



ANNUAL REPORT  
2020/21

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## **Independent Auditors**

Berg Kaprow Lewis LLP  
Chartered Accountants  
35 Ballards Lane  
London N3 1XW

## **Registered Office**

35 Ballards Lane  
London N3 1XW

## **Principal Office**

51 Chalk Farm Road  
London NW1 8AN

## **Bankers**

HSBC  
12 Hampstead  
High Street  
Hampstead  
London NW3 1PY

Natwest  
1 Abbey Road  
London  
NW10 7YQ



**There are currently 86,000 children in England living with life-limiting or life-threatening conditions under the care of the NHS. Spread a Smile provides critically ill children with access to enhanced play and entertainment during some of the darkest times of their lives. Our teams of entertainers including fairies, magicians, singers, artists, face-painters and therapy dogs make regular bedside visits.**

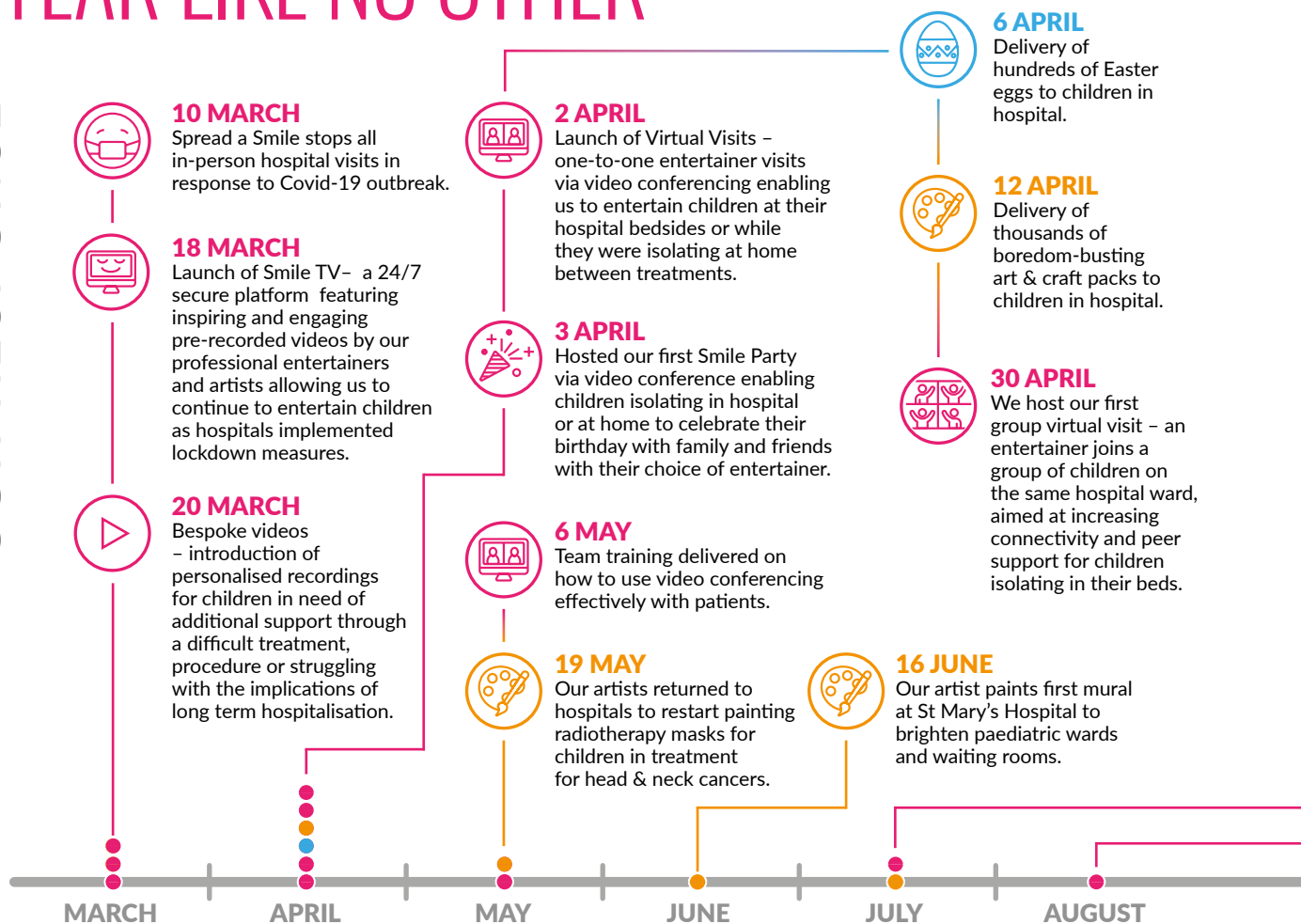
Hospital play and entertainment must be seen as essential for helping sick children to cope effectively with illness and hospitalisation. From the moment of diagnosis, Spread a Smile has a direct impact on the wellbeing of these children by delivering services that reduce anxiety, build confidence and self-esteem and provide a distraction from difficult treatments and painful procedures.

Spread a Smile is there to support families throughout all stages of illness and treatment, taking the pressure off parents and carers by bringing smiles and laughter during long hospital stays and helping to create positive memories and rare moments of joy. Our holistic family-first approach means that parents and siblings are not forgotten during these difficult times.

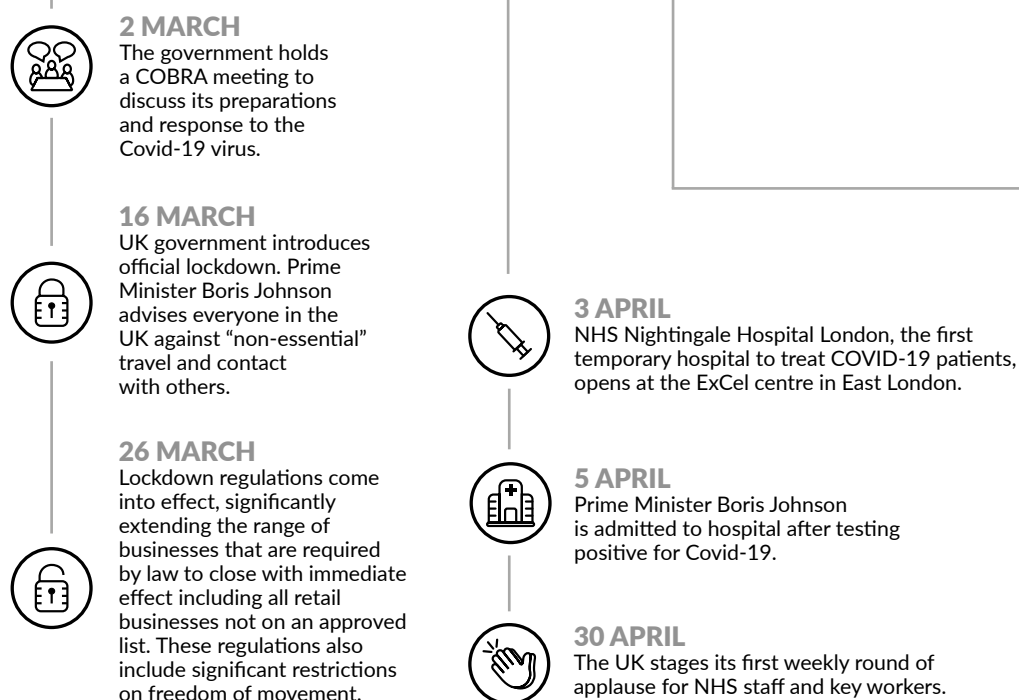
We partner with NHS hospitals to enhance their play provision and provide much needed support which would otherwise not be available.

