

# HEY SMILE FOUNDATION

England & Wales · Charity number 1125856

## Details

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**Other names** KCFM BENEVOLENT FUND, KCFM SMILE FOUNDATION

**Status** Registered

**Legal form** Charitable company

**Company number** [06455490](#)

**Registered** 2008-09-12

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Loft. Gosschalks Solicitors  
Dock Street  
Queens Gardens  
Hull  
HU1 3AE

**Phone** 01482 590270

**Email** [hello@heysmilefoundation.org](mailto:hello@heysmilefoundation.org)

**Website** [www.heysmilefoundation.org](http://www.heysmilefoundation.org)

## Activities

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**Objects:** FINANCIAL HARDSHIP THE RELIEF OF FINANCIAL HARDSHIP AMONG PEOPLE LIVING OR WORKING IN ENGLAND BY PROVIDING SUCH PERSONS WITH SERVICES WHICH THEY COULD NOT OTHERWISE AFFORD THROUGH LACK OF MEANS. THE RELIEF OF FINANCIAL HARDSHIP, EITHER GENERALLY OR INDIVIDUALLY, OF PEOPLE LIVING IN ENGLAND BY MAKING GRANTS OF MONEY FOR PROVIDING OR PAYING FOR ITEMS SERVICES OR FACILITIES, THE RELIEF OF THE SICK-POOR LIVING IN ENGLAND EITHER GENERALLY OR INDIVIDUALLY THROUGH THE PROVISION OF GRANTS, GOODS OR SERVICES. ELDERLY PEOPLE "THE RELIEF OF ELDERLY PEOPLE LIVING IN ENGLAND WHO ARE IN NEED, BY PROVIDING SPECIALLY DESIGNED OR ADAPTED HOUSING, AND ITEMS, SERVICES OR FACILITIES CALCULATED TO RELIEVE THE NEEDS OF SUCH PERSONS." "THE RELIEF FINANCIAL HARDSHIP, SICKNESS AND POOR HEALTH AMONGST ELDERLY PEOPLE." YOUNG PEOPLE TO ACT AS A RESOURCE FOR YOUNG PEOPLE UP TO THE AGE OF 18 LIVING IN ENGLAND BY PROVIDING ADVICE AND ASSISTANCE AND ORGANISING PROGRAMMES OF PHYSICAL, EDUCATIONAL AND OTHER ACTIVITIES AS A MEANS OF: (A) ADVANCING IN LIFE AND HELPING YOUNG PEOPLE BY DEVELOPING THEIR SKILLS, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS INDEPENDENT, MATURE AND RESPONSIBLE INDIVIDUALS; (B) ADVANCING EDUCATION; (C) RELIEVING UNEMPLOYMENT; (D) PROVIDING RECREATIONAL AND LEISURE TIME ACTIVITY IN THE INTERESTS OF SOCIAL WELFARE FOR PEOPLE LIVING IN THE AREA OF BENEFIT WHO HAVE NEED BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABILITY, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES WITH A VIEW TO IMPROVING THE CONDITIONS OF LIFE OF SUCH PERSONS.

**Activities:** Hey Smile Foundation is a collaborative that uses its skills and resources to help provide a voice and build stronger foundations to small charitable organisations within Hull & East Yorkshire. This is delivered by utilising the resources of the Smile Foundation and that of the community of Hull & East Yorkshire. These activities are not exhaustive and will develop to the needs of our community.

## Classification

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- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Services, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Amateur Sport, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

## Geography

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- **Area of benefit:** HULL AND EAST YORKSHIRE
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,879,929	£1,907,263	£3,642,090	29
2023-12-31	£1,707,558	£2,240,331	£3,613,048	33
2022-12-31	£2,385,915	£2,357,778	£4,091,001	34
2021-12-31	£1,600,153	£1,527,870	£3,330,551	28
2020-12-31	£1,820,568	£1,392,628	£3,258,268	26

## Trustees

Name	Role	Appointed
<b>Patricia Mary Dalby</b>	Chair	2020-03-12
Catherine Phillips		2019-12-12
Catherine Sykes		2023-12-14
Dr ANDREW MILNER		
Kenneth Ross		2023-12-14
Timothy John Wigglesworth		2020-03-12

**HEY SMILE FOUNDATION**

England & Wales - Charity number 1125856

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# Accounts

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**REGISTERED COMPANY NUMBER: 06455490 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1125856**

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 December 2024**  
**for**  
**HEY Smile Foundation**

Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**Contents of the Financial Statements**  
for the year ended 31 December 2024

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**Reference and Administrative Details**

for the year ended 31 December 2024

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<b>TRUSTEES</b>	A J Bowden G C Cross (resigned 12/12/2024) Ms P M Dalby Dr A Milner Mrs C S Phillips D Ranawake T J Wigglesworth Ms C Sykes K Ross
<b>REGISTERED OFFICE</b>	Gosschalks Dock Street Queens Gardens Hull East Yorkshire HU1 3AE
<b>REGISTERED COMPANY NUMBER</b>	06455490 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1125856
<b>AUDITORS</b>	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>SOLICITORS</b>	Gosschalks Queens Gardens Hull East Yorkshire HU1 3AE
<b>BANKERS</b>	Barclays 5 1 King Edwards Street Hull HU1 3AE

## **HEY Smile Foundation**

# **Report of the Trustees**

**for the year ended 31 December 2024**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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).

### **Chair**

Through 2024, HEY Smile has continued to support all those charities, organisations and volunteers across Hull and East Riding who give their energy, time and commitment to their communities, unlocking the resources of kindness and care for one another.

Some of the key achievements this year include: the VCSE Collaborative, which we launched in March 2023, has brought the voices of the charities to decision makers who shape public sector commissioning; Smile remains a trusted partner for generous donors and our renewed Smile 365+ programme for businesses has grown in membership to be able to support charities across our region; our Time to Volunteer Awards event in October 2024 showcased the individual commitment of so many unsung heroes whose commitment to people who need help, support and a listening ear in their communities; we continue to celebrate the success of the Crown Community Centre in Bridlington on its 2nd birthday in June 2024 and it is now at the centre of the community with increased involvement from more VCSE groups providing much needed support to the town's residents; we held our inaugural Ladies Lunch in March 2024, in partnership with Sailors Children's Society, which raised over £30k and our Smile Ball in November 2024 raised a further £23k for the Smile Chances Fund for local small organisations where such a difference is made to so many lives.

We had some organisational changes as this past year to be more effective in our response to the needs that we see, along with the organisations that we support, every day in our communities. We also welcomed Clair Woodward to her new role as Deputy CEO to support the strategic work that Jamie Lewis, our CEO, is rapidly progressing.

Our thanks go to Graham Cross who stood down as a trustee this year, for his invaluable contribution to the HEY Smile Foundation over his term of office as we wish him well in his new adventures!

The mission of the HEY Smile Foundation remains clear - as an infrastructure charity leading community voice and insight - we provide unwavering support to charities and community groups. We equip local charities, volunteer organisations and community groups with the tools and confidence to be resilient helping them not only to survive... but to thrive, especially in the face of some of the most difficult societal circumstances we have seen for a long time.

Running a charity is not easy, good intentions, humanity, commitment, and hard work are only the start. Having the right governance, policies, checks and balances, and especially support, in place is critical to a charity being able to fulfil its compassionate intentions.

At Smile, we turn need into action, listening intently to local and often unheard voices, identifying common problems, bridging gaps, and finding shared solutions that benefit many. We empower charitable organisations to bring their good intentions to life.

Our work isn't always seen but it's crucial; so, we roll our sleeves up, we get stuck in and by working all together, we make a difference...

Trish Dalby - Chair

### **Chief Executive**

I am proud to present this report as Chief Executive of the HEY Smile Foundation, reflecting a year of continued dedication to strengthening and supporting communities across Hull, East Yorkshire, and the wider Humber region.

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## **Report of the Trustees** for the year ended 31 December 2024

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This year, our team has once again demonstrated remarkable commitment, agility, and compassion. Against a backdrop of ongoing social and economic challenges, including the continued cost-of-living crisis, rising demand on frontline services, and persistent inequalities, HEY Smile Foundation has remained a trusted and proactive ally to the voluntary, community, and social enterprise (VCSE) sector.

### **Our Impact**

Throughout the year, we have continued to build on our mission by delivering collaborative programmes, providing infrastructure support, and mobilising volunteers. These efforts have empowered hundreds of organisations to thrive, ensuring vital local services are sustained and the voice of the sector is heard where it matters most.

We supported over 600 charities and community groups, offering a wide range of mentoring, governance advice, and strategic planning services. Through our grant-giving platform, BEECAN, we distributed more than £1.4 million, helping local organisations unlock the resources they need to make tangible, lasting change in their communities.

Our in-kind donation platform, Smile Vault, has continued to play a crucial role in providing practical support, with goods valued at over £90,000 distributed to organisations and individuals in need. We were also pleased to expand our Green Social Prescribing programme, which continues to connect people to nature-based interventions that improve wellbeing, support mental health, and build stronger community connections.

In partnership with the NHS, we played a central role in the regional Vaccine Programme, engaging local communities and mobilising volunteers to support uptake. Our Connecting Communities Team, supported through the Better Care Fund, has provided tailored, person-centred support to improve community health outcomes and promote social inclusion. We also laid important foundations for the future with the launch of the regional Research Engagement Network (REN), designed to ensure community voices and lived experiences inform research, policy, and frontline practice.

### **Strength in Partnership**

Collaboration remains at the core of everything we do. Over the past year, we have deepened our relationships with public sector partners, NHS bodies, local authorities, and corporate supporters. These partnerships have enabled us to co-design responses to complex challenges and to deliver collective solutions with greater impact.

One significant development was the redesign and launch of our Trustee Network, which provides peer support, shared learning, and practical resources to strengthen governance across the VCSE sector. We also hosted our inaugural VCSE Showcase, a vibrant celebration of the innovation, diversity, and impact of local organisations.

Being named the Charity Partner for Humber Business Day was a major milestone an opportunity to raise the profile of the sector, amplify its contribution to regional prosperity, and build connections with local business leaders.

I am particularly proud of our role in convening and coordinating efforts across sectors. Whether supporting emergency response networks or co-producing sustainable models of community care, HEY Smile Foundation brings more than facilitation. We create trusted relationships, champion shared purpose, and drive forward meaningful action.

### **Our People and Culture**

At the heart of every achievement is our incredible team a group of talented, passionate, and values-led individuals who bring energy and care to everything they do. We remain committed to fostering a positive and supportive working culture, investing in staff wellbeing and professional development so our people are equipped to lead, innovate, and grow.

This year, we strengthened our internal capacity with two new strategic appointments. A Deputy CEO role was introduced to enhance our leadership team and ensure strong delivery of our strategic objectives. We also created a dedicated VCSE Data Role, recognising the growing importance of insight and impact measurement in shaping better services and informing future investment.

## **Report of the Trustees**

**for the year ended 31 December 2024**

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Our board of trustees continues to provide outstanding stewardship. Their experience, guidance, and commitment to our values have been central to our continued success.

### Challenges and Resilience

Like many in the sector, we have faced a year of considerable pressure. Rising operational costs, uncertain funding streams, and growing community need have tested our resilience. Yet we have responded with focus, creativity, and a deep sense of purpose.

By staying true to our mission and values, we have not only sustained our work - we have extended our reach and deepened our impact. We are acutely aware of the need to secure our long-term sustainability, and have continued to diversify income streams, invest in robust systems, and strengthen our strategic planning.

### Looking Ahead

As we turn toward the future, we are excited to be developing a new five-year strategic plan that will guide our direction and deepen our impact. This new strategy is built around four core pillars:

Driving excellence in practice, Creating opportunities to collaborate, Inspiring people and corporations, and Fostering resilience and capacity.

Over the coming year, we look forward to launching the Smile Impact Fund, a new mechanism to resource bold and innovative grassroots projects. We will continue to grow our role as a sector leader, advocate for inclusive and equitable partnerships, and strengthen our digital infrastructure and impact measurement systems to ensure our work remains both responsive and evidence-led.

We remain grounded in our core values of collaboration, compassion, trust, and community. These principles have guided us through a challenging year, and they will continue to underpin everything we do as we move into a new chapter.

To our funders, partners, volunteers, supporters, staff, and trustees thank you. Your continued belief in our mission which powers our ability to deliver meaningful, lasting change across our region.

Jamie Lewis

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The trustee's review Smile's activity against the Charity Commission guidelines on public benefit, also, they review the effectiveness of its ongoing activity and regularly assess the current needs of the community it serves across Hull and East Yorkshire. The trustees recognise the continued need to maximise the potential of existing resources with the private, public and voluntary sector, ensuring they go further, work harder and last longer.

**Report of the Trustees**  
for the year ended 31 December 2024

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**OBJECTIVES AND ACTIVITIES**

**Significant activities**

The **Humber, Coast and Vale Green Social Prescribing, 2 year test and learn programme** was a pioneering initiative that aimed to embed green social prescribing into communities, supporting mental and physical well-being through nature-based activities. Funded by multiple organisations, including **The Department for Environment, Food and Rural Affairs, NHS England, NHS Improvement, Natural England, and the Department of Health and Social Care**, the regional programme, lead by Smile, helped improve mental health outcomes, reduce health inequalities, and lessen demand on health and social care systems. The project successfully integrated outdoor activities into local healthcare initiatives, leaving a lasting impact on communities across the Humber, Coast, and North Yorkshire region.

- Developing the Time2Volunteer digital platform, supported by a network of public, private and VCSE partners and building on the huge volunteer movement which was vital during covid.
- Transforming the Bridlington Crown Building into a collaborative community centre focussed on supporting local residents, VCSE groups through Covid recovery and the ongoing cost of living crisis.
- Continuing to support the VCSE sector in East Riding of Yorkshire, providing them with the tools to grow and develop.
- Continuing to invest charitable funds into our NHS through our contracted charities Health Tree Foundation and Health Stars.
- Through support from the National Lottery Community Fund, HEY Smile Foundation is delivering their Growing Green and Blue Health project. This project continues work in the region to support the development and upskilling of Green and Blue Health opportunities and better connect the health and care sector with community-based outdoor and in-nature activity.

The project is working closely with the Humber and North Yorkshire VCSE Collaborative's leadership to support VCSE groups running outdoor and in-nature activities to develop their offer and skills with regards to health and wellbeing outcomes.

**Public benefit**

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

**Report of the Trustees**  
for the year ended 31 December 2024

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**OBJECTIVES AND ACTIVITIES**

**Grantmaking**

In 2024 we have made grants that meet our objectives in partnership with many local funders. These grants have covered the following areas;

- Health and Well-being
- Loneliness and isolation
- Cost of Living
- Education
- Sport and physical activity
- Leadership and resilience
- The Arts
- NHS enhancements to facilities

Our grants are generally linked to planned activity for the year however 2024 again saw us working across the public and private sector as well as grant makers and philanthropists to ensure funds were directed to where they were needed.

Our thanks go out to a great number of partners this year including: Gosschalks Solicitors, East Riding of Yorkshire Council, Humber Teaching NHS Foundation Trust, Humber & North Yorkshire Health and Care Partnership, Help for Health, KCOM, Sargent Electrical, Mitsubishi Chemicals, NOVA Studios and Smailes Goldie

Through our strategic work with local NHS charities, Smile has played a vital role in supporting charitable income, fundraising and projects that enhance patient services, particularly at Northern Lincolnshire and Goole NHS Foundation Trust and Humber Teaching NHS Foundation Trust. Our efforts have enabled the Trusts to make a meaningful difference in improving healthcare and community wellbeing

Our grant making continues to grow with the trust of partners to maximise the Smile expertise in delivery. We do not take this for granted and continue to look to improve our services, in particular the Beecan system [www.beecan.org.uk](http://www.beecan.org.uk) to enable greater funder collaboration and community impact.

**Volunteers**

We are delighted to be a charity of choice for a wide range of volunteers. In the year the areas in which volunteers contributed included;

- Trustees
- Trustee academy
- Research and administration
- Corporate volunteering in the community
- Professional services help

Volunteers from across the region were recognised in our annual Volunteer Awards ceremony which was our first indoor, large scale event since the Covid pandemic.

## **Report of the Trustees** for the year ended 31 December 2024

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### **STRATEGIC REPORT**

#### **Reserves policy**

The trustees set the reserves policy in line with national best practice and look for 6-9 months running costs. The trustees ask the CEO to highlight if we drop below the six-month position via the finance committee, but equally, seek to ensure that our free reserves do not surpass nine months unless planned for a specific reason. It is our collective belief that we are in operation to ensure that funds are invested in the community as effectively as possible.

#### **Designated funds**

In the year we held designated funds for partners, in 2024 these included:

- The I Am Fund
- ICB
- East Riding of Yorkshire Council
- Smile Group

#### **Restricted Funds**

Wherever possible, we try to limit the number of restricted funds held, aiming to receive funds in un-restricted or designated to ensure funds can be maximised efficiently and effectively for the community. Within 2024 we held restricted funds for the following:

- JB Willows Working Men's Cottages
- Hull Youth Support Trust
- East Riding of Yorkshire Council
- NHS
- The Health Tree
- Growing Green and Blue Health
- ICB

#### **Future plans**

Key objectives for 2025:

- Development of a five year strategy for Smile and its subsidiary charities
- Renewed focus on partnerships and development including the introduction of a refreshed events calendar with the objective of raising funds and engaging corporate partners

Development of a longer-term support and development plan for our region

Create and develop better networks for charities to collaborate and come together

- Maintain the Bridlington Crown Community building under an extended lease as a result of demonstrable collective impact

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The HEY Smile Foundation (Smile) is a registered charity (1125856) and a company limited by guarantee (06455490) governed by its memorandum and articles of association adopted in September 2008.

#### **Recruitment and appointment of new trustees**

The trustees are also the directors and form the management committee. They are elected at the annual general meeting. The committee represents a wide selection of the private and public sector across Hull and East Yorkshire. Trustees are elected following a recruitment process in which we reach out to our extensive network of relationships and formal advertisements.

Our skills matrix supports any positions which become available, and this ensures that when recruiting we are specific in the necessary skills to enhance our current board and help us to fulfil our strategic objectives in line with our constitution.

## **Report of the Trustees**

for the year ended 31 December 2024

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Organisational structure**

At any one time in the reported year, the Charity had a minimum of nine Directors/trustees. They consisted of;

Dr Andrew Milner

Mr Andrew Bowden

Mr Graham Cross - Resigned 12th December 2024

Mrs Cathy Phillips

Mr Dileepa Ranawake

Mr Tim Wigglesworth

Ms Patricia Dalby

Ms Catherine Sykes

Mr Kenneth Ross

The trustees meet a minimum of four times a year, with further committee meetings in the following areas:

- Finance, Management and Risk
- People
- Resources incorporating JB Willows & Hull Youth Support Trust
- I Am Fund

#### **Management of the Charity**

The day to day management of the Charity is delegated to the CEO and his leadership team which consists of the following;

- Deputy CEO (Clare Woodard)
- Head of Operations (Tracy Underwood)
- Head of Community Development (Nick Middleton)
- Head of Partnerships (Tessa Wray)

The CEO is responsible for delegating the responsibilities of the annual plan and monitoring performance in line with approved budgets, regularly assessing operational risks and opportunities. In the year we worked with our professional advisors Marshall & Co Accountants, Gosschalks Solicitors and Radius Insurance Brokers.

In the reported year, Smile employee numbers varied due to work commissioned peaking at 35 people across all of its services. The majority of the employees are aligned with contracts, all of which are reviewed annually.

#### **Induction and training of new trustees**

It is the CEO's responsibility to fulfil the formal induction of new Trustees, in addition, the Chair and CEO work together with the Head of Operations to ensure all ongoing training requirement. Each trustee is aligned with key areas of interest and expertise to enable the Charity to thrive.

#### **Our People**

In 2024 the trustees once again carried out an employee survey to establish key areas of development and investment in our people while supporting the work on our refreshed Vision, Mission and Values. We have also highlighted new areas of investment in our people to ensure we remain an employer of choice in 2025.

#### **Risk management**

Highlighting operational risks are the responsibility of all employees. Risks in all areas of Smile are regularly collated and monitored by the CEO and Deputy CEO, with any changes to the register highlighted to the Finance, Management & Risk Committee. The risk register is in place and formally reviewed by the committee quarterly.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of HEY Smile Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Report of the Trustees**  
for the year ended 31 December 2024

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which 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. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

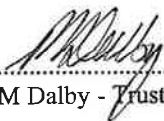
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Smailes Goldie Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... 8/8/25 ..... and signed on the board's behalf by:



.....  
Ms P M Dalby - Trustee

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## Opinion

We have audited the financial statements of HEY Smile Foundation (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **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.

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## **Our responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation.. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to 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. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## Use of our report

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

Stephen Bramall BSc FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

Date: 11/8/2025

**HEY Smile Foundation**

**Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the year ended 31 December 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	230,821	284,380	515,201	563,000
<b>Charitable activities</b>					
General	4	654,651	652,615	1,307,266	1,068,594
Investment income	3	<u>537</u>	<u>56,925</u>	<u>57,462</u>	<u>75,964</u>
<b>Total</b>		<u>886,009</u>	<u>993,920</u>	<u>1,879,929</u>	<u>1,707,558</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
General	5	<u>936,363</u>	<u>970,900</u>	<u>1,907,263</u>	<u>2,240,331</u>
Net gains on investments		<u>56,376</u>	<u>-</u>	<u>56,376</u>	<u>54,820</u>
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	20	<u>6,022</u> <u>12,608</u>	<u>23,020</u> <u>(12,608)</u>	<u>29,042</u> <u>-</u>	<u>(477,953)</u> <u>-</u>
<b>Net movement in funds</b>		<u>18,630</u>	<u>10,412</u>	<u>29,042</u>	<u>(477,953)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>946,962</u>	<u>2,666,086</u>	<u>3,613,048</u>	<u>4,091,001</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>965,592</u></u>	<u><u>2,676,498</u></u>	<u><u>3,642,090</u></u>	<u><u>3,613,048</u></u>

The notes form part of these financial statements

**HEY Smile Foundation**

**Consolidated Balance Sheet**

31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £ As restated
<b>FIXED ASSETS</b>					
Intangible assets	13	-	-	-	5,249
Tangible assets	14	5,321	2,116,999	2,122,320	2,127,459
Investments	15	<u>867,847</u>	<u>-</u>	<u>867,847</u>	<u>972,472</u>
		873,168	2,116,999	2,990,167	3,105,180
<b>CURRENT ASSETS</b>					
Debtors	16	84,583	7,721	92,304	80,687
Cash at bank and in hand		<u>127,235</u>	<u>569,607</u>	<u>696,842</u>	<u>548,403</u>
		211,818	577,328	789,146	629,090
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(114,700)</u>	<u>(17,827)</u>	<u>(132,527)</u>	<u>(105,254)</u>
<b>NET CURRENT ASSETS</b>		<u>97,118</u>	<u>559,501</u>	<u>656,619</u>	<u>523,836</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		970,286	2,676,500	3,646,786	3,629,016
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(4,696)</u>	<u>-</u>	<u>(4,696)</u>	<u>(15,968)</u>
<b>NET ASSETS</b>		<u>965,590</u>	<u>2,676,500</u>	<u>3,642,090</u>	<u>3,613,048</u>
<b>FUNDS</b>					
Unrestricted funds	20			965,590	946,962
Restricted funds				<u>2,676,500</u>	<u>2,666,086</u>
<b>TOTAL FUNDS</b>				<u>3,642,090</u>	<u>3,613,048</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8/8/25 and were signed on its behalf by:

  
 P M Dalby - Trustee

The notes form part of these financial statements

**HEY Smile Foundation**

**Charity Balance Sheet**

31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £ As restated
<b>FIXED ASSETS</b>					
Intangible assets	12	-	-	-	5,250
Tangible assets	13	5,321	-	5,321	10,423
Investments	14	<u>867,947</u>	-	<u>867,947</u>	<u>972,572</u>
		873,268	-	873,268	988,245
<b>CURRENT ASSETS</b>					
Debtors	15	105,840	-	105,840	83,511
Cash at bank and in hand		<u>159,784</u>	<u>467,250</u>	<u>627,034</u>	<u>503,923</u>
		265,624	467,250	732,874	587,434
<b>CREDITORS</b>					
Amounts falling due within one year	16	(114,698)	-	(114,698)	(97,521)
		<u>150,926</u>	<u>467,250</u>	<u>618,176</u>	<u>489,913</u>
<b>NET CURRENT ASSETS</b>					
		<u>150,926</u>	<u>467,250</u>	<u>618,176</u>	<u>489,913</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,024,194	467,250	1,491,444	1,478,158
<b>CREDITORS</b>					
Amounts falling due after more than one year	17	(4,696)	-	(4,696)	(15,968)
		<u>1,019,498</u>	<u>467,250</u>	<u>1,486,748</u>	<u>1,462,190</u>
<b>NET ASSETS</b>					
		<u>1,019,498</u>	<u>467,250</u>	<u>1,486,748</u>	<u>1,462,190</u>
<b>FUNDS</b>					
Unrestricted funds	19			1,019,498	973,349
Restricted funds				<u>467,250</u>	<u>488,841</u>
<b>TOTAL FUNDS</b>					
				<u>1,486,748</u>	<u>1,462,190</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....8/8/25..... and were signed on its behalf by:

  
.....  
P M Dalby - Trustee

The notes form part of these financial statements

## HEY Smile Foundation

### Consolidated Cash Flow Statement

for the year ended 31 December 2024

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	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(2,727)	(449,843)
Interest paid		<u>(554)</u>	<u>(1,562)</u>
Net cash used in operating activities		<u>(3,281)</u>	<u>(451,405)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(609)	(1,872)
Purchase of fixed asset investments		(801)	(101,136)
Sale of tangible fixed assets		2,063	-
Sale of fixed asset investments		161,802	201,136
Interest received		<u>537</u>	<u>1,050</u>
Net cash provided by investing activities		<u>162,992</u>	<u>99,178</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(11,272)</u>	<u>(10,545)</u>
Net cash used in financing activities		<u>(11,272)</u>	<u>(10,545)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		148,439	(362,772)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>548,403</u>	<u>911,175</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>696,842</u>	<u>548,403</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement**  
for the year ended 31 December 2024

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	29,042	(477,953)
<b>Adjustments for:</b>		
Depreciation charges	8,934	8,987
Gain on investments	(56,376)	(54,820)
Interest received	(537)	(1,050)
Interest paid	554	1,562
(Increase)/decrease in debtors	(32,874)	104,547
Increase/(decrease) in creditors	<u>48,530</u>	<u>(31,116)</u>
<b>Net cash used in operations</b>	<u>(2,727)</u>	<u>(449,843)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/24 £	Cash flow £	At 31/12/24 £
<b>Net cash</b>			
Cash at bank and in hand	<u>548,403</u>	<u>148,439</u>	<u>696,842</u>
	<u>548,403</u>	<u>148,439</u>	<u>696,842</u>
<b>Debt</b>			
Debts falling due within 1 year	(11,274)	-	(11,274)
Debts falling due after 1 year	<u>(15,968)</u>	<u>11,272</u>	<u>(4,696)</u>
	<u>(27,242)</u>	<u>11,272</u>	<u>(15,970)</u>
<b>Total</b>	<u>521,161</u>	<u>159,711</u>	<u>680,872</u>

The notes form part of these financial statements

## Notes to the Consolidated Financial Statements for the year ended 31 December 2024

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### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **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 cost 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.

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.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment                      - 25% on cost

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are those unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

## Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2024

### 1. ACCOUNTING POLICIES - continued

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### 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 the profit and loss account in other administration expenses.

#### Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and original cost or annual revaluation of the investments are shown as unrealised investment gains and losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

The 100% shareholding in the subsidiary is stated at cost.

#### Impairment

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

#### Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings on a line by line basis using the acquisition method. A separate Statement of Financial Activities for the charity has not been presented as permitted by the exemption afforded by section 408 of the Companies Act 2006.

### 2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Gifts	89,664	92,365
Donations	46,537	17,201
Gift aid	-	7
Events and appeals	263,985	151,036
Admissions	-	9,776
Trusts and grants	<u>115,015</u>	<u>292,615</u>
	<u>515,201</u>	<u>563,000</u>

Charitable events and sponsorship are the major funding source for Smile to develop and deliver Smile Foundations activities and objectives. In addition to raising funds Smile events also provide the opportunity to create more awareness of Smile and its programmes and projects.

