

**Honeycomb Charitable Services Limited**  
(A company limited by guarantee)

**Trustees' Report and Financial Statements**  
**Year Ended 31<sup>st</sup> March 2020**

Charity registration number: 701376  
Company registration number: 2357520

# **Honeycomb Charitable Services Limited (a company limited by guarantee)**

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**Year Ended 31<sup>st</sup> March 2020**

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**Honeycomb Charitable Services Limited (a company limited by guarantee)**

**Charity Reference and Administrative Detail**

**Year Ended 31<sup>st</sup> March 2020**

<b>Charity registration number</b>	701376
<b>Company registration number</b>	2357520
<b>Trustees</b>	Mr J A Yates Ms V Bourne Mr K Dean
<b>Chief executive officer</b>	Mrs D Thompson
<b>Secretary</b>	Mr R Morton
<b>Registered office</b>	308 London Road Stoke on Trent Staffordshire ST4 5AB
<b>Auditor</b>	Beever and Struthers St. George's House 215-219 Chester Road Manchester M15 4JE
<b>Bankers</b>	NatWest Bank plc 1 Upper Market Square Hanley Stoke on Trent Staffordshire ST1 1QA

## **Honeycomb Charitable Services Limited (a company limited by guarantee)**

### **Trustees' Annual Report**

**Year Ended 31<sup>st</sup> March 2020**

#### **Trustees' Annual Report**

The Trustees present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> March 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014. On 2 April 2012, Honeycomb Charitable Services Ltd became a part of Honeycomb Group Ltd.

#### **Trustees of the charity**

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

John Arthur Yates

Valerie Bourne

Karl Dean (appointed September 2019)

Susan Shardlow (retired September 2019)

The Trustees have delegated the day to day management of the charity to the Group Chief Executive Officer.

#### **Objectives and activities**

The charity's purpose is: To promote social inclusion for the public benefit by preventing people within the area of Staffordshire and its environs from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

For the purposes of this paragraph 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, belief, creed, sexual orientation or gender reassignment; poor educational or skills attainment; relationship and family breakdown; poor housing or crime (either as a victim of crime or as an offender rehabilitating back into society).

#### **Public benefit statement**

In accordance with s4 of the Charities Act 2006, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities.

# **Honeycomb Charitable Services Limited (a company limited by guarantee)**

## **Trustees' Annual Report**

**Year Ended 31<sup>st</sup> March 2020**

### **Strategic Report**

#### **AIMS AND OBJECTIVES**

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During the year the Charity worked in the city of Stoke-on-Trent, the county of Staffordshire, the city of Derby and the county of Derbyshire. We engaged over 4,000 children, young people, adults, families and professionals in activities to achieve our mission 'Breaking barriers, Building people, Bettering homes by ending relationship abuse and making homelessness history.

#### **Reflecting on the last year:**

For more than 12 months we asked questions of ourselves, our customers and our stakeholders and had a much clearer sense of who we are, why we're here and what distinguishes us from other organisations. In September 2019, we said goodbye to the name 'Arch (North Staffs) Ltd' and launched Glow and Concrete (trading names of Honeycomb Charitable Services Ltd) with a set of shared values with our parent company Honeycomb Group.

Customers and stakeholders were often confused about what our offer was, so we launched two distinct brands (trading names) to operate externally - each with their own clear approach and customer promises to achieve our shared Group objectives. Well received by customers and stakeholders, the brands have helped us to stand out as specialist providers in our sectors. Glow is on a mission to end relationship abuse and Concrete is leading the fight to make homelessness history.

Ending relationship abuse and making homelessness history received renewed commitment from the Government during the year. From the appointment of sector and domestic abuse specialists, the posts of Minister for Civil Society and first Domestic Abuse Commissioner to the injection of funding to support rough sleepers, our causes remained high on the agenda.

Following the loss of commissioned North Staffordshire domestic abuse services in October 2018, we have embraced our position as an independent provider and continued to champion the needs of victims and their children at a local and national level. And, we've been successful in the ambitious growth strategy we set ourselves – securing funding to maintain and enhance our refuge and safe accommodation in North Staffordshire, deliver a specialist children and young people's service in Newcastle-under-Lyme and geographically expanding our mission to end relationship abuse into Derby City and Derbyshire County.

Although we experienced some cuts to local authority contracts for our homelessness services, we were able to expand our partnership work and develop innovative approaches to build concrete futures as a part of the Rough Sleepers Initiative and through mobilising our Care Leaver supported accommodation service with the YMCA. Concrete's Navigate service which provides intensive service coordination for people leaving custody who are at risk of homelessness was showcased as best practice at the national Navigate Conference.

As the year drew to an end with the COVID-19 pandemic, we made rapid changes to the way we worked to respond to the changing and increasing needs of our customers. This included the launch of an emergency programme by the Government to support rough sleepers, or those at risk of rough sleeping, to self-isolate to prevent the spread of COVID-19 and offering rough sleepers long-term help to get off the streets.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Trustees' Annual Report

Year Ended 31<sup>st</sup> March 2020

### ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

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#### ACTIVITIES & ACHIEVEMENTS

Services across Glow and Concrete connect with people at difficult times in their lives. People may come to us with needs focused on homelessness and domestic abuse, but many are also experiencing multiple and severe disadvantage and complex needs that may be a cause or consequence of their circumstances/experiences. These needs may come from poor mental health, substance misuse, offending behaviour or from an immigration status. Lives are often further complicated by issues such as low confidence, a lack of practical life skills, low literacy, social isolation, low income, debt and poverty.

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#### GLOW. ENDING RELATIONSHIP ABUSE:

Glow is the catalyst for change in our community and our sector. We are working to systematically impact the way our region and our sector addresses abusive relationships. Everything we do is driven by a deep desire to change the future of relationships for the better.

Glow's work centres on addressing, overcoming and ending abuse and, over the year we have reached over 2,600 individuals including 562 children and young people and delivered services across North Staffordshire and Derbyshire.

#### Address

We provide personal support to help those experiencing abuse to put together a plan to increase their immediate safety, freedom, and wellbeing. We provide safe accommodation or support to remain at home, help with housing need, and one-to-one, peer and group support programmes to help with the immediate next steps to start building a life free from abuse.

- Our safe accommodation services include 38 units of refuge accommodation and 11 units of community-based accommodation.
- Throughout the year we have accommodated 391 individuals and families, 200 of those were children.
- Of those accommodated, 75 were families and 53 were single people.
- The average age of customers in our safe accommodation was between 30 and 40 years old.
- Over 98% of safe accommodation residents this year were female. Our Newcastle Domestic Abuse (DA) Service accommodated 2 males and we temporarily housed a further male within our community-based accommodation.
- Around 70% of residents had an identified additional support need, such as mental or physical ill health, substance misuse issues or learning difficulties. Staff have built on existing positive working relationships with partner agencies to provide comprehensive support for these customers.
- An emerging support issue this year has been customers in our safe accommodation who are also affected by modern slavery – some excellent work was achieved by our Stoke refuge in supporting a 22 year-old Slovakian woman who had been exploited as part of a sex trafficking ring since the age of 14. It became apparent that, while in refuge, she continued to be exploited by family members. Exceptional hard work and perseverance by staff over several months resulted in acceptance of this individual onto the National Referral Mechanism and assistance to move out of area to specialist, safe accommodation.
- Although the over 65s form a very small minority of our customer group at 1.9%, this remains a national issue with the statistics around mature women leaving abusive relationships being very low. This year we supported a customer over the age of 70 into refuge, who left her abusive husband after 50 years of marriage. This brought new experiences of the tailored support required, particularly with the benefit system. The team supported this customer, providing her with the skills to rebuild her life and establish independence. She is now in her own settled accommodation and states she “has never felt so free!”.

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### Trustees' Annual Report

#### Year Ended 31<sup>st</sup> March 2020

- This year Glow has increased both the type and amount of safe accommodation available to those fleeing DA through an additional 11 dispersed units in the community. We can offer temporary emergency housing for those whose needs it may not be possible to meet with a traditional Refuge facility.
- Alongside the provision of accommodation is specialist support provided by expert DA practitioners as well as out of hours support, during evenings and weekends, provided by Safe and Well Coaches. This helps to ensure that customers are receiving a consistent level of support to that which is offered in Refuge.
- 16 additional households have been accommodated this year, who otherwise would have had to be turned away.
- 50% of customers had a mental health support need.

Our safe accommodation services continue to work tirelessly to raise awareness of DA within their local geographies and gain 'buy in' from local businesses and organisations to generate fundraised income. In Stoke, Glow is the chosen charity of the year for Portmerion, GMB and Synectics. Our Staffordshire Moorlands refuge benefitted from improvements works to their outdoor area for children through the social value commitment of the contractor firm, Novus.

**Domestic Abuse Housing Advocacy (DAHA):** the DAHA role is based flexibly across the three partner North Staffordshire Local Authority sites and sits within their homelessness services. Individuals and families who have been affected by DA, and who are in housing need, can be supported through their housing journey. The advocate provides a voice for these customers and offers essential emotional support as well as ensuring the customer has access to appropriate ongoing domestic abuse support:

- Our Housing Advocacy service began a little later than planned, in July 2019, and in just 8 months exceeded its annual target of households assisted by 58%.
- 65 individuals and families were referred into the service, with a 100% acceptance rate.
- 50 children from the families we helped benefitted from a dedicated advocate supporting their household through their homelessness journey.
- Over 12% of customers were from the Black, Asian and Minority Ethnic (BAME) community.
- 92% of customers experienced a positive change in their housing situation.
- 100% of customers experienced a positive change in the following support areas:
  - Legal issues
  - Physical health
  - Money
  - Empowerment and self esteem

**Providing support in the community:** A total of 34 females have attended our Domestic Violence (DV) awareness-raising programme 'Freedom' with 24 going on to fully complete the programme.

- 92 males have been supported by our dedicated male victim service and 28 have attended our designated male groups. We have also delivered a range of social activities including days out for men and their children, peer support groups where everyone cooked various foods, and all met within the Centre to welcome new customers.
- We continue to engage customers through our closed Facebook page and we currently have 34 males providing each other with peer support around various issues such as court cases around child contact, safety, and mental health. They also share successes around their recovery and life achievements.
- We are continually adapting our support to accommodate customer needs and have recently introduced more virtual 1-2-1 and group work using a range of online tools.

