The Honeypot Children's Charity
Annual Report & Accounts
Year ending 31st March 2021

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General information

Year ending 31st March 2021

Charity

The Honeypot Children's Charity
Charitable Incorporated Organisation No: 1184132

Trustees

Caspar MacDonald-Hall (Chair) - *Resigned 20th September 2021*
Mary Davis
Laurie Oppenheim
Hugh Whitaker
Verne Grinstead
Michael Steele
Natalie Rebeiz
Michael Jolliffe - *Resigned 20th September 2021*
Tom Putter
Andrew Chalkley - *Appointed 31st July 2020*

Leadership Team

Simmi Woodwal (Chief Executive)
Nagindra Chungh (Director of Operations)
Phil Gellhorn (Director of Finance)
Anthony Cummings (Director of Income and Communications)

Address

19 Berghem Mews, Blythe Road, London W14 0HN

Website

www.honeypot.org.uk

Auditors

Azets Audit Services, Chartered Accountants,
Statutory Auditor,
Secure House, Lulworth Close, Chandlers Ford,
Southampton, Hants, SO53 3TL

Solicitors

Simkins LLP, Lynton House, 7-12 Tavistock Square,
London WC1H 9LT

Bankers

Barclays Bank PLC, No. 1 High Street,
Bracknell Branch, Berkshire RG12 1DR

Objectives and Activities for The Public Benefit

Our track record spans back 25 years, but our vision remains the same: we want every child to have an opportunity to make the most of their one chance at childhood. We enhance the lives of vulnerable children and young carers aged 5-12 by providing Residential Respite Breaks, and a range of support services to:

- give young carers a break from their demanding and stressful responsibilities at home
- tackle the complex needs of young carers, including stress, anxiety, and educational underachievement
- provide a safe, nurturing environment where children at risk can develop their full potential
- help young carers make happy childhood memories and look forward to a brighter future

We aim to achieve this by providing:

- continued support in the form of annual Respite Breaks (two nights, three days) for small groups of up to 14 children at either Honeypot House in the New Forest or Honeypot Pen y Bryn, in Wales
- an accredited Social and Emotional Active Learning programme (SEAL) in collaboration with local schools
- a new Wrap-Round service including digital workshops and a Wellbeing Fund to support children from financially disadvantaged backgrounds with life essential items
- an ongoing supportive relationship to the children through birthday cards, photos and Christmas presents
- informal play and organised activities that allow young carers to stay in touch with other children with a shared experience

A Message from Our Chief Executive

The past 12 months have been the most challenging in Honeypot's 25-year history. We were forced to close our Residential Respite Houses during the first Covid-19 lockdown in March 2020, at a time when young carers needed our support more than ever.

Finding alternative ways of supporting young carers

Honeypot's Senior Leadership Team moved rapidly to find alternative and innovative ways of supporting the children and transitioned our services online in record time. Within a few weeks, our frontline staff developed a digital programme to deliver Respite Breaks online, in collaboration with Create, a UK based creative arts charity. In addition, we introduced a range of digital workshops, developed an online version of our Social and Emotional Active Learning (SEAL) programme, and launched a Wellbeing Fund to relieve the most severe manifestations of poverty. Together, these form our new Wrap-Round service, which we formally launched in March 2021. We are proud to say that this year we developed and delivered the most comprehensive spectrum of services Honeypot has ever provided young carers.

Becoming a multi-service provider

As a result, we became a multi-service provider. Through our new Wrap-Round service, we are able to deliver a greater breadth of support and help each child according to their individual needs and situation at home. At the same time, we are able to reach children we were previously unable to support and stay in touch with Honeypot children throughout the year through our digital programme.

Over the past 12 months, I have worked in collaboration with our Trustees and Senior Leadership Team to formulate a new strategy that will see Honeypot continue to develop its aspirations and provide even more transformational support for young carers across the UK.

Finding ways to fill an income gap

It was deeply humbling to see so many financial supporters rally round Honeypot. With fundraising activities severely curtailed by Covid-19 restrictions, including the cancellation of key challenge events such as the London Marathon and our biennial Honeypot Party, Honeypot commenced the financial year facing a real crisis (Honeypot receives no regular government funding). Our supporters, though, did not allow us to flounder: donors across the board, including trusts, Corporates, community clubs and groups, and thousands of individual donors were committed to supporting us and providing the necessary funds. Many dug deep with increased contributions. As a result, and with immense gratitude, we were able to fill the income gaps and balance our finances.

A huge thank you to exceptionally generous funders, and every single donor

While I pay tribute to every single supporter, I want to mention the exceptionally generous funding we've received from: the Betty Messenger Charitable Foundation, Barclays Bank, The National Lottery, CAF Resilience Fund, The Tresanton Trust, and the Girdlers' Company Charitable Trust. This was in addition to over 2,000 individual donors who provided a substantial part of our 'backbone' support. A huge thank you to all of you.

Future plans and a new strategy

I look forward to sharing with you details of a new vision and mission statement, and a new strategy that we have been developing over this year. You will gain insight into aspects of our new strategy as you read through the sections of this annual report. As a taster, I would like to share two facets of our new strategy:

Firstly, our new strapline "**Building Brighter Futures for Young Carers**" encapsulates our new strategy by recognising that the support we provide during childhood aims to place a child on a growth pathway to a more fulfilling and happy future too. We will continue to deliver on our old strapline "One Childhood. One Chance." in parallel.

Secondly, we aim to double our capacity of Respite Breaks and further services within the next five years. To achieve this, our new strategy includes an ambitious fundraising campaign in 2021-22 to raise the funds needed to acquire two additional Respite Houses (one in Scotland, with work already in progress, and another one in the North-East of England). In the longer term, we aim to develop a nationwide network of Honeypot Houses to provide Respite Breaks for young carers wherever they are located in the UK.

I hope that you will be both inspired and gratified by what Honeypot and its supporters have achieved over the past year. We look forward to continuing to partner with you as we drive forward our mission of Building Brighter Futures for Young Carers.

Simmi Woodwal
Chief Executive

18 three-day Create workshops were delivered, each offering 15 places

Service Delivery & Outputs

Honeypot is the only charity in the UK that provides continuous support to young carers aged 5-12. We strongly believe in the benefits of early intervention and aim to address social and emotional challenges before they become deep rooted and harder to tackle later in life.

We are committed to cumulatively building the positive impact of our services by supporting children on an annual recurring cycle for up to eight years (up to their 13th birthday), depending on the age a child is first referred to Honeypot. By specialising in supporting young carers throughout their early years, we aim to give them stability in their childhood and something to look forward to – whether this is a digital workshop, a SEAL Learning Break or a Respite Break in one of our houses. We want to give young carers opportunities to make happy childhood memories that they can cherish for a lifetime. All our services are designed to improve their mental and physical wellbeing, self-belief, and put them on a growth pathway to a brighter future.

Suspension of Residential Respite Breaks

The arrival of the Covid-19 pandemic forced us to suspend all face-to-face service delivery in March 2020. Initially, we cancelled Respite Breaks at both houses until Easter, however, due to the rising number of Covid-19 cases and the announcement of lockdown extensions, it soon became apparent that it was not safe or viable to resume face-to-face services in this financial year.

With schools closed and many traditional support services on hold, we knew that young carers needed our support more than ever at such a bewildering time in their young lives. Our frontline workers began by contacting all registered families via phone, email, and post. We sent a "We're still here for you" postcard to every young carer, followed by a letter to all parents/guardians, reassuring them we would continue to support them during this extremely challenging time.

A key aspect of Honeypot's approach has always been to take young carers away from challenging home settings and to encourage them to interact face-to-face with other children with a shared experience, and with supportive, understanding adults. Adapting our service to offer the same level of support remotely during the pandemic has not been easy, but innovation and continuous improvement have helped us to positively transform our model and remain connected to the children we support.