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**2. DONATIONS AND LEGACIES - continued**

**Trust and Grants**

	2024	2023
	£	£
Ann Watson	1,500	-
Brignall Trust	5,000	50,000
East Riding of Yorkshire Council	-	67,500
Health Tree Foundation	-	5,115
Hull & East Riding Charitable Trust	5,000	-
NHS Humber and North Yorkshire ICB	-	70,000
STA15	50,000	100,000
KCOM	53,515	-
	<u>115,015</u>	<u>292,615</u>

**3. INVESTMENT INCOME**

	2024	2023
	£	£
Rents received	56,925	74,914
Deposit account interest	537	1,050
	<u>57,462</u>	<u>75,964</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	2024	2023
	£	£
Activity General		
Funded charitable activity	<u>1,307,267</u>	<u>1,068,594</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
General	<u>409,115</u>	<u>448,093</u>	<u>1,050,055</u>	<u>1,907,263</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**6. GRANTS PAYABLE**

	2024	2023
	£	£
General		
	<u>448,093</u>	<u>629,385</u>

Grants payable include the following:

	2024	2023
	£	£
Active Humber Ltd	-	5,000
Autism Plus	-	5,000
Age UK Hull	5,000	-
Andrew McNicholl Ballet Collective	-	10,000
ARCADE Arts Ltd	-	9,509
Bameen CIC	9,450	4,980
Beverley Cherry Tree Community Centre	-	20,000
Blackburn Sports & Social Community	-	5,852
Boothferry Road Community Project	-	16,850
Bora Shabaa Refugee Community Organisation	4,797	6,542
Bridlington Quay CIC	-	4,980
Bringing Us Together	-	10,000
Care Plus Group Charitable Trust	-	5,000
Carers Plus Yorkshire	-	5,100
Carers Support Centre	5,000	-
CASE Training Services	4,240	5,000
City Healthcare Partnership CIC	-	77,459
City of Hull Sport and Community Group CIC	11,228	-
Closer Communities	-	4,880
Community First Yorkshire	48,000	-
Community Vision	5,000	-
Concrete Youth	4,980	-
Cloverleaf Advocacy 2000 Ltd	-	5,000
Environmental & Management Solutions Limited	33,000	-
FiND	-	4,620
Foresight North East LTD	-	4,996
Fitmums & Friends	8,000	-
Goodwin Development Trust	19,792	-
Groundwork Yorkshire	4,820	13,500
Grants Under £3,000	96,476	114,185
Hornsea Nursery School	-	10,000
Howden Pre-School	-	5,000
Home Start Goole	5,000	-
Hull 4 Heroes	-	3,000
Hull Afro Caribbean Association (HACA)	11,680	9,000
Hull and East Riding CAB	-	14,251

Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2024

6. GRANTS PAYABLE - continued

Hull and East Yorkshire Children's University	-	5,000
Hull City Council (Creative Voice)	-	4,000
Hull Dance CIC	5,480	-
Hull Parent Carer Forum	-	4,998
Hull Red CIC	4,920	4,690
Humber Job Hub	-	4,736
Humber NHS Foundation Trust	-	5,000
KIDS Yorkshire	7,500	-
Inspire School Dance and Drama	-	4,549
JoinedUp Dance Company	-	4,619
Mama T's Dance House CIC	15,000	-
M.A.S.H	-	10,000
Matthew's Enterprise	33,000	-
MHA Communities, Hull & East Riding	-	5,000
Mires Beck Nursery	-	10,020
Movement 2 Music	-	4,920
Middle Child Theatre	6,500	-
Moorlands Charity	-	13,125
Movement2Music	9,920	4,920
Northern Academy of Performing Arts	5,000	4,380
North Lincolnshire Parent Carer Forum	5,000	-
North Lincolnshire Council	-	4,866
North Yorkshire Council	-	25,527
Not Pants CIC	9,995	-
Pocklington Rugby in the Community	-	5,000
Police and Crime Commissioner for Humberside	10,000	-
REEL Creative	5,000	-
Run with it	-	5,000
Sailors Children's Society	-	5,000
She Productions	-	4,560
Solidarity Hull	15,634	9,000
Space2BHeard	-	5,000
Starlight Arts	-	5,000
Talking About Loss	-	4,850
The Downright Special Network	-	6,580
The Faraway CIC	-	5,000
The Green Team	-	18,197
The Herd Theatre	-	10,000
The Hinge Centre	-	13,852
The Lookout	-	5,000
The Peel Project CIC	-	4,855
Thunk-it Theatre	-	4,650
Tigers Trust	4,480	-
Welcome House Hull	14,499	5,125
Wolfpack Theatre	4,475	4,475
York St John	14,867	10,000
Young Playwrights	-	3,107
	<u>448,093</u>	<u>629,385</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
General	<u>949,929</u>	<u>5,021</u>	<u>27,619</u>
	Other £	Governance costs £	Totals £
General	<u>46,171</u>	<u>21,315</u>	<u>1,050,055</u>

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Auditors' remuneration	12,660	7,900
Depreciation - owned assets	3,685	3,738
Development costs amortisation	<u>5,249</u>	<u>5,249</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**10. STAFF COSTS**

	2024 £	2023 £
Wages and salaries	752,405	836,764
Social security costs	62,285	68,519
Other pension costs	<u>17,301</u>	<u>18,436</u>
	<u>831,991</u>	<u>923,719</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employed Staff	<u>29</u>	<u>33</u>

Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2024

10. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The total employee benefits of the key management personnel of the group were £280,710 (2023 - £285,245).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

As restated

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	270,342	292,658	563,000
<b>Charitable activities</b>			
General	452,245	616,349	1,068,594
Investment income	<u>1,050</u>	<u>74,914</u>	<u>75,964</u>
<b>Total</b>	<u>723,637</u>	<u>983,921</u>	<u>1,707,558</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
General	<u>1,002,007</u>	<u>1,238,324</u>	<u>2,240,331</u>
Net gains on investments	<u>54,820</u>	<u>-</u>	<u>54,820</u>
<b>NET INCOME/(EXPENDITURE)</b>	(223,550)	(254,403)	(477,953)
<b>Transfers between funds</b>	<u>119,925</u>	<u>(119,925)</u>	<u>-</u>
<b>Net movement in funds</b>	(103,625)	(374,328)	(477,953)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>1,071,042</u>	<u>3,019,959</u>	<u>4,091,001</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>967,417</u></u>	<u><u>2,645,631</u></u>	<u><u>3,613,048</u></u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**12. GIFTS IN KIND**

Throughout the year the charity received goods and services which were donated. These include:

	2024 £	2023 £
Office Rental - Gosschalks	75,000	75,000
IT Services - The One Point	-	100
Events	14,664	15,202
Equipment - KCOM	-	1,450
Equipment	-	615
	<u>89,664</u>	<u>92,367</u>

**13. INTANGIBLE FIXED ASSETS**

	Goodwill £	Development costs £	Totals £
<b>GROUP</b>			
<b>COST</b>			
At 1 January 2024 and 31 December 2024	<u>2,857</u>	<u>26,245</u>	<u>29,102</u>
<b>AMORTISATION</b>			
At 1 January 2024	2,857	20,996	23,853
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2024	<u>2,857</u>	<u>26,245</u>	<u>29,102</u>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2023	<u>-</u>	<u>5,249</u>	<u>5,249</u>
<b>CHARITY</b>			
<b>COST</b>			
At 1 January 2024 and 31 December 2024	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2024	2,857	20,996	23,853
Charge for year	<u>-</u>	<u>5,250</u>	<u>5,250</u>
At 31 December 2024	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2023	<u>-</u>	<u>5,250</u>	<u>5,250</u>

Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2024

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>GROUP</b>				
<b>COST OR VALUATION</b>				
At 1 January 2024	2,117,000	6,998	28,985	2,152,983
Additions	-	360	249	609
Disposals	-	-	(2,063)	(2,063)
At 31 December 2024	<u>2,117,000</u>	<u>7,358</u>	<u>27,171</u>	<u>2,151,529</u>
<b>DEPRECIATION</b>				
At 1 January 2024	-	2,089	23,435	25,524
Charge for year	-	1,248	2,437	3,685
At 31 December 2024	-	<u>3,337</u>	<u>25,872</u>	<u>29,209</u>
<b>NET BOOK VALUE</b>				
At 31 December 2024	<u>2,117,000</u>	<u>4,021</u>	<u>1,299</u>	<u>2,122,320</u>
At 31 December 2023	<u>2,117,000</u>	<u>4,909</u>	<u>5,550</u>	<u>2,127,459</u>

Cost or valuation at 31 December 2024 is represented by:

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2018	1,283,963	-	-	1,283,963
Valuation in 2022	827,000	-	-	827,000
Cost	<u>6,037</u>	<u>7,358</u>	<u>27,171</u>	<u>40,566</u>
	<u>2,117,000</u>	<u>7,358</u>	<u>27,171</u>	<u>2,151,529</u>

Freehold land and buildings were valued on an open market basis on 3 November 2022 by Garness Jones.

**Notes to the Financial Statements - continued**  
for the year ended 31 December 2024

**14. TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>CHARITY</b>			
<b>COST</b>			
At 1 January 2024	6,998	27,700	34,698
Additions	360	249	609
Disposals	<u>-</u>	<u>(2,063)</u>	<u>(2,063)</u>
At 31 December 2024	<u>7,358</u>	<u>25,886</u>	<u>33,244</u>
<b>DEPRECIATION</b>			
At 1 January 2024	2,089	22,186	24,275
Charge for year	<u>1,217</u>	<u>2,431</u>	<u>3,648</u>
At 31 December 2024	<u>3,306</u>	<u>24,617</u>	<u>27,923</u>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<u>4,052</u>	<u>1,269</u>	<u>5,321</u>
At 31 December 2023	<u>4,909</u>	<u>5,514</u>	<u>10,423</u>

**15. FIXED ASSET INVESTMENTS**

	Listed investments £	Cash and settlements pending £	Totals £
<b>GROUP AND CHARITY</b>			
<b>MARKET VALUE</b>			
At 1 January 2024	953,740	18,732	972,472
Additions	413,651	(413,651)	-
Disposals	(574,356)	574,356	-
Withdrawals		(161,000)	(161,000)
Management fees		(5,027)	(5,027)
Income retained in investment portfolio		4,520	4,520
Revaluations	<u>56,882</u>	<u>-</u>	<u>56,882</u>
At 31 December 2024	<u>849,917</u>	<u>17,930</u>	<u>867,847</u>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<u>849,917</u>	<u>17,930</u>	<u>867,847</u>
At 31 December 2023	<u>953,740</u>	<u>18,732</u>	<u>972,472</u>

There were no investment assets outside the UK. Historical cost of investments being £758,943.

In addition to the above the charity holds shares in subsidiaries costing £100. Shares in group undertakings as at the Balance Sheet date represent the Charity's investment in HEY Smile Events Limited. Below are details of

subsidiaries, where control has been established through investment in share capital or by other means:

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**15. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

**JB Willows Working Men's Cottages**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Charity

	2024	2023
	£	£
Aggregate capital and reserves	2,163,771	2,156,788
Profit for the year	<u>6,983</u>	<u>1,579</u>

**HEY SMile Events Limited**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Dormant Company

	%		2024	2023
	holding		£	£
Class of share:				
Ordinary	100			
Aggregate capital and reserves			100	100

**Hull Youth Support Trust**

Registered office: 161 Unit 5, High Street, Hull East Yorkshire, HU1 1NQ

Nature of business: Charity

	2024	2023
	£	£
Aggregate capital and reserves	(8,326)	(5,829)
Loss for the year	<u>(2,497)</u>	<u>(22,578)</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
<b>GROUP</b>		
Trade debtors	76,293	64,743
Other debtors	12,547	12,547
Prepayments and accrued income	<u>3,464</u>	<u>3,397</u>
	<u>92,304</u>	<u>80,687</u>
	2024	2023
	£	£
<b>CHARITY</b>		
Trade debtors	96,702	75,396
Other debtors	7,202	7,202
Prepayments and accrued income	<u>1,936</u>	<u>913</u>
	<u>105,840</u>	<u>83,511</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2024	2023
	£	£
<b>GROUP</b>		
Bank loans and overdrafts (see note 19)	11,274	11,274
Trade creditors	33,070	49,354
Social security and other taxes	15,488	19,973
Other creditors	3,893	4,939
Accruals and deferred income	<u>68,802</u>	<u>19,714</u>
	<u>132,527</u>	<u>105,254</u>
	2024	2023
	£	£
<b>CHARITY</b>		
Bank loans and overdrafts (see note 18)	11,274	11,274
Trade creditors	17,941	43,421
Social security and other taxes	15,488	19,973
Other creditors	3,893	4,939
Accruals and deferred income	<u>66,102</u>	<u>17,914</u>
	<u>114,698</u>	<u>97,521</u>
<b>18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	2024	2023
	£	£
Bank loans (see note 19)	<u>4,696</u>	<u>15,968</u>
<b>19. LOANS</b>		
An analysis of the maturity of loans is given below:		
	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>11,274</u>	<u>11,274</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>4,696</u>	<u>11,274</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>4,694</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS**

**GROUP**

	At 1/1/24 As restated £	Net movement in funds £	Transfers between funds £	At 31/12/24 £
<b>Unrestricted funds</b>				
General fund	48,123	15,373	24,215	87,711
I AM Fund	821,022	(17,673)	-	803,349
NHS - Designated	-	(14,467)	29,293	14,826
ICB - Designated	68,836	(30,447)	(20,900)	17,489
ERYC - Designated	7,669	50,899	(30,000)	28,568
Smile Group - Designated	<u>1,312</u>	<u>2,335</u>	<u>10,000</u>	<u>13,647</u>
	946,962	6,020	12,608	965,590
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	2,156,788	6,983	-	2,163,771
Hull Youth Support Trust	-	(2,497)	2,497	-
Others	34,799	15,885	-	50,684
Spark	3,937	(3,937)	-	-
East Riding of Yorkshire Council	126,431	(2,921)	-	123,510
NHS	148,675	(90,948)	-	57,727
Grant Management	161,577	68,469	(15,105)	214,941
Growing Green and Blue Health	20,457	25,023	-	45,480
ICB	<u>13,422</u>	<u>6,965</u>	<u>-</u>	<u>20,387</u>
	<u>2,666,086</u>	<u>23,022</u>	<u>(12,608)</u>	<u>2,676,500</u>
<b>TOTAL FUNDS</b>	<u><u>3,613,048</u></u>	<u><u>29,042</u></u>	<u><u>-</u></u>	<u><u>3,642,090</u></u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**GROUP**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	530,393	(515,020)	-	15,373
I AM Fund	-	(74,049)	56,376	(17,673)
NHS - Designated	83,899	(98,366)	-	(14,467)
ICB - Designated	50,406	(80,853)	-	(30,447)
ERYC - Designated	185,004	(134,105)	-	50,899
Smile Group - Designated	<u>36,307</u>	<u>(33,972)</u>	<u>-</u>	<u>2,335</u>
	886,009	(936,365)	56,376	6,020
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	56,728	(49,745)	-	6,983
Hull Youth Support Trust	195	(2,692)	-	(2,497)
Others	344,179	(328,294)	-	15,885
Spark	-	(3,937)	-	(3,937)
East Riding of Yorkshire Council	152,920	(155,841)	-	(2,921)
NHS	-	(90,948)	-	(90,948)
The Health Tree	931	(931)	-	-
Grant Management	205,587	(137,118)	-	68,469
Growing Green and Blue Health	90,915	(65,892)	-	25,023
ICB	<u>142,465</u>	<u>(135,500)</u>	<u>-</u>	<u>6,965</u>
	<u>993,920</u>	<u>(970,898)</u>	<u>-</u>	<u>23,022</u>
<b>TOTAL FUNDS</b>	<u><u>1,879,929</u></u>	<u><u>(1,907,263)</u></u>	<u><u>56,376</u></u>	<u><u>29,042</u></u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**GROUP**

Comparatives for movement in funds

	At 1/1/23	Net movement in funds	Transfers between funds	At 31/12/23 As restated
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	234,260	(207,788)	21,651	48,123
I AM Fund	836,782	(15,760)	-	821,022
ICB - Designated	-	-	68,836	68,836
ERYC - Designated	-	-	7,669	7,669
Smile Group - Designated	-	-	1,312	1,312
	<u>1,071,042</u>	<u>(223,548)</u>	<u>99,468</u>	<u>946,962</u>
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	2,155,209	1,579	-	2,156,788
Hull Youth Support Trust	16,749	(22,578)	5,829	-
Others	150,946	(114,835)	(1,312)	34,799
Spark	9,186	(5,249)	-	3,937
East Riding of Yorkshire Council	75,725	58,375	(7,669)	126,431
NHS	475,396	(326,721)	-	148,675
The Health Tree	-	27,480	(27,480)	-
Grant Management	101,748	59,829	-	161,577
Growing Green and Blue Health	-	20,457	-	20,457
ICB	<u>35,000</u>	<u>47,258</u>	<u>(68,836)</u>	<u>13,422</u>
	<u>3,019,959</u>	<u>(254,405)</u>	<u>(99,468)</u>	<u>2,666,086</u>
<b>TOTAL FUNDS</b>	<u>4,091,001</u>	<u>(477,953)</u>	<u>-</u>	<u>3,613,048</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**GROUP**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	723,637	(931,425)	-	(207,788)
I AM Fund	<u>-</u>	<u>(70,580)</u>	<u>54,820</u>	<u>(15,760)</u>
	723,637	(1,002,005)	54,820	(223,548)
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	28,726	(27,147)	-	1,579
Hull Youth Support Trust	11,000	(33,578)	-	(22,578)
Others	49,568	(164,403)	-	(114,835)
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	355,587	(297,212)	-	58,375
NHS	68,018	(394,739)	-	(326,721)
The Health Tree	27,491	(11)	-	27,480
Grant Management	212,630	(152,801)	-	59,829
Growing Green and Blue Health	59,079	(38,622)	-	20,457
ICB	<u>171,822</u>	<u>(124,564)</u>	<u>-</u>	<u>47,258</u>
	<u>983,921</u>	<u>(1,238,326)</u>	<u>-</u>	<u>(254,405)</u>
<b>TOTAL FUNDS</b>	<u>1,707,558</u>	<u>(2,240,331)</u>	<u>54,820</u>	<u>(477,953)</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**CHARITY**

	At 1/1/24 As rested £	Net movement in funds £	Transfers between funds £	At 31/12/24 £
<b>Unrestricted funds</b>				
General fund	54,053	15,374	26,712	96,139
I AM Fund	821,022	(17,673)	-	803,349
ICB - Designated	68,836	(30,447)	(20,900)	17,489
ERYC - Designated	7,669	50,899	(30,000)	28,568
Smile Group - Designated	1,312	2,335	10,000	13,647
NHS - Designated	-	(14,467)	29,293	14,826
	<u>952,892</u>	<u>6,020</u>	<u>15,105</u>	<u>974,018</u>
<b>Restricted funds</b>				
Restricted	34,799	15,885	-	50,684
Spark	3,937	(3,937)	-	-
East Riding of Yorkshire Council	126,431	(2,921)	-	123,510
NHS	148,675	(90,947)	-	57,728
Grant Management	161,577	68,469	(15,105)	214,941
Growing Green and Blue Health	20,457	25,023	-	45,480
ICB	13,422	6,965	-	20,387
	<u>509,298</u>	<u>18,537</u>	<u>(15,105)</u>	<u>512,730</u>
<b>TOTAL FUNDS</b>	<u>1,462,190</u>	<u>24,558</u>	<u>-</u>	<u>1,486,748</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**CHARITY**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	530,394	(515,020)	-	15,374
I AM Fund	-	(74,049)	56,376	(17,673)
ICB - Designated	50,406	(80,853)	-	(30,447)
ERYC - Designated	185,004	(134,105)	-	50,899
Smile Group - Designated	36,307	(33,972)	-	2,335
NHS - Designated	83,899	(98,366)	-	(14,467)
	886,010	(936,365)	56,376	6,020
<b>Restricted funds</b>				
Restricted	344,179	(328,294)	-	15,885
Spark	-	(3,937)	-	(3,937)
East Riding of Yorkshire Council	152,920	(155,841)	-	(2,921)
NHS	1	(90,948)	-	(90,947)
The Health Tree	931	(931)	-	-
Grant Management	205,587	(137,118)	-	68,469
Growing Green and Blue Health	90,915	(65,892)	-	25,023
ICB	142,465	(135,500)	-	6,965
	936,998	(918,461)	-	18,537
<b>TOTAL FUNDS</b>	<u>1,823,008</u>	<u>(1,854,826)</u>	<u>56,376</u>	<u>24,558</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2024

20. **MOVEMENT IN FUNDS - continued**

**CHARITY**

Comparatives for movement in funds

	At 1/1/23	Net movement in funds	Transfers between funds	At 31/12/23 As restated
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	253,323	(207,788)	8,518	54,053
I AM Fund	1,195,436	(15,760)	(358,654)	821,022
ICB - Designated	-	-	68,836	68,836
ERYC - Designated	-	-	7,669	7,669
Smile Group - Designated	-	-	1,312	1,312
	<u>1,448,759</u>	<u>(223,548)</u>	<u>(272,319)</u>	<u>952,892</u>
<b>Restricted funds</b>				
Restricted	12,643	(114,835)	136,991	34,799
Spark	9,186	(5,249)	-	3,937
East Riding of Yorkshire Council	82,162	58,375	(14,106)	126,431
NHS	336,354	(326,721)	139,042	148,675
The Health Tree	30,040	27,480	(57,520)	-
Grant Management	-	59,829	101,748	161,577
Growing Green and Blue Health	-	20,457	-	20,457
ICB	-	47,258	(33,836)	13,422
	<u>470,385</u>	<u>(233,406)</u>	<u>272,319</u>	<u>509,298</u>
<b>TOTAL FUNDS</b>	<u>1,919,144</u>	<u>(456,954)</u>	<u>-</u>	<u>1,462,190</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2024

**20. MOVEMENT IN FUNDS - continued**

**CHARITY**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	723,637	(931,425)	-	(207,788)
I AM Fund	-	(70,580)	54,820	(15,760)
	723,637	(1,002,005)	54,820	(223,548)
<b>Restricted funds</b>				
Restricted	49,568	(164,403)	-	(114,835)
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	355,587	(297,212)	-	58,375
NHS	68,018	(394,739)	-	(326,721)
The Health Tree	27,491	(11)	-	27,480
Grant Management	212,630	(152,801)	-	59,829
Growing Green and Blue Health	59,079	(38,622)	-	20,457
ICB	171,822	(124,564)	-	47,258
	944,195	(1,177,601)	-	(233,406)
<b>TOTAL FUNDS</b>	<u>1,667,832</u>	<u>(2,179,606)</u>	<u>54,820</u>	<u>(456,954)</u>

## Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2024

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### 20. MOVEMENT IN FUNDS - continued

#### Designated funds

I AM Fund - This represents the legacy received from the estate of the late Audrey Mosley. The legacy will be used, for the next 2 years at least, to develop performing arts in the area and as such has been designated by the trustees.

Income and expenditure arising from ERYC, NHS, ICB, Growing Green and Blue Health and other HEY Smile Group projects have historically been shown as restricted funds. On review, the is contract income relating to the provision of a service and therefore not subject to any restriction, however the trustees have designated the income on each contract to a separate fund. The funds have, therefore, now been recognised within designated funds rather than restricted funds.

#### Restricted funds

JB Willows Working Men's Cottages - This is a group of 18 properties within the boundaries of Hull within a micro community themselves surrounded by greenery, whilst still benefitting from excellent community provisions and easy access to transportation links into the City centre and beyond. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Hull Youth Support Trust - This project aims to help young economically disadvantaged people become financially independent, by getting started in business by providing affordable business units and access to advice and support. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Spark - This represents a grant received to cover some of the costs of 'The Beecan' development.

Others - This represents other funds held for restricted purposes, which are immaterial to be presented separately.

East Riding of Yorkshire Council - This represents funds received from the council to deliver various projects throughout the county.

NHS - This represents funds received from the NHS for delivering projects such as green social prescribing.

The Health Tree - This represents funds received to distribute to local worthy causes meeting the prescribed criteria.

HEY Smile was given authority by the original donors to transfer an historic donation amount from the STA15, part of the grant management restricted funds, to HEY Smile Digital, which is a designated fund.

### 21. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined pension contribution scheme for its employees. The pension cost charges represent contributions payable by the company and amounted to £17,301 (2023: £18,436). Contributions outstanding at 31 December 2024 were £3,793 (2023: £4,839)

### 22. RELATED PARTY DISCLOSURES

Grants totalling £1,800 were paid to Pocklington Rugby in the Community (2023 - £5,600), a charity of which Andrew Bowden is a trustee. £14,652 was paid to The One Point Limited for IT services (2023 - £38,497), a company who is related via the CEO's partner who is the CSO and a shareholder. Income of £25,044 was received from Help for Health (2023 - £nil), a charity of which Andrew Milner is a trustee. City of Hull Street Angels, a charity the CEO is a trustee of, purchased various items totalling £699 (2023 - £nil).

There were no transactions with the following this year, but in 2023:

- a grant of £10,000 was paid to Hull LGBT+ Community Pride, a charity which Jamie Lewis was a trustee.
- £11,315 was paid to Shared Agenda Solutions Ltd to conduct a feasibility study, a company which Timothy Wigglesworth is a Director of.
- Purchases of £181 were made on the behalf of Help for Health, a charity of which Andrew Milner is a trustee.

**HEY SMILE FOUNDATION**

England & Wales - Charity number 1125856

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# Accounts

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**REGISTERED COMPANY NUMBER: 06455490 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1125856**

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**Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2023  
for  
HEY Smile Foundation**

**Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA**



**HEY Smile Foundation**

**Contents of the Financial Statements**

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for the year ended 31 December 2023

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**HEY Smile Foundation**

**Reference and Administrative Details**

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for the year ended 31 December 2023

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**TRUSTEES**

Mr A J Bowden  
Mr G C Cross  
Ms P M Dalby  
Dr A Milner  
Mrs C S Phillips  
Mr D Ranawake  
Mr M W Sadofsky (resigned 28/4/2023)  
Mr T J Wigglesworth  
Ms C Sykes (appointed 14/12/2023)  
Mr K Ross (appointed 14/12/2023)

**REGISTERED OFFICE**

Goschalks Dock Street  
Queens Gardens  
Hull  
East Yorkshire  
HU1 3AE

**REGISTERED COMPANY  
NUMBER**

06455490 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1125856

**AUDITORS**

Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**SOLICITORS**

Goschalks  
Queens Gardens  
Hull  
East Yorkshire  
HU1 3AE

**BANKERS**

Santander  
6-8 King Edward Street  
Hull  
East Yorkshire  
HU1 3AE

## HEY Smile Foundation

### Report of the Trustees

for the year ended 31 December 2023

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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).

#### Chair

The momentum and energy of 2022 followed into 2023 with growing existing projects and creating new ones, such as: the Crown Building in Bridlington - celebrating its first birthday in June 2023; the Green Social Prescribing Programme which has gained national recognition in transforming lives through connecting people with nature to improve mental health and well-being; partnering with KCOM to create the KCOM Foundation which is aimed at providing grants to connect communities and boost digital inclusion across the region; and, of course, the Smile Ball in November 2023 supported by various local businesses and raising over £20,000. We are also proud to have launched the VCSE Collaborative in March 2023 enabling leaders from across the charity sector to have a voice in shaping public sector commissioning and funding decisions.

Smile is also a trusted partner for generous donors who want to support their local communities and want to be sure that their generosity is reaching those most in need. We have worked hard this year to respond to what our supporters told us and our renewed Smile 365+ programme for businesses was launched to be able to support charities across our region.

A highlight of the year was the Time to Volunteer Awards in October 2023 with our partners Hull CVS, Hull City Council and East Riding of Yorkshire Council. Being able to recognise and celebrate the incredible generosity of time and commitment by so many volunteers was a great honour.

There have also been some changes to the trustee board over this last year as we said goodbye to Melvyn Sadofsky, a tremendous supporter of Smile, who we thank for his invaluable contribution over 15 years. We also welcomed two new trustees to our Board, Catherine Sykes and Kenneth Ross, who both bring their excellent skills and experience to strengthen our Board.

The mission of the HEY Smile Foundation is clear - as an infrastructure charity leading community voice and insight, we provide unwavering support to charities and community groups. We equip local charities, volunteer organisations and community groups with the tools and confidence to be resilient helping them not only to survive... but to thrive, especially in the face of some of the most difficult societal circumstances we have seen for a long time.

Running a charity is not easy. Good intentions, humanity, commitment, and hard work are only the start. Having the right governance, policies, checks and balances, and especially support, in place is critical to a charity being able to fulfil its compassionate intentions.

At Smile, we turn need into action, listening intently to local and often unheard voices, identifying common problems, bridging gaps, and finding shared solutions that benefit many. We empower charitable organisations to bring their good intentions to life.

Our work isn't always seen but it's crucial. So, we roll our sleeves up, we get stuck in and by working all together, we make a difference....

Trish Dalby - Chair

#### Chief Executive

Bold, brave, honest, and daring are the words I would use in how we approached 2023. This year has been a particularly challenging year for the Voluntary and Community sector, and I believe we approached this with intent and purpose.

## HEY Smile Foundation

### Report of the Trustees

for the year ended 31 December 2023

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As a new CEO to the HEY Foundation, I had a difficult decision to make regarding what to focus on first. Should I strengthen our foundations so we can weather any storm or look to expand and further our reach. I chose to strengthen our foundations, and this meant asking difficult questions around our purpose and our resources.

