

COMPANY INFORMATION



Honeycomb Group Limited

Registered Office

308 London Road, Stoke-on-Trent, ST4 5AB

Chair

Peter Hay CBE (appointed September 2024) Andy Spencer (retired September 2024)

Non-Executive Directors

Rebecca Neill
Karl Dean
Alice Hemsley-Myers
Georgina Patel
Andrew Davies
Mark Selby
Jessica Page
Tim Edwards (appointed September 2024),
Tony Muir (appointed September 2024)
Will Wright (retired September 2024)

Secretary

Greg van Enk-Bones

Auditor

Beever and Struthers, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT

Bankers

Natwest, 1 Upper Market Square, Hanley, Stoke-on-Trent, ST1 1NS

Co-Operative and Community Benefit Society number 17093R

Regulator of Social Housing registered number LH2162





04 INTRODUCTION

A welcome from our Chief Executive A statement from our Board Chair About Honeycomb Group Our brands Group Board Executive Team Financial highlights

14 | OUR CORPORATE PLAN

Our objectives
Homes that help people thrive
Thriving customers
Thriving communities
A thriving business
Thriving culture

46 | BOARD & GOVERNANCE

Business overview Structure Risk Internal controls

50 | VALUE FOR MONEY

Metrics and targets

64 | FINANCIAL STATEMENTS

Statements Notes Registered information Advisors





A welcome from our Chief Executive

JULIE GUILDFORD SMITH

Over the past year, we've entered a new era of growth, driven by our customers' voices and an ambitious new corporate plan.

In July 2024 we launched Thriving Futures, our five-year corporate plan, shaped by more than 450 customers, colleagues and partners, with the aim of creating thriving homes, communities, services and a thriving culture across Staffordshire, Cheshire East and Derbyshire.

Thriving Futures is more than a strategy - it's our shared journey, grounded in understanding what matters most to our customers, teams, communities and partners, and guiding everything we do.

Customers first, always.
Throughout the first year of
Thriving Futures, our Improve
phase, we committed to truly
listening to customers, not just
gathering feedback, but letting it
guide how we transform services
and deliver change.

Whether through coffee mornings, community walkabouts or repairs focus groups, customer voices have shaped roles like our Void Inspectors, helped reshape neighbourhood teams into accessible, familiar faces, and influenced improvements to our Customer Hub so issues are resolved faster and more efficiently.

Across our homes, safety remains an absolute priority with 100% of our properties having electric, gas, legionella and fire risk assessments completed. We also took a proactive approach to damp and mould by launching a "See Something, Say Something" campaign for staff, redesigning our void process to ensure homes are safe and clearing over 100 scheme and property gutters.

Across the Group, every service area has achieved fantastic results, from renewed peer mentor and volunteer programmes to investing in supported housing and expanding wellbeing support. We now hold EDI customer profiles for over 91% of residents, allowing us to anticipate needs and tailor support where it matters most.

AN UPDATE FROM OUR CEO



WHAT WE'VE ACHIEVED

This year of improvement has been about building resilient foundations. Our teams have simplified risk and data systems, improved our complaints process, and expanded capacity so every issue gets handled more effectively. We've strengthened our homelessness services. secured funding to enhance support schemes for women, and grown our peer mentor network to reach more communities and individuals in need.

Momentum is building.
Internal teams are more
efficient, neighbourhood
officers are more
visible, and our teams
are empowered with
better tools and training.
Together, we've become
a more agile, responsive
and customer-centred
organisation.



LOOKING TO THE FUTURE

With the Improve year complete, we now begin our two-year Build phase. where ambition meets action. Over the next two years, we'll bring to life the changes customers have shaped: launching a new repairs service driven by customer feedback; conducting full inspections of every home guided by our new Proud to Call Home standard: and introducing a modern housing system featuring webchat and self service tools for faster, more connected support.

We'll continue our campaigns on damp and mould and domestic abuse housing support, deepen partnerships with local councils and charities, and build more supported housing where it's needed. We'll widen opportunities for customers to shape our services, while investing in green spaces and community events to create neighbourhoods customers truly feel part

of.



BUILT WITH CUSTOMERS, FOR CUSTOMERS

All we've achieved, and all that lies ahead, is possible because of our customers and Honeycomb teams. From everyday conversations to participation in customer groups, customer insight has shaped our services, our investments and our ambitions.

Our mission remains clear: breaking barriers, building people and bettering homes.
Together, we're not just planning a better future, we're building it, with our customer voice leading the way.

This really is an exciting time for Honeycomb
Group and I would like to take this opportunity to say a huge thank you to our incredible customers, teams, partners and local communities.

A statement from our Chair

PETER HAYE CBE



From the moment I joined Honeycomb Group last September, it has been inspiring to see an organisation that puts people first, champions progress and continues to adapt and grow in a changing world.

As Chair, it's been a privilege to work alongside passionate colleagues and a skilled, committed Board, all focused on ensuring our services remain high-quality, customerfocused, and forwardthinking. Together, we've supported significant transformation, welcomed new leadership, and embraced opportunities to innovate across the Group.

One of the most rewarding parts of my first year has been the

chance to meet so many of our customers. From visiting schemes and joining coffee mornings to hearing directly from involved customers and welcoming their voices onto the Board. Every conversation has deepened my appreciation for the impact Honeycomb Group makes every day.

The strength of
Honeycomb Group lies in
its people. From frontline
teams to back-office
staff, from partners to
customers. Every service,
project and decision is
shaped by a shared goal
and vision: happy homes
that help people and
communities thrive.

Following the launch of an ambitious fiveyear corporate plan, Thriving Futures, in July, teams across the Group have brought that goal and vision to life. Over the last 12 months, the Group has delivered a wide range of impactful projects, services, and improvements that are already making a difference to both colleagues and customers.

As we step into the second year of Thriving Futures, and the first year of our Build phase, there's a strong sense of momentum and excitement for what lies ahead.

On behalf of the Honeycomb Group Board, we are incredibly proud to be part of such an inspiring and ambitious organisation that truly places customers at the heart of everything.











Honeycomb Group is a team of social-minded brands championing happy homes across our region.

We're 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, we're tackling the social issues that can isolate people from a happy home.

OUR BRANDS



Staffs Housing is a leader in providing quality affordable housing in Staffordshire, Cheshire and the surrounding areas, ensuring there are no barriers to home-seekers finding a place they're proud to call home.



Revival is the local home improvement and support specialist, providing Stoke-on-Trent, Staffordshire and surrounding areas with trusted home repairs, and a range of friendly wellbeing support, making sure everyone is happy in a home they love.



Glow is a charity on a mission to end relationship abuse, campaigning for change and providing support throughout Staffordshire, Derbyshire and its surrounding areas. Through a full-circle approach, Glow seeks to address the issue from every angle, ensuring that no member of the community is vulnerable to an abusive relationship.



Concrete is a local charity, support network and campaigner leading the fight to erase homelessness within Staffordshire, East Cheshire and its surrounding areas. Through a community led approach, Concrete helps those without a plan, without a voice and without a home to build concrete futures by tackling the underlying issues that keep people from finding and securing a home of their own.



Hummingbird is the commercial arm of the Group, delivering profit-making services and initiatives in line with our vision. Hummingbird is a trading name of Stillness (924) Limited.

OUR VISION, MISSION AND VALUES

OUR VISION

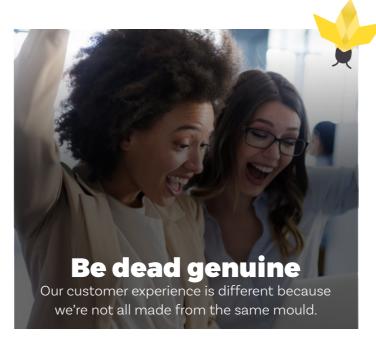
A progressive, passionate region with no barriers to a happy home.

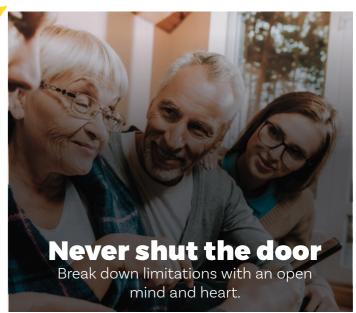
Close your eyes and think of a city or a place that is full of life and energy. That's what we're aiming to do for every area we serve through the work we do. Happy homes mean thriving people who are building stronger communities and growing the local economy. We want to leave every place better than it was before we got there.

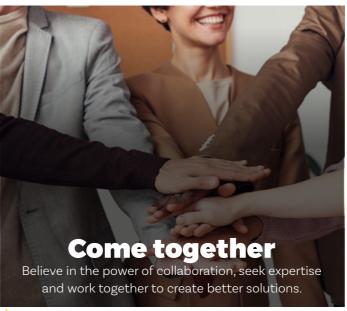


Breaking barriers, building people, bettering homes.

- Breaking down all of the social and physical barriers to a happy home in our region.
- Elevating people by addressing the root cause from all angles: preventing, recognising, responding to and rehabilitating needs from the inside out for a long-term solution.
- Bettering homes from every aspect, whether it's through the person or physical environment, so people feel secure, connected, confident and proud.











OUR BOARD AND EXECUTIVE TEAM

Our Executive Team



Julie Guildford Smith

Group Chief Executive

Julie joined Honeycomb Group

Julie joined Honeycomb Group in 2022 as Group Chief Executive. She brought with her a wealth of experience, as well as a great passion for championing happy homes.



Mary Walker *Executive Director of Operations*

Following several senior housing roles, Mary joined the Group in 2021. She first joined as Head of Customer Experience, before leading the Group through its ambitious improvement programme as Head of Improvement.



Kerry Birtles

Executive Director of Support & Wellbeing
Kerry joined the Group in 2024 as an experienced
social care leader, having held roles including Director
of Children's Social Care and Head of Children In Care
& Care Leavers Service at Cheshire East Council.



Greg Van Enk-Bones *Executive Director of Finance*

Greg joined the Group in 2023, bringing a wealth of experience and expertise in social housing finance, with a proven track record in financial strategy, improving financial controls and reporting, as well as risk management, and driving operational efficiency.

Group Board



Peter Hay CBE Chair of the Group Board



Georgina Patel



Alice Hemsley-Myers



Andrew Davies



Jessica Page



Karl Dean



Mark Selby



Rebecca Neill



Tim Edwards

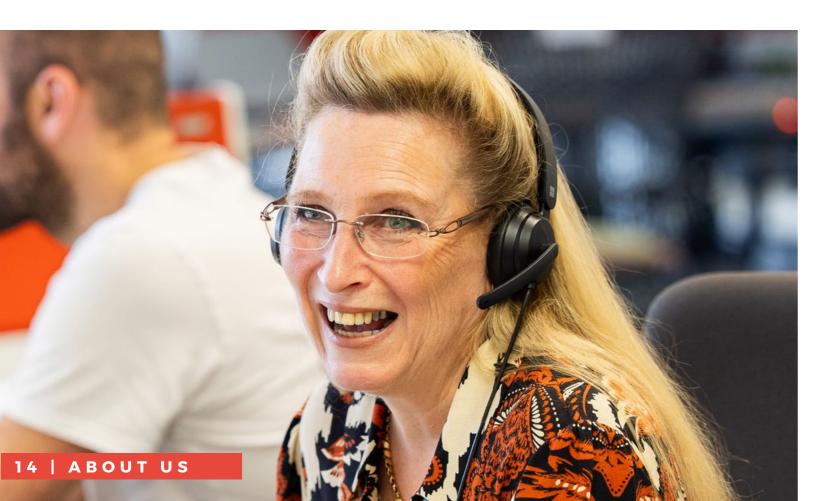


Tony Muir

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS: 24-25

- Turnover growth at group level has outpaced cost increases, leading to a stronger operating surplus in 2024/25 than in 2023/24, with a stronger surplus contribution from the subsidiary Honeycomb Charitable Services in the 2024/25 year. The operating surplus for Honeycomb Group Limited (entity) was also slightly higher in 2024/25 than the prior year, benefitting from the absence of one off restructuring costs in 2024/25
- **Net interest costs** were slightly reduced, despite higher interest rates due to lower debt levels during the year.
- Investment property revaluation gains were lower in 2025 than in 2024. The annual
 revaluation of the investment properties was positive in the subsidiary Stillness 924
 Limited but a reduction in values was seen in the properties owned by Honeycomb
 Group Limited.
- Balance sheet strength improved with better net current assets and increased reserves.



Financial Results for Honeycomb Group Limited

	Year Ended 3	1 Mar 2025	Year Ended 3	1 Mar 2024
	Consolidated £m	Association £m	Consolidated £m	Association £m
Turnover	30,301	20,848	28,967	19,958
Operating Costs and Cost of Sales	(25,735)	(17,636)	(24,663)	(16,536)
Sale of PPE	480	480	578	578
Operating Surplus before exceptional items	5,046	3,692	4,882	4,000
One off restructuring costs	-	-	(419)	(419)
Operating Surplus	5,046	3,692	4,463	3,581
Net Interest	(3,524)	(3,585)	(3,639)	(3,678)
Gift Aid	-	265	-	207
Increase in value of inv. properties	10	(30)	135	125
Net Surplus	1,532	342	959	235
Interest Cover as per loan covenants				

Interest Cover as per loan covenants

	Year Ended 3	1 Mar 2025	Year Ended 3	1 Mar 2024
	Consolidated £m	Association £m	Consolidated £m	Association £m
Intangible Assets	398	398	345	345
Housing Property (net)	156,858	156,483	158,412	158,026
Other Fixed Assets	4,501	3,529	4,651	3,620
Investments in subsidiaries	-	1,578	-	1,578
Investment Property	3,830	2,650	3,820	2,680
Net Current Assets	(4,417)	(7,544)	(7,699)	(9,604)
	161,170	157,094	159,529	156,645
Loans	67,562	67,562	66,159	66,159
Deferred Capital Grant and other long term creditors	56,089	56,089	57,385	57,385
Revaluation reserve	37	-	39	-
Capital and Reserves	37,482	33,443	35,946	33,101
	161,170	157,094	159,528	156,645

CREATING THRIVING FUTURES

Thriving Futures is Honeycomb Group's five-year plan for 2024–2029. It sets out how we'll make a real difference for our customers, colleagues, and communities by strengthening services and creating opportunities for people to thrive.

The plan was shaped by the views of over 450 customers and colleagues, who helped highlight what matters most—great customer experiences, safe homes, and services that support people to live well.

We know that when Honeycomb Group does well, our customers do too. Thriving Futures focuses on making this happen by working towards the strategic objectives set out below, turning our vision into real action and results.



Homes that help people thrive

Great quality affordable homes, that are economical to run, safe and a place that customers can feel proud of.



Thriving customers

Effective services that help breakdown barriers to a happy home for customers.



Thriving communities

Building partnerships to achieve our aim of creating and sustaining thriving, well-designed and connected communities, that are well-managed and sustainable.



To achieve our vision of thriving futures, we have five strategic objectives:







Thriving business

Building organisational strength so we can do more for new and existing customers. A strong and resilient business, we focus on value and investing where it matters most.



Thriving culture

A 'can do' culture with a skilled and happy workforce, that goes out of their way to make things happen for customers. We are all driven by a clear vision, shared values and consistent behaviours.



HOMES THAT HELP PEOPLE THRIVE

WE WANT YOUR HOMES TO BE:







WHAT WE'VE ACHIEVED DURING OUR IMPROVE YEAR



96.5% of inspected homes meet the Decent Homes Standard

This year, we carried out inspections on 66% of customer homes as part of a major stock survey. The results show that 96.5% of inspected homes meet the Decent Homes Standard, which means they're safe, warm and in good condition. We've also brought in new contractors to inspect a further 800 properties, aiming to reach 100% coverage soon. All empty homes now get an EPC assessment too, helping us plan for a more energy-efficient future.



We've introduced a smart new safety system to secure your homes.