Transition from face-to-face to online service delivery

The use of digital platforms were explored and implemented during summer 2020.

Multi-day digital creative workshops

In collaboration with creative arts charity Create, we hosted a range of digital multi-day workshops, delivered by professional creatives (photographers, musicians, fine artists, actors and scriptwriters) alongside Honeypot staff. All workshops aimed to bring variety and fun to the children's lives, and to give them a break from their taxing daily routines while developing a range of skills, artistic, technological, social, and team building experience.

We delivered a set of pilot workshops in June, followed by a further eight pilot sessions throughout the summer holiday. The workshops were delivered digitally over three consecutive days, culminating in a 'sharing' session for family members. Each child also received a certificate to formally acknowledge their achievements. Based on the excellent feedback we received from both parents and children, we extended our collaboration with Create and were able to offer digital Respite Breaks during all school holidays in 2020-21.

4
Swarm Sessions per week

The children could choose from one of the below four topics:

- **Photography**
  Led by professional photographers, the children were introduced to different photographic techniques and tasked to experiment with creative ideas, from balancing objects to exploring textures from around the home, forming abstract landscapes and still life.
- **Music**
  Together with professional musicians, the children created an original piece of music in the form of a digital file. Alongside instruments, they were encouraged to record noises from objects they found around their homes, and to use their voices and bodies to create rhythms.
- **Drama**
  In collaboration with professional theatre writers, the children learnt about different narrative structures and scriptwriting, before they developed their own script ideas in small groups and explored different improvisation activities.
- **Dance**
  Under the guidance of professional dancers and choreographers, the children explored dance techniques and created an original dance piece. They worked individually and in groups to choreograph pieces based on their interests.

Over the course of the financial year 20/21, 18 three-day Create workshops were delivered, each offering 15 places to Honeypot children.

Short-form digital workshops

Building on the success of the Create workshops, we developed a range of digital sessions that were available to all Honeypot children after-school and during the weekends. These workshops are designed for different age groups and last between one to three hours, aiming to give the children further opportunities to engage in new activities together with other children with a shared experience. The following workshops are part of our new Wrap-Round service:

Afterschool Swarm club

Over 100 sessions with 800 attendees delivered.

These one-hour informal get-togethers are delivered online via Zoom and are a chance for Honeypot children to wind down after a day's learning at school. Since October 2020, we've been running three to four Swarm sessions per week and have now delivered over 100 sessions with over 880 attendees. Organised and led by our Children's Services Leads, the sessions include fun and games, quizzes, arts and crafts creativity, and lots of happy chatter! They became one of our most well-subscribed activities: *"Can we just do one more round of Family Fortunes please?!"*

Little Bees (5-8 years)

A similar format to the above afterschool Swarm sessions, however, with activities and content designed for younger children between 5-8 years. Our Little Bees sessions aim to help younger children develop their social confidence before progressing to more advanced digital activities. Over the past year, we delivered 13 Little Bees sessions with over 70 attendances.

13 Little Bees sessions with over 70 attendances

To date, we have delivered a total of 92 workshops with 980 attendances

We created a total of 1,935 workshop experiences for our children

Weekend workshops

Our weekend workshops of two hours give the children a break from their usual caring routine and something to look forward to at the weekend. All sessions have an educational component and aim to teach the children something new in a relaxed environment, from arts and crafts to international cooking, science, and the celebration of seasonal cultural events. We aim to run two to three workshops every weekend, with a typical capacity for 14 participants each.

To date, we have delivered a total of 92 workshops with 980 attendances.

"Many children regularly prepare meals and clear up at home, but our sessions offer them the chance to bake for pure enjoyment, and they are clearly excited about following recipes alongside their friends, and proudly sharing their creations, as they would in a school or in-person club setting."
Nikita Anthony, *Children's Services Leader.*

The aims and outcomes of any of these services are personal to each young carer, but include:

- reduced social isolation and loneliness through activities with children with a shared experience
- improved confidence and self-belief through achievements and validation
- a forum in which the children feel safe, non-judged, and worry-free
- improved mental and physical wellbeing
- inspiration and the opportunity to learn new skills

Impact assessment

Our work is based on evidence. Impact assessments and service evaluations form an integral part of what we do. Our Honeypot children help us to shape and enhance our services and as such, every child completes a short questionnaire after each activity they do with us.

In total...

In addition to the three-day Create workshops, we developed and delivered 205 Honeypot workshops, creating a total of 1,935 workshop experiences for our children.

SEAL: Social and Emotional Active Learning Breaks (Hampshire only)

Honeypot introduced Social and Emotional Active Learning (SEAL) breaks at our Respite House in Hampshire in 2019. The programme has been designed to target specific learning needs and to offer more personalised time in a group setting for children who struggle in larger groups at school.

Schools can choose whether SEAL is delivered remotely or on site. Since summer 2020, while delivering some face-to-face sessions in schools directly, most of our SEAL work has been delivered in the form of a new online programme in close partnership with participating schools.

SEAL online workshops have been designed to tackle issues directly linked to the effects of lockdown, including loneliness, stress, uncertainty, and social anxiety. We were particularly interested to involve children who were nervous to return to school and were struggling to reintegrate post-lockdown. The online programme runs over 6-12 weeks, depending on need, and caters for small groups of up to five children. Sessions last for one hour on weekdays.

During the 2020-21 academic year, we delivered a total of 48 SEAL sessions, supporting a total of 50 individual children across four different schools.

Over the 2020-21 academic year, we delivered a total of 48 SEAL sessions

Thrive (Pen y Bryn only)

The Thrive approach is a specific way of working with children and young people to develop their social and emotional wellbeing, and enables them to engage with life and learning. Grounded in the latest advances in neuroscience, attachment theory and child development, Thrive has been developed over the past 25 years and draws on a wealth of experience in social work, psychotherapy and education. Thrive helps support children and young people in becoming more self-assured, emotionally resilient and open to learning.

Honeypot Pen y Bryn had planned to deliver a rolling programme of Thrive to four schools during this year, however, these were curtailed by the Covid-19 pandemic and subsequent national lockdowns. Upon returning to school in September, it soon became apparent that many children had developed severe anxiety and social barriers after being out of the school setting for so long. Our young carers were particularly affected. To meet this identified need, we adapted Thrive for delivery via face-to-face sessions within our local schools. Since October 2020, we've been delivering weekly Thrive sessions with children identified by the schools as being those most negatively impacted with their social emotional development. Specific activities were planned and implemented following the children's individual learning targets, to support them with the development of their social and emotional wellbeing skills. Sessions focused closely on rebuilding relationships within small groups, giving young carers and vulnerable children an opportunity to openly explore their thoughts and feelings amongst their peers. Based on a creative and active approach, activities included memory games, role play and storytelling.

Since the start of the programme in October 2020, Thrive has supported 30 children over 26 sessions.

Thrive has supported 30 children over 26 sessions

The Hive

The Hive is a new online activity centre for children, hosted on the Honeypot website. This dedicated space allows the children to explore puzzles and wordsearches, play games, take virtual tours, and also access further support resources. Children can visit the Hive at any time, giving them the freedom to log on and make use of Honeypot outside of scheduled sessions, and reassuring them that we are always here.

In spring 2020 we ran an art competition with prizes awarded for each entry; which were delivered directly to the children. Video content has also been developed to promote further interaction with beneficiaries, such as:

- Yoga, to support children to relax and regain some energy
- Wildlife, for children to play games, test their knowledge, and have fun
- Stories and books, where children can listen to audio books and take a step back from their everyday caring roles

There are lots of exciting and great ways for the children to be involved. An email address has been created for The Hive to give beneficiaries and families the opportunity to share outcomes, thoughts, and photos with us.

Wellbeing Fund

Many of the children we support are from financially disadvantaged backgrounds. Lacking necessities can have a significant effect on the self-esteem and confidence of a child, as they feel singled out from their peers, and reluctant to talk about their situation. As part of our Wrap-Round service, we have established a Wellbeing Fund to offer grants of up to £250 for the purchase of life essential items. Through the Fund, we aim to prevent worries from escalating and alleviate a child's anxieties.