We decided to close out a couple of projects which certainly held sentimental value to the Smile Foundation such as the 101 Greenwood Avenue Community Hub. This at one point was a thriving beacon of community and brought charities together but after the pandemic and then straight into a cost-of-living crisis, its need dwindled, leading us to take the decision to say goodbye to the building.

This year we also made a tough decision around the lease on 161 High Street, which homed our sister charity Hull Youth Support Trust (HYST). This was due to circumstances unexpectedly changing with one of our donors which then impacted on our ability to buy and renovate the building. This project was a difficult one to step away from, due to the huge potential it could have had across the Hull region, but funding is very difficult to secure for such large capital projects.

Reflecting on those projects we couldn't sustain gave us real drive to ensure that those projects we ventured into became a real success. Celebrating the Crown building's first birthday was a monumental moment. This signified a joint commitment from local community groups, health partners from the PCN and the ICB along with the local authority. While still in its early days, this project is already showing real progress in changing health outcomes for the people of Bridlington.

We also celebrated the creation of the VCSE collaborative which I have the honour of chairing. This gives the sector a chance to have a strategic voice across our system partners. I'm particularly proud that this collaborative allows groups which usually don't have a voice to influence and shape local strategy.

Building on my predecessor's passion to ensure we continue to have fun in everything we do. I too want to keep that sparkle, flare, and excitement in supporting your local charity. To do this we have increased our events throughout the year, created further collaborations with corporate partners and charities whilst still having fun.

As Smile looks forward to the future, we see opportunity and the ability to position ourselves to really elevate the sector. To do this and keep us focused we are currently developing our 5-year strategy -engaging with staff, partners, and trustees in its creation. We want to be bold, brave, honest and daring in our future plans.

My first year has been an interesting journey and I am extremely proud of the team here at the HEY Smile Foundation. Their passion, dedication, and energy is unwavering. I am also grateful to our wonderful trustees who bring wisdom and insight to the charity, I thank them for their equal amounts of challenge and support. I know that I'm a lucky and privileged CEO.

Jamie Lewis

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The trustee's review Smile's activity against the Charity Commission guidelines on public benefit. Also, they review the effectiveness of its ongoing activity and regularly assess the current needs of the community it serves across Hull and East Yorkshire. The trustees recognise the continued need to maximise the potential of existing resources with the private, public and voluntary sector, ensuring they go further, work harder and last longer.

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## Report of the Trustees

for the year ended 31 December 2023

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### OBJECTIVES AND ACTIVITIES

#### Significant activities

- Taking on the role of lead provider on one of seven test and learn Green Social Prescribing projects in partnership with the Humber Coast and Vale Health and Care Partnership through funding from The Department for Education, Food and Rural Affairs, Department of Health and Social Care, NHS England and NHS Improvement and Natural England.
- Developing the Time2Volunteer digital platform, supported by a network of public, private and VCSE partners and building on the huge volunteer movement which was vital during covid.
- Transforming the Bridlington Crown Building into a collaborative community centre focussed on supporting residents through Covid recovery and the ongoing cost of living crisis.
- Continuing to support the VCSE sector in East Riding of Yorkshire, providing them with the tools to grow and develop.
- Continuing to invest charitable funds into our NHS through our contracted charities Health Tree Foundation and Health Stars.
- Preparing the way for the future growth and development of Hull Youth Support Trust through building feasibility works.
- Through support from the National Lottery Community Fund, HEY Smile Foundation is delivering their Growing Green and Blue Health project. This project continues work in the region to support the development and upskilling of Green and Blue Health opportunities and better connect the health and care sector with community-based outdoor and in-nature activity. The project is working closely with the Humber and North Yorkshire VCSE Collaborative's leadership to support VCSE groups running outdoor and in-nature activities to develop their offer and skills with regards to health and wellbeing outcomes.

#### Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

#### Grant-making

In 2023 we have made grants that meet our objectives in partnership with many local funders. These grants have covered the following areas.

- Health and Wellbeing
- Loneliness and isolation
- Cost of Living
- Education
- Sport and physical activity
- Leadership and resilience
- The Arts
- NHS enhancements to facilities

Our grants are generally linked to planned activity for the year however 2023 again saw us working across the public and private sector as well as grant makers and philanthropists to ensure funds were directed to where they were needed.

Our thanks go out to a great number of partners this year including: Gosschalks Solicitors, East Riding of Yorkshire Council, Humber Teaching NHS Foundation Trust, East Riding of Yorkshire CCG, Hull CCG, Humber & North Yorkshire Health and Care Partnership, Help for Health, KCOM, Sargent Electrical, Nippon Gohsei, The One Point and Arco Community Foundation

As well as our recorded activities, we have facilitated the generation of over £900,000 of charitable income and expended £1 million for NHS enhancements, particularly at Northern Lincolnshire and Goole NHS Foundation Trust, as well as Humber Teaching NHS Foundation Trust.

Our grant making continues to grow with the trust of partners to maximise the Smile expertise in delivery. We do not take this for granted and continue to look to improve our services, in particular the Beecan system [www.beecan.org.uk](http://www.beecan.org.uk) to enable greater funder collaboration and community impact.

## HEY Smile Foundation

### Report of the Trustees

for the year ended 31 December 2023

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#### OBJECTIVES AND ACTIVITIES

##### Volunteers

We are delighted to be a charity of choice for a wide range of volunteers. In the year the areas in which volunteers contributed included;

- Trustees
- Trustee academy
- Research and administration
- Corporate volunteering in the community
- Professional services help

Volunteers from across the region were recognised in our annual Volunteer Awards ceremony.

#### STRATEGIC REPORT

##### Financial Performance

The Charity's financial results reflect the significant changes implemented in the year to strengthen our foundations whilst continuing to support our beneficiaries.

Total income of £1,708k was received in 2023 (2022: £2,386k), the reduction being attributed to lower donations received from grant providers and the completion of commissioned contracts and activity. The charity incurred a total expenditure of £2,240k (2022: £2,358k), resulting in a deficit before gains and losses on investments of £533k (2022: £28k surplus).

The operational deficit of £533k was anticipated and planned for, due in large part to the completion of commissioned contracts (£361k). Despite a fall in our income levels, we felt it right for the charity to continue the policy of grant giving from historic reserves. £629k of grants were made in the current year (2022: £670k), £575k of which was given out of existing restricted reserves.

At the 31 December 2023 the charity held unrestricted reserves of £869k (2022: £1,071k) and restricted reserves of £2,744k (2022: £3,020k).

##### Reserves policy

The trustees set the reserves policy in line with national best practice and look for 6-9 months running costs. The trustees ask the CEO to highlight if reserves drop below the six-month position via the finance committee, and equally, seek to ensure that our free reserves do not surpass nine months unless planned for a specific reason. It is our collective belief that we are in operation to ensure that funds are invested in the community as effectively as possible.

##### Designated funds

In the year we held designated funds for partners, in 2023 these included:

- The I Am Fund

##### Restricted Funds

Wherever possible, we try to limit the number of restricted funds held, aiming to receive funds in un-restricted or designated to ensure funds can be maximised efficiently and effectively for the community. Within 2023 we held restricted funds for the following:

- JB Willows Working Men's Cottages
- Hull Youth Support Trust
- Spark
- East Riding of Yorkshire Council
- NHS
- The Health Tree
- Growing Geen and Blue Health
- ICB

## HEY Smile Foundation

### Report of the Trustees

for the year ended 31 December 2023

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#### STRATEGIC REPORT

##### Future plans

Key objectives for 2024:

- Development of a five-year strategy for Smile and its subsidiary charities
- Further enhancements to our senior leadership team with a particular focus on business development and strategy
- Renewed focus on partnerships and development including the introduction of a refreshed events calendar with the objective of raising funds and engaging corporate partners
- Maintain the Bridlington Crown Community building under an extended lease as a result of demonstratable collective impact
- Expand on our contracted support and guidance for NIIS charities through our Smile Health work

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The HEY Smile Foundation (Smile) is a registered charity (1125856) and a company limited by guarantee (06455490) governed by its memorandum and articles of association adopted in September 2008.

##### Recruitment and appointment of new trustees

The trustees are also the directors and form the management committee. They are elected at the annual general meeting. The committee represents a wide selection of the private and public sector across Hull and East Yorkshire. Trustees are elected following a recruitment process in which we reach out to our extensive network of relationships and formal advertisements.

Our skills matrix supports any positions which become available, and this ensures that when recruiting we are specific in the necessary skills to enhance our current board and help us to fulfil our strategic objectives in line with our constitution.

##### Organisational structure

At any one time in the reported year, the Charity had a minimum of nine directors/trustees. They consisted of:

Dr Andrew Milner  
Mr Melvyn W Sadofsky FCA - Resigned 28 April 2023  
Mr Andrew Bowden  
Mr Graham Cross  
Mrs Catherine Phillips  
Mr Dileepa Ranawake  
Mr Tim Wigglesworth  
Ms Patricia Dalby  
Ms Catherine Sykes – Appointed 14 December 2023  
Mr Kenneth Ross – Appointed 14 December 2023

The trustees meet a minimum of four times a year, with further committee meetings in the following areas:

- Finance, Management and Risk
- People
- Resources incorporating JB Willows & Hull Youth Support Trust
- I Am Fund
- Communications

##### Management of the Charity

The day-to-day management of the Charity is delegated to the CEO and his leadership team which consists of the following.

- Business Manager (Tracy Underwood)
  - Head of Community Development (Nick Middleton)
  - Head of Smile Health (Victoria Winterton)
  - Head of Business Development (Clare Woodard)
  - Head of Partnerships (Tessa Wray)
-

## HEY Smile Foundation

### Report of the Trustees

for the year ended 31 December 2023

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Organisational structure (continued)

The CEO is responsible for delegating the responsibilities of the annual plan and monitoring performance in line with approved budgets, regularly assessing operational risks and opportunities. In the year we worked with our professional advisors Marshall & Co Accountants, Gosschalks Solicitors and Radius Insurance Brokers.

In the reported year, Smile employee numbers varied due to work commissioned peaking at 35 people across all of its services. The majority of the employees are aligned with contracts, all of which are reviewed annually.

##### Induction and training of new trustees

It is the CEO's responsibility to fulfil the formal induction of new Trustees. In addition, the Chair and CEO work together with the Head of Operations to ensure all ongoing training requirement. Each trustee is aligned with key areas of interest and expertise to enable the Charity to thrive.

##### Our People

In 2023, the trustees once again carried out an employee survey to establish key areas of development and investment in our people while supporting the work on our refreshed Vision, Mission and Values. We have also highlighted new areas of investment in our people to ensure we remain an employer of choice in 2024.

##### Risk management

Highlighting operational risks are the responsibility of all employees. Risks in all areas of Smile are regularly collated and monitored by the CEO and Head of Operations, with any changes to the register highlighted to the Finance, Management & Risk Committee. The risk register is in place and formally reviewed by the committee quarterly.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of HEY Smile Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which 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. In preparing the financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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


In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Smailes Goldie Chartered Accountants, will be proposed for re-appointment at the forthcoming AGM.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29 August 2024 and signed on the board's behalf by:

  
Ms P.M. Dalby - Trustee

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# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## **Opinion**

We have audited the financial statements of HEY Smile Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement, Notes to the Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## **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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of HEY Smile Foundation**

---

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **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.

## **Report of the Independent Auditors to the Members of HEY Smile Foundation**

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### **Our responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to 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. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

## **Report of the Independent Auditors to the Members of HEY Smile Foundation**

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### **Use of our report**

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

**Stephen Bramall BSc FCA (Senior Statutory Auditor)**  
for and on behalf of Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

Date: 29th August 2024

HEY Smile Foundation

**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**

for the year ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	270,342	292,658	563,000	857,355
<b>Charitable activities</b>					
General	4	452,245	616,349	1,068,594	1,428,074
Investment income	3	1,050	74,914	75,964	100,486
<b>Total</b>		<u>723,637</u>	<u>983,921</u>	<u>1,707,558</u>	<u>2,385,915</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
General	5	1,002,007	1,238,324	2,240,331	2,357,778
Net gains on investments		54,820	-	54,820	732,313
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	20	(223,550) 21,651	(254,403) (21,651)	(477,953) -	760,450 -
Net movement in funds		(201,889)	(276,054)	(477,953)	760,450
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward – as restated		1,071,042	3,019,959	4,091,001	3,330,551
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>869,143</u>	<u>2,743,905</u>	<u>3,613,048</u>	<u>4,091,001</u>

The notes form part of these financial statements

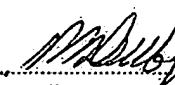
HEY Smile Foundation

**Consolidated Balance Sheet**

31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
<b>FIXED ASSETS</b>					
Intangible assets	13	1,312	3,937	5,249	10,498
Tangible assets	14	10,423	2,117,036	2,127,459	2,129,325
Investments	15	<u>972,472</u>	-	<u>972,472</u>	<u>1,017,652</u>
		984,207	2,120,973	3,105,180	3,157,475
<b>CURRENT ASSETS</b>					
Debtors	16	8,115	72,572	80,687	185,234
Cash at bank and in hand		<u>(25,302)</u>	<u>573,705</u>	<u>548,403</u>	<u>911,175</u>
		(17,187)	646,277	629,090	1,096,409
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(81,907)</u>	<u>(23,347)</u>	<u>(105,254)</u>	<u>(136,370)</u>
<b>NET CURRENT ASSETS</b>					
		<u>(99,094)</u>	<u>622,930</u>	<u>523,836</u>	<u>960,039</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		885,113	2,743,903	3,629,016	4,117,514
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(15,968)</u>	-	<u>(15,968)</u>	<u>(26,513)</u>
<b>NET ASSETS</b>					
		<u>869,145</u>	<u>2,743,903</u>	<u>3,613,048</u>	<u>4,091,001</u>
<b>FUNDS</b>					
Unrestricted funds	20			869,145	1,071,042
Restricted funds				<u>2,743,903</u>	<u>3,019,959</u>
<b>TOTAL FUNDS</b>					
				<u>3,613,048</u>	<u>4,091,001</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29/8/24 and were signed on its behalf by:

  
P M Dalby - Trustee

The notes form part of these financial statements


**HEY Smile Foundation**

**Charity Balance Sheet**

31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
<b>FIXED ASSETS</b>					
Intangible assets	13	1,313	3,937	5,250	10,499
Tangible assets	14	10,423	-	10,423	12,083
Investments	15	<u>972,572</u>	<u>-</u>	<u>972,572</u>	<u>1,017,752</u>
		984,308	3,937	988,245	1,040,334
<b>CURRENT ASSETS</b>					
Debtors	16	8,115	75,396	83,511	206,358
Cash at bank and in hand		<u>(7,973)</u>	<u>511,896</u>	<u>503,923</u>	<u>857,678</u>
		142	587,292	587,434	1,064,036
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(93,407)</u>	<u>(4,114)</u>	<u>(97,521)</u>	<u>(158,713)</u>
<b>NET CURRENT ASSETS</b>					
		<u>(93,265)</u>	<u>583,178</u>	<u>489,913</u>	<u>905,323</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		891,043	587,115	1,478,158	1,945,657
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(15,968)</u>	<u>-</u>	<u>(15,968)</u>	<u>(26,513)</u>
<b>NET ASSETS</b>					
		<u>875,075</u>	<u>587,115</u>	<u>1,462,190</u>	<u>1,919,144</u>
<b>FUNDS</b>					
Unrestricted funds	20			875,075	1,071,143
Restricted funds				<u>587,115</u>	<u>848,001</u>
<b>TOTAL FUNDS</b>					
				<u>1,462,190</u>	<u>1,919,144</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29/8/24 and were signed on its behalf by:

  
P M Dalby - Trustee

The notes form part of these financial statements

**HEY Smile Foundation**

**Consolidated Cash Flow Statement**  
for the year ended 31 December 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(449,843)	184,942
Interest paid		<u>(1,562)</u>	<u>(1,191)</u>
Net cash (used in)/provided by operating activities		<u>(451,405)</u>	<u>183,751</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,872)	(14,453)
Purchase of fixed asset investments		(101,136)	(9,880)
Sale of fixed asset investments		201,136	9,879
Interest received		<u>1,050</u>	<u>915</u>
Net cash provided by/(used in) investing activities		<u>99,178</u>	<u>(13,539)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(10,545)</u>	<u>(11,273)</u>
Net cash used in financing activities		<u>(10,545)</u>	<u>(11,273)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		<u>911,175</u>	<u>752,236</u>
Cash and cash equivalents at the end of the reporting period		<u>548,403</u>	<u>911,175</u>

The notes form part of these financial statements

HEY Smile Foundation

**Notes to the Consolidated Cash Flow Statement**

for the year ended 31 December 2023

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(477,953)	760,450
<b>Adjustments for:</b>		
Depreciation charges	8,987	9,854
Gain on investments	(54,820)	(732,313)
Interest received	(1,050)	(915)
Interest paid	1,562	1,191
Decrease in debtors	104,547	81,026
(Decrease)/increase in creditors	<u>(31,116)</u>	<u>65,649</u>
<b>Net cash (used in)/provided by operations</b>	<u>(449,843)</u>	<u>184,942</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/23	Cash flow	At 31/12/23
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>911,175</u>	<u>(362,772)</u>	<u>548,403</u>
	<u>911,175</u>	<u>(362,772)</u>	<u>548,403</u>
<b>Debt</b>			
Debts falling due within 1 year	(11,274)	-	(11,274)
Debts falling due after 1 year	<u>(26,513)</u>	<u>10,545</u>	<u>(15,968)</u>
	<u>(37,787)</u>	<u>10,545</u>	<u>(27,242)</u>
<b>Total</b>	<u>873,388</u>	<u>(352,227)</u>	<u>521,161</u>

The notes form part of these financial statements

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## Notes to the Consolidated Financial Statements

for the year ended 31 December 2023

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### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **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 cost 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.

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.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 20% on cost
Computer equipment	- 25% on cost

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are those unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

Further explanation of the nature and purpose of each fund is included in the Notes to the Consolidated Financial Statements.

## HEY Smile Foundation

### Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2023

#### 1. ACCOUNTING POLICIES - continued

##### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### 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 the profit and loss account in other administration expenses.

##### Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and original cost or annual revaluation of the investments are shown as unrealised investment gains and losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

The 100% shareholding in the subsidiary is stated at cost.

##### Impairment

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

##### Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings on a line by line basis using the acquisition method. A separate Statement of Financial Activities for the charity has not been presented as permitted by the exemption afforded by section 408 of the Companies Act 2006.

#### 2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Gifts	92,366	95,947
Donations	17,200	18,105
Gift aid	7	2,367
Grants	151,036	323,158
Admissions	9,776	3,178
Trusts and grants	<u>292,615</u>	<u>414,600</u>
	<u>563,000</u>	<u>857,355</u>

Charitable events and sponsorship are the major funding source for Smile to develop and deliver Smile Foundations activities and objectives. In addition to raising funds Smile events also provide the opportunity to create more awareness of Smile and its programmes and projects.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2023

**2. DONATIONS AND LEGACIES - continued**

**Trust and Grants**

	2023	2022
	£	£
AR	-	5,000
Brignall Trust	50,000	10,000
East Riding of Yorkshire Council	67,500	43,150
Health Tree Foundation	5,115	50,000
Humber Teaching NHS Foundation Trust	-	146,250
NHS Humber and North Yorkshire ICB	70,000	135,000
Stadium Trust	100,000	-
Two Ridings Community Foundation	-	25,200
	<u>292,615</u>	<u>414,600</u>

**3. INVESTMENT INCOME**

	2023	2022
	£	£
Rents received	74,914	99,571
Deposit account interest	<u>1,050</u>	<u>915</u>
	<u>75,964</u>	<u>100,486</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	2023	2022
Activity General	£	£
Funded charitable activity	<u>1,068,594</u>	<u>1,428,074</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
General	<u>325,454</u>	<u>629,385</u>	<u>1,285,492</u>	<u>2,240,331</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

**6. GRANTS PAYABLE**

	2023	2022
	£	£
General		
	<u>629,385</u>	<u>670,389</u>

Grants payable include the following:

	2023	2022
	£	£
Aba Daba Circus	-	5,418
Active Humber Ltd	5,000	-
Autism Plus	5,000	-
Age UK Scarborough & District	-	8,911
Andrew McNicholl Ballet Collective	10,000	12,500
ARCADE Arts Ltd	9,509	4,996
Bameen CIC	4,980	4,980
Beverley Cherry Tree Community Centre	20,000	-
Blackburn Sports & Social Community	5,852	-
Boothferry Road Community Project	16,850	-
Bora Shabaa Refugee Community Organisation	6,542	-
Bridlington Club for Young People	-	13,130
Bridlington Quay CIC	4,980	-
Bringing Us Together	10,000	-
Butterfly Memory Loss	-	14,820
Care Plus Group Charitable Trust	5,000	-
Carers Plus Yorkshire	5,100	33,521
CASE Training Services	5,000	-
City Healthcare Partnership CIC	77,459	-
City of Hull Sport and Community Group CIC	-	3,925
Climb4	-	10,000
Closer Communities	4,880	5,000
Community Triumph Ltd	-	3,000
Comerhouse (Yorkshire)	-	14,820
Cloverleaf Advocacy 2000 Ltd	5,000	-
East Riding Voluntary Action Services (ERVAS) Ltd	-	25,000
East Riding Theatre	-	6,599
Favour Foundation Limited - Your Place	-	4,970
Freedom Road Creative Arts	-	3,155
FiND	4,620	-
Foresight North East LTD	4,996	-
Goodwin Development Trust	-	15,880
Groundwork Yorkshire	13,500	4,950
Grants Under £3,000	114,185	92,700
Hessle Road Network	-	8,253
Hornsea Nursery School	10,000	-
Howden Pre-School	5,000	-
Home Start Goole	-	60,000
Howdenshire Archaeological Society	-	4,970
Hull & East Riding CAB	-	5,000
Hull 4 Heroes	3,000	14,820
Hull Afro Caribbean Association (HACA)	9,000	-

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2023

**6. GRANTS PAYABLE - continued**

Hull and East Riding CAB	14,251	-
Hull and East Yorkshire Children's University	5,000	-
Hull City Council (Creative Voice)	4,000	-
Hull FC Rugby Community Sports and Education Foundation	-	3,740
Hull Parent Carer Forum	4,998	-
Hull Red CIC	4,690	-
Humber Job Hub	4,736	-
Humber All Nations Alliance	-	4,898
Humber and Wolds Rural Action	-	9,968
Humber and Wolds Rural Community Council	-	25,000
Humber NHS Foundation Trust	5,000	4,352
KIDS Yorkshire	-	5,000
Inspire School Dance and Drama	4,549	-
JoinedUp Dance Company	4,619	-
Local Works Ltd	-	4,616
love 2 shop	-	3,000
Mama T's Dance House CIC	-	15,900
M.A.S.H	10,000	-
MHA Communities, Hull & East Riding	5,000	-
Mires Beck Nursery	10,020	9,900
Movement 2 Music	4,920	-
Middle Child	-	-
Midsummer Spectacular	-	-
Moorlands Charity	13,125	4,375
Movement2Music	4,920	10,170
National Initiative for Creative Education	-	10,000
National Youth Arts Trust	-	-
Newbald Village Hall	-	4,369
New Life Support	-	-
Northern Academy of Performing Arts	4,380	-
North Lincolnshire Council	4,866	-
North Yorkshire Council	25,527	-
Open Country	-	8,814
Prostate Cancer UK	-	3,600
Pocklington Rugby in the Community	5,000	-
Run with it	5,000	-
Raincliffe Woods Community Enterprise CIC	-	10,000
Rollits LLP	-	4,200
Rooted In Hull	-	10,000
Roots and Shoots Bridlington Community Allotment	-	4,000
SEED Eating Disorder Support Services	-	5,000
Selby District AVS	-	6,940
SHOREs	-	10,000
St Nicks	-	9,768
Sailors Children's Society	5,000	-
She Productions	4,560	10,000
Solidarity Hull	9,000	-
Space2BHeard	5,000	-
Starlight Arts	5,000	-
Talking About Loss	4,850	-
The Godber Theatre	-	9,725
The Green Team	-	9,997
The Downright Special Network	6,580	-

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2023

**6. GRANTS PAYABLE - continued**

The Hinge Centre	-	32,945
The Faraway CIC	5,000	-
The Green Team	18,197	-
The Herd Theatre	10,000	-
The Hinge Centre	13,852	-
The Lookout	5,000	-
The Peel Project CIC	4,855	-
The Hull & East Yorkshire Community Counselling Service CIC	-	5,000
The North East Lincolnshire Faraway CIC	-	9,997
Thunk-it Theatre	4,650	-
Thread and Press CIC	-	4,643
Toranj Tuition	-	5,000
Welcome House Hull	5,125	-
Wolfpack Theatre	4,475	-
Vale of York Athletic Community	-	3,390
W Scholey & Son	-	3,720
York Bike Belles CIC	-	7,045
York St John	10,000	-
Young Playwrights	3,107	-
	<u>629,385</u>	<u>670,389</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
General	<u>1,076,233</u>	<u>6,279</u>	<u>8,045</u>
	Other £	Governance costs £	Totals £
General	<u>123,121</u>	<u>71,814</u>	<u>1,285,492</u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	7,900	3,500
Depreciation - owned assets	3,738	4,606
Development costs amortisation	<u>5,249</u>	<u>5,249</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**10. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	836,764	813,718
Social security costs	68,519	75,953
Other pension costs	<u>18,436</u>	<u>17,851</u>
	<u>923,719</u>	<u>907,522</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Employed Staff	<u>33</u>	<u>34</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £285,245 (2022 - £245,364).

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements -- continued**

for the year ended 31 December 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	518,632	338,723	857,355
<b>Charitable activities</b>			
General	564,491	863,583	1,428,074
Investment income	<u>915</u>	<u>99,571</u>	<u>100,486</u>
<b>Total</b>	<u>1,084,038</u>	<u>1,301,877</u>	<u>2,385,915</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
General	<u>1,454,049</u>	<u>903,729</u>	<u>2,357,778</u>
Net gains/(losses) on investments	<u>(94,687)</u>	<u>827,000</u>	<u>732,313</u>
<b>NET INCOME/(EXPENDITURE)</b>	(464,698)	1,225,148	760,450
Transfers between funds	(377,616)	377,616	-
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>1,913,356</u>	<u>1,417,195</u>	<u>3,330,551</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,071,042</u>	<u>3,019,959</u>	<u>4,091,001</u>

**12. GIFTS IN KIND**

Throughout the year the charity received goods and services which were donated. These include:

	2023 £	2022 £
Office Rental - Gosschalks	75,000	75,000
IT Services - The One Point	100	445
Events	15,202	250
Equipment - KCOM	1,450	15,772
Equipment	<u>615</u>	<u>3,331</u>
	<u>92,367</u>	<u>94,798</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

**13. INTANGIBLE FIXED ASSETS**

	Goodwill £	Development costs £	Totals £
<b>GROUP</b>			
<b>COST</b>			
At 1 January 2023 and 31 December 2023	<u>2,857</u>	<u>26,245</u>	<u>29,102</u>
<b>AMORTISATION</b>			
At 1 January 2023	2,857	15,747	18,604
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2023	<u>2,857</u>	<u>20,996</u>	<u>23,853</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2022	<u>-</u>	<u>10,498</u>	<u>10,498</u>
<b>CHARITY</b>			
<b>COST</b>			
At 1 January 2023 and 31 December 2023	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2023	2,857	15,747	18,604
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2023	<u>2,857</u>	<u>20,996</u>	<u>23,853</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>-</u>	<u>5,250</u>	<u>5,250</u>
At 31 December 2022	<u>-</u>	<u>10,499</u>	<u>10,499</u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2023

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>GROUP</b>					
<b>COST OR VALUATION</b>					
At 1 January 2023	2,117,000	5,945	8,500	28,166	2,159,611
Additions	-	1,053	-	819	1,872
Disposals	-	-	(8,500)	-	(8,500)
At 31 December 2023	<u>2,117,000</u>	<u>6,998</u>	<u>-</u>	<u>28,985</u>	<u>2,152,983</u>
<b>DEPRECIATION</b>					
At 1 January 2023	-	925	8,500	20,861	30,286
Charge for year	-	1,164	-	2,574	3,738
Eliminated on disposal	-	-	(8,500)	-	(8,500)
At 31 December 2023	<u>-</u>	<u>2,089</u>	<u>-</u>	<u>23,435</u>	<u>25,524</u>
<b>NET BOOK VALUE</b>					
At 31 December 2023	<u>2,117,000</u>	<u>4,909</u>	<u>-</u>	<u>5,550</u>	<u>2,127,459</u>
At 31 December 2022	<u>2,117,000</u>	<u>5,020</u>	<u>-</u>	<u>7,305</u>	<u>2,129,325</u>

Cost or valuation at 31 December 2023 is represented by:

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2018	1,283,963	-	-	1,283,963
Valuation in 2022	827,000	-	-	827,000
Cost	<u>6,037</u>	<u>6,998</u>	<u>28,985</u>	<u>42,020</u>
	<u>2,117,000</u>	<u>6,998</u>	<u>28,985</u>	<u>2,152,983</u>

Freehold land and buildings were valued on an open market basis on 3 November 2022 by Garness Jones.

