16,130	11,787	11,850	1,990,688

	Chrysalis Group Services Limited			
	Fixtures & Fittings £	Computers £	Capital WIP £	Total £
Cost:				
At 1 July 2023	-	-	-	-
Additions	11,505	4,799	2,970	19,274
Disposals	-	-	-	-
Intercompany Additions	-	5,195	8,880	14,075
Intercompany Disposals	-	-	-	-
At 31 December 2023	11,505	9,994	11,850	33,349
Depreciation:				
At 1 July 2023	-	-	-	-
Depreciation	1,438	1,575	-	3,013
On disposals	-	-	-	-
At 31 December 2023	1,438	1,575	-	3,013
Net book values:				
At 1 July 2023	-	-	-	-
At 31 December 2023	10,067	8,420	11,850	30,336

Chrysalis Group Services Limited

Financial Statements for the period ended 31 December 2023

5. Investments in subsidiaries

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	31 December		31 December	
	2023	2022	2023	2022
	£	£	£	£
100% Investment in Chrysalis Supported Association Limited	-	-	4	-
100% Investment in Chrysalis Maintenance Services Limited	-	-	1	-
	<u>-</u>	<u>-</u>	<u>5</u>	<u>-</u>

6. Debtors

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	31 December		31 December	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	458,694	-	45,869	-
Other debtors	209,606	-	142,113	-
	<u>668,300</u>	<u>-</u>	<u>187,982</u>	<u>-</u>

7. Creditors: Amounts falling due within one year

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	31 December		31 December	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	569,882	-	7,029	-
Bank loans	10,568	-	-	-
Intercompany loans	-	-	295,170	-
Social security & other tax	27,804	-	11,929	-
Accruals and deferred income	292,325	-	16,136	-
VAT	15,233	-	4,243	-
Other creditors	41,914	-	2,962	-
	<u>957,726</u>	<u>-</u>	<u>337,469</u>	<u>-</u>

8. Creditors: Amounts falling due within one year

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	31 December		31 December	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	607,459	-	-	-
Provisions	955,741	-	-	-
	<u>1,563,200</u>	<u>-</u>	<u>-</u>	<u>-</u>

Chrysalis Group Services Limited

Financial Statements for the period ended 31 December 2023

9. Operating lease commitments

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	2023	2022	2023	2022
The association has minimum lease payments falling due as follows:	£	£	£	£
Within one year	5,055,736	-	-	-
Between one and five years	21,675,054	-	-	-
In more than five years	79,992,017	-	-	-
	<u>106,722,807</u>	<u>-</u>	<u>-</u>	<u>-</u>

10. Share capital

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	31 December		31 December	
	2023	2022	2023	2022
	£	£	£	£
Allotted, called up and fully paid:	1	-	1	-
	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

11. Operating Cash Flows

	Chrysalis Group Consolidated		Chrysalis Group Services Limited	
	6 months ending December		11 months ending December	
	2023	2022	2023	2022
	£	£	£	£
Surplus for the year	178,063	-	29,527	-
Depreciation of other fixed assets	23,501	-	3,013	-
Surplus on disposal of fixed assets	9,012	-	-	-
Interest payable	469	-	-	-
Interest received	(29,701)	-	(20,024)	-
(Increase)/ decrease in trade and other debtors	58,050	-	(48,282)	-
Increase/ (decrease) in trade and other creditors	271,066	-	42,300	-
Net cash generated from operating activities	<u>510,460</u>	<u>-</u>	<u>6,533</u>	<u>-</u>

12. Controlling Party Note

Chrysalis Group Services Limited is the ultimate controlling party. The following companies are wholly owned subsidiaries of Chrysalis Group Services Limited; Chrysalis Supported Association, Chrysalis Maintenance Services Limited, Opoka CIO and Compass Project 2012 CIC.

Chrysalis Group Services Limited and all its subsidiaries registered address is 3 Brook Office Park, Emersons Green, Bristol, BS16 7FL.

CONTACT

www.chrysalishousing.co.uk

Phone: 0300 369 4040

Email: info@chrysalishousing.co.uk