Wellbeing grants are provided according to strict terms and conditions; we never hand out cash and all items are purchased by Honeypot and delivered directly to the family's home. Each application is handled with strict confidence and individually assessed, taking the family's financial situation and wider circumstances into account.

We have already made several grants, including to support an aspiring male ballet dancer to attend a Royal Ballet School summer school; to provide a little girl with a desk and chair so that she has a space to complete homework and artwork; and to purchase a bike for a child who longs to get out and about exploring. One child, who has recently received a laptop to support her with schoolwork, was so delighted, she sent us a video of her excitement, shouting *"Thank you Honeypot, thank you! I'm over the moooon!!!"*

Referrals

Throughout the pandemic, we continued to take referrals, and it has been of great benefit to be able to immediately introduce new children to our services online. We have found that children who have never participated in residential activity are already eagerly taking part in digital Honeypot workshops, accepting this online support as the 'standard' Honeypot experience. This is a real endorsement of our online programme and emphasises that in future, our hybrid model of residential and digital support will be well-received by our beneficiaries.

Future service development

The pandemic gave us the opportunity to embrace radical change and service redevelopment. The future is looking bright as we move forward in supporting young carers through a more comprehensive service offering, both face-to-face and online.

All our services are delivered by highly trained and dedicated staff. Each programme, whether it is a Respite Break or virtual workshop, is tailored to the individual needs of a child, or the wider group.

The demand for our services has never been greater, and it is estimated that the pandemic forced even more children into the role of young carers. Going forward, we aim to further enhance our service model to maximise the impact of our work and reach an even greater number of children.

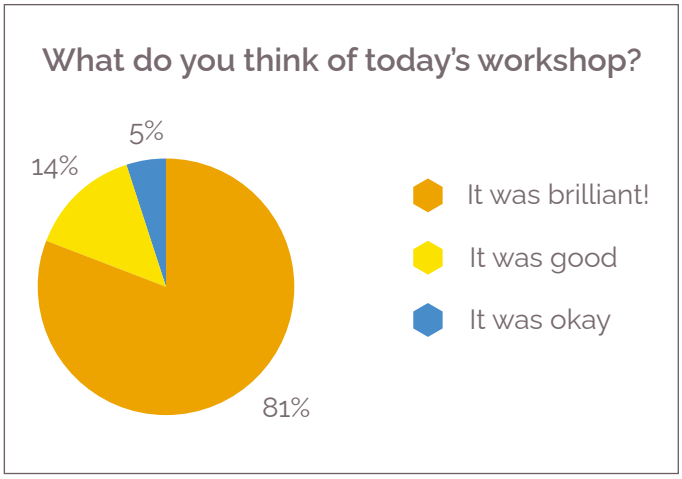
Service Delivery Impact

Our online services have proven to be successful both in terms of uptake by the children, and by the effect on their wellbeing. There has been opportunity to regularly check in with children and their families throughout the pandemic, and continuously improve those services based on their feedback. Geographically, we have been able to reach out to more children than ever before.

The development and delivery of a range of online services allows us to alleviate the stress and anxiety young carers are facing, and to build their confidence, and social and emotional skills. The online workshops have been an opportunity for the children to take breaks from their demanding and stressful responsibilities at home and given them some worry-free time where they can just be themselves and have fun.

Demand for our online services remains steady, and we will continue to adapt our provision to match the needs of children in the coming months.

Children's Survey Responses – Digital Services



What parents said about our digital services

"Layla got a lot of experience and made friends from the zoom sessions. She enjoyed learning many different skills through playing the games and socialising."

"They were anxious beforehand, but both loved the social interaction and the activities. They felt more confident afterwards."

"She smiled, a lot. She had fun and learnt new skills."

What children said about our digital services

"Thank you, I enjoyed myself very much."

"I loved it and I love Honeypot."

"Thank you very much for all your classes. They have always made me smile!"

Digital Creative Workshops

Create workshops have supported children to develop a range of skills, from artistic and digital skills to social skills and enhanced self-confidence. We hand out feedback forms after each workshop to assess the impact the workshop has had on every single child. The below statistics are a summary of responses to all Create workshops:

- 89% developed their artform skills
- 83% developed their communication skills (comfortable communicating their ideas with others)
- 80% developed their self-confidence
- 88% developed their creativity skills further
- 81% developed their digital/technology skills
- 91% felt their ideas had been encouraged and listened to
- 99% enjoyed working with and learning from artists
- 85% developed their social skills
- 95% developed their teamwork skills (enjoyed working with other people)
- 84% increased their wellbeing
- 94% rated the workshop as a success

What children said about the Create workshops

"I've learnt that my opinion does matter."

"It feels like I made new friends in just three days."

"I felt happier and more supported because I feel like it is good to communicate with other people."

"We were acting in front of people... I wouldn't have done that a couple of weeks ago."

John (12) has been caring for his mum who has osteoporosis and sleep apnoea since he was eight. This is what he said to our Team Lead after the workshop: "We've been having fun and learning how to play instruments. It has probably been the highlight of my quarantine. I liked learning the ukulele."

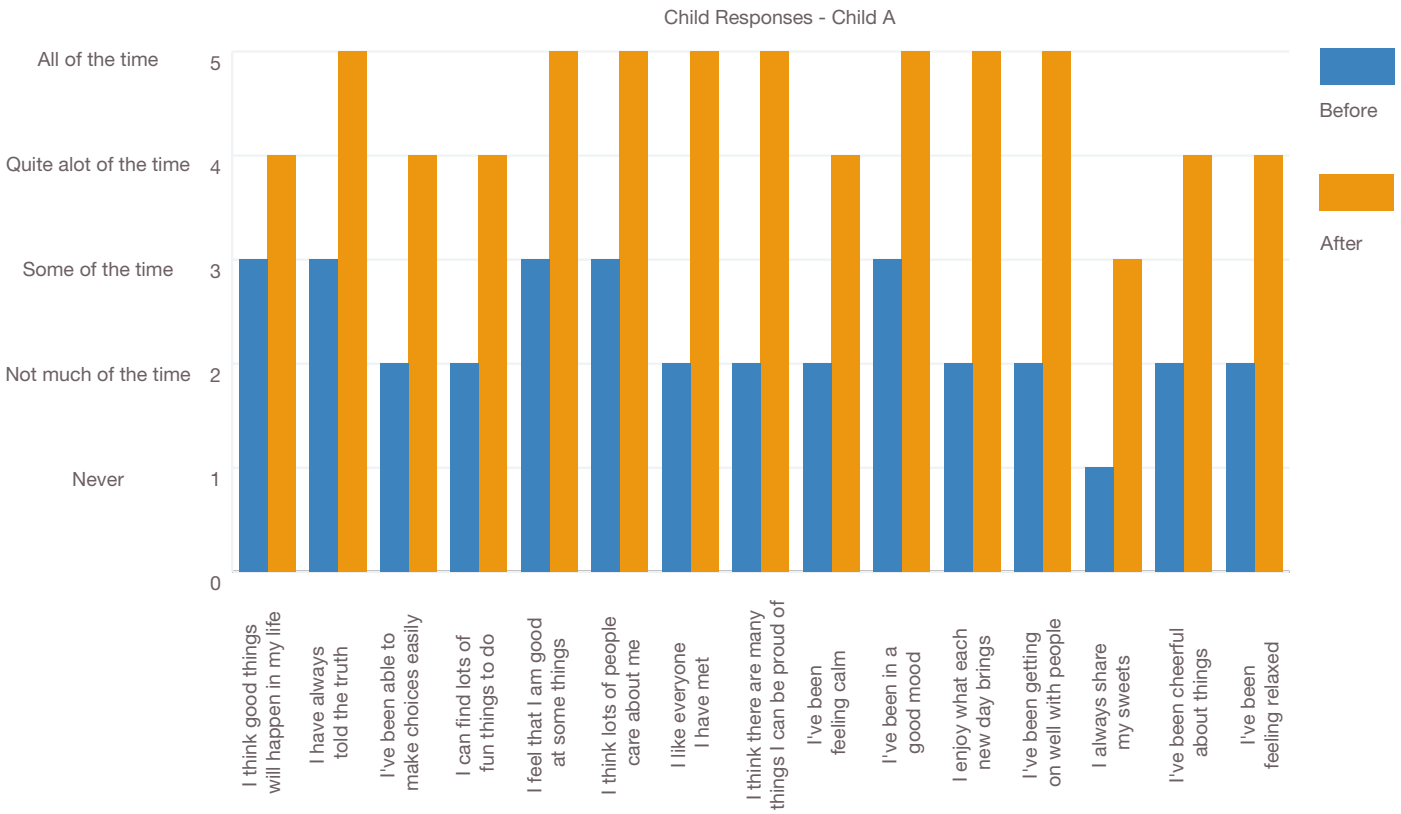
What parents said about Create workshops