#### **Providing support in Derbyshire**

- The Derby City Independent Domestic Violence Advisor (IDVA) service was mobilised in October. Since then the team have gone from strength to strength making contacts within the multi-agency arena and forming close and well-respected working partnerships. They have also delivered presentations to housing and social care agencies to inform them of what the IDVA service can provide.

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#### **Year Ended 31<sup>st</sup> March 2020**

- IDVA's have consistently presented overviews of the service to probation, police, CID and P3 Housing this year, and service leaflets and individual IDVA business cards have been left with partner agencies over this period.
- This year we extended our geographical reach securing domestic abuse contracts to provide IDVA services in both Derby City and Derbyshire County.
- Of those customers who fully engaged, 479 customers accessing Glow IDVA services reported feeling safer because of our intervention.
- Between April 2019 and March 2020, we received 947 IDVA referrals to our County service. 170 of these also being supported through the Court process by our IDVA service. This total includes criminal, civil and family courts, and an additional 105 customers were supported via court short-term work (those that received court feedback on their individual case but declined further support).
- We have been involved in the decision-making process in 412 Domestic Violence Disclosure Scheme cases (also known as Claire's Law) over both the City and County, 198 Domestic Violence Protection Notices (DVPN's) and 180 Domestic Violence Protection Orders (DVPO's).
- Our City IDVA Service did not commence until October 2019. However, we have already received 295 referrals with three supported via criminal court long-term and a further five customers supported via court short-term work.
- Three staff completed the Domestic Abuse Matters training facilitated by Safe Lives and co-delivered 2 DA Matters sessions with Derbyshire Constabulary and 2 DA Champions sessions, resulting in 120 participants receiving this training.

#### **Helping children to overcome domestic abuse**

Children and young people are victims of DA too. We offer support to children of all ages and backgrounds to help them recover and live a life free from abuse.

- 34 children completed our Recover Is Supported and Encouraged (RISE) in refuge programme. Through group work and 1-2-1 support the programme covers how to stay safe, family changes, understanding that they are not to blame for the abuse, feelings and behaviour, healthy and unhealthy relationships and confidence and self-esteem.
- We received 100 1-1 Children and Young Person referrals into our Newcastle-under-Lyme (NUL) Service reducing both the risk of immediate harm and also the impact of the long-term effects of domestic abuse on children. This is despite the project being brand new with a new referral pathway process that can only be accessed via education centres.
- The service developed and delivered training sessions for pastoral and safeguarding leads in NUL to understand how to recognise domestic abuse and action appropriate and timely responses.
- The service has also developed and strengthened relationships with education providers in NUL and has increased confidence in referral procedures by ensuring each child is seen within a 14-day period and that the referrer is notified as soon as the referral is picked up.
- The team have attended multiple multi-agency meetings to raise the profile of Glow and the services we offer, including open evenings, locality open days, parent & baby units etc.
- The team also developed a bespoke safety card for children and young people that is now given to every child and young person that we come into contact with, including those that feel they do not need our support at this time.
- The service further provided 10 drop-ins across NUL education settings to provide an alternative place for children and young people to access support on their own terms.
- Our X-Roads project has worked in partnership with a local school in NUL to launch and pilot a brand-new Young Men and Boys version of our existing and established Girl Power programme. The objectives of this 8-week programme are targeted at risk and reducing criminality, making positive choices, healthy and unhealthy behaviours in relationships and sex education. We had 9 boys referred for the pilot but due to COVID-19, this work was suspended, and the boys are continuing to be supported 1-1 until we can resume the group.



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Year Ended 31<sup>st</sup> March 2020

### Overcome

#### **Supporting long-term recovery from abuse**

We help children, young people, adults, and families to rebuild their lives free from abuse, providing on-going personal, peer and group support. We provide training and volunteering opportunities to open or further career doors and we offer therapeutic learning and social activities to help build confidence and friendships along the journey. Our support is tailored to the individual and the family as a whole so everyone feels they can live a life free from abuse.

Our Sunrise Recovery Centre in Stoke-on-Trent welcomed:

- 231 adults through the doors this year offering a range of therapeutic, learning and social activities, advice clinics around legal issues, careers and welfare benefits and externally provided training, workshops and training open days. 100% reported a positive impact on their confidence and self-esteem.
- 33 children and young people, including young children who attend our crèche facilities, and older children and young people who attended social activities and day trips.
- 47 customers have been involved in some form of volunteering opportunities within the Centre. These include co-facilitating programmes, leading a social activity for other customers, engaging in focus groups, and assisting in programme developments.
- We have provided 11 student placements for students from local universities including social work students, medical students, psychology students and law students. Engaging with these placements helps to educate the next generation of professionals in understanding how DA affects individuals and their families. Feedback from Keele School of Medicine: "...the placements you provide help our medical students to understand how the community supports people with health and social care needs as well as gaining a greater appreciation of their patients' experience. We hope that these placements will enable our future doctors to value community organisations and to advocate for these services which support patients and the community".
- Over the past 12 months, we have updated our service to fit the needs of the customers and continue to make 'customer involvement' one of our priorities to ensure they are consulted about important changes to our services.

We have developed a 'Fundraising Champions Team' made up of customers, staff and volunteers and held two fundraising events over the past six months, including a coffee morning and a 'Walk of Positivity' event in partnership with Keele Women's Football Team. This event was held to promote 'International Women's Day' which saw some of our customers having the opportunity to walk a catwalk in glamorous gowns feeling empowered and to show how much their confidence has increased after engaging in the support we offer.

A social return on investment evaluation of Glow's National Lottery-funded Sunrise DA Recovery Centre was completed this year, over a two-year period (2016-18) and showed that for every £1 invested, £8.84 of social value was returned.

#### **We have reached out to men suffering abuse by offering bespoke services aimed to encourage them to seek help:**

- In January 2020, we were successful in developing a new Partnership with A&T Wellbeing who gained funding from Newcastle Partnership to develop a new service for men in Newcastle Borough. The aim of the project is to encourage men to come forward to seek support for any issues they are facing which could be affecting their mental health. We will also be working with businesses to set up 'Get Men Talking' awareness sessions with their employees to highlight how we can help them to access support for a range of issues from legal advice, housing or benefit issues, relationship difficulties or parenting concerns. We delivered a launch event in March at Jubilee 2, to promote the pilot to local businesses and members of the local community.

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#### Year Ended 31<sup>st</sup> March 2020

30 people attended the launch and the feedback we received was very positive and resulted in other businesses contacting us requesting to be part of the project. We set up two drop-in locations to make support accessible and offered telephone and video support to those who need it. By the end of March, we had engaged and supported 23 men to access support from Glow or other agencies.

#### End

We raise awareness and provide education on how to post and respond to abusive relationships in schools, businesses and communities; we train and work with other professionals to help them recognise abusive relationships. We work with those responsible for abuse to end the cycle of their violent and abusive behaviour. Our aim is to build communities where everyone knows how to identify abuse and bring it to an end.

#### **Increasing awareness of domestic abuse and routes into support:**

- This year, we successfully gained funding and recognition to become a Pathfinder site, making us one of only eight national pilot sites selected to improve health professionals' response to domestic abuse.
- We identified that there were missed opportunities in some health settings when recognising DA and therefore decided to concentrate on dentistry and mental health services. We developed referral pathways, survival packs, posters/leaflets and provided bespoke training opportunities for both areas to ensure staff became more confident and competent in recognising the signs and symptoms and the support options for their patients.
- During the pilot we delivered our one-hour introduction to DA to eight dental practices with 68 dental professionals attending. We have also delivered a 2-day DA champion training for mental health professionals where we recruited and trained 13 DA champions. As a result of this training, 61 patients engaged with our service and accessed support.
- We continue to be innovative in our field. Due to the success of the Pathfinder pilot we have been awarded exit funding to deliver a health-based conference later in the year. In addition to showcasing the findings of the Pathfinder pilot, we will be launching our 'Here to Help' campaign at the conference.
- The 'Here to Help' campaign, supported by Shropshire and Staffordshire Local Dental Network, is aimed at dental practices across North Staffordshire. The campaign will support the dental teams to recognise the signs of DA, respond appropriately to concerns and disclosures, and ensure their practice is visible in the local community as a safe space for anyone wanting to disclose or access support. In order to receive recognition as a 'Here to Help' practice there is a six-step pledge:
  - Have a DA champion within the practice;
  - Be aware and use when appropriate, the safe, direct referral pathway for local DA services;
  - Display posters and leaflets in public areas;
  - Have safe spaces for anyone affected;
  - Have an up-to-date DA policy;
  - Attend annual DA in Health training.
- On 25<sup>th</sup> November, Trident Reach held a White Ribbon Campaign networking event in South Derbyshire. Glow promotional items and leaflets were taken to distribute to partner agencies and lots of conversations and networking regarding the services took place.
- Glow delivered a DA Training conference for the Longhurst Group as part of their pledge to make a stand against DA. The day was attended by 150 Longhurst staff who learned more about identifying and working in a more proactive way with DA clients. We also arranged for an ex-customer of the IDVA service to deliver the lived experience session Evaluations and feedback from the day proved that hearing a customer talk of their experience was an extremely powerful way of getting our message across.

## **Honeycomb Charitable Services Limited (a company limited by guarantee)**

### **Trustees' Annual Report**

#### **Year Ended 31<sup>st</sup> March 2020**

##### **Our Education & Prevention work:**

- Engaged 360 students across five primary and secondary schools in Staffordshire and Stoke-on-Trent, raising awareness of healthy relationships through our Relationships without Fear Programme.
- With a change in legislation, making relationship programmes in schools compulsory from 2018/19, we have developed a commercial model to generate income rather than rely on grant/contract funding for this work. In addition to this, we have also delivered two bespoke commercial sessions to community groups working with vulnerable young people from Stoke-on-Trent.
- This year we attend two school and academy shows in the West Midlands to look at innovative ways to sustain and develop our trading model, as well as attending local networking and promotion events to maintain a presence in our local community.
- A specialist DA in education training session was planned and delivered for our partner schools in NUL to improve the recognition and response to DA within schools and colleges. This was well-received and has vastly improved our referral pathways from those schools and education settings where we had never previously received referrals and has helped us establish strong, close working relationships.
- Domestic Abuse Support in Education (DASIE) Chain project was launched. This project was designed to build our network and community within schools. It creates a strengthened team-work approach to DA by upskilling pastoral and behavioural leads within schools to recognise and respond to DA while feeling they have support and confidence in knowing and accessing the referral routes for children, young people and their families.