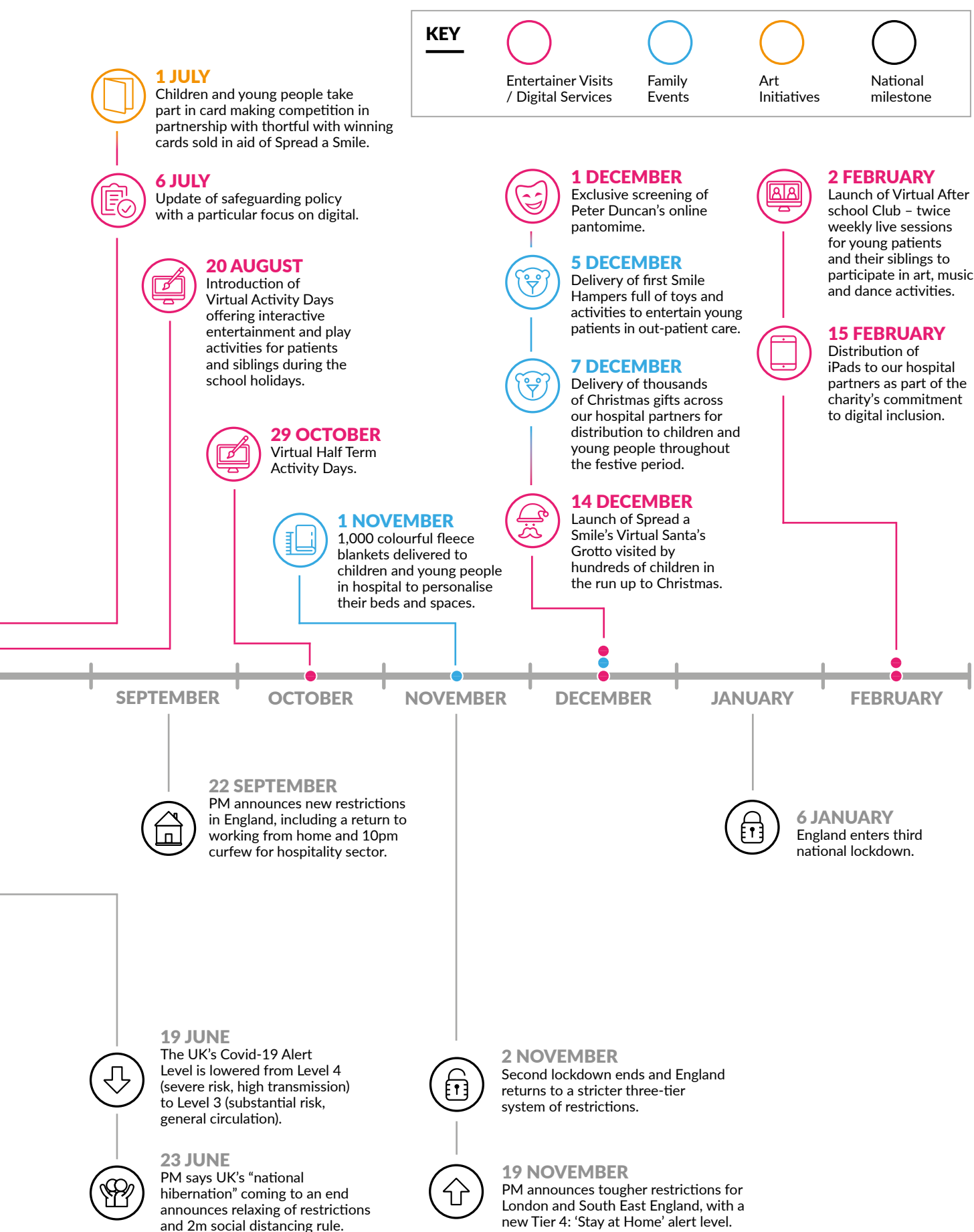
# A YEAR LIKE NO OTHER

## OUR RESPONSE



## GOVERNMENT RESPONSE





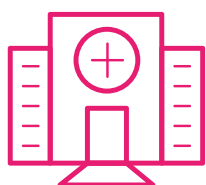
# 2020–21 IN NUMBERS



**97,070** minutes  
of contact time with children  
and their families.



**3,297** young patients  
and **628** siblings  
enjoyed virtual entertainer visits.



Partnered with  
leading NHS  
hospitals and one  
children's hospice. **12**



**1,450** children  
received Christmas gifts.



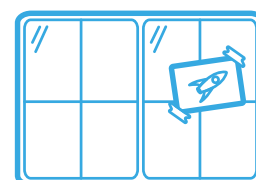
**6,495**  
hospitalised children  
received a boredom-  
busting activity pack.



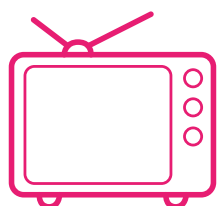
**193** children and  
families met Santa in our  
virtual Christmas Grotto.



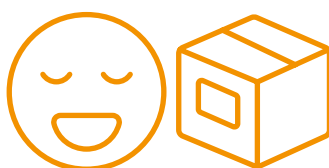
**88** children  
received hand painted  
radiotherapy masks.



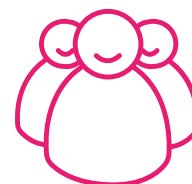
**294** window  
artworks  
produced for children to  
personalise their space  
while in hospital.



Smile TV received  
**8,541** views.



**12,845**  
children benefited  
from our treat drops.



**23,921**  
smiles spread across  
all our services.

# A MESSAGE FROM OUR CHIEF EXECUTIVE AND CHAIR OF TRUSTEES

**The past year has been one that has been truly like no other. Our financial year began in April 2020, two weeks into the first national lockdown. We immediately knew that Spread a Smile's services would be needed more than ever and that, despite being unable to visit hospitals in person, we absolutely had to continue to deliver smiles.**

The impact of the Covid-19 pandemic on the families we support was devastating. The children, young people and families became more isolated than ever. Only one parent could be with their child on the wards, siblings and extended family could no longer visit and play services were stretched almost to breaking point.

We adapted with incredible speed, launching Smile TV in March 2020 and virtual visits in April. We transformed the way we worked, setting up our team with equipment so that they could film themselves at home as well as training our team to use Zoom and rapidly upgrading our digital safeguarding procedures.

What we thought would be a short-term solution has enabled us to deepen the support we provide. We are now able to deliver our entertainment to the children who are most isolated in hospital, who

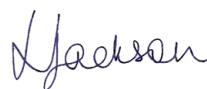
we previously couldn't reach; we can see children who might not have been in hospital on the set days we'd visit; and, we entertain children and young people whilst they are at home.

We will return to a full schedule of in-person hospital visits as soon as we are able to, but digital has transformed the charity and it is here to stay. Digital means we can spread smiles further afield and work with hospitals around the country. We have ambitious plans that will see us continue to grow to deliver our much-needed services to every major children's hospital throughout the country by 2024. We are proud to have strengthened our relationships with the play teams within our NHS hospital partners and work closely with them, enabling them to provide an enhanced service to their patients.

Our fundraising strategy was significantly affected by Covid-19. Our fundraising team worked incredibly hard to find new ways to raise money and the results you can see in this report speak for themselves. The funds we raised this year will put us on track to achieve our ambitious growth plans to spread smiles to seriously ill children across the country.

All of this is only possible thanks to our incredible donors. This year you rallied round to find new and innovative ways to support us during such a tough time and we have never been more proud or grateful. Thank you to all our partners, volunteers, our professional office team, our talented entertainers and our dedicated trustees, who guide us to advance our services.

Thank you.



**Lucy Jackson**  
Chief Executive



**Paul Godfrey**  
Chair of Trustees



# LILY'S STORY

In December 2020 Lily was diagnosed with a rare form of cancer. Lily, who is now 10, went through long periods in hospital and due to Covid-19 restrictions, wasn't allowed any visitors.

Following her diagnosis, Lily spent time at Southampton Children's Hospital, UCLH for radiotherapy and The Royal National Orthopaedic Hospital for surgery on her leg. Only her mum could be with her in hospital so this has meant huge amounts of time away from her dad, brother and sister and lots of time spent in different hospitals far away from home. Quite early on in her treatment, the play specialist at Southampton Children's Hospital arranged for Lily to have regular entertainment sessions with Spread a Smile. Lily said, *"Spread a Smile took my mind off being in hospital or feeling sick. One session was art and the artist, Laura and me drew owls. Now I'm drawing loads of cartoon superheroes – Wonder Woman,*

*Batman and Spiderman."*

Lily's brother and sister would often join her Spread a Smile sessions from home, or join in when Lily was at home in between treatment. Lily said, *"They even managed to get Daddy dancing!"*. Lily also joined in lots of sessions when she was staying in London for six weeks for radiotherapy at UCLH. From there, Lily joined in with a half term festival make up session, Horrible Histories and so much more.

**Spread a Smile**  
took my mind off  
being in hospital  
or feeling sick."



# A MESSAGE FROM OUR CO-FOUNDERS

**The past year has seen so much change for Spread a Smile. As always, we are continuously inspired by the strength of the families we support who demonstrated so much resilience and determination during what was the toughest of years. Families were faced not only with devastating diagnoses and ongoing treatment, but also the challenges of the Covid-19 pandemic which meant they were more isolated than ever before. Long hospital stays meant being cut off from the rest of their family and fear of the unknown or how the pandemic would affect them.**

We knew from the start of lockdown that our services were needed more than ever before and we are particularly proud of our team who innovated and pulled together to ensure that we could continue to spread the smiles we've been spreading since 2013.



