

COMPANY REGISTRATION NUMBER: 02509188
CHARITY REGISTRATION NUMBER: 703074

Huggard
Company Limited by Guarantee
Financial Statements
For the year ended
31 March 2023

CARSTON
Chartered Accountants & statutory auditor
1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Huggard
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2023

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Huggard
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name Huggard
Charity registration number 703074
Company registration number 2509188
Principal office and registered office Huggard Buildings
Hansen Street off Tresillian Terrace
Butetown
Cardiff
Wales
CF10 5DW

The trustees

Mr K Haines (Vice Chair)
Mrs A R Matthewson (Chairman)
Mr S Thomas
Mrs D Robbins – resigned 01 June 2022
Mr D Shadbolt (Treasurer)
Mr D Williams
Ms J C Hill
Ms J P Lewis
Mr W J Harris

Senior Management

Richard Edwards – Chief Executive
Daryn Thomas – Head of Trauma Informed Pathways
Shelley Farr – resigned 6 September 2023
Helen Morris - Head of Safer Communities and Wellbeing

Auditor

Carston
Chartered Accountants & statutory auditor
1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Bankers

HSBC
97 Bute Street
Cardiff
CF10 5NA

Barclays
2 Windsor Road
Penarth
Vale of Glamorgan
CF64 1YL

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Objectives and activities

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard for the Charity Commission's guidance on public benefit.

The charity's principal objectives are:

- The relief of poverty and its effects on homeless people.
- The provision of support services for homeless and vulnerable people.

Huggard seeks to tackle homelessness and improve individual wellbeing, for people who are often excluded from other services, to help them overcome the problems that can force them to sleep rough on our streets.

In 2022/23 Huggard's business strategy "Tackling Homelessness: Improving Wellbeing" continued to be developed and brought changes to the organisation both in terms of its delivery of services and its management structure. This strategy affirmed Huggard values:

- To provide safe spaces for visitors, residents and staff that meet the needs of, and provide opportunities to, people who have experienced homelessness.
- To be welcoming and provide environments that are psychologically informed, recognising that many of the people we work with have experienced trauma in their lives.
- To support people by providing emotional and practical help based around person centred services.
- To empower staff, and those that use our services, recognising and developing strengths and personal capacity so that those using our services can live more independently and sustainably.
- To work collaboratively with those that use our services and with partners to maximise opportunities and resources.
- To continually improve what we do, adapting to changing needs, managing opportunities and avoiding complacency.

Huggard recognises that a lack of suitable accommodation is only one facet of homelessness and that many of Huggard's clients have complex lives that can often present barriers to sustaining accommodation. Huggard therefore designs its services to meet basic needs, identify barriers to breaking the cycle of homelessness and provide services that will help people overcome these barriers and develop independent sustainable lives.

Our services focus around our Intervention Centre, open 365 days of the year, a 20 room hostel with 20 additional emergency spaces, 9 shared houses with tenant support that accommodate 36 clients. Huggard also manages Ty Tresillian, the Council own hostel on the same site as our Intervention Centre and Huggard Hostel. Ty Tresillian comprises 24 hostel rooms and 21 additional units of emergency accommodation.

In addition, in 2022, Huggard was asked to manage emergency accommodation within the Council's Housing Options Centre, on the same site as the rest of Huggard Buildings. With around 40 units of emergency accommodation within this emergency provision, taking on this project, initially planned for the winter months only, meant that Huggard now managed all of the building on site, two of which being owned by the Council. The additional emergency accommodation remained open beyond the winter period due to unprecedented demands for single person's homelessness accommodation within the city.

The accommodation provided on site is all underpinned by personal and tenant support, development, advocacy, substance misuse support, training and many volunteering and work-focussed opportunities. Huggard also operates a bond scheme to help people who have experienced homelessness access the private rented sector.

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Year ended 31 March 2023

Ensuring that each building operates safely, effectively, and proactively around the needs of clients is paramount. The support work on site remains as the focus of our work, including enhanced harm reduction support, first responder interventions, therapeutic help, advocacy, volunteering and development opportunities, employment and digital inclusion support and independent living support together with building resilience and restorative practice. This network of work with clients is coordinated by a small team of independent living and case coordinators who will fulfil a monitoring and assessment role for those clients residing with us, taking a holistic view of a client's needs, and ensuring that the right service is engaged at the right time. Huggard utilises the role of a Liaison Officer, a single point of contact for any client enquiries from partner agencies, including the Council's Single Persons Gateway, the Police, Probation etc, who liaises with case coordinators and specialist support to achieve the best outcomes for clients.

Being at the very frontline of homelessness services, Huggard needs to be responsive to the changing needs and demographics of those presenting to its services. Huggard constantly reviews its work and reflects on the experiences of its client group and develops its services accordingly. Strategy development and planning are informed by regular staff and client consultation and formal planning days involving staff, volunteers and trustees.

The trustees confirm that they have referred to the guidance contained in the Charities Commission's general guidance on public benefit when reviewing Huggard's aims and objectives and in planning future activities.

ACHIEVEMENTS AND PERFORMANCE

Huggard sets an annual work plan, reviewed by the trustees, which sets out its goals and achievements over the year. During 2022/23 Huggard's achievements are in line with the work plan set for the year. Huggard's work. Since the pandemic we have seen a rise in those presenting to services and the psycho-social impact of this together with harsh economic factors have played a significant part in this. At the time of the pandemic Huggard produced a Covid-19 Business Continuity and Risk Management Plan, looking at the specific issues facing Huggard and those using frontline homelessness services during this time – identifying and mitigating risks, and producing a three-phase plan in the delivery, focus and staffing of services as the pandemic developed.