##### **Breaking the cycle of abuse by working with those who harm others:**

- We continue to work with Respect and are still one of only a handful of organisations delivering the Domestic Abuse Prevention Programme (DAPP) nationally to have achieved the full 'Respect' accreditation giving customers, stakeholders and commissioners confidence that our work with perpetrators is safe, high quality and impactful.
- 35 males were referred to our service with 20 males successfully completing a suitability assessment and going on to fully engage with the rolling group work programme. For those who completed during the year, 100% demonstrated both the capacity and motivation to change their behaviour and 100% reduced their levels of violence, emotional power and controlling behaviour following the six-month group support check-in.
- 40 partners and ex-partners were contacted by our integrated support service and 23 went on to fully engage with the services we had to offer, either via 1-2-1 or our group work programmes. During the year, this support led to the minimisation of risk from others for a total of 21 partners/ex-partners whose cases had been closed.
- This year we have been proactive in our support to perpetrators by working in partnership with Respect on a number of new developments. In addition to regularly attending the Respect-accredited members forums, where discussions have focussed on new and innovative ways of engaging perpetrators and the introduction of the Domestic Abuse Bill, we were successful in becoming a primary research site for Respect's 'Tech versus Abuse' study. To date, we have held two focus groups, that were well-attended and customers' input into the research was very well received. Respect's 'Tech vs Abuse' project is a 12-month, user-centre design project funded by Comic Relief that explores developing a piece of tech for use alongside the Respect-accredited behavioural change programmes to prevent perpetrators of DA further harming survivors.
- More recently, we are part of a working group exploring best practice during COVID-19, ensuring the safe and effective use of Zoom, What's App and Microsoft Teams.
- The service is also working closely with CAF/CASS and other accredited services to explore how services can respond both safely and effectively in line with court orders during the COVID-19 pandemic.

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#### Our online success

Our website and social media channels are the platforms we use to tell our story, promote our services and campaign for change.

Since the Glow rebrand in Sept 2019, we've reached over 650,000 people on both Twitter and Facebook and increased our followers by 4%.

3,555 people have also engaged with our content – whether that be reacting to our posts, sharing them with their friends or clicking to find out more.

We have also used the channels to help on our mission to end DA with campaigns focused on helping people spot the signs of abuse. Over Valentines, we ran a tech abuse awareness campaign called 'Do you have a love bug?', we were successful in reaching 112,449 people on social media in just 10 days. Over 20,000 people read our tech abuse case study, 'Megan's' story, alone. We also reached thousands more people through the Signal 1 radio news feature.

Our new website also launched and has already had 21,671 visits. Almost 37% of these visits are driven by social media and people wanting to read about the work we do. A further 25% come to our website through search engines, such as google.

The website is designed with a range of information pages that focus on customer-specific issues e.g. Help for women, Worried someone they know is abusive, Understanding the warning signs. We have also created a menu that is a simple to navigate with an easy to find donation area to encourage monetary donations or how people can support us in other ways e.g. donating items. We are also protecting customers by having an exit site button on all pages and information on how to delete their browser history.

Over the remainder of the year, we will carry out a range of improvements to better improve the customer experience, including cookie control, a better contact us page with clearer information, and an improved header – making it simpler for customers to call us.

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**CONCRETE. MAKING HOMELESSNESS HISTORY:** it is a big statement, but we are not alone in achieving it. We are part of a national movement tackling homelessness from the inside out, addressing the factors that cause it as well as giving people the tools and knowledge they need to prevent it. Through our work and dedication today, the issue of homelessness will be revolutionised, making it a chapter in history defeated by better policies, better education and better support systems. The future is Concrete.

This year our Address, Secure, Connect and Equip approach to making homelessness history engaged more than 685 people in need of support across North Staffordshire and we shared our expertise with over 1,000 professionals:

#### **New areas of work for Concrete during the year:**

- We were successful in the care leavers and young people tender. Victoria Place has been reimagined and is now our young person's hub as part of our new Young Person's Accommodation Project for those leaving care (36 people have benefitted from our new Young Person's Accommodation service since mobilising on the 1 July 2019).
- In April we expanded our services into new geographies through securing our housing-related support contract in Cheshire East. This includes a floating support service covering both the North and South areas of Cheshire East, and a supported housing service for under 25s, single parents and families in the South of the county.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Trustees' Annual Report

### Year Ended 31<sup>st</sup> March 2020

#### Address:

*Raising awareness and educating our community on the realities of homelessness and what they can do to prevent and minimise their risk.*

- Following funding from TDS Charitable Foundation, we have successfully developed a commercial model to support the sustainable delivery of our early awareness and prevention programme and secured the contract for early prevention work in schools across Stafford Borough.
- In 2019-2020 we have delivered our early prevention programme to 180 secondary school pupils in NUL.
- We have shared our expertise and experience at the Pathways from Homelessness Conference and the National Navigator Conference, reaching over 1,000 professionals.
- We were chosen as Sainsbury's NUL Charity of Choice and had 150 hours of staff time, helping us raise awareness of homelessness and the work we do.

#### Secure

*Direct support for people at immediate risk of losing their homes, working with landlords, local authorities and tenants to help keep people within their homes.*

- Concrete have helped 127 people keep their home, equipping them with the skills they need to live independently in the future.
- Our Ministry of Housing Communities and Local Government (MHCLG) - funded Floating Support Service has supported 82 people during 2019/2020 with 70% successfully sustaining their tenancies. The service has also moved two people into our Pointon House service with funding from Personal Health Budgets.
- Despite a reduction in funding, resulting in less units over the year (from 145 to 107) in our City-Wide Supported Housing project (with SOTCC, and in partnership with Brighter Futures), we have supported 121 single homeless people in shared or single homes. 72.7% of customers exiting the service achieved independent living. This exceeded our target of 65%.
- Our Pointon House Service supported 26 adults in mental distress and at risk of homelessness by offering accommodation and life skills support. 12% of customers were provided with direct floating support so they were able to keep their home. 80% of customers exiting the service were positively maintaining their homes and wellbeing.

#### Connect

*Connecting those without a home to a home that is fit for their needs, providing dedicated support to connect housing and support needs into one access point.*

378 people connected to accommodation with support that is fit for their needs.

- In partnership with Staffordshire North and Stoke on Trent Citizens Advice Bureau (SNSCAB), we offered a range of advice and 1:1 resettlement support to asylum seekers and refugees and supported 125 refugee households to avoid homelessness. Unfortunately, funding reductions have placed the future of this service at significant risk with its survival based on a successful outcome for the single adult homeless tender.
- We have strengthened the pathway between the Asylum Seeker and Refugee Service and our Harbour House project by offering temporary accommodation to all of the 17 referrals we received for people who were destitute due to the decision or delayed decision around their status.
- Almost 85% of customers relying on Harbour House emergency temporary accommodation were failed asylum seekers waiting for an outcome on their application for additional support under section 4 of the Immigration and Asylum Act. There have been ongoing delays with the Home Office, due to difficulties in accessing solicitors and the length of time to wait for further submission hearings. This year has seen an increase in the vulnerability of customers, with high levels of mental and physical health issues.
- Our MHCLG-funded Navigator service engaged 27 men, while they were still in custody who were caught in a cycle of homelessness and offending. 93% of the Navigator customers we have accommodated have continued with support and with 57% have done so for over six months.

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- With the help of Service Coordination, 92% of the customers have been able to secure and sustain accommodation provision. Service coordinators raise the voice and rights of customers and help them to know and access the services and support they need. Through MHCLG funding we have expanded our Private Lettings Service. Over the last year, we have supported 20 people into the Private Rented Sector and facilitated six into a tenancy with a Registered Social Landlord. 54% of our customers are already sustaining these for over a six-month period. The service continues to reduce the barriers to accessing and maintaining a tenancy by identifying and matching customers with suitable properties and working with landlords to help them understand the needs of those who are at risk of homelessness.
- New properties and schemes identified by our Landlord Liaison Lead are not only setting a high standard for new properties, but have also improved how we work with landlords, as well as helping the community by solving some of the regeneration and environmental issues in the city.

#### **Equip**

*Providing 1:1 guidance and support to help people develop skills to live independently long-term.*

450 people received guidance and support.

- Our peer mentor scheme has gone from strength to strength, bringing on an additional ten peer mentors this year and creating 15 matches.
- Over the last year, our mentors have had a role in rebrand consultation and website testing, represented our services at the partnership Hub, supported customers attending our introduction to our services meetings, trained new mentors, and developed and implemented a Peer Think Tank.
- The Think Tank has reviewed and started to shape what can be done pre-tenancy with Concrete customers in Supported Housing projects. Mentors have attended training with Staffordshire North and Stoke on Trent Citizens Advice Bureaux (SNSCAB) to engage customers in pre-tenancy support. They have also met with the Ministry of Housing to share their experiences and discuss the value of lived experience, what the opportunity and experience of being a peer mentor has meant for them, and what they think is important in the future for the co-production of services.

#### **PARTNERSHIP WORKING AND MULTI-AGENCY RESPONSES/MECHANISMS**

With ongoing uncertainty and change, collaboration continues to play a critical role if we are to address the challenges ahead. Continued pressure on public spending, uncertainty post-Brexit and the coronavirus pandemic required a joined-up response on important matters such as health and welfare, safeguarding, housing, education, employment and more. The way in which we provided support has, and will continue to, change and the demand on our services will continue to grow.