We completed the rollout of C365, our new system for tracking safety checks across all homes. It helps us stay on top of important areas like gas, fire, electricity, and water safety by pulling everything into one place and automating reporting—making sure nothing gets missed.



We tackled damp and mould by clearing gutters in over 100 homes.

Blocked gutters can lead to water damage and mould. That's why we've cleaned gutters in more than 100 homes. We also launched "See Something, Say Something"— a campaign that encourages our staff teams to report any early signs of damp or mould, so we can fix problems quickly before they grow.

We've helped more customers find the right home, even if it's not with us.

Thanks to stronger partnerships with other housing providers, we've been able to signpost customers who need a different type of home—especially those who are looking for something outside our own stock. This means faster, more effective support when you need a change.



We've improved homelessness accommodation for women.

We've secured funding to upgrade our women's homelessness scheme at Snowhill, making it feel more like home. This is part of a wider plan to expand and improve female-focused housing, with more suitable properties being considered to meet growing needs.

You helped shape a better repairs service.

We launched a Repairs Focus
Group where tenants have been
directly involved in designing how
we handle repairs. The number
one message was that contractors
should treat each home as if it
were their own. This feedback has
also helped create a better process
for empty homes (voids) and
supported funding bids through
our sustainability work.



HOMES THAT HELP PEOPLE THRIVE



We launched a home-swap Facebook group that's already connecting people.

For customers looking to move, our new Mutual Exchange Facebook Group is already helping. Over 200 customers have joined, making it easier to find someone to swap with and move into a home that better suits their needs.



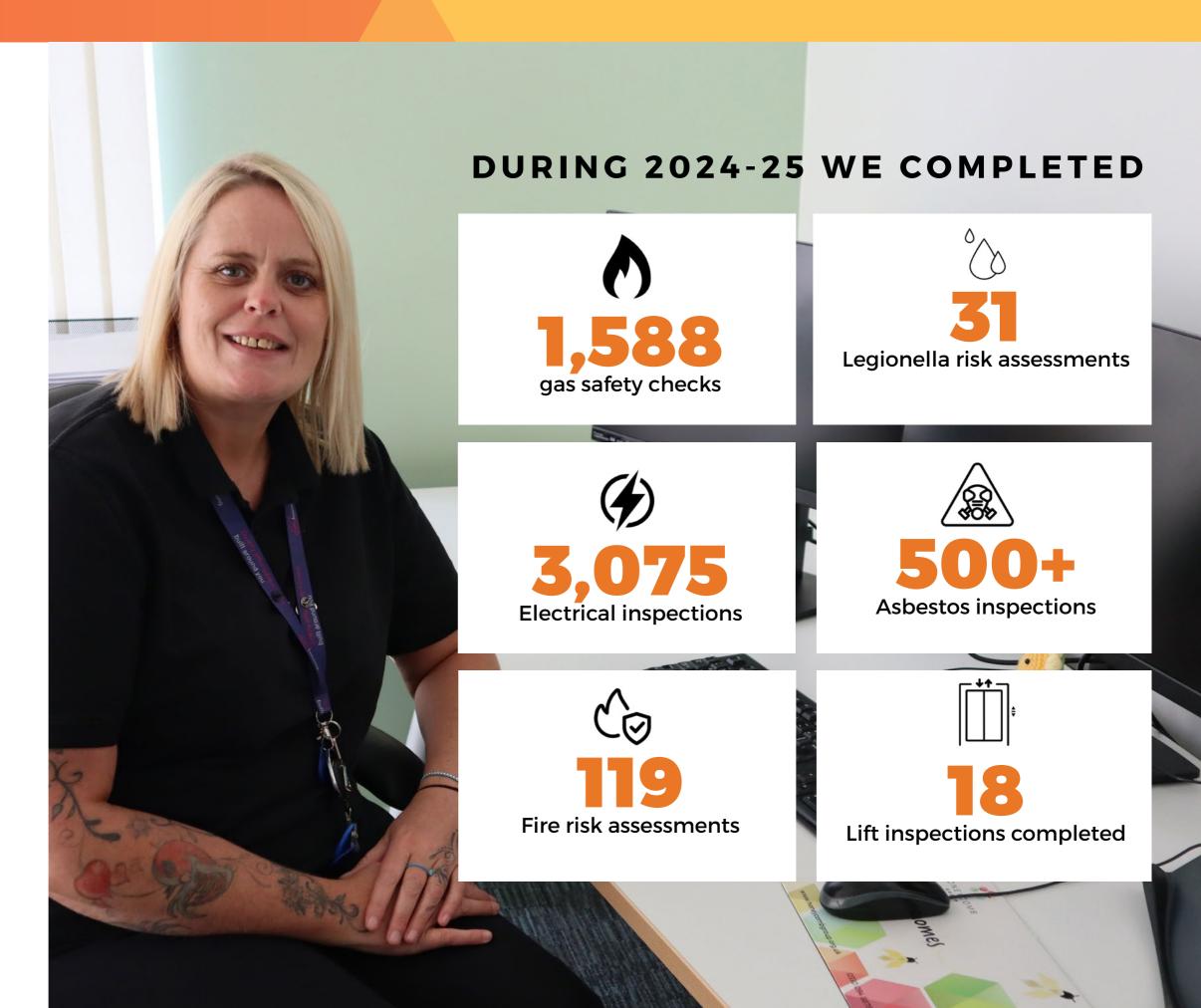
Keeping your landlord accountable.

In January 2025, we launched customer Void Inspector roles. This is an important role in which trained customers view vacant homes to make sure they're ready to be let. If a Void Inspector feels the home isn't quite ready, this is fed back to the property and housing teams.



Tenant Satisfaction Measures (TSMs).

We saw a significant improvement across TSM measures in January to March 2025 with a 28.8% increase in customers feeling their home is safe, a 19.5% increase of customers feeling their home is well-maintained, and a 20% increase in communal areas feeling clean and well maintained. A big thank you to all who shared this feedback!



THRIVING CUSTOMERS

WE WANT YOUR SERVICES TO:







WHAT WE'VE ACHIEVED DURING OUR IMPROVE YEAR



We changed how we work in neighbourhoods to give better local support.

Our staff now look after smaller areas, so they can get to know the people and places better. This means customers see staff more often in their area, like during estate walkabouts and community meetings, and we work more closely with local people.



We opened a new customer hub to answer questions quicker.

This new hub helps deal with calls and queries in one place. It's already helping to reduce waiting times from a 12 minute average in April - June 2024, to just over a 3 minute average in March 2025.



We grew our volunteering programme and started new support services.

We now have a staff member who focuses on volunteers. We launched new services, like one at the Glow refuge with six volunteers, and expanded our Peer Mentor programme to support more people and work with new partners.



We collected better information about our customers.

We now know more about our customers' backgrounds, including things like age, gender, and ethnicity, for 91% of them. We've also started recording shared spaces and customer needs during repair calls, so we can give the right help.



We started building a better housing system.

Our old systems are slow and hard to use, so we're creating a new one to make things easier for staff and customers. The neighbourhood team will be able to access key information through the system from any location (so tenants will receive a response right away and not need to wait for our teams to head back to their office or desk).



We made our complaints process easier and clearer.

We updated how we handle complaints to meet new rules and make things simpler for customers. We also started a review to learn from customer feedback. A group called the Customer Assurance Group, led by a customer, now helps us improve services.



THRIVING CUSTOMERS



'Deep dives' into the things that matter most

Following customer feedback, we have completed deep dive investigations to find the root cause of any challenges. We've also put actions in place to overcome any issues and held ourselves accountable to make sure they're completed.



We held events to get more customers involved and set up new groups.

We ran events in local areas to get more customers to help us shape services. New groups, like ones focused on repairs, are working well, and customers will soon help with checks on empty homes and support services.



Expanding anti-social behaviour support.

We've taken a closer look at how we handle anti-social behaviour and made some real improvements with satisfaction up to 84.5% this quarter. Feedback told us the most important things are clear communication, feeling safe (with things like lighting and CCTV), and working well with other organisations. We're focused on these areas to help make the community a better place to live.



THRIVING CUSTOMERS

CUSTOMER VOICE AND INFLUENCE



Customer Assurance Group

The Customer Assurance Group (CAG) meets quarterly and discusses several topics such as voids, repairs and maintenance, anti-social behaviour and complaints. They also look at the Tenant Satisfaction Measures performance and the Thriving Customers performance report, as well as quarterly complaints reports. The outcomes of the group are fed back to the Customer Services Committee by the Chair of the CAG, Barry Russell, who also attends the quarterly board meetings, observes and reports back any relevant information to the **Customer Assurance Group.**



Customer Voids Inspectors

A customer voids inspection group has been formed, and they attend a newly empty property for the first voids inspection with the voids officer. They provided invaluable feedback on the voids process and priorities for our customers. The group then attended a post repair inspection to ensure the property met our lettable standard before being let.



Repairs Focus Group

The first meeting was held in September 2024 where the group provided feedback on priorities from a customer perspective, for a new repairs contract and feedback on what was working and not working so well. The group has been updated monthly on the progress of the new contract and helped to shape the questions and priorities of the new repairs Contract. The group suggested a communications campaign aimed at customers on how to complete smaller repairs, such as changing a light bulb. They helped to shape the design and presentation and ensured that non-digital customers were included through posters. This is now available on the Honeycomb Group website, with an aim to inform customers and to improve customer services call times.



Reading Group

Our involved customers have scrutinised our performance throughout the year and have attended deep dives into anti-social behaviour, complaints and call waiting times. They have also been involved in reading and feeding back on the content of our policies before they were published on the Honeycomb Group website.



Scrutiny Groups

Scrutiny Groups were held throughout the year on Consumer Standards, the new Void Standards and anti-social behaviour. The members were trained on how to scrutinise reports, and these meetings also involved a closer analysis into our performance and the reasons behind them.



Neighbourhoods

In May 2024 we launched our new Neighbourhood model in response to our customers informing us that they wanted us to make it easier to get in touch with us and to be able to see more staff across our schemes and within our communities. We have three Customer Hubs, incorporating three Neighbourhood patches each with three Neighbourhood Officers working on generic housing management issues, anti-social behaviour, allocations and lettings and income management. With support from both an anti-social behaviour and income specialist who each cover all three patches. We also improved how our customers speak with us by basing Customer Advisors within the three Hubs. Each Hub has a team ready to support our customers to maintain their tenancies and to live their best lives within their home across our communities. We continue to deliver twice yearly visits to schemes and hold regular anti-social behaviour surgeries for our customers. We have also held coffee mornings across our new Hubs to provide an opportunity to meet the team and discuss any issues they may be experiencing.



THRIVING CUSTOMERS



We collected 2.67% as a percentage of our annual rent debit which is slightly above our target of 2.5% due in part to the cost of living and the migration to Universal Credit which are both having a significant impact upon our customers.



Complaints

Formal complaints continue to provide us with valuable feedback and opportunities to improve our services. In 2024/25 we received 162 complaints, with 149 at Stage One and 19 escalated to Stage Two. Thirteen of these were raised through our support brands, Glow and Concrete. The vast majority (90%) were resolved at Stage One, with only 10% requiring further review. Six complaints were referred to the Housing Ombudsman, resulting in two findings of maladministration.

Repairs and maintenance accounted for 88% of all complaints, a significant increase on the previous year, highlighting this as a key area of focus. Tenancy services, customer services and charity matters made up the remainder. We have already taken steps to address issues raised, including the introduction of our new Neighbourhood model which reduced average call waiting times from 12 minutes to 3-4 minutes and contributed to fewer complaints in customer services. While satisfaction with complaint handling dipped mid-year, we are encouraged that this improved to 37.5% by the final quarter. All complaints were handled in line with the Housing Ombudsman's statutory Complaint Handling Code and the Regulator of Social Housing's new Transparency, Influence and Accountability Standard, ensuring that customer feedback continues to shape positive change across our services.

THE FACTS: COMPLAINTS

complaints received across the Group

Staffs Housing or Revival

were for Concrete and Glow

stage one complaints per 1,000 homes

stage two complaints per 1,000 homes

of complaints related to repairs



Evaluation

Our key performance indicators measure financial performance, operational processes, people (our employees) and customer satisfaction-based targets. We gather feedback from customers through satisfaction surveys and publish their comments and results in our performance reports.

Our Customer Services Committee, a sub-committee of the Board, ensures the Board understands who Honeycomb Group's customers are and how the organisation engages with and delivers a range of services to different customer groups.

Led by the Executive Team, performance is scrutinised in several ways. The Board of Management receive a regular report on performance and is supported by the Audit and Risk Committee, the Customer Services Committee and the **Customer Assurance Group** which includes Staffs Housing customers and Board members. The Chair of the Customer Assurance Group, Barry Russell, attends both Board meetings and **Customer Services Committee** meetings, to ensure that the customer voice is heard at all levels of the organisation.



THRIVING COMMUNITIES

WE WANT OUR COMMUNITIES TO BE:







WHAT WE'VE ACHIEVED DURING OUR IMPROVE YEAR



Brought local housing groups together to solve big problems.

We're a founding member of a new group in Stoke-on-Trent for leaders from all the local housing organisations. They now meet to talk about shared issues and plan better ways to help people with housing.



Worked closely with councils, MPs, and community groups.

We joined local and national meetings to help with important issues like keeping people safe and dealing with problems in communities. We also worked more with MPs to solve local problems and got to know people better through estate visits.



Spoke at big national events and won award shortlists.

We talked about our work at major conferences, like ones about homelessness and domestic abuse. Our work was recognised with five national awards.

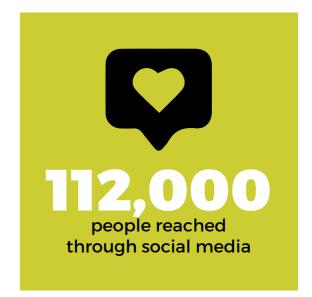


Reached more people through social media.

By the end of the year, over 112,000 people had seen our messages online. This helped more people learn about what we do and how we help communities.

THE FACTS: COMMUNITY







THRIVING COMMUNITIES

REVIVAL: HONEYCOMB GROUP'S TRUSTED HOME SUPPORT PROVIDER

Revival is our local support and wellbeing service, providing customers in Stoke-on-Trent, Staffordshire, and Derbyshire with a range of friendly wellbeing support, whether that is facilitating timely discharge from hospital or providing longer term wellbeing and support to ensure people feel confident and secure to remain in the home that is right for them. We primarily provide support to people who are elderly, disabled or vulnerable, helping them remain independent in their own home.



Wellbeing and Support Service

Revival have been commissioned to deliver wellbeing and support services by Stoke on Trent Council Adult Social Care for over ten years. Over the last 12 months the team have accepted 585 referrals into the service and have conducted 3014 visits to vulnerable people across the city making a positive impact on people who need our support.



Derbyshire Low Level Support Service

In April 2024 we began a long-term partnership with Citizens Advice Mid Mercia and South Derbyshire CVS to deliver the Derbyshire Low Level Support Service commissioned by Derbyshire County Council. The service supports vulnerable customers for between 6 and 12 weeks, helping them to access support in areas such as: money/debt/legal advice, health support services, befriending and connecting services. The Revival support workers cover Derbyshire Dales and Erewash and supported 146 customers.



North Staffs Hospital Discharge Service

We were delighted to be invited back to deliver this service from July 2024. Based out of the Integrated Discharge Hub at the Royal Stoke Hospital. this team of support workers help to facilitate timely discharge of patients from hospital back to their home or place of residence, ensuring that they have the support they need to manage their transition from hospital care to independent living.



Befriending Service

As part of our commitment to adding value to our services we launched our befriending service in quarter 4. Our dedicated Volunteer Officer recruited and inducted 8 volunteers in and following DBS checks they have been matched with Revival customers and deliver a weekly face to face befriending service. Post covid the majority of befriending services are conducted by telephone so we are very proud to have introduced face to face visits as part of our support offering.