Huggard constantly reviews its work looking at the impact of social, economic, and individual factors. This informed the production of an Impact and Delivery Assessment of Huggard's work.

Huggard's main achievements in 2022/23 in the following areas:

The Intervention Centre (Day Centre)

The Intervention Centre continues to be the hub of Huggard's services and is a unique service in Cardiff providing open access services to homeless and vulnerable individuals every day of the year. Huggard's Intervention Centre is divided into two separate centres so that all clients can access low threshold services in one area and clients wishing to take part in structured activities have a dedicated space away from the open access element of our work. In addition, there is a separate access to our substance misuse service and needle exchange service. The Intervention Centre provides unparalleled access to a wide range of services for homeless and vulnerably housed people. These include basic services such as access to food and personal hygiene facilities, a clothing store which is free, a free laundry facility, access to the Nurse Practitioner, a Chiropody service, access to specialised services, housing and benefit advice as well as a access to our User Development Programme, an outdoor gym, Substance Misuse Development Services, volunteer programme and our Advocacy project.

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Year ended 31 March 2023

We have continued to focus our work with those who were sleeping rough and those in emergency accommodation on site who had no access to daytime provision. Over the year we have seen 20,403 visits to the centre and worked with 1,109 different individuals. This represents an 11% increase in the number of visits to the centre on the previous year.

Our service has seen increasing complexity of the issues that clients have presented to our services, with many of our clients having experienced complex traumas in their lives. Our substance misuse service has conducted 5,669 client sessions – representing an increase of 20% on the previous year. We also supported 78 people into treatment services. Huggard's needle exchange service remains the busiest needle exchange across Cardiff and the Vale with an average of 865 transactions per month. Huggard has continued its support and information services and also maintained an in-house team of First Responders through the Welsh Ambulance Service.

The advocacy team, within the day centre has held 961 sessions with clients over the year and has made £645,813 in financial gains directly for clients, an increase of 197% on the previous year. This work has been vital in giving many individuals a source of income that can move them away from street culture activities such as begging, reliance on street handouts, survival shoplifting and street-based sex work.

In addition, Huggard has provided 1,843 development sessions with clients over the year developing clients' social and independent living skills and improving their employability. This represents a 38% increase on the previous year. There has also been an increased focus on therapeutic work with clients during this year with the continuation of behavioural therapy, yoga and mindfulness.

Across the year Huggard reported 6,087 positive client outcomes which demonstrates the effectiveness of the work carried out within the Intervention Centre.

The Huggard Hostel

The Huggard Hostel consists of 20 units of accommodation for homeless people, each with its own ensuite and cooking facilities. The facilities also include lounges and training kitchens together with a garden and an allotment. Upon booking in, residents are supported by an Independent Living Officer who is responsible for developing individual development plans, setting goals and targets, and assisting them with any issues they might have, including their resettlement. For residents of the hostel access to the User Development Programme is also facilitated through key working sessions. In the year ending 31st March 2023 the hostel had moved on 26 residents of which 26% were successfully resettled into more sustainable accommodation.

In terms of funding the hostel is funded using Supporting People Revenue (Housing Support) Grant and Housing Benefit.

Huggard Hostel Emergency Overnight Shelter

In addition to our hostel, Huggard also has emergency overnight accommodation that can provide shelter for those who would otherwise be forced to sleep rough. In 2022/23, Huggard provided emergency overnight shelter to 299 different people and helped to move 39% on to more settled accommodation. Huggard no longer provides 'floor space' and all residents had access to a proper bed. Huggard has always been clear that the provision of 'floor space' was not suitable provision in meeting the needs of people who would otherwise be sleeping rough. This provision was only made when there was absolutely no suitable alternatives. Huggard is committed to avoiding the future use of floor space.

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Year ended 31 March 2023

Ty Tresillian

Ty Tresillian consists of 24 units of accommodation for homeless people, each with its own en-suite and cooking facilities. The facilities also include lounges and training kitchens. Residents are supported by an Independent Living Officer who is responsible for developing individual development plans, setting goals and targets and assisting them with any issues they might have, including their resettlement. For residents of the hostel access to the User Development Programme is also facilitated through key working sessions. In 2022/23 the hostel had moved on 26 residents of which 50% were successfully resettled into more sustainable accommodation.

When Huggard took over the management of Ty Tresillian, the condition of the accommodation in Ty Tresillian was poor. With the support of funding from the Council Huggard immediately set in place a refurbishment programme to substantially improve the quality of the accommodation for residents. Each room has been refurbished with new flooring, decoration, furnishings, kitchenettes, and improvements to ensuite facilities. This work involved keeping rooms vacant while the refurbishment was undertaken, and this had an impact on Housing Benefit revenue during this period.

In terms of funding the hostel is funded using Supporting People Revenue (Housing Support) Grant and Housing Benefit.

Ty Tresillian Emergency Overnight Shelter

Ty Tresillian also has additional emergency overnight accommodation that can provide shelter for those who would otherwise be forced to sleep rough. In 2022/23 we provided emergency overnight shelter to 117 different people and helped to move 54% on to more settled accommodation.