Throughout 2019/20, the charity contributed to the following coordinated local approaches:

#### **Being flexible and innovative in our approach by delivering support that crosses the confines of contracts and disciplines:**

- The Stoke Multi-Agency Resolutions Group (MARG) brings agencies together to find solutions to support those with the most complex needs who are not responding to traditional services.
- We are building our networks in Derbyshire and have facilitated our first DA Matters training session for the Police. We have also attended the Derby & Derbyshire Modern Day Slavery Practitioners forum and by developing new relationships and gaining knowledge we have been able to offer a more holistic support package. We are also taking part in a pilot, led by Health England, delivering DA sessions to female prisoners at Foston Hall. If the pilot is successful it is hoped that it will be rolled out nationally for both female and male offenders.
- Domestic Abuse Community Housing (DACH); we have worked with the private rented sector and used our housing and DA knowledge and expertise to extend our offer of safe accommodation to victims fleeing DA. DACH provides the flexibility to accommodate families, and single males and females where refuge accommodation is not suitable.

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#### **Year Ended 31<sup>st</sup> March 2020**

- Glow has been at the forefront of the Pathfinder project led by Standing Together against Domestic Violence. As the only project in the northwest, Glow has worked with local mental health services and dental practices to improve professional responses to domestic abuse and in turn ensure victims receive the right advice and support at the right time.

#### **Enhancing/filling the voids in services for customers:**

- We have worked with a wide range of partners including, City Council, Walk Ministries, the YMCA, Staffs Housing (a trading name of Honeycomb Group Limited) and socially minded landlords to develop a service and recovery pathway for customers. This gives current and ex customers impacted by addiction, homelessness and offending the opportunity to volunteer and/or gain employment.
- During the year, we signed up 27 high-quality private landlord run units across four sites to support customers in the City-Wide Supported Housing service and young people within the Young Persons Accommodation project on reaching 18 years of age. Each of these were derelict/disused buildings which have been brought back to life creating high quality one-bed units. Our role in this has been commended by the local authority in the work we do with the private sector to positively impact the housing market locally for our customer group.

#### **Championing the needs of vulnerable groups:**

- We continue to participate in a wide range of local forums, operational groups and strategic boards to raise the profile of our customers and our charitable causes. Glow staff continue to play a key role in Domestic Homicide Reviews, local Multi Agency Risk Assessment Conference (MARAC) and other Safeguarding Partnerships. Concrete staff chair a sub-group of the Stoke-on-Trent Homelessness Forum and vice-chair the Homeless Reduction Board.
- We have assisted in the development of two new initiatives; the Collaborative Network and Totally Stoked:
  - The Collaborative Network (CN) is a partnership of organisations and individuals (community, voluntary, statutory and private sector) who have a shared interest and responsibility in improving the quality of lives of the people of Stoke-on-Trent.
  - Totally Stoked is a place-based giving scheme. Its core aim is to strengthen the voluntary and community sector to address the varied issues that are affecting people locally. As a strategic partner, we hope to build and grow connections with people, communities and businesses, and in doing so make the best use of people's time, skill and any financial resources available to the scheme.
- We have raised awareness of DA and homelessness by speaking at regional and national events, for example, the Pathways from Homelessness Conference in March, and the GP Pathfinder Conference in May. Concrete was also a finalist at the National UK Housing Awards for Homelessness Project of the Year. All have helped to raise awareness of the charity and its campaign to #MakeHomelessnessHistory.

**Sharing innovation and showcasing our work:** recognised as a specialist provider, responding to constant challenges with energy and drive, this has included being:

- Invited to share our expertise at the National Navigate Conference following the success of our Navigate project launched at the start of the year.
- Shortlisted for Homelessness Project of the year as part of the UK Housing Awards for the accommodation offer and model we have created at Victoria Place. This was recognised for our embodiment of lived experience to aid support and engagement of customers and for the creation of a pathway to employment for people with lived experience of addiction, homelessness and offending.

#### **Online and social media presence**

Concrete launched brand new social media accounts in Sept 2019 following the rebrand. Since then over 190,000 people have been reached via Facebook, Twitter and LinkedIn with over 8,500 people engaging.

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Concrete is a bold and impactful brand that is not afraid of ruffling a few feathers and we express this in all of our online and social media content. Concrete shares powerful customer stories, shouts about our opinion on local and national sector issues and most importantly, raises awareness of services to make access for customers quick and easy. It is this unique approach that has seen its social media following grow from 0 to over 500 in just over 6 months.

Memorable social media moments for Concrete have been sharing customer Jimmy's story in the national 24 Housing magazine. This coverage reached over 25,000 people on social media and created incredible brand awareness for Concrete. Another great moment was the Homeless Health conference networking where promoting tweets from Concrete speakers generated a reach of 9,600 and helped us gain 41 new followers in 24 hours.

Our website is a simple and clean design with a clear focus on striking and bold content (through photography and fonts) The content focused on customer-specific issues e.g. I'm homeless, I'm at risk of losing my home, with noticeable call-to-actions that attract people to donate and support us.

Over the remainder of the year, we will carry out a small number of improvements, including introducing a cookie control module and content review.

Stats since launch; we have had 15,121 visits to the website with almost 50% coming directly from the content we post on social media, 25% use the website address directly with a further 25% coming from search engines (e.g. Google) or where our website is listed on another site.

### PERFORMANCE

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Despite the turbulent external environment and the significant period of change that Glow and Concrete have experienced internally over the last year, we are proud to report continued value for money across our organisation:

**Economy:** increasing resources available to us

- Although the majority of business development resources were committed to sustaining existing business or managing cuts within existing services, we were able to secure more than £3.4m to deliver new business.
- £124k secured from customer Personal Health Budgets to provide independent living support through our Pointon House accommodation and support services.
- Continued purchase all 'back office' functions from our parent company. Achieving best value in these reduces our overheads enabling us to have more resources available for service delivery.
- 22 volunteers were actively engaged across a number of services during the year, supporting and enhancing service delivery and outcomes for customers.

**Efficiency:** using our resources well.

- We continued to see improvements in employee satisfaction with an improvement for the third year running in staff retention rates. This was further backed up by the results of a survey in winter 2018 where 96% of respondents stated they were likely or very likely to recommend the Honeycomb Group as a good place to work and 93% reported feeling proud to work for the Group.
- We continue to manage complaints well with 100% of complaints being resolved at Stage 1 of our complaints process.



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- Within an environment of continuous improvement, we encouraged all staff to be creative and innovative in their practice which resulted in savings of £1,391 and savings of 196 hours of employee time.

**Effectiveness:** the impact we have created with our resources.

- Our customer satisfaction survey captures feedback of customer experiences of across different aspects of their engagement with Glow and Concrete:

**Our services are supporting customers to achieve great outcomes:** 81% reported being better able to manage their physical and mental health and wellbeing, 94% felt safer, 95% reported feeling more independent and 87% felt they were able to make better choices.

**Our teams are providing high quality support:** 88% of customers reported that they 'were happy with the service they receive from the Charity, 94% felt that their support worker understood their needs, 98% reported feeling that they were treated nicely and 87% felt able to have their say.

- We maintained our external accreditations with Respect, 2 Team Leaders in DVA Services achieved the Safe Lives: Leading Lights Manager certification and we performed well in our quality audits for Local Authority funded services.

Staff made improvements to the financial position of customers totalling more than £34,136 through for example, supporting customer to get debts written off, securing donations/grants of white goods or other household items. The successful integration of a Welfare Benefits Caseworker from Citizens Advice Staffordshire North and Stoke on Trent and Voices (an organisation funded by the Big Lottery to work with people with Multiple Complex Needs, that is those who experience Homelessness, Mental Health, Substance issues and Offending) have used system change funding to ensure customers' entitlement to welfare benefits is maximised and financial outcomes improved. The project has increased confidence and capacity of Concretes support staff when dealing with the customers' welfare benefit issues. In the 1st year (despite limited outcomes for March due to lockdown) the project has gained £98,390 worth of income for customers within Concrete. By improving their income Concrete customers have been able to maintain their accommodation or secure further housing.

Performance is presented to our Executive Team through quarterly key performance indicators which bring together a range of measures to give an overview of how the Charity is performing. Our approach asks questions directly of our customers, of ourselves and our stakeholders and provides information that is regularly reported to our Board of Trustees and wider Group Board of Management through sub-committees and board meetings.

#### **During the year we developed a number of new initiatives and improvements including:**

- Reviewed our internal quality assurance process shifting to a self-assessment and peer review model.
- Launched the Customer Engagement Strategy refreshed by the Customer Engagement Coordinator for our Group with a greater focus on getting customers influencing at a strategic level.
- Introduced a case management system called 'Journey' in supported housing with roll out to remaining concrete services by Sept 2020. The new system has introduced a more efficient way of working which means more time with customers. The system also allows for the appropriate sharing of information which means customers do not have to repeat information. We are now improving the way in which we collect data through Journey to improve our understanding of the needs of our customers and the outcomes we achieve.
- Continued our 'disruptive' approach to HR and progressed a number of initiatives to support our HR Strategy which focuses on the 'employee experience' The 'My Space' app supports the streamlining of basic admin processes and offers self-service functionality and we have continued

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to embed our approach to employee performance management and support through 'My Check-in' as well as encouraging our people to take more ownership and responsibility for their own development

### **BUSINESS DEVELOPMENT AND FUNDRAISING ACTIVITY**

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We continued to invest in a dedicated Business Development team to ensure a coordinated approach to sustaining and developing funding to meet our charitable aims. Recognising the increased regulation around fundraising and our need to diversify income streams, we also welcomed a Fundraising Manager this year. Together the team have delivered successfully against our growth strategy and launched an ambitious Fundraising Strategy.

#### **Key activities and achievements in the year included:**

##### **Business development activity**

During the year the Business Development team identified over 150 opportunities that met the sustainability and development aims of our Growth Strategy. 40 applications of varying size were progressed (expressions of interest, applications and tenders) securing a total of £4.8m and a success rate of 100% in relation to tendering for contracts (securing more than £1.5m for existing and new business).

We tendered for the Supported Housing service we've delivered in Stoke-on-Trent for decades. The service was incorporated into a contract which brings together services currently delivered under three contracts in the City. With a value of over £3.5m over 5 years plus associated rental income, this is the largest contract we have tendered for. We offered a partnership model which provides a sustainable and flexible approach to meet the needs of people experiencing homelessness in the City and were proud to work with our established partner Walk Ministries and new partner Adullam Homes who share our values of making housing a right and not a privilege.