Spread a Smile is there to support families throughout all stages of illness and treatment, taking the pressure of parents and carers by bringing smiles and laughter during long hospital stays and helping to create positive memories and rare moments of joy. Our holistic, family-first approach means that parents and siblings are not forgotten during these difficult times. During the Covid-19 pandemic, it became clear that our support for siblings was needed more than ever. Siblings of children in hospital could feel ignored or side-lined whilst one of their parents was living in the hospital and they were unable to visit their other children. Our virtual visits meant that siblings at home could join in with our entertainment sessions. We also ensured they were included in our Christmas gift delivery and treat drops.

Throughout the year and in response to the needs of the families we support, we have increased the range of entertainment on offer to include music lessons, art sessions, a twice-weekly after school club, wellbeing sessions for parents and lots more. We are always talking with and listening to parents and their children about what they want and what will make a difference to them. We know one size never fits all. Every child is different and we continue to pride ourselves on the personal approach we take.

We would like to take this opportunity to thank all of you who support our work. We are always blown away by the innovative fundraising that you do to help us continue to spread smiles – particularly during the pandemic. From virtual bike rides and runs to tea parties and toy sales, each contribution is so appreciated. Thank you also to our dedicated trustees, office team, volunteers and our entertainers. Together you make each smile a reality and we couldn't be more grateful for your contribution.

**Josephine Segal**  
Co-founder and Trustee

**Vanessa Crocker**  
Co-founder and Trustee

# OUR AIM

Spread a Smile's aim is to support the wellbeing of seriously ill and hospitalised children through the provision of enhanced play and entertainment that distracts from pain and treatment, alleviates the monotony of long and repeated hospital stays and creates positive experiences at the most challenging of times.

To meet our aim we provide three core services

- 1. Entertainer Visits** – scheduled in-person and virtual visits to children and young people under the care of all our NHS hospital partners from our team of professional entertainers including artists, magicians, musicians, fairies, poets and more. Also includes therapy dog visits.
- 2. Family Events** – an extended programme of family-focused theatre trips and in-person and virtual family, sibling and teenage events plus regular treat drops across all our hospital partners.
- 3. Art Initiatives** – Creating colourful murals on hospital wards and windows to make the hospital environment a more welcoming place for young patients and their families. Our hand-painted, bespoke masks and moulds support young patients undergoing radiotherapy treatment.

Prolonged and repeated hospitalisation raises the chances of patients experiencing increased anxiety and upset, loss of self-confidence and feelings of isolation and sadly, most children and young people will experience some degree of emotional distress during long and repeated hospital stays. We believe play and interactive entertainment are essential in helping them cope effectively with their illness and hospitalisation and in maintaining a sense of normality in an abnormal environment.

The benefits of a more positive experience can reduce anxiety, build self-confidence, lead to greater cooperation with medical staff and procedures, as well as improving recovery time and reducing time spent in hospital.

Every year we support the wellbeing of thousands of seriously ill young patients during their hospital stays, periods of recuperation and respite at home. Our services are available free of charge to all children and teenagers up to and including the age of 18 and under the care of our growing network of NHS partners.

“We have been in/out of hospital for the last five years. During this time there have been highs and lows. During some of the lows your entertainers took time to stay with our son and interact with him when he has been so ill that he has lost all interest in play, but they managed to re-engage the magic. Without you it would have been a negative spiral and we could have ended up in a scary place.”

Parent

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# DAYA AND JASMINE'S STORY

Twins Daya and Jasmine were born prematurely at 32 weeks and started life in intensive care.

Jasmine was born profoundly deaf and disabled with multiple complex issues.

Daya was diagnosed with stage 4 metastatic neuroblastoma, a very rare and aggressive type of cancer, at the age of 11 months. She has had nine rounds of chemotherapy, major surgery in New York which lasted 12 and a half hours, six months of painful immunotherapy and three weeks of daily radiation. She has had multiple infections, scans, procedures and five different central lines during this time. In all she has had over 60 general anaesthetics and has spent the vast majority of her life living in isolation be it in hospital or at home.

Most of the time Jasmine and Daya were in isolation due to infection risks so could not see their sister, Anaya.

Initially, Daya would watch the Spread a Smile entertainers from behind the door of her hospital room. She was weak and thin due to treatment and her suppressed immune system meant she needed to remain in isolation. Eventually she was well enough for her door to be opened. Since then Daya and her sisters have enjoyed playing with our fairies, laughing with our magicians, singing nursery rhymes and showtunes with our musicians, meeting characters such as Paw Patrol and Peppa Pig, visiting Santa's Grotto and family trips to the theatre.

The pandemic brought an additional period of protracted isolation for the family. Daya's immune system remains severely compromised and she continues to spend repeated and extended periods of time in hospital. Joining in virtual visits with our entertainers has enabled her to continue to sing, laugh and smile, supported her emotional wellbeing and provided invaluable shared experiences with her parents and sisters.

Pam explains, "Spread a Smile allows children to be children. You bring in the magic and wonder that enables families to make positive memories in what are, more often than not, life threatening situations for their children. I could only entertain my daughter as a mother who was carrying the heavy burden of responsibility, potential loss and relentless fatigue. Your entertainers continue to make us all smile, they distract us and bring joy. Everyone is uplifted after your visits."



## OUR SERVICES

# ENTERTAINER VISITS

When children are first diagnosed with a life-threatening illness, the focus is primarily on treatment and keeping them safe and alive. Hospitals, operations and treatments can be very frightening. Sadly, long-term hospitalisation can have an overwhelmingly negative impact on their emotional wellbeing and they can become anxious, scared, isolated and lonely.

Entertainer visits are at the very heart of our services. Our professional entertainers including magicians, musicians, fairies and artists are there throughout a child's hospital stays to offer much-needed distraction, to help them reclaim their childhoods and to provide an opportunity to smile, laugh and have fun, even on the most difficult of days. In March 2020, we were delivering 34 monthly in-person visits, making hundreds of bedside visits.

We work in close partnership with NHS hospital play teams to provide direct support to young patients and their families. We also support play team projects and initiatives that enhance their practice and assist in the development of new and essential services for young patients and which help children and young people manage and make sense of their illness and healthcare journey.

The national lockdown in March 2020 meant the immediate suspension of our programme of in-person visits to children in hospital. Knowing the adverse effect the new hospital restrictions would have on young patients, we immediately invested in new infrastructure to allow us to continue to support critically vulnerable children who now found themselves more isolated than ever before. The solution was Spread a Smile Digital, a blend of live and pre-recorded entertainment which incorporated:

**3,925 virtual entertainer visits** – one-to-one visits and group visits for all the children on a hospital ward with an entertainer and providing young patients the opportunity to socialise and interact with their families, friends and peers

**8,541 views of Smile TV** - a secure platform, delivered by Kaltura, available 24/7 featuring pre-recorded entertainment created by our entertainers and including magic shows, sing-a-longs, storytelling, art & craft tutorials, messages of support and interviews from celebrities

**116 attended our Virtual Activity Days** – a full day's entertainment with multiple activity sessions during the school holidays

**118 children attended Virtual After School Club** – regular sessions offering a host of online activities and interactive play for children from different hospitals and at home to come together

**13 children and 117 of their friends had a Virtual Smile Party** – the opportunity to celebrate their birthday from home or their hospital bed, joined by friends and family and entertained by us

**91 children and young people received bespoke pre-recorded videos and messages** – to support those struggling with treatment, anxiety and issues of separation

“During lockdown Spread a Smile has been a godsend. With no visitors allowed, hospital days were dragging but your sessions made the day more structured. The sheer smile and delight when a session was in progress was priceless.”

Parent

What had initially been considered a short-term solution has become an integral part of the charity's service. Spread a Smile Digital has proved an invaluable resource in supporting young patients and its flexibility allows children and teenagers to choose the

time and place. It is also spearheading our national ambitions, enabling us to form new partnerships with NHS trusts outside of London and will complement our face-to-face visits as and when it is safe for us to return to hospitals.



# 97%

of parents/carers believe our services had a **positive impact on their child's emotional wellbeing**

# 90%

of parents/carers believe our services **provided their child with a distraction from treatment**

# 69%

of parents/carers believe our services **improved their child's compliance with medical procedures**

Spread a Smile Survey September 2021

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## OUR SERVICES

# FAMILY EVENTS

Having a seriously ill child in the family has incredibly far-reaching implications. In many cases a family member may have to leave their job or make other major changes to their lives to care for their child. The impact of long-term treatment and hospitalisation can lead to additional pressures on family life, including strained sibling relationships, marital stress and financial difficulties.