Housing Support Service

'Breaking Barriers, Building People, Bettering Homes: this new initiative was developed with funding from the Nationwide Foundation under their community grants fund. The service is an early intervention project for adults who are at risk of homelessness and provides support to stop people 'slipping through the gap', helping them to avoid eviction through signposting to multi agency support. Referral pathways are through multiple agencies such as adult social care, housing providers and locality connectors.

referrals to the **Wellbeing Support Service**



completed



customers supported in Derbyshire



volunteers recruited to the Befriending Service





THRIVING COMMUNITIES

HONEYCOMB CHARITABLE SERVICES LTD

During the year the charity worked in Stoke-on-Trent, Staffordshire, Derby and Derbyshire Cheshire East engaging children, young people, adults, families and professionals in activities to achieve our Group mission - breaking barriers, building people, bettering homes.

Glow

Glow is a leading provider of specialist domestic abuse services across North Staffordshire and Derbyshire, dedicated to supporting individuals and families affected by domestic abuse. We deliver a comprehensive, trauma-informed response to those at the highest risk of harm, including high-risk victims, high-risk perpetrators, children and young people, and those in need of housing related support (including safe accommodation) and recovery support.

In the past year, we have directly supported a total of 2,680 individuals (victims, children and perpetrators) in our service, including:

- 2,291 new adult victim referrals into our services
- 2,534 children were linked to the adults we supported
- 64 high risk perpetrators engaged in our intervention programme
- A further 753 additional cases received one-off advice or signposting

Our services include:

- Crisis intervention and safety planning for high-risk victims
- A range of safe accommodation options for victims in housing need
- Behaviour change intervention for high-risk perpetrators (with an integrated service for associated victims, to ensure safety)
- Specialist support for children and young people affected by domestic abuse
- Housing advocacy to help survivors access safe and stable accommodation
- Recovery programmes to support longterm healing and independence
- Education and outreach promoting healthy relationships in schools and communities

We are committed to breaking the cycle of abuse through early intervention, holistic support, and strong multi-agency partnerships. Our work is rooted in compassion, empowerment, and a deep understanding of the complex dynamics of domestic abuse.

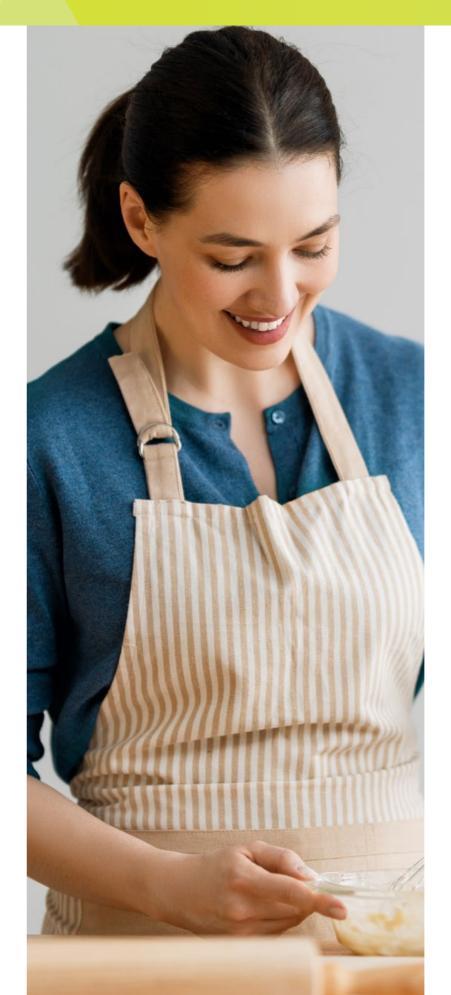






753
advice or sign-posting given





The road to recovery: Sarah's story

When Sarah first came to Glow's Recovery Hub, she only knew something wasn't right. Years of control and manipulation had left her confused and doubting herself—until someone finally named it: domestic abuse.

"At first, I was so nervous," Sarah remembers. "But my support worker, Tash, made me feel at ease. She was so kind and genuine."

Through Glow's sessions, Sarah began to see the truth. "When they explained perpetrators' behaviours, it was like they knew my ex. I realised it wasn't my fault. It was like a light had been switched on."

With time and support, Sarah found herself again. She revived her long-held dream of running a baking business—something her ex had once dismissed—and is now her own boss. She bakes for charity, supports Glow, and plans to volunteer to help others in recovery.

"Glow gave me the confidence to believe in myself. If my story helps even one person reach out, it's worth it."

Glow's Recovery Hub: here when you're ready. Healing takes time, but you don't have to do it alone. Whether you're questioning your relationship or ready to take the next step, Glow is here to help you understand, recover, and live free from domestic abuse.

You deserve to feel safe. You deserve to be you.

THRIVING COMMUNITIES

Concrete

In 2024/25, Concrete remained steadfast in its mission to support individuals experiencing homelessness, those with complex needs, and people at risk of losing their homes. Across all our services we continued to provide safe, supportive environments and tailored interventions that empower individuals to move forward in their lives.

A cornerstone of our work is Destination: Home. the lead homelessness service in Stoke-on-Trent, commissioned by Stoke-on-Trent City Council. Through this homelessness pathway contract, we provide a wide range of services including 24/7 supported housing and floating support services and work collaboratively with other partners to deliver a holistic, person-centred approach. Our shared goal is to ensure that every individual receives the right support at the right time. whether that's access to safe accommodation, mental health services, or pathways to independence. Our contract has been extended for another year, allowing us to continue delivering vital support to those who need it most.

At Concrete, our work is underpinned by strong partnerships, not only within the homelessness sector but also with health services, local authority commissioners, and community organisations. These collaborations have been essential in ensuring we have the tools, knowledge, and resources to provide the highest standard of care and support and holistic services.

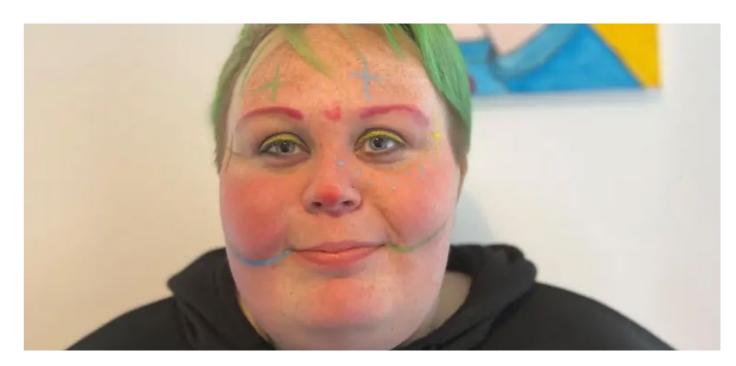
In addition to Destination:Home, our wider portfolio of services, including the Young Persons Service, Phoenix (our dedicated LGBTQ+ support service), Private Landlord Services, SPHERE (drug & alcohol support), and our Cheshire

East Tenancy Sustainment and Floating Support Services, have all demonstrated exceptional commitment to customer care. These services have consistently delivered positive outcomes, helping individuals build resilience, develop life skills, and ultimately transition into independent living.

At Concrete, we are deeply committed to diversity, equity, and inclusion. We recognise and celebrate the unique backgrounds, identities, and experiences of every individual we support and work alongside. We strive to create an environment where everyone feels respected, valued, and empowered regardless of race, gender identity, sexual orientation, age, disability, or socioeconomic background. This commitment is reflected in our services, our workforce, and our partnerships, ensuring that inclusivity is embedded in everything we do.

We remain driven by a deep passion for making a lasting difference. We believe that everyone deserves a place to call "home," and we are committed to equipping our customers with the skills, confidence, and opportunities they need to thrive.

In 2024/25 we received 1,608 referrals into Concrete for, which included 1,500 for Destination:Home and 168 referrals in Cheshire East. We supported 70 Customers from the LGBTQ+ Community including telephone support, accommodation or floating support SPHERE Housed and Supported 21 Customers which delivered intense substance use support alongside accommodation.



Phoenix House: a place to be yourself

For many LGBT+ young people, coming out can mean losing the safety of home. In Stoke-on-Trent, we've seen how quickly someone can go from secure housing to being on the streets—sometimes in just a matter of hours.

That's what happened to Axel. After sharing that they are non-binary, Axel's housemates refused to accept them. Misgendered and uncomfortable, Axel was forced to leave.

Thankfully, Axel found a home with us at Phoenix House—our dedicated accommodation for LGBT+ people facing homelessness. Here, Axel says, "I can be myself, I can dress how I want to dress. I can be me." Phoenix House isn't just a roof overhead. With support from our specialist LGBT+ caseworkers, residents build confidence, independence, and stability. Already, Axel is preparing to start university to follow their dream of becoming a computer game designer.

Since opening earlier this year, Phoenix House has been a lifeline for people like Axel. But the need is growing. Around one in five LGBT+ people experience homelessness, most often due to family rejection. With your support, we can expand our housing and make sure more young people have the chance to rise again—just like Axel.







70
people from
the LGBTQ+
community
supported



support

THRIVING BUSINESS

WE WANT OUR BUSINESS TO BE:







Focused on value

WHAT WE'VE ACHIEVED DURING OUR IMPROVE YEAR



We're in a stronger financial position: We're spending money wisely and saving more.

Our financial results are much better. and we've kept our costs lower than other similar organisations. We've also saved more money for the future, so we can keep helping people long-term.



We're managing risks and staying on top of the rules.

After a review of our risk plans, we've made improvements and trained our teams to be ready for any problems. We're also checking that we follow important rules, like those about rent and customer service.



We're using better systems to help us work smarter.

We've started work on a new finance system called Rubixx Finance. It makes things quicker, helps us avoid mistakes, and gives managers a clearer view of their budgets so they can plan better.



We're getting ready for a big inspection.

Since June 2024, we've been preparing for a visit from our regulator. We've set up a team, with weekly meetings, and completing practice interviews and document checks to make sure we're fully ready and meeting high standards.



We're improving our technology: We have a new plan to upgrade our computer systems.

This includes making our systems safer from cyber-attacks and looking at ways to use artificial intelligence to work more efficiently.



We've secured funding to keep important services running.

We've extended contracts for our support and wellbeing services so customers who need help can keep getting it.



We've strengthened how we lead and make decisions.

We've made sure we meet all the rules for good leadership, started a new Charity Board, and added experienced people to our Board, including a new Chair. This helps us make good choices and stay on track.



We're tracking our progress better.

We've created a new way to measure how we're doing. It includes better data checks and clear reports for leaders, so we can focus on what really matters to our customers.



THRIVING BUSINESS



ICT Investment

Our ICT investment continues supporting an agile workforce, providing new services to improve collaboration and business continuity. Our investment in Cloud technology and a roadmap of ICT change aligning to business strategy continues. We launched our new 4-year ICT Strategy.

At the heart of the 25/29 ICT strategy is the ambition to be driven by the demands of consumer standards, customer voice/feedback, technology insights and data. By better adopting technology to transform the customer experience, we will increase digital services for our communities, reducing isolation, helping customers to thrive in their homes, while enhancing building safety and quality We are entering a new technology age, especially with AI (Artificial Intelligence) and Cloud computing, offering exciting opportunities for digital transformation and new ways of working.



Connected Systems

Rubixx Housing - Bringing our customer and property data together, this project transformed our Housing management and CRM systems and consolidated them into one fit for the future platform. This will enable a more reliable and easier to use system, providing a single version of the truth,

data driven decision making and more modern ways of working.

Rubixx Finance - We started our journey to replace our core Finance system to deliver more streamlined processes and modernise financial systems.

Providing a great ICT service helps to ensure technology is enabled for staff to best support customers. We invested in a more modern support system which means we can better respond to incidents and requests from staff and better manage system changes.

We completed a proof of concept moving our shared files into Microsoft Sharepoint. This will allow us to modernise how teams work with customer and property files that we work together on, while also better meeting GDPR requirements.

As a managed service partner for Stoke on Trent Housing Society, we supported a range of improvements to their infrastructure and ICT equipment to ensure they meet their own digital objectives and have modern secure systems to use.

We led on a business continuity test, bringing leadership together to evaluate how we would respond to a Cyber-attack. This helps us become more resilient and aware of the plans we follow to ensure we can continue to support customers in the event of a disaster/large scale incident.



Connected Cloud

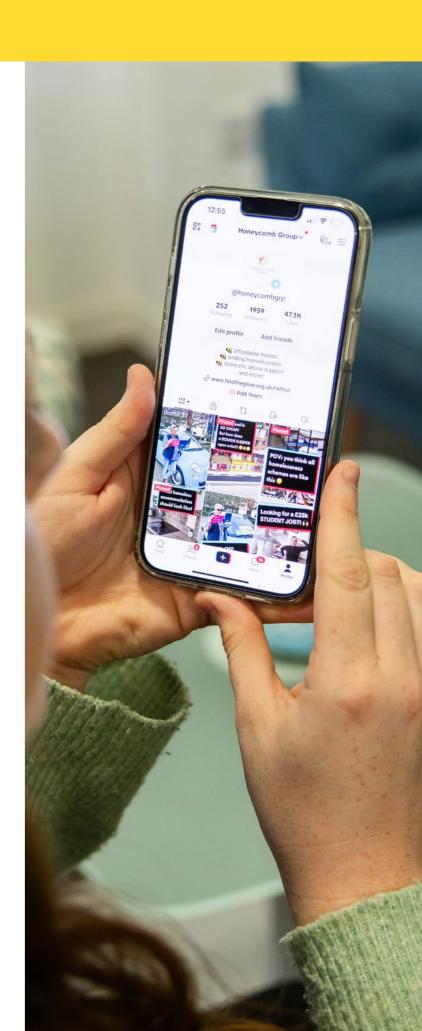
Building on a robust set of ICT policies, we introduced new policies to best support the adoption of Artificial Intelligence across our data systems and improve the security around the use of personal devices too

Keeping the business safe from Cyber-attack is a high priority and we expanded our Cyber support services, so we best manage, detect and respond to Cyber threats 24/7. This ensures our ICT network and equipment is better protected.

We maintained our Cyber essentials accreditation to ensure we continue to meet industry best practise standards and controls around Cyber security

Keeping our ICT equipment and up to date is important especially to reduce the risk of a Cyber-attack. We replaced a planned programme of desktop, mobile and core network equipment to ensure staff have fast and reliable equipment running the latest supported Cyber secure software.

We rolled out a new security system to proactively test staff (new and current) in their ability to detect email phishing scams. Helping to raise awareness and improve learning and development goals, this best practise technology keeps the business on its toes and ensures we become more 'cyber savvy' with our emails and reduce the risk of a Cvber-attack.



THRIVING CULTURE

WE WANT OUR STAFF TO BE:







Focused on the customer

WHAT WE'VE ACHIEVED DURING OUR IMPROVE YEAR



Launched a new People Strategy to attract and keep great staff.

We've introduced a brand-new People Strategy focused on bringing in the best people – and keeping them. It looks at every stage of a colleague's journey with us, from recruitment to development, so they feel supported, motivated, and proud to deliver the best for our customers.



Improving staff pay fairness through the Parity Project.

We're committed to fairness for all. That's why we launched The Parity Project, which is helping us make sure pay and rewards are fair and consistent across the organisation. It's all about treating everyone equally and recognising the value every colleague brings - no matter their role.





Listened to staff through well-being and engagement surveys.

We asked colleagues how they feel – and 78% told us this is a great place to work. We didn't stop there. We ran a dedicated wellbeing survey as part of our Thrive at Work programme, showing we care about both the physical and mental health of our team. We're also on track to achieve foundation status from the West Midlands Combined Authority.



Improved how we track performance and support teams.

Supporting great performance matters. That's why we relaunched My Check In, our tool to track one-to-one conversations between staff and managers. We also know it's important to set our teams objectives to ensure we're achieving the ambitions set out in Thriving Futures, our five-year corporate plan. To further this, we have created a new appraisal process and sickness policy to make sure every colleague feels seen, supported, and set up to succeed.