We secured multi-year contracts to deliver both a specialist DA service for Children and Young People in Newcastle-under-Lyme, a Domestic Abuse Housing-related Support in Stoke-on-Trent (retaining the refuge service we've delivered since 2010) and a contract with schools in Newcastle-under-Lyme to deliver healthy relationships programmes (Relationships without Fear and XRoads).

We are a part of Honeycomb Group, a team of social-minded brands championing happy homes in our region by providing services and support that help people across Staffordshire and its surrounding areas feel secure, connected and confident. As a part of the Group we were able to maximise our development opportunities during the year:

- We started negotiations to buy the building we use to deliver the Stoke-on-Trent refuge into Honeycomb Group's stock.
- We secured capital and revenue funding from Homes England to develop more move-on accommodation to help free-up bed spaces in hostels and refuges.

Strong partnerships with local authority and health partners helped us to maximise access to national funding opportunities:

- Securing £621,848 from MHCLG to extend our work through the Rough Sleeper Initiative and to maintain and enhance our refuge and safe accommodation services, as well as continued funding of the DA Housing Advocate role we successfully piloted last year.
- Accessing additional funding of nearly £50k towards our DA and Health Pathfinder project, which not only contributed to our aim of diversifying the type of work we do, but also helped us to develop our primary purpose trading model. Our involvement with Pathfinder will also be cited as contributing to the roll-out of a National DA Toolkit for health professionals.

We were excited to return to Cheshire East where we delivered services up until March 2016 but withdrew when the re-commission of housing-related support services did not align with our vision and values. During

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this time, we've developed our relationships with commissioner and other providers through commissioner led engagement sessions on potential new or redesigned services. This has resulted in Concrete expanding its mission to make homelessness history into a new geographical area, securing funding to deliver three housing related support contracts for Cheshire East Council to the value of £900k over the next 3 years.

We have developed a more coordinated and sustainable approach to building relationships and securing funding from charitable trusts and foundations.

- We were invited to submit a full proposal for continued support from the National Lottery Fund for our Sunrise DA Recovery Centre.
- We secured funding from Respect to undertake a customer consultation with perpetrators of domestic abuse to support a wider digital development project as part of Comic Relief's Tech vs Abuse programme.

#### Fundraising activity

Investment in a dedicated fundraising manager during the year has enabled us to better understand the areas of fundraising that are most suited to our charity and its causes and build on our fundraising culture internally. With the support of Honeycomb Group's experienced communications and marketing team we've developed awareness of Glow and Concrete through the expansion of contacts, relationship development and social media activity and appeals.

During the year activity included:

- Implementation of a fundraising strategy and an annual fundraising and communications plan supported by a Fundraising Steering Group Committee. With this we are able to streamline our working and increase our presence within digital markets and direct fundraising.
- In preparation of the launch of the rebranded organisation, a full review of fundraising regulations and requirements and organisational policies and processes took place including:
  - Role descriptions for fundraising champions, volunteers/volunteer ambassadors and patron roles established;
  - Ethical policy confirmed and implemented;
  - A full GDPR review and the development of a GDPR-compliant database enabling us to better manage our donor journey and monitor and report on outcomes.
- We grew our corporate Charity of the Year support by maintaining eight existing relationships, developing 20 new relationships and nurturing a further 13.
- An increase of 128% in the number of corporates supporting us on an ad hoc basis. Corporate relationships have been developed through engagement with BNI networks, the Chamber of Commerce and existing relationships held across our organisations. Examples include:
  - GMB donated the equivalent of £3,865 in cash and wanted goods;
  - Portmerion donated £5,830 and confirmed a second year's support;
  - Hanley Economic donated £1,434 and confirmed a second year's support.
- The number of individuals and groups supporting us increased significantly during the year including:
  - Four new National Citizens Service (NCS) groups supported us and have confirmed their commitment for 2020;
  - 15 new speaking platforms, including Rotary groups, churches and women's groups;
  - Two new fundraising groups are now actively fundraising on our behalf and raising their own income towards the charity target.
- The Fundraising Manager has worked with team leaders across the organisation to help them to maximise income potential from current and new contacts, and in doing so has helped to develop, Fundraising Champions across the business.

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#### Year Ended 31<sup>st</sup> March 2020

- We held a Christmas appeal to raise funds for our refuges (the first appeal we have done for several years). This went out to individuals, companies, schools and community groups and included a comprehensive social media plan. Not only did it raise £6k in cash and in-kind donations, it also raised awareness of Glow as our new brand delivering services to end relationship abuse, as well as raising awareness of the cause and the importance of refuges.

#### Trading activity

We continued to develop our primary purpose trading ambitions through the sale of:

- **Healthy relationship education** programmes ('Relationships without Fear' and 'XRoads') generating £8,615 during the year.
- **Training for professionals** generating £7,943. This has included a range of specialist DVA training delivered to organisations including Keele University and Care Today Children's Services and further enquiries from Derby City Council and Stoke Drug & Alcohol Services to be followed up when training is able to commence.
- Bringing our charity's DVA and housing expertise together, we have developed a training package for housing providers to better identify, increase their understanding of, and safely address domestic abuse in their tenants' homes. In addition to supporting Honeycomb Group's housing teams, we have been commissioned by Longhurst Group, who are committed to integrating DVA best practice within their organisation. This opportunity has, and will continue to, improve our DVA & Housing training track record to benefit the professional training trading model going forwards.

Training for professionals is delivered by members of the current staff team in addition to their usual roles but our aim is for this to become a separate, self-funded service from October 2020.

#### PLANS FOR THE FUTURE

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There's an uncertain economic environment ahead especially for the charity sector. As we move from COVID-19 response to recovery, the months ahead will see a change like no other where the sector must reimagine and put in place a new way of working.

There will be challenges.

Reports are suggesting charities can expect an average of 48% decline in fundraising income because of COVID-19, and cuts to public sector funding are inevitable given the redirection and extraordinary investment required to respond to the pandemic. Alongside this we will need to prepare for an increase in demand for our services.

There will also be opportunities.

The Government has set out a response to support the sector identifying several emergency response and resilience funding programmes. Local and national charitable givers have come together to offer funding programmes that will offer opportunities to both recover the additional costs associated with the pandemic as well as enhance and develop new services that will ensure that we can continue to support our customers.

The community response to the pandemic has been extremely positive; the support of friends, family neighbours, and the voluntary and community sector has been invaluable, particularly to people who are now more vulnerable and isolated than ever before. People have found new ways to connect, and communities have come together through a shared purpose to keep each other safe and well. The positive community response is something to celebrate and something we can build upon.

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#### **Year Ended 31<sup>st</sup> March 2020**

We have the backing of government on the causes that matter to us and there are signs of long-term sustainable funding opportunities ahead through central government:

- The Domestic Abuse Bill faced numerous delays in its progression through parliament and long-term funding to support its implementation remains unclear. The appointment of Nicole Jacobs as the Domestic Abuse Commissioner is a positive step and will help to drive improvements on the response to domestic abuse in the UK, particularly when statutory powers are in place once the Bill becomes law. We will support the Commissioner and fellow campaigners to give a voice to victim survivors and influence change.
- Initiatives to help vulnerable rough sleepers to get the support they need to rebuild their lives will continue. Following the establishment of a new national taskforce, over 90% of rough sleepers have been housed in response to COVID-19. This presents an ideal opportunity to work together to provide long-term accommodation and recovery. We welcome the government's commitment to this and will continue to provide our support to ensure this happens.

As we move into 2020/21, we're working with an interim strategy focusing on ensuring we can continue to maintain our essential services to customers, support staff and sustain financial viability during the COVID-19 pandemic and the period that follows while ensuring, wherever possible, we continue to move towards achieving the ambitions set in our Strategic Plan (2020-2026).

#### **Our future plans include:**

- Review of our growth and fundraising plans to maximise opportunities related to COVID-19 and to take account of the changes and position associated with moving through the pandemic so we have a sustainable financial model that protects services for our customers now and in the future.
- Involve customers and staff to help us reimagine and develop a new way of working, of service delivery and support in the short, medium and long term in light of the pandemic and ongoing challenges posed by this.
- Ensure our teams remain safe, well and engaged during lockdown and beyond with people remaining connected with each other, to the wider group and our purpose and mission so we can continue to deliver the best services we can to our customers.
- Build on valuable employee insight gained from our Best Companies review and put in place strategies that ensure that all our people feel engaged and empowered.
- Continue to promote Glow and Concrete so people that need support know where to come, so funders know we are specialists in what we do and so we can campaign for change to achieve our mission.
- Build on the community spirit developed through the pandemic to engage more volunteers, and peer mentors who have proven invaluable in the delivery of authentic support services and the running of our organisation and continue to offer a pathway to paid employment for those engaging with us.
- Continue to build formal and informal partnerships that enable us to achieve more for those we serve as well as protecting specialisms in the sector. We will proactively work with the voluntary sector-led Collaborative Network, and with statutory health and care partners to develop and implement plans in the recovery phase of the pandemic. This will include ongoing review of welfare reforms and local funding arrangements.
- Review our digital approach and ensure we have the right tools for our teams to continue to work agilely to increase effectiveness and efficiency in the services we deliver as well as offer a more flexible workplace for our employees' wellbeing.

While the future is uncertain, the year ahead presents an opportunity to reimagine how we can work differently and better to create hope, recovery and lasting change for our customers, and we are ready for the challenge.

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Year Ended 31<sup>st</sup> March 2020

### Financial review (including reserves policy)

#### a. Going concern

We have conducted a detailed risk analysis of the potential worse case impact of the COVID19 outbreak. The principal financial risks to the Company are related to the loss of fundraising and trading revenue and additional costs of working. In order to mitigate against the impact of these risks the Company successfully applied for several specific COVID related grants in early 2020/21. Subsequent to the year end, the Charity was also awarded a significant contract (Single Homelessness Service) with Stoke on Trent City Council

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

#### b. Investment policy and performance

The results for the charity for the year ending 31<sup>st</sup> March 2020 are set out in the financial statements.