HEY Smile Foundation

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

14. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>CHARITY</b>				
<b>COST</b>				
At 1 January 2023	5,945	8,500	26,881	41,326
Additions	1,053	-	819	1,872
Disposals	-	(8,500)	-	(8,500)
At 31 December 2023	<u>6,998</u>	-	<u>27,700</u>	<u>34,698</u>
<b>DEPRECIATION</b>				
At 1 January 2023	925	8,500	19,818	29,243
Charge for year	1,164	-	2,368	3,532
Eliminated on disposal	-	(8,500)	-	(8,500)
At 31 December 2023	<u>2,089</u>	-	<u>22,186</u>	<u>24,275</u>
<b>NET BOOK VALUE</b>				
At 31 December 2023	<u>4,909</u>	-	<u>5,514</u>	<u>10,423</u>
At 31 December 2022	<u>5,020</u>	-	<u>7,063</u>	<u>12,083</u>

15. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2023	897,784	119,868	1,017,652
Additions	101,136	-	101,136
Disposals	(100,000)	(101,136)	(201,136)
Revaluations	54,820	-	54,820
At 31 December 2023	<u>953,740</u>	<u>18,732</u>	<u>972,472</u>
<b>NET BOOK VALUE</b>			
At 31 December 2023	<u>953,740</u>	<u>18,732</u>	<u>972,472</u>
At 31 December 2022	<u>897,784</u>	<u>119,868</u>	<u>1,017,652</u>

There were no investment assets outside the UK.

Historical cost of investments being £899,999.

Shares in group undertakings as at the Balance Sheet date represent the Charity's investment in HEY Smile Events Limited. Below are details of subsidiaries, where control has been established through investment in share capital or by other means:

The company's investments at the balance sheet date in the share capital of companies include the following:

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2023

**15. FIXED ASSET INVESTMENTS - continued**

**JB Willows Working Men's Cottages**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Charity

	2023	2022
	£	£
Aggregate capital and reserves	2,156,788	2,155,209
Profit/(loss) for the year	<u>1,579</u>	<u>787,761</u>

**HEY Smile Events Limited**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Dormant Company

	%		2023	2022
	holding		£	£
Class of share:				
Ordinary	100			
Aggregate capital and reserves			100	100

**Hull Youth Support Trust**

Registered office: 161 Unit 5, High Street, Hull East Yorkshire, HU1 1NQ

Nature of business: Charity

	2023	2022
	£	£
Aggregate capital and reserves	(5,829)	16,749
Loss for the year	<u>(22,578)</u>	<u>(5,919)</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

**GROUP**

	2023	2022
	£	£
Trade debtors	64,743	171,209
Other debtors	12,547	12,547
Prepayments and accrued income	<u>3,397</u>	<u>1,478</u>
	<u>80,687</u>	<u>185,234</u>

**CHARITY**

	2023	2022
	£	£
Trade debtors	75,396	198,666
Other debtors	7,202	7,202
Prepayments	<u>913</u>	<u>490</u>
	<u>83,511</u>	<u>206,358</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
<b>GROUP</b>		
Bank loans and overdrafts (see note 19)	11,274	11,274
Trade creditors	49,354	75,496
Social security and other taxes	19,973	28,012
Other creditors	4,939	8,288
Accruals and deferred income	<u>19,714</u>	<u>13,300</u>
	<u>105,254</u>	<u>136,370</u>

	2023	2022
	£	£
<b>CHARITY</b>		
Bank loans and overdrafts (see note 18)	11,274	11,274
Trade creditors	43,421	100,539
Social security and other taxes	19,973	28,012
Other creditors	4,939	7,388
Accruals and deferred income	<u>17,914</u>	<u>11,500</u>
	<u>97,521</u>	<u>158,713</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans (see note 19)	<u>15,968</u>	<u>26,513</u>

**19. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>11,274</u>	<u>11,274</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>11,274</u>	<u>11,274</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>4,694</u>	<u>15,239</u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

**20. MOVEMENT IN FUNDS**

**GROUP**

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
<b>Unrestricted funds</b>				
General fund	234,260	(207,788)	21,651	48,123
I AM Fund	<u>836,782</u>	<u>(15,760)</u>	-	<u>821,022</u>
	1,071,042	(223,548)	21,651	869,145
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	2,155,209	1,579	-	2,156,788
Hull Youth Support Trust	16,749	(22,578)	5,829	-
Others	150,946	(114,835)	-	36,111
Spark	9,186	(5,249)	-	3,937
East Riding of Yorkshire Council	75,725	58,375	-	134,100
NHS	475,396	(326,721)	-	148,675
The Health Tree	-	27,480	(27,480)	-
Grant Management	101,748	59,829	-	161,577
Growing Green and Blue Health	-	20,457	-	20,457
ICB	<u>35,000</u>	<u>47,258</u>	-	<u>82,258</u>
	<u>3,019,959</u>	<u>(254,405)</u>	<u>(21,651)</u>	<u>2,743,903</u>
<b>TOTAL FUNDS</b>	<u>4,091,001</u>	<u>(477,953)</u>	-	<u>3,613,048</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	723,637	(931,425)	-	(207,788)
I AM Fund	-	(70,580)	54,820	(15,760)
	723,637	(1,002,005)	54,820	(223,548)
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	28,726	(27,147)	-	1,579
Hull Youth Support Trust	11,000	(33,578)	-	(22,578)
Others	49,568	(164,403)	-	(114,835)
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	355,587	(297,212)	-	58,375
NHS	68,018	(394,739)	-	(326,721)
The Health Tree	27,491	(11)	-	27,480
Grant Management	212,630	(152,801)	-	59,829
Growing Green and Blue Health	59,079	(38,622)	-	20,457
ICB	<u>171,822</u>	<u>(124,564)</u>	-	<u>47,258</u>
	<u>983,921</u>	<u>(1,238,326)</u>	-	<u>(254,405)</u>
<b>TOTAL FUNDS</b>	<u>1,707,558</u>	<u>(2,240,331)</u>	<u>54,820</u>	<u>(477,953)</u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

GROUP

	At 1/1/22 £	Net movement in funds £	Prior year adjustment £	At 31/12/22 £
<b>Unrestricted funds</b>				
General fund	623,233	(370,011)	(18,962)	234,260
I AM Fund	<u>1,290,123</u>	<u>(94,687)</u>	<u>(358,654)</u>	<u>836,782</u>
	1,913,356	(464,698)	(377,616)	1,071,042
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	1,367,448	787,761	-	2,155,209
Hull Youth Support Trust	22,668	(5,919)	-	16,749
Others	12,644	-	138,302	150,946
Spark	14,435	(5,249)	-	9,186
East Riding of Yorkshire Council	-	82,162	(6,437)	75,725
NHS	-	336,353	139,043	475,396
The Health Tree	-	30,040	(30,040)	-
Grant Management	-	-	101,748	101,748
Growing Green and Blue Health	-	-	-	-
ICB	-	-	35,000	35,000
	<u>1,417,195</u>	<u>1,225,148</u>	<u>377,616</u>	<u>3,019,959</u>
<b>TOTAL FUNDS</b>	<u><b>3,330,551</b></u>	<u><b>760,450</b></u>	<u><b>-</b></u>	<u><b>4,091,001</b></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	-	-	(94,687)	(94,687)
	1,084,038	(1,454,049)	(94,687)	(464,698)
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	44,636	(83,875)	827,000	787,761
Hull Youth Support Trust	53,766	(59,685)	-	(5,919)
Others	94,893	(94,893)	-	-
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	119,400	(37,238)	-	82,162
NHS	939,182	(602,829)	-	336,353
The Health Tree	50,000	(19,960)	-	30,040
	<u>1,301,877</u>	<u>(903,729)</u>	<u>827,000</u>	<u>1,225,148</u>
<b>TOTAL FUNDS</b>	<u><b>2,385,915</b></u>	<u><b>(2,357,778)</b></u>	<u><b>732,313</b></u>	<u><b>760,450</b></u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2023

20. MOVEMENT IN FUNDS - continued

CHARITY

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
<b>Unrestricted funds</b>				
General fund	234,361	(207,788)	27,480	54,053
I AM Fund	<u>836,782</u>	<u>(15,760)</u>	-	<u>821,022</u>
	1,071,143	(223,548)	27,480	875,075
<b>Restricted funds</b>				
Restricted	150,946	(114,835)	-	36,111
Spark	9,186	(5,249)	-	3,937
East Riding of Yorkshire Council	75,725	58,375	-	134,100
NHS	475,396	(326,721)	-	148,675
The Health Tree	-	27,480	(27,480)	-
Grant Management	101,748	59,829	-	161,577
Growing Green and Blue Health	-	20,457	-	20,457
ICB	<u>35,000</u>	<u>47,258</u>	-	<u>82,258</u>
	<u>848,001</u>	<u>(233,406)</u>	<u>(27,480)</u>	<u>587,115</u>
<b>TOTAL FUNDS</b>	<u>1,919,144</u>	<u>(456,954)</u>	-	<u>1,462,190</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	723,637	(931,425)	-	(207,788)
I AM Fund	-	(70,580)	54,820	(15,760)
	723,637	(1,002,005)	54,820	(223,548)
<b>Restricted funds</b>				
Restricted	49,568	(164,403)	-	(114,835)
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	355,587	(297,212)	-	58,375
NHS	68,018	(394,739)	-	(326,721)
The Health Tree	27,491	(11)	-	27,480
Grant Management	212,630	(152,801)	-	59,829
Growing Green and Blue Health	59,079	(38,622)	-	20,457
ICB	<u>171,822</u>	<u>(124,564)</u>	-	<u>47,258</u>
	<u>944,195</u>	<u>(1,177,601)</u>	-	<u>(233,406)</u>
<b>TOTAL FUNDS</b>	<u>1,667,832</u>	<u>(2,179,606)</u>	<u>54,820</u>	<u>(456,954)</u>

HEY Smile Foundation

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

CHARITY

	At 1/1/22 £	Net movement in funds £	Prior year adjustment £	At 31/12/22 as restated £
<b>Unrestricted funds</b>				
General fund	623,334	(370,011)	(18,962)	234,361
I AM Fund	<u>1,290,123</u>	<u>(94,687)</u>	<u>(358,654)</u>	<u>836,782</u>
	1,913,457	(464,698)	(377,616)	1,071,143
<b>Restricted funds</b>				
Restricted	12,644	-	138,302	150,946
Spark	14,435	(5,249)	-	9,186
East Riding of Yorkshire Council	-	82,162	(6,437)	75,725
NHS	-	336,353	139,043	475,396
The Health Tree	-	30,040	(30,040)	-
Grant Management	-	-	101,748	101,748
Growing Green and Blue Health	-	-	-	-
ICB	-	-	35,000	35,000
	<u>27,079</u>	<u>443,306</u>	<u>377,616</u>	<u>848,001</u>
<b>TOTAL FUNDS</b>	<u>1,940,536</u>	<u>(21,392)</u>	<u>-</u>	<u>1,919,144</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	-	-	(94,687)	(94,687)
	1,084,038	(1,454,049)	(94,687)	(464,698)
<b>Restricted funds</b>				
Restricted	94,893	(94,893)	-	-
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	119,400	(37,238)	-	82,162
NHS	939,182	(602,829)	-	336,353
The Health Tree	<u>50,000</u>	<u>(19,960)</u>	-	<u>30,040</u>
	<u>1,203,475</u>	<u>(760,169)</u>	-	<u>443,306</u>
<b>TOTAL FUNDS</b>	<u>2,245,035</u>	<u>(2,171,740)</u>	<u>(94,687)</u>	<u>(21,392)</u>

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**Notes to the Consolidated Financial Statements – continued**  
for the year ended 31 December 2023

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**20. MOVEMENT IN FUNDS - continued**

**Designated funds**

I AM Fund - This represents the legacy received from the estate of the late Audrey Mosley. The legacy will be used, for the next 2 years at least, to develop performing arts in the area and as such has been designated by the trustees.

**Restricted funds**

JB Willows Working Men's Cottages - This is a group of 18 properties within the boundaries of Hull within a micro community themselves surrounded by greenery, whilst still benefiting from excellent community provisions and easy access to transportation links into the City centre and beyond. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Hull Youth Support Trust - This project aims to help young economically disadvantaged people become financially independent, by getting started in business by providing affordable business units and access to advice and support. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Spark - This represents a grant received to cover some of the costs of 'The Beccan' development.

Others - This represents other funds held for restricted purposes, which are immaterial to be presented separately.

East Riding of Yorkshire Council - This represents funds received from the council to deliver various projects throughout the county.

NHS - This represents funds received from the NHS for delivering projects such as green social prescribing.

The Health Tree - This represents funds received to distribute to local worthy causes meeting the prescribed criteria.

**PRIOR YEAR ADJUSTMENT**

Following a comprehensive review of the charity's activities, various incoming resources have now been identified as restricted funds. The review also identified expenditure that related to these re-analysed activities. An adjustment has therefore been made to correct the position at 1 January 2023.

**Notes to the Consolidated Financial Statements - continued**

**for the year ended 31 December 2023**

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**21. EMPLOYEE BENEFIT OBLIGATIONS**

The company operates a defined pension contribution scheme for its employees. The pension cost charges represent contributions payable by the company and amounted to £18,436 (2022: £17,851). Contributions outstanding at 31 December 2022 were £4,839 (2022: £4,253)

**22. RELATED PARTY DISCLOSURES**

Grants totalling £5,600 were paid to Pocklington Rugby in the Community (2022 - £2,000), a charity of which Andrew Bowden is a trustee.

A grant of £10,000 was paid to Hull LGBT+ Community Pride (2022 - £nil) a charity which Jamie Lewis was a trustee.

£11,315 was paid to Shared Agenda Solutions Ltd to conduct a feasibility study (2022 - £3,176), a company which Timothy Wigglesworth is a Director of.

£38,497 was paid to The One Point Limited for IT services (2022 - £25,730), a company who is related via the CEO's partner who is the CSO and a shareholder.

Purchases of £181 were made on the behalf of Help for Health (2022 - £nil), a charity of which Andrew Milner is a trustee.

**HEY SMILE FOUNDATION**

England & Wales - Charity number 1125856

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# Accounts

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**REGISTERED COMPANY NUMBER: 06455490 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1125856**

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 December 2022**  
**for**  
**HEY Smile Foundation**

# **Contents of the Financial Statements**

**for the year ended 31 December 2022**

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**HEY Smile Foundation**

**Reference and Administrative Details**

for the year ended 31 December 2022

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<b>TRUSTEES</b>	A J Bowden G C Cross Ms P M Dalby J L Dick (resigned 20/2/2022) Dr A Milner Mrs C S Phillips D Ranawake M W Sadofsky (resigned 28/4/2023) T J Wigglesworth
<b>REGISTERED OFFICE</b>	Gosschalks Dock Street Queens Gardens Hull East Yorkshire HU1 3AE
<b>REGISTERED COMPANY NUMBER</b>	06455490 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1125856
<b>AUDITORS</b>	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>SOLICITORS</b>	Gosschalks Queens Gardens Hull East Yorkshire HU1 3AE
<b>BANKERS</b>	Santander 6-8 King Edward Street Hull East Yorkshire HU1 3AE

## **Report of the Trustees** for the year ended 31 December 2022

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of 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).

### **Chair**

2022 was a year of change and challenge for us all... including Smile. We added to our existing portfolio of projects and commitments, focussed on what can be done to help communities deal with the cost-of-living crisis and we were delighted to celebrate and showcase the excellent work that is done with kindness and compassion by volunteers in organisations across Hull and East Riding.

The first big news of 2022 was that Smile would develop and manage the transformation of a new community centre in Bridlington.

Crown Community was opened in June with two anchor charities - The Hinge and Carers Plus Yorkshire. Providing vital services, the opening of this centrally located building, funded by East Riding of Yorkshire Clinical Commissioning Group and run by Smile, could not have been better timed for the people of Bridlington as the impact of the rising cost of living hit.

Crown Community shows Smile's ability to step up to the needs of our communities and work in partnership with local government, businesses and other voluntary sector organisations.

Later in the summer, together with Hull CVS, we launched Time2Volunteer an internet platform that unites charities looking for volunteers with people who want to give their time. Already this is a busy platform with charities singing its praises.

Our reputation as a trusted pair of hands for public bodies, businesses, trusts and foundations who want to invest in their communities and enhance lives has been earned through projects that have stood the test of time and responded to needs as they arise, such as the work of our Community Development Team who offer expert advice to groups and charities operating around the East Riding. More recently we took the lead as a 'test and learn' site in our region for Green Social Prescribing.

We are one of only seven sites in the UK who are transforming lives through connecting people with nature to improve mental health and well-being and we are already generating more funding for the region in the form of a quarter of a million-pound Lottery grant.

We continue to support young entrepreneurs through the Hull Youth Support Trust in the centre of the city. This community of start-up companies accelerates the growth of young businesses by dedicated one-to-one guidance and support, giving young people the fundamental skills needed to succeed in business.

Smile has continued to strengthen its financial position with turnover rising to £2.4m and assets to £4.1m, representing the complex organisation that Smile has become across the health, community, public and business sectors. Smile now has many threads and all of these strands remain important to us.

In this Annual Report for 2022, you will read stories of hope, of lives and communities changed; they are just a glimpse of what the Smile team does across a range of activities that include befriending isolated people, empowering start-ups and celebrating volunteers.

2022 brought another major change for Smile as our founder, Jim Dick, stood down as the Chair and became our Life President; and our Chief Executive, Andy Barber, moved to another charitable organisation in our region. Jim and Andy have nurtured Smile from its beginnings in 2008 to become the trusted and focussed organisation it is today and Smile owes them both a tremendous debt of gratitude for developing Smile, its ethos and its spirit.

## **Report of the Trustees** **for the year ended 31 December 2022**

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I am privileged to take on the role of Chair and have overseen the recruitment of Smile's new Chief Executive, Jamie Lewis. Jamie joins us from the private sector, but he has also been a leader in Local Government and he is committed to a number of charities in Hull and East Riding of which he is Chair of Trustees.

So much change can be unsettling, but I am immensely proud of the strong team at Smile, their ability to deliver for communities and their capacity to build and welcome challenges as opportunities.

Jamie has already laid out plans to pick up the threads that bound Smile together from the beginning, working with corporate partners, sharing skills and prosperity to bring happiness and health and raising funds to help shape the region. I am humbled to chair Smile.

You can be assured that Smile will always remain true to its ethos of empowerment, ambition and support for the charities operating in Hull, East Riding and beyond...and all of us at Smile are very excited about the new chapter that is about to unfold.

We roll our sleeves up, we get stuck in and we make a difference....

Trish Dalby - Chair

### **Chief Executive**

"This year saw Smile's strongest annual performance to date."

"In many ways, 2022 planted the seeds for continued growth, as we introduced a range of sustainable new support services."

"We have created our own leaders within the team, who have grown into the voluntary sector with skills and experience from the private and public sectors."

These are not the new comments of a proud CEO reflecting on a single year. As I try to summarise the last year, it's difficult not to reflect on the 14 years that have gone before and these lines, taken from annual reports of previous years, have really hit home.

Smile has always done things differently. We've never been afraid to challenge or to address the elephant in the room. We've also stayed true to our ethos in being a generous leader, never needing to shout "We did that!" but letting others stand up and be recognised. In 2022, we've continued to do exactly that but with the strong governance and sound financial support to really make things happen. The fact this has led us to take on a 1900m<sup>2</sup> ex Job Centre and flood it with charities who can make a real impact with residents in Bridlington is testament to this approach.

Moving from Covid response through to recovery and then on to the biting cost of living crisis has brought about a paradigm shift. The VCSE sector is now seen as a vital and equal partner to the statutory sector and this continues to see us and others creating innovative solutions to community challenges. Being able to say we've done this as one of seven areas on a national stage through the Green Social Prescribing test and learn programme will always be one of my personal highlights.

In the last twelve months, I've been delighted to see a little bit of Smile's fun creep back in and it's been wonderful to reconnect with many of our corporate supporters through face to face events like our Volunteer Awards and Red & Black Ball.

For several years we've invested in our team and worked hard to make sure that they have everything they need to succeed in their roles as well as personally. Our people continue to be the core of what we do and it's been wonderful to watch our team grown in number, talent and passion over the years.

## **Report of the Trustees**

**for the year ended 31 December 2022**

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Smile has been on a journey and so have I. From £14,400 and a laptop to a trusted charity with a balance sheet of £2m, Smile has been my third child since 2008. Taking the decision to hand over the reins has been a difficult one but it has only been possible because of what we have built and because of the team I leave behind. It has been an honour to lead this organisation and I look forward to seeing it evolve further under Jamie's leadership.

In my final CEO review, I'd like to say a personal and heartfelt thanks to everyone who has been part of my Smile journey; to the corporate supporters and fundraisers who have donned racing gear or chefs whites; to the volunteers who have turned their hand to whatever was thrown at them; to the funders and philanthropists who have trusted us to make their money work harder, last longer and go further; to the public sector organisations who have valued us as partners; to the Trustees who have challenged, championed and supported me and to the amazing Smile team who I couldn't have been prouder to work alongside.

In Jamie, Smile's CEO and Trish, our new Chair, Smile will now push onto the next stage of its development. From getting to know both, I'm personally reassured that not only the legacy left by myself, and Jim is in great hands, but that the charity will continue to play a significant part in community development in Hull and East Yorkshire for many years to come.

Andy Barber  
Outgoing CEO

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The trustee's review Smile's activity against the Charity Commission guidelines on public benefit. also, they review the effectiveness of its ongoing activity and regularly asses the current needs of the community it serves across Hull and East Yorkshire. The trustees recognise the continued need to maximise the potential of existing resources with the private, public and voluntary sector, ensuring they go further, work harder and last longer.

#### **Significant activities**

- Taking on the role of lead provider on one of seven test and learn Green Social Prescribing projects in partnership with the Humber Coast and Vale Health and Care Partnership through funding from The Department for Education, Food and Rural Affairs, Department of Health and Social Care, NHS England and NHS Improvement and Natural England.
- Developing the Time2Volunteer digital platform, supported by a network of public, private and VCSE partners and building on the huge volunteer movement which was vital during covid.
- Transforming the Bridlington Crown Building into a collaborative community centre focussed on supporting local residents through Covid recovery and the ongoing cost of living crisis.
- Continuing to support the VCSE sector in East Riding of Yorkshire, providing them with the tools to grow and develop.
- Continuing to invest charitable funds into our NHS through our contracted charities Health Tree Foundation and Health Stars.
- Preparing the way for the future growth and development of Hull Youth Support Trust through building feasibility works.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

## **Report of the Trustees**

**for the year ended 31 December 2022**

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### **OBJECTIVES AND ACTIVITIES**

#### **Grantmaking**

In 2022 we have made grants that meet our objectives in partnership with many local funders. These grants have covered the following areas;

- Health and Well-being
- Loneliness and isolation
- Covid-19 Recovery
- Cost of Living
- Education
- Sport and physical activity
- Leadership and resilience
- The Arts
- NHS enhancements to facilities

Our grants are generally linked to planned activity for the year however 2022 again saw us working across the public and private sector as well as grant makers and philanthropists to ensure funds were directed to where they were needed.

Our thanks go out to a great number of partners this year including: Gosschalks Solicitors, East Riding of Yorkshire Council, Humber Teaching NHS Foundation Trust, East Riding of Yorkshire CCG, Hull CCG, Humber & North Yorkshire Health and Care Partnership, Help for Health, KCOM, Sargent Electrical, Nippon Gohsei, The One Point and Arco Community Foundation

In addition to our recorded activity we have also supported the generation of over £900,000 and granting of just over £1m of wishes within NHS enhancements specifically but not exclusively; at the Humber Teaching Foundation Trust and Northern Lincolnshire and Goole NHS Foundation Trust.

Our grant making continues to grow with the trust of partners to maximise the Smile expertise in delivery. We do not take this for granted and continue to look to improve our services, in particular the Beecan system [www.beecan.org.uk](http://www.beecan.org.uk) to enable greater funder collaboration and community impact.

#### **Volunteers**

We are delighted to be a charity of choice for a wide range of volunteers. In the year the areas in which volunteers contributed included;

- Trustees
- Trustee academy
- Research and administration
- Corporate volunteering in the community
- Professional services help

Volunteers from across the region were recognised in our annual Volunteer Awards ceremony which was our first indoor, large scale event since the Covid pandemic.

## **Report of the Trustees**

for the year ended 31 December 2022

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### **STRATEGIC REPORT**

#### **Reserves policy**

The trustees set the reserves policy in line with national best practice and look for 6-9 months running costs. The trustees ask the CEO to highlight if we drop below the six-month position via the finance committee, but equally, seek to ensure that our free reserves do not surpass nine months unless planned for a specific reason. It is our collective belief that we are in operation to ensure that funds are invested in the community as effectively as possible.

#### **Designated funds**

In the year we held designated funds for partners, in 2022 these included:

- The I Am Fund

#### **Restricted Funds**

Wherever possible, we try to limit the number of restricted funds held, aiming to receive funds in un-restricted or designated to ensure funds can be maximised efficiently and effectively for the community. Within 2022 we held restricted funds for the following:

- JB Willows Working Men's Cottages
- Hull Youth Support Trust
- Spark
- East Riding of Yorkshire Council
- NHS
- The Health Tree

#### **Future plans**

Key objectives for 2023:

- Development of a five year strategy for Smile and its subsidiary charities
- Further enhancements to our senior leadership team with a particular focus on visibility and personal development
- Renewed focus on partnerships and development including the introduction of a refreshed events calendar with the objective of raising funds and engaging corporate partners
- Maintain the Bridlington Crown Community building under an extended lease as a result of demonstratable collective impact
- Acquire the listed building which is home to Hull Youth Support Trust, delivering a large scale capital refurbishment to bring it up to date for the young enterprises who call it home
- Expand on our contracted support and guidance for NHS charities through our Smile Health work

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The HEY Smile Foundation (Smile) is a registered charity (1125856) and a company limited by guarantee (06455490) governed by its memorandum and articles of association adopted in September 2008.

#### **Recruitment and appointment of new trustees**

The trustees are also the directors and form the management committee. They are elected at the annual general meeting. The committee represents a wide selection of the private and public sector across Hull and East Yorkshire. Trustees are elected following a recruitment process in which we reach out to our extensive network of relationships and formal advertisements.

Our skills matrix supports any positions which become available, and this ensures that when recruiting we are specific in the necessary skills to enhance our current board and help us to fulfil our strategic objectives in line with our constitution.

## **Report of the Trustees** for the year ended 31 December 2022

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Organisational structure**

At any one time in the reported year, the Charity had a minimum of nine Directors/trustees. They consisted of;

Jim Dick OBE Resigned July 2022

Dr Andrew Milner

Mr Melvyn W Sadofsky FCA Resigned April 2023

Mr Andrew Bowden

Mr Graham Cross

Mrs Cathy Phillips

Mr Dileepa Ranawake

Mr Tim Wigglesworth

Ms Patricia Dalby

The trustees meet a minimum of four times a year, with further committee meetings in the following areas:

- Finance, Management and Risk
- People
- Resources incorporating JB Willows & Hull Youth Support Trust
- I Am Fund
- Communications

#### **Management of the Charity**

The day to day management of the Charity is delegated to the CEO and his leadership team which consists of the following;

- Head of Operations (Ann Newlove)
- Head of Community Development (Nick Middleton)
- Head of Smile Health (Victoria Winterton (maternity leave from November 2022))
- Interim Head of Smile Health (Clare Woodard (from October 2022))

The CEO is responsible for delegating the responsibilities of the annual plan and monitoring performance in line with approved budgets, regularly assessing operational risks and opportunities. In the year we worked with our professional advisors Marshall & Co Accountants, Gosschalks Solicitors and Radius Insurance Brokers.

In the reported year, Smile employee numbers varied due to work commissioned peaking at 35 people across all of its services. The majority of the employees are aligned with contracts, all of which are reviewed annually.

#### **Induction and training of new trustees**

It is the CEO's responsibility to fulfil the formal induction of new Trustees, in addition, the Chair and CEO work together with the Head of Operations to ensure all ongoing training requirement. Each trustee is aligned with key areas of interest and expertise to enable the Charity to thrive.

#### **Our People**

In 2022 the trustees once again carried out an employee survey to establish key areas of development and investment in our people while supporting the work on our refreshed Vision, Mission and Values. We have also highlighted new areas of investment in our people to ensure we remain an employer of choice in 2023.

#### **Risk management**

Highlighting operational risks are the responsibility of all employees. Risks in all areas of Smile are regularly collated and monitored by the CEO and Head of Operations, with any changes to the register highlighted to the Finance, Management & Risk Committee. The risk register is in place and formally reviewed by the committee quarterly.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of HEY Smile Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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**Report of the Trustees**  
for the year ended 31 December 2022

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which 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. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Smailes Goldie Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28<sup>th</sup> September, 2023... and signed on the board's behalf by:

  
.....  
Ms P M Dalby - Trustee

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## Opinion

We have audited the financial statements of HEY Smile Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement, Notes to the Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **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.