"The music teachers were fantastic and knew how to engage well with every child even the anxious ones (like mine). This quality is hard to find, and it worked so well. I loved the fact the kids could use ANYTHING to make music, and that not all needed to have instruments. The kids and I have raved on about the sessions to anyone and everyone."

"They both enjoyed the acting workshop and how well organised it was. They loved all of it and looked forward to each day."

Social and Emotional Active Learning (SEAL)

Surveying Honeypot children via the Stirling Children's Wellbeing Scale



The above bar chart shows a child's responses before and after participating in a SEAL programme. The impact the programme has had on each of these four children's emotional state and positive outlook has been significant.

Positive Emotional State	Before	After
Child A (above)	48%	90%
Child B	68%	88%
Child C	42%	75%
Child D	66%	73%

Positive Outlook		
Child A (above)	47%	87%
Child B	67%	87%
Child C	80%	87%
Child D	66%	73%

Over the year, our SEAL leads have built a close relationship with their partner schools, something which is at the heart of programme success.

All participating children have engaged in the programme and were determined to succeed.

The two tables on the left show that at the beginning of the programme the children's positive emotional state and positive outlook was weak. However, throughout the programme, the children have built these skills, and have left the programme with a much more positive outlook.

What children said about the online SEAL programme

"Even though my Dad still goes away, I feel Honeypot has helped me to deal with this better."

"It was really nice talking to someone who understood what we were going through and who always listened. I feel Honeypot really helped me and wish I could still do it."

"I felt that Honeypot helped me as it was lovely to talk to someone who understood. I wish it could have gone on for longer. It was helpful and fun."

"I would describe Honeypot as trustworthy and helpful. I always came out of sessions in a good mood. 20/10."

Feedback from a referring school following participation in our online SEAL programme

"I would like to thank you and your team for supporting our children both online and in person. The children benefitted from your support as they felt they could share their thoughts and feelings in a safe and positive way. They loved having someone who could listen to them and help them talk through ideas and strategies with them. All the children wished that the sessions could have continued for longer as they enjoyed their time with your staff. We found the session worthwhile in supporting the work that we also do in school."

Liz Allen, Deputy Head Teacher
Bitterne Church of England Primary School

Our Fundraising and Communications Strategy

Proactive management of the threats and challenges caused by the Covid-19 pandemic

Honeypot achieved a remarkably good year in generating voluntary income, despite the obstacles presented by the pandemic.

The Senior Leadership Team recognised from the start that Covid-19 required a radical change of focus of activities. A large number of fundraising opportunities we normally rely on were cancelled, including major challenge events such as the London Marathon, our biennial Honeypot Party, corporate staff fundraising, and our Patrons Club Networking Group. With no government funding available for our services, we commenced the financial year facing a real crisis.

Honeypot foresaw threats to our very existence. To put ourselves in the best possible position to get through this challenging and uncertain time, we organised our activities around the following strategic priorities:

STRATEGIC PRIORITY 1: DEVELOPMENT OF A RANGE OF INNOVATIVE SERVICES

With young carers needing our help now more than ever, our first priority was the urgent development of a set of innovative support services that allowed us to support our children throughout lockdown, including Respite Breaks Online, digital afterschool clubs, weekend sessions, and a Wellbeing Fund. All new services were planned and designed to complement our existing face-to-face services, and were formally launched as our new Wrap-Round service in March 2021. The development of a digital support programme became the clarion call to our donors, with more than 2,000 donors responding to our initial Emergency Action Plan (see below).

STRATEGIC PRIORITY 2: SECURING CONTINUOUS FINANCIAL SUPPORT FROM MAJOR DONORS

All key donors were informed promptly about our plans for rescheduling our Residential Respite Breaks and transitioning our services online. All Trust and Foundation supporters continued their funding, with one trust and one corporate supporter increasing their multi-year funding to help bolster the charity through the pandemic.

STRATEGIC PRIORITY 3: LAUNCHING AN EMERGENCY APPEAL AND A MATCHED FUNDING SCHEME

All at Honeypot were deeply humbled and inspired by the incredible outpouring of support from hundreds of donors, which swiftly grew over the year into thousands of donors, as we communicated the deepening crisis and severe need young carers had for our services.

Our Christmas 2020 Big Give Matched Funding Appeal for our new Wrap-Round service raised over £100,000, compared to a maximum of £30,000 in previous years. We are deeply grateful to The Childhood Trust, and our other matching funders, The Beaulieu Beaufort Foundation, Cocorose London and The Tresanton Trust, and the hundreds of individual donors, who gave so generously and helped us exceed our ambitious target.

STRATEGIC PRIORITY 4: SETTING UP A COMPREHENSIVE PROCESS FOR GENERATING APPLICATIONS TO COVID-19 EMERGENCY FUNDING SCHEMES

The past year saw many Covid-19 Emergency Funds being created by charitable trusts and corporate foundations. To allow us to target as many of these as possible, our fundraising team set up a research desk and developed a highly effective application process. Throughout the year, Honeypot was awarded with several grants including one from the UK government via the CAF Resilience Fund and the other from the National Lottery. In addition, there were donations from Barclays Bank, Bank of America, the LEGO Foundation and Neuberger Berman.

STRATEGIC PRIORITY 5: DEVELOPING A RANGE OF DIGITAL/ONLINE CHALLENGE EVENTS

Honeypot's Corporate and Community team was skilful in developing and organising various challenge events that were run on digital platforms, and which attracted hundreds of participants throughout the country. Our leading digital challenge event of the year was Ride for 25, a virtual team cycling event, where twenty different corporate teams competed to cycle the furthest and raise the most.

STRATEGIC PRIORITY 6: IMPROVING THE CONTENT OF THE HONEYPOT WEBSITE AND COMMUNICATING MORE REGULARLY VIA SOCIAL MEDIA

Honeypot engaged a professional design company to build a new website. Our Operations and Communications Teams worked together to enhance and enrich our content, creating a highly effective, informative, and engaging site. Since the launch in November 2020, a significant number of conversations with potential new supporters and corporate partners were initiated through our website.

STRATEGIC PRIORITY 7: DRIVING FUNDRAISING COSTS DOWN BY DEVELOPING LOW-COST, LOW RISK FUNDRAISING CAMPAIGNS AND COMMUNICATIONS

The Fundraising and Communications team worked tirelessly to continue to bring down costs by moving from hard copy glossy newsletters to low-cost digital e-newsletters, appeals and social media postings to communicate with our funders.

Fundraising for the future

Going forward, Honeypot will revisit and reformulate its five-year strategy to incorporate the valuable lessons that have been learnt over the past year. We will build our future strategy on the solid foundations of our greatly enhanced range of Wrap-Round services which meet more of the complex needs of young carers.