Housing Options Centre

In October 2022, Huggard began to manage the additional temporary emergency accommodation provision in the now vacated, Housing Options Centre, own by the Council. This provision began by housing 20 or so individuals per night and by the end of the winter this number had risen to around 40 per night. Each resident is given their own bed and many are allocated a private space to sleep. As the numbers increased communal sleeping areas have been used and these have been overseen through the night by staff, to ensure the safety of all residents. The provision was due to cease at the end of March 2023, but high numbers of people presenting for services meant that it was not possible to withdraw this service.

Supported Houses and Low Support Housing

In April 2023 Huggard reduced the number of Community Houses that it managed, handing five properties back to the Housing Associations. This reduced the size of this project during 2022/23. Huggard continued to operate 10 units of Supporting People funded supported houses with an additional 5 spaces of low support accommodation across a total of 4 houses. The accommodation is second stage move on accommodation where service users can stay for longer periods and begin the process of reintegration into communities. Tenants have a support worker who aids this process of reintegration and helps facilitate a move on into fully independent living. In the year ending 31st of March 2023, we moved on 11 residents with a 91% positive move on to more settled accommodation. Like our hostel the supported houses are individual projects, which are funded by Supporting People Grant and Housing benefit. The ongoing plan across the city is to phase out the use of community shared houses to accommodate people experiencing homelessness. In April 2024, Housing Support Grant will no longer be available for the houses owned by Huggard and consideration is being given to operating these as low support accommodation on Housing Benefit only, or ceasing providing these units.

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Bond Board

Huggard operate a Bond Board project issuing vouchers in lieu of bonds directly to landlords to secure private rented accommodation for those who have experienced homelessness and are in a position to secure a tenancy of their own. In addition to providing bonds the project looks to maximise the sustainability of each tenancy through maximising access to available tenant support, income maximisation and advice. In the year ending 31st March 2023 the Bond Board moved 2 new people into private rented accommodation and continued to support 63 existing bonds for residents housed in the private rented sector. The reduction in this work reflects issues with securing affordable and quality private rented accommodation within the city, with an increasing disparity between local housing allowances and private rent.

Café H

Huggard's social enterprise coffee shop at the front of Huggard Buildings aims to: provide training, volunteering and employment opportunities to those who have experienced homelessness; help fund the wider work of Huggard and to support ethical trading. In the year ending 31st March 2023, Café H has provided training to a number of volunteers referred through the Huggard Centre. This public facing Café has introduced many people who live, work or study locally to Huggard's services and has improved Huggard's profile.

Sustainable Development

Huggard is committed to the principles of Sustainable Development and sets itself organisational and collaborative challenges to put sustainable development at the heart of Huggard. Supporting the social, economic growth of people who have experienced homelessness has always been a primary focus of Huggard together with tackling the environmental issues surrounding homelessness including community safety issues. Huggard works collaboratively with FareShare Cymru by addressing food poverty through the redistribution of surplus food that would otherwise end up in landfill. In 2022/23 Huggard supplied over 27,000 meals to homeless people through our work with FareShare Cymru.

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Year ended 31 March 2023

FINANCIAL REVIEW

The trustees have undertaken a financial review of the organisation identifying and addressing risks that face the organisation. This has looked at dependency on income sources, budgetary control, financial reporting, the reserves and investment policies, contract and grant risk, pension commitments together with the risk of error or fraud. The impact potential of these issues has been assessed and the current measures in place to mitigate these risks reviewed. This has produced an action plan which is reviewed regularly by the Trustees. Huggard's trustees undertake an annual pay review of staff taking into account comparable pay rates and the financial constraints upon the organisation.

Review of the financial position at the end of the accounting period

Total income during the year was £3,372,617 (2022: £2,647,106), this includes funding of £958,713 (2022: £691,923) from Cardiff County Council Supporting People Grant.

Total expenditure amounted to £3,512,773 (2022: £2,694,265), depreciation charges of £201,830 is included within this figure.

Gains and losses on investment assets consists of realised and unrealised gains and losses. A loss was made this year of £95,434 (2022 gain: £37,021), this is mainly due to the movement in the markets at the year end

Overall a loss of £235,590 (2022: gain £10,138) was made during the year, detailed breakdown of the income and expenditure forms part of the notes to the accounts

Principle Funding Sources

Huggard has a number of main funding streams currently active. Supporting People Revenue Grant that is currently administered by Cardiff Council makes up 28% of the organisation's income. Housing benefit paid to Huggard on behalf of the residents makes up a further 40% of income with the majority of the remainder coming from a number of grants including the Welsh Assembly Government, Cardiff County Council, and the Jane Hodge Foundation, Moondance and the Waterloo Foundation. Huggard is also very well supported by a number of local businesses and local church networks who work very hard on our behalf, members of the local community and volunteers also provide us with significant support.

Summary of reserves

At the year end unrestricted reserves were £3,037,525 (2022: £3,168,086), of which designated tangible fixed asset reserve amounted to £2,834,983 (2022: £2,975,654) resulting in general funds of £202,541 (2022: £192,342). Restricted reserves amounted to £438,501 (2022: £529,172) and endowment reserve fund was £221,515 (2022: £235,870). The level of free reserves available was £449,657 (2022: £440,663), however this figure does not include investments of £637,347 which can be cashed in if required and Hafod long term loan of £885,463.

Reserves Policy

The trustees have established a policy which sets out that cash reserves should be at a level equal to the costs of continuation of the charity for the period of between 3-6 months. The Management Committee have agreed that should funding suddenly cease, this level of reserves would provide an opportunity to implement contingency plans to enable to continued and sustainable operation of the charity if possible. In addition, the organisation has undertaken a thorough financial risk review and looked at contingency plans in relation to any possible changes in funding. The reserves policy enables the organisation to enter a planned restructuring programme to enable a financially sustainable continuation of the charity, where possible, in the event of any foreseeable funding changes.