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## **Our responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation.. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to 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. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

# Report of the Independent Auditors to the Members of HEY Smile Foundation

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## Use of our report

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

Stephen Bramall BSc FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

Date: 28 SEPTEMBER 2023

HEY Smile Foundation

**Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)**

for the year ended 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	518,632	338,723	857,355	297,348
<b>Charitable activities</b>					
General	4	564,491	863,583	1,428,074	1,144,192
Investment income	3	915	99,571	100,486	105,450
<b>Total</b>		<u>1,084,038</u>	<u>1,301,877</u>	<u>2,385,915</u>	<u>1,546,990</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
General	5	1,454,049	903,729	2,357,778	1,527,870
Net gains/(losses) on investments	14, 15	(94,687)	827,000	732,313	53,163
<b>NET INCOME/(EXPENDITURE)</b>		(464,698)	1,225,148	760,450	72,283
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,913,356	1,417,195	3,330,551	3,258,268
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,448,658</u>	<u>2,642,343</u>	<u>4,091,001</u>	<u>3,330,551</u>

The notes form part of these financial statements

## Consolidated Balance Sheet

31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	13	1,312	9,186	10,498	15,747
Tangible assets	14	12,083	2,117,242	2,129,325	1,292,478
Investments	15	<u>1,017,652</u>	<u>-</u>	<u>1,017,652</u>	<u>1,112,338</u>
		1,031,047	2,126,428	3,157,475	2,420,563
<b>CURRENT ASSETS</b>					
Debtors	16	119,822	65,412	185,234	266,260
Cash at bank and in hand		<u>455,879</u>	<u>455,296</u>	<u>911,175</u>	<u>752,236</u>
		575,701	520,708	1,096,409	1,018,496
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(131,577)</u>	<u>(4,793)</u>	<u>(136,370)</u>	<u>(59,447)</u>
<b>NET CURRENT ASSETS</b>		<u>444,124</u>	<u>515,915</u>	<u>960,039</u>	<u>959,049</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,475,171	2,642,343	4,117,514	3,379,612
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(26,513)</u>	<u>-</u>	<u>(26,513)</u>	<u>(49,061)</u>
<b>NET ASSETS</b>		<u>1,448,658</u>	<u>2,642,343</u>	<u>4,091,001</u>	<u>3,330,551</u>
<b>FUNDS</b>					
Unrestricted funds	20			1,448,658	1,913,356
Restricted funds				<u>2,642,343</u>	<u>1,417,195</u>
<b>TOTAL FUNDS</b>				<u>4,091,001</u>	<u>3,330,551</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28 September 2023 and were signed on its behalf by:

  
 P M Dalby - Trustee

The notes form part of these financial statements

HEY Smile Foundation

**Charity Balance Sheet**

31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	12	1,313	9,186	10,499	15,748
Tangible assets	13	12,083	-	12,083	2,029
Investments	14	<u>1,017,752</u>	<u>-</u>	<u>1,017,752</u>	<u>1,112,438</u>
		1,031,148	9,186	1,040,334	1,130,215
<b>CURRENT ASSETS</b>					
Debtors	15	146,958	59,400	206,358	265,930
Cash at bank and in hand		<u>455,879</u>	<u>401,799</u>	<u>857,678</u>	<u>637,705</u>
		602,837	461,199	1,064,036	903,635
<b>CREDITORS</b>					
Amounts falling due within one year	16	(158,713)	-	(158,713)	(44,253)
		<u>444,124</u>	<u>461,199</u>	<u>905,323</u>	<u>859,382</u>
<b>NET CURRENT ASSETS</b>					
		<u>444,124</u>	<u>461,199</u>	<u>905,323</u>	<u>859,382</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,475,272	470,385	1,945,657	1,989,597
<b>CREDITORS</b>					
Amounts falling due after more than one year	17	(26,513)	-	(26,513)	(49,061)
		<u>1,448,759</u>	<u>470,385</u>	<u>1,919,144</u>	<u>1,940,536</u>
<b>NET ASSETS</b>					
		<u>1,448,759</u>	<u>470,385</u>	<u>1,919,144</u>	<u>1,940,536</u>
<b>FUNDS</b>					
Unrestricted funds	19			1,448,759	1,913,457
Restricted funds				<u>470,385</u>	<u>27,079</u>
<b>TOTAL FUNDS</b>					
				<u>1,919,144</u>	<u>1,940,536</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th September 2023 and were signed on its behalf by:

  
P M Dalby - Trustee

The notes form part of these financial statements

**HEY Smile Foundation****Consolidated Cash Flow Statement**

for the year ended 31 December 2022

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	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	I	184,942	(186,078)
Interest paid		<u>(1,191)</u>	<u>-</u>
Net cash provided by/(used in) operating activities		<u>183,751</u>	<u>(186,078)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(14,453)	(1,553)
Purchase of fixed asset investments		(9,880)	-
Sale of fixed asset investments		9,879	-
Interest received		<u>915</u>	<u>2,437</u>
Net cash (used in)/provided by investing activities		<u>(13,539)</u>	<u>884</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(11,273)</u>	<u>(939)</u>
Net cash used in financing activities		<u>(11,273)</u>	<u>(939)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		158,939	(186,133)
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>752,236</u>	<u>938,369</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>911,175</u>	<u>752,236</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement**  
for the year ended 31 December 2022

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022	2021
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	760,450	72,283
<b>Adjustments for:</b>		
Depreciation charges	9,854	9,602
Gain on investments	(732,313)	(53,163)
Interest received	(915)	(2,437)
Interest paid	1,191	-
Decrease/(increase) in debtors	81,026	(176,404)
Increase/(decrease) in creditors	<u>65,649</u>	<u>(35,959)</u>
<b>Net cash provided by/(used in) operations</b>	<u>184,942</u>	<u>(186,078)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/22	Cash flow	At 31/12/22
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>752,236</u>	<u>158,939</u>	<u>911,175</u>
	<u>752,236</u>	<u>158,939</u>	<u>911,175</u>
<b>Debt</b>			
Debts falling due within 1 year	-	(11,274)	(11,274)
Debts falling due after 1 year	<u>(49,061)</u>	<u>22,548</u>	<u>(26,513)</u>
	<u>(49,061)</u>	<u>11,274</u>	<u>(37,787)</u>
<b>Total</b>	<u>703,175</u>	<u>170,213</u>	<u>873,388</u>

The notes form part of these financial statements

## Notes to the Consolidated Financial Statements

for the year ended 31 December 2022

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### 1. ACCOUNTING POLICIES

#### Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

#### Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### 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 cost 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.

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.

#### Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

#### Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	= 20% on cost
Computer equipment	= 25% on cost

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are those unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

## Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2022

### 1. ACCOUNTING POLICIES - continued

#### Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### 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 the profit and loss account in other administration expenses.

#### Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and original cost or annual revaluation of the investments are shown as unrealised investment gains and losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

The 100% shareholding in the subsidiary is stated at cost.

#### Impairment

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

#### Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary undertakings on a line by line basis using the acquisition method. A separate Statement of Financial Activities for the charity has not been presented as permitted by the exemption afforded by section 408 of the Companies Act 2006.

### 2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Gifts	95,948	101,351
Donations	18,105	49,260
Gift aid	2,367	11,507
Grants	323,158	36,128
Admissions	3,178	500
Trusts and grants	414,600	93,638
Legacies	-	4,964
	<u>857,356</u>	<u>297,348</u>

Charitable events and sponsorship are the major funding source for Smile to develop and deliver Smile Foundations activities and objectives. In addition to raising funds Smile events also provide the opportunity to create more awareness of Smile and its programmes and projects.

#### Trust and Grants

	2022	2021
	£	£
Audrey Mosey		-

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**2. DONATIONS AND LEGACIES - continued**

AR	5,000	10,000
Beverley Covid Mutual Aid	-	1,000
Brignall Trust	10,000	-
CallER Collective	-	-
Community Hub	-	-
Covid-19 Charitable Response	-	6,228
Covid Volunteer Support	-	6,690
Defibrillators	-	2,500
East Riding of Yorkshire Council	43,150	30,000
Health Tree Foundation	50,000	-
Hessle & Anlaby Food Bank	-	699
Howden Rotary Club	-	1,345
Humber Teaching NHS Foundation Trust	146,250	-
Kingfisher Cafe	-	2,000
Men in Sheds	-	1,287
NHS Humber and North Yorkshire ICB	135,000	-
Rank Foundation	-	17,120
Sarah Brignall	-	5,000
Talking About Loss	-	3,670
Two Ridings Community Foundation	25,200	6,100
	<u>414,600</u>	<u>93,638</u>

**3. INVESTMENT INCOME**

	2022	2021
	£	£
Rents received	99,571	103,013
Deposit account interest	915	2,437
	<u>100,486</u>	<u>105,450</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	2022	2021
	£	£
Activity		
General		
Funded charitable activity	<u>1,428,074</u>	<u>1,144,192</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
General	<u>364,003</u>	<u>670,389</u>	<u>1,323,387</u>	<u>2,357,779</u>

**6. GRANTS PAYABLE**

	2022 £	2021 £
General	<u>670,389</u>	<u>375,316</u>

Grants payable include the following:

	2022 £	2021 £
Aba Daba Circus	5,418	-
AFC Blackburn Leisure	-	1,000
Amy Black Community	-	5,000
Age UK Scarborough & District	8,911	-
Andrew McNicholl Ballet Collective	12,500	12,500
ARCADE Arts Ltd	4,996	-
Bameen CIC	4,980	-
Best Hope - Young Talent Club	-	5,000
Beverley Covid 19 Mutual Aid	-	1,000
Beverley CYP	-	4,492
Beverley Pride	-	1,000
Bridlington Club for Young People	13,130	-
Bundles of Joy	-	2,697
Butterfly Memory Loss	14,820	-
Carers Plus Yorkshire	33,521	5,000
Castaway Goole	-	9,985
Christ Church Bridlington	-	3,388
City of Hull Sport and Community Group CIC	3,925	-
Climb4	10,000	-
Closer Communities	5,000	-
Community Triumph Ltd	3,000	-
Cornerhouse (Yorkshire)	14,820	-
Concrete Youth	-	2,500
Cottingham Village Trust	-	26,706
Dramatic CIC	-	2,000
East Riding Voluntary Action Services (ERVAS) Ltd	25,000	-
Easington Youth Club	-	3,000
East Riding Theatre	6,599	2,500
Emmanuel Church Bridlington	-	3,200
Favour Foundation Limited - Your Place	4,970	-

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**6. GRANTS PAYABLE - continued**

Freedom Road Creative Arts	3,155	-
Fire Rescue Training & Supplies	-	12,576
Goodwin Development Trust	15,880	-
Groundwork Yorkshire	4,950	-
Goole Boxing Club	-	1,350
Grants Under £3,000 (£1,000 - 2021)	92,700	61,649
Health Stars	-	16,803
Hessle Road Network	8,253	-
Hedon Methodist Church	-	3,671
Help for Health	-	3,231
HeyAct Grant	-	5,000
HICA Grant	-	2,300
Home Start Goole	60,000	-
Howdenshire Archaeological Society	4,970	-
Hull & East Riding CAB	5,000	-
Hull 4 Heroes	14,820	-
Hull FC Rugby Community Sports and Education Foundation	3,740	-
Humber All Nations Alliance	4,898	-
Humber and Wolds Rural Action	9,968	-
Humber and Wolds Rural Community Council	25,000	-
Humber NHS Foundation Trust	4,352	-
Howden Rotary Club	-	1,345
Hull Children's University	-	5,000
Hull Dance CIC	-	15,650
Hull Truck Theatre	-	15,372
KIDS Yorkshire	5,000	-
Kilham Playing Fields	-	3,168
Kingfisher Café	-	2,000
Local Works Ltd	4,616	-
Love Driffield	-	5,000
love 2 shop	3,000	-
Mama T's Dance House CIC	15,900	-
Mires Beck Nursery	9,900	-
Men in Sheds	-	4,057
Middle Child	-	10,000
Midsummer Spectacular	-	5,000
Moorlands Charity	4,375	4,940
Movement2Music	10,170	-
National Initiative for Creative Education	10,000	10,000
National Youth Arts Trust	-	10,000
Newbald Village Hall	4,369	-
New Life Support	-	5,000
Northern Academy of Performing Arts	-	4,990
Northern Hull Community Rainbow Gardens	-	1,009
Northern Lights Drama	-	1,000
Open Country	8,814	-
Prostate Cancer UK	3,600	-
Peejay Pets	-	2,502
People's Pantry	-	1,000
Pride In Hull	-	4,500
Raincliffe Woods Community Enterprise CIC	10,000	-
Rollits LLP	4,200	-
Rooted In Hull	10,000	-

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**6. GRANTS PAYABLE - continued**

Roots and Shoots Bridlington Community Allotment	4,000	-
SEED Eating Disorder Support Services	5,000	-
Selby District AVS	6,940	-
SHOREs	10,000	-
St Nicks	9,768	-
SASH	-	3,575
She Productions	10,000	5,120
Snaith and District Community Sport & Leisure Association	-	4,744
Talking About Loss	-	8,670
The Godber Theatre	9,725	4,661
The Green Team	9,997	5,000
The Herd Theatre	-	10,000
The Hinge Centre	32,945	6,965
The One Point Grants Paid	-	1,800
The Hull & East Yorkshire Community Counselling Service CIC	5,000	-
The North East Lincolnshire Faraway CIC	9,997	-
Thunk-it Theatre	-	7,356
Thread and Press CIC	4,643	-
Toranj Tuition	5,000	-
Thwing and Octon	-	1,860
Volunteer In Process	-	1,044
Vale of York Athletic Community	3,390	-
W Scholey & Son	3,720	-
York Bike Belles CIC	7,045	-
Young Playwrights	-	5,440
	<u>670,389</u>	<u>375,316</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
General			
	<u>1,173,699</u>	<u>328</u>	<u>12,447</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**7. SUPPORT COSTS - continued**

	Other £	Governance costs £	Totals £
General	<u>92,941</u>	<u>43,971</u>	<u>1,323,386</u>

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	3,500	2,800
Depreciation - owned assets	4,606	4,353
Development costs amortisation	<u>5,249</u>	<u>5,249</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**10. STAFF COSTS**

	2022 £	2021 £
Wages and salaries	813,718	662,362
Social security costs	75,953	50,943
Other pension costs	<u>17,851</u>	<u>11,326</u>
	<u>907,522</u>	<u>724,631</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Employed Staff	<u>34</u>	<u>28</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	<u>1</u>	<u>1</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	261,152	36,196	297,348
<b>Charitable activities</b>			
General	1,144,192	-	1,144,192
Investment income	<u>1,131</u>	<u>104,319</u>	<u>105,450</u>
<b>Total</b>	<u>1,406,475</u>	<u>140,515</u>	<u>1,546,990</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
General	<u>1,321,911</u>	<u>205,959</u>	<u>1,527,870</u>
Net gains on investments	<u>53,163</u>	<u>-</u>	<u>53,163</u>
<b>NET INCOME/(EXPENDITURE)</b>	137,727	(65,444)	72,283
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>1,775,630</u>	<u>1,482,638</u>	<u>3,258,268</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,913,357</u>	<u>1,417,194</u>	<u>3,330,551</u>

**12. GIFTS IN KIND**

Throughout the year the charity received goods and services which were donated. These include:

	2022 £	2021 £
Office Rental - Gosschalks	75,000	26,518
Legal Services - Gosschalks	-	6,089
IT Services - Gosschalks	-	3,363
IT Services - The One Point	445	-
Accountancy - 360 Accountants	-	6,400
Events	250	8,981
PPE - Arco	-	50,000
Equipment - KCOM	15,772	-
Equipment	<u>3,331</u>	<u>-</u>
	<u>94,798</u>	<u>101,351</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**13. INTANGIBLE FIXED ASSETS**

<b>GROUP</b>	Goodwill £	Development costs £	Totals £
<b>COST</b>			
At 1 January 2022 and 31 December 2022	<u>2,857</u>	<u>26,245</u>	<u>29,102</u>
<b>AMORTISATION</b>			
At 1 January 2022	2,857	10,498	13,355
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2022	<u>2,857</u>	<u>15,747</u>	<u>18,604</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>-</u>	<u>10,498</u>	<u>10,498</u>
At 31 December 2021	<u>-</u>	<u>15,747</u>	<u>15,747</u>
	Goodwill £	Development costs £	Totals £
<b>CHARITY</b>			
<b>COST</b>			
At 1 January 2022 and 31 December 2022	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2022	2,857	10,498	13,355
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2022	<u>2,857</u>	<u>15,747</u>	<u>18,604</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>-</u>	<u>10,499</u>	<u>10,499</u>
At 31 December 2021	<u>-</u>	<u>15,748</u>	<u>15,748</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**14. TANGIBLE FIXED ASSETS**

GROUP	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2022	1,290,000	-	8,500	19,658	1,318,158
Additions	-	5,945	-	8,508	14,453
Revaluations	<u>827,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>827,000</u>
At 31 December 2022	<u>2,117,000</u>	<u>5,945</u>	<u>8,500</u>	<u>28,166</u>	<u>2,159,611</u>
<b>DEPRECIATION</b>					
At 1 January 2022	-	-	8,500	17,180	25,680
Charge for year	<u>-</u>	<u>925</u>	<u>-</u>	<u>3,681</u>	<u>4,606</u>
At 31 December 2022	<u>-</u>	<u>925</u>	<u>8,500</u>	<u>20,861</u>	<u>30,286</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>2,117,000</u>	<u>5,020</u>	<u>-</u>	<u>7,305</u>	<u>2,129,325</u>
At 31 December 2021	<u>1,290,000</u>	<u>-</u>	<u>-</u>	<u>2,478</u>	<u>1,292,478</u>

Cost or valuation at 31 December 2022 is represented by:

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2018	1,283,963	-	-	-	1,283,963
Valuation in 2022	827,000	-	-	-	827,000
Cost	<u>6,037</u>	<u>5,945</u>	<u>8,500</u>	<u>28,166</u>	<u>48,648</u>
	<u>2,117,000</u>	<u>5,945</u>	<u>8,500</u>	<u>28,166</u>	<u>2,159,611</u>

Freehold land and buildings were valued on an open market basis on 3 November 2022 by Garness Jones.

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**14. TANGIBLE FIXED ASSETS - continued**

CHARITY	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2022	-	8,500	18,373	26,873
Additions	<u>5,945</u>	<u>-</u>	<u>8,508</u>	<u>14,453</u>
At 31 December 2022	<u>5,945</u>	<u>8,500</u>	<u>26,881</u>	<u>41,326</u>
<b>DEPRECIATION</b>				
At 1 January 2022	-	8,500	16,344	24,844
Charge for year	<u>925</u>	<u>-</u>	<u>3,474</u>	<u>4,399</u>
At 31 December 2022	<u>925</u>	<u>8,500</u>	<u>19,818</u>	<u>29,243</u>
<b>NET BOOK VALUE</b>				
At 31 December 2022	<u>5,020</u>	<u>-</u>	<u>7,063</u>	<u>12,083</u>
At 31 December 2021	<u>-</u>	<u>-</u>	<u>2,029</u>	<u>2,029</u>

**15. FIXED ASSET INVESTMENTS**

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2022	1,002,350	109,988	1,112,338
Additions	-	9,880	9,880
Disposals	(9,879)	-	(9,879)
Revaluations	<u>(94,687)</u>	<u>-</u>	<u>(94,687)</u>
At 31 December 2022	<u>897,784</u>	<u>119,868</u>	<u>1,017,652</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>897,784</u>	<u>119,868</u>	<u>1,017,652</u>
At 31 December 2021	<u>1,002,350</u>	<u>109,988</u>	<u>1,112,338</u>

There were no investment assets outside the UK.

Historical cost of investments being £999,999.

Shares in group undertakings as at the Balance Sheet date represent the Charity's investment in HEY Smile Events Limited. Below are details of subsidiaries, where control has been established through investment in share capital or by other means:

The company's investments at the balance sheet date in the share capital of companies include the following:

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**15. FIXED ASSET INVESTMENTS - continued**

**JB Willows Working Men's Cottages**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Charity

	2022	2021
	£	£
Aggregate capital and reserves	2,155,209	1,367,448
Surplus / (loss) for the year	<u>787,761</u>	<u>(17,315)</u>

**HEY Smile Events Limited**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Dormant Company

Class of share:	%		
	holding	2022	2021
		£	£
Ordinary	100		
Aggregate capital and reserves		100	100

**Hull Youth Support Trust**

Registered office: 161 Unit 5, High Street, Hull East Yorkshire, HU1 1NQ

Nature of business: Charity

	2022	2021
	£	£
Aggregate capital and reserves	16,749	22,668
Loss for the year	<u>(5,919)</u>	<u>(48,128)</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

**GROUP**

	2022	2021
	£	£
Trade debtors	171,209	256,511
Other debtors	12,547	7,134
Prepayments and accrued income	<u>1,478</u>	<u>2,615</u>
	<u>185,234</u>	<u>266,260</u>

**CHARITY**

	2022	2021
	£	£
Trade debtors	198,666	256,181
Other debtors	7,202	7,134
Prepayments	<u>490</u>	<u>2,615</u>
	<u>206,358</u>	<u>265,930</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
<b>GROUP</b>		
Bank loans and overdrafts (see note 19)	11,274	-
Trade creditors	75,496	24,531
Social security and other taxes	28,012	3,347
Other creditors	8,288	1,334
Accruals and deferred income	<u>13,300</u>	<u>30,235</u>
	<u>136,370</u>	<u>59,447</u>
	2022	2021
	£	£
<b>CHARITY</b>		
Bank loans and overdrafts (see note 18)	11,274	-
Trade creditors	100,539	11,136
Social security and other taxes	28,012	-
Other creditors	7,388	4,682
Accruals and deferred income	<u>11,500</u>	<u>28,435</u>
	<u>158,713</u>	<u>44,253</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021
	£	£
Bank loans (see note 19)	<u>26,513</u>	<u>49,061</u>

**19. LOANS**

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>11,274</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>11,274</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>15,239</u>	<u>49,061</u>

**20. MOVEMENT IN FUNDS**

**GROUP**

	At 1/1/22	Net movement in funds	At 31/12/22
	£	£	£
<b>Unrestricted funds</b>			
General fund	623,233	(370,011)	253,222
I AM Fund	<u>1,290,123</u>	<u>(94,687)</u>	<u>1,195,436</u>
	1,913,356	(464,698)	1,448,658
<b>Restricted funds</b>			
JB Willows Working Men's Cottages	1,367,448	787,761	2,155,209
Hull Youth Support Trust	22,668	(5,919)	16,749
Spark	14,435	(5,249)	9,186
Others	12,644	-	12,644
East Riding of Yorkshire Council	-	82,162	82,162
NHS	-	336,353	336,353
The Health Tree	<u>-</u>	<u>30,040</u>	<u>30,040</u>
	<u>1,417,195</u>	<u>1,225,148</u>	<u>2,642,343</u>
<b>TOTAL FUNDS</b>	<u>3,330,551</u>	<u>760,450</u>	<u>4,091,001</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	-	-	(94,687)	(94,687)
	1,084,038	(1,454,049)	(94,687)	(464,698)
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	44,636	(83,875)	827,000	787,761
Hull Youth Support Trust	53,766	(59,685)	-	(5,919)
Spark	-	(5,249)	-	(5,249)
Others	94,893	(94,893)	-	-
East Riding of Yorkshire Council	119,400	(37,238)	-	82,162
NHS	939,182	(602,829)	-	336,353
The Health Tree	50,000	(19,960)	-	30,040
	1,301,877	(903,729)	827,000	1,225,148
<b>TOTAL FUNDS</b>	<u>2,385,915</u>	<u>(2,357,778)</u>	<u>732,313</u>	<u>760,450</u>

**Comparatives for movement in funds**

**GROUP**

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
<b>Unrestricted funds</b>			
General fund	485,507	137,726	623,233
I AM Fund	1,290,123	-	1,290,123
	1,775,630	137,726	1,913,356
<b>Restricted funds</b>			
JB Willows Working Men's Cottages	1,384,763	(17,315)	1,367,448
Hull Youth Support Trust	70,796	(48,128)	22,668
Spark	14,435	-	14,435
Others	12,644	-	12,644
	1,482,638	(65,443)	1,417,195
<b>TOTAL FUNDS</b>	<u>3,258,268</u>	<u>72,283</u>	<u>3,330,551</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

**20. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,406,475	(1,321,912)	53,163	137,726
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	44,298	(61,613)	-	(17,315)
Hull Youth Support Trust	<u>96,217</u>	<u>(144,345)</u>	<u>-</u>	<u>(48,128)</u>
	<u>140,515</u>	<u>(205,958)</u>	<u>-</u>	<u>(65,443)</u>
<b>TOTAL FUNDS</b>	<u><u>1,546,990</u></u>	<u><u>(1,527,870)</u></u>	<u><u>53,163</u></u>	<u><u>72,283</u></u>

**CHARITY**

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
<b>Unrestricted funds</b>			
General fund	623,334	(370,011)	253,323
I AM Fund	<u>1,290,123</u>	<u>(94,687)</u>	<u>1,195,436</u>
	1,913,457	(464,698)	1,448,759
<b>Restricted funds</b>			
Restricted	12,644	-	12,644
Spark	14,435	(5,249)	9,186
East Riding of Yorkshire Council	-	82,162	82,162
NHS	-	336,353	336,353
The Health Tree	<u>-</u>	<u>30,040</u>	<u>30,040</u>
	<u>27,079</u>	<u>443,306</u>	<u>470,385</u>
<b>TOTAL FUNDS</b>	<u><u>1,940,536</u></u>	<u><u>(21,392)</u></u>	<u><u>1,919,144</u></u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	-	-	(94,687)	(94,687)
	<u>1,041,560</u>	<u>(1,411,571)</u>	<u>(94,687)</u>	<u>(464,698)</u>
<b>Restricted funds</b>				
Restricted	94,893	(94,893)	-	-
Spark	-	(5,249)	-	(5,249)
East Riding of Yorkshire Council	119,400	(37,238)	-	82,162
NHS	939,182	(602,829)	-	336,353
The Health Tree	50,000	(19,960)	-	30,040
	<u>1,203,475</u>	<u>(760,169)</u>	<u>-</u>	<u>443,306</u>
<b>TOTAL FUNDS</b>	<u>2,245,035</u>	<u>(2,171,740)</u>	<u>(94,687)</u>	<u>(21,392)</u>

**Comparatives for movement in funds**

**CHARITY**

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
<b>Unrestricted funds</b>			
General fund	485,508	137,826	623,334
I AM Fund	<u>1,290,123</u>	<u>-</u>	<u>1,290,123</u>
	1,775,631	137,826	1,913,457
<b>Restricted funds</b>			
Restricted	12,644	-	12,644
Spark	<u>14,435</u>	<u>-</u>	<u>14,435</u>
	<u>27,079</u>	<u>-</u>	<u>27,079</u>
<b>TOTAL FUNDS</b>	<u>1,802,710</u>	<u>137,826</u>	<u>1,940,536</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2022

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**20. MOVEMENT IN FUNDS - continued**

**Designated funds**

I AM Fund - This represents the legacy received from the estate of the late Audrey Mosley. The legacy will be used, for the next 2 years at least, to develop performing arts in the area and as such has been designated by the trustees.

**Restricted funds**

JB Willows Working Men's Cottages - This is a group of 18 properties within the boundaries of Hull within a micro community themselves surrounded by greenery, whilst still benefitting from excellent community provisions and easy access to transportation links into the City centre and beyond. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Hull Youth Support Trust - This project aims to help young economically disadvantaged people become financially independent, by getting started in business by providing affordable business units and access to advice and support. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Spark - This represents a grant received to cover some of the costs of 'The Beecan' development.

Others - This represents other funds held for restricted purposes, which are immaterial to be presented separately.

East Riding of Yorkshire Council - This represents funds received from the council to deliver various projects throughout the county.

NHS - This represents funds received from the NHS for delivering projects such as green social prescribing.

The Health Tree - This represents funds received to distribute to local worthy causes meeting the prescribed criteria.

## **Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2022

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### **21. EMPLOYEE BENEFIT OBLIGATIONS**

The company operates a defined pension contribution scheme for its employees. The pension cost charges represent contributions payable by the company and amounted to £17,851 (2021: £11,236). Contributions outstanding at 31 December 2022 were £4,253 (2021: £3,347)

### **22. RELATED PARTY DISCLOSURES**

A £200 charitable donation was paid to North Ferriby Football Club Limited (2021 - £200), a company of which James Dick, a former trustee, is a director.

A grant for £2,000 was paid to Pocklington Rugby in the Community (2021 - £300), a charity of which Andrew Bowden is a trustee.

A grant of £10,000 was paid to Rooted in Hull (2021 - £nil) a charity which Harriet Jones is a trustee.

£3,176 was paid to Shared Agenda Solutions Ltd to conduct a feasibility study (2021 - £nil), a company related to the CEO.