Our fundraising practices

As a charity, we do not use third party street collectors or any external fundraising agencies.

Honeypot is registered with The Fundraising Regulator and complies with the Regulator's Code of Fundraising Practice and Complaints process. All our fundraisers are either members of the Institute of Fundraising or fully compliant with the Institute of Fundraising's Code of Best Practice.

There have been no complaints regarding fundraising in the past 12 months and none are pending. Volunteers receive a comprehensive induction programme and are supported throughout by members of the fundraising department. All direct marketing is undertaken in accordance with the Data Protection Act 2018 and GDPR Regulations.

Future Developments

Honeypot has been enhancing its service model over the past 36 months by adding new, exciting services, and developing and reconfiguring existing core services. Going forward, we want to further enhance our Wrap-Round service to better meet the complex needs of young carers, and increase our beneficiary capacity across the UK.

Below is a summary of the key features of Honeypot's enhanced Wrap-Round support service model:

Doubling the number of Honeypot Residential Respite Breaks

Our House in Hampshire provides Respite Breaks for young carers from Greater London, the Southeast and South Coast. Our second house in Powys, Mid-Wales, covers North Wales and the North-West of England down to the West Midlands.

In the next 18 months, we aim to acquire two additional residential houses to increase our beneficiary capacity and reach children from a wider geographical spread.

We aim to open our two new houses in areas with great need for our services. Within the next 12 months, we plan to open a new house in Central Scotland to cover the large population concentration in the Central Belt of Scotland where 80% of the population live, including both the cities of Glasgow and Edinburgh. The funding of this house has been secured, and we are currently in the process of finding a suitable property.

The current plan is to follow with the opening of a fourth house within 18-36 months in an area of high deprivation such as North-East England. In the long term, Honeypot aims to open a national network of Honeypot Houses, to reach children across the country and give every young carer in the UK the support they need.

Extending the breadth and depth of our support services

Young carers experience high levels of stress and anxiety, severe social isolation, and many children underperform at school due to their caring duties. Many of the children we support are from financially disadvantaged backgrounds. The pandemic hit many of the families we support hard, and severely impacted on the children's physical and mental health.

As a charity, we are committed to constantly improving and adapting our services to ensure that we meet a wide range of the children's needs and achieve maximum impact. We will continue forming partnerships with specialist service providers to be able to meet a greater breadth of young carers' needs more comprehensively.

Embedding Honeypot within the children's welfare network

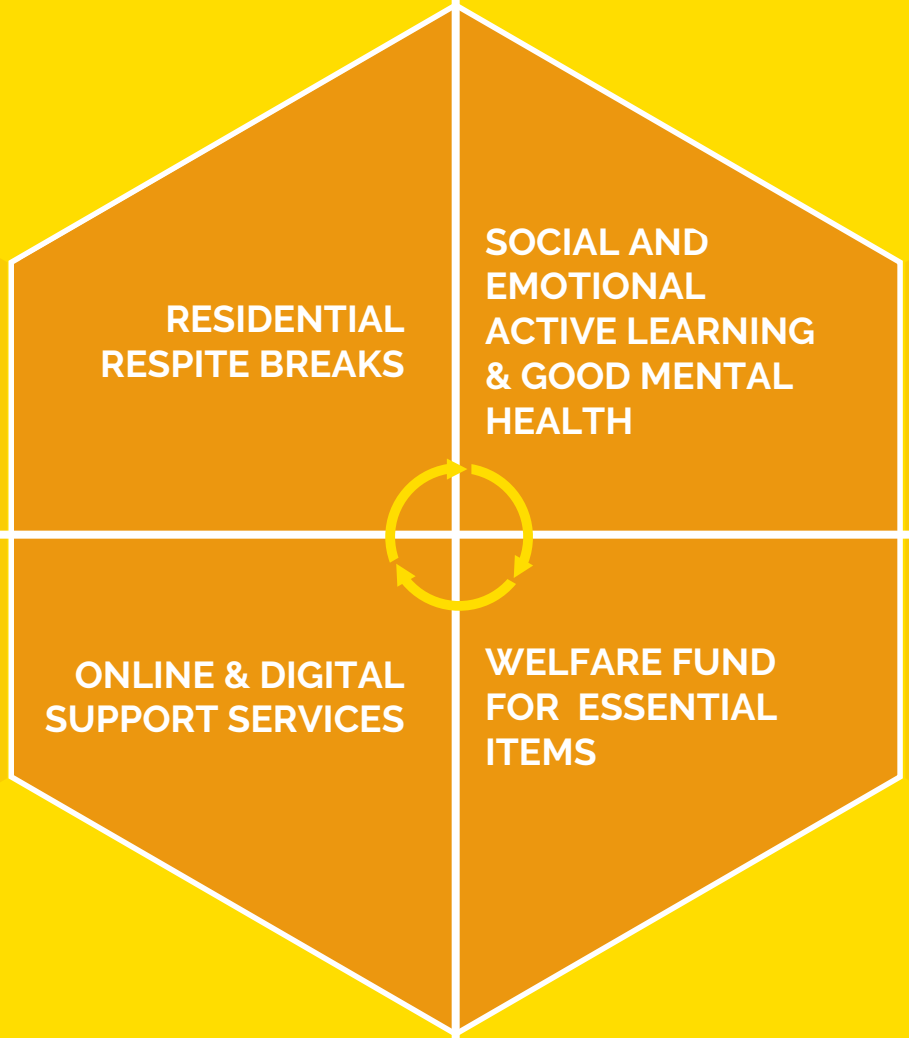
Over the years, we've established a comprehensive referral network to ensure we reach those children with the greatest need of support. Organisations we work together with include social work departments, local authority child welfare hubs, schools and medical professionals. As we expand nationally, we aim to double the number of referral organisations from currently 100 to 200, and to include referral organisations from entirely new areas of the country. With regards to our SEAL programme, we plan to put a particular emphasis on partnerships with School Welfare Officers and Head Teachers.

Please see the next page for a representation of Honeypot's enhanced service model.

The Honeypot Children's Charity's Enhanced Wrap-Round Support Service Model 2021 and Beyond

- Two beautiful Respite Houses in the New Forest and Powys, Mid Wales operating at full capacity
- Third House under development in Central Scotland to open within the next 9-12 months
- Fourth House in area of greatest deprivation within 18-36 months
- Increasing Residential Respite places from 2,000 to 4,000 per annum

- Social and Emotional Active Learning Residential Breaks/Thrive operating from all our Houses + Online SEAL Breaks to build the self-belief and resilience in young carers to enable them to succeed in education.
- Online counselling to build young carers' resilience to cope with stress and anxiety
- Online after-school clubs and weekend clubs to alleviate isolation
- Memory Making Days and other Outreach Services



- The Hive, an interactive website where young carers can access a rich spectrum of fun resources, competitions and activities
- Online Respite Breaks in music, drama, dance and photography
- Digital Outreach to keep young carers connected to Honeypot and to each other
- This service will grow in scope and variety over time

- Small grants scheme to provide disadvantaged young carers with the essential items needed to continue their care duties and grow and develop
- Ranges from a new washing machine to a back to school kit of new clothes, shoes, back pack, and a lunchbox
- Grants for training and educational short courses

Financial Review

The overall gross income of the charity was £1,874,105 for the 12 months ended 31st March 2021; in many respects a successful year with income exceeding expectations against a backdrop of uncertainty and operational restriction. A special thank you goes out to the Bank of America and its staff for continuing to support the charity during the financial year, and contributing another £240,055 to Honeypot. The fundraising department was able to take advantage of the many Covid-19 support grants available during the year, and this was a main factor in the level of income.

The gross reported expenditure of the charity was £1,446,079 for the 12 months ended 31st March 2021. Charitable spend in the year fell slightly to 71 pence in the pound (6 months period ended Mar 2020: 74p).