That is why Spread a Smile hosts regular family events such as theatre trips and parties, which allow children and their families the opportunity to spend precious time together outside of the hospital environment and away from the day-to-day pressures serious illness can bring. These events were not possible during the pandemic and over various lockdowns, so we found new and innovative ways to offer shared experiences, peer support and rare moments of joy to create lasting memories to sustain families through incredibly difficult times. We continued to provide activities that could be enjoyed by all the family, relieved the pressure on parents to entertain their children and with a particular focus on sibling inclusion. This resulted in:

**12,845 children and their siblings** received boredom-busting activity packs, ice creams on National Ice Cream Day, trick & treat buckets at Halloween and regular treat drops such as popcorn, jellies and magazines

**1,450 children and their siblings** received age-appropriate gifts over the Christmas period

**193 patients and their families** visited our virtual Santa's Grotto over Christmas to meet Father Christmas and his elves, our magicians and singers

**141 patients and their siblings** participated in activity days, held during school holidays and enjoyed a range of sessions including art, baking, dancing, animal fun and more. Feedback from children led to our most popular sessions including Wild Science (with animals) and Festival Make-Up

**28 patients and their siblings** participated in cake decorating workshops

**19 children** met virtually on a regular basis as part of the Spread a Smile Choir

“I am very grateful for all the support that you have given to my daughter, each activity is a motivation for her that helps her to forget a little about the difficult situation she is living with her illness. Thank you very much for the impressive work of bringing a smile or just a gesture of joy to these young people who need it so much. With all my heart... thank you”

Parent

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90%

of parents/carers believe  
our services **engaged**  
their child to **socialise**  
and **connect with others**

80%

of parents/carers  
believe our services  
**reduced their child's**  
**pain and anxiety**

90%

of parents/carers believe  
our services **boosted**  
**their child's confidence**  
and **self esteem**

Spread a Smile Survey September 2021

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OUR SERVICES

# ART INITIATIVES

Art is an important part of every child's development. It encourages them to express their creativity, develop motor skills and heightens their ability to communicate and problem solve. For children in hospital, art related projects and activities provide a welcome distraction from treatment, alleviate the monotony of the hospital environment and make the hospital a more welcoming place.

## Radiotherapy Masks

For most types of radiotherapy for brain, head or neck cancers, patients must wear a mask during each treatment. The purpose of the mask is to hold the head and neck in exactly the right position for the accurate delivery of the radiation beam.

Radiotherapy can be incredibly frightening and traumatic for young patients. Hand-painting radiotherapy masks in a design of their choice helps to alleviate some of their fears, reduce anxieties and help children and teenagers feel more in control of their treatment.

In March 2020, following the national lockdown, we had to temporarily pause our mask design programme. This was reinstated on 19 May 2021. During the year we supported 88 children and teenagers with their masks. We also painted 14 mini masks for children's teddy bears which are used by medical professionals to demonstrate what will happen during a child's treatment.

## Enriching hospital spaces

As the pandemic hit, hospital playrooms and waiting areas were stripped of shared toys and activities which provided a distraction to children. These rooms suddenly looked scary and uninviting. We were approached by our NHS partners to help make hospitals more welcoming places to be. During the year, and in collaboration with young patients and hospital play teams, our talented artists painted five colourful and imaginative murals at St Mary's Hospital, and created 294 pieces of window art for GOSH, UCLH, King's College Hospital, St George's Hospital, The Evelina and St Mary's for the benefit of patients, families and staff.

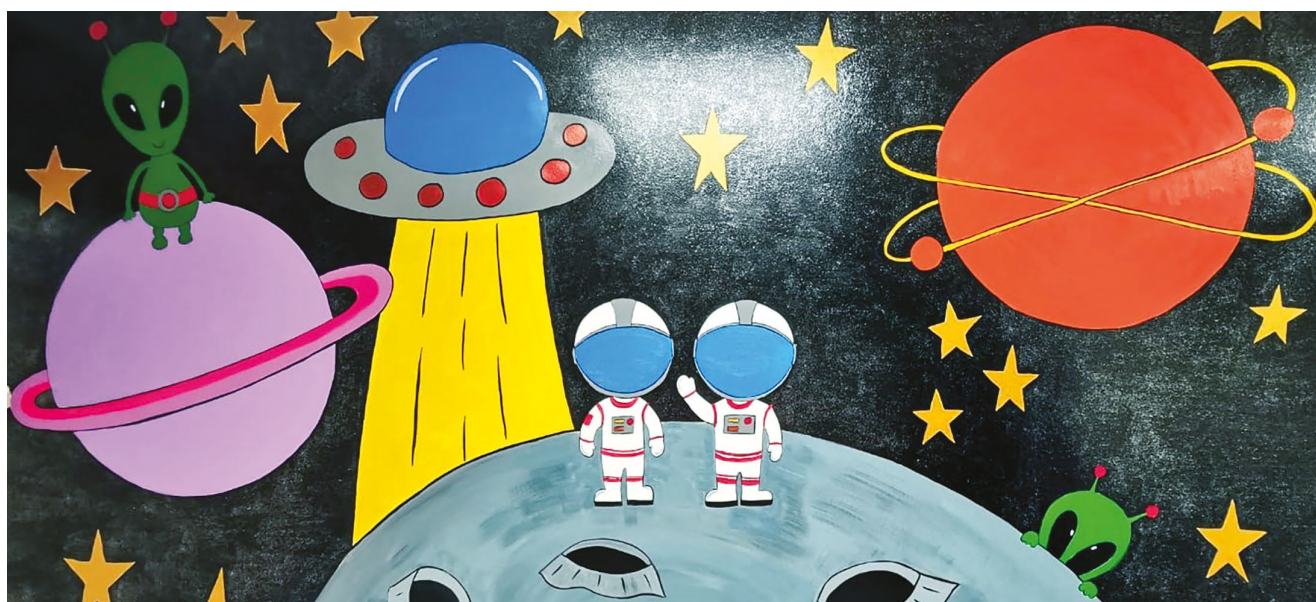
## Art & Craft Workshops

We provided 264 group and individual virtual art workshops to 404 children and young people during the year with special sessions running to celebrate different days including Mother's Day, Christmas, Diwali, Chanukah, Valentine's Day and more.

“Your initiatives bring bright sparks at the most difficult times and completely dominate the memories of the treatment, ensuring they are not tragic or traumatic and making them a more bearable experience.”

Parent

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# 100%

of parents/carers believe that **our services created positive memories** for their child in hospital

# 90%

of parents/carers believe **our services make the hospital less frightening** for their children

# 95%

of parents/carers believe **our services improved their child's hospital experience**

Spread a Smile Survey September 2021

# LYDIA'S STORY

At the age of four, Lydia was diagnosed with Multiple Endocrine Neoplasia Type 1, an extremely rare disorder that causes tumours in glands and parts of the small intestine and stomach.

Eight years later, aged 12, Lydia was diagnosed with Metastatic Neuroendocrine Cancer, which had progressed at an unexpected rate. Lydia has had to endure multiple invasive surgeries to remove tumours, daily medication and ongoing hospital treatment to control the spread of the tumours in her liver. One of her most recent medical treatments involved a dose of radiation so intense that she had to remain in her hospital room alone behind lead lined doors, to prevent any radiation contamination.

Lydia's diagnosis, treatment and long and repeated hospital stays have dominated her life. She's missed so much of her young life and so much of what other young people take for granted. The need to isolate during the Covid-19 pandemic has further impacted her feelings of separation and isolation. However, meeting Spread a Smile has made a positive difference for Lydia and her family. Our in-person and virtual visits have provided much

needed interactions, activities and peer support that have helped transform her emotional wellbeing.

Her mother, Suzanne, said: *"When your child doesn't feel well and they are very vulnerable and you can't hug them, it is the hardest thing. It goes completely against a mother's natural instincts. This all changed the moment Spread a Smile visited. Magicians doing magic tricks, fairies singing and artists face painting with glitter and gems - it brightened up our day. They lifted Lydia's mood and gave us something else to think and talk about."*

*"During her time in hospital, in isolation and when recovering at home, you have provided Lydia with many vital distractions. You have been a lifeline to both Lydia and her brother, Samuel, during such difficult times. When you have a child going through cancer treatment, your support means so much more."*



# OUR FUTURE PLANS

By 2024 Spread a Smile aims to support the wellbeing of thousands of children under the care of NHS Hospitals nationally and become a leading voice in hospital play and entertainment.

## Our Strategy:

To become a leading voice in hospital play and entertainment by 2024 by engaging in the national debate regarding the importance of play and entertainment in hospital, championing the role of play teams and play specialists and influencing policy, provision and practice.