Relaunched staff inclusion and engagement groups.

We've relaunched our EDI (Equality, Diversity & Inclusion) forum, staff engagement forum, and leadership forum – giving colleagues more voice, more influence, and more space to shape how we work. Both the EDI forum and involved customers helped to develop the EDI Strategy for 2025–2029, making real impact from the inside out.













THRIVING CULTURE

VOLUNTEERING AT HONEYCOMB GROUP



Volunteers give their time to make a difference to the lives of others and play an important role in many of our Group services.

The value of volunteering has become increasingly evident across the group with the appointment of a dedicated Volunteer Officer in quarter 4.

The volunteer steering group has been re-established, enabling shared best practice and a greater consistency across volunteer programmes.

Volunteers have helped enhance capacity, bring in diverse skills and perspectives, strengthen advocacy and community engagement, and raise the visibility of volunteering within the organisation.

We currently have 76 volunteers actively engaged with Honeycomb

Group (13 in Glow, 7 peer mentors in Concrete, 13 befrienders in Revival, 31 Staffs Housing and 12 supporting customer engagement).

We have seen the refresh and relaunch of the Honeycomb Group handbook along with volunteer policies and procedures.

In January we launched a new face to face befriending service for our Revival customers which saw 10 volunteer befrienders onboarded ready to start meeting customers.

The diverse range of skills, knowledge, and life experience that our volunteers bring enriches the lives of our customers and improves the communities they live in.

Jade's journey to Peer Mentoring

Just four years ago, Jade was homeless, addicted to monkey dust, and living in temporary accommodation at Concrete. As a care leaver with no support network, she felt like life had written her off.

With support from Concrete, Jade made the decision to change. She got clean, rebuilt her life, and when she returned to Stoke two years later, the team encouraged her to join their Peer Mentoring programme.

That four-week course gave her purpose, confidence, and a community that understood. Today, Jade is four years clean and using her experience to support others through the same challenges she once faced.

"I've been through it—the drugs, the homelessness, the system. Now I want to be the person who listens and believes in you when you can't believe in yourself." – Jade, Peer Mentor at Concrete

Peer Mentoring is proof that change is possible. At Concrete, people with lived experience are trained and supported to help others who are going through the hardest times in their lives. Mentors offer one-to-one support, visit supported housing schemes, and connect people with resources that remove barriers. Often, their greatest impact comes from something simple yet powerful: listening without judgment.

For Jade, mentoring has been as transformative for her as it is for those she supports. She says it has given her confidence, surrounded her with good people, and given her a reason to keep moving forward.





76

total volunteers from across Honeycomb Group





7 Concrete Peer Mentors



31 from across Staffs

Housing



1Z involved customers

THRIVING CULTURE

EQUALITY DIVERSITY AND INCLUSION (EDI)

Over the last year Honeycomb Group has made significant progress in developing a culture of belonging that celebrates equality, diversity and inclusion. Here are some of the highlights:



A new five-year EDI strategy was approved by Board in February 2025. In line with latest thinking, the new strategy focuses on belonging and outlines a comprehensive and actionable framework to further enhance our commitment to fostering an inclusive and diverse workplace. It reflects ongoing feedback, evolving best practices, and the shifting needs of our workforce and community, ensuring that our EDI initiatives continue to support our overall organisational goals.



EDI Policy

Our EDI policy was refreshed this year. The policy is aligned to our values by making sure colleagues and customers feel empowered to bring their true selves into every interaction. It also supports us to improve our EDI understanding, to make changes that matter, whilst ensuring we fulfil our legal and regulatory responsibilities.



Data

EDI data on our customers and colleagues continues to be an area of focus. The launch of a new housing management system has enabled the activation of a project to secure additional customer EDI, vulnerability and preferred communications data.



Staff forum

The internal EDI forum has gone from strength to strength with up to 74 members attending every eight weeks. The forum has been a fundamental part of driving our EDI activity. The group has led on several awareness events on subjects like neurodiversity, menopause and race action. Study visits to a local mosque and synagogue have also helped provide colleagues with a greater understanding of the communities we serve. Specific interest sub-groups for neurodivergence and women's rights have launched this year, providing additional focus on these areas.



EDI Podcast

A new Honeycomb EDI podcast has launched. Islam, Pride, non-binary awareness, dyslexia, black history and caring for loved ones experiencing Alzheimer's are just some of the subjects covered in the hosted chat.



Trainin

We continue to seek out EDI training to develop our understanding of this subject. Over 87% of staff have now undertaken EDI training. Our new induction also features a mandatory EDI module. Specific training sessions on men's health, neurodiversity and menopause as well as our continued membership of HDN have also contributed to EDI education.



Policies

Easy to read policies have been introduced on both our website and intranet. Equality impact assessments are now undertaken on all policies.



BUSINESS OVERVIEW

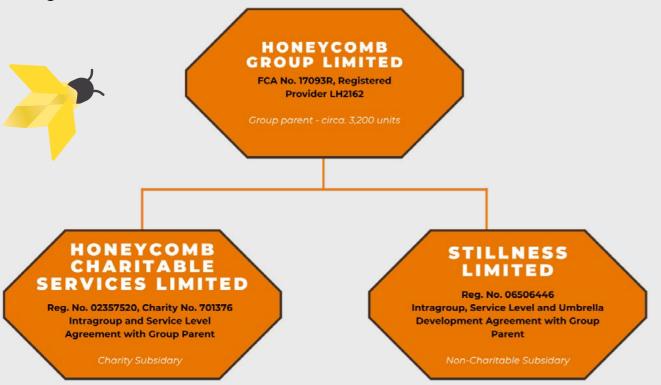
Honeycomb Group Ltd is the parent company with two active subsidiaries:

- **Honeycomb Charitable Services Ltd:** a registered charity, established for charitable purposes supporting disadvantaged children, young people, adults and families within Staffordshire and the surrounding areas.
- **Stillness 924 Ltd:** a company wholly owned by Honeycomb Group Ltd, established for the operation of PV panels installed on properties under licence.

There are also two dormant subsidiaries as part of the Group: Blue Mountain Housing Association and Search Ltd.

Following a review of the governance arrangements for the subsidiary Honeycomb Charitable Services Ltd, during the year. This subsidiary moved from co-terminous arrangements to meeting separately from January 2025.

The subsidiary Board formally reports directly to the Group Board after each meeting.



GROUP BOARD

The Group Board currently has nine members and can have up to a maximum of 12. The Board's core purpose is to set and actively drive the Group's social purpose, mission, and values. Through this, it embeds within the organisation a strong focus on residents, as well as inclusion, integrity, openness, and accountability. It is also responsible for setting ambitions, plans, and strategies that enable the organisation to fulfil its social purpose while remaining viable and sustainable. In addition, the Board actively manages the risks faced by the organisation. It obtains robust assurance that controls are effective, that plans and compliance obligations are being delivered, and that the organisation remains financially viable.

DURING THE YEAR THE BOARD HAS:



Appointed a new Board Chair following the retirement of the previous Chair.



Finalised a new five-year Corporate Plan for 2024–2029, titled Thriving Futures, and monitored progress during its first year against the agreed strategic objectives.



Revised the Group's Business Plan and oversaw the implementation of the revised Consumer Standards.



Overseen the implementation of the new Housing Management System and closely monitored the transition to the Group's new Responsive Repairs and Maintenance Contractor.



Continued to work closely with the Regulator of Social Housing to progress the Group's strategy to move from G2 to G1, implementing and overseeing key governance improvements throughout the year.



Agreed a new Performance Reporting Framework, including Key Performance Indicators (KPIs), as well as a Strategic Risk Register and a Risk Appetite Statement, all aligned with the new Corporate Plan.



Reviewed and agreed new governance arrangements for its subsidiary, Honeycomb Charitable Services Ltd.



The Group Board has established committees to support business needs and to enable it to exercise more effective scrutiny, control and oversight of specific areas.

The following committees have been established:

Committees	Purpose	Membership	Frequency
Audit and Risk Committee	Providing assurance to the Board, through independent scrutiny and challenge on the effectiveness of the Group's financial reporting, external and internal audit, risk management and internal control.	5 members	Quarterly
Customer Services Committee	Providing scrutiny and oversight in support of the organisation's commitment to continually improving the customer experience, ensuring that mechanisms are in place for customers to provide feedback and shape service delivery, and making sure that the performance and quality of services meet the needs of customers.	4 members	Quarterly
Commercial Committee	Providing scrutiny and oversight of commercial opportunities including the review of significant decisions around contractors and suppliers.	4 members	Quarterly
Remuneration & Organisational Development Committee	Overseeing matters relating to pay, benefits, terms and conditions along with organisational development and HR strategies	4 members	Three times a year



COMPLIANCE

Compliance with the Regulator of Social Housing's Standards and NHF Code of Governance.

Reviewing and assessing compliance has taken place throughout the year. Following our self-assessment we are reporting that we comply with all material aspects of the Code and the Regulatory Standards.

Our subsidiaries, Honeycomb Charitable Services Ltd and Stillness (924) Ltd are not registered providers and are not required to comply with the Regulator of Social Housing's standards and our adopted Code of Governance.

As part of our commitment to strong and effective governance, our subsidiary Honeycomb Charitable Services continues to use the Charity Governance Code as a framework for best practice. The subsidiary will continue to review policies and processes against the principles of the Code to ensure that it operates transparently, responsibly and in the best interests of beneficiaries. By embedding the Code, it supports the Group's aims of working to build resilience, accountability, and trust so that the charity is well-placed to deliver lasting impact for the communities we serve.



The Board's declarations of interests are held on our register which is available publicly. There have been no declarations of interest during the year which have had a material impact. If you wish to receive a copy of the register, please contact our Company Secretary.



Our Board approved an updated treasury policy and strategy in March 2025. These aim to manage interest rates and covenant risk as well as other treasury risks. An external specialist consultant provided advice on this. In the year, we completed the security charging of our new £15m revolving credit facility with Danske Bank to provide finance for our ongoing development programme. In 2025/26 we will prepare in advance for a £3.8m loan maturity.

DIRECTORS' INDEMNITY

The directors have confirmed that the Group has Directors and Officers Liability Insurance in place.

GOING CONCERN

The Group's business plan is sufficiently robust to withstand the impact of this worst-case scenario and has undergone appropriate stress testing and sensitivity analysis. 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



FINANCIAL INSTRUMENTS

The Group does not have any abnormal exposure to price, credit, and liquidity and cash flow risks arising from its trading activities. The Group does not enter any hedging transactions and no trading in financial instruments is undertaken.

Risk

INTERNAL CONTROLS

Honeycomb Group Ltd is committed to having effective governance arrangements in place to deliver its aims, objectives and intended outcomes for customers and service users in an effective, transparent and accountable manner. Having a sound risk management framework is a key component in effectively identifying, assessing and managing risks.

The overall responsibility for strategic risk management sits with the Group Board of Management. The Board, subsidiary Board, Audit and Risk committee and the Executive Team based on their role and responsibilities systematically receive reports, on the current risks and how they are being managed or mitigated. This ranges from assurance and oversight through to horizon scanning, scrutinising current risks, taking into account emerging risks, and those which are escalating and de-escalating. Risk management is one of the core elements of our internal control and assurance. We introduced a new format and process for our risk management from 1 April 2024 and which has been aligned to our strategic objectives within our Corporate Plan. In addition to this an internal audit was completed in July 2025. It was given substantial assurance for both design and effectiveness.

Listed below are the current business critical risks to Honeycomb Group's success:

- PEOPLE & CULTURE: Failure to recruit and retain the skills required to deliver the corporate objectives, and to ensure the values are demonstrated across the business.
- DATA SECURITY: Failure to effectively manage the security of data leading to prolonged access issues and significant service disruption.
- DATA INTEGRITY: Failure to effectively manage the integrity of data leading to poor quality information and access issues.
- REPUTATION: Honeycomb Group reputation is negatively impacted.
- SAFETY: Lack of safety measures, adequate policies, procedure and awareness increases the risk of serious harm, safety in homes, in the workplace and when working in our communities.

- ASSET MANAGEMENT: Failure to assess investment needs or to maintain assets to ensure agreed standards are met.
- MEETING CUSTOMER NEEDS: Failure to understand, plan to improve and then meet customers' needs.
- **POLICY CHANGE:** Failure to respond to changes in political and policy change that affects delivery of corporate objectives.
- FINANCIAL VIABILITY: Covenant breach causes regulatory downgrade or funding withdrawal that jeopardises going concern status, forces a merger or causes unacceptable service or safety levels to customers.
- BUSINESS CONTINUITY: Insufficient or ineffective business continuity arrangements.
- GOVERNANCE: Non-compliance with regulation, code of governance, not prepared for inspection.

Internal Audit We gain assurance t

We gain assurance through compliance checks from our internal and external auditors which ensure we are delivering services in line with our policies and procedures and making effective use of our resources.

The internal audit programme provides independent and objective assurance adding value to improve the way we operate. It provides the Board, via the Audit and Risk Committee, the Chief Executive and other officers with assurance on the adequacy of internal control arrangements, including risk management and governance.

The internal audit plan is aligned with our business and risk profile in context with:

- · overall business strategy and objectives
- key areas where management have identified closer monitoring of performance and how it is measured
- financial and non-financial measurements and indicators of performance
- information required to 'run the business'
- the key challenges and risks for the organisation

Internal audits were undertaken during the financial year: 9

- 1. Gas Servicing
- 2. Risk Management (Assurance)
- 3. Electrical Safety
- 4. Complaints Handling
- 5. Disrepair
- 6. Safeguarding
- 7. Planned Maintenance
- 3. Responsive Repairs
- 9. ASB

Internal Controls Assurance

The Board of Honeycomb Group Ltd is responsible for the organisation's system of internal control and for reviewing its effectiveness. This responsibility includes ensuring compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and adherence to the principles set out in the National Housing Federation's Code of Governance 2020, which the Board has formally adopted.

The internal control framework is designed to manage risk and to provide reasonable, not absolute, assurance against material misstatement or lost and that the internal control and risk management systems in place are effective and fit for purpose.

The Board applies best practice to reviewing the effectiveness of the Group's internal control systems for the year end 31st March 2025, and up to the date of approval of the annual report and financial statements. This review was supported by the Audit and Risk Committee and included consideration of





Risk

INTERNAL CONTROLS PROCEDURES

the systems of internal control, including financial and operational controls and risk management.

The Board is satisfied that Honeycomb Group Ltd has maintained a sound system of internal controls throughout the year and appropriate arrangements are in place to identify and manage risks to the delivery of its strategic objectives, financial viability and regulatory compliance.