Operational activity was extremely restricted and although the charity successfully moved to an online digital offering, the costs for these activities were substantially less than the normal physical breaks.

Investments

An investment of £150,000 was placed with St. James's Place Partners in early 2020. A decision was made in May 2020 to dispose of the investment, and it was sold for £141,338 – a small loss on the original investment. The trustees remain cautious about investing the charity's surplus cash, and consequently, spare cash reserves are kept in short notice savings accounts paying 0.75 – 1% interest per annum.

Reserves Policy

The Trustees are currently operating a policy whereby the reserves held by The Honeypot Children's Charity should be a maximum of six months of resources expended. This would enable current activities to continue in the short-term should funding drop significantly, something that cannot be discounted. Currently, unrestricted general funds stand at £296,836 and operational restricted funds stand at £745,086 giving a total for operating funds of £1,041,922 (Period ended Mar 20: £760,035) or 9 months (Period ended Mar 2020: 5 months). It should be emphasised that most of the operational restricted funds will be spent in the new financial year 2021-22 when operational activities resume.

At the end of the financial year £150,000 was transferred to the Third Honeypot House Fund from the General fund. It brings the level of designated funds to a new amount of £941,790, comprised as follows:

Fixed Asset Fund	**£729,342**
Third Honeypot House Fund	**£182,448**
Continuing Operations Fund	**£30,000**
	£941,790

Statement of Trustees' Responsibilities

Reference and Administrative Details

The Trustees present their report along with the financial statements of the charity for the period ending 31st March 2021. The Honeypot Children's Charity is registered with the Charity Commission under registration number 1184132 and is governed by a Board of Trustees.

The Trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

(a) Select suitable accounting policies and apply them consistently

(b) Make judgments and estimates that are reasonable and prudent

(c) State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements

(d) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, Governance and Management

The Honeypot Children's Charity is constituted as a CIO following its successful incorporation on 27th June 2019.

The Board of Trustees is governed by the constitution, and Trustees are responsible for controlling the management and administration of the charity. The constitution limits the number of Trustees to between three and twelve. Recruitment and selection of potential Trustees is performed by current Trustees and the Chairman. Once appointed, the Trustee is presented with a New Trustees' pack that outlines the policies and procedures of the Charity and the Trustees' specific responsibilities. The induction process also includes a visit to one of the Honeypot Houses.

Full Board of Trustees meetings are held four times a year to review and agree major areas of policy. The agenda for these meetings also addresses performance, budgets, future strategy and risk management.

Responsibility for reviewing key areas of activity and policy is delegated to sub-committees that report back to the Trustees' meetings. The sub-committees operate within specific terms of reference agreed by the Board and include specialist co-opted members as well as Trustees. The day-to-day running of the charity is delegated to the Chief Executive and the Senior Leadership Team.

The Current Sub-Committees are:

POLICY: The Children Services Sub-Committee has responsibility for ensuring that the Honeypot Service is achieving the strategy of the Board of Trustees while adhering to current legislation. The committee oversees the management of Health and Safety and other operational risk factors.

FINANCE: The Finance and Administration Sub-Committee is principally concerned with overseeing the financial well-being of the charity and its ability to deliver the strategy laid down by the Trustees. The sub-committee is responsible for ensuring

that internal and external controls are in place and effective in meeting current legislation, propriety and risk management.

INCOME: The Fundraising Sub-Committee is responsible for the review and delivery of the Fundraising activities to ensure that the operations of the charity can be achieved.

Risk Policy

We actively review the major risks, which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with a periodic review of fundraising activities and the financial system controls, will provide sufficient resources in the event of adverse conditions. A risk register is maintained, and we consider carefully the four major areas that the charity deems itself to be at risk: Charity Governance and Direction, Financial, Adults and Children and Premises and Property.

Public Benefit

Our charitable activities at present support children residing in London, the South-East, the South-West, the West Midlands, Wales and North-West of England. When planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, and in particular, the specific guidance for the relief of those in need by reason of financial hardship or other disadvantage. We are actively making plans to open a third house in Scotland in the next 9-12 months.

Approval

This report was approved by the Trustees on 25th October 2021 and signed on their behalf by:

Laurie Oppenheim
Interim Chairman of the Board of Trustees

Independent auditor's report to the trustees of The Honeypot Children's Charity

Opinion

We have audited the financial statements of The Honeypot Children's Charity (the 'charity') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31st March 2021, and of its incoming resources and application of resources, including its 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 Charities Act 2011.

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 charity 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 trustees' 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 charity'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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, misrepresentation, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Azets Audit Services
Chartered Accountants
Statutory Auditor
Secure House
Lulworth Close
Chandlers Ford
Southampton SO53 3TL

Date: 11th November 2021.

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Honeypot Children's Charity
Financial Statements
Year ending 31st March 2021

Statement of Financial Activities

For the Year Ended 31st March 2021

		Unrestricted Funds	Restricted Funds	Total 2021 31 Mar	Total 2020 6 months to 31 Mar
	Notes	£	£	£	£
Income					
Donations and legacies	2	946,453	572,070	1,518,523	942,229
Other trading activites	3	237,160	-	237,160	16,564
Income from investments	2	3,044	-	3,044	1,409
Income from charitable activities	2	-	-	-	8,350
Government grants : Furlough scheme		114,795	-	114,795	-
Other income		583	-	583	-
Total Income & Endowments		**1,302,035**	**572,070**	**1,874,105**	**968,552**
Expenditure					
Expenditure on raising funds	3	421,460	-	421,460	236,877
Expenditure on charitable activities	4	660,700	363,919	1,024,619	680,973
Total Expenditure		**1,082,160**	**363,919**	**1,446,079**	**917,850**
Other Recognised Gains/ Losses					
Profit/(Loss) on investment assets	9	15,634		15,634	(24,296)
Net movement in Funds		**235,509**	**208,151**	**443,660**	**26,406**
Fund Balances Brought Forward at 1 Apr 2020		1,003,117	1,327,505	2,330,622	2,304,216
Fund Balances Carried Forward at 31st Mar 2021		**1,238,626**	**1,535,656**	**2,774,282**	**2,330,622**

All income and expenditure relates to continuing activities.

There were no recognised gains or losses for 2021 other than those included in the Statement of Financial Activities.

Balance Sheet

For the Year Ended 31st March 2021

		2021 31 Mar	2020 31 Mar
	Notes	£	£
Fixed assets			
Tangible assets	8	1,365,882	1,439,635
Investments	9	2	125,706
		1,365,884	**1,565,341**
Current assets			
Debtors	10	117,562	114,962
Short term deposits		977,196	621,397
Cash at bank and in hand		393,719	112,208
		1,488,477	**848,567**
Creditors: amounts falling due within one year	11	(80,079)	(83,286)
Net Current Assets		**1,408,398**	**765,281**
Total assets less current liabilities		2,774,282	2,330,622
Net Assets		**2,774,282**	**2,330,622**
The Funds of the charity:			
Unrestricted funds			
General Funds	16	296,836	187,787
Designated funds	16	941,790	815,330
		1,238,626	**1,003,117**
Restricted funds	17	1,535,656	1,327,505
Total Charity Funds		**2,774,282**	**2,330,622**

The financial statements on pages 28 to 42 were approved by the Board of Trustees on 25th October 2021 and signed on their behalf by:

Laurie Oppenheim
Interim Chairman of the Board of Trustees

Statement of Cash Flows

For the Year Ended 31st March 2021

		Total funds 2021 31 Mar	Total funds 2020 6 months to 31 Mar
	Notes	£	£
Net cash provided by operating activities	15	**498,735**	**(19,590)**
Cash flows from investing activities:			
Interest income		3,044	1,409
Nett disposal of tangible fixed assets		(5,807)	2,171
Purchase of investment income portfolio			(150,000)
Disposal of investment income portfolio		141,338	
Net cash provided / (used) by investing activites		**138,575**	**(146,420)**
Increase (decrease) in cash and cash equivalents in the year		**637,310**	**(166,010)**
Cash and cash equivalents at the beginning of the year		733,605	899,615
Cash and cash equivalents at the end of the year		1,370,915	733,605

Notes to the Financial Statements

1. Accounting Policies

1.1 Basis of Preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public entity as defined by FRS 102.

1.2 Fund Accounting

General Funds are unrestricted and available for use, at the discretion of the Trustees, in furtherance of the general objectives of the charity, but have not been designated for other purposes.