To foster partnerships with a minimum of 27 leading NHS paediatric hospitals in England by 2024 plus those medical and support services that provide community/ outpatient care and who support the most critically ill children and young people in the country.

To develop a patient-focused approach for all children and young people who access our services and one that maintains the bespoke methodology for which we are renowned.

To increase our collaboration with NHS play teams, enhance their practice and provide them with the additional resources required to support the emotional wellbeing of children and young people in their care.

To invest in our people. Our employees and entertainers are our most valuable asset and we are committed to investing in them to provide an inclusive, creative, diverse and supportive workplace.

To advance the monitoring and evaluation of our services to ensure they remain relevant to children, young people, their families and the individuals and organisations involved in their care and treatment.

To uphold all our policies to ensure the highest level of care, safeguarding and sustainability whilst reducing our impact on the environment.

To adopt a robust fundraising strategy that facilitates sustainable growth and invest in our systems and processes to ensure an ongoing high level of donor care.

**“You have been absolutely instrumental in helping us get back on our feet as we finish treatment and try and return to normal life. We cannot thank you enough for your support. You are absolute stars. May your charity shine bright and continue to help other poorly children.”**

**Parent**

# FUNDRAISING SUMMARY

## Income

In the financial year 2020/2021 our income was £1,181,335 (2019/20 £989,512).

Recognising the impact the pandemic would have on our income, we moved swiftly to develop a new fundraising strategy to mitigate the loss of income anticipated from the cancellation of events and challenges. Our agile approach took advantage of emergency Covid-19 funding from companies, trusts and foundations and harnessed the support of our incredible patrons, regular donors and existing supporters. We also introduced the first major online fundraising appeal in the charity's history, in December 2020, which exceeded all expectations. The generosity of so many individuals and organisations was truly heart-warming.

Over the course of the year, our donors and partners implemented many new

and imaginative ways to generate funds including school fundraisers, corporate virtual raffles, salary round up schemes, asking friends to donate in lieu of gifts on birthdays, anniversaries and bar/bat mitzvahs, cake and sticker sales and so much more.

Despite the lockdowns, our enthusiastic supporters participated in numerous challenge events, including some incredible children and young people such as Chloe and Lottie who baked and sold biscuits, 10 year old Dolly-Rae, who cut 20cm off her hair, 13 year old Aran and friends were sponsored to go 48 hours without devices, a 7 year old who took on a cycling challenge post chemotherapy, and Ben who did the coast to coast challenge in 3 days.

We are especially thankful to the families and friends of children we have supported for their fundraising efforts.



While we cannot name everyone, we would like to make special mention this year of the Char family, the Hibberd family, the Hanson family and the Jarvis family.

Many of you took part in your own challenge events or those linked to London Landmarks, Prudential Ride London, marathons and 10Ks, running, walking and cycling around your own neighbourhoods. Others, encouraged by windows of opportunity, took on well-known challenges such as Land's End to John O'Groats, the Coast to Coast Walk, The Chiltern 50 Challenge, the Spartan Race and the London to Brighton cycle ride. And those setting their own personal challenges achieved extraordinary goals including a 1,000-mile run by Jez Allinson dressed as a Stormtrooper and a 2,020 mile run by Jason Finch and Matt Newman which included an eight hour,

36 mile run visiting each of our London hospital partners.

We adapted our events calendar to bring supporters together both in-person and online. In May, 30 teams attended our inaugural virtual quiz night, hosted by Carl Peters. In September, by adopting a one-tee start and outdoor hospitality, we welcomed more than 100 golfers to our annual golf day at The Shire London. Fitness fans participated in a virtual Spinathon in partnership with North London spin studio, Override.

The focus on our provision of digital services led to multiple grants and donations to advance our virtual entertainer visits, art initiatives and Smile TV and included a generous donation from Bregal Milestone to purchase iPads to instigate a programme of digital inclusion for children and young people across our hospital partners.



Luxury designer womenswear, Wyse London, created and sold an exclusive t-shirt in aid of Spread a Smile, initially selling out and prompting an immediate reprint. We were also the beneficiary of fundraising activities by eBloggers and fashion influencers, Hannah Strafford-Taylor, Laura Wills and Louise Roe, sales of *Thank you Baked Potato*, courtesy of actor and comedian, Matt Lucas and TV appearances by comedian, Suzi Ruffell.

The increase in Gifts in Kind throughout the year including books, blankets, magazines, toys, games, art & craft materials, sweet treats, ice creams and chocolates, enabled us to deliver an increased programme of virtual events and treat drops for hospitalised children and young people.

### Expenditure

In the financial year 2020/2021 our expenditure was £821,405 (2019/20 £896,021).

In March 2020, we immediately moved all our services online. Our investment in Spread a Smile Digital developed over the year as we worked out how to best meet the needs of seriously ill and hospitalised children and young people.

**In 2020/2021, 86p in every pound spent went directly to funding our services and spreading smiles to seriously ill and hospitalised children and their families.**

### Expansion Fund

We have allocated £300,000 towards an expansion fund. As we work towards national status in 2024, the fund will ensure sustainable growth and meet the planned expansion of our NHS hospital partnerships while maintaining the quality and quantity of existing services over the next few years.



# THANK YOU

We would like to thank everyone who has so generously supported our work throughout the year. In the most challenging of times, we would not have been able to spread so many smiles without you. Your commitment has been truly incredible. Please know how much we value every donation and offer of support. Whilst it not possible to list every individual, business, trust or organisation that has fundraised, donated or volunteered their time or services, we would like to make special mention of the following individuals and organisations.

Anonymous  
Alligator Books  
Mr J Allinson  
Alphabet Pie  
Amaze Marketing  
AR & V Investments Ltd  
Mr & Mrs J Benton  
Mr & Mrs A Bloom  
Aurora World Ltd  
BBC Children in Need  
Blackrock  
Bregal Milestone  
Canary Wharf Contractors  
Character Options Ltd  
Cheatwell Games  
Craft Buddy  
Mrs E Crocker  
Mr & Mrs H Crocker  
Mr & Mrs P Crocker  
Ms L Da Costa  
Direct Line  
DPD Group  
Dyrham Golf Club  
Engage Financial Services  
Mr J Finch  
Mr & Mrs P Godfrey  
Mr & Mrs L Gould  
Gold Key Media  
Hama Beads  
Hans & Gretel  
Mr & Mrs G Hanson  
Mr & Mrs A Harris  
Hasbro  
Mr & Mrs S Hibberd  
Hunter Price  
ICAP  
ICBC Standard Bank

Irwin Mitchell  
Mr & Mrs A Jacobs  
Kaltura  
Kettle Foods Ltd  
Mr & Mrs D Krok  
Ms S Krok  
Lantum  
Learning Resources Ltd  
Little Gold Collection  
Lola's Cupcakes  
London Stock  
Exchange Group  
Loudmouth Music Ltd  
Mr M Lucas  
Marine Ices  
Masthaven Bank  
Mattel  
Mr & Mrs F J McGilloway  
Michael Watson  
Charitable Trust  
Moonpig  
Mr M Newman  
Meyer Oppenheim Trust  
OTL Brands  
Pan-n-Ice  
Pass the Parcel  
Dr and Dr S Patel  
Paul Lamond Games  
Postcode  
Neighbourhood Trust  
Mr & Mrs D Rubin  
Mr & Mrs R Segal  
SEGA Europe  
SFC Academy  
Sir Clive Bourne  
Family Trust  
Skinny Dip  
Spin Master

Staedtler  
Mr & Mrs S Sterling  
Swizzels  
The Basil Samuel  
Charitable Trust  
The David Family  
Foundation  
The Entertainer  
The Heathside  
Charitable Trust  
The Inflexion Foundation  
The J Isaacs Charitable Trust  
The Lake House  
Charitable Trust  
The Leathersellers' Company  
Charitable Fund  
The Langham, London  
The Paper Box  
The Tides Foundation  
The Toy Trust  
The Worshipful Company of  
Hackney Carriage Drivers  
TNL Community Fund  
Troika Talent Agency  
Unilever UK  
Wanstead Golf Club  
Mr G Wills  
Wyse London  
Yavneh College

## Our Trustees

Paul Crocker  
Vanessa Crocker  
Paul Godfrey (Chair)  
Elizabeth Gould  
Louise Jacobs  
Josephine Segal  
Richard Segal

## Our NHS hospital partners

Great Ormond Street  
Hospital (GOSH)  
King's College Hospital  
St Mary's Hospital  
Royal National  
Orthopaedic Hospital  
The Evelina  
Children's Hospital  
The Royal London Hospital  
The Royal Marsden Hospital  
University College Hospital  
(UCLH)  
The Royal Brompton  
Hospital  
St George's Hospital  
Southampton Children's  
Hospital  
Noah's Ark Children's  
Hospice

# TRUSTEES' REPORT

For the year ended 31 March 2021

## Statement of Trustees' responsibilities

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

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

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

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

## Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Auditors

The auditors, Berg Kaprow Lewis LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Paul Godfrey

Date: **25 January 2022**

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# AUDITOR'S REPORT AND CHARITY ACCOUNTS

For the year ended 31 March 2021



# INDEPENDENT AUDITORS' REPORT

## Opinion

We have audited the financial statements of Spread a Smile (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## 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 United Kingdom, including the Financial Reporting Council'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 other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 (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.