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Year ended 31 March 2023

Investment Policy

The trustees, having given due consideration to the matter, decided that investing in a mixture of unit trusts and investment bonds meets their requirements. The intention here is to reach a balance between income generation and capital growth whilst ensuring adequate diversity. The investments for Huggard are handled by Charles Stanley and reports are produced regularly for the board to enable the Board to effectively manage investments. The Management Committee operate an ethical investment policy and avoids investment in any company that derives more than 10% of sales from alcohol or tobacco or is directly involved in arms production or in the pornography industry.

Risk Review

The Management Committee has undertaken a thorough risk assessment of all of the organisation's finances; operations; HR and employment issues; Infrastructure; governance; environmental and external factors together with compliance risks with law and regulation. This exercise produced a risk management register and also a risk management action plan. As well as identifying key risks the review also recorded the preventative measures that have already been taken for each of the risks identified, as well as the contingency measures to reduce the consequences and impact. Risks have been prioritised with a risk profile according to impact and likelihood and the action required has been recorded to reduce the risk further.

PLANS FOR FUTURE PERIODS

Huggard has over 30 years' experience in providing Wales' leading centre for people who are sleeping rough and we hope to use this experience to work with partners in the third sector, as well as the statutory and business sectors, to support people experiencing homelessness, particularly those whose experience of homelessness has been heavily influenced by experiences of compound trauma.

In 2022/23 Huggard progressed its business strategy - Tackling Homelessness: Improving Wellbeing Business Strategy. Huggard's business strategy is focussed on the following priorities:

- Realising the full potential of the Day Centre as a hub of services for Rough Sleepers.
- Ensuring that Huggard's accommodation and Supporting People services are fit for purpose and are financially sustainable.
- Generating more revenue income.
- Increasing community awareness and support for our work.
- Maximise potential for partnership working.
- Keeping staff and volunteers on board.
- Satisfying funders.

Underpinned by continuous improvement within the organisation, Tackling Homelessness: Improving Wellbeing will inform Huggard's work plans over the next 3 years.

The use of the houses owned by Huggard is being reviewed in light of both the reduction in Housing Support Grant available for community houses across the city and the high need for homelessness accommodation within the city at present.

A focus of our future plans is to develop our therapeutic interventions, building on the work that we currently undertake, and this will equip us better to tackle homelessness and improve individual wellbeing.

In 2023, Huggard's Chief Executive, Richard Edwards is leaving the organisation after over 15 years of working tirelessly to meet the needs of Huggard clients and the organisation. Huggard recognises the immense contribution that Richard has made in supporting, developing, and growing the organisation during this time.

A new Chief Executive is being sought and this will bring a new perspective to Huggard's services and help facilitate the production of an updated business plan for the organisation that will meet the challenges facing homelessness moving forward.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The management committee presents its report and the audited financial statements for the year ended 31st March 2023.

Governing Document

The organisation is a charitable company limited by guarantee and as such is governed by a memorandum and articles of association. The company was incorporated on June 6th 1990 under the Companies Act 1985 and registered as a charity on 28th June 1990.

Recruitment and Appointment of the Management Committee

The directors of the company also serve as trustees of the charity and under the company's articles are known as members of the Management Committee. A third of the members of the Management Committee are elected for a period of 3 years this takes place annually at the company's Annual General Meeting.

There is a broad mix of skills making up the Management Committee, these range from professional experience of local government, planning, education and church social responsibility.

Trustee Induction and Training

Trustee Induction and Training is the responsibility of the Chair and the Chief Executive. All trustees are issued with an electronic resource containing WCVA information on trustee duties and responsibilities, the Charity Commission's guidance - The Essential Trustee: what you need to know, what you need to do. The resource also contains recent accounts; the current organisational budget; the history and structure of Huggard; Huggard's Memorandum and Articles of Association; all current policies, Huggard's Risk Management Register; current Strategic Plan; a Code of Conduct for Trustees; Schedule of Delegated Responsibility and a Trustee Role description. All Trustees have attended a training session in its content and use.

Organisational Structure

The Chief Executive supported by the Head of Safer Communities & Wellbeing together with the Head of Trauma Informed Pathways are responsible for the day to day running of all aspects of Huggard.

The Chief Executive takes overall responsibility and reports directly to the Trustee Board. Huggard's trustees have set out a schedule of delegated responsibility that lays out the levels and boundaries of responsibilities delegated to key staff and provides a reporting mechanism to enable the trustees to monitor this.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period

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Year ended 31 March 2023

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP FRS (102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

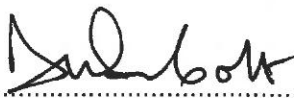
- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30 November 2023 and signed on behalf of the board of trustees by:

Trustee.....

NameDAVID SHARBOLT

Huggard

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Independent Auditor's Report to the Members of Huggard

Year ended 31 March 2023

Opinion

We have audited the financial statements of Huggard (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 charity's affairs as at 31 March 2023 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 parent 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 Report of the Trustees, other than the financial statements and our Report of the Independent Auditors thereon. The trustees are responsible for the other information contained in the Report of the Trustees. 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 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 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.