Internal Controls Procedures

Our systems of internal control are designed to ensure reliability of financial information and the maintenance of proper accounting records, thus safeguarding against loss and providing the proper evaluation of risk. Key elements include:

- A process for the ongoing review and monitoring of compliance with legal and regulatory obligations, including assurance that the organisation meets the requirements of the Regulatory Standards and the NHF Code of Governance; (2020)
- Financial plans incorporating budgets, forecasts and 30-year business plan
- Regulator performance and financial reporting, including key risk indicators and stress testing outcomes, providing transparency on viability and compliance
- The Board retaining responsibility for a defined range of matters covering strategic, operational, financial and compliance issues including treasury management, risk management and new investment projects
- A clearly defined governance framework and delegated authority

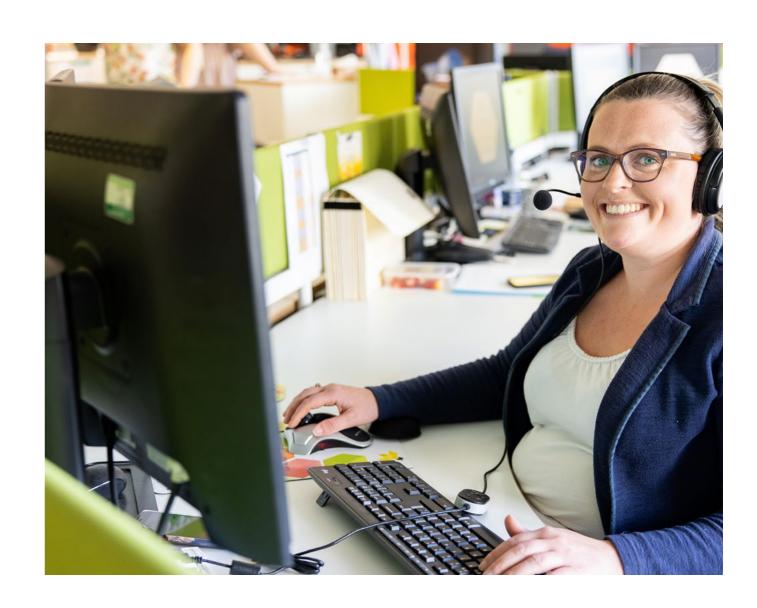
- structure that supports effective decision-making and oversight; formal scheme of delegation to the management of the Group.
- Financial plans incorporating budgets, forecasts and a thirty-year business plan.
- A process for monitoring and reporting of achievement of financial objectives mindful of key business risks, including regular reviews by the Board.
- A strategic and operational risk management framework aligned to our objectives, regularly reviewed by both the Executive Team and the Board
- Rigorous risk appraisal of significant new initiatives and projects with regular review
- An annual programme of internal audit reviews, informed by the Strategic Risk Register and carried out independently, with results monitored through the Audit and Risk Committee
- External assurance, including the external audit opinion and any independent reviews commissioned during the year
- Rigorous risk appraisal of significant new initiatives and projects with regular review
- A comprehensive range of formal policies and procedures, regularly reviewed
- Recruitment, retention and development processes.

The Audit and Risk Committee reviews reports received from internal and external auditors and management and regularly reports to Board regarding the extent to which internal controls continue to take account of the nature of financial risks facing the Group. A formal process exists for the reporting and correction of

risks facing the Group. A formal process exists for the reporting and correction of significant control weaknesses.

The Board has received the Chief Executive's annual report and has conducted an annual review of the effectiveness of internal controls. Account has been taken of any changes needed to maintain the effectiveness of the risk management control process. It has received appropriate assurance regarding the organisation's compliance with all applicable law, the Regulator's standards and adopted codes and policies. No weaknesses were found in the internal controls sufficient to cause material misstatement or loss and the system of internal controls operated throughout the year and to the date of signing of the financial statements.

The Group continues to maintain a robust control environment, has high standards of openness and honesty and has in place measures to minimise the risk of fraud and procedures to respond if it happens. It is committed to continuous improvement and strong governance.



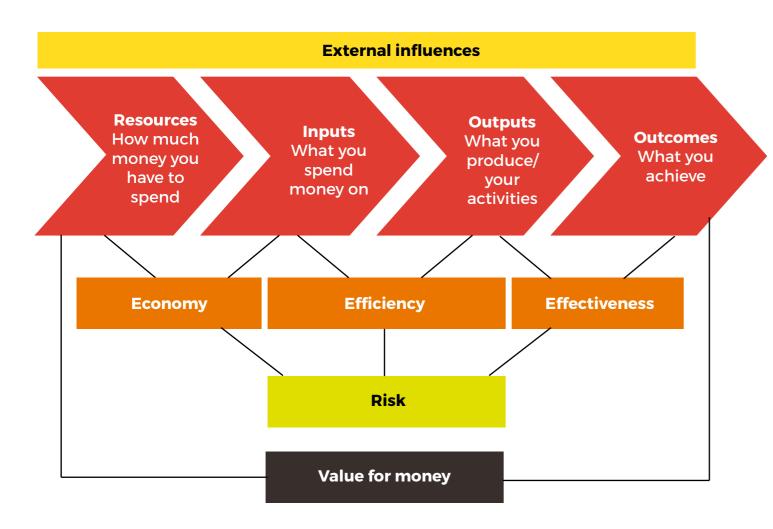
VALUE FOR MONEY

Our Strategic approach to Value for Money (VFM)

Our approach to achieving value for money is to deliver our strategic objectives in an efficient and quality-focused way. We do this by:

- having clear strategic objectives with associated KPIs and targets which are understood by staff.
- having robust business planning processes with organisational priorities cascaded to teams and individuals.
- performance management and scrutiny of processes which drive value for money and continuous improvement.
- understanding the relationships between costs and the quality of our products and services

Our aim is to be a high performing business that delivers good quality homes and services. Our approach follows the model shown below:





Setting our priorities

The strategic change to a new operating model last year has been our priority as it delivers significant and immediate value for money gains, compared with the longer term goals to continuously improve and identify savings in the medium and longer term.

To reflect this emphasis on immediate improvement, the Value for Money targets we set in our Medium Term Financial Plan in 2024 were focused on increasing our operating margins and interest cover ratios to above sector average levels so that we are resilient and ready to manage future challenges that may occur in a more unstable economic environment than we have seen in the past.

Our aim for 2025/26 is to continue the delivery of our strategic ambitions to deal with the medium to long term future of the Group. Our measures of success set out in our corporate plan include:

- An effective culture of seeking out and reporting value for money.
- A procurement process, that maximises value and also delivers benefits within our supply chain for people, the environment or economy, is adopted.
- An effective budget process is adopted to ensure every penny counts.
- · We actively manage risk to

respond effectively to the operating environment and protect our organisation.



The Board has chosen to embed value for money within its stated objectives and priorities rather than adopt a stand-alone VfM strategy. These objectives and priorities are described in our one-page strategic level plan and cascaded to the wider organisation through the leadership team plan and the 'My Check In' HR system.

Behind each of our objectives and priorities are measurable targets that are linked to the aims and purpose of the Group to make sure our VfM approach is embedded throughout all levels of the organisation. In addition to the strategic plan priorities and targets, the Board set additional organisational level VfM goals and key performance indicators including those set by the Regulator of Social Housing. The VfM report assures the Board that the Group are compliant with the VfM standard.



Monitoring performance against our priorities

Performance is monitored by Board through a variety of ways including:

- Quarterly Performance Framework
- Monthly management accounts
- Quarterly value for money scorecard and benchmarking
- Performance reporting and benchmarking in the statutory accounts

The Customer Services
Committee ensures that
customers' views and experience
of the range of services provided
are understood and driving
service improvements effectively.



Procurement

During the year, competitive tendering realised £1.1m in VfM gains including contracts for Reactive Maintenance, HR & Payroll System, Website development, Lift Servicing and Gas and Electricity procurement for our schemes.



Efficiencies

Our VfM database captured 24 entries where staff recognised their value for money benefits. Group savings of £17,022 were made, including over £10,000 of annual savings that will repeat in future years, and £14,840 of annual savings for customers were recorded.

VALUE FOR MONEY



METRICS AND TARGETS

Regulator of Social Housing (RSH) Value for Money Metrics and Targets

Our performance is benchmarked against the published RSH statistics for traditional, non-LSVT, organisations in three benchmark groups. Group 1 are a similar size to Honeycomb (2,000 to 4,000 units) - these are shown as 'Similar Size RPs' in the tables below; Group 2 have over 20% of their turnover from non Social Housing Lettings activities (shown as Diverse RPs); and Group 3 have at least 50% of their stock in the West Midlands (Local RPs).

Board members scrutinise performance against Group targets and objectives through the quarterly balanced scorecard. Alongside the key financial and VfM performance metrics, the Board maintain oversight of additional Process, Customer and People key performance indicators. The focus of the Performance Framework is on continual improvement and is reported for each legal entity within the Group.

Performance key: (!) = above target

= close to target (within 10% tolerance)

= below target

= higher than previous year

= close to previous year (+/- 5%)

= lower than previous year

Note: downward arrows may indicate positive performance.

Reinvestment %

This metric looks at the value of investment in our properties (existing stock as well as new supply) as a percentage of the total value of properties that we own.

Med	ian - RSH	data	Histori	ic Perfor	mance	20	24/25 P	erformar	nce	2025/26	2026/27	2027/28	2028/29
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target
7.33%	6.64%	8.62%	2.32%	2.73%	1.49%	1.18%	0.98%	$\stackrel{(:)}{\sim}$	Ú	1.62%	8.75%	8.09%	8.27%

For this metric, when we compare our 2024/25 out-turn to our benchmarking groups most recent 2023/24 data, we have performed below the median when compared to other Registered Providers. This is due to the reduction in investment levels on developing and acquiring new properties following our strategic decision to focus on reducing overall operating costs and increasing our investment in our current properties.

Our strategy to pause new development, reduce our operating costs and focus on current property investment continued to impact on this metric in 2024/25 and our target was missed due to some of the property improvements we planned were rescheduled into 2025/26. Looking ahead, in 2025/26 we are projecting to increase our reinvestment level to 1.62% as we catch up with that investment programme. Our projections then show our Reinvestment % will increase in the next three years to 8.75% in 2026/27, then to 8.09% in 2027/28, and 8.27% in 2028/29. This reflects our strategic target to return to invest in new development activity from 2026.

Gearing %

This metric assesses how much our adjusted assets are made up of debt and the degree of our dependence on debt finance. It is also often used as a key indicator of appetite for growth.

Med	Median - RSH data Historic Performance		mance	2024/25 Performance				2025/26 2026/27 2027/28 2028/29					
Similar size RPs	Diverse RPs	Local RPs		22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target
36.3%	36.7%	50.3%	42.7%	45.3%	45.1%	46.4%	43.5%	\odot	\Leftrightarrow	47.49%	47.35%	47.63%	48.47%

The metric indicates that we are higher than the median of our benchmarking group for similar sized and diverse RPs, and marginally below the local RP group, but relatively stable year on year. This reflects our track record of commitment to the social housing sector through growth, whilst also utilising our assets to support investment in our stock to ensure the safety of our customers.

The 2024/25 gearing % is below the target we set, which is a positive position reflecting prudent and controlled borrowing levels in relation to asset growth. As part our medium-term financial plan, we have reviewed our treasury strategy with a view to reducing overall borrowing costs and have been using our positive cash generation to repay debt during 2024/25.

The next four years will see a steady increase in gearing as we invest in new properties and further improvements to existing properties.

EBITDA-MRI Interest Cover

The EBITDA MRI interest cover measure is a key indicator for our liquidity and investment capacity. It measures our level of surplus generated against our interest payments.

Med	ian - RSH	data	Historic Performance		20	24/25 Pe	erforma	nce	2025/26 2026/27 2027/28 2028/2				
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target		Against Target	Trend	Target	Target	Target	Target
112.1%	108.3%	124.4%	134.3%	113.7%	122.0%	147.7%	154.4%	\odot	11	119.3%	115.2%	138.7%	113.2%

The metric is an approximation of cash generated; presenting it as a percentage of interest to show the level of headroom on meeting interest payments for outstanding debt.

Honeycomb has seen a strong recovery in interest cover performance, exceeding our targets for the second year running, and exceeding the 23/24 median of all three of our benchmarking groups. This shows the impact of the cost reductions we made in 2023/24.

The changes we have made will positively impact performance in future years. We are continuing to invest additional resources into our stock over the coming years targeted at ensuring our homes are safe and energy efficient. We expect this investment to reduce our interest cover but we will be vigilant in ensuring that interest cover stays above our Golden Rule of 100%.

METRICS AND TARGETS

Headline Social Housing Cost Per Unit (£'s)

The unit cost metric assesses the headline social housing cost per unit as defined by the regulator, being "Total costs associated with the delivery of social housing activities divided by the total number of social housing units owned".

Med	Median - RSH data Historic Performance		2024/25 Performance				2025/26 2026/27 2027/28 2028/29						
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target
6,331	8,239	4,738	5,771	6,279	7,266	7,487	6,994	\odot	$\hat{\mathbb{T}}$	7,906	8,058	7,701	5,079

Our Headline Social Housing Cost Per Unit has falled compared with 2023/24 and exceeded our target for the year.

Our costs show as higher than the median of our benchmarking Groups of Local RPs and for Similar sized RPs. This is largely due to the inclusion of the operating expenses of our Charity services (under the Concrete & Glow brands) in the calculation. This increases the Social Housing Cost per unit metric disproportionately as the Charity has relatively few properties but incurs high support costs due to the complex needs of the customer. Our costs are lower than our benchmark group of Diverse RPs, which includes Housing Associations with turnover from non Social Housing Lettings higher than 20% of total turnover. These Diverse RPs will have similar issues measuring costs of other activities than social housing lettings.

Return on Capital Employed (ROCE) %

This metric compares our operating surplus to our total assets less current liabilities. It assesses how efficient we are in the investment of our capital resources.

Med	Median - RSH data Historic Performance			mance	20	24/25 P	erforma	nce	2025/26 2026/27 2027/28 2028/29				
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target
2.36%	2.25%	3.09%	1.85%	1.85%	2.54%	2.81%	3.43%	\odot	企	2.62%	2.80%	3.10%	2.75%

The return on capital employed measures the degree of efficient investment of capital resources and compares the total operating surplus to total asset values. The increase in our operating margin has caused a corresponding increase in our return on capital employed.

Our ROCE in 2024/25 has exceeded our target and continued an upward trend since 2022/23 when we were in the lower quartile across our benchmarking groups. Now Honeycomb is above average in all benchmark groups, in the second quartile for both local RPs, and into the upper quartile for similar sized and diverse RPs.

Operating Margin % - Social Housing Lettings

Operating margin % measures the amount of surplus generated from turnover on our social housing activities. It is a key measure of our operational efficiency as it is influenced by both income and expenditure.

Med	lian - RSH	data	Histori	ic Perfor	mance	20	24/25 P	erforma	nce	2025/26	2026/27	2027/28	2028/29
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target
15.6%	13.8%	23.0%	17.0%	12.2%	14.7%	15.4%	15.8%	\odot	企	11.3%	13.7%	16.8%	21.0%

After three years of falling margins to a low point in 2022/23, when performance was in the lower quartile for our benchmark groups, 2023/24 marked a turning point in our financial performance which has continued in 2024/25 during which we have exceeded our target.

Looking ahead, we have set prudent targets and forecasts to slowly grow our margins from Social Housing Lettings, and in 2025/26 we expect to invest in services and major repairs that are not capitalised, which will temporarily reduce our margins in the next year.

Operating Margin % - Overall

Operating margin % - Overall measures the amount of surplus generated from turnover. It is a key measure of our operational efficiency as it is influenced by both income and expenditure.

Med	ian - RSH	data	Histor	Historic Performance			2024/25 Performance				2025/26 2026/27 2027/28 2028/29			
Similar size RPs	Diverse RPs	Local RPs	21/22	22/23	23/24	Target	Actual	Against Target	Trend	Target	Target	Target	Target	
15.3%	12.1%	19.9%				15.5%			1		_		22.6%	

In the past, performance against our benchmarking groups has been affected by the inclusion of our Charity's relatively low surpluses, but in 2024/25 the overall margins were slightly improved by the inclusion of the charity surplus, which had strong financial performance in the year.

We delivered an improvement in margins in 2023/24 and following the implementation of our restructuring and new operating model, we are targeting and acheived above average operating margins for our size in 2024/25, while continuing to priotitise improvements to current properties and services for our tenants and customers.

As stated above, we have set prudent targets and forecasts to slowly grow our margins over the next three years, and in 2025/26 we expect to invest in services and major repairs that are not capitalised, which will temporarily reduce our margins in the next year.



STATEMENT OF BOARD'S **RESPONSIBILITIES**

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Income and Expenditure for the period of account.

In preparing these financial statements, the Board is required to:

- · Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Society Act 2014. the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

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

The Board is responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Group's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Group's books of account and transactions. The Board is also responsible for ensuring that arrangements are made to safeguard the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to the Auditor In the case of each of the persons who are directors of the Group at the date when

this report was approved:

- · so far as each of the directors is aware. there is no relevant audit information of which the Group's auditor is unaware: and
- each of the directors has taken all the steps that they ought to have taken as a director to make them aware of any relevant audit information (as defined) and to establish that the Group's auditor is aware of that information.