The charitable activities undertaken generated a deficit of £152,706. This compares to £42,911 surplus in the previous year.

Costs increased by 19% compared to previous years primarily due to the on-take of new services but also from additional costs of working at one of our supported housing projects.

Income also rose accordingly but by a smaller amount (13%) due to lost income arising from voids and a slower take up of occupation of rental properties in key contracts.

#### c. Funds

As of March 2020, unrestricted funds (excluding revaluation reserves) stand at £1,393,768. This comprises £654,114 designated funds and £739,654 general funds. Restricted funds stood at £12,500 comprising of a rent deposit fund.

#### d. Reserves policy

The Trustees aim to accumulate reserves sufficient to fund its fixed assets, meet its liquidity requirements and have sufficient contingency for unexpected events. Unrestricted funds from any operating surplus will be held as accumulated reserves until the required level of 2.7 months of operating expenditure is achieved. As at 31<sup>st</sup> March 2020 the Charity held accumulated reserves to a level of 3.9 months.

The Trustees regard the ongoing review of the reserves level, target and policy as part of managing the charity. The operating results are identified and reported each month in the management accounts. Unrestricted funds are identified and analysed when the audit of the annual accounts is complete. The reserves policy is then reviewed by the Trustees as part of the charity's strategic planning process.

#### e. Principal funding

The principal funding of the charity is through:

		Average Contract Term
• Stoke-on-Trent City Council	£1,239,981	1.71 Years
• Derby County	£ 271,292	2 Years
• Derby City PCC	£ 98,280	1 Years
• Staffs County Council	£ 87,137	1 Years
• Big Lottery Fund	£ 83,316	3 Years

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**Year Ended 31<sup>st</sup> March 2020**

#### **f. Material investments policy**

The bank account is reviewed daily and all free income is invested in interest-bearing accounts.

### **Structure, governance and management**

#### **a. Constitution**

##### **Status**

On 18<sup>th</sup> September 2019 the company changed its legal name from Arch (North Staffs) Limited to Honeycomb Charitable Services Limited.

Honeycomb Charitable Services is a charitable company limited by guarantee, incorporated on 9 March 1989 and registered as a charity on 31 March 1989. The company was established under a Memorandum of Association, which sets out the objects and powers of the charitable company and is governed under its Articles of Association. On 2 April 2012, the Charity became a member of the **Honeycomb Group** of companies. It is required to meet its own financial obligations in delivering its charitable objectives. The Charity funds its services through government commissions, trust and grant awards and public fundraising.

##### **Honeycomb Group**

The Honeycomb Group is a team of social-minded brands championing happy homes in our region by providing services and support that help people across Staffordshire and its surrounding areas feel secure, connected and confident.

Whether it's developing and maintaining affordable homes, providing trusted home repairs and improvements, keeping people safe and well at home or providing support services that eradicate social issues isolating people from a happy home, Honeycomb Group is making our region vibrant.

Our Vision: A progressive, passionate region with no barriers to a happy home.

Our Mission: Breaking down all of the social and physical barriers to a happy home in our region.

Our Values:

- Be Dead Genuine
- Never Shut the Door
- Chase curiosity and ambition
- Be a leader in the field
- Come together

##### **Governance Structure**

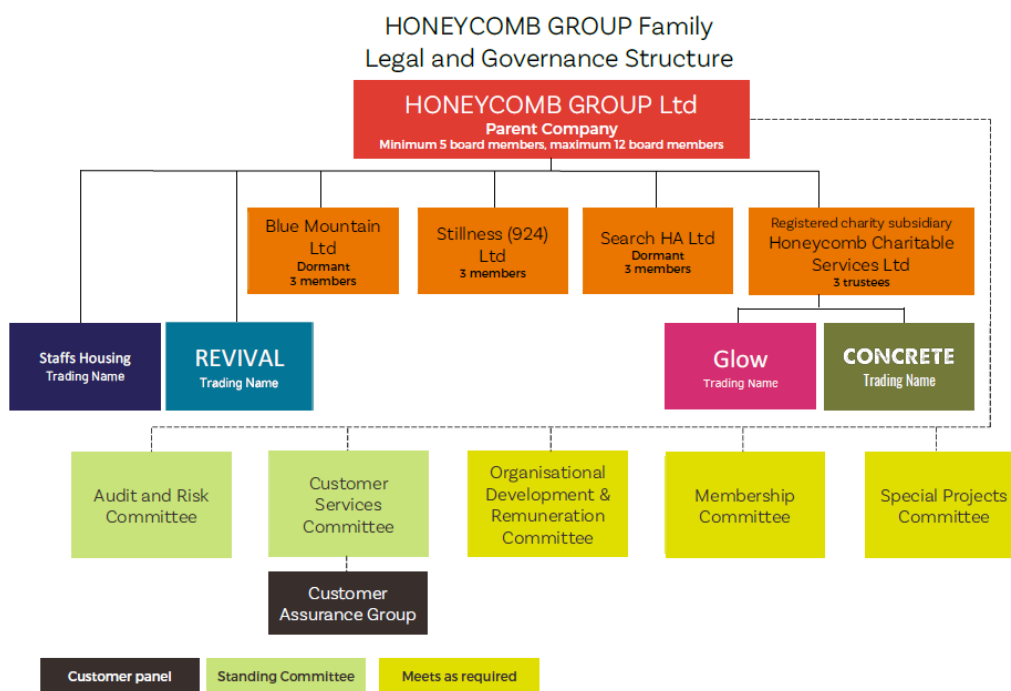
The Charity is governed through an integrated Board of Management which oversees activities for the entire Honeycomb Group, with three members acting in Trustee roles specifically for the Charity.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Trustees' Annual Report

Year Ended 31<sup>st</sup> March 2020

### Group Structure



#### b. Method of appointment or election of Trustees

Trustees are appointed by the Board of the parent company, Honeycomb Group Limited. The Group Board are appointed in line with the National Housing Federation Code of Governance that includes open recruitment and appraisal.

The recruitment and selection process enable us to attract high-calibre members with the right mix of skills, expertise and qualifications, and ensures that the members' backgrounds and understanding reflects the needs of the customer.

All members of the Board of Trustees gave their time voluntarily and receive no benefits from the charity. No Trustees claimed any out-of-pocket expenses during the financial year 2019-2020.

#### c. Policies adopted for the induction and training of Trustees

Individual plans are developed for each Trustee as part of the group Board appraisal process. Trustees are also encouraged to take part in the Honeycomb Charitable Services Limited internal quality assurance process, the Peer Audit Reviews. This involves assessing projects for quality of service, performance and policy compliance.

#### d. Organisational structure and decision making

Trustees meet 8-9 times each year and retain overall responsibility for managing the charity's affairs. Trustees receive key reports on strategy, finance, business risk, performance, development and management.



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### **Trustees' Annual Report**

#### **Year Ended 31<sup>st</sup> March 2020**

The Group's Chief Executive is responsible for the management of the Group's affairs and implementing strategies and policies approved by the Board. Day-to-day operational management of the Charity is delegated to an executive director with support from a senior management team.

#### **e. Risk management**

The Charity has a risk management policy and procedure by which business risk is regularly assessed and risk management strategies are implemented. It involves identifying the kinds of risks the charity faces, assessing them in terms of potential impact and likelihood of occurrence, and identifying ways in which to respond. This aims to provide reasonable assurance that risk is properly identified and assessed, and mitigating actions are developed to reduce potential misstatement or loss.

A common approach to risk assessment and management has been adopted and cascaded throughout the organisation. Training has been provided to key employees. Risk review is embedded within the performance management process.

Key risks are overseen by the Honeycomb Group Audit and Risk Committee which considers risk and takes appropriate action.

#### **f. Evaluation and Board Effectiveness**

The Board's key purpose is the effective governance of the Group. Throughout the year the Board has continued to implement strategies that ensure the overall governance arrangements are fit for purpose and effectively support the needs of the business.

During the year the Board with the support of an independent governance advisor, the Board has;

- Reviewed the effectiveness of the way we work and implemented a range of improvements to the way we operate the overall governance of the Group.
- Individually and collectively taken learning from individual appraisals and development sessions and agreed actions to support overall governance arrangements and Board development.
- Held training and learning development sessions to enhance understanding of the changing operating environment and context.
- Completed individual and collective appraisals in accordance with our policy.

#### **g. Board diversity**

The Group board regularly carries out an audit of skills, experience and diversity of background of its members to find imbalances and gaps and in order to inform trustee recruitment and training.

The Group board sees diversity, in all its forms, as an integral part of its recruitment process. When deciding how to recruit trustees, the board thinks about how best to attract a diverse pool of candidates. It tries to achieve diversity in any trustee appointment panels.

## **Honeycomb Charitable Services Limited (a company limited by guarantee)**

### **Trustees' Annual Report**

**Year Ended 31<sup>st</sup> March 2020**

#### **SUPPORT FROM PARENT ORGANISATION AND WIDER GROUP STRUCTURE**

The Charity continued to benefit from the Group infrastructure support services including ICT, HR and Organisational Development, Business Improvement, Finance and Payroll and, Communications. Honeycomb Group as the parent organisation takes responsibility for these services and 'recharges' the charity through an intra-group agreement, as well as sharing office space which provides a great working environment at cost that's affordable.

The Charity has continued to access the Group's housing services to provide income management, money advice and, maintenance services for customers. With access to this wider pool of knowledge and experience as well as benefiting from increased purchasing power, Honeycomb Charitable Services Limited can achieve greater efficiency enabling more funding to be focused on frontline delivery.

#### **Trustees' responsibilities**

The Trustees (who are also directors of Honeycomb Charitable Services Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees 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 Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- 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 charitable company will continue in operation.
- State whether appropriate accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Honeycomb Charitable Services Limited (a company limited by guarantee)**

**Trustees' Annual Report**

**Year Ended 31<sup>st</sup> March 2020**

**Disclosure of information to the auditor**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing their report and to establish that the charitable company's auditor is aware of that information.

Signed by the board of trustees for the year ended 31 March 2020.



