

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

**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

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for the year ended 31 December 2023

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HEY Smile Foundation

Reference and Administrative Details

for the year ended 31 December 2023

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

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

SOLICITORS

Gosschalks
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

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

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.

Report of the Trustees

for the year ended 31 December 2023

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 to enable greater funder collaboration and community impact.

Report of the Trustees

for the year ended 31 December 2023

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 Green and Blue Health
- ICB

HEY Smile Foundation

Report of the Trustees

for the year ended 31 December 2023

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

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

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 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

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. This description forms part of our Report of the Independent Auditors.

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

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

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

The notes form part of these financial statements

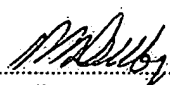
HEY Smile Foundation

Consolidated Balance Sheet

31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
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>-</u>	<u>972,472</u>	<u>1,017,652</u>
		984,207	2,120,973	3,105,180	3,157,475
CURRENT ASSETS					
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
CREDITORS					
Amounts falling due within one year	17	<u>(81,907)</u>	<u>(23,347)</u>	<u>(105,254)</u>	<u>(136,370)</u>
NET CURRENT ASSETS		<u>(99,094)</u>	<u>622,930</u>	<u>523,836</u>	<u>960,039</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		885,113	2,743,903	3,629,016	4,117,514
CREDITORS					
Amounts falling due after more than one year	18	<u>(15,968)</u>	<u>-</u>	<u>(15,968)</u>	<u>(26,513)</u>
NET ASSETS		<u>869,145</u>	<u>2,743,903</u>	<u>3,613,048</u>	<u>4,091,001</u>
FUNDS	20				
Unrestricted funds				869,145	1,071,042
Restricted funds				<u>2,743,903</u>	<u>3,019,959</u>
TOTAL FUNDS				<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

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
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
CURRENT ASSETS					
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
CREDITORS					
Amounts falling due within one year	17	<u>(93,407)</u>	<u>(4,114)</u>	<u>(97,521)</u>	<u>(158,713)</u>
NET CURRENT ASSETS		<u>(93,265)</u>	<u>583,178</u>	<u>489,913</u>	<u>905,323</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		891,043	587,115	1,478,158	1,945,657
CREDITORS					
Amounts falling due after more than one year	18	<u>(15,968)</u>	<u>-</u>	<u>(15,968)</u>	<u>(26,513)</u>
NET ASSETS		<u>875,075</u>	<u>587,115</u>	<u>1,462,190</u>	<u>1,919,144</u>
FUNDS	20				
Unrestricted funds				875,075	1,071,143
Restricted funds				<u>587,115</u>	<u>848,001</u>
TOTAL FUNDS				<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 £
Cash flows from operating activities			
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>
Cash flows from investing activities			
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>
Cash flows from financing activities			
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>
Change in cash and cash equivalents in the reporting period		(362,772)	158,939
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><u>548,403</u></u>	<u><u>911,175</u></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 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(477,953)	760,450
Adjustments for:		
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>
Net cash (used in)/provided by operations	<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 £
Net cash			
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>
Debt			
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>
Total	<u>873,388</u>	<u>(352,227)</u>	<u>521,161</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements

for the year ended 31 December 2023

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.

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>

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 £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	518,632	338,723	857,355
Charitable activities			
General	564,491	863,583	1,428,074
Investment income	915	99,571	100,486
Total	<u>1,084,038</u>	<u>1,301,877</u>	<u>2,385,915</u>
EXPENDITURE ON			
Charitable activities			
General	1,454,049	903,729	2,357,778
Net gains/(losses) on investments	(94,687)	827,000	732,313
NET INCOME/(EXPENDITURE)	(464,698)	1,225,148	760,450
Transfers between funds	(377,616)	377,616	-
RECONCILIATION OF FUNDS			
Total funds brought forward	1,913,356	1,417,195	3,330,551
TOTAL FUNDS CARRIED FORWARD	<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	615	3,331
	<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 £
GROUP			
COST			
At 1 January 2023 and 31 December 2023	<u>2,857</u>	<u>26,245</u>	<u>29,102</u>
AMORTISATION			
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>
NET BOOK VALUE			
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>
CHARITY			
COST			
At 1 January 2023 and 31 December 2023	<u>2,857</u>	<u>26,246</u>	<u>29,103</u>
AMORTISATION			
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>
NET BOOK VALUE			
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 £
GROUP					
COST OR VALUATION					
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>
DEPRECIATION					
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>
NET BOOK VALUE					
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 £
CHARITY				
COST				
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>-</u>	<u>27,700</u>	<u>34,698</u>
DEPRECIATION				
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>-</u>	<u>22,186</u>	<u>24,275</u>
NET BOOK VALUE				
At 31 December 2023	<u>4,909</u>	<u>-</u>	<u>5,514</u>	<u>10,423</u>
At 31 December 2022	<u>5,020</u>	<u>-</u>	<u>7,063</u>	<u>12,083</u>

15. FIXED ASSET INVESTMENTS

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

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

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

	2023	2022
	£	£
GROUP		
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		
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
GROUP	£	£
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	19,714	13,300
	<u>105,254</u>	<u>136,370</u>

	2023	2022
CHARITY	£	£
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	17,914	11,500
	<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 £
Unrestricted funds				
General fund	234,260	(207,788)	21,651	48,123
I AM Fund	836,782	(15,760)	-	821,022
	1,071,042	(223,548)	21,651	869,145
Restricted funds				
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	35,000	47,258	-	82,258
	3,019,959	(254,405)	(21,651)	2,743,903
TOTAL FUNDS	<u>4,091,001</u>	<u>(477,953)</u>	<u>-</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 £
Unrestricted funds				
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)
Restricted funds				
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	171,822	(124,564)	-	47,258
	983,921	(1,238,326)	-	(254,405)
TOTAL FUNDS	<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 £
Unrestricted funds				
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
Restricted funds				
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>
TOTAL FUNDS	<u>3,330,551</u>	<u>760,450</u>	<u>-</u>	<u>4,091,001</u>

Comparative 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	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	-	-	(94,687)	(94,687)
	1,084,038	(1,454,049)	(94,687)	(464,698)
Restricted funds				
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>
TOTAL FUNDS	<u>2,385,915</u>	<u>(2,357,778)</u>	<u>732,313</u>	<u>760,450</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 £
Unrestricted funds				
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
Restricted funds				
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>
TOTAL FUNDS	<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 £
Unrestricted funds				
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)
Restricted funds				
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>
TOTAL FUNDS	<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 £
Unrestricted funds				
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
Restricted funds				
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	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>35,000</u>
	<u>27,079</u>	<u>443,306</u>	<u>377,616</u>	<u>848,001</u>
TOTAL FUNDS	<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 £
Unrestricted funds				
General fund	1,084,038	(1,454,049)	-	(370,011)
I AM Fund	<u>-</u>	<u>-</u>	<u>(94,687)</u>	<u>(94,687)</u>
	1,084,038	(1,454,049)	(94,687)	(464,698)
Restricted funds				
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>-</u>	<u>30,040</u>
	<u>1,203,475</u>	<u>(760,169)</u>	<u>-</u>	<u>443,306</u>
TOTAL FUNDS	<u>2,245,035</u>	<u>(2,171,740)</u>	<u>(94,687)</u>	<u>(21,392)</u>

HEY Smile Foundation

Notes to the Consolidated Financial Statements – continued

for the year ended 31 December 2023

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 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.

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

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.