Approved by the Board on 18 September 2025 and signed on its behalf by:

Peter Hay Chair of the Board



Financials

FINANCIALS

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF HONEYCOMB GROUP LIMITED

Opinion

We have audited the financial statements of Honeycomb Group Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2025 which comprise the Consolidated and Association Statement of Comprehensive Income, the Consolidated and Association Statement of Financial Position, the Consolidated and Association Statement of Changes in Reserves, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2025 and of the Group's income and expenditure and the Association's income and expenditure 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 Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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 Group and Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Strategic Report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Cooperative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- · the Association has not maintained a satisfactory system of control over transactions; or
- · the Association has not kept proper accounting records; or
- · the Association's financial statements are not in agreement with books of account; or
- · we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out page 63, the Board is 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 Board determines 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 Board is responsible for assessing the Group's and the Association'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 Board either intends to liquidate the Group or the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

FINANCIALS

Financials

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

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

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

- · We obtained an understanding of laws, regulations and guidance that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2012, tax legislation, health and safety legislation, and employment legislation.
- · We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- · We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.
- · We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- · We enquired of the Board about actual and potential litigation and claims.
- · We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- · In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association'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 Group and the Group's members as a body for our audit work, for this report, or for the opinions we have formed.

Beeve and Struther

Beever and Struthers, Statutory Auditor The Colmore Building **20 Colmore Circus** Queensway Birmingham B4 6AT

Date: 26 September 2025

Financial statements

Statement of Comprehensive Income

	Year Ended 3	1 Mar 2025	Year Ended 31	Mar 2024
	Consolidated	Association	Consolidated	Association
			Restated	Restated
Notes	£'000	£'000	£'000	£'000
2	30,301	20,848	28,967	19,958
2	(17)	(17)	(219)	(219)
2	(25,718)	(17,619)	(24,444)	(16,317)
2/6	480	480	578	578
	5,046	3,692	4,882	4,000
28	-	-	(419)	(419)
	5,046	3,692	4,463	3,581
	120	59	100	61
7	(3,644)	(3,644)	(3,739)	(3,739)
	-	265	-	207
14	10	(30)	135	125
8	1,532	342	959	235
	2	-	(12)	-
	1,534	342	947	235
	2 2 2 2/6 28	Consolidated Notes £'000 2 30,301 2 (17) 2 (25,718) 2/6 480 5,046 28 - 5,046 120 7 (3,644) - 14 10 8 1,532 2	Notes £'000 £'000 2 30,301 20,848 2 (17) (17) 2 (25,718) (17,619) 2/6 480 480 5,046 3,692 28 - - 5,046 3,692 120 59 7 (3,644) (3,644) - 265 14 10 (30) 8 1,532 342 2 - -	Consolidated Association Consolidated Restated Notes £'000 £'000 £'000 2 30,301 20,848 28,967 2 (17) (17) (219) 2 (25,718) (17,619) (24,444) 2/6 480 480 578 5,046 3,692 4,882 28 - (419) 5,046 3,692 4,463 120 59 100 7 (3,644) (3,644) (3,739) - 265 - 14 10 (30) 135 8 1,532 342 959 2 - (12)

The financial statements on pages 39 to 73 were approved and authorised for issue by the Board on 18 September 2025 and were signed on its behalf by:

Board Member: Peter Hay CBE Board Member:

Secretary: Greg van Enk-Bones

m

Conton

The consolidated and parent results relate wholly to continuing activities and the notes on pages 43 to 71 form an integral part of these accounts.

Financial statements

Statement of Financial Position

		Year Ended 31	Mar 2025	Year Ended 31	Mar 2024
	Notes	Consolidated £'000	Association £'000	Consolidated £'000 Restated	Association £'000 Restated
Fixed assets					
Intangible Assets	12	398	398	345	345
Tangible fixed assets: Properties	13 (a&b)	156,858	156,483	158,412	158,026
Other	13 (c&d)	4,501	3,529	4,651	3,620
Investment properties	14	3,830	2,650	3,820	2,680
Investment in subsidiaries	15	-	1,578	-	1,578
	-	165,587	164,638	167,228	166,249
Current assets	-	105,567	104,030		100,243
Stock	16	655	655	409	409
Trade and other debtors	17	2,577	1,741	2,782	1,793
Investments	18	30	30	30	30
Cash and cash equivalents	19	7,581	3,610	5,585	3,077
caon ana caon equivalents			<u> </u>		
		10,843	6,036	8,806	5,309
Less: Creditors: amounts falling due within one year	20	(15,260)	(13,580)	(16,505)	(14,913)
Net current assets	_	(4,417)	(7,544)	(7,699)	(9,604)
Total assets less current liabilities		161,170	157,094	159,529	156,645
Less: Creditors: amounts falling due after more than one year	21a	(123,651)	(123,651)	(123,544)	(123,544)
Total net assets		37,519	33,443	35,985	33,101
Reserves					
Non-equity share capital	24	-	-	-	-
Revenue Reserve		37,294	33,268	35,758	32,926
Revaluation Reserve		37	-	39	-
Restricted Reserve	-	188	175	188	175
Total Reserves	-	37,519	33,443	35,985	33,101

The financial statements on pages 39 to 73were approved and authorised for issue by the Board on 18 September 2025 and were signed on its behalf by:

Board Member: Peter Hay CBE Board Member: Rebecca Neill Secretary: Greg van Enk-Bones

m

The consolidated and parent results relate wholly to continuing activities and the notes on pages 43 to 71 form an integral part of these accounts.

Financial statements

HONEYCOMB GROUP LIMITED

Statement of Changes in Reserves

Revenue reserve £'000	Restricted reserve £'000	Revaluation reserve £'000	Total £'000
34,809	188	41	35,038
947	-	-	947
2	-	(2)	-
35,758	188	39	35,985
1,534	-		1,534
-	-		-
2 37,294		<u>(2)</u>	37,519
	reserve £'000 34,809 947 2 35,758 1,534	reserve	reserve £'000 £'000 34,809 188 41 947 2 - (2) 35,758 188 39 1,534 - 2 - (2)

Association	Revenue reserve £'000	Restricted reserve £'000	Revaluation reserve £'000	Total £'000
Balance as at 1 April 2023	32,691	175	-	32,866
Surplus from Statement of Comprehensive Income	235	-	-	235
Transfer from Revaluation Reserve	-	-	-	-
Balance at 31 March 2024	32,926	175	-	33,101
Surplus from Statement of Comprehensive Income	342	-	-	342
Transfer to Restricted Reserves	-	-	-	-
Transfer from Revaluation Reserve	-	-	-	-
Other Reserve Movements				
Balance at 31 March 2025	33,268	175		33,443

HONEYCOMB GROUP LIMITED

Consolidated Statement of Cash Flows

	Year ended 31 Mar 2025	Year ended 31 Mar 2024
	£′000	£′000
		Restated
Net cash generated from operating activities (see Note i)	7,273	6,224
Cash flow from investing activities	(202)	
Purchase of intangible fixed assets	(203)	(2.735)
Purchase of tangible fixed assets	(1,865)	(3,725)
Purchase of investment properties	-	-
Purchase of equity investment		-
Proceeds from sale of tangible fixed assets	892	1,040
Proceeds from sale of OFA	483	-
Grants received	-	585
Interest received	120	100
Cash flow from financing activities		
Interest paid	(3,644)	(3,739)
New secured loans	(300)	3,800
Repayment of borrowings	(735)	(4,470)
Taxation		
UK Corporation tax paid	(25)	(12)
Net change in cash and cash equivalents	1,996	(87)
Cash and cash equivalents at beginning of the year	5,585	5,672
Cash and cash equivalents at end of the year	7,581	5,585
Note i		
Cash flow from operating activities		
Surplus for the year	1,534	947
Adjustments for non-cash items:	,	
Depreciation of tangible fixed assets	3,168	3,191
Amortisation of intangible fixed assets	150	-
Amortisation of Grant	(978)	(968)
Decrease / (Increase) in stock	(246)	67
(Increase) / Decrease in trade and other debtors	206	(201)
Increase / (Decrease) in trade and other creditors	1,309	230
Revaluation of Investment Properties	(10)	(135)
Carrying amount of tangible fixed asset disposals	400	368
Corporation Tax	(2)	12
Other creditor movements	(405)	114
Adjustments for investing or financing activities:	(403)	114
Proceeds from the sale of tangible fixed assets	(894)	(1,040)
Proceeds from sale of OFA	(483)	(1,040)
Interest payable		2 720
Interest received	3,644	3,739
	(120)	(100)
Net cash generated from operating activities	7,273	6,224

Notes to the financial statements for the year ended 31 March 2025

Legal Status

Honeycomb Group Limited is a society registered in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is 308 London Road, Stoke on Trent, Staffordshire ST4 5AB.

Honeycomb Group Limited is a Public Benefit Entity whose primary objective is to provide goods or services for community or social benefit rather than for a financial return to equity holders.

The Group comprises the following entities:

Name	Incorporation	Registered/Non-registered
Honeycomb Group Limited	Co-operative and Community Benefit Societies Act 2014	Co-operative and Community Benefit Society and Regulator of Social Housing / Registered Provider
Blue Mountain Housing Association Limited (Dormant)	Co-operative and Community Benefit Societies Act 2014	Non-registered
Stillness 924 Limited	Companies Act 2006	Non-registered
Honeycomb Charitable Services Limited	Companies Act 2006	Non-registered
Search Housing Association Limited (Dormant)	Companies Act 2006	Non-registered

1. Principal Accounting Policies

Basis of Accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018. The Group is required under the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969 to prepare consolidated Group accounts.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. The accounts are prepared on the historical cost basis of accounting as modified by the revaluation of investments and financial instruments and are presented in sterling £ and rounded to the nearest thousand.

The Group's financial statements have been prepared in compliance with FRS 102.

Basis of consolidation

The consolidated financial statements incorporate the results of Honeycomb Group Limited and all of its subsidiary undertakings as at 31 March 2025. Intra group transactions and balances are eliminated on consolidation.

Judgements and key sources of estimation uncertainty

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

Financial statements

Notes to the financial statements for the year ended 31 March 2025

- Development expenditure. The Group capitalises direct development expenditure.
- Categorisation of housing properties. The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that market rented properties are investment properties.
- c. Depreciation. The Association depreciates its assets on a straight-line basis over management's estimation of their Useful Economic Life (UEL). These UEL's are disclosed below in Note 1.
- **d. Impairment.** The Group has identified that a cash generating unit for impairment assessment purposes is at a scheme level.

e. Going concern

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future.

Other key sources of estimation and assumptions:

a. Bad Debt Provision

Bad Debts are provided for based on a 100% provision for all former tenants and specific current tenant debts where arrears balances are unlikely to be settled.

Tangible fixed assets. Other than investment properties, tangible fixed assets are depreciated over their useful lives considering residual values, where appropriate.

Revaluation of investment properties. The Group carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The Group engaged independent valuation specialists to determine fair value at 31 March 2023. The valuer used a valuation technique based on a discounted cash flow model. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long-term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 13.

Impairment of non-financial assets. Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use.

Following a trigger for impairment, the Group perform impairment tests based on a value in use calculation using a discounted cash flow model. The cash flows do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Notes to the financial statements for the year ended 31 March 2025

1. Principal Accounting Policies (continued)

Turnover and Revenue Recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and Homes England, income from the sale of shared ownership and other properties developed for outright sale and other income and are recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. Supporting People Income is recognised under the contractual arrangements.

Support income and costs including Supporting People income and costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the Turnover as per note 2. The related support costs are matched against this income in the same note. Support charges included in the rent are included in the Statement of Comprehensive Income from social housing lettings note 3 and matched against the relevant costs.

Service charges

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme-by-scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required, a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

Loan interest costs

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

Loan finance issue costs

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

Value Added Tax

The Group charges VAT on some of its income and can recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

Financial statements

Notes to the financial statements for the year ended 31 March 2025

1. Principal Accounting Policies (continued)

Tangible fixed assets and depreciation

Housing properties

Tangible fixed assets are stated at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses. Donated land/assets or assets acquired at below market value from a government source, i.e. local authority, are included as a liability in the Statement of Financial Position at the fair value less consideration paid.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Group depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

Useful Expected Lives for identified components are as follows:

	Years
Boilers	15
Communal Door	40
Door – Front or Rear	20
Electrical Consumer Unit (ECU)	20
Fire Doors	15
Heating systems	20
Kitchens	20
Lifts	25
Bathrooms	30
Electric Storage Heaters	30
Windows	30
Rewire	30
Roofs – Newbuild	70
Roofs – Rehab	50
Roofs – Flat	30
Smoke/CO2 Alarm	10
Shower	10
Storage Heater	15
Structure – new build	100
Structure – rehab	50-60
Structure – shared ownership	65
Structure – combined health	25

The Group depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

Financial statements

Notes to the financial statements for the year ended 31 March 2025

1. Principal Accounting Policies (continued)

Low-cost home ownership properties - Shared Ownership

The costs of low-cost home ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Administration costs relating to development and asset management capital investment activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into their intended use.

Property managed by agents

Where the Group carries most of the financial risk on property managed by agents, income arising from the property is included in the Statement of Comprehensive Income.

Where the agency carries most of the financial risk, income includes only that which relates solely to the Group.

In both cases, the assets and associated liabilities are included in the Group's Statement of Financial Position.

Leasing

Payment for operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease. The only material leases in place for the Group are as a lessee.

Investment property

Investment property includes commercial and other properties not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Current asset investments

Current asset investments include cash and cash equivalents invested for periods of more than 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the Statement of Comprehensive Income.

Properties held for sale

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

Short-term debtors and creditors

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

Non-government grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as Turnover.

Notes to the financial statements for the year ended 31 March 2025

1. Principal Accounting Policies (continued)

Social Housing (SHG) and other government grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income is included as part of Turnover.

When SHG in respect of housing properties during construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Non-monetary government grant

On disposal of assets for which non-monetary government grants are held as liabilities in the Statement of Financial Position, the unamortised amount in creditors is derecognised and recognised as income in the Statement of Comprehensive Income.

Recycling of Capital Grant

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the year end and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the year end.

Retirement benefits

The Group operates a defined contribution pension scheme with contributions charged to the Statement of Comprehensive Income based on salary each month.

Revaluation Reserve

The revaluation reserve represents the difference on transition between the fair value of social housing properties and other assets and the historical cost carrying value, where deemed cost transitional relief was taken.

Restricted Reserve

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

Notes to the financial statements for the year ended 31 March 2025

Principal Accounting Policies (continued)

Financial Instruments

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

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

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

Financial instruments held by the Group are classified as follows:

- Financial assets such as cash, current asset investments and receivables are classified as loans and receivables and held at
 amortised cost using the effective interest method,
- Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method,
- Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method: and
- Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment.

Categorisation of debt

The Group's debt has been treated as "basic" in accordance with paragraphs 11.8 and 11.9 of FRS 102. The Group has a £15 million fixed rate loan with RBS which has a two-way break clause (i.e. in addition to compensation being payable by a borrower to a lender if a loan is prepaid where the prevailing fixed rate is lower than the existing loan's fixed rate, compensation could be payable by the lender to the borrower in the event that a loan is prepaid and the prevailing fixed rate is higher than the existing loan's fixed rate). The Financial Reporting Council (FRC) issued a statement on 2 June 2016 in respect of such loans with no prescriptive direction as to whether they should be classified as "basic" or "non basic". On the grounds that the Group believes the recognition of each debt liability at cost provides a more transparent and understandable position of the Group's financial position and that each loan still satisfies the requirements of paragraphs 11.8 and 11.9 of FRS 102, the Group has retained its "basic" treatment of its debt following the FRC announcement.