Karl Dean, Trustee



John Arthur Yates, Trustee



Valerie Bourne, Trustee

Date: 3<sup>rd</sup> September 2020

## **Honeycomb Charitable Services Limited (a company limited by guarantee)**

### **Independent Auditor's Report to the members of Honeycomb Charitable Services Limited**

**Year Ended 31<sup>st</sup> March 2020**

#### **Opinion**

We have audited the financial statements of Honeycomb Charitable Services Limited "the charitable company" for the year ended 31 March 2020 which comprise the Statement of Financial Activities (including the Income and Expenditure account), the Statement of Financial Position and the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable 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,

## **Honeycomb Charitable Services Limited (a company limited by guarantee)**

### **Independent Auditor's Report to the members of Honeycomb Charitable Services Limited**

#### **Year Ended 31<sup>st</sup> March 2020**

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.

#### **Other information (continued)**

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 trustees' annual 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 trustees' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' annual 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 trustees' 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 Trustees' Responsibilities Statement set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

**Honeycomb Charitable Services Limited (a company limited by guarantee)**

**Independent Auditor's Report to the members of Honeycomb Charitable Services Limited**

**Year Ended 31<sup>st</sup> March 2020**

**Auditor's responsibilities for the audit of the financial statements (continued)**

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

**Use of our report**

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



Lee Cartwright (Senior Statutory Auditor)  
For and on behalf of  
BEEVER AND STRUTHERS  
Statutory Auditor  
St George's House  
215/219 Chester Road  
Manchester M15 4JE

Date: 10 September 2020

**Honeycomb Charitable Services Limited (a company limited by guarantee)**

**Statement of Financial Activities (including the Income and Expenditure Account)**

**Year Ended 31<sup>st</sup> March 2020**

	Note	Unrestricted funds £	2020 Restricted funds £	Total £	2019 Total £
<b>Income from:</b>					
Donations	2	99,269	29,025	<b>128,294</b>	101,399
Charitable activities	3	1,899,101	2,068,301	<b>3,967,402</b>	3,495,394
Other trading activities	4	9,678	-	<b>9,678</b>	8,022
Investments	5	4,292	-	<b>4,292</b>	2,281
Other	6	212	-	<b>212</b>	710
<b>Total income</b>		2,012,552	2,097,326	<b>4,109,878</b>	3,607,806
<b>Expenditure on:</b>					
Charitable activities	7	2,165,258	2,097,326	<b>4,262,584</b>	3,564,895
<b>Total expenditure</b>		2,165,258	2,097,326	<b>4,262,584</b>	3,564,895
<b>Net income</b>		(152,706)	-	<b>(152,706)</b>	42,911
<b>Net movement in funds</b>		(152,706)	-	<b>(152,706)</b>	42,911
<b>Reconciliation of funds:</b>					
Total funds brought forward	18	1,650,256	12,500	<b>1,662,756</b>	1,619,845
<b>Total funds carried forward</b>		1,497,550	12,500	<b>1,510,050</b>	1,662,756

The notes on pages 32 to 45 form part of these financial statements.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Statement of Financial Position

Year Ended 31<sup>st</sup> March 2020


		2020	2019
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	11	778,937	752,552
		<hr/> 778,937	<hr/> 752,552
<b>Current assets</b>			
Debtors	12	315,428	320,541
Investments	13	886,223	1,102,303
Cash at bank and in hand		267,303	242,927
		<hr/> 1,468,954	<hr/> 1,665,771
<b>Creditors: amounts falling due within one year</b>	14	(664,841)	(682,567)
		<hr/>	<hr/>
<b>Net current assets</b>		804,113	983,204
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		1,583,050	1,735,756
<b>Creditors: amounts falling due after more than one year</b>	15	(73,000)	(73,000)
		<hr/>	<hr/>
<b>Net assets</b>		1,510,050	1,662,756
		<hr/>	<hr/>
<b>Charity Funds</b>			
Restricted funds	18	12,500	12,500
Unrestricted funds	18	1,393,768	1,544,168
Revaluation reserve	18	103,782	106,088
		<hr/>	<hr/>
<b>Total charity funds</b>	19	1,510,050	1,662,756
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board on 3<sup>rd</sup> September 2020.

Signed by the board of trustees



Karl Dean, Trustee



John Arthur Yates, Trustee



Valerie Bourne, Trustee

The notes on pages 32 to 45 form part of these financial statements.

Company registration number: 2357520



# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Statement of Cash Flows

Year Ended 31<sup>st</sup> March 2020

	Note	2020 £	2019 £
<b>Cash flow from operating activities</b>			
Net income for the financial year		(152,706)	45,217
Depreciation and impairment of tangible fixed assets		36,592	28,611
Interest received	5	(4,292)	(2,281)
Decrease in debtors		5,113	4,705
Increase / (Decrease) in creditors		(17,726)	117,392
<b>Net cash flow from operating activities</b>		<b>(133,019)</b>	<b>193,644</b>
<b>Returns on investments and servicing of finance</b>			
Interest received	5	4,292	2,281
<b>Net cash flow from investing activities</b>		<b>4,292</b>	<b>2,281</b>
<b>Capital expenditure and financial investment</b>			
Acquisition of fixed assets	11	(62,977)	(15,036)
Disposal of fixed assets	11	-	-
<b>Net cash flow from financing activities</b>		<b>(62,977)</b>	<b>(15,036)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(191,704)</b>	<b>180,889</b>
<b>Cash and cash equivalents at 1st April</b>		<b>1,345,230</b>	<b>1,164,341</b>
<b>Cash and cash equivalents at 31st March</b>		<b>1,153,526</b>	<b>1,345,230</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		267,303	242,927
Short term deposits	13	886,223	1,102,303
<b>Cash and cash equivalents at 31st March</b>		<b>1,153,526</b>	<b>1,345,230</b>

The notes on pages 32 to 45 form part of these Financial Statements.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

Honeycomb Charitable Services Limited is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote social exclusion for the public benefit by preventing people within the area of Staffordshire and its environs from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

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.

#### (b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### (c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### (c) Income recognition continued

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

#### (d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised as Expenditure on Charitable Activities which includes housing management, employment costs, office costs, client activity costs and support costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### (e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on a headcount basis and other overheads have been allocated on a headcount or income basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 8.

#### (f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold property	Over 50 years straight line
Office equipment	Over 3 - 5 years straight line
Motor vehicles	Over 5 years straight line

#### (g) Investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### (h) Stocks

No stocks are held.

### (i) Debtors and creditors receivable / payable within one year

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 expenditure.

### (j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

### (k) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

### (l) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

### (m) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### (n) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### (o) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. A detailed risk analysis of the potential worse case impact of the COVID19 outbreak has been conducted. The principal financial risks to the Company are related to the loss of fundraising and trading revenue and additional costs of working. In order to mitigate against the impact of these risks the Company successfully applied for a number of specific COVID related grants in early 2020/21. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### (p) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

##### *Tangible fixed assets.*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

##### *Bad Debt Provision.*

Bad debts are provided for on the basis of a 100% provision for all former tenants and 100% provision for specific current accounts that have been identified by the Income Team.

#### 2 Income from donations and legacies

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gifts	38,359	88,887
Legacies	60,910	-
Grants	-	5,992
Donated goods for distribution to beneficiaries	29,025	6,520
	<u>128,294</u>	<u>101,399</u>

Income from donations was £128,294 (2019 - £101,399) of which £99,269 (2019 - £88,887) was attributable to unrestricted funds and £29,025 (2019 - £12,512) was attributable to restricted funds.

#### 3 Income from charitable activities

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Housing Management	1,900,354	1,902,272
Accommodation and Inclusion Services	907,834	722,908
Services to counter Domestic Violence	452,890	622,491
Floating Support and Outreach Services	697,262	240,040
Other	9,062	7,683
	<u>3,967,402</u>	<u>3,495,394</u>

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 3 Income from charitable activities (continued)

Income from charitable activities was £3,967,402 (2019 - £3,495,394) of which £2,068,301 (2019 - £1,592,889) was attributable to restricted funds and £1,899,101 (2019 - £1,902,505) was attributable to unrestricted funds.

### 4 Income from other trading activities

	2020 £	2019 £
Other	9,678	8,022
	<u>9,678</u>	<u>8,022</u>

Income from other trading activities was £9,678 (2019- £8,022) of which £NIL (2019 - £NIL) was attributable to restricted funds and £9,678 (2019- £8,022) was attributable to unrestricted funds.

### 5 Income from investments

	2020 £	2019 £
Interest - deposits	4,292	2,281
	<u>4,292</u>	<u>2,281</u>

Income from investment was £4,292 (2019 - £2,281) of which £NIL (2019 - £NIL) was attributable to restricted funds and £4,292 (2019 - £2,281) was attributable to unrestricted funds.

### 6 Other income

	2020 £	2019 £
Other	212	710
	<u>212</u>	<u>710</u>

Other income was £212 (2019- £710) of which £NIL (2019 - £NIL) was attributable to restricted funds and £212 (2019 - £710) was attributable to unrestricted funds.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 7 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support costs £	2020 Total £	2019 Total £
Housing Management	102,753	124,197	213,658	440,608	519,081
Accommodation and Inclusion Services	756,421	792,986	209,105	1,758,512	1,438,767
Services to counter Domestic Violence	230,387	452,890	113,284	796,560	1,087,233
Floating Support and Outreach services	314,783	698,228	149,861	1,162,873	429,492
Other	68,502	29,025	6,504	104,031	90,322
	<u>1,472,846</u>	<u>2,097,326</u>	<u>692,412</u>	<u>4,262,584</u>	<u>3,564,895</u>

£2,097,326 (2019 - £1,605,401) of the above costs were attributable to restricted funds. £2,165,258 (2019 - £1,959,494) of the above costs were attributable to unrestricted funds.