Designated Funds are unrestricted funds but have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the Financial Statements.

Restricted Funds are funds which will be used in accordance with specific restrictions imposed by donors or have been raised by the charity for particular purposes. Expenditure that meets the criteria is charged to the fund. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

1.3 Incoming Resources

Donation and legacy income is received by way of donations and gifts and is included in full in the Statement of Financial Activities, when receivable.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received by the estate.

Grants and other income are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other trading activities comprises of amounts receivable from specific events held during the year inclusive of gift aid tax repayment claims.

Income from investments includes bank interest receivable during the year.

No amounts are included in the Financial Statements for services donated by volunteers. Other gifts in kind are recognised at a reasonable estimate of their value to the charity.

Accrued income is recognised where it is probable that entitlement exists, subject to any conditions of receipt.

Income from charitable activities relates to monetary contributions towards the use of the houses in Hampshire and Wales. They are recorded as received.

1.4 Resources Expended

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Expenditure on raising funds includes the costs incurred in generating donation and legacy income and fundraising costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities. Charitable activities expenditure enables the charity to meet its charitable aims and objectives.

Support costs are those costs which enable fund generating and charitable activities to be undertaken. These costs include Central Premises costs and Central Management costs such as finance, administration and human resources. These costs have been apportioned on a basis of time spent on each of the direct activities.

Notes to the Financial Statements

Resources expended include attributable VAT which cannot be recovered.

1.5 Tangible Fixed Assets

Tangible Fixed Assets costing more than £1,000, and computer equipment, are capitalised and included at cost. Depreciation is applied to all Tangible Fixed Assets with the exception of freehold land (due to the fact that it shouldn't normally depreciate) and is calculated in order to write off the cost less estimated residual value over their expected useful lives as follows:-

Freehold Land	Nil
Freehold Buildings	2% Straight Line
Fixtures and Fittings	20% Straight Line
Equipment	25% Straight Line
Motor Vehicles	25% Reducing Balance

On each of the homes in Hampshire and Wales, £100,000 is deemed to be the value attributed to the freehold land valuation, on which depreciation is not charged.

Donated Assets are capitalised at the value of the cost to the donor or if not new, at the current market value. The value of the donation is credited to the Statement of Financial Activities.

1.6 Operating Leases

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

1.7 Consolidation

The results of the Charity's trading Company have not been consolidated on a line by line basis due to the insignificant level of activity. Any trading profit donated by way of a gift aid is included in income from investments.

1.8 Pensions

The Charity makes payments to a defined contribution scheme on behalf of employees. The contributions are treated as an expense in the year. The contribution by employees is 3% and by the employer 5%.

1.9 Short term investments

Short term investments are held to seek a return on low risk cash deposit bank accounts.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Creditors and provisions

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

1.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

1.14 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered the likely future cash flows of the charity and have considered the balance sheet facilities available at this point in time. Although Covid-19 restricted many of the charity's operations during the financial period, including forced closure of the respite properties, there was an increase in the number of cash donations received during this time. The trustees consider that the charity has sufficient cash to continue for at least the next twelve months, and is therefore considered to be of going concern. The financial statements have been prepared on a going concern basis.

1.15 Redundancy and termination payments

Redundancy and termination payments are recognised as a liability and an expense when the charity is committed to the termination of employment before normal retirement date or end of employment contract.

Notes to the Financial Statements

2. Income

	2021 31 Mar	2020 6 months to 31 Mar
	£	£
Trust & Grants	701,671	305,413
Corporate Donations	282,164	406,065
Individual Donations	449,331	180,575
Community Fundraising	85,357	50,176
Total donation and legacy income	**1,518,523**	**942,229**
Interest receivable on deposit bank accounts	3,044	1,409
Total income from investments	**3,044**	**1,409**
Other contributions	-	8,350
Total income from charitable activities	**-**	**8,350**

3. Expenditure on raising funds

	Activities undertaken directly	Support Costs	2021 31 Mar	2020 6 months to 31 Mar
	£	£	£	£
Donation and legacy income	1,518,523	-	1,518,523	942,229
Cost of generating donation and legacy income	(267,318)	(77,812)	(345,130)	(191,871)
Net donation and legacy income	**1,251,205**	**(77,812)**	**1,173,393**	**750,358**
Other trading activities income	237,160	-	237,160	16,564
Cost of generating trading actvity income	(37,423)	(38,907)	(76,330)	(45,005)
Net fundraising events and hire of facilities income	**199,737**	**(38,907)**	**160,830**	**(28,441)**
Total fundraised income	1,755,683	-	1,755,683	958,793
Total costs on raising income	(304,741)	(116,719)	(421,460)	(236,876)
Net donation, legacy & fundraising income	**1,450,942**	**(116,719)**	**1,334,223**	**721,917**

Notes to the Financial Statements

4. Expenditure on charitable activities

	Activities undertaken directly	Support Costs	2021 31 Mar	2020 6 months to 31 Mar
	£	£	£	£
Online breaks and digital outreach	752,275	272,344	1,024,619	664,426
Honeypot Outreach	-	-	-	16,547
Total Charitable Expenditure	**752,275**	**272,344**	**1,024,619**	**680,973**

During the year ending March 2021 there was £363,919 of restricted charitable expenditure (6 month period ended Mar 2020: £251,867).

A child's journey with Honeypot begins with an initial respite Break at either The Honeypot House in Hamsphire or Pen y Bryn in County Powys, Wales (for two nights and three days) followed by a programme of long-term support which includes annual Repeat Respite Breaks until the child reaches the age of twelve.

During the year ending March 2021 there were no physical respite breaks at either of the Houses - instead a new programme of digital online activity was created and children were able to participate in a variety of creative art sessions, after-school clubs and weekend sessions.

5. Analysis of support costs

For period ended 31 Mar 2021	Total	Fundraising: Donation and legacy	Fundraising: Events	Charitable Activities
	£	£	£	£
Finance, audit & payroll costs	106,208	21,242	10,621	74,345
Executive and professional costs	164,578	32,916	16,458	115,204
Premises & IT costs	86,557	17,311	8,656	60,590
Other office support costs	31,720	6,344	3,172	22,204
Total Support Costs	**389,063**	**77,813**	**38,907**	**272,343**

Notes to the Financial Statements

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2021 31 Mar	2020 6 months to 31 Mar
	£	£
Wages and salaries	874,626	557,290
Social security costs	80,905	49,396
Agency costs	-	337
Pension costs (money purchase scheme)	37,574	20,662
Total Staff Costs	**993,105**	**627,685**

During the year, 3 employees received remuneration greater than £60,000 - one in band £90-100K, one in band £70-80K, one in band £60-70K (6 months period ending March 2020: none).

The Leadership team comprises of the Chief Executive, the Director of Income and Communications, the Director of Operations and the Director of Finance. Total benefits paid in the year ended 31st Mar 2021 were £289,179 (6 months period ended Mar 2020: £145,180).

Trustees' remuneration

The Trustees neither received nor waived any emoluments during the year. Trustee travel expenses during the year were £Nil (2020: £Nil).