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

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditors' report 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.

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:

- Enquiring of management around actual and potential litigation and claims;
- Reviewing board meeting minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

#### **Other matters**

The comparative figures shown in the financial statements were not audited.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Berg Kaprow Lewis LLP**

Chartered Accountants & Statutory Auditor  
35 Ballards Lane, London N3 1XW

Date: **25 January 2022**

Berg Kaprow Lewis LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

# STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating income and expenditure account) for the year ended 31 March 2021

|                                    | Note | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income from</b>                 |      |                                  |                                    |                             |                             |
| Donations and legacies             | 3    | 365,445                          | 781,876                            | 1,147,321                   | 420,925                     |
| Fundraising activities             | 4    | -                                | 33,713                             | 33,713                      | 565,401                     |
| Investments                        | 5    | -                                | 301                                | 301                         | 3,186                       |
| <b>Total income</b>                |      | <b>365,445</b>                   | <b>815,890</b>                     | <b>1,181,335</b>            | <b>989,512</b>              |
| <b>Expenditure on</b>              |      |                                  |                                    |                             |                             |
| Raising funds                      | 6    | 5,721                            | 106,973                            | 112,694                     | 273,861                     |
| Charitable activities              | 7    | 311,364                          | 397,347                            | 708,711                     | 622,160                     |
| <b>Total expenditure</b>           |      | <b>317,085</b>                   | <b>504,320</b>                     | <b>821,405</b>              | <b>896,021</b>              |
| <b>Net movement in funds</b>       |      | <b>48,360</b>                    | <b>311,570</b>                     | <b>359,930</b>              | <b>93,491</b>               |
| <b>Reconciliation of funds</b>     |      |                                  |                                    |                             |                             |
| Total funds brought forward        |      | -                                | 599,699                            | 599,699                     | 506,208                     |
| Net movement in funds              |      | 48,360                           | 311,570                            | 359,930                     | 93,491                      |
| <b>Total funds carried forward</b> |      | <b>48,360</b>                    | <b>911,269</b>                     | <b>959,629</b>              | <b>599,699</b>              |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 44 form part of these financial statements.

# BALANCE SHEET

As at 31 March 2021

|                                                | Note | 2021<br>£        | 2020<br>£ |
|------------------------------------------------|------|------------------|-----------|
| <b>Fixed assets</b>                            |      |                  |           |
| Tangible assets                                | 12   | 1,224            | 435       |
|                                                |      | <b>1,224</b>     | 435       |
| <b>Current assets</b>                          |      |                  |           |
| Debtors                                        | 13   | 8,307            | 14,901    |
| Cash at bank and in hand                       |      | 1,008,991        | 624,872   |
|                                                |      | <b>1,017,298</b> | 639,773   |
| Creditors: amounts falling due within one year | 14   | (58,893)         | (40,509)  |
| <b>Net current assets</b>                      |      | <b>958,405</b>   | 599,264   |
| <b>Total net assets</b>                        |      | <b>959,629</b>   | 599,699   |
| <b>Charity funds</b>                           |      |                  |           |
| Restricted funds                               | 15   | 48,360           | -         |
| Unrestricted funds                             | 15   | 911,269          | 599,699   |
| <b>Total funds</b>                             |      | <b>959,629</b>   | 599,699   |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476. However an audit has been performed in accordance with the requirements of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

**Paul Godfrey**

Date: **25 January 2022**

“The Statement of Cash Flows on page 28 and the notes on pages 29 to 44 form part of these financial statements.

# STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

|                                                            | 2021<br>£        | 2020<br>£ |
|------------------------------------------------------------|------------------|-----------|
| <b>Cash flows from operating activities</b>                |                  |           |
| Net cash used in operating activities                      | <b>385,237</b>   | 114,941   |
| <b>Cash flows from investing activities</b>                |                  |           |
| Dividends, interests and rents from investments            | <b>301</b>       | 3,186     |
| Purchase of tangible fixed assets                          | <b>(1,419)</b>   | -         |
| <b>Net cash (used in)/provided by investing activities</b> | <b>(1,118)</b>   | 3,186     |
| <b>Cash flows from financing activities</b>                |                  |           |
| <b>Net cash provided by financing activities</b>           | -                | -         |
| <b>Change in cash and cash equivalents in the year</b>     | <b>384,119</b>   | 118,127   |
| Cash and cash equivalents at the beginning of the year     | <b>624,872</b>   | 506,745   |
| <b>Cash and cash equivalents at the end of the year</b>    | <b>1,008,991</b> | 624,872   |

The notes on pages 29 to 44 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 1. GENERAL INFORMATION

Spread a Smile is a private company limited by guarantee incorporated in England and Wales a private company limited by guarantee incorporated in England and Wales and a Registered Charity. The members of the company are the Trustees named on page 21. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The registered office is 35 Ballards Lane, London, N3 1XW.

## 2. ACCOUNTING POLICIES

### 2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spread a Smile meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### 2.2 Going concern

At the year end the charity had net assets of £959,629, including a healthy cash balance of £1,008,991. The Trustees therefore consider that based on the circumstances existing at the date of signature, the company has adequate resources to continue its operations for the next 12 months, and the accounts have therefore been prepared on a going concern basis.

### 2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is

shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers. Donated services or facilities related to the provision of entertainment (including tickets, toys, gifts and books etc.), are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised; refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. Direct costs attributable to a single activity are allocated directly to that activity. Support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

## 2.5 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

Furlough income is receivable as compensation for salary expenses already incurred and to give immediate financial support to the Company with no future related costs. This income is recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

## 2.6 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:  
Office equipment - 33%

## 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

## 2.10 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 3. INCOME FROM DONATIONS

|                            | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|----------------------------|----------------------------------|------------------------------------|-----------------------------|
| Donations                  | 287,459                          | 720,772                            | <b>1,008,231</b>            |
| Gifts and services in kind | -                                | 35,480                             | <b>35,480</b>               |
| Grants                     | 37,120                           | -                                  | <b>37,120</b>               |
| Government grants          | 40,866                           | 25,624                             | <b>66,490</b>               |
|                            | <b>365,445</b>                   | <b>781,876</b>                     | <b>1,147,321</b>            |

|                            | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|----------------------------|----------------------------------|------------------------------------|-----------------------------|
| Donations                  | 165,217                          | 182,954                            | 348,171                     |
| Gifts and services in kind | -                                | 34,022                             | 34,022                      |
| Grants                     | 33,951                           | -                                  | 33,951                      |
| Government grants          | -                                | 4,781                              | 4,781                       |
|                            | <b>199,168</b>                   | <b>221,757</b>                     | <b>420,925</b>              |

As outlined by SORP FRS 102, donated goods and services are to be included in the accounts valued at the amount that the charity would have spent on similar goods or services, should they not have been received as donations. Included in the above figures are £Nil (2020: £18,866) of donated goods and services relating to the Winter Party; £19,570 (2020: £13,156) of donated goods and services relating to the entertainment of children and toy donations; £15,910 (2020: £Nil) of donated presents; and £Nil (2020: £2,000) of donated accounting services.