£25,730 was paid to The One Point Limited for IT services (2021 - £14,793), a company who is related via the CEO's partner who is the CSO and a shareholder.

Office space was gifted to Fitmums & Friends this year as in previous years, during the year the CEO was a trustee of this charity.

**HEY SMILE FOUNDATION**

England & Wales - Charity number 1125856

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# Accounts

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**REGISTERED COMPANY NUMBER: 06455490 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1125856**

**Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2021  
for  
HEY Smile Foundation**

Smailes Goldie Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**Contents of the Financial Statements**  
for the year ended 31 December 2021

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## Reference and Administrative Details

for the year ended 31 December 2021

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<b>TRUSTEES</b>	A J Bowden G C Cross Ms P M Dalby J L Dick Dr A Milner Mrs C S Phillips D Ranawake M W Sadofsky T J Wigglesworth
<b>COMPANY SECRETARY</b>	M W Sadofsky
<b>REGISTERED OFFICE</b>	Gosschalks Dock Street Queens Gardens Hull East Yorkshire HU1 3AE
<b>REGISTERED COMPANY NUMBER</b>	06455490 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1125856
<b>AUDITORS</b>	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
<b>BANKERS</b>	Santander 6-8 King Edward Street Hull East Yorkshire HU1 3SS
<b>SOLICITORS</b>	Gosschalks Queens Gardens Hull East Yorkshire HU1 3AE

**Report of the Trustees**  
for the year ended 31 December 2021

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

**Chairman**

2021 was a very busy year for Smile with much of our activity continuing to be directed to providing support for people and communities affected by the Covid pandemic. Smile was again a leading responder to the crisis.

As the vaccination programme commenced, Smile recruited over 1000 volunteers for the vaccination and lateral flow test sites. The telephone befriending service we had set up at pace continued to be recognised and funded, allowing us to continue providing support for the most vulnerable in our community. Beecan our online platform continued to grow, connecting over 700 businesses and 3000 volunteers to provide support for thousands of interventions across the East Riding. This platform became a trusted means of managing grant funding on behalf of statutory and charity partners.

Covid aside, we also established some major new initiatives; taking the lead as a test and learn site for Green Social Prescribing, one of seven sites in the UK; increasing our support for Hull Youth Support Trust; distributing over £600k of funds from NHS charities to communities across the Humber and North Yorkshire.

Smile continued to strengthen its financial position with turnover of £1,546,990 and assets to £3,330,551.

It is now over 14 years since I established Smile and recruited Andy Barber, our Chief Executive. We had the vision to create a charity that would help smaller charities by providing them with practical help and support and by raising funds, principally from businesses using novel events such as Devil's Kitchen and Boss behind Bars.

Since then, the charity has grown rapidly and is now one of the region's leading charities in its sector. Our work of building happier and healthier communities is diverse. We refurbished Sunshine House children's hospice; we provide a shared equipment resource for small charities to use; we aid NHS trusts to maximise their charitable funds; we launched Smile by the Sea to provide short breaks for families in need; we are the corporate trustee of JB Willows Working Men's Cottages aiding the protection of £1.8 m of housing assets for 30 people; we supported the Rotary Club of Hull to raise £250k a year via their Humber Bridge marathon; we secured a £1.3 m fund for local arts and we worked with the East Riding of Yorkshire to develop their VCSE infrastructure. These are just some of the highlights that have put Smile firmly on the region's charity map.

I have been immensely proud to have been instrumental in the Smile Foundation's formation and to chair a forward-thinking board of very committed trustees. Of course, none of this would have happened without the inspirational work of Andy Barber and his team of talented individuals.

However, I feel that given the strength of the charity and its strong foundation now is the appropriate time to hand over to a new chair who can take Smile to even greater success. It is with great pride that I announce that my successor will be, Trish Dalby. Trish has a fine record of achievement across local government in the region as well as in the charity sector. I wish her every success in the role.

I would like to place on record my thanks to everyone concerned with making Smile the success it is today and for the personal support I have received from so many people and organisations over the years. I will continue to be involved with Smile as a patron and ambassador and I look forward to watching as the charity continues to evolve for the greater good of the region.

Jim Dick - Chairman

## **Report of the Trustees** for the year ended 31 December 2021

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### **Chief Executive**

In times of crisis, you see how strong an organisation truly is. I am incredibly proud to say that everyone at Smile, from leaders to community workers, have gone above and beyond in 2021.

The last few years have seen Smile mature to meet emerging needs in the communities we serve. We have continued to develop our Board and Executive Team, to widen the breadth of stakeholders we bring together and to sustain the significant impact Smile has on communities.

The adversity of the pandemic made the voluntary community and social enterprise sector (VCSE), in the majority, more resilient. Last year, several micro groups and some large regional charities were established and throughout this period Smile has been on hand to pick up those who have struggled and inspire those with ambition to reach even further.

The VCSE sector in the last year has developed far greater respect from our statutory colleagues, relieving system pressures as equal partners and creating innovative solutions to community challenges. However, as we start to see the green shoots of recovery, everyone in the VCSE sector, including ourselves, must remember that our purpose is to support and provide charitable service. This means building resources beyond the capability and responsibility of our national and local government. We are here to constructively challenge our friends in the statutory sector and bring forward the voices of communities.

Smile can do this, because of the course we set with strong governance and of course through our vision. Our charitable board committed over 250hrs in 2021, they were on hand whenever we called upon them and were willing to share their skills and expertise with others. But this year I must pay tribute to one of those Trustees, in particular - our outgoing Chair Jim Dick O.B.E. He is the current Lord Lieutenant of the East Riding of Yorkshire, Founder, as well as being Trustee and Chair of Smile, whilst also serving many non-exec roles in the pharmaceutical industry and other senior positions in the private, public, and voluntary sectors.

Jim has served us for 14 years. He inspired me to join Smile in 2008, after three attempts to draw me away from a local hospice. After bringing together an amazing board, Smile was launched in April 2009 with Jim's original donation, and ambition to deliver charitable services differently.

Jim has had a huge impact on me as well as Smile, giving us both the freedom to grow, make mistakes and create change in communities. Jim has been an inspired Chairman, entrepreneurial in spirit, strong as a leader giving advice and guidance, but equally caring for those who work for him. Jim will continue to be involved in Smile, as our Founder, Patron, and Ambassador.

In his decision to retire, we thank not just Jim but his family for the time and dedication he has been able to give to us. He now passes the responsibilities of the Chair to Trish Dalby. Trish takes on the role after two years of being a Trustee, and her skills and expertise are a perfect fit for Smile's current reach and further ambitions for the future. As the ex Deputy Chief Executive of Hull City Council and the holder of several public roles, Trish is recognised and respected as a leader and we couldn't be prouder to have her lead our Board.

In the last 12 months, Smile has retained key services within our portfolio of work, giving consistency to those who we support across Hull, East Yorkshire, and Lincolnshire. This is inclusive of the East Riding of Yorkshire VCSE support contract, Green Social Prescribing, The Vault, NHS Charity delivery, Volunteering development, and CALLER Collective-Befriending services.

Beyond this, we continue to unearth and support local funders to easily access online delivery of grant programmes reaching charities of all sizes. In the last 12 months, we have helped individual philanthropists, private and public sector organisations to invest in communities through our Beecan system which continues to develop.

In 2022/23 we hope to bring back, at the right time, key corporate events which have been sadly postponed during the pandemic. We did not believe it right to deliver our usual programme due to the slow financial recovery and continued health concerns in communities.

I am proud to say the services we provide in communities continue to enable not only good intentions to come to life, but in many cases, create positive and long-term sustainability building greater trust among stakeholders.

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## **Report of the Trustees** for the year ended 31 December 2021

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No organisation can succeed without quality employees who believe in the direction and the work that the organisation is delivering. In the last 12 months the team at Smile has continued to go above and beyond, showing care, passion, and enthusiasm for our work.

People often ask me what makes Smile different? It continues to be our people, who are entrepreneurial in spirit and brimming with enthusiasm to aid people to bring good intentions to life, long may that continue to be the case!

Andy Barber - CEO

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The Trustees review Smile's activity against the Charity Commission guidelines on public benefit. They also review the effectiveness of its ongoing activity and regularly assess the current needs of the community it serves across Hull and East Yorkshire. The Trustees recognise the continued need to maximise the potential of existing resources with the private, public and voluntary sector, ensuring they go further, work harder and last longer.

#### **Significant activities**

- Significant support to local Covid-19 recovery efforts in partnership with East Riding of Yorkshire Council and local health bodies
- Mobilising a large scale volunteer workforce to support the Covid-19 Lateral Flow Testing and Vaccination programme
- Taking on the role of lead provider on one of seven test and learn Green Social Prescribing projects in partnership with the Humber Coast and Vale Health and Care Partnership through funding from The Department for Education, Food and Rural Affairs, Department of Health and Social Care, NHS England and NHS Improvement and Natural England.
- Continued expansion of the Beecan system as a means of communicating with the sector and facilitating grant funding
- Significant support to NHS charities and NHS teams in direct response to the Covid-19 pandemic

#### **Public benefit**

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

**Report of the Trustees**  
for the year ended 31 December 2021

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**OBJECTIVES AND ACTIVITIES**

**Grantmaking**

In 2021 we have made grants that meet our objectives in partnership with many local funders. These grants have covered the following areas:

- Health and Well-being
- Loneliness and isolation
- Covid-19 response
- Education
- Sport and physical activity
- Leadership
- The Arts
- NHS enhancements to facilities

Our grants are generally linked to planned activity for the year however 2021 again saw us working across the public and private sector as well as grant makers and philanthropists to ensure funds were directed to where they were needed in order to keep services running, to deliver services in a Covid safe manner and to finally re-open safely when possible.

Our thanks go out to a great number of partners this year including: Gosschalks Solicitors, East Riding of Yorkshire Council, Humber Teaching NHS Foundation Trust, East Riding of Yorkshire CCG, Hull CCG, Help for Health, KCOM, Humberside Fire and Rescue, Sargent Electrical, Nippon Gohsei, The One Point and Arco Community Foundation

In addition to our recorded activity we have also supported the generation and granting of £822,000 within NHS enhancements specifically but not exclusively; at the Humber Teaching Foundation Trust and Northern Lincolnshire and Goole NHS Foundation Trust.

Our grant making continues to grow with the trust of partners to maximise the Smile expertise in delivery. We do not take this for granted and continue to look to improve our services, in particular the Beecan system [www.beecan.org.uk](http://www.beecan.org.uk) to enable greater funder collaboration and community impact.

**Volunteers**

We are delighted to be a charity of choice for a wide range of volunteers. In the year the areas in which volunteers contributed included;

- Trustees
- Covid-19 Meet & Greet Volunteers
- Trustee academy
- Research and administration
- Corporate volunteering in the community
- Professional services help

In 2020, volunteering took on a whole new life as individuals around the country rallied to support the Covid-19 relief efforts. In partnership with the East Riding of Yorkshire Council, we mobilised and deployed an army of volunteers from furloughed individuals looking to help their local community to businesses who were unable to go about their usual work and wanted to put their resources to good use. This work continued at pace in 2021 with Smile and it's army of volunteers playing a vital (non-clinical) role in the Lateral Flow Testing and Vaccination programmes alongside our local authorities and health partners.

Volunteers from across the region were recognised in our annual Volunteer Awards ceremony which again saw a record number of nominations.

## **Report of the Trustees** for the year ended 31 December 2021

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### **STRATEGIC REPORT**

#### **Reserves policy**

The trustees set the reserves policy in line with national best practice and look for 6-9 months running costs. The trustees ask the CEO to highlight if we drop below the six-month position via the finance committee, but equally, seek to ensure that our free reserves do not surpass nine months unless planned for a specific reason. It is our collective belief that we are in operation to ensure that funds are invested in the community as effectively as possible.

#### **Designated funds**

In the year we hold designated funds for partners in 2021 these included:

- Sargent Electrical
- Nippon Gohsei
- The One Point Foundation
- The I Am Fund

#### **Restricted Funds**

Wherever possible, we try to limit the number of restricted funds held, aiming to receive funds in un-restricted or designated to ensure funds can be maximised efficiently and effectively for the community. Within 2021 we held restricted funds for the following:

- East Riding Council
- Defibrillators scheme
- Rainbow Garden
- East Riding Youth Project
- Green Social Prescribing

#### **Future plans**

Key objectives for 2022:

- Strategic volunteering campaigns - Further collaborative volunteering campaigns
- Continue to support the Covid-19 recovery, ensuring the voluntary, community and social enterprise sector emerges strong. This will include a major project in Bridlington, bringing a disused building back into use for the benefit of local residents and providing a low cost, collaborative base for local charities and community groups.
- Develop and expand on Hull Youth Support Trust and our enterprise support offer
- Continue to provide contracted support and guidance for NHS charities through our Smile Health work

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The HEY Smile Foundation (Smile) is a registered charity (1125856) and a company limited by guarantee (06455490) governed by its memorandum and articles of association adopted in September 2008.

#### **Recruitment and appointment of new trustees**

The trustees are also the directors and form the management committee. They are elected at the annual general meeting. The committee represents a wide selection of the private and public sector across Hull and East Yorkshire. Trustees are elected following a recruitment process in which we reach out to our extensive network of relationships and formal advertisements.

Our annual skills matrix supports any positions which become available, and this ensures that when recruiting we are specific in the necessary skills to enhance our current board and help us to fulfil our strategic objectives in line with our constitution.

## **Report of the Trustees**

for the year ended 31 December 2021

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Organisational structure**

At any one time in the reported year, the Charity had a minimum of nine Directors/trustees. They consisted of;

Jim Dick OBE

Dr Andrew Milner

Mr Melvyn W Sadofsky FCA

Mr Andrew Bowden

Mr Graham Cross

Mrs Cathy Phillips

Mr Dileepa Ranawake

Mr Tim Wigglesworth

Ms Patricia Dalby

The trustees meet a minimum of four times a year, with further committee meetings in the following areas:

- Finance and Management
- Risk
- People
- Resources incorporating JB Willows & Hull Youth Support Trust
- I Am Fund
- Communications

#### **Management of the Charity**

The day to day management of the Charity is delegated to the CEO and his leadership team which consists of the following;

- Head of Business and Communications (Ann Newlove)
- Head of Community Development (Nick Middleton)
- Head of Smile Health (Victoria Winterton)

In August 2021, the Head of Shared Resources left the organisation to pursue other interests. As the only employee of Hull Youth Support Trust at the time of its transition to Smile in July 2020, this move was testament to the development of the organisation during the first year. The role, which included overseeing our property estate moved under the existing Head of Business and Communications.

The CEO is responsible for delegating the responsibilities of the annual plan and monitoring performance in line with approved budgets, regularly assessing operational risks and opportunities. In the year we worked with our professional advisors 360, Chartered Accountants, Gosschalks Solicitors and Marsh Commercial Insurance.

In the reported year, Smile employee numbers varied due to Covid implications but also due to additional work commissioned in response to the pandemic, averaging at 26 people across all of its services (18 full-time equivalents). The majority of the employees are aligned with contracts, all of which are reviewed annually.

#### **Induction and training of new trustees**

It is the CEO's responsibility to fulfil the formal induction of new Trustees, in addition, the Chair and CEO work together with the Head of Business and Communications to ensure all ongoing training requirement. Each trustee is aligned with key areas of interest and expertise to enable the Charity to thrive.

#### **Our People**

In 2021 the trustees carried out an employee survey to establish key areas of development and investment in our people while supporting the work on our refreshed Vision, Mission and Values. We have also highlighted new areas of investment in our people to ensure we remain an employer of choice in 2022.

#### **Risk management**

Highlighting operational risks are the responsibility of all employees. Risks in all areas of Smile are regularly collated and monitored by the CEO and Head of Business and Communications, with any changes to the register highlighted to the Risk Committee. The risk register is in place and formally reviewed by the Risk committee quarterly.

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**HEY Smile Foundation**

**Report of the Trustees**  
for the year ended 31 December 2021

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Hey Smile Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which 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. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

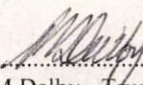
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Smailes Goldie Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20 September 2022 and signed on the board's behalf by:

  
.....  
Ms P M Dalby - Trustee

**Report of the Independent Auditors to the Members of**  
**HEY Smile Foundation**

**Opinion**

We have audited the financial statements of HEY Smile Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement, Notes to the Consolidated Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 group 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of**  
**HEY Smile Foundation**

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

**The extent to which the audit was considered capable of detecting irregularities including fraud**

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation.. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management

**Report of the Independent Auditors to the Members of**  
**HEY Smile Foundation**

**Our responsibilities for the audit of the financial statements (continued)**

as to actual and potential litigation and claims; and reviewing correspondence with relevant regulators and the charitable company's legal advisors.

Due to 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. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

**Use of our report**

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



Stephen Bramall BSc FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princes Street  
Hull  
East Yorkshire  
HU2 8BA

Date: 27 September 2022

**HEY Smile Foundation****Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)**

for the year ended 31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	261,152	36,196	297,348	868,802
<b>Charitable activities</b>	4				
Payable in furtherance of charity's objectives		1,144,192	-	1,144,192	846,257
Investment income	3	<u>1,131</u>	<u>104,319</u>	<u>105,450</u>	<u>105,509</u>
<b>Total</b>		1,406,475	140,515	1,546,990	1,820,568
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Payable in furtherance of charity's objectives		1,321,912	205,958	1,527,870	1,392,628
<b>Total</b>		<u>1,321,912</u>	<u>205,958</u>	<u>1,527,870</u>	<u>1,392,628</u>
Net gains on investments		<u>53,163</u>	<u>-</u>	<u>53,163</u>	<u>45,489</u>
<b>NET INCOME/(EXPENDITURE)</b>		137,726	(65,443)	72,283	473,429
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>1,775,630</u>	<u>1,482,638</u>	<u>3,258,268</u>	<u>2,784,839</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,913,356</u></u>	<u><u>1,417,195</u></u>	<u><u>3,330,551</u></u>	<u><u>3,258,268</u></u>

The notes form part of these financial statements

**Consolidated Balance Sheet**

31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	13	1,313	14,434	15,747	20,997
Tangible assets	14	2,029	1,290,449	1,292,478	1,295,278
Investments	15	<u>1,112,338</u>	<u>-</u>	<u>1,112,338</u>	<u>1,059,175</u>
		1,115,680	1,304,883	2,420,563	2,375,450
<b>CURRENT ASSETS</b>					
Debtors	16	265,930	330	266,260	89,856
Cash at bank and in hand		<u>625,060</u>	<u>127,176</u>	<u>752,236</u>	<u>938,368</u>
		890,990	127,506	1,018,496	1,028,224
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(44,253)</u>	<u>(15,194)</u>	<u>(59,447)</u>	<u>(95,406)</u>
<b>NET CURRENT ASSETS</b>					
		<u>846,737</u>	<u>112,312</u>	<u>959,049</u>	<u>932,818</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,962,417	1,417,195	3,379,612	3,308,268
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(49,061)</u>	<u>-</u>	<u>(49,061)</u>	<u>(50,000)</u>
<b>NET ASSETS</b>					
		<u>1,913,356</u>	<u>1,417,195</u>	<u>3,330,551</u>	<u>3,258,268</u>
<b>FUNDS</b>					
Unrestricted funds	20			1,913,356	1,775,630
Restricted funds				<u>1,417,195</u>	<u>1,482,638</u>
<b>TOTAL FUNDS</b>					
				<u>3,330,551</u>	<u>3,258,268</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th September 2022 and were signed on its behalf by:

  
 .....  
 Ms P M Dalby - Trustee

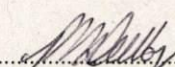
The notes form part of these financial statements

**Charity Balance Sheet**

31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	12	1,313	14,435	15,748	20,997
Tangible assets	13	2,029	-	2,029	4,806
Investments	14	<u>1,112,338</u>	<u>-</u>	<u>1,112,338</u>	<u>1,059,275</u>
		1,115,680	14,435	1,130,115	1,085,078
<b>CURRENT ASSETS</b>					
Debtors	15	265,930	-	265,930	89,186
Cash at bank and in hand		<u>625,061</u>	<u>12,644</u>	<u>637,705</u>	<u>767,457</u>
		890,991	12,644	903,635	856,643
<b>CREDITORS</b>					
Amounts falling due within one year	16	(44,253)	-	(44,253)	(89,011)
		<u>846,738</u>	<u>12,644</u>	<u>859,382</u>	<u>767,632</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		1,962,418	27,079	1,989,497	1,852,710
<b>CREDITORS</b>					
Amounts falling due after more than one year	17	(49,061)	-	(49,061)	(50,000)
		<u>1,913,357</u>	<u>27,079</u>	<u>1,940,436</u>	<u>1,802,710</u>
<b>NET ASSETS</b>					
<b>FUNDS</b>					
Unrestricted funds	19			1,913,357	1,775,631
Restricted funds				<u>27,079</u>	<u>27,079</u>
<b>TOTAL FUNDS</b>					
				<u>1,940,436</u>	<u>1,802,710</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 September 2022 and were signed on its behalf by:

  
 Ms P M Dalby Trustee

The notes form part of these financial statements

**HEY Smile Foundation****Consolidated Cash Flow Statement**

for the year ended 31 December 2021

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	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(186,078)</u>	<u>415,157</u>
Net cash (used in)/provided by operating activities		<u>(186,078)</u>	<u>415,157</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,553)	(2,696)
Sale of fixed asset investments		1,798	39,190
Interest received		2,437	725
Cash acquired on charitable combination		<u>-</u>	<u>39,884</u>
Net cash provided by investing activities		<u>2,682</u>	<u>77,103</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	50,000
Loan repayments in year		<u>(939)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(939)</u>	<u>50,000</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,046,558</u>	<u>504,298</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>862,223</u>	<u>1,046,558</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement**  
for the year ended 31 December 2021

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	72,285	473,974
<b>Adjustments for:</b>		
Depreciation charges	9,602	6,441
Gain on investments	(53,163)	(45,489)
Interest received	(2,437)	(725)
Asset acquired on charitable combination	-	(36,712)
Increase in debtors	(176,404)	(26,663)
(Decrease)/increase in creditors	<u>(35,959)</u>	<u>44,331</u>
<b>Net cash (used in)/provided by operations</b>	<u>(186,078)</u>	<u>415,157</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/21 £	Cash flow £	At 31/12/21 £
<b>Net cash</b>			
Cash at bank and in hand	938,369	(186,133)	752,236
Cash held within investment portfolio	<u>108,190</u>	<u>1,798</u>	<u>109,988</u>
	<u>1,046,558</u>	<u>(184,335)</u>	<u>862,224</u>
<b>Debt</b>			
Debts falling due after 1 year	<u>(50,000)</u>	<u>939</u>	<u>(49,061)</u>
	<u>(50,000)</u>	<u>939</u>	<u>(49,061)</u>
<b>Total</b>	<u>996,558</u>	<u>(183,396)</u>	<u>813,163</u>

The notes form part of these financial statements

## Notes to the Consolidated Financial Statements

for the year ended 31 December 2021

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### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **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 cost 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.

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.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 20% on cost
Computer equipment	- 25% on cost

#### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Investments**

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and original cost or annual revaluation of the investments are shown as unrealised gains or losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

The 100% shareholding in the subsidiary is stated at cost.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Notes to Consolidated the Financial Statements - continued**  
for the year ended 31 December 2021

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are those unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Impairment**

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

**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 the profit and loss account in other administration expenses.

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Gifts in Kind	101,351	43,370
Corporate Donations	49,260	58,187
Gift aid	11,507	4,861
Events and Sponsorship	36,128	27,659
Charity Appeals	500	21,284
Trusts and grants	93,638	676,729
Acquired on charitable combination from HYST	-	36,712
Legacies	4,964	-
	<u>297,348</u>	<u>868,802</u>

Charitable events and sponsorship are the major funding source for Smile to develop and deliver Smile Foundations activities and objectives. In addition to raising funds Smile events also provide the opportunity to create more awareness of Smile and its programmes and projects.

**HEY Smile Foundation****Notes to Consolidated the Financial Statements - continued**

for the year ended 31 December 2021

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<b>Trust and Grants</b>	2021	2020
	£	£
Audrey Mosey	-	4,800
Anne Rozenbroek	10,000	-
CallER Collective	-	31,438
Community Hub	-	10,000
Covid-19 Charitable Response	6,228	361,973
Defibrillators	2,500	9,395
Dewhirst Charitable Trust	-	4,500
Help for Health	16,691	-
HighFiver	-	65,609
John Hollis Trust	-	1,290
Making a Difference Locally	-	1,746
Rank Foundation	17,120	-
Sarah Brignall	5,000	-
Sir James Reckitt Charity	-	2,000
Spark Fund - The Beecan	-	6,887
Smile	-	37,091
Smile By The Sea	-	5,000
The Vault	-	5,000
Two Ridings Community Foundation	6,100	-
	<u>93,638</u>	<u>676,729</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2021

**3. INVESTMENT INCOME**

	2021	2020
	£	£
Rents received	103,013	104,784
Deposit account interest	<u>2,437</u>	<u>725</u>
	<u>105,450</u>	<u>105,509</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	2021	2020
	£	£
Funded charitable activity	<u>1,144,192</u>	<u>846,257</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
General	<u>557,699</u>	<u>534,672</u>	<u>435,499</u>	<u>1,527,870</u>

**6. GRANTS PAYABLE**

	2021	2020
	£	£
General	<u>534,672</u>	<u>822,434</u>

Grants payable include the following:

	2021	2020
	£	£
Armitage Thanks Grants Paid	-	1,000
AFC Blackburn Leisure	1,000	-
Amy Black Community	5,000	-
Audrey Mosley Grants Paid	-	42,235

**HEY Smile Foundation****Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**6. GRANTS PAYABLE - continued**

Andrew McNicholl Ballet Collective	12,500	-
Best Hope - Young Talent Club	5,000	-
Beverley Covid 19 Mutual Aid	1,000	-
Bridlington CYP	4,492	-
Bridlington Pride	1,000	-
Bundles of Joy	2,697	-
Carers Plus Yorkshire	5,000	-
Castaway Goole	9,985	-
Christ Church Bridlington	3,388	-
Community Hub	-	2,936
Concrete Youth	2,500	-
Cottingham Village Trust	26,706	-
CPR	-	11,337
Defibrillators	-	1,446
Devils Kitchen benefitting charities	-	1,770
Digital Divide	-	10,000
Donation of Smile Time	159,356	288,323
Dramatic CIC	2,000	-
East Riding Resilience Fund	-	29,501
Easington Youth Club	3,000	-
East Riding Theatre	2,500	-
Emmanuel Church Bridlington	3,200	-
EMT Trust	-	1,820
Fire Rescue Training & Supplies	12,576	-
Covid-19 Charitable Response	-	328,563
Goole Boxing Club	1,350	-
Grants Under £1,000	53,814	3,441
Health Stars	16,803	64
Health Tree Foundation	-	3,583
Hedon Methodist Church	3,671	-
Help for Health	3,231	-
HeyAct Grant	5,000	-
HICA Grant	2,300	-
HighFiver	-	29,116
Home Start Goole	-	46,000
Howden Rotary Club	1,345	-
Hull Children's University	5,000	-
Hull Dance CIC	15,650	-
Hull Truck Theatre	15,372	-
Kilham Playing Fields	3,168	-
Kingfisher Café	2,000	-
Love Driffield	5,000	-
Men in Sheds	4,057	4,000
Middle Child	10,000	-
Midsummer Spectacular	5,000	-
Moorlands Charity	4,940	-
National Initiative for Creative Education	10,000	-
National Youth Arts Trust	10,000	-
New Life Support	5,000	-
Nippon Grants Paid	-	9,129
Northern Academy of Performing Arts	4,990	-
Northern Hull Community Rainbow Gardens	1,009	-
Northern Lights Drama	1,000	-

**Hey Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**6. GRANTS PAYABLE - continued**

Peejay Pets	2,502	-
People's Pantry	1,000	-
Pride In Hull	4,500	-
Sargent Electrical Grants Paid	-	2,548
SASH	3,575	-
She Productions	5,120	-
Snaith and District Community Sport & Leisure Association	4,744	-
Smile 365	-	(233)
Talking About Loss	8,670	-
The Godber Theatre	4,661	-
The Green Team	5,000	-
The Herd Theatre	10,000	-
The Hinge Centre	6,965	-
The One Point Grants Paid	1,800	5,855
Thunk-it Theatre	7,356	-
Thwing and Octon	1,860	-
Volunteer In Process	1,044	-
Young Playwrights	5,440	-
	<u>534,672</u>	<u>822,434</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
General	<u>274,594</u>	<u>251</u>	<u>11,760</u>
	Other £	Governance costs £	Totals £
General	<u>126,083</u>	<u>22,811</u>	<u>435,499</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditor's Remuneration	2,800	2,800
Depreciation - owned assets	4,353	1,192
Development costs amortisation	<u>5,249</u>	<u>5,249</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**10. STAFF COSTS**

	2021	2020
	£	£
Wages and salaries	662,362	495,478
Social Security costs	50,943	44,175
Other pension costs	<u>11,326</u>	<u>14,387</u>
	<u>724,631</u>	<u>554,040</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Employed Staff	<u>28</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

The charity had five key management personnel during the year. The total costs of their salaries was £220,886 (2020 - £220,550).