Financial statements

Notes to the financial statements for the year ended 31 March 2025

2(a). Turnover, cost of sales, operating expenditure and operating surplus

	2025				
Group	Turnover	Cost of sales	Operating expenditure	Operating surplus / (deficit)	
	£000	£000	£000	£000	
Social housing lettings (note 3a)	18,065	-	(15,207)	2,858	
Other social housing activities					
First tranche low-cost home ownership sales	56	(17)	-	39	
Support services	10,276	-	(9,145)	1,131	
Other: Development services	-	-	(17)	(17)	
Other: Regeneration	1	-	(1)	-	
Activities other than social housing					
Other – Market Rent	444	-	(183)	261	
Other – Revival Home Improvement Agency	753	-	(634)	119	
Other – Green energy	288	-	(118)	170	
Other	418	-	(413)	5	
	30,301	(17)	(25,718)	4,566	
Surplus on disposal of property, plant, and equipment (fixed assets)	894	(414)	-	480	
Total	31,195	(431)	(25,718)	5,046	

	2024			
				Operating
Group		Cost of	Operating	surplus /
	Turnover	sales	expenditure	(deficit)
	£000	£000	£000	£000
			Restated	Restated
Social housing lettings (note 3a)	17,103	-	(13,786)	3,317
Other social housing activities				
First tranche low-cost home ownership sales	260	(219)	-	41
Support services	9,701	-	(9,046)	655
Other: Development services	-	-	(181)	(181)
Other: Regeneration	1	-	(107)	(106)
Activities other than social housing				
Other – Market Rent	420	-	(221)	199
Other – Revival Home Improvement Agency	880	-	(770)	110
Other – Green energy	363	-	(134)	229
Other	239		(199)	40
	28,967	(219)	(24,444)	4,304
Surplus on disposal of property, plant and equipment (fixed assets)	1,040	(462)	-	578
Total	30,007	(681)	(24,444)	4,882

Notes to the financial statements for the year ended 31 March 2025

2(b). Turnover, cost of sales, operating expenditure, and operating surplus

	2025			
Association	Turnover	Cost of sales	Operating expenditure	Operating surplus / (deficit)
Social housing lettings (note 3b)	£000 18,065	£000 -	£000 (15,207)	£000 2,858
Other social housing activities				
First tranche low cost home ownership sales	56	(17)	-	39
Other: Development services	-	-	(17)	(17)
Other: Property services	-	-	-	-
Other: Regeneration	1	-	(1)	-
Activities other than social housing				
Other – Market Rent	383	-	(176)	207
Other – Revival Home Improvement Agency	753	-	(634)	119
Other - Feed-in tariffs	33	-	(30)	3
Other	1,557	-	(1,554)	3
	20,848	(17)	(17,619)	3,212
Surplus on disposal of property, plant and equipment (fixed assets)	894	(414)	-	480
Total	21,742	(431)	(17,619)	3,692

	2024				
Association	Turnover	Cost of sales	Operating expenditure	Operating surplus / (deficit)	
	£000	£000	£000	£000	
			Restated	Restated	
Social housing lettings (note 3b)	17,103	-	(13,786)	3,317	
Other social housing activities					
First tranche low cost home ownership sales	260	(219)	-	41	
Other: Development services	-	-	(181)	(181)	
Other: Regeneration	1	-	(107)	(106)	
Activities other than social housing					
Other – Market Rent	362	-	(207)	155	
Other – Revival Home Improvement Agency	880	-	(770)	110	
Other - Feed-in tariffs	75	-	(30)	45	
Other	1,277	-	(1,236)	41	
	19,958	(219)	(16,317)	3,422	
Surplus on disposal of property, plant and equipment	1,040	(462)	-	578	
Total	20,998	(681)	(16,317)	4,000	
	-				

Financial statements

Notes to the financial statements for the year ended 31 March 2025

3(a). Turnover and operating expenditure

Association and Group	General Housing £'000	Supported Housing and Housing for Older People £'000	Low Cost Home Ownership £'000	Total 2025 £'000	Total 2024 £'000
Income					Restated
Rent receivable net of identifiable service charge	11,174	3,218	464	14,856	13,884
Service charge income	607	1,457	268	2,332	2,336
Amortised government grants	824	26	27	877	883
Other grants - Supporting People	-				
Turnover from Social Housing Lettings	12,605	4,701	759	18,065	17,103
Operating expenditure					
Management	(3,255)	(988)	(16)	(4,259)	(3,987)
Service charge costs	(1,219)	(1,035)	(238)	(2,492)	(2,363)
Routine maintenance	(2,507)	(886)	(32)	(3,425)	(2,497)
Planned maintenance	(1,542)	(243)	(3)	(1,788)	(1,926)
Major Repairs	(374)	(124)	(12)	(510)	(218)
Bad debts	(54)	-	-	(54)	(119)
Depreciation of Housing Properties	(1,979)	(604)	(91)	(2,674)	(2,667)
Other Costs	(5)			(5)	(9)
Operating expenditure on Social Housing Lettings	(10,935)	(3,880)	(392)	(15,207)	(13,786)
Operating Surplus on Social Housing Lettings	1,670	821	367	2,858	3,317
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	104	59	11	174	161

Notes to the financial statements for the year ended 31 March 2025

3(b). Turnover from activities other than social housing

•	Gr	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	
Lettings	£ 000	1 000	1 000	1 000	
Market Renting	444	420	383	362	
-	444	420	383	362	

4. Accommodation owned, managed and in development

At the end of the year accommodation in management for each class of accommodation was

At the end of the year accommodation in management for each	class of accommodatio	n was:		
	20	25	2024	
Group	No. of pr	No. of properties		operties
	Owned	Managed	Owned	Managed
Social Housing				
General needs housing	2,271	17	2,286	27
Supported housing and housing for older	654	470		
people	651	172	645	168
Low-cost home ownership	198	-	202	-
Leasehold	43	-	43	-
	3,163	189	3,176	195
Non-Social Housing	-		-	
Key worker accommodation	-	25	25	-
Market Rent	35	-	35	-
	35	25	60	-
Total owned and managed	3,198	214	3,236	195
Social Housing under development at end of year:				
General needs housing affordable rent	-	-	-	-
Low-cost home ownership	-	-	-	-
	-	-	-	-
	20	25	202	24
Association	No. of pr	operties	No. of pro	operties
	Owned	Managed	Owned	Managed
Social Housing				
General needs housing	2,271	17	2,289	27

Association	2025 No. of properties		202 No. of pro		
	Owned	Managed	Owned	Managed	
Social Housing					
General needs housing	2,271	17	2,289	27	
Supported housing and housing for older					
people	636	-	630	-	
Low-cost home ownership	198	-	202	-	
Leasehold	43	-	43	-	
	3,148	17	3,164	27	
Non-Social Housing					
Key worker accommodation		25	-	25	
Market Rent	28	7	28	7	
	28	32	28	32	
Total owned and managed	3,176	49	3,192	59	
Social Housing under development at end of year:					
General needs housing affordable rent	-	-	-	-	
Low-cost home ownership	-	-	-	-	
	-	-	-	-	

- 53 -

Financial statements

Notes to the financial statements for the year ended 31 March 2025

5. Accommodation managed by others

The Association and Group own property managed by other bodies.

	Group		Association	
	2025 2024		2025	2024
	No. of	No. of	No. of	No. of
	properties	properties	properties	properties
Supported housing and housing for older people	98	102	146	153
	98	102	146	153

6. Surplus / (Deficit) on disposal of property, plant and equipment (fixed assets)

	Shared Ownership Staircasing Sales	Others	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Proceeds of sales	494	400	894	1,040
Less: Costs of sales	(205)	(164)	(369)	(396)
Less: Write back of Amortised Grant	(3)	(42)	(45)	(66)
Surplus / (Deficit)	286	194	480	578

Notes to the financial statements for the year ended 31 March 2025

7. Interest and financing costs

	Group		Association	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
On loans wholly or partly repayable in more than five years	3,465	3,618	3,465	3,618
Costs associated with financing	179	155	179	155
Less: interest capitalised on housing properties under construction	-	(34)	-	(34)
	3,644	3,739	3,644	3,739

The weighted average interest on borrowings of 4.39% (2024: 4.49%) was used for calculating capitalised finance costs.

8. Surplus before tax

	Group		Associati	on
The surplus is stated after	2025	2024	2025	2024
charging/(crediting):	£'000	£'000	£'000	£'000
		Restated		Restated
Auditors' remuneration		Restateu		Restateu
Audit of the group financial statements	48	40	48	40
Audit of the group infancial statements Audit of subsidiaries	46	40 5		4 0
Addit of subsidiaries	4	5	4	3
Fees payable to the company's auditor for				
other services to the group:				
Taxation compliance services	1	-1	-	-
·				
Operating lease rentals:				
- Land and buildings	301	180	22	28
- Office equipment	60	48	60	48
Depreciation of housing properties	2,682	2,676	2,674	2,666
Depreciation of other fixed assets	486	493	333	342
Amortisation of intangible assets	150	22	150	22
Amortisation of Grant applied to housing				
properties	(877)	(883)	(877)	(883)
Surplus on sale of property, plant and	, ,			, ,
equipment	(482)	(461)	(480)	(578)
Surplus on sale of other fixed assets	(3)	-	(3)	-

Financial statements

Notes to the financial statements for the year ended 31 March 2025

9. Directors' remuneration

The Chief Executive is an ordinary member of the pension scheme. The pension scheme is a defined contribution scheme funded by annual contributions by the employer and employee. No enhanced or special terms apply. There are no additional pension arrangements. A contribution by Honeycomb Group of £16k (2024 - £15k) was paid in addition to the personal contributions of the Chief Executive. Honeycomb Group adopts a salary exchange approach to its employee pension contributions; contributions shown above are based on contractual employer's contributions only.

Directors (key management personnel) are defined as members of the Board, the Chief Executive and any other person who is a member of the Senior Management Team or its equivalent.

	2025 £'000	2024 £'000
The aggregate emoluments paid to or receivable by non-executive Directors and former non-executive directors (excluding highest-paid director)	55	40
The aggregate emoluments paid to the highest paid Director including pension contributions	165	148
The aggregate emoluments paid to or receivable by Directors (key management personnel)	477	405
The emoluments paid to the highest paid Director excluding pension contributions	149	133

The Board of Management received emoluments for their duties amounting to £63,648 (2024: £51,924). These were paid as shown below.

	Emoluments £	Expenses	Total 2025 £
	L	L	ı
Andy Spencer	5,645	0	5,645
Will Wright	2,278	0	2,278
Rebecca Neill	7,082	0	7,082
Karl Dean	7,082	0	7,082
Andrew Davies	4,923	0	4,923
Alice Myers	7,082	0	7,082
Georgina Patel	4,923	288	5,211
Jessica Page	4,923	74	4,997
Mark Selby	4,923	0	4,923
Peter Hay	8,087	177	8,264
Timothy Edwards	3,019	0	3,019
Anthony Muir	3,019	123	3,142

Financial statements

Notes to the financial statements for the year ended 31 March 2025

10. Employee information

Employee information					
	Group		Association		
	2025	2024	2025	2024	
	No.	No.	No.	No.	
The average number of persons employed					
during the year expressed in full time					
equivalents (35 hours per week) was:					
Office staff	233	238	98	109	
Wardens, caretakers and cleaners	28	28	27	27	
	261	266	125	136	
	£′000	£'000	£'000	£'000	
Staff costs					
Wages and salaries	7,591	7,358	3,955	4,013	
Social Security costs	686	664	373	379	
Other pension costs	518	611	392	496	
Redundancy	20	197	8	170	
	8,815	8,830	4,728	5,058	
Aggregate number of full-time equivalent					
staff whose remuneration exceeded £60,000	2025	2024	2025	2024	
in the period:	No.	No.	No.	No.	
£60,000 - £70,000	5	3	3	3	
£70,000 - £80,000	2	0	2	0	
£80,000 - £90,000	0	2	0	2	
£90,000 - £100,000	0	0	0	0	
£100,000-£110,000	1	2	1	2	
£110,000-£120,000	0	1	0	1	
£120,000-£130,000	0	0	0	0	
£130,000-£140,000	1	0	1	0	
£140,000-£150,000	0	1	0	1	
£150,000-£160,000	0	0	0	0	
£160,000-£170,000	1	0	1	0	

11. Pension obligations

The Group operates a defined contribution scheme for employees, the assets of which are held separately from those of the Group in an independently administered fund. The pension charge represents contributions payable by the Association to the fund and amounted to £373,095 (2024: £495,852) for the year; and contributions payable to the fund by the Group amounted to £517,758 (2024: £610,615).

Notes to the financial statements for the year ended 31 March 2025

12. Intangible Assets

---- Intangible assets -----

	Intangibles	Intangibles under	Total
Group & Association	£′000	construction £'000	Intangibles £'000
Cost			
At start of the year	53	314	367
Additions	-	203	203
Transfers to/from construction	329	(329)	-
At end of the year	382	188	570
Amortisation and impairment			
At start of the year	22	-	22
Charge for the year	150	-	150
Disposals	-	-	-
At end of the year	172	-	172
Net Book Value			
At 31 March 2024	31	314	345
At 31 March 2025	210	188	398

Financial statements

Notes to the financial statements for the year ended 31 March 2025

13(a).	Tangible fixed asset	S
--------	----------------------	---

_		Но	using Properties		
Group	Social Housing Properties for Letting Completed £'000	Social Housing Properties for letting under Construction £'000	Low cost home ownership Properties completed £'000	Low cost home ownership properties under construction £'000	Total Housing Properties £'000
Cost					
At start of the year	188,031	876	8,844	1	197,752
Additions to properties acquired	-	28	-	-	28
Acquisitions within the year	-	-	-	-	-
Works to existing properties	1,502	-	-	-	1,502
Reclassification	-	-	-	-	-
Schemes completed	-	-	-	-	-
Disposals	(615)	-	(262)	-	(877)
At end of the year	188,918	904	8,582	1	198,405
Depreciation and impairment					
At start of the year	38,306	-	1,034	-	39,340
Charge for the year	2,591	-	94	-	2,685
Disposals	(447)	-	(31)	-	(478)
At end of the year	40,450	-	1,097	-	41,547
At 31 March 2024	149,725	876	7,810	1	158,412
At 31 March 2025	148,468	904	7,485	1	156,858
Completed Housing Properties comp	orise:			2025 £'000	2024 £'000
					Restated
Freeholds				155,61	156,941
Long leaseholds				338	391
Short leaseholds				<u> </u>	
NBV			_	155,594	157,332
Cost of properties includes £0 (2024:	£35k) for direct administra	tive costs		2025	2024
capitalised during the year				£'000	£'000
Works to existing properties in the year	ear:				

1,197

510

1,487

218

Notes to the financial statements for the year ended 31 March 2025

13(b). Tangible fixed assets

Components capitalised
Amounts charged to expenditure

٠,٠	Taligible lixed assets							
				Housing Properties				
	Association	Social Housing Properties for Letting Completed £'000	Social Housing Properties for letting under Construction £'000	Low cost home ownership Properties completed £'000	Low co home ownersh properties und constructi £'0i	nip er on Pr	Total Housing operties £'000	
	Cost							
	At start of the year	187,568	876	8,844		1	197,289	
	Additions to properties acquired	-	28	-		-	28	
	Acquisitions within the year	-	-	-		-	-	
	Works to existing properties	1,502	-	-		-	1,502	
	Reclassification	-	-	-		-	-	
	Schemes completed	-	-	-		-	-	
	Disposals	(615)	-	(262)		-	(877)	
	At end of the year	188,455	904	8,582		1	197,942	
	Depreciation and impairment							
	At start of the year	38,229	-	1,034		-	39,263	
	Charge for the year	2,580	-	94		-	2,674	
	Disposals	(447)	-	(31)		-	(478)	
	At end of the year	40,362	-	1,097		-	41,459	
	Net Book Value							
	At 31 March 2024	149,339	876	7,810		1	158,026	
	At 31 March 2025	148,093	904	7,485		1	156,483	
						2024		
	Completed Housing Properties comprise:				2025 £'000	2024 £'000		
	Completed Housing Properties Comprise:				£ 000	Restated		
	Freeholds				155,241	156,760		
	Long leaseholds				338	391		
	Short leaseholds				-	-		
	NBV				155,579	157,151	_	
	Cost of properties includes £0k (2024: £35k)	for direct administra	ative costs		2025	2024		
	capitalised during the year	or unect aumiliation	STINE COSTS		£'000	£'000		
	Works to existing properties in the year:				2 000	1 000		
	to existing properties in the year.							