During the year, Spread a Smile launched an online fundraising campaign through Charity Extra. All the income generated from the campaign has been included within 'Income from Donations'. In the prior year there was a gala dinner instead of an online campaign and the funds from this event were recorded as 'Fundraising Income' (See Note 4). Therefore, compared to prior year, 'Income from Donations' was considerably higher and 'Fundraising Income' materially lower.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 4. INCOME FROM FUNDRAISING ACTIVITIES

### INCOME FROM FUNDRAISING EVENTS

|                           | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|---------------------------|------------------------------------|-----------------------------|
| <b>Fundraising income</b> | <b>33,713</b>                      | <b>33,713</b>               |
|                           | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
| Fundraising income        | 565,401                            | 565,401                     |

## 5. INVESTMENT INCOME

|                          | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|--------------------------|------------------------------------|-----------------------------|
| <b>Investment income</b> | <b>301</b>                         | <b>301</b>                  |
|                          | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
| Investment income        | 3,186                              | 3,186                       |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 6. EXPENDITURE ON RAISING FUNDS

### EXPENDITURE ON RAISING FUNDS

|                              | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Expenditure on raising funds | 5,721                            | 106,973                            | 112,694                     |
|                              |                                  | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
| Expenditure on raising funds |                                  | 273,861                            | 273,861                     |

### ANALYSIS OF EXPENDITURE OF RAISING FUNDS

|                              | 2021<br>£ | 2020<br>£ |
|------------------------------|-----------|-----------|
| Fundraising expenses         | 54,066    | 164,543   |
| Marketing and database costs | -         | 1,944     |
| Wages and salaries           | 54,375    | 99,882    |
| National insurance           | 4,253     | 7,492     |
|                              | 112,694   | 273,861   |

Fundraising costs in 2020 were higher due to the cost of a biennial fundraising dinner.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

### SUMMARY BY FUND TYPE

|               | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|---------------|----------------------------------|------------------------------------|-----------------------------|
| Direct costs  | 310,138                          | 307,363                            | <b>617,501</b>              |
| Support costs | 1,226                            | 89,984                             | <b>91,210</b>               |
|               | <b>311,364</b>                   | <b>397,347</b>                     | <b>708,711</b>              |

|               | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|---------------|----------------------------------|------------------------------------|-----------------------------|
| Direct costs  | 200,369                          | 306,644                            | 507,013                     |
| Support costs | -                                | 115,147                            | 115,147                     |
|               | <b>200,369</b>                   | <b>421,791</b>                     | <b>622,160</b>              |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

|               | Activities<br>undertaken<br>directly 2021<br>£ | Support<br>costs<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|---------------|------------------------------------------------|-------------------------------|-----------------------------|
| Direct costs  | 617,501                                        | -                             | <b>617,501</b>              |
| Support costs | -                                              | 91,210                        | <b>91,210</b>               |
|               | <b>617,501</b>                                 | <b>91,210</b>                 | <b>708,711</b>              |

|               | Activities<br>undertaken<br>directly 2020<br>£ | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|---------------|------------------------------------------------|-------------------------------|-----------------------------|
| Direct costs  | 507,013                                        | -                             | 507,013                     |
| Support costs | -                                              | 115,147                       | 115,147                     |
|               | <b>507,013</b>                                 | <b>115,147</b>                | <b>622,160</b>              |

## ANALYSIS OF DIRECT COSTS

|                                              | Support<br>costs<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|----------------------------------------------|-------------------------------|-----------------------------|
| Staff costs                                  | 347,580                       | <b>347,580</b>              |
| Online delivery of services to sick children | 147,741                       | <b>147,741</b>              |
| Hospital entertainment for sick children     | 122,180                       | <b>122,180</b>              |
|                                              | <b>617,501</b>                | <b>617,501</b>              |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

### ANALYSIS OF DIRECT COSTS (CONTINUED)

|                                          | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------------|-------------------------------|-----------------------------|
| Staff costs                              | 222,164                       | 222,164                     |
| Hospital entertainment for sick children | 25,759                        | 25,759                      |
| Theatre visits for children & families   | 238,780                       | 238,780                     |
| Parties for children & families          | 18,866                        | 18,866                      |
| Database costs                           | 1,444                         | 1,444                       |
|                                          | <b>507,013</b>                | <b>507,013</b>              |

### ANALYSIS OF SUPPORT COSTS

|                          | Activities<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|--------------------------|-------------------------|-----------------------------|
| Staff costs              | 12,562                  | <b>12,562</b>               |
| Depreciation             | 630                     | <b>630</b>                  |
| Rent                     | 5,000                   | <b>5,000</b>                |
| Office costs             | 11,344                  | <b>11,344</b>               |
| Computer and phone costs | 4,622                   | <b>4,622</b>                |
| Insurance                | 848                     | <b>848</b>                  |
| Consultancy              | 10,578                  | <b>10,578</b>               |
| Stationery               | 878                     | <b>878</b>                  |
| Bank charges             | 633                     | <b>633</b>                  |
| Professional fees        | 8,644                   | <b>8,644</b>                |
| Accountancy fees         | 13,824                  | <b>13,824</b>               |
| Pension costs            | 8,744                   | <b>8,744</b>                |
| Training costs           | 6,403                   | <b>6,403</b>                |
| Audit fee                | 6,500                   | <b>6,500</b>                |
|                          | <b>91,210</b>           | <b>91,210</b>               |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

### ANALYSIS OF SUPPORT COSTS (CONTINUED)

|                          | Activities<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|--------------------------|-------------------------|-----------------------------|
| Staff costs              | 40,728                  | 40,728                      |
| Depreciation             | 478                     | 478                         |
| Rent                     | 5,000                   | 5,000                       |
| Office costs             | 17,643                  | 17,643                      |
| Computer and phone costs | 11,091                  | 11,091                      |
| Insurance                | 2,806                   | 2,806                       |
| Consultancy              | 11,640                  | 11,640                      |
| Stationery               | 747                     | 747                         |
| Bank charges             | 141                     | 141                         |
| Rates                    | 1,849                   | 1,849                       |
| Professional fees        | 9,121                   | 9,121                       |
| Accountancy fees         | 7,766                   | 7,766                       |
| Pension costs            | 6,137                   | 6,137                       |
|                          | <b>115,147</b>          | <b>115,147</b>              |

## 9. AUDITORS' REMUNERATION

|                                                                                      | 2021<br>£    | 2020<br>£ |
|--------------------------------------------------------------------------------------|--------------|-----------|
| Fees payable to the Company's auditor for the audit of the Charity's annual accounts | <b>6,500</b> | -         |
| Fees payable for the Independent Examination of the Charity's annual accounts        | -            | 2,000     |

The reason for the increased fee is due to this being the first year that Spread a Smile are required to undertake an audit.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 10. STAFF COSTS

|                       | 2021<br>£      | 2020<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | <b>388,391</b> | 344,430        |
| Social security costs | <b>30,379</b>  | 25,836         |
|                       | <b>418,770</b> | <b>370,266</b> |

The average number of persons employed by the Company during the year was as follows:

|                             | 2021<br>No. | 2020<br>No. |
|-----------------------------|-------------|-------------|
| Average number of employees | <b>18</b>   | 16          |

No employee received remuneration amounting to more than £60,000 in either year.

The aggregate remuneration of key management personnel, including Employer's National Insurance and Pension contributions, was £159,491.

## 11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £257). This was fully reimbursed.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 12. TANGIBLE FIXED ASSETS

Office  
equipment  
£

### Cost or valuation

|                         |               |
|-------------------------|---------------|
| At 1 April 2020         | 12,574        |
| Additions               | 1,419         |
| <b>At 31 March 2021</b> | <b>13,993</b> |

### Depreciation

|                         |               |
|-------------------------|---------------|
| At 1 April 2020         | 12,139        |
| Charge for the year     | 630           |
| <b>At 31 March 2021</b> | <b>12,769</b> |

### Net book value

|                         |              |
|-------------------------|--------------|
| <b>At 31 March 2021</b> | <b>1,224</b> |
| At 31 March 2020        | 435          |

## 13. DEBTORS

|                                | 2021<br>£    | 2020<br>£     |
|--------------------------------|--------------|---------------|
| <b>Due within one year</b>     |              |               |
| Prepayments and accrued income | 3,125        | 5,376         |
| Gift Aid recoverable           | 5,182        | 4,744         |
| Grants receivable              | -            | 4,781         |
|                                | <b>8,307</b> | <b>14,901</b> |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | 2021<br>£     | 2020<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 39,693        | 8,429         |
| Other taxation and social security | 8,032         | 9,081         |
| Other creditors                    | 3,355         | 19,286        |
| Accruals and deferred income       | 7,813         | 3,713         |
|                                    | <b>58,893</b> | <b>40,509</b> |