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We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the parent charity financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the charity and the charity sector, discussions with management and trustees we identified financial reporting standards, Charities Act 2011 and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the charity's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the Charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management, about litigations and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, provisions and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the rationale of significant transactions, outside the normal course of charitable activity.

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 or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

Huggard

Company Limited by Guarantee

Independent Auditor's Report to the Members of Huggard

Year ended 31 March 2023

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Farzana Ahmed (Senior Statutory Auditor)

For and on behalf of

Carston

Chartered Accountants & statutory auditor

1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Dated: 12 December 2023

Huggard
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2023

		2023			2022
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	5	392,769	494,907	—	887,676
Charitable activities	6	1,498,968	958,713	—	2,457,680
Investment income	7	25,000	—	2,261	27,261
Total income		<u>1,916,737</u>	<u>1,453,620</u>	<u>2,261</u>	<u>3,372,617</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	9,030	—	—	9,030
Expenditure on charitable activities	9,10	1,985,500	1,515,983	2,260	3,503,743
Total expenditure		<u>1,994,530</u>	<u>1,515,983</u>	<u>2,260</u>	<u>3,512,773</u>
Net (losses)/gains on investments	12	(83,340)	—	(12,095)	(95,434)
Net expenditure		<u>(161,133)</u>	<u>(62,363)</u>	<u>(12,094)</u>	<u>(235,590)</u>
Transfers between funds		30,571	(28,310)	(2,261)	—
Net movement in funds		<u>(130,562)</u>	<u>(90,673)</u>	<u>(14,355)</u>	<u>(235,590)</u>
Reconciliation of funds					
Total funds brought forward		3,168,087	529,174	235,870	3,933,131
Total funds carried forward		<u>3,037,525</u>	<u>438,501</u>	<u>221,515</u>	<u>3,697,541</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 34 form part of these financial statements.

Huggard
Company Limited by Guarantee
Statement of Financial Position
31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	18	3,102,883	3,262,354
Investments	19	859,862	939,727
		<u>3,962,745</u>	<u>4,202,081</u>
Current assets			
Debtors	20	87,977	139,431
Cash at bank and in hand		851,722	796,648
		<u>939,699</u>	<u>936,079</u>
Creditors: amounts falling due within one year	21	<u>319,441</u>	<u>252,944</u>
Net current assets		<u>620,258</u>	<u>683,135</u>
Total assets less current liabilities		<u>4,583,003</u>	<u>4,885,216</u>
Creditors: amounts falling due after more than one year	22	<u>885,463</u>	<u>952,087</u>
Net assets		<u>3,697,540</u>	<u>3,933,128</u>
Funds of the charity			
Endowment funds		221,515	235,870
Restricted funds		438,501	529,172
Unrestricted funds		3,037,524	3,168,086
Total charity funds	24	<u>3,697,540</u>	<u>3,933,128</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 30 November 2023 and are signed on behalf of the board by:

N. Matthews Trustee

D. Shalson Trustee

Nanny Matthews Name

D. Shalson Name

Company Registration Number: 02509188

The notes on pages 18 to 34 form part of these financial statements.

Huggard
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net expenditure	(235,590)	(10,138)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	201,830	189,250
Net (losses)/gains on investments	95,434	(37,021)
Dividends, interest and rents from investments	(24,599)	(20,825)
Other interest receivable and similar income	(2,662)	(159)
Accrued expenses	8,527	33,736
<i>Changes in:</i>		
Trade and other debtors	51,454	(52,649)
Trade and other creditors	(8,654)	(558)
Cash generated from operations	85,740	101,636
Interest received	2,662	159
Net cash from operating activities	<u>88,402</u>	<u>101,795</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	24,599	20,825
Purchase of tangible assets	(42,358)	(47,406)
Proceeds from sale of tangible assets	—	18,849
Purchases of other investments	(44,930)	(72,703)
Proceeds from sale of other investments	29,361	60,909
Net cash used in investing activities	<u>(33,328)</u>	<u>(19,526)</u>
Net increase in cash and cash equivalents	55,074	82,269
Cash and cash equivalents at beginning of year	796,648	714,379
Cash and cash equivalents at end of year	<u>851,722</u>	<u>796,648</u>

The notes on pages 18 to 34 form part of these financial statements.

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

3. Accounting policies *(continued)*

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Huggard Buildings, Hansen Street off Tresillian Terrace, Butetown, Cardiff, Wales, CF10 5DW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

After making reasonable enquiries and having considered other factors on the financial performance of the charity and its current performance including current economic conditions, the Trustee's believe that the charity will be able to continue to fulfil its charitable purpose, will be able to meet its liabilities as they fall due, and will have adequate resources to continue in operational existence for the foreseeable future. At this point in time any long-term effect on the charitable company is unknown, but the trustees remain confident of the financial position of the charitable company and its ability to meet its obligations and liabilities as they fall due. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements.

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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are unrestricted funds that the Trustees of the Charity have set aside, out of general funds and comprise sums of money for specific projects that can either be the updating of existing, or the development and piloting of new, charitable services.

Restricted funds comprise income received with special conditions attached. Income for a specific purpose not spent in any year is carried forward in the relevant fund.

Endowments received are credited directly to the relevant endowment fund. Income arising from the related investments is allocated to the general fund or to the relevant restricted fund, depending on the terms of endowment.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted

Huggard
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 March 2023

3. Accounting policies (continued)

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Items costing less than £750 are not capitalised, but written off directly to the income and expenditure account. Properties that are used for administrative purposes or that are held for the provision of social housing are treated as land and buildings.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & buildings	- 2% & 4% Straight line, no depreciation on land
Motor Vehicles	- 25% straight line
Equipment	- 25% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Creditors due more than one year

The public benefit concessionary loan due after more than one year has been initially recorded at the value of the amount received and thereafter at amortised cost using the effective interest method less any impairment losses if any.