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	767,731	101,071	868,802
<b>Charitable activities</b>			
General	846,257	-	846,257
Investment income	<u>714</u>	<u>104,795</u>	<u>105,509</u>
<b>Total</b>	1,614,701	205,866	1,820,568
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
General	1,267,109	125,519	1,392,628
<b>Total</b>	1,267,109	125,519	1,392,628
Net gains on investments	<u>45,489</u>	<u>-</u>	<u>45,489</u>
<b>NET INCOME</b>	393,081	80,347	473,429
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	1,382,549	1,402,291	2,784,839
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,775,630</u>	<u>1,482,638</u>	<u>3,258,268</u>

**12. GIFTS IN KIND**

Throughout the year the charity received several services which were donated. These include:

	2021 £	2020 £
Office Rental - Gosschalks	26,518	26,518
Legal Services - Gosschalks	6,089	6,089
IT Services - Gosschalks	3,363	3,363
Accountancy - 360 Accountants	6,400	7,400
Events and other miscellaneous	8,981	-
PPE – Arco	<u>50,000</u>	<u>-</u>
	<u>101,351</u>	<u>43,370</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2021

**13. INTANGIBLE FIXED ASSETS**

	Goodwill £	Development costs £	Totals £
<b>GROUP COST</b>			
At 1 January 2021 and 31 December 2021	<u>2,857</u>	<u>26,246</u>	<u>29,102</u>
<b>AMORTISATION</b>			
At 1 January 2021	2,857	5,249	8,106
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2021	<u>2,857</u>	<u>10,498</u>	<u>13,355</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>-</u>	<u>15,747</u>	<u>15,747</u>
At 31 December 2020	<u>-</u>	<u>20,997</u>	<u>20,997</u>
<b>COMPANY COST</b>			
At 1 January 2021 and 31 December 2021	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2021	2,857	5,249	8,106
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2021	<u>2,857</u>	<u>10,498</u>	<u>13,355</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>-</u>	<u>15,748</u>	<u>15,748</u>
At 31 December 2020	<u>-</u>	<u>20,997</u>	<u>20,997</u>

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2021

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Motor vehicles £	Computer equipment £	Totals £
<b>GROUP</b>				
<b>COST</b>				
At 1 January 2021	1,290,000	8,500	18,105	1,316,605
Additions	-	-	1,553	1,553
At 31 December 2021	<u>1,290,000</u>	<u>8,500</u>	<u>19,658</u>	<u>1,318,158</u>
<b>DEPRECIATION</b>				
At 1 January 2021	-	8,500	12,827	21,327
Charge for year	-	-	4,353	4,353
At 31 December 2021	-	<u>8,500</u>	<u>17,180</u>	<u>25,680</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>1,290,000</u>	<u>-</u>	<u>2,478</u>	<u>1,292,478</u>
At 31 December 2020	<u>1,290,000</u>	<u>-</u>	<u>5,278</u>	<u>1,295,278</u>
<b>COMPANY</b>				
<b>COST</b>				
At 1 January 2021		8,500	17,475	25,975
Additions		-	898	898
At 31 December 2021		<u>8,500</u>	<u>18,373</u>	<u>26,873</u>
<b>DEPRECIATION</b>				
At 1 January 2021		8,500	12,669	21,169
Charge for year		-	3,675	3,675
At 31 December 2021		<u>8,500</u>	<u>16,344</u>	<u>24,844</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021		<u>-</u>	<u>2,029</u>	<u>2,029</u>
At 31 December 2020		<u>-</u>	<u>4,806</u>	<u>4,806</u>

The value of freehold property is based on a valuation conducted by Garness Jones in 2017. The Directors consider this to fairly represent their value at the year end

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**15. FIXED ASSET INVESTMENTS**

	Listed investments £	Cash and settlements pending £	Totals £
<b>MARKET VALUE</b>			
At 1 January 2021	950,985	108,190	1,059,175
Net proceeds from disposals/acquisitions of investments	(1,798)	1,798	-
Revaluations	53,163	-	53,163
	<u>1,002,350</u>	<u>109,988</u>	<u>1,112,338</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>1,002,350</u>	<u>109,988</u>	<u>1,112,338</u>
At 31 December 2020	<u>950,985</u>	<u>108,190</u>	<u>1,059,175</u>

There were no investment assets outside the UK.

Historical cost of investments being £999,999.

Shares in group undertakings as at the Balance Sheet date represent the Charity's investment in HEY Smile Events Limited. Below are details of subsidiaries, where control has been established through investment in share capital or by other means:

**JB Willows Working Men's Cottages**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Charity

	2021 £	2020 £
Aggregate capital and reserves	1,367,448	1,384,763
Profit/(Loss) for the year	<u>(17,315)</u>	<u>3,167</u>

**HEY Smile Events Limited**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Dormant Company

Class of share:	%		
	holding	2021 £	2020 £
Ordinary	100	100	100
Aggregate capital and reserves		100	100

**Hull Youth Support Trust**

Registered office: 161 Unit 5, High Street, Hull East Yorkshire, HU1 1NQ

Nature of business: Charity

	2021 £	2020 £
Aggregate capital and reserves	22,668	70,796
Profit/(Loss) for the year	<u>(48,128)</u>	<u>34,084</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
<b>GROUP</b>	£	£
Trade debtors	256,511	81,873
Other debtors	7,134	7,000
Prepayments and accrued income	<u>2,615</u>	<u>983</u>
	<u>266,260</u>	<u>89,856</u>
	2021	2020
<b>COMPANY</b>	£	£
Trade debtors	256,181	81,203
Other debtors	7,134	7,000
Prepayments and accrued income	<u>2,615</u>	<u>983</u>
	<u>265,930</u>	<u>89,186</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
<b>GROUP</b>	£	£
Trade creditors	24,531	76,933
Social security and other taxes	-	9,580
Other creditors	4,681	4,229
Accruals and deferred income	<u>30,235</u>	<u>4,664</u>
	<u>59,447</u>	<u>95,406</u>
	2021	2020
<b>COMPANY</b>	£	£
Trade creditors	11,137	71,438
Social security and other taxes	-	9,580
Other creditors	4,681	4,229
Accruals and deferred income	<u>28,435</u>	<u>3,764</u>
	<u>44,253</u>	<u>89,011</u>

The movements in deferred income are analysed as follows:

	2021	2020
<b>GROUP</b>	£	£
Deferred income at 1 Jan	964	3,700
Amounts released from previous years	(964)	(3,700)
Incoming resources deferred in the years	<u>-</u>	<u>964</u>
Deferred income at 31 Dec	<u>-</u>	<u>964</u>
	2021	2020
<b>COMPANY</b>	£	£
Deferred income at 1 Jan	964	3,700
Amounts released from previous years	(964)	(3,700)
Incoming resources deferred in the years	<u>-</u>	<u>964</u>
Deferred income at 31 Dec	<u>-</u>	<u>964</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021	2020
	£	£
Bank loans (see note 19)	<u>49,061</u>	<u>50,000</u>

**19. LOANS**

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling between two and five years:		
Bank loans – 2-5 years	<u>49,061</u>	<u>50,000</u>

**20. MOVEMENT IN FUNDS**

**GROUP**

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
<b>Unrestricted funds</b>			
General fund	485,507	137,726	623,233
Designated funds – I AM Fund	<u>1,290,123</u>	-	<u>1,290,123</u>
	<u>1,775,630</u>	<u>137,726</u>	<u>1,913,356</u>
<b>Restricted funds</b>			
JB Willows Working Men's Cottages	1,384,763	(17,315)	1,367,448
Hull Youth Support Trust	70,796	(48,128)	22,668
Spark	14,435	-	14,435
Others	<u>12,644</u>	-	<u>12,644</u>
	<u>1,482,638</u>	<u>(65,443)</u>	<u>1,417,195</u>
<b>TOTAL FUNDS</b>	<u>3,258,268</u>	<u>72,283</u>	<u>3,330,551</u>

**Notes to the Consolidated Financial Statements - continued**

for the year ended 31 December 2021

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,406,475	(1,321,912)	53,163	137,726
Designated funds – I AM Fund	-	-	-	-
	<u>1,406,475</u>	<u>(1,321,912)</u>	<u>53,163</u>	<u>137,726</u>
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	44,298	(61,613)	-	(17,315)
Hull Youth Support Trust	96,217	(144,345)	-	(48,128)
Spark	-	-	-	-
Others	-	-	-	-
	<u>140,515</u>	<u>(205,959)</u>	<u>-</u>	<u>(65,443)</u>
<b>TOTAL FUNDS</b>	<u>1,546,990</u>	<u>(1,527,870)</u>	<u>53,163</u>	<u>72,283</u>

**COMPANY**

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
<b>Unrestricted funds</b>			
General fund	485,507	137,726	623,233
Designated funds – I AM Fund	<u>1,290,123</u>	<u>-</u>	<u>1,290,123</u>
	<u>1,775,630</u>	<u>137,726</u>	<u>1,913,356</u>
<b>Restricted funds</b>			
Spark	14,435	-	14,435
Others	<u>12,644</u>	<u>-</u>	<u>12,644</u>
	<u>27,079</u>	<u>-</u>	<u>27,079</u>
<b>TOTAL FUNDS</b>	<u>1,802,709</u>	<u>137,726</u>	<u>1,940,435</u>

## Hey Smile Foundation

### Notes to the Consolidated Financial Statements - continued

for the year ended 31 December 2021

#### 20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,406,475	(1,321,912)	53,163	137,726
Designated funds – I AM Fund	-	-	-	-
	<u>1,406,475</u>	<u>(1,321,912)</u>	<u>53,163</u>	<u>137,726</u>
<b>Restricted funds</b>				
Spark	-	-	-	-
Others	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>1,406,475</u>	<u>(1,321,912)</u>	<u>53,163</u>	<u>137,726</u>

#### Designated funds

I AM Fund - This represents the legacy received from the estate of the late Audrey Mosley. The legacy will be used, for the next 2 years at least, to develop performing arts in the area and as such has been designated by the trustees.

#### Restricted funds

JB Willows Working Men's Cottages - This is a group of 18 properties within the boundaries of Hull within a micro community themselves surrounded by greenery, whilst still benefitting from excellent community provisions and easy access to transportation links into the City centre and beyond. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Hull Youth Support Trust - This project aims to help young economically disadvantaged people become financially independent, by getting started in business by providing affordable business units and access to advice and support. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

Spark - This represents a grant received to cover some of the costs of 'The Beecan' development.

Others - This represents other funds held for restricted purposes, which are immaterial to be presented separately.

**Notes to the Consolidated Financial Statements - continued**  
for the year ended 31 December 2021

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**21. EMPLOYEE BENEFIT OBLIGATIONS**

The company operates a defined pension contribution scheme for its employees. The pension cost charges represent contributions payable by the company and amounted to £11,326 (2020: £14,387). Contributions outstanding at 31 December 2021 were £3,347 (2020: £2,556)

**22. RELATED PARTY DISCLOSURES**

The charity received grants totalling £16,691 (2020 - £nil) and paid out grants totalling £3,231 (2020 - £nil) from Help for Health, a charity of which Victoria Winterton an employee, and Dr Andrew Milner, a trustee, are trustees. The charity received grants from Making a Difference Locally, a charity of which Andrew Barber, an employee, is a trustee (2021 - £nil, 2020 - £1,746)

The charity made a donation of £300 to Pocklington Rugby in the Community, a charity of which Andrew Bowden, is a trustee (2020 - £nil).

The charity received donations totalling £763 from Melvyn Sadofsky, a trustee (2020 - £nil).

The charity made a donation totalling £200 to North Ferriby Football Club Limited (2020 - £nil), a company of which James Dick, a trustee, is a director.

The charity received premises rent free, for which a gift in kind totalling £26,518 (2020 - £26,518) from Gosschalks Solicitors, a company of which P Plaxton, a former trustee, is a partner.

Smile is a corporate trustee for JB Willows Charity and provided operating management and administration to which they received payment.

During the year, Andrew Barber, CEO, has been acting as Interim CEO for Beverley Consolidated Charity, for which the charity has received £28,553 (2020 - £nil).

## Hey Smile Foundation

### Detailed Consolidated Statement of Financial Activities

for the year ended 31 December 2021

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts	101,351	43,370
Donations	49,260	58,187
Gift aid	11,507	4,861
Grants	36,128	27,659
Admissions	500	21,284
Trusts and grants	93,638	676,729
Acquired on charitable combination from HYST	-	36,712
Legacies	4,964	-
	<u>297,348</u>	<u>868,802</u>
<b>Investment income</b>		
Rents received	103,013	104,784
Deposit account interest	2,437	725
	<u>105,450</u>	<u>105,509</u>
<b>Charitable activities</b>		
Funded charitable activity	<u>1,144,192</u>	<u>846,257</u>
<b>Total incoming resources</b>	<b>1,546,990</b>	<b>1,820,568</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Smile programme costs	18,722	16,818
Funded work costs	504,516	228,764
Smile event costs	34,461	22,168
Community costs	-	5,636
Grants to institutions	528,865	534,111
Grants to individuals	5,807	288,323
	<u>1,092,371</u>	<u>1,095,820</u>
<b>Support costs</b>		
<b>Management</b>		
Wages	148,363	117,999
Pensions	11,326	-
Light and heat	22,496	18,591
Telephone	14,090	8,974
Postage and stationery	2,090	1,963
Carried forward	198,365	169,536

This page does not form part of the statutory financial statements

## Hey Smile Foundation

### Detailed Consolidated Statement of Financial Activities

for the year ended 31 December 2021

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	2021	2020
	£	£
<b>Management</b>		
Brought forward	198,365	169,536
Advertising	24,699	7,544
Motor expenses and travel	2,310	2,447
Management fees	6,864	6,478
Rent	<u>42,356</u>	<u>40,913</u>
	274,594	204,909
<b>Finance</b>		
Bank charges	251	192
<b>Information technology</b>		
IT Software and consumables	11,760	6,484
<b>Other</b>		
Insurance	9,228	9,367
Repairs	62,301	22,009
Sundries	44,952	21,141
Amortisation of intangible fixed assets	5,249	5,249
Depreciation of tangible fixed assets	<u>4,353</u>	<u>1,192</u>
	126,083	58,958
<b>Governance costs</b>		
Auditors' remuneration	2,800	2,800
Accountancy and legal fees	<u>20,011</u>	<u>23,465</u>
	<u>22,811</u>	<u>26,265</u>
Total resources expended	<u>1,527,870</u>	<u>1,392,628</u>
<b>Net income before gains and losses</b>	19,120	428,485
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on investment property	<u>53,163</u>	<u>45,489</u>
<b>Net income</b>	<u><u>72,283</u></u>	<u><u>473,429</u></u>

This page does not form part of the statutory financial statements

**HEY SMILE FOUNDATION**

England & Wales - Charity number 1125856

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# Accounts

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**REGISTERED COMPANY NUMBER: 06455490 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1125856**

**Report of the Trustees and**  
**Consolidated Financial Statements for the Year Ended 31 December 2020**  
**for**  
**HEY Smile Foundation**

**HEY Smile Foundation**

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for the Year Ended 31 December 2020**

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**HEY Smile Foundation**  
**Report of the Trustees for the Year Ended 31 December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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).

**Chairman**

In a year that will be forever remembered as the year of the Covid-19 Pandemic, I was proud to be part of the HEY Smile Foundation.

I am again delighted to be able to report on yet another year of strong performance for the HEY Smile Foundation and am immensely proud that we were able to stand alongside partners across all sectors to support our local communities.

Our years of work to support the voluntary, community and social enterprise sector and to ensure that they were fit for commissioning meant that when this global crisis hit, our sector was able to step up and play a vital role. From acting as local 'Hubs' to delivering hot meals; from knocking on doors to befriending those over the phone who were lonely and isolated; HEY Smile Foundation has acted as a catalyst, showing our partners in health and local government just what the voluntary, community and social enterprise sector can do.

Through relationships with funders and local philanthropists, we have also been able to run grant programmes to deploy funds where they were most needed.

As the NHS became a focal point for national fundraising and donations, our Smile Health work has supported a number of NHS Trust charities to get public funds and those added extras to where they were needed. NHS staff have been supported with spaces to relax and regroup and technology has been used to allow loved ones to visit their family virtually.

In July 2020, we were pleased to welcome Hull Youth Support Trust into the HEY Smile Foundation under a corporate Trustee model. The Hull Youth Support Trust provides subsidised office space as well as business start-up support to young entrepreneurs. We recognise that self-employment and the creation of more social enterprises will play a vital part in the recovery of the economy and are honoured to have been entrusted by the charity's former Trustees to be responsible for the next stage in its development.

In my closing statement this time last year, I noted that when I started the charity and recruited our now Chief Executive, Andy Barber, we could never have imagined what a strong presence the charity would have in Hull and the East Riding of Yorkshire. Through a combination of strong, innovative leadership, excellent trustees and a highly effective management team, the charity has developed into a sustainable, well managed and hugely respected organisation making a real difference to the lives of so many in the region. Never could this statement have been more true and I would like to place on record my sincere thanks to everyone involved during 2020, be they sponsors, donors, supporters, commissioners, volunteers and of course the trustees and management team.

I look forward to the HEY Smile Foundation continuing to grow and serve the people of Hull and East Yorkshire.

Jim Dick - Chairman

**Chief Executive**

As with many charities, 2020 began with strengthening our leadership team, inducting our new Trustees and generally setting out our strategy for the year ahead. We had plans to move beyond the soft launch of our Beecan system and to expand on works carried out in 2019 including our commissioned research piece on local community transport. We also planned to enhance the 18 J B Willows Working Men's cottages entrusted to us in recent years. Little did we know that 2020 was going to be the year that HEY Smile Foundation and the voluntary, community and social enterprise sector at large would really step up to the plate.

Our work with the East Riding of Yorkshire Council and local and regional health bodies meant that when the Covid-19 Pandemic hit, we were already championing the role of our sector. Our knowledge of community anchor organisations and our agile nature meant that we were able to put local support and relief efforts in place ahead of many others.

## **HEY Smile Foundation Report of the Trustees for the Year Ended 31 December 2020**

Our team worked tirelessly to provide resources and infrastructure to the nine 'Hubs' across the East Riding and a number of our team were redeployed to be the first point of call for residents in urgent need of food and medical supplies until the local authority were geared up and ready to take over. Systems and services including our CALLER Collective telephone befriending service were set up at pace in direct response to local need.

HEY Smile Foundation's strength is in working with strategic partners across all sectors to stimulate change and invest in collaboration and innovation. We don't believe in filling gaps and emergency funding; instead we listen and work with leaders to ensure the resources we invest in provide stability and a position to grow services sustainably. Whilst an amount of emergency funding has been required this year, we are incredibly grateful to commissioners, funders and philanthropists who continue to work with us to ensure the sustainability of a sector which will be vital to Covid recovery.

In 2020, volunteering took on a whole new life as individuals around the country rallied to support the Covid-19 relief efforts. In partnership with the East Riding of Yorkshire Council, we mobilised and deployed an army of volunteers from furloughed individuals looking to help their local community to businesses who were unable to go about their usual work and wanted to put their resources to good use. It was incredibly humbling to recognise volunteers from across the region in our annual Volunteer Awards ceremony which this year moved online and saw a record number of nominations.

I want to personally pay tribute to our amazing team. During a period of such national and personal uncertainty, they rose to the challenge of front line delivery where needed; they brought together partners across all sectors; they ensured that the voluntary, community and social enterprise sector were seen as an equal and sustainable partner and not just a short term solution; they tirelessly supported our front line NHS colleagues; they kept our own people safe, including our 26 vulnerable residents in our Working Men's Cottages.

For a number of years I've quietly boasted that we have one of the best boards of Trustees in the region. Our new Trustees at the start of 2020 only served to demonstrate this further and our board's combined skills and expertise is second to none. Throughout this year, they have safely empowered the team to be reactive and take risks, including releasing funds and recruiting to deliver new services which would later be commissioned.

Finally, one of the highlights of my year has been welcoming Hull Youth Support Trust into the HEY Smile Foundation family under a corporate trustee model. We have admired the work of this charity over recent years and are pleased to play our part in supporting enterprise. Once again, we're working to join the dots and demonstrating that great things happen when private business works alongside the voluntary, community and social enterprise sector.

Andrew Barber CEO

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The trustee's review Smile's activity against the Charity Commission guidelines on public benefit, also, they review the effectiveness of its ongoing activity and regularly assess the current needs of the community it serves across Hull and East Yorkshire. The trustees recognise the continued need to maximise the potential of existing resources with the private, public and voluntary sector, ensuring they go further work harder and last longer.

### **Significant activities**

- Significant support to local Covid-19 relief efforts in partnership with East Riding of Yorkshire Council and local health bodies
- Major roll out of the Beecan system as a means of communicating with the sector and facilitating grant funding
- Significant support to NHS charities and NHS teams in direct response to the Covid-19 pandemic
- Bringing Hull Youth Support Trust into the Smile family of charities
- At pace development and delivery of the CALLER Collective telephone befriending service
- Virtual Volunteer Awards ceremony held to recognise the significant role that volunteers play

**HEY Smile Foundation**  
**Report of the Trustees for the Year Ended 31 December 2020**

**OBJECTIVES AND ACTIVITIES**

**Public benefit**

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

**Grant making**

In 2020 we have made grants that meet our objectives in partnership with many local funders. These grants have covered the following areas;

- Health and Well-being
- Loneliness and isolation
- Covid-19 response
- Education
- Sport and physical activity
- Leadership
- The Arts
- NHS enhancements to facilities

Our grants are generally linked to planned activity for the year however 2020 saw us working across the public and private sector as well as grant makers and philanthropists to ensure funds were directed to where they were needed in order to keep services running, to delivery services in a Covid safe manner and to finally re-open safely when possible.

Our thanks go out to a great number of partners this year including: Gosschalks Solicitors, East Riding of Yorkshire Council, Humber Teaching NHS Foundation Trust, East Riding of Yorkshire CCG, Hull CCG, Help for Health, Hull and East Riding Charitable Trust, KCOM, Humberside Fire and Rescue, Sargent Electrical, Nippon Gohsei, The One Point and Arco Community Foundation

In addition to our recorded activity we have also supported the generation and granting of £1.1m within NHS enhancements specifically but not exclusively; at the Humber Teaching Foundation Trust and Northern Lincolnshire and Goole NHS Foundation Trust.

Our grant making continues to grow with the trust of partners to maximise the Smile expertise in delivery. We do not take this for granted and continue to look to improve our services, in particular the Beecan system [www.beecan.org.uk](http://www.beecan.org.uk) to enable greater funder collaboration and community impact.

**Volunteers**

We are delighted to be a charity of choice for a wide range of volunteers. In the year the areas in which volunteers contributed included;

- Trustees
- Trustee academy
- Research and administration
- Corporate volunteering in the community
- Professional services help

In 2020, volunteering took on a whole new life as individuals around the country rallied to support the Covid-19 relief efforts. In partnership with the East Riding of Yorkshire Council, we mobilised and deployed an army of volunteers from furloughed individuals looking to help their local community to businesses who were unable to go about their usual work and wanted to put their resources to good use.

Volunteers from across the region were recognised in our annual Volunteer Awards ceremony which this year moved online and saw a record number of nominations.

**HEY Smile Foundation**  
**Report of the Trustees for the Year Ended 31 December 2020**

**STRATEGIC REPORT**

**Reserves policy**

The trustees set the reserves policy in line with national best practice and look for 3-6 months running costs. The trustees ask the CEO to highlight if we drop below the three-month position via the finance committee, but equally, seek to ensure that our free reserves do not surpass nine months unless planned for a specific reason. It is our collective belief that we are in operation to ensure that funds are invested in the community as effectively as possible.

**Designated funds**

In the year we hold designated funds for partners in 2020 these included:

- Sargent Electrical
- Nippon Gohsei
- The One Point Foundation
- The I Am Fund

**Restricted Funds**

Wherever possible, we try to limit the number of restricted funds held, aiming to receive funds in un-restricted or designated to ensure funds can be maximised efficiently and effectively for the community. Within 2020 we held restricted funds for the following:

- East Riding Council
- Defibrillators scheme
- Rainbow Garden
- East Riding Youth Project

**Future plans**

Key objectives for 2021:

- Strategic volunteering campaigns - Further collaborative volunteering campaigns
- Continue to support the Covid-19 recovery, ensuring the voluntary, community and social enterprise sector emerges strong
- Develop and expand on Hull Youth Support Trust and our enterprise support offer
- Continue to provide contracted support and guidance for NHS charities through our Smile Health work

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The HEY Smile Foundation (Smile) is a registered charity (1125856) and a company limited by guarantee (06455490) governed by its memorandum and articles of association adopted in September 2008.

**Recruitment and appointment of new trustees**

The trustees are also the directors and form the management committee. They are elected at the annual general meeting. The committee represents a wide selection of the private and public sector across Hull and East Yorkshire. Trustees are elected following a recruitment process in which we reach out to our extensive network of relationships and formal advertisements.

Our annual skills matrix supports any positions which become available, and this ensures that when recruiting we are specific in the necessary skills to enhance our current board and help us to fulfil our strategic objectives in line with our constitution.

**HEY Smile Foundation**  
**Report of the Trustees for the Year Ended 31 December 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

At any one time in the reported year, the Charity had a minimum of seven Directors/trustees. They consisted of;

Mr Jim Dick OBE  
Dr Andrew Milner  
Mr Melvyn W Sadofsky FCA  
Mr Paul Plaxton  
Mrs Helen Bissett (Resigned Jan 2020)  
Mr Andrew Bowden  
Mr Graham Cross  
Mrs Cathy Phillips  
Mr Dileepa Ranawake (appointed 06/01/2020)  
Mr Tim Wigglesworth (appointed 12/03/2020)  
Ms Patricia Dalby (appointed 12/03/2020)

The trustees meet a minimum of four times a year, with further committee meetings in the following areas:

- Finance and Management
- Risk
- People
- JB Willows
- Hull Youth Support Trust
- I Am Fund
- Communications

Mid way through 2020, the J B Willows committee remit was broadened to include Hull Youth Support Trust and was renamed the Resources Committee.

**Management of the Charity**

The day to day management of the Charity is delegated to the CEO and his leadership team which consists of the following;

- Head of Business and Communications (Ann Newlove)
- Head of Community Development (Nick Middleton)
- Head of Smile Health (Victoria Winterton)
- Head of Shared Resources (Mike Thompson, joined July 2020 as the only existing employee of Hull Youth Support Trust)

The CEO is responsible for delegating the responsibilities of the annual plan and monitoring performance in line with approved budgets, regularly assessing operational risks and opportunities. In the year we worked with our professional advisors 360, Chartered Accountants, Gosschalks Solicitors and Marsh Commercial Insurance.

In the reported year, Smile employee numbers varied due to Covid implications but also due to additional work commissioned in response to the pandemic, averaging at 24 people across all of its services (18 full-time equivalents). The majority of the employees are aligned with contracts, all of which are reviewed annually.

**Induction and training of new trustees**

It is the CEO's responsibility to fulfil the formal induction of new Trustees, in addition, the Chair and CEO work together with the Head of Business and Communications to ensure all ongoing training requirement. Each trustee is aligned with key areas of interest and expertise to enable the Charity to thrive.

**Our People**

In 2020 the trustees carried out an employee survey to establish key areas of development and investment in our people while supporting the work on our refreshed Vision, Mission and Values. We have also highlighted new areas of investment in our people to ensure we remain an employer of choice in 2021.

**Risk management**

Highlighting operational risks are the responsibility of all employees. Risks in all areas of Smile are regularly collated and monitored by the CEO and Head of Business and Communications, with any changes to the register highlighted to the Risk Committee. The risk register is in place and formally reviewed by the Risk committee quarterly.

**HEY Smile Foundation**  
**Report of the Trustees for the Year Ended 31 December 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
06455490 (England and Wales)

**Registered Charity number**  
1125856

**Registered office**  
Gosschalks Dock Street  
Queens Gardens  
Hull  
East Yorkshire  
HU1 3AE

**Trustees**

Mr J L Dick OBE Director  
Dr A Milner Director  
Mr P Plaxton Director  
Mr M W Sadofsky Director  
Mr G Cross Director  
Mr A J Bowden Director  
Ms C S Phillips Director  
Mr D Ranawake (appointed 06/01/2020)  
Mr T J Wigglesworth (appointed 12/03/2020)  
Ms P M Dalby (appointed 12/03/2020)

**Company Secretary**  
Mr M W Sadofsky

**Independent Auditors**  
Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

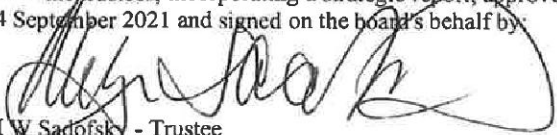
**Bankers**

Santander  
6-8 King Edward Street  
Hull  
East Yorkshire  
HU1 3AE

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 24 September 2021 and signed on the board's behalf by:

  
Mr M W Sadofsky - Trustee

**Report of the Independent Auditors to the Members of  
HEY Smile Foundation**

**Opinion**

We have audited the financial statements of HEY Smile Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 group 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
HEY Smile Foundation**

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

**The extent to which the audit was considered capable of detecting irregularities including fraud**

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charitable company and the group, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations and health and safety legislation.. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's and consolidated financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity only and consolidated financial statement disclosures to underlying supporting documentation; reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with HMRC and the charitable company's legal advisors.