1,197

1,487

218

Components capitalised

Amounts charged to expenditure

Financial statements

Notes to the financial statements for the year ended 31 March 2025

13(c). Tangible fixed assets

Group	Freehold offices £'000	Furniture and office equipment £'000	Total fixed assets £'000
Cost			
At start of the year	3,316	7,410	10,726
Additions	-	336	336
Disposals	-	(131)	(131)
At end of the year	3,316	7,615	10,931
Depreciation and impairment			
At start of the year	822	5,252	6,074
Charge for the year	63	423	486
Disposals	-	(130)	(130)
At end of the year	887	5,545	6,430
Net Book Value			
At 31 March 2024	2,492	2,160	4,652
At 31 March 2025	2,431	2,070	4,501

13(d). Tangible fixed assets

----- Other fixed assets -----

Other fixed assets --

Association	Freehold offices £'000	Furniture and office equipment £'000	Total other fixed assets £'000
Cost			
At start of the year	3,316	5,010	8,326
Additions acquired	-	242	242
Disposals		(86)	(86)
At end of the year	3,316	5,167	8,483
Depreciation and impairment			
At start of the year	822	3,884	4,706
Charge for the year	63	270	333
Disposals		(85)	(85)
At end of the year	885	4,069	4,954
Net Book Value			
At 31 March 2024	2,494	1,126	3,620
At 31 March 2025	2,431	1,098	3,529

Notes to the financial statements for the year ended 31 March 2025

14. Investment properties held for letting and commercial letting

	Grou	ıp	Association		
Investment Drenewtics held for letting	2025	2024	2025	2024	
Investment Properties held for letting	£'000	£'000	£'000	£'000	
Valuation at start of year	3,370	3,235	2,230	2,105	
Additions	-	-	-	-	
Gain on transfers from Social Housing Lettings	-	-	-	-	
Gain on valuation of investment properties	10	135	(30)	125	
At end of year	3,380	3,370	2,200	2,230	
	Grou	ıp	Associat	ion	
Commencial Investment Property	2025	2024	2025	2024	
Commercial Investment Property	£'000	£'000	£'000	£'000	
At start of year	450	450	450	450	
Gain / (Loss) on valuation of investment properties	-	-	-	-	
At end of year	450	450	450	450	
Total Investment Properties	3,830	3,820	2,650	2,680	

The company has adopted the provisions under sections 16.1 and 16.2 of FRS102 in relation to the revaluation of their investment properties with fair value movements taken to the Statement of Comprehensive Income. The valuation was carried out by Louis Taylor Limited, a firm of RICS registered valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards 2017 using qualified chartered surveyors who had sufficient current local knowledge of the particular market and skills and understanding to undertake the valuation competently.

Financial statements

Notes to the financial statements for the year ended 31 March 2025

Fixed asset investments

The Group comprises the following entities, all registered in England:

Name	Incorporation and ownership	Nature of Business
Stillness 924 Limited	Companies Act 2006 – 100%	Building works, Market Rent and PV panels
Honeycomb Charitable Services Limited	Companies Act 2006	Social inclusion
Blue Mountain Limited	Co-operative and Community Benefit Societies Act 2014 – 100%	Dormant
Search Housing Association	Companies Act 2006	Dormant

None of the subsidiaries are regulated by the Regulator of Social Housing.

Association	Stillness 924 Limited £'000	Blue Mountain Limited £'000	Honeycomb Charitable Services Limited £'000	Search Housing Association £'000
Cost At start of year Repayment	1,578	- -	- -	-
At end of year	1,578	-	-	

Stock

	Group		Associa	tion	
	2025	2025 2024	2025 2024 2025	2025 2024 2025 2024	2025 2024
	£'000	£'000	£'000	£'000	
Properties held for sale					
Shared ownership properties:					
Under construction	-	-	-	-	
Completed	655	409	655	409	
	655	409	655	409	

Notes to the financial statements for the year ended 31 March 2025

17. Trade and other debtors

	Group		Group Associat		ation
	2025	2024	2025	2024	
	£'000	£'000	£'000	£'000	
Rent arrears	1,358	1,590	714	732	
Less: provision for bad debts	(630)	(702)	(253)	(234)	
Subtotal	728	888	461	498	
Social Housing Grant receivable	-	-	-	-	
Other debtors	761	809	462	562	
Amounts owed from group undertakings	-	-	117	78	
Prepayment and accrued income	1,088	1,085	628	582	
Debtors due within one year	2,577	2,782	1,668	1,720	
Debtors due after one year – due from Group undertakings	-	-	73	73	
	2,577	2,782	1,741	1,793	

18. Investments

	Group	Group		Group Association		ntion
	2025	2024	2025	2024		
	£'000	£'000	£'000	£'000		
Listed on a recognised investment exchange						
	30	30	30	30		
	30	30	30	30		

19. Cash and cash equivalents

	Grou	Group		ation
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deposit Accounts	7,493	5,497	3,575	3,042
Cash at bank	88	88	35	35
	7,581	5,585	3,610	3,077
In the above are balances are:				
Money held in trust for leaseholder sinking funds	263	239	263	239
Security Interest THFC	753	878	753	878

Notes to the financial statements for the year ended 31 March 2025

Creditors: amounts falling due within one year

	Group		Associat	ion
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans and overdrafts (Note 20b)	8,189	10,720	8,189	10,720
Trade creditors	1,338	597	1,114	469
Amounts owed to group undertakings	-	-	-	-
Rents and service charges paid in advance	746	707	631	573
Other taxation and social security payable	186	288	85	190
Accruals and deferred income	2,758	2,859	2,087	1,948
Deferred Capital Grant (Note 21)	887	877	887	877
Recycled Capital Grant Fund (Note 22)	510	18	510	18
Other creditors	646	439	77	118
	15,260	16,505	13,580	14,913

21(a). Creditors: amounts falling due after more than one year

	Group		Associ	ation
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans (Note 20b)	56,237	54,742	56,237	54,742
Debenture Stock less loan issue costs plus				
premium on bond issue (Note 20b)	11,325	11,417	11,325	11,417
	67,562	66,159	67,562	66,159
Leaseholder sinking funds	263	239	263	239
Recycled Capital Grant Fund (Note 22)	316	648	316	648
	68,141	67,046	68,141	67,046
Deferred Capital Grant (Note 20)	55,510	56,498	55,510	56,498
	123,651	123,544	123,651	123,544

21(b). Debt analysis

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loans repayable by instalments:				
In less than one year	8,189	10,720	8,189	10,720
In one year or more but less than two years	463	8,196	463	8,196
In two years or more and less than five years	8,037	8,412	8,037	8,412
In five years or more	48,498	38,941	48,498	38,941
Loans not repayable by instalments:				
In less than one year	-	-	-	-
In one year or more but less than two years	-	-	-	-
In two years or more and less than five years	-	-	-	-
In five years or more	11,000	11,000	11,000	11,000
Less: loan issue costs	(436)	(390)	(436)	(390)
Total loans	75,751	76,879	75,751	76,879

Financial statements

Notes to the financial statements for the year ended 31 March 2025

21(b). Debt analysis (continued...)

Housing loans, other loans and debenture stock are secured by specific charges on the Group's individual housing properties and bear interest rates ranging between 0.76% and 11.72%.

The loans are repayable monthly/quarterly at varying rates of interest and are due to be repaid between 2023 and 2050.

The interest rate profile of the Group at 31 March 2025 was:

		Variable	Fixed	Weighted Average	Weighted average
	Total	Rate	rate	rate	term Years
	£'000	£'000	£'000	%	
Instalment loans	64,751	15,125	49,626	3.24%	15
Non-instalments loans	11,000	-	11,000	4.99%	16
	75,751	15,125	60,626	4.39%	15
At 31 March 2025 the Group has the following borrowing Undrawn committed facilities	facilities:				£'000
Undrawn facilities					18,300
				_	18,300
Debt analysis – Movement in Net Debt - Group					

21(c).

	At 31 March	Cash	Non-Cash	At 31 March
	2024	Flows	Movement	2025
	£'000	£'000	£'000	£'000
Cash and bank balances	5,585	1,996	-	7,581
Bank overdrafts				
	5,585	1,996	-	7,581
Housing loans – due within one year	(10,720)	735	1,796	(8,189)
Housing loans – due after one year	(66,159)	300	(1,703)	(67,562)
Current asset investments	-	-	=	-
	(76,879)	1,035	93	(75,751)
Total Net Debt	(71,294)	3,031	93	(68,170)

Notes to the financial statements for the year ended 31 March 2025

22. Deferred capital grant

	Gro	Group		Association	
	2025	2024	2025	2024	
	£'000	£'000	£'000	£'000	
At start of the year	77,955	77,625	77,955	77,625	
Grant received in the year	-	464	-	464	
Re-categorisation	-	-	-	-	
Eliminated in respect of disposals	(189)	(134)	(189)	(134)	
At the end of the year	77,766	77,955	77,766	77,955	
Amortisation of Grant at start of the year	(20,580)	(19,746)	(20,580)	(19,746)	
Amortisation in the year	(877)	(883)	(877)	(883)	
Eliminated in respect of disposals	88	49	88	49	
Amortisation at the end of the year	(21,369)	(20,580)	(21,369)	(20,580)	
Net deferred capital grant	56,397	57,375	56,397	57,375	
Falling Due Within One Year	887	877	887	877	
Falling Due After More than One Year	55,510	56,498	55,510	56,498	
Net deferred capital grant	56,397	57,375	56,397	57,375	
Recycled capital grant fund					
Group and Association			2025	2024	
•			£'000	£'000	
At the start of the year			666	808	
Inputs: Grants recycled			126	151	
Interest accrued			33	31 (121)	
Recycling: New build Major repair and works to existing stock			-	(121) (203)	
At the end of the year		-	825	666	
Falling due within one year		-	510	18	
Falling due after more than one year		<u>-</u>	315	648	
Non-equity share capital					
			2025	2024	
			£	£	
Group and Association					
Allotted Issued and Fully Paid:					
At the start of the year			10	9	

The par value of each share is £1. The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights. All shares are fully paid.

2

(1)

10

10

Financial statements

Notes to the financial statements for the year ended 31 March 2025

25. Capital commitments

	2025 £'000	2024 £'000
Capital expenditure that has been contracted for		
but has not been provided for in the financial	57	138
statements		
Capital expenditure that has been authorised by		
the Board but has not yet been contracted for		
		-
	57	138
The Group expects these commitments to be		
financed with:		
Social Housing Grant	-	-
Proceeds from the sales of properties	-	-
Committed loan facilities	57	138
	57	138

The above figures include the full cost of shared ownership properties contracted for.

26. Operating leases

The Group holds properties and office equipment under non-cancellable operating leases. At the end of the year the Group had commitments of future minimum lease payments as follows:

	Group		Asso	ciation
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Land and buildings:				
Within one year	278	197	22	28
In one year or more but less than two years	505	116	-	-
In two years or more and less than five years	-	-	-	-
In five years or more	-	-	-	-
Others:				
Within one year	65	48	60	48
In one year or more but less than two years	26	20	26	20
In two years or more and less than five years	25	10	25	10
In five years or more	-	-	-	-
	900	391	133	106

Issued during the year Eliminated during the year

At the end of the year

23.

24.

Financial statements

Notes to the financial statements for the year ended 31 March 2025

27. Related parties

Honeycomb Group Limited is the Parent entity in the Group and ultimate controlling party.

Transactions with registered and non-registered elements of the business

The Association provides a long-term loan of £73k to Honeycomb Charitable Services Ltd. (2024: £73k)

The Association provides management services to its subsidiaries.

The Association also receives charges from its subsidiaries. The quantum and basis of those charges is set out below:

Payable to Association from subsidiaries and other Group members:

		gement rges	Other	harges	Interes	t charges
	2025	2024	2025	2024	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Non-registered entities:						
Blue Mountain Housing Association Ltd		-	-	-	-	-
Stillness (924) Limited	15	20	(65)	(57)	-	-
Search Housing Association Limited		-	-	-	-	-
Honeycomb Charitable Services Limited	1,058	923	333	322	-	-
	1,073	943	268	265	-	-

Intra Group management fees

Intra-group management fees are receivable by the Association from subsidiaries to cover the running costs the Association incurs on behalf of managing its subsidiaries and providing services.

The costs are recharged in accordance with the relevant Intra Group Agreements.

Stillness (924) Limited declared a gift aid payment of £265k to the Association this year (2024: £207k).

Notes to the financial statements for the year ended 31 March 2025

28.	Finai	ncial	inctr	uma	ntc

inst	Group's and Company's financial ruments may be analysed as follows: ncial assets	2025 £′000	2024 £'000	2025 £'000	2024 £'000
(a)	Financial assets measured at amortised cost	9,755	7,721	4,723	4,260
(b)	Financial assets that are equity instruments measured at cost less impairment	-	-	1,578	1,578
Fina	ncial liabilities				
(a)	Financial liabilities measured at amortised cost	138,911	140,049	137,231	138,224

Group

Association

2025

2024

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors and other creditors.

29. One-off restructuring costs

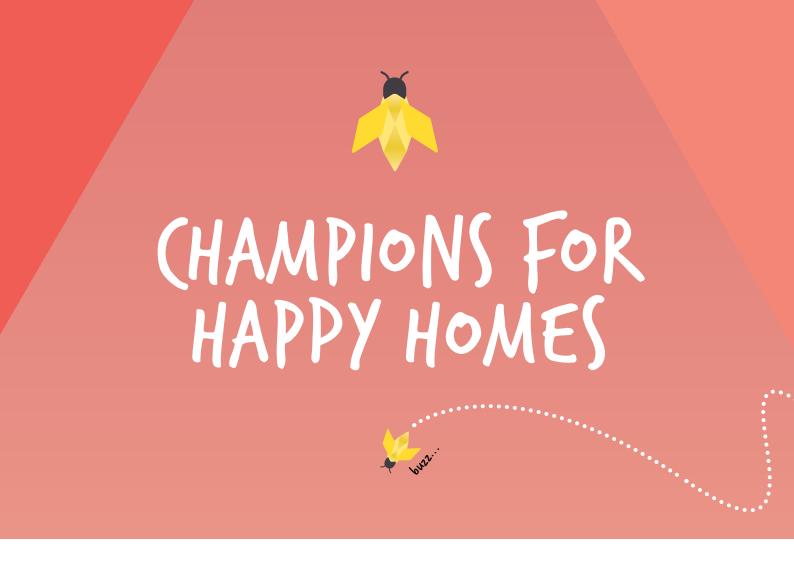
	£′000	£'000
Restructuring costs	-	419
		419

30. Tax on profit on ordinary activities Group

Analysis of charge in the year	£	£
Current year charge	25,103	27,147
Prior year charge	(27,147)	(14,508)
Total tax charge	(2,044)	12,639

Reconciliation of tax expense

Tax on profit on ordinary activities	25,103	27,147
Effect on unrealised fair value adjustment	(9,222)	(1,900)
Effect of gift aid payment to parent	(27,667)	(19,000)
Effect of capital allowances and depreciation	7,473	5,728
Profit on ordinary activities by rate of tax @ 25% (2024: 19%)	54,519	42,319
Profit on ordinary activities before taxation	236,469	222,731
Neconcination of tax expense		













Co-Operative and Community Benefit Society number: 17093R Regulator of Social Housing registered number: LH2162