## 15. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

|                                       | Balance at<br>1 April 2020 | Income<br>£      | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 March 2021<br>£ |
|---------------------------------------|----------------------------|------------------|------------------|--------------------------|----------------------------------|
| <b>Unrestricted funds</b>             |                            |                  |                  |                          |                                  |
| <b>Designated Funds</b>               |                            |                  |                  |                          |                                  |
| Expansion fund                        | -                          | -                | -                | 300,000                  | 300,000                          |
| <b>General funds</b>                  |                            |                  |                  |                          |                                  |
| General Funds - all funds             | 599,699                    | 815,890          | (504,320)        | (300,000)                | 611,269                          |
| <b>Total Unrestricted funds</b>       | <b>599,699</b>             | <b>815,890</b>   | <b>(504,320)</b> | <b>-</b>                 | <b>911,269</b>                   |
| <b>Restricted funds</b>               |                            |                  |                  |                          |                                  |
| Digital fund                          | -                          | 195,863          | (195,863)        | -                        | -                                |
| Art fund                              | -                          | 15,340           | (9,280)          | -                        | 6,060                            |
| Halloween/Easter fund                 | -                          | 2,918            | (2,918)          | -                        | -                                |
| iPads fund                            | -                          | 16,873           | (16,873)         | -                        | -                                |
| Smile Hampers fund                    | -                          | 6,465            | (6,465)          | -                        | -                                |
| Coronavirus Job Retention Scheme fund | -                          | 40,866           | (40,866)         | -                        | -                                |
| BBC Children in Need fund             | -                          | 37,120           | (37,120)         | -                        | -                                |
| Entertainment fund                    | -                          | 50,000           | (7,700)          | -                        | 42,300                           |
|                                       | -                          | 365,445          | (317,085)        | -                        | 48,360                           |
| <b>Total of funds</b>                 | <b>599,699</b>             | <b>1,181,335</b> | <b>(821,405)</b> | <b>-</b>                 | <b>959,629</b>                   |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 15. STATEMENT OF FUNDS (CONTINUED)

### STATEMENT OF FUNDS - PRIOR YEAR

|                                 | Balance at<br>1 April 2019 | Income<br>£    | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 March 2020<br>£ |
|---------------------------------|----------------------------|----------------|------------------|--------------------------|----------------------------------|
| <b>Unrestricted funds</b>       |                            |                |                  |                          |                                  |
| <b>Designated Funds</b>         |                            |                |                  |                          |                                  |
| Hospital Playroom fund          | 80,000                     | -              | -                | (80,000)                 | -                                |
| <b>General funds</b>            |                            |                |                  |                          |                                  |
| General Funds - all funds       | 390,845                    | 837,662        | (708,808)        | 80,000                   | 599,699                          |
| <b>Total Unrestricted funds</b> | 470,845                    | 837,662        | (708,808)        | -                        | 599,699                          |
| <b>Restricted funds</b>         |                            |                |                  |                          |                                  |
| Restricted Funds - all funds    | 35,363                     | 151,850        | (187,213)        | -                        | -                                |
| <b>Total of funds</b>           | <b>506,208</b>             | <b>989,512</b> | <b>(896,021)</b> | <b>-</b>                 | <b>599,699</b>                   |

Expansion fund - Spread a Smile has ambitious growth plans which will see expenditure rising in the future. £300,000 has been set aside to allow the Charity to achieve that growth over the next few years.

Digital – Spread a Smile’s digital services include all services delivered online - virtual entertainer visits, smile parties, activity days and after school clubs plus Facebook live sessions and pre recorded content for our entertainment platform, Smile TV.

Arts & Masks – Spread a Smile’s art initiatives including the Enriching Spaces Programme which sees the charity painting hospital wards, treatment rooms, playrooms and communal spaces with uplifting murals/ artworks; the personalisation of radiotherapy masks for children undergoing radiotherapy treatment; art & craft workshops and memory portraits to support families of children who have passed away.

Halloween and Easter activities – Spread a Smile activities focused around these specific calendar events and including the purchase and distribution of trick & treat buckets at Halloween and support of our treat drops, gift drive and Santa’s Grotto at Christmas.

iPads – Spread a Smile’s digital inclusion project that distributes centrally managed iPads to our NHS hospital partners for use by children in hospital who do not have access to their own devices thus increasing access to our services to all children under their care.

Smile Hampers – personalised gift hampers distributed at Christmas to seriously ill children under the care of our NHS hospital partners.

Coronavirus Job Retention Scheme - furlough income is receivable as compensation for salary expenses already incurred and to give immediate financial support to the Company with no future related costs. This income is recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

BBC Children In Need – grant funding that covers the core costs of a Hospital Visit Manager, administration support and hospital visits.

Entertainment fund - provision of entertainment within the hospital environment including visits from professional entertainers and therapy dogs as well as the support needed to facilitate this.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 16. SUMMARY OF FUNDS

### SUMMARY OF FUNDS - CURRENT YEAR

|                  | Balance at<br>1 April 2020 | Income<br>£      | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 March 2021<br>£ |
|------------------|----------------------------|------------------|------------------|--------------------------|----------------------------------|
| Designated funds | -                          | -                | -                | 300,000                  | 300,000                          |
| General funds    | 599,699                    | 815,890          | (504,320)        | (300,000)                | 611,269                          |
| Restricted funds | -                          | 365,445          | (317,085)        | -                        | 48,360                           |
|                  | <b>599,699</b>             | <b>1,181,335</b> | <b>(821,405)</b> | <b>-</b>                 | <b>959,629</b>                   |

### SUMMARY OF FUNDS - PRIOR YEAR

|                  | Balance at<br>1 April 2019 | Income<br>£    | Expenditure<br>£ | Transfers<br>in/out<br>£ | Balance at<br>31 March 2020<br>£ |
|------------------|----------------------------|----------------|------------------|--------------------------|----------------------------------|
| Designated funds | 80,000                     | -              | -                | (80,000)                 | -                                |
| General Funds    | 390,845                    | 837,662        | (708,808)        | 80,000                   | 599,699                          |
| Restricted Funds | 35,363                     | 151,850        | (187,213)        | -                        | -                                |
|                  | <b>506,208</b>             | <b>989,512</b> | <b>(896,021)</b> | <b>-</b>                 | <b>599,699</b>                   |

## 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

|                               | Restricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2021<br>£ | Total<br>funds<br>2021<br>£ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | -                                | 1,224                              | 1,224                       |
| Current assets                | 48,360                           | 968,938                            | 1,017,298                   |
| Creditors due within one year | -                                | (58,893)                           | (58,893)                    |
| <b>Total</b>                  | <b>48,360</b>                    | <b>911,269</b>                     | <b>959,629</b>              |

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

|                               | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | 435                                | 435                         |
| Current assets                | 639,773                            | 639,773                     |
| Creditors due within one year | (40,509)                           | (40,509)                    |
| <b>Total</b>                  | <b>599,699</b>                     | <b>599,699</b>              |

## 18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

|                                                                    | 2021<br>£      | 2020<br>£      |
|--------------------------------------------------------------------|----------------|----------------|
| Net income for the year (as per Statement of Financial Activities) | <b>359,930</b> | 93,491         |
| <b>Adjustments for</b>                                             |                |                |
| Depreciation charges                                               | <b>630</b>     | 478            |
| Dividends and interests from investments                           | <b>(301)</b>   | (3,186)        |
| Decrease/(increase) in debtors                                     | <b>6,594</b>   | 20,582         |
| Increase/ (decrease) in creditors                                  | <b>18,384</b>  | 3,576          |
| <b>Net cash provided by operating activities</b>                   | <b>385,237</b> | <b>114,941</b> |

## 19. ANALYSIS OF CASH AND CASH EQUIVALENTS

|                                        | 2021<br>£        | 2020<br>£      |
|----------------------------------------|------------------|----------------|
| Cash in hand                           | <b>1,008,991</b> | 624,872        |
| <b>Total cash and cash equivalents</b> | <b>1,008,991</b> | <b>624,872</b> |

The cash balance at 31 March 2021 benefitted from the recently held Charity Extra campaign.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

## 20. ANALYSIS OF CHANGES IN NET DEBT

|                          | At 1 April<br>2020<br>£ | Cash flows<br>£ | At 31 March<br>2021<br>£ |
|--------------------------|-------------------------|-----------------|--------------------------|
| Cash at bank and in hand | 624,872                 | 384,119         | 1,008,991                |
|                          | <b>624,872</b>          | <b>384,119</b>  | <b>1,008,991</b>         |

## 21. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund and amounted to £8,744 (2020: £6,137). Contributions totalling £1,568 (2020: £2,499) were payable to the fund at the balance sheet date and are included in creditors.

## 22. RELATED PARTY TRANSACTIONS

During the year the charity received donations of £16,000 from the Trustees of the charity (2020: £24,007).

During the year, the charity received donations of £30,000 (2020: £Nil) from a company with a common director.

During the year, the charity received donations of £6,000 from Trusts, where the beneficiaries of the Trust are also Trustees of the charity.

During the year, the charity incurred rental fees of £5,000 (2020: £5,000) to Romandus Properties Limited, a company with a common director.

“ I am very grateful for all the support that you have given to my daughter, each activity is a motivation for her that helps her to forget a little about the difficult situation she is living with her illness. Thank you very much for the impressive work of bringing a smile or just a gesture of joy to these young people who need it so much. With all my heart.... thank you very much to all the Spread Smile team.”

Parent

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