**Our responsibilities for the audit of the financial statements (continued)**

Due to 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. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

**Use of our report**

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



Stephen Bramall BSc FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Statutory Auditor  
Regent's Court  
Princes Street  
Hull  
East Yorkshire  
HU1 3AE

Date: 24 September 2021

**HEY Smile Foundation**

**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	767,730	101,072	868,802	1,611,957
<b>Charitable activities</b>	4				
Payable in furtherance of the charity's objects		846,257	-	846,257	447,485
Investment income	3	<u>714</u>	<u>104,795</u>	<u>105,509</u>	<u>26,299</u>
<b>Total</b>		<b>1,614,701</b>	<b>205,867</b>	<b>1,820,568</b>	<b>2,085,741</b>
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Payable in furtherance of the charity's objects		1,267,109	125,519	1,392,628	814,396
Net gains on investments		<u>45,489</u>	<u>-</u>	<u>45,489</u>	<u>13,687</u>
<b>NET INCOME</b>		<b>393,081</b>	<b>80,348</b>	<b>473,429</b>	<b>1,285,032</b>
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>1,382,549</u>	<u>1,402,290</u>	<u>2,784,839</u>	<u>1,499,807</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>1,775,630</b></u>	<u><b>1,482,638</b></u>	<u><b>3,258,268</b></u>	<u><b>2,784,839</b></u>

The notes form part of these financial statements

**HEY Smile Foundation**

**Consolidated Balance Sheet**  
**31 December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	13	6,562	14,435	20,997	26,246
Tangible assets	14	4,806	1,290,472	1,295,278	1,293,144
Investments	15	<u>1,059,175</u>	<u>-</u>	<u>1,059,175</u>	<u>1,013,686</u>
		1,070,543	1,304,907	2,375,450	2,333,076
<b>CURRENT ASSETS</b>					
Debtors	16	89,186	670	89,856	63,193
Cash at bank and in hand		<u>754,912</u>	<u>183,456</u>	<u>938,368</u>	<u>435,298</u>
		844,098	184,126	1,028,224	498,491
<b>CREDITORS</b>					
Amounts falling due within one year	17	(89,011)	(6,395)	(95,406)	(46,728)
<b>NET CURRENT ASSETS</b>		<u>755,087</u>	<u>177,731</u>	<u>932,818</u>	<u>451,763</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,825,630	1,482,638	3,308,268	2,784,839
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	(50,000)	-	(50,000)	-
<b>NET ASSETS</b>		<u>1,775,630</u>	<u>1,482,638</u>	<u>3,258,268</u>	<u>2,784,839</u>
<b>FUNDS</b>	20				
Unrestricted funds				1,775,630	1,382,549
Restricted funds				<u>1,482,638</u>	<u>1,402,290</u>
<b>TOTAL FUNDS</b>				<u>3,258,268</u>	<u>2,784,839</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 September 2021 and were signed on its behalf by:



Mr J L Dick - Trustee

The notes form part of these financial statements

**HEY Smile Foundation**

**Charity Balance Sheet**  
**31 December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	13	6,562	14,435	20,997	26,246
Tangible assets	14	4,806	-	4,806	3,144
Investments	15	<u>1,059,275</u>	<u>-</u>	<u>1,059,275</u>	<u>1,013,786</u>
		1,070,643	14,435	1,085,078	1,043,176
<b>CURRENT ASSETS</b>					
Debtors	16	89,186	-	89,186	64,260
Cash at bank and in hand		<u>754,813</u>	<u>12,644</u>	<u>767,457</u>	<u>341,606</u>
		843,999	12,644	856,643	405,866
<b>CREDITORS</b>					
Amounts falling due within one year	17	(89,011)	-	(89,011)	(45,799)
<b>NET CURRENT ASSETS</b>		<u>754,988</u>	<u>12,644</u>	<u>767,632</u>	<u>360,067</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,825,631	27,079	1,852,710	1,403,243
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	(50,000)	-	(50,000)	-
<b>NET ASSETS</b>		<u>1,775,631</u>	<u>27,079</u>	<u>1,802,710</u>	<u>1,403,243</u>
<b>FUNDS</b>	20				
Unrestricted funds				1,775,631	1,382,549
Restricted funds				<u>27,079</u>	<u>20,694</u>
<b>TOTAL FUNDS</b>				<u>1,802,710</u>	<u>1,403,243</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 September 2021 and were signed on its behalf by:



Mr J L Dick - Trustee

The notes form part of these financial statements

**HEY Smile Foundation**

**Consolidated Cash Flow Statement**  
**for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>414,612</u>	<u>1,292,507</u>
Net cash provided by operating activities		<u>414,612</u>	<u>1,292,507</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(26,246)
Purchase of tangible fixed assets		(2,696)	(785)
Purchase of fixed asset investments		-	(930,999)
Interest received		725	1,050
Cash acquired on charitable combination		40,429	-
Net cash received on disposals/acquisitions of investments		<u>39,190</u>	<u>-</u>
Net cash used in investing activities		<u>77,648</u>	<u>(956,980)</u>
<b>Cash flows from financing activities</b>			
New loans in year		<u>50,000</u>	<u>-</u>
Net cash provided by financing activities		<u>50,000</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		<u>542,260</u>	<u>335,527</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>504,298</u>	<u>168,771</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>1,046,558</u>	<u>504,298</u>

The notes form part of these financial statements

**HEY Smile Foundation**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31 December 2020**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.20	31.12.19
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>473,429</b>	<b>1,285,032</b>
<b>Adjustments for:</b>		
Depreciation charges	6,441	1,320
Assets acquired on charitable combination	(36,712)	-
Gain on investments	(45,489)	(13,687)
Interest received	(725)	(1,050)
Increase in debtors	(26,663)	(1,308)
Increase in creditors	<u>44,331</u>	<u>22,200</u>
<b>Net cash provided by operations</b>	<b><u>414,612</u></b>	<b><u>1,292,507</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	435,298	503,070	938,368
Cash held within investment portfolio	<u>69,000</u>	<u>39,190</u>	<u>108,190</u>
	<b><u>504,298</u></b>	<b><u>542,260</u></b>	<b><u>1,046,558</u></b>
<b>Debt</b>			
Debts falling due after 1 year	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
<b>Total</b>	<b><u>504,298</u></b>	<b><u>492,260</u></b>	<b><u>996,558</u></b>

The notes form part of these financial statements

## HEY Smile Foundation

### Notes to the Consolidated Financial Statements for the Year Ended 31 December 2020

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **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 cost 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.

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.

##### **Interest receivable and other income**

Interest income is recognised using the effective interest method.

##### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulate impairment losses.

##### **Investments**

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and the original cost or annual revaluation of the investments are shown as unrealised investment gains or losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

The 100% shareholding in the subsidiary is stated at cost.

##### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 25% on cost
Computer equipment	- 20% on cost

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are those unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Employee benefits**

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

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

**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 the profit and loss account in other administrative expenses.

**Impairment**

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

**2. DONATIONS AND LEGACIES**

	31.12.20	31.12.19
	£	£
Gifts in kind	43,370	53,773
Corporate donations	58,187	59,849
Gift Aid	4,861	6,416
Events and sponsorship	27,659	158,068
Charity appeals	21,284	8,011
Trust and grants	676,729	55,458
Legacies	-	1,270,382
Acquired on charitable combination with subsidiary	36,712	-
	<u>868,802</u>	<u>1,611,957</u>

Charitable events and sponsorship are the major funding source for Smile to develop and deliver the Smile Foundations activities and objectives. In addition to raising funds Smile events also provide the opportunity to create more awareness of Smile and its programmes and projects.

Restricted funds income in relation to the Armitage Shanks Initiative is shown behind corporate donations and charity appeals. Included in trusts and grants is a Spark Fund grant for 'The Beecan'.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**2. DONATIONS AND LEGACIES - continued**

**Trust and Grants**

	2020	2019
Audrey Mosey	4,800	10,400
CALLER Collective	31,438	-
Community Hub	10,000	-
Covid-19 Charitable Response	361,973	-
Defibrillators	9,395	-
Dewhirst Charitable Trust	4,500	4,500
East Riding of Yorkshire Council	130,000	17,310
HighFiver	65,609	-
John Hollis Trust	1,290	1,290
Making a Difference Locally	1,746	1,746
Sir James Reckitt Charity	2,000	2,000
Spark Fund	-	777
Spark Fund – The Beecan	6,887	14,435
Employment Allowance	-	3,000
Smile	37,091	-
Smile By The Sea	5,000	-
The Vault	5,000	-
	<b>676,729</b>	<b>55,458</b>

**3. INVESTMENT INCOME**

	31.12.20	31.12.19
	£	£
Deposit account interest	725	1,050
Rents receivable	104,784	25,249
	<b>105,509</b>	<b>26,299</b>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	31.12.20	31.12.19
	£	£
Funded charitable activity	<b>846,257</b>	<b>447,485</b>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Payable in furtherance of the charity's objects	<b>273,385</b>	<b>822,434</b>	<b>296,809</b>	<b>1,392,628</b>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**6. GRANTS PAYABLE**

	31.12.20	31.12.19
	£	£
Payable in furtherance of the charity's objects	<u>822,434</u>	<u>186,217</u>

Grants payable include the following:

	2020	2019
	£	£
<b>Armitage Thanks Grants Paid</b>	<b>1,000</b>	2,180
<b>Audrey Mosley Grants Paid</b>	<b>42,235</b>	2,000
<b>Community Hub</b>	<b>2,936</b>	25,322
<b>CPR</b>	<b>11,337</b>	2,860
<b>Defibrillators</b>	<b>1,446</b>	3,502
<b>Devils Kitchen benefitting charities</b>	<b>1,770</b>	7,192
<b>Digital Divide</b>	<b>10,000</b>	-
<b>Donation of Smile Time</b>	<b>288,323</b>	73,336
<b>Double Tree Hilton</b>	-	365
<b>East Riding Resilience Fund</b>	<b>29,501</b>	-
<b>EMT Trust</b>	<b>1,820</b>	1,820
<b>Covid-19 Charitable Response</b>	<b>328,563</b>	-
<b>Grants Under £1,000</b>	<b>3,441</b>	15,267
<b>Health Stars</b>	<b>64</b>	23,389
<b>Health Tree Foundation</b>	<b>3,583</b>	1,914
<b>HighFiver</b>	<b>29,116</b>	-
<b>Home Start Goole</b>	<b>46,000</b>	-
<b>Hornsea Grants Paid</b>	-	238
<b>Hugh Rice Grants Paid</b>	-	280
<b>Humber Half Marathon</b>	-	40
<b>KCOM Grants Paid</b>	-	2,570
<b>Men in Sheds</b>	<b>4,000</b>	-
<b>More Together</b>	-	9,546
<b>Nippon Grants Paid</b>	<b>9,129</b>	1,150
<b>Run With It</b>	-	60
<b>Sargent Electrical Grants Paid</b>	<b>2,548</b>	5,700
<b>Smile 365</b>	<b>(233)</b>	(365)
<b>Smile by the Sea Breaks</b>	-	4,106
<b>The One Point Grants Paid</b>	<b>5,855</b>	3,744
	<u><b>822,434</b></u>	<u><b>186,217</b></u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £
Payable in furtherance of the charity's objects	<u>204,910</u>	<u>192</u>	<u>6,484</u>
	Other £	Governance costs £	Totals
Payable in furtherance of the charity's objects	<u>58,958</u>	<u>26,265</u>	<u>296,809</u>

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20 £	31.12.19 £
Depreciation - owned assets	1,192	1,320
Auditor's remuneration	2,800	2,800
Development costs amortisation	<u>5,249</u>	<u>-</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

No Trustee received any expenses or remuneration in the last 12 months. All Trustees as part of their induction are made aware of how and what they can claim expenses for however in 2020 no Trustee decided to put forward any claim.

**Trustees' expenses**

There were no trustees' expenses paid since the launch in 2009.

**10. STAFF COSTS**

	31.12.20 £	31.12.19 £
Wages and salaries	495,478	403,465
Social security costs	44,175	34,721
Other pension costs	<u>14,387</u>	<u>11,629</u>
	<u>554,040</u>	<u>449,815</u>

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Employed staff	<u>26</u>	<u>22</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.20	31.12.19
£60,001 - £70,000	<u>1</u>	<u>1</u>

The charity had five key management personnel. The total cost of their salaries was £220,550 (2019 - £151,455) combined.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	1,597,420	14,537	1,611,957
<b>Charitable activities</b>			
Payable in furtherance of the charity's objects	447,485	-	447,485
Investment income	<u>1,047</u>	<u>25,252</u>	<u>26,299</u>
<b>Total</b>	2,045,952	39,789	2,085,741
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Payable in furtherance of the charity's objects	787,628	26,768	814,396
Net gains on investments	<u>13,687</u>	<u>-</u>	<u>13,687</u>
<b>NET INCOME</b>	1,272,011	13,021	1,285,032
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	110,538	1,389,269	1,499,807
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,382,549</u></u>	<u><u>1,402,290</u></u>	<u><u>2,784,839</u></u>

**12. GIFTS IN KIND**

Throughout the year, the charity received several services which were donated. These include:

	2020 £	2019 £
<b>Office Rental - Gosschalks</b>	26,518	26,518
<b>Legal Services - Gosschalks</b>	6,089	6,089
<b>IT Services - Gosschalks</b>	3,363	3,363
<b>Accountancy - 360 Accountants</b>	7,400	6,400
<b>Events</b>	-	11,403
	<u><u>43,370</u></u>	<u><u>53,773</u></u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**13. INTANGIBLE FIXED ASSETS**

	Goodwill £	Development costs £	Totals £
<b>GROUP</b>			
<b>COST</b>			
At 1 January 2020 and at 31 December 2020	<u>2,857</u>	<u>26,426</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2020	2,857	-	2,857
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2020	<u>2,857</u>	<u>5,249</u>	<u>8,106</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>-</u>	<u>20,997</u>	<u>20,997</u>
At 31 December 2019	<u>-</u>	<u>26,246</u>	<u>26,246</u>
 <b>COMPANY</b>			
<b>COST</b>			
At 1 January 2020 and 31 December 2020	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
<b>AMORTISATION</b>			
At 1 January 2020	2,857	-	2,857
Charge for year	<u>-</u>	<u>5,249</u>	<u>5,249</u>
At 31 December 2020	<u>2,857</u>	<u>5,249</u>	<u>8,106</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>-</u>	<u>20,997</u>	<u>20,997</u>
At 31 December 2019	<u>-</u>	<u>26,246</u>	<u>26,246</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Motor vehicles £	Computer equipment £	Totals £
<b>GROUP</b>				
<b>COST</b>				
At 1 January 2020	1,290,000	8,500	14,779	1,313,279
Additions	<u>-</u>	<u>-</u>	<u>3,326</u>	<u>3,326</u>
At 31 December 2020	<u>1,290,000</u>	<u>8,500</u>	<u>18,105</u>	<u>1,316,605</u>
<b>DEPRECIATION</b>				
At 1 January 20	-	8,500	11,635	20,135
Charge for year	<u>-</u>	<u>-</u>	<u>1,192</u>	<u>1,192</u>
At 31 December 2020	<u>-</u>	<u>8,550</u>	<u>12,827</u>	<u>21,327</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020	<u>1,290,000</u>	<u>-</u>	<u>5,278</u>	<u>1,295,278</u>
At 31 December 2019	<u>1,290,000</u>	<u>-</u>	<u>3,144</u>	<u>1,293,144</u>
		Motor vehicles £	Computer equipment £	Totals £
<b>COMPANY</b>				
<b>COST</b>				
At 1 January 2020		8,500	14,779	23,279
Additions		<u>-</u>	<u>2,696</u>	<u>2,696</u>
At 31 December 2020		<u>8,500</u>	<u>17,475</u>	<u>25,975</u>
<b>DEPRECIATION</b>				
At 1 January 2020		8,500	11,635	20,135
Charge for year		<u>-</u>	<u>1,034</u>	<u>1,034</u>
At 31 December 2020		<u>8,500</u>	<u>12,669</u>	<u>21,169</u>
<b>NET BOOK VALUE</b>				
At 31 December 2020		<u>-</u>	<u>4,806</u>	<u>4,806</u>
At 31 December 2019		<u>-</u>	<u>3,144</u>	<u>3,144</u>

The value of Freehold Property is based on a valuation conducted by Garness Jones in 2017. The directors consider this to Fairly represent the value at the year end.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**15. FIXED ASSET INVESTMENTS**

	Listed investments £	Cash and settlements pending £	Totals £
<b>GROUP MARKET VALUE</b>			
At 1 January 2020	944,686	69,000	1,013,686
Net proceeds from disposals/acquisitions of investments	(39,190)	39,190	-
Revaluations	45,489	-	45,489
	<u>950,985</u>	<u>108,190</u>	<u>1,059,175</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>950,985</u>	<u>108,190</u>	<u>1,059,175</u>
At 31 December 2019	<u>944,686</u>	<u>69,000</u>	<u>1,013,686</u>

There were no investment assets outside the UK.

Historical cost of investments being £999,999

Share in group undertakings as at the Balance Sheet date represent the Charity's investment in HEY Smile Events Limited. Below are details of subsidiaries, where control has been established through investment in share capital or by other means:

**JB Willows Workings Men's Cottages**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Charity

Charity registration number: 249183

Means of control: The sole trustee of this charity is HEY Smile Foundation

	31.12.20 £	31.12.19 £
Aggregate capital and reserves	1,384,763	1,381,596
Profit for the year	<u>3,167</u>	<u>664</u>

**HEY Smile Events Limited**

Registered office: 61 Queens Garden, Hull, East Yorkshire, HU1 3AE

Nature of business: Dormant company

Company number: 08082118

Class of share:	% holding	31.12.20 £	31.12.19 £
	100	100	100
Aggregate capital and reserves		<u>-</u>	<u>-</u>
Profit for the year		<u>-</u>	<u>-</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**15. FIXED ASSET INVESTMENTS - continued**

**Hull Youth Support Trust**

Registered office: 161 Unit 5, High Street, Hull, East Yorkshire, HU1 1NQ

Nature of business: Charity

Charity registration number: 1168969

Means of control: The sole trustee of this charity is HEY Smile Foundation

	<b>31.12.20</b>
Aggregate capital and reserves	<b>70,796</b>
Profit for the year	<b><u>34,084</u></b>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.20</b>	<b>31.12.19</b>	<b>31.12.20</b>	<b>31.12.19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>81,873</b>	54,357	<b>81,203</b>	55,424
Other debtors	<b>7,000</b>	7,554	<b>7,000</b>	7,554
Prepayments	<b>983</b>	1,282	<b>983</b>	1,282
	<b><u>89,856</u></b>	<u>63,193</u>	<b><u>89,186</u></b>	<u>64,260</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.20</b>	<b>31.12.19</b>	<b>31.12.20</b>	<b>31.12.19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>76,933</b>	15,487	<b>71,438</b>	15,458
Social security and other taxes	<b>9,580</b>	21,771	<b>9,580</b>	21,771
Other creditors	<b>4,229</b>	5,770	<b>4,229</b>	4,870
Accruals and deferred income	<b>4,664</b>	3,700	<b>3,764</b>	3,700
	<b><u>95,406</u></b>	<u>46,728</u>	<b><u>89,011</u></b>	<u>45,799</u>

The movements in deferred income are analysed as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.12.20</b>	<b>31.12.19</b>	<b>31.12.20</b>	<b>31.12.19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income at 1 Jan	<b>3,700</b>	1,800	<b>3,700</b>	1,800
Amounts released from previous years	<b>(3,700)</b>	(1,800)	<b>(3,700)</b>	(1,800)
Incoming resources deferred in the years	<b>964</b>	3,700	<b>964</b>	3,700
	<b><u>964</u></b>	<u>3,700</u>	<b><u>964</u></b>	<u>3,700</u>
Deferred income at 31 Dec	<b>964</b>	3,700	<b>964</b>	3,700

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

<b>18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		<b>31.12.20</b>	<b>31.12.19</b>
		<b>£</b>	<b>£</b>
Bank loans (see note 18)		<u><b>50,000</b></u>	<u><b>-</b></u>
<b>19. LOANS</b>			
An analysis of the maturity of loans is given below:			
		<b>31.12.20</b>	<b>31.12.19</b>
		<b>£</b>	<b>£</b>
Amounts falling due between two and five years:			
Bank loans		<u><b>50,000</b></u>	<u><b>-</b></u>
<b>20. MOVEMENT IN FUNDS</b>			
<b>GROUP</b>			
	At 1.1.20	Net movement in funds	At
	£	£	31.12.20
			£
<b>Unrestricted funds</b>			
General fund	<b>100,480</b>	<b>385,027</b>	<b>485,507</b>
Designated funds – I AM Fund	<u><b>1,282,069</b></u>	<u><b>8,054</b></u>	<u><b>1,290,123</b></u>
	<u><b>1,382,549</b></u>	<u><b>393,081</b></u>	<u><b>1,775,630</b></u>
<b>Restricted funds</b>			
JB Willows Working Men’s Cottages	<b>1,381,596</b>	<b>3,167</b>	<b>1,384,763</b>
Hull Youth Support Trust	<b>-</b>	<b>70,796</b>	<b>70,796</b>
Spark	<b>14,435</b>	<b>-</b>	<b>14,435</b>
Others	<u><b>6,259</b></u>	<u><b>6,385</b></u>	<u><b>12,644</b></u>
	<u><b>1,402,290</b></u>	<u><b>80,348</b></u>	<u><b>1,482,638</b></u>
<b>TOTAL FUNDS</b>	<u><b>2,784,839</b></u>	<u><b>473,429</b></u>	<u><b>3,258,268</b></u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,609,901	(1,224,874)	-	385,027
Designated funds – I AM Fund	<u>4,800</u>	<u>(42,235)</u>	<u>45,489</u>	<u>8,054</u>
	<u>1,614,701</u>	<u>(1,267,109)</u>	<u>45,489</u>	<u>393,081</u>
<b>Restricted funds</b>				
JB Willows Working Men's Cottages	46,427	(43,260)	-	3,167
Hull Youth Support Trust	151,609	(80,813)	-	70,796
Spark	-	-	-	-
Others	<u>7,831</u>	<u>(1,446)</u>	-	<u>6,385</u>
	<u>205,867</u>	<u>(125,519)</u>	-	<u>80,348</u>
<b>TOTAL FUNDS</b>	<u>1,820,568</u>	<u>(1,392,628)</u>	<u>45,489</u>	<u>473,429</u>

**COMPANY**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	100,480	385,028	485,508
Designated funds – I AM Fund	<u>1,282,069</u>	<u>8,054</u>	<u>1,290,123</u>
	<u>1,382,549</u>	<u>393,082</u>	<u>1,775,631</u>
<b>Restricted funds</b>			
Spark	14,435	-	14,435
Others	<u>6,259</u>	<u>6,385</u>	<u>12,644</u>
	<u>20,694</u>	<u>6,385</u>	<u>27,079</u>
<b>TOTAL FUNDS</b>	<u>1,403,243</u>	<u>399,467</u>	<u>1,802,710</u>

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**20. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,621,803	(1,236,775)	-	385,028
Designated funds – I AM Fund	<u>4,800</u>	<u>(42,235)</u>	<u>45,489</u>	<u>8,054</u>
	<u>1,626,603</u>	<u>(1,279,010)</u>	<u>45,489</u>	<u>393,082</u>
<b>Restricted funds</b>				
Spark	-	-	-	-
Others	<u>7,831</u>	<u>(1,446)</u>	<u>-</u>	<u>6,385</u>
	<u>7,831</u>	<u>(1,446)</u>	<u>-</u>	<u>6,385</u>
<b>TOTAL FUNDS</b>	<u>1,634,434</u>	<u>(1,280,456)</u>	<u>45,489</u>	<u>399,467</u>

**Designated funds**

*I AM Fund* – This represents the legacy received from the estate of the late Audrey Mosley. This legacy will be used for the next two years at least, to develop performing arts in the area and as such has been designated by the trustees.

**Restricted funds**

*JB Willows Working Men's Cottages* – This is a group of 18 properties within the boundaries of Hull within a micro community themselves surrounded by greenery, whilst still benefitting from excellent community provisions and easy access to transportation links into the City centre and beyond. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

*Hull Youth Support Trust* – This project is aims to help young economically disadvantaged people become financially independent, by getting started in business by providing affordable business units and access to advice and support. This is a subsidiary of HEY Smile Foundation and the fund associated with the entity has been restricted on the basis that its objectives are narrower than those of HEY Smile Foundation.

*Spark* – This represents a grant received to cover some of the costs of ‘The Beccan’ development.

*Others* – This represents other funds held for restricted purposes, which are immaterial to be presented separately.

**HEY Smile Foundation**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31 December 2020**

**21. RELATED PARTY DISCLOSURES**

The charity received premises rent free from Gosschalks Solicitors, a company of which Mr P Plaxton, trustee, is a partner.

The charity received donations from Santander, of which Mr A Bowden, trustee, is a former employee.

The charity received grants from Help for Health, a charity of which Victoria Winterton, Employee, and Dr Andrew Milner, trustee, are trustees.

The charity received grants from Making a Difference Locally, a charity of which Andrew Barber, Employee, is a trustee.

Smile is the corporate trustee for the JB Willows Charity and provided operating management and administration to which they received payment.

The Charity received donations from Kirkella Investments, who in the year the charity has used for investment services.

The Charity has received donations from Yorkshire Bank, who in the year the charity has used for banking service.

**22. PENSIONS**

The company operates a defined pension contribution pension scheme for its employees. The pension cost charges represent contributions payable by the company and amounted to £14,387 (2019: £11,629). Contributions outstanding at 31 December 2020 were £2,556 (2019: £2,153).

**23. NET INCOMING/OUTGOING RESOURCES OF PARENT CHARITABLE COMPANY**

As permitted by Paragraph 397 of the SORP, the statement of the Financial Activities of the parent charitable company is not presented as part of these financial statements. The parent charitable company's net incoming resources for the year to 31<sup>st</sup> December 2020 was £399,467 (2019: £1,284,368).

**HEY Smile Foundation**

**Detailed Consolidated Statement of Financial Activities**  
**for the Year Ended 31 December 2020**

	31.12.20 £	31.12.19 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts in kind	43,370	53,773
Corporate donations	58,187	59,849
Gift Aid	4,861	6,416
Events and sponsorship	27,659	158,068
Charity appeals	21,284	8,011
Trust and grants	676,729	55,458
Legacies	-	1,270,382
Acquired on charitable combination with HYST	<u>36,712</u>	<u>-</u>
	868,802	1,611,957
<b>Investment income</b>		
Deposit account interest	725	1,050
Rents received	<u>104,784</u>	<u>25,249</u>
	105,509	26,299
<b>Charitable activities</b>		
Funded charitable activity	<u>846,802</u>	<u>447,485</u>
<b>Total incoming resources</b>	<b>1,820,568</b>	<b>2,085,741</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Smile programme costs	16,818	5,250
Funded work costs	228,764	324,862
Smile event costs	22,168	104,278
Community costs	5,636	7,236
Grants to institutions	534,111	112,881
Charitable donations	<u>288,323</u>	<u>73,336</u>
	1,095,820	627,843
<b>Support costs</b>		
<b>Management</b>		
Wages	117,999	84,949
Rent	40,913	27,547
Light and heat	18,591	-
Telephone	8,974	5,755
Postage and stationery	1,963	1,436
Marketing costs	7,544	6,150
Motor expenses and travel	2,447	3,998
Management fees	<u>6,478</u>	<u>-</u>
	204,909	129,835

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**HEY Smile Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 December 2020**

	31.12.20 £	31.12.19 £
<b>Management</b>		
<b>Finance</b>		
Just giving charges	42	182
Bank charges	<u>150</u>	<u>-</u>
	192	182
<b>Information technology</b>		
IT Software and consumables	6,484	5,439
<b>Other</b>		
Insurance	9,367	7,589
Sundries	21,141	9,268
Repairs and renewals	22,009	12,617
Amortisation of intangible fixed assets	5,249	-
Depreciation of tangible fixed assets	<u>1,192</u>	<u>1,320</u>
	58,958	14,646
<b>Governance costs</b>		
Accountancy and legal fees	<u>26,265</u>	<u>20,303</u>
Total resources expended	<u>1,392,628</u>	<u>814,396</u>
<b>Net income before gains and losses</b>	427,940	1,271,345
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on investment property	<u>45,489</u>	<u>13,687</u>
<b>Net income</b>	<u>473,429</u>	<u>1,285,032</u>

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