4. Limited by guarantee

Each member of the Board of Trustees has undertaken to guarantee the Charity's debts to the sum of £1 each.

Huggard
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 March 2023

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Other Gifts and Donations	142,769	—	142,769
Grants			
Cardiff County Council - various	—	—	—
Cardiff County Council - Section 180	—	105,809	105,809
Cardiff County Council - Housing Support	—	191,026	191,026
Julian Hodge Foundation	50,000	16,800	66,800
Moondance Foundation	200,000	40,000	240,000
Substance Misuse Fund	—	42,624	42,624
The Waterloo Foundation	—	32,500	32,500
Grants - various	—	22,648	22,648
Dumballs Project	—	43,500	43,500
Cardiff County Council - Capital grants	—	—	—
	<u>392,769</u>	<u>494,907</u>	<u>887,676</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Other Gifts and Donations	161,019	—	161,019
Grants			
Cardiff County Council - various	39,985	38,850	78,836
Cardiff County Council - Section 180	25,252	80,556	105,808
Cardiff County Council - Housing Support	—	191,026	191,026
Julian Hodge Foundation	—	38,628	38,628
Moondance Foundation	—	80,000	80,000
Substance Misuse Fund	—	78,842	78,842
The Waterloo Foundation	—	45,571	45,571
Grants - various	—	9,904	9,904
Dumballs Project	—	—	—
Cardiff County Council - Capital grants	—	100,000	100,000
	<u>226,256</u>	<u>663,377</u>	<u>889,634</u>

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Day Centre	90,976	—	90,976
Huggard Hostel	1,010,870	674,856	1,685,726
Supported houses	351,935	283,857	635,791
Cafe'	45,187	—	45,187
	<u>1,498,968</u>	<u>958,713</u>	<u>2,457,680</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Day Centre	59,474	—	59,474
Huggard Hostel	627,089	518,700	1,145,789
Supported houses	330,453	173,223	503,676
Cafe'	27,549	—	27,549
	<u>1,044,565</u>	<u>691,923</u>	<u>1,736,488</u>

Included in the Huggard Hostel income is the sum of £674,856 (2022: £518,700) from the Cardiff County Council Supporting People Grant.

Included in the Supported Houses income is the sum of £283,857 (2022: £173,223) from the Cardiff County Council Supporting People Grant.

7. Investment income

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £
Income from listed investments	22,338	2,261	24,599
Bank interest receivable	2,662	—	2,662
	<u>25,000</u>	<u>2,261</u>	<u>27,261</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Income from listed investments	18,581	2,244	20,825
Bank interest receivable	159	—	159
	<u>18,740</u>	<u>2,244</u>	<u>20,984</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of generating income	<u>9,030</u>	<u>9,030</u>	<u>9,030</u>	<u>9,030</u>

Huggard
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 March 2023

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Day Centre	582,116	241,231	2,260	825,607
Huggard Hostel	822,978	951,562	—	1,774,541
Supported Houses	172,080	287,269	—	459,349
Bond Board	8,257	35,921	—	44,176
Cafe	96,620	—	—	96,620
Support costs	303,449	—	—	303,450
	<u>1,985,500</u>	<u>1,515,983</u>	<u>2,260</u>	<u>3,503,743</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Day Centre	459,544	374,522	2,244	836,310
Huggard Hostel	393,061	759,927	—	1,152,988
Supported Houses	140,368	199,328	—	339,696
Bond Board	—	38,764	—	38,765
Cafe	52,721	—	—	52,721
Support costs	264,756	—	—	264,755
	<u>1,310,450</u>	<u>1,372,541</u>	<u>2,244</u>	<u>2,685,235</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Day Centre	825,607	119,489	945,096	943,074
Huggard Hostel	1,774,541	112,909	1,887,450	1,226,812
Supported Houses	459,349	55,923	515,272	406,383
Bond Board	44,176	—	44,176	38,765
Cafe	96,620	—	96,620	52,721
Governance costs	—	15,129	15,129	17,480
	<u>3,200,293</u>	<u>303,450</u>	<u>3,503,743</u>	<u>2,685,235</u>

Support costs have been allocated to charitable activities on the basis of the trustees estimate of each activity's usage of the support function.

Huggard

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

11. Analysis of support costs

	Analysis of support costs Day Centre £	Analysis of support costs Hostel £	Analysis of support costs Supported Houses £	Analysis of support costs Bond Board £	Analysis of support costs Cafe £	Total 2023 £	Total 2022 £
Staff costs	93,522	93,522	46,761	—	—	233,805	196,516
Premises	25,967	19,387	9,162	—	—	54,516	50,760
Governance costs	4,539	4,539	4,539	756	757	15,130	17,479
	<u>124,028</u>	<u>117,448</u>	<u>60,462</u>	<u>756</u>	<u>757</u>	<u>303,450</u>	<u>264,755</u>

Huggard
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 March 2023

12. Net (losses)/gains on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2023 £
Gains/(losses) on listed investments	<u>(83,340)</u>	<u>(12,095)</u>	<u>(95,434)</u>

	Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £
Gains/(losses) on listed investments	<u>36,883</u>	<u>138</u>	<u>37,021</u>

13. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>201,830</u>	<u>189,250</u>

14. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>9,000</u>	<u>8,400</u>

15. Staff costs and emoluments

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	1,671,690	1,259,584
Social security costs	144,105	107,613
Employer contributions to pension plans	98,586	85,820
	<u>1,914,381</u>	<u>1,453,017</u>

The average head count of employees during the year was 63 (2022: 58). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of staff	<u>58</u>	<u>57</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023 No.	2022 No.
£60,000 to £69,999	<u>1</u>	<u>—</u>

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

15. Staff costs and emoluments *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £177,000 (2022: £137,634).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

17. Transfers between funds

Fund transfers represent the transfer of costs from restricted to unrestricted funds, where the charity has spent more on the project than was funded by the donors. This also includes transfers in relation to capital grants in which the grant funder no longer retains any interest. Both the grant and the associated asset are transferred to unrestricted funds. This also includes the transfer of the endowment income which is received within the unrestricted reserves.

18. Tangible fixed assets

	Land and buildings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2022	5,037,032	51,766	322,226	5,411,024
Additions	5,076	—	37,282	42,358
At 31 March 2023	5,042,108	51,766	359,508	5,453,382
Depreciation				
At 1 April 2022	1,828,297	23,677	296,695	2,148,669
Charge for the year	185,916	7,022	8,892	201,830
At 31 March 2023	2,014,213	30,699	305,587	2,350,499
Carrying amount				
At 31 March 2023	3,027,895	21,067	53,921	3,102,883
At 31 March 2022	3,208,735	28,089	25,531	3,262,355

The buildings include the redeveloped Day Centre and Hostel. A legal charge has been registered on parts of the building by Hafod Housing Association and the Big Lottery Fund.

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

19. Investments

	Cash or cash equivalents £	Listed investments £	Total £
Cost or valuation			
At 1 April 2022	33,483	906,244	939,727
Additions	24,599	20,331	44,930
Disposals	(29,361)	—	(29,361)
Fair value movements	—	(95,434)	(95,434)
At 31 March 2023	28,721	831,141	859,862
Impairment			
At 1 April 2022 and 31 March 2023			—
Carrying amount			
At 31 March 2023	28,721	831,141	859,862
At 31 March 2022	33,483	906,244	939,727

All investments shown above are held at valuation.

Listed investments

The aggregate market value of listed investments is £831,141 (2022: £906,244) and the stock exchange value is £831,141 (2022: £906,244).

Financial assets held at fair value

Investments are stated at fair value at the balance sheet date, listed investments are stated at the stock exchange values at the year end. Other investments are valued based on investment performance.

The historical cost of investments at the year end date is £678,396 (2022: £659,613)

20. Debtors

	2023 £	2022 £
Staff loans	1,500	105
Other debtors	86,477	139,326
	87,977	139,431

Huggard
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Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

21. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	137,717	79,595
Accruals and deferred income	80,393	71,866
Social security and other taxes	28,831	31,583
Other creditors - staff funds	5,875	3,275
Hafod loan	66,625	66,625
	<u>319,441</u>	<u>252,944</u>

The Hafod loan of £66,625 is secured by a charge on the hostel.

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

	2023	2022
	£	£
Hafod Loan - long term	<u>885,463</u>	<u>952,087</u>

A public benefit concessionary loan of £1.6m was provided to the charity from Hafod Housing Association towards the development of the hostel. The development monies were paid directly by Hafod to the builders, after completion an agreement was entered into on the 16 July 2012 to repay the loan over a 25 year period. The loan is secured by a charge on the hostel. The outstanding balance was £952,088 (2022: £1,018,712).

23. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £98,586 (2022: £85,820).

Huggards Group Pension Scheme J60278 is run directly by the Corporate Manager of Standard Life Client Management Limited. It is administered by the Finance Officer at Huggard.

Contributions outstanding at the year end are £nil (2022 £nil).

Huggard

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

24. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023 £
General funds	192,433	1,916,737	(1,994,530)	171,241	(83,340)	202,541
Designated tangible fixed asset reserve fund	2,975,654	—	—	(140,671)	—	2,834,983
	<u>3,168,087</u>	<u>1,916,737</u>	<u>(1,994,530)</u>	<u>30,570</u>	<u>(83,340)</u>	<u>3,037,524</u>

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
General funds	3,154,975	1,289,561	(1,319,480)	(2,969,507)	36,883	192,432
Designated tangible fixed asset reserve fund	—	—	—	2,975,654	—	2,975,654
	<u>3,154,975</u>	<u>1,289,561</u>	<u>(1,319,480)</u>	<u>6,147</u>	<u>36,883</u>	<u>3,168,086</u>

During the year a transfer was made from General Funds to Designated Tangible Fixed Asset reserve fund which represents the movement in the book value of the tangible fixed assets at the balance sheet date and hence recognises the value that are unavailable to general funds.

