

Charity Registration No. 1079638

Company Registration No. 03677413 (England and Wales)

THE MICHAEL SOBELL HOSPICE CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

THE MICHAEL SOBELL HOSPICE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	Ms R Williams Mr M Breen	(Resigned as Chair 30 June 2019) (Appointed as Chair 1 July 2019)
Trustees/ Directors	Mr M Breen Ms R Williams Mr S Kanabar Mr J Sandercock Mr R Lacey Mr D Edmonds Mr I Chandler Mr B Horton Mr M Golinsky Mr K Kuhanandan	(Resigned 31 January 2020) (Appointed 12 June 2019) (Co-opted 25 October 2018) (Appointed 7 May 2019) (Appointed 29 January 2020) (Appointed 28 October 2020) (Appointed 28 October 2020)
Advisors to the Board	Eddie O'Sullivan	(Resigned 17 June 2020)
Treasurer	Mr H Adams Mr K Kuhanandan	(Appointed 28 October 2020)
Charity number	1079638	
Company number	03677413	
Registered office	Michael Sobell Hospice Mount Vernon Hospital Rickmansworth Road Northwood Middlesex HA6 2RN	
Auditor	RDP Newmans LLP Lynwood House 373-375 Station Road Harrow, Middlesex HA1 2AW	

THE MICHAEL SOBELL HOSPICE CHARITY

CONTENTS

	Page
Chairman's statement	1 - 3
Trustees' report	4 - 11
Independent auditor's report	12 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 31

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

I am delighted to be writing this statement as the Chair of The Michael Sobell Hospice Charity (MSHC) at a time when we are truly celebrating both the first anniversary of the reopening of the Inpatient Unit and 44 years since the Hospice was first established.

The year under review continued to be difficult for the Charity and the Hospice after the decision in May 2018 by East and North Herts NHS Trust (E&NH) to close the Inpatient Unit and relocate the service to the main hospital block of the Mount Vernon Site while a long-term solution was sought.

The Charity continued to fund and support the Inpatient Services in the relocated wards until the end of September 2018. The Hospice Day service remained in the newer annex of the building, and that service to patients continued throughout the year and continued to be supported by the Charity.

E&NH provided the Charity and The London Borough of Hillingdon External Services Select Committee with three options for the rebuilding of the Michael Sobell Hospice that ranged from £10 million to £26 million. These costs were unmanageable for the Charity and the building work would take some considerable time during which the care would have continued in active hospital wards and was not considered by the Charity and its supporters to be the best solution.

The Charity therefore looked for a speedier and less costly option. The Board of Trustees, together with its supporters, instigated a series of discussion meetings with a wide section of the community, including their political representatives and our staff and volunteers. We also held meetings with the various relevant NHS bodies including Hillingdon Clinical Commissioning Group, Hillingdon Hospitals NHS Foundation Trust, E&NH and Healthwatch Hillingdon. Our aim was to return the acute end of life palliative care that the Hospice was so well recognised for as soon as possible and preferably on the Mount Vernon Hospital site.

Our Board of Trustees also forged a strong working relationship with Harlington Hospice Association Limited and its Trustees. We were therefore pleased when Harlington Hospice was awarded the contract to run the clinical service within the Inpatient Unit by Hillingdon Clinical Commissioning Group.

Together with Harlington Hospice and the Hillingdon Hospitals NHS Foundation Trust we prepared plans for the improvement and refurbishment of the original Michael Sobell Hospice and the Charity agreed to meet the budget of £385,000. This project was greatly assisted by our new Trustee, Ian Chandler who has expert knowledge of this type of project and by Julie Wright, Director of Nursing and Clinical Services at Harlington Hospice, who ensured that everything would be in accordance with Care Quality Commission guidelines. We are particularly grateful to the Directors of 8Build Ltd who undertook the project on a cost only basis.

All of the way through what was a long and, at times, a very frustrating period we have been encouraged by our loyal supporters, volunteers and employees who have been there every step of the way helping us to get through it. It is only - through their continued hard work, commitment, and trust that in December 2019 we were able to announce that the Hospice would once again be fully functioning with the first patients being admitted in January 2020. At this point, I would also like to include a special mention to Terry Dean, one of the Charity's Volunteers, who worked so hard to publicise and canvass for the re-opening of the Hospice Inpatient Unit. Terry's unfaltering commitment and determination was instrumental in this significant achievement. My heartfelt thanks go out to all of you who continue to believe in our Charity and the wonderful Hospice that it supports.

As I said in my Report last year, we were able to welcome back Joe Sandercock and Rod Lacey as Trustees along with ex-Trustee Eddie O'Sullivan, who provided support as an external advisor to the Board of Trustees. They came back to assist with the difficulties faced by the Hospice and the Charity and I know they were delighted at the reopening. Rod and Eddie have now decided to step down from their roles, but we owe them a great debt for their knowledge and incredible support. During that time we also welcomed Harvey Adams as our Treasurer, who has now also retired from that position. Thank you all.

Joe has stayed on as a Trustee as have Rosalind Williams and Doug Edmonds (Chair of the Sobell Bridge Club) and we were joined in the year by Ian Chandler who brought to the Charity his years of experience in building projects, and Barry Horton a City Compliance Officer.

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

The Charity has a commitment to ensuring the continuance of The Michael Sobell Hospice and has sought to strengthen its Board of Trustees to assist in that aim and I am pleased that since the year end we have been joined by Mark Golinsky a retired Solicitor and Kuhan Kuhanandan an accountant who has taken on the role of Treasurer.

A special thank you goes to everyone who has continued to organise and participate in activities to raise funds for the Charity during an uncertain year. Our supporters include quizzers and golfers and we held successful quiz evenings and another great sporting day at Sandy Lodge Golf Club. Our dedicated book stall volunteers also continue to be great community ambassadors through their weekly market stalls and attending fairs and events representing the Charity. Other key events have included our long-standing and very popular Ladies in the Night Walk (20 September 2019) and our annual Light up a Life remembrance ceremony (8 December 2019). The Charity was also honoured to welcome Princess Katherine of Serbia for an official visit to the newly refurbished Hospice on 26 February 2020. I would also like to take this opportunity to thank Hillingdon Hospital NHS Trust and all the Mount Vernon Hospital site team for their continuing support of our Charity.

Our special thanks go to our loyal staff, shop managers and volunteers and to all the customers who support us in providing another valuable source of income for the Charity.

The Charity's long-term alliance with the Hospice Lottery Partnership (HLP) generates another vital income source and has contributed £225,000 to each of the six Hospice partners over the last year. We would like to sincerely thank everyone who is a member of HLP and to those who purchase HLP weekly lottery tickets for their amazing support.

It has been an incredibly difficult time, but I believe that the Charity now has a good foundation from which to develop its fundraising further in support of the Hospice. We now have an improved and refurbished Hospice and a great partner Charity in Harlington Hospice, with a strengthened MSHC Board of Trustees. The Charity can once again support this special place that provides local people in our community with exceptional palliative and end of life care.

As examples of this reinstated care I can tell you that the clinical staff employed in the Hospice in November and December 2019 was 9 rising to 31 for January and February 2020 and to 33 by March. Once the Inpatient Unit started to accept patients in January 2020, the average number of patients cared for was 23 per month to the end of March 2020. Since Harlington took over the operation of the Day Therapy Unit in November