

THE STREET FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE STREET FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Trustees | Mrs L M M Sharp-Smith Mr R E L Smith Miss S F Smith Mrs S J Sharp-Smith |
| Charity number | 1045229 |
| Principal address | Kingsland House Kingsland Leominster Herefordshire HR6 9SG |
| Independent examiner | Katherine Parkin FCA Azets Audit Services Epsilon House The Square Gloucester United Kingdom GL3 4AD |
| Bankers | Lloyds TSB Bank Plc 49-51 Dean Street Marlow Buckinghamshire United Kingdom SL7 3BP |
| Solicitors | Harrison Clark Rickerbys LLP c/o Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham Gloucestershire United Kingdom GL50 1YD |

THE STREET FOUNDATION

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THE STREET FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the charity are the furtherance and pursuance of charitable purposes and in such proportions and in such manner and subject to such terms and conditions as the Trustees may from time to time in their absolute discretion determine.

In order to achieve the aims and objectives of the charity, the Trustees make grants to a wide variety of organisations, both in the area local to the charity and further afield, supporting a broad range of activities and research.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees are aware of the Public Benefit provisions of the Charities Act 2011 and of the guidance on them published by the Charity Commission. They are satisfied that the objects of the charity and the activities of the charity are within the definitions of the Charitable Purpose as set down in the Act. The trustees are not aware of any public detriment caused by the charity's objects or activities, and nor are they aware of anyone receiving any private benefit from the charity's activities.

Significant activities

The objects of the charity include the provision of donations for the relief of poverty, the advancement of education, the advancement of religion and other charitable purposes as the Trustees may from time to time determine and there has been no change in these during the year.

Grants are awarded at the discretion of the Trustees following due consideration of how the funds will ultimately be spent in order to ensure the furtherance of the the aims and objectives of the charity.

Achievements and performance

There have been no significant developments or changes to the activities of the charity during the last year.

During the year grants made to charities and other not for profit organisations amounted to £540,468 (2021: £440,883).

Financial review

At the balance sheet date, "free" reserves, being unrestricted funds other than fixed assets, amounted to £413,406 (2021: £462,570).

Cash reserves at the year end (including amounts held on short term deposit) were £414,597 (2021: £463,704).

Reserves policy

The charity aims to retain free reserves sufficient to provide adequate working capital to fund its charitable activities.

Covid-19

Covid-19 has had minimal impact on the charity's operations and activities. Grants continue to be made to the extent that income permits.

THE STREET FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk assessment

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

It is expected that the charity will receive further donations at a similar level during the coming financial year and will continue to awards grants to a variety of institutions and organisations to further its charitable objectives.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust signed on 20 March 1995. The charity was registered with the Charity Commission on 29 March 1995 and constitutes an unincorporated charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs L M M Sharp-Smith

Mr R E L Smith

Miss S F Smith

Mrs S J Sharp-Smith

Method of appointment of trustees

The power of appointing new trustees is vested in the Trustees.

The charity is governed by trustees who are responsible for formulating the strategies & policies of the charity including the exercising of financial controls.

On appointment Trustees are provided with appropriate training to allow them to fulfil their duties.

The charity is primarily funded through donations from related companies. Refer to the related party transactions note for further information.

The trustees' report was approved by the Board of Trustees.

Mr R E L Smith

Trustee

Dated: 13 January 2023

THE STREET FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE STREET FOUNDATION

I report to the trustees on my examination of the financial statements of The Street Foundation (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Katherine Parkin FCA
Azets Audit Services
Epsilon House
The Square
Gloucester Business Park
Gloucester
GL3 4AD
United Kingdom

Dated: 17 January 2023

THE STREET FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|-------|------------------------------------|------------------------------------|
| <u>Income from:</u> | | | |
| Donations and legacies | 2 | 500,000 | 850,000 |
| | | <hr/> | <hr/> |
| <u>Expenditure on:</u> | | | |
| Charitable activities | 3 | 549,164 | 449,364 |
| | | <hr/> | <hr/> |
| Net (expenditure)/income for the year/ Net movement in funds | | (49,164) | 400,636 |
| Fund balances at 1 April 2021 | | 462,570 | 61,934 |
| | | <hr/> | <hr/> |
| Fund balances at 31 March 2022 | | 413,406 | 462,570 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE STREET FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|----------------|----------------|----------------|----------------|
| Current assets | | | | | |
| Cash at bank and in hand | | 414,597 | | 463,704 | |
| Creditors: amounts falling due within one year | | | | | |
| | 8 | <u>(1,191)</u> | | <u>(1,134)</u> | |
| Net current assets | | | <u>413,406</u> | | <u>462,570</u> |
| Income funds | | | | | |
| Unrestricted funds - general | | | <u>413,406</u> | | <u>462,570</u> |
| | | | <u>413,406</u> | | <u>462,570</u> |

The financial statements were approved by the Trustees on 13 January 2023

Mr R E L Smith
Trustee

THE STREET FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------|----------|-----------|---------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 11 | | (49,107) | | 400,660 |
| Net cash used in investing activities | | | - | | - |
| Net cash used in financing activities | | | - | | - |
| Net (decrease)/increase in cash and cash equivalents | | | (49,107) | | 400,660 |
| Cash and cash equivalents at beginning of year | | | 463,704 | | 63,044 |
| Cash and cash equivalents at end of year | | | 414,597 | | 463,704 |

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Street Foundation is an unincorporated charity and is registered with the Charity Commission under number 1045229. The address of the principal office can be found on the legal and administrative information page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, the principal accounting policies are set out below.