7. Staff numbers

The average number of employees analysed by function was:

	2021 31 Mar Full-time	2021 31 Mar Part-time	2020 31 Mar Full-time	2020 31 Mar Part-time
	£	£	£	£
Charitable Activities	7	2	10	34
Cost of generating funds	6	3	10	1
Management and administration	1	4	2	4
Total number of Employees	**14**	**9**	**22**	**39**

Notes to the Financial Statements

8. Tangible fixed assets

	Freehold Land & Buildings	Fixtures & Fittings	Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 Apr 2020	1,510,360	355,958	246,634	153,073	2,266,025
Additions	-	-	5,807	-	5,807
At 31 Mar 2021	**1,510,360**	**355,958**	**252,441**	**153,073**	**2,271,832**
Depreciation					
At 1 Apr 2020	247,835	296,551	224,933	57,071	826,390
Charge for the year	26,207	17,682	11,671	24,000	79,560
At 31 Mar 2021	**274,042**	**314,233**	**236,604**	**81,071**	**905,950**
Net book value					
At 31 Mar 2021	**1,236,318**	**41,725**	**15,837**	**72,002**	**1,365,882**
At 31 Mar 2020	**1,262,525**	**59,407**	**21,701**	**96,002**	**1,439,635**

Notes to the Financial Statements

9. Fixed asset investments

	2021 31 Mar	2020 6 months to 31 Mar
	£	£
St James's Place investment portfolio	125,704	150,000
Unrealised investment losses	-	(24,296)
Gain on disposal	15,634	-
Disposal during year	(141,338)	-
Market value at 31 March 2021	**-**	**125,704**
Original cost - 12th Feb 2020	150,000	150,000
Cost at 31 March 2021	-	125,704
Unquoted UK investments at cost	2	2
At 31 March 2021	**2**	**125,706**

The unquoted fixed asset investment comprises 100% of the issued share capital of Honeypot Trading Limited, the trading arm of the charity, company number 03806058. All taxable profits are transferred to the charity. The net value of the company at 31st March 2021 was £nil. The company was dormant throughout the year.

10. Debtors and prepayments

	2021 31 Mar	2020 6 months to 31 Mar
	£	£
Trade Debtors	581	3,491
Accrued Income	40,958	57,234
Tax repayment claim	9,732	5,220
Other debtors	18,178	17,128
Prepayments	48,113	31,889
Debtors: amounts falling due within one year	**117,562**	**114,962**

Notes to the Financial Statements

11. Creditors: amounts falling due within one year

	2021 31 Mar	2020 6 months to 31 Mar
	£	£
Trade Creditors	35,489	8,038
PAYE & National Insurance	18,801	24,786
Other Creditors	9,121	6,026
Accruals	16,668	41,703
Deferred Income	-	2,733
Creditors: amounts falling due within one year	**80,079**	**83,286**

12. Deferred Income

The deferred income balance at the start of the year related to the London Marathon.

	£
Balance as at 1st April 2020	2,733
Amount released in year	(2,733)
Balance as at 31 Mar 2021	**-**

13. Operating lease commitments

At 31 March 2021 the charity had commitments under a non-cancellable operating lease on land, buildings and motor vehicles as follows:

	2021 31 Mar	2020 31 Mar
	£	£
Due within 1 year	79,368	76,535
Due between 2-5 years	23,476	131,544
Total lease commitments	**102,844**	**208,079**

Total spent in the year on operating leases was £55,762 (6 months period ended Mar 20 : £37,788).

Notes to the Financial Statements

14. Analysis of net assets between Funds

	Restricted Funds	Designated Funds	General Funds	Total Funds
	£	£	£	£
Fund balances at 31 Mar 2021 are represented by:				
Tangible fixed assets	636,541	729,342	-	1,365,883
Investments	-	-	2	2
Current assets	899,115	212,448	376,914	1,488,477
Current liabilities	-	-	(80,079)	(80,079)
Total Funds	**1,535,656**	**941,790**	**296,837**	**2,774,283**

15. Reconciliation of net movement in Funds to net cash flow from operating activities

	2021 31 Mar	2020 31 Mar
	£	£
Net movement in funds	443,660	2,330,622
Add back depreciation charge	79,560	(38,960)
Add back losses/(gains) on investment assets	(15,634)	24,296
Deduct investment income	(3,044)	(1,409)
Increase in debtors	(2,600)	(14,085)
Decrease in creditors	(3,207)	(15,838)
Transfer of funds from the Honeypot Children's Charity	-	(2,304,216)
Net cash used in operating activities	**498,735**	**(19,590)**

Notes to the Financial Statements

16. Unrestricted Funds

	At 1st April 2020	Income	Expenditure	Transfers	At 31 Mar 2021
	£	£	£	£	£
General Reserve	**187,787**	**1,302,035**	**(1,037,179)**	**(155,807)**	**296,836**
Designated Funds					
Fixed Asset Fund	752,882	-	(29,347)	5,807	729,342
Third Honeypot House Fund	32,448	-	-	150,000	182,448
Continuing Operations Fund	30,000	-	-	-	30,000
	815,330	**-**	**(29,347)**	**155,807**	**941,790**
Total Unrestricted Funds	**1,003,117**	**1,302,035**	**(1,066,526)**	**-**	**1,238,626**

The General Reserve represents the free funds of the charity, which are not designated for any particular purpose.

The Fixed Asset Fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of the tangible fixed assets except for those funded from the Honeypot House Fund and the Wales House Fund. The expenditure for the year relates to depreciation charged on those assets.

The Continuing Operations Fund has been set up to allow the charity to be able to maintain operations in the event of a disaster or unforeseen event occurring to the charity. The Fund acts as additional cover beyond the standard insurance covers, should it ever be needed.

The Third Honeypot House Fund has been set up to assist in identifying those funds that have been designated to aid the strategic goal of the charity, which is to reach more children through additional accommodation.

Notes to the Financial Statements

17. Restricted Funds

	At 1st April 2020	Income	Expenditure	Transfers	At 31 Mar 2021
	£	£	£	£	£
House Respite & SEAL breaks	431,038	453,173	(263,850)	-	620,361
House Equipment	264,985	26,000	(60,074)	-	230,911
The Honeypot House Fund	**696,023**	**479,173**	**(323,924)**	**-**	**851,272**
Wales House (includes Welsh Playbus)	631,482	92,897	(39,995)	-	684,384
The Wales House Fund	**631,482**	**92,897**	**(39,995)**	**-**	**684,384**
Total Restricted funds	**1,327,505**	**572,070**	**(363,919)**	**-**	**1,535,656**

The Honeypot House Fund represents incoming and outgoing monies that have been received and spent in accordance with specific donor requests, relating to respite breaks and house equipment.

The Wales House Fund has been set up to furnish the new house in Wales, provide for the extensive refurbishment works required and underwrite the costs of the operation of the new Wales house over the first two years.

18. Pension contributions

The amount outstanding at the year end was £9,115 (Period ended Mar 2020: £6,026).

19. Related Party Transactions

The amount of charitable donations from Honeypot Trading Ltd, the 100% subsidiary, was £ nil. (Period ended Mar 2020: £ nil).

20. Control

The ultimate controlling parties are the Trustees listed in page 2.

21. Auditor's remuneration

The auditor's remuneration constituted an audit fee of £6,600 (6 months period ended March 2020: £5,400) and payroll bureau fees of £4,974 (Period ended Mar 2020: £2,487).

22. Post Balance sheet events

The Covid-19 pandemic has continued to have an impact on the charity's operational activites but following government relaxation of restrictions and the increasing coverage of people within the UK who are fully vaccinated, the charity has opened all its operations with effect from 1st August 2021.

23. Wellbeing Fund

The Wellbeing Fund was created at the end of the financial year - in March 2021. It was created to allow the beneficiaries of the charity the opportunity to access small grants up to the value of £250 to assist them in their day-to-day lives. As at the very end of the financial year - 31 Mar 2021 - no donations towards this grant fund had been made, and no expenditure from this fund had been made.

NIKE

The Honeypot Children's Charity
(Registered Charity No.1184132)

19 Berghem Mews,
Blythe Road,
London
W14 0HN

www.honeypot.org.uk