### 8 Allocation of support costs

Support cost	Basis of allocation	Housing Management £	Accommodation and Inclusion Services £	Services to counter Domestic Violence £	Floating Support and Outreach Services £	Costs of generating Voluntary Income £	2020 Total £	2019 Total £
Finance	Total Income	2,584	1,263	721	952	30	5,550	63,389
Information technology	Total Income	10,356	5,061	2,890	3,817	120	22,244	27,270
Human resources	Headcount	2,081	15,320	4,666	6,376	1,387	29,830	38,353
Business Development	Non-Rental Income	-	87,302	49,850	65,754	2,076	204,982	198,360
Service Management & Employee Tracking	Total Income	49,633	24,255	13,850	18,294	577	106,609	139,468
Depreciation	Rental Income	8,262	-	-	-	-	8,262	14,018
Office costs (incl. rental)	Total Income	2,043	999	570	753	24	4,389	4,902
Intragroup Charges	Total Income	134,274	65,618	37,468	49,490	1,560	288,410	288,412
Pension contributions	Headcount	1,037	7,631	2,324	3,176	691	14,859	6,144
Other	Total Income	3,388	1,656	945	1,249	39	7,277	14,878
		<u>213,658</u>	<u>209,105</u>	<u>113,284</u>	<u>149,861</u>	<u>6,504</u>	<u>692,412</u>	<u>795,194</u>

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### 9 Net income for the year

Net income is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	36,592	28,611
Operating Lease Payments		
-Land and Buildings	155,639	101,530
-Other	3,154	1,634
Auditors Remuneration	-	-

Auditor's remuneration is included within the intercompany charge from Honeycomb Group.

#### 10 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>Number</b>	<b>FTE</b>	<b>Number</b>	<b>FTE</b>
Management and Admin	10	7	10	8
Fieldworkers	114	86	98	74
Cleaners	1	1	1	1
	<hr/> 125	<hr/> 94	<hr/> 109	<hr/> 83
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The total staff costs and employee benefits were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Salaries and wages	2,097,011	1,667,610
PAYE / NI Costs	136,525	110,048
Pension Costs	83,351	51,080
Redundancy Costs	-	7,068
	<hr/> 2,316,887	<hr/> 1,835,806
	<hr/> <hr/>	<hr/> <hr/>

Total redundancy / termination payments amount to £NIL (2019 - £7,068) and are related to a Management restructure.



# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### 10 Staff costs and employee benefits continued

There are no employees who received total employee benefits (including employer pension costs) of more than £60,000.

The Key Management Personnel of the charity are the Directors. Their remuneration is paid via the parent company, Honeycomb Group Limited, and disclosed in the Group accounts.

#### 11 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Office equipment £	ICT equipment £	<b>Total £</b>
Cost or deemed cost:					
At 1 <sup>st</sup> April 2019	786,735	12,990	123,862	147,411	1,070,998
Additions	-	-	-	62,977	62,977
Disposals	-	-	-	(19,573)	(19,573)
At 31 <sup>st</sup> March 2020	786,735	12,990	123,862	190,815	1,114,402
Depreciation:					
At 1 <sup>st</sup> April 2019	51,823	12,990	119,712	133,921	318,446
Charge for the year	11,336	-	1,548	23,708	36,592
Eliminated on disposals	-	-	-	(19,573)	(19,573)
At 31 <sup>st</sup> March 2020	63,159	12,990	121,260	138,056	335,465
Net book value:					
At 31 <sup>st</sup> March 2020	723,576	-	2,602	52,759	778,937
At 1 <sup>st</sup> April 2019	734,912	-	4,149	13,491	752,552

The net book value of land and buildings comprised:

	<b>2020 £</b>	<b>2019 £</b>
Land and buildings:		
Freehold	723,576	734,912
	<u>723,576</u>	<u>734,912</u>

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### 11 Tangible fixed assets continued

Tangible fixed assets held at deemed cost (previously valuation).

The historic cost equivalent of land and buildings included at deemed cost is as follows:

	<b>2020</b>	<b>2019</b>
	Land and buildings £	Land and buildings £
Cost	750,000	750,000
Accumulated depreciation	(88,200)	(78,400)
Net book value	<u>661,800</u>	<u>671,600</u>

Freehold land and buildings included above were recognised as a deemed cost on transition to SORP (FRS 102). These assets are being depreciated from their valuation date of 1<sup>st</sup> April 2014 and have a net book value of £723,576 (2019 - £734,912). The historic cost equivalent of these assets is £661,800 (2019- £671,600).

#### 12 Debtors

	<b>2020</b>	<b>2019</b>
	£	£
Rent Arrears	121,706	98,762
Provision for bad debts	(91,630)	(77,377)
Trade debtors	<u>30,076</u>	<u>21,385</u>
Gross amounts due from customers for contract work & accrued income	20,217	16,846
Other debtors	124,377	167,725
Prepayments	<u>140,758</u>	<u>114,585</u>
	<u><u>315,428</u></u>	<u><u>320,541</u></u>

#### 13 Current asset investments

	<b>2020</b>	<b>2019</b>
	£	£
Short term deposits	886,223	1,102,303
	<u>886,223</u>	<u>1,102,303</u>

Short term deposits an average interest rate of 0.28%.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### 14 Creditors: amounts falling due within one year

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	50,168	100,703
Tenant prepayments	92,628	72,802
Deferred Income (note 17)	128,494	306,863
Amounts owed to group undertakings	32,844	26,075
Other tax and social security	39,098	27,057
Other creditors	119,906	8,702
Accruals	201,703	140,365
	<hr/>	<hr/>
	664,841	682,567
	<hr/> <hr/>	<hr/> <hr/>

#### 15 Creditors: amounts falling due after more than one year

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	73,000	73,000
	<hr/>	<hr/>
	73,000	73,000
	<hr/> <hr/>	<hr/> <hr/>

The amount owed to group undertakings is repayable upon the sale of the Elizabeth House property.

#### 16 Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Not later than one year	172,673	94,012
Later than one and not later than five years	269,569	180,330
Later than five years	-	-
	<hr/>	<hr/>
	442,242	274,342
	<hr/> <hr/>	<hr/> <hr/>

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

### Year Ended 31<sup>st</sup> March 2020

#### 17 Deferred income

	Under 1 year £	Over 1 year £	Total £
At 1 <sup>st</sup> April 2019	306,863	-	306,863
Additions during the year	128,494	-	128,494
Amounts released to income	(306,863)	-	(306,863)
	<hr/>		
At 31 <sup>st</sup> March 2020	128,494	-	128,494

Income has been deferred to match the related costs in line with the conditions of the relevant contract, in accordance to section 5.24 of the Charity SORP.

#### 18 Fund reconciliation

##### Unrestricted funds

	Balance at 1 <sup>st</sup> April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 <sup>st</sup> March 2020 £
Elizabeth House capital fund – designated	654,114	-	-	-	654,114
Retained Earnings	890,054	2,012,552	(2,165,258)	2,306	739,654
Revaluation Reserve	106,088	-	-	(2,306)	103,782
	<hr/>				
	1,650,256	2,012,552	(2,165,258)	-	1,497,550

##### Restricted funds

	Balance at 1 <sup>st</sup> April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 <sup>st</sup> March 2020 £
Restricted reserves	12,500	2,097,326	(2,097,326)	-	12,500
	<hr/>				
	12,500	2,097,326	(2,097,326)	-	12,500

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 18 Fund reconciliation continued

#### Fund descriptions

##### a) Unrestricted funds

Unrestricted funds constitute the surplus of incoming resources over resources expended on charitable activities which are not restricted in their application.

##### b) Designated funds

Designated funds comprise funding received from third parties for the development of specific capital projects.

##### c) Restricted funds

Restricted funds comprise funding which has been received for the provision of specified services. Any unspent funds are carried forward until they are spent or are returned to the funder.

### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds £	Total £
Fixed assets	-	778,937	778,937
Cash and current investments	486,912	666,614	1,153,526
Other current assets / (liabilities)	-	(349,413)	(349,413)
Creditors more than one year	-	(73,000)	(73,000)
Total	486,912	1,010,638	1,510,050

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 20 Big Lottery: Restricted Funds

	Total Big Lottery Recognised Income £	Total Restricted Charitable income for Associated Activity £	Total Restricted Charitable income £	Total Income £
<b>Income</b>				
Reaching Communities – Sunrise Centre	83,316	452,890	2,068,301	4,109,877
<b>Total</b>	<b>83,316</b>	<b>452,890</b>	<b>2,068,301</b>	<b>4,109,877</b>
	Total Big Lottery Recognised Expenditure	Total Restricted Charitable Expenditure for Associated Activity	Total Restricted Charitable Expenditure	Total Expenditure
<b>Direct Costs</b>				
Reaching Communities – Sunrise Centre	71,364	452,890	2,097,326	4,262,583
<b>Support Costs</b>				
Reaching Communities – Sunrise Centre	11,952	128,953	-	772,955
<b>Total</b>	<b>83,316</b>	<b>581,843</b>	<b>2,097,326</b>	<b>5,035,538</b>

### 21 Events after the end of the year

There were no reportable events after the year end. (2019: Nil).

### 22 Related party transactions

Honeycomb Charitable Services Limited is a subsidiary of Honeycomb Group Limited. Other subsidiaries of Honeycomb Group include Stillness 924 Limited, Blue Mountain Housing Association Limited and Search Housing Association Limited. The Charity, as a wholly owned subsidiary, has taken advantage of Section 33 of FRS 102 not to disclose related party transactions with its parent, Honeycomb Group Limited.

Honeycomb Group Limited is a society registered under the Co-operative and Community Benefit Societies Act 2014. Copies of the Group accounts can be obtained at the registered Head Office: 308 London Road, Stoke on Trent, ST4 5AB.

#### Transactions with registered and non-registered elements of the business

The Charity receives management services from Honeycomb Group Limited.

# Honeycomb Charitable Services Limited (a company limited by guarantee)

## Notes to the Financial Statements

Year Ended 31<sup>st</sup> March 2020

### 23 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<i>Financial assets measured at amortised cost</i>		
Cash at bank and in hand	267,303	242,927
Investments	886,223	1,102,303
Debtors (excluding prepayments)	174,670	205,956
	<u>1,328,196</u>	<u>1,551,186</u>
<i>Financial liabilities measured at amortised cost</i>		
Short term creditors (excluding accruals)	(463,138)	(542,202)
Long term creditors	(73,000)	(73,000)
	<u>(536,138)</u>	<u>(615,202)</u>