1.2 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. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements where required.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The charity receives donated resources from the HR Smith Group of companies in the form of provision of office space but as the value of these resources cannot be quantified the income and expenditure has not been recognised in the statement of financial activities.

Interest on funds held on deposit is included when receivable & the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the notes to the financial statements.

Committed grants are recognised in full in the year in which they are approved with future payments being included as liabilities. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

The charity is exempt from corporation tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these applied to the charitable objects.

1.9 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

2 Donations and legacies

| | Unrestricted funds general 2022 £ | Unrestricted funds general 2021 £ |
|---------------------|--|--|
| Donations and gifts | 500,000 | 850,000 |

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities

| | Funding of activities | Funding of activities |
|--|--------------------------|--------------------------|
| | 2022 | 2021 |
| | £ | £ |
| Grant funding of activities (see note 4) | 540,468 | 440,883 |
| Share of support costs (see note 5) | 7,235 | 7,227 |
| Share of governance costs (see note 5) | 1,461 | 1,254 |
| | <u>549,164</u> | <u>449,364</u> |

4 Grants payable

| | 2022 | 2021 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Grants to institutions: | | |
| Disability | 5,000 | 1,000 |
| Poverty | 1,000 | 42,500 |
| Education | 426,010 | 329,133 |
| Community | 88,458 | 18,250 |
| Human Rights | 20,000 | 50,000 |
| Other | - | - |
| | <u>540,468</u> | <u>440,883</u> |

| | 2022 | 2021 |
|---|---------|--------|
| | £ | £ |
| Detail of grants to institutions: | | |
| The Centre for Social Justice | 30,000 | 30,000 |
| The Global Warming Policy Foundation | 50,000 | - |
| Oxford University Museum of Natural History | 31,399 | 60,700 |
| Civitas | 107,111 | 72,473 |
| The Natural History Museum | 42,000 | 47,200 |
| Faith Truth and Hope | - | 10,000 |
| The New Culture Forum | 150,000 | 25,000 |
| The Politics and Economics Research Trust | - | 50,000 |
| Hope Scott Hostel | - | 15,000 |
| Humanitarian Aid Relief Trust | - | 15,000 |
| The Institute of Economic Affairs | 15,000 | 40,000 |
| The Maggie Oliver Foundation | 20,000 | 20,000 |
| Liverpool Charity and Voluntary Services | - | 10,000 |
| The Foundation for the History of Totalitarianism | - | 10,000 |
| St Michael's Restoration Fund | 53,808 | - |
| Lower Teme Valley PCC | 18,700 | - |

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

| | | | |
|----------|-----------------------|----------------|--------------------|
| 4 | Grants payable | | (Continued) |
| | Other | 22,450 | 33,510 |
| | | <u>540,468</u> | <u>438,883</u> |

| | | | | | | |
|----------|--|----------------------|-------------------------|---------------------------|-------------------------|--------------|
| 5 | Support costs | Support costs | Governance costs | 2022 Support costs | Governance costs | 2021 |
| | | £ | £ | £ | £ | £ |
| | Bank charges | 374 | - | 374 | 367 | 367 |
| | Rates | 6,861 | - | 6,861 | 6,860 | 6,860 |
| | Independent examiners fee | - | 1,461 | 1,461 | - | 1,254 |
| | | <u>7,235</u> | <u>1,461</u> | <u>8,696</u> | <u>7,227</u> | <u>8,481</u> |
| | Analysed between Charitable activities | <u>7,235</u> | <u>1,461</u> | <u>8,696</u> | <u>7,227</u> | <u>8,481</u> |

Governance costs include amounts payable to the independent examiner of £611 (2021: £582) for Independent Examination and £850 (2021: £672) payable to the Independent Examiner for other accountancy services provided.

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or reimbursed expenses from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

| | | |
|---|---------------|---------------|
| | 2022 | 2021 |
| | Number | Number |
| Total | <u>-</u> | <u>-</u> |
| 8 Creditors: amounts falling due within one year | 2022 | 2021 |
| | £ | £ |
| Accruals and deferred income | <u>1,191</u> | <u>1,134</u> |

THE STREET FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 General unrestricted funds

These are unrestricted funds which are material to the charity's activities made up as follows:

| | Movement in funds | | | Movement in funds | | | Balance at 31 March 2022 |
|--------------------|----------------------------|-----------------------|-----------------------|----------------------------|-----------------------|-----------------------|--------------------------------|
| | Balance at 1 April 2020 | Incoming resources | Resources expended | Balance at 1 April 2021 | Incoming resources | Resources expended | |
| | £ | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | 61,934 | 850,000 | (449,364) | 462,570 | 500,000 | (549,164) | 413,406 |

10 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

| | Donations received | |
|-------------------------|--------------------|-----------|
| | 2022 £ | 2021 £ |
| H R Smith Group Limited | 400,000 | 750,000 |
| | 400,000 | 750,000 |

Mr Richard Smith and Miss Susan Smith are Trustees of the charity and also directors and shareholders of H R Smith Group Limited. The charity received donations without conditions as detailed above.

| 11 Cash generated from operations | 2022 £ | 2021 £ |
|---|-----------------|----------------|
| (Deficit)/surplus for the year | (49,164) | 400,636 |
| Movements in working capital: | | |
| Increase in creditors | 57 | 24 |
| Cash (absorbed by)/generated from operations | (49,107) | 400,660 |

12 Analysis of changes in net funds

The charity had no debt during the year.