Restricted funds

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2023 £
Cardiff County Council - Supporting People	—	958,713	(958,713)	—	—	—
Big Lottery Fund Ex-Servicemen Trust	286,700	—	(18,800)	—	—	267,900
Bond Board	26,347	—	—	—	—	26,347
Julian Hodge	55,809	—	(3,510)	—	—	52,299
Cardiff County Council - Housing Support	22,674	16,800	—	(28,310)	—	11,164
	—	191,026	(191,026)	—	—	—

Huggard
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 March 2023

24. Analysis of charitable funds (continued)

Cardiff County Council - S180 Substance Misuse Fund	—	105,809	(105,809)	—	—	—
Cardiff County Council - Capital grants	48,812	—	(48,812)	—	—	—
Moondance Foundation	40,000	40,000	(80,000)	—	—	—
The Waterloo Foundation	11,393	32,500	(16,393)	—	—	27,500
National Lottery Community Grant	24,105	—	—	—	—	24,105
Grants - various	13,333	22,648	(16,462)	—	—	19,519
Dumballs Project	—	43,500	(33,833)	—	—	9,667
	<u>529,174</u>	<u>1,453,620</u>	<u>(1,515,983)</u>	<u>(28,310)</u>	<u>—</u>	<u>438,501</u>

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
Cardiff County Council - Supporting People	—	691,921	(691,921)	—	—	—
Big Lottery Fund Ex-Servicemen Trust	305,500	—	(18,800)	—	—	286,700
Bond Board	26,347	—	—	—	—	26,347
Julian Hodge	60,876	—	(5,067)	—	—	55,809
Cardiff County Council - Housing Support	12,038	38,628	(12,038)	(15,954)	—	22,674
Cardiff County Council - S180 Substance Misuse Fund	—	191,026	(191,026)	—	—	—
Cardiff County Council - Capital grants	—	119,407	(119,407)	—	—	—
Moondance Foundation	—	78,843	(78,843)	—	—	—
The Waterloo Foundation	—	100,000	(51,188)	—	—	48,812
National Lottery Community Grant	82,452	80,000	(122,451)	—	—	40,001
Grants - various	11,052	45,571	(45,230)	—	—	11,393
Dumballs Project	12,051	—	—	12,051	—	24,102
	40,000	9,904	(36,571)	—	—	13,333
	—	—	—	—	—	—
	<u>550,316</u>	<u>1,355,300</u>	<u>(1,372,541)</u>	<u>(3,903)</u>	<u>—</u>	<u>529,172</u>

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

24. Analysis of charitable funds *(continued)*

The Cardiff County Council contract for Supporting People was provided towards the hostel and supported houses.

The Big Lottery Fund grant was received towards the development costs of a training, development and enterprise suite at the new centre. A legal charge over the land & buildings by the Big Lottery Fund has been registered. The fund balance will be reduced annually by the depreciation charge on the building.

The Ex-servicemen Trust funds were received for the homeless in Cardiff, who have served in the Army or Navy or Airforce of Great Britain or have been Merchant Seamen or are descendants of such persons.

Bond Board represents funding for present and future bond guarantees.

The Julian Hodge grant of £38,628 received last year and £16,800 this year is funding towards implementation of an new CRM system In-Form within Huggard services. The system purchase costs have been capitalised as fixed asset addition and have been transferred to unrestricted funding as the funder has no long term interest in the system.

The Cardiff County Council Housing Support S180 grant of £93,048 is given to help fund the Night Centre project and £97,978 was received for the Day Centre and Advocate project.

The Cardiff County Council S180 grants of £105,809 was received for an Advocate, Bond Officer and Engagement Team Leader post.

The Substance Misuse fund relates to CGL grant of £19,710 and Cavdas £22,912 were received to provide advice, support to people affected by housing and substance misuse related issues.

Cardiff County Council have provided funding towards remedial works to Tresillian House in the previous year. The balance was expended during the year of £48,812..

The Moondance Foundation grant of £40,000 was received towards Safe-Guard.

The Waterloo Foundation grant of £30,000 was received towards creating New Pathways project for Huggard service users and £2,500 towards food and essential items.

The National Lottery Community grant of £24,102 was provided towards the cost of a Grant Counsellor in the previous year and has been carried forward.

Grants - various of £22,648 consist of £4,648 from Cardiff Third Sector Council towards food poverty, £10,000 from Community Development Fund, £7,500 Millenium Stadium.

The Dumballs Projects consists of various grants from sponsors towards safeguarding.

Huggard
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Notes to the Financial Statements (continued)
Year ended 31 March 2023

24. Analysis of charitable funds (continued)

Endowment funds

	At 1 Apr 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2022 £
Huggard Trust Fund	235,870	2,261	(2,260)	(2,261)	(12,095)	221,515

	At 1 Apr 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Mar 2021 £
Huggard Trust Fund	237,976	2,244	(2,244)	(2,244)	138	235,870

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Tangible fixed assets	2,834,983	267,900	—	3,102,883
Investments	638,347	—	221,515	859,862
Current Assets	769,098	170,601	—	939,699
Creditors less than 1 year	(319,441)	—	—	(319,441)
Creditors greater than 1 year	(885,463)	—	—	(885,463)
Net assets	3,037,524	438,501	221,515	3,697,540

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Tangible fixed assets	2,975,654	286,700	—	3,262,354
Investments	703,857	—	235,870	939,727
Current Assets	693,607	242,472	—	936,079
Creditors less than 1 year	(252,944)	—	—	(252,944)
Creditors greater than 1 year	(952,087)	—	—	(952,087)
Net assets	3,168,087	529,172	235,870	3,933,129

26. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	796,648	55,074	851,722

Huggard
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 March 2023

27. Operating lease commitments

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

	2023	2022
	£	£
Not later than 1 year	90,582	122,974
Later than 1 year and not later than 5 years	100,718	167,976
Later than 5 years	207,900	231,224
	<u>399,200</u>	<u>522,174</u>

28. Related parties

The company was under the control of the trustees throughout the current and previous year.

There were no related party transactions during the year.