

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

TRUSTEES

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

COMPANY SECRETARY

M W Sadofsky

REGISTERED OFFICE

Gosschalks 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

BANKERS

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

SOLICITORS

Gosschalks
Queens Gardens
Hull
East Yorkshire
HU1 3AE

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

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

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.

Report of the Trustees

for the year ended 31 December 2021

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

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 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

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

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.

HEY Smile Foundation

Report of the Trustees for the year ended 31 December 2021

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.

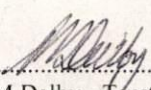
In so far as the trustees are aware:

- 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 22 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. 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

		Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	261,152	36,196	297,348	868,802
Charitable activities	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>
Total		1,406,475	140,515	1,546,990	1,820,568
EXPENDITURE ON					
Charitable activities	5				
Payable in furtherance of charity's objectives		<u>1,321,912</u>	<u>205,958</u>	<u>1,527,870</u>	<u>1,392,628</u>
Total		1,321,912	205,958	1,527,870	1,392,628
Net gains on investments		<u>53,163</u>	<u>-</u>	<u>53,163</u>	<u>45,489</u>
NET INCOME/(EXPENDITURE)		137,726	(65,443)	72,283	473,429
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,775,630</u>	<u>1,482,638</u>	<u>3,258,268</u>	<u>2,784,839</u>
TOTAL FUNDS CARRIED FORWARD		<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 £
FIXED ASSETS					
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
CURRENT ASSETS					
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
CREDITORS					
Amounts falling due within one year	17	<u>(44,253)</u>	<u>(15,194)</u>	<u>(59,447)</u>	<u>(95,406)</u>
NET CURRENT ASSETS		<u>846,737</u>	<u>112,312</u>	<u>959,049</u>	<u>932,818</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,962,417	1,417,195	3,379,612	3,308,268
CREDITORS					
Amounts falling due after more than one year	18	<u>(49,061)</u>	<u>-</u>	<u>(49,061)</u>	<u>(50,000)</u>
NET ASSETS		<u>1,913,356</u>	<u>1,417,195</u>	<u>3,330,551</u>	<u>3,258,268</u>
FUNDS	20				
Unrestricted funds				1,913,356	1,775,630
Restricted funds				<u>1,417,195</u>	<u>1,482,638</u>
TOTAL FUNDS				<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 22 September 2022 and were signed on its behalf by:


 Ms P M Dalby - Trustee

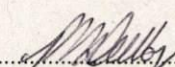
The notes form part of these financial statements

Charity Balance Sheet

31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
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
CURRENT ASSETS					
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
CREDITORS					
Amounts falling due within one year	16	<u>(44,253)</u>	<u>-</u>	<u>(44,253)</u>	<u>(89,011)</u>
NET CURRENT ASSETS					
		<u>846,738</u>	<u>12,644</u>	<u>859,382</u>	<u>767,632</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,962,418	27,079	1,989,497	1,852,710
CREDITORS					
Amounts falling due after more than one year	17	<u>(49,061)</u>	<u>-</u>	<u>(49,061)</u>	<u>(50,000)</u>
NET ASSETS					
		<u>1,913,357</u>	<u>27,079</u>	<u>1,940,436</u>	<u>1,802,710</u>
FUNDS					
	19				
Unrestricted funds				1,913,357	1,775,631
Restricted funds				<u>27,079</u>	<u>27,079</u>
TOTAL FUNDS					
				<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 24 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

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(186,078)	415,157
Net cash (used in)/provided by operating activities		(186,078)	415,157
Cash flows from investing activities			
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		-	39,884
Net cash provided by investing activities		2,682	77,103
Cash flows from financing activities			
New loans in year		-	50,000
Loan repayments in year		(939)	-
Net cash (used in)/provided by financing activities		(939)	50,000
Change in cash and cash equivalents in the reporting period		(184,335)	542,260
Cash and cash equivalents at the beginning of the reporting period		1,046,558	504,298
Cash and cash equivalents at the end of the reporting period		862,223	1,046,558

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 £
Net income for the reporting period (as per the Statement of Financial Activities)	72,285	473,974
Adjustments for:		
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>
Net cash (used in)/provided by operations	<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 £
Net cash			
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>
Debt			
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>
Total	<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

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.

Notes to Consolidated the Financial Statements - continued
for the year ended 31 December 2021

Trust and Grants

	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

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	-

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 £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	767,731	101,071	868,802
Charitable activities			
General	846,257	-	846,257
Investment income	714	104,795	105,509
Total	1,614,701	205,866	1,820,568
EXPENDITURE ON			
Charitable activities			
General	1,267,109	125,519	1,392,628
Total	1,267,109	125,519	1,392,628
Net gains on investments	45,489	-	45,489
NET INCOME	393,081	80,347	473,429
RECONCILIATION OF FUNDS			
Total funds brought forward	1,382,549	1,402,291	2,784,839
TOTAL FUNDS CARRIED FORWARD	<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	50,000	-
	<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 £
GROUP			
COST			
At 1 January 2021 and 31 December 2021	<u>2,857</u>	<u>26,246</u>	<u>29,102</u>
AMORTISATION			
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>
NET BOOK VALUE			
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>
	Goodwill £	Development costs £	Totals £
COMPANY			
COST			
At 1 January 2021 and 31 December 2021	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
AMORTISATION			
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>
NET BOOK VALUE			
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 £
GROUP				
COST				
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>
DEPRECIATION				
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>
NET BOOK VALUE				
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>
COMPANY				
COST				
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>
DEPRECIATION				
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>
NET BOOK VALUE				
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 £
MARKET VALUE			
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>
NET BOOK VALUE			
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

	% holding	2021 £	2020 £
Class of share:			
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
	£	£
GROUP		
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
	£	£
COMPANY		
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
	£	£
GROUP		
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
	£	£
COMPANY		
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
	£	£
GROUP		
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
	£	£
COMPANY		
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
	£	£	£
Unrestricted funds			
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>
Restricted funds			
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>-</u>	<u>12,644</u>
	<u>1,482,638</u>	<u>(65,443)</u>	<u>1,417,195</u>
TOTAL FUNDS	<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 £
Unrestricted funds				
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>
Restricted funds				
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>
TOTAL FUNDS	<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 £
Unrestricted funds			
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>
Restricted funds			
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>
TOTAL FUNDS	<u>1,802,709</u>	<u>137,726</u>	<u>1,940,435</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 £
Unrestricted funds				
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>
Restricted funds				
Spark	-	-	-	-
Others	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<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

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 £
INCOME AND ENDOWMENTS		
Donations and legacies		
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>
Investment income		
Rents received	103,013	104,784
Deposit account interest	2,437	725
	<u>105,450</u>	<u>105,509</u>
Charitable activities		
Funded charitable activity	<u>1,144,192</u>	<u>846,257</u>
Total incoming resources	<u>1,546,990</u>	<u>1,820,568</u>
EXPENDITURE		
Charitable activities		
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>
Support costs		
Management		
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

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Hey Smile Foundation

Detailed Consolidated Statement of Financial Activities

for the year ended 31 December 2021

	2021 £	2020 £
Management		
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
Finance		
Bank charges	251	192
Information technology		
IT Software and consumables	11,760	6,484
Other		
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
Governance costs		
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>
Net income before gains and losses	19,120	428,485
Realised recognised gains and losses		
Realised gains/(losses) on investment property	<u>53,163</u>	<u>45,489</u>
Net income	<u><u>72,283</u></u>	<u><u>473,429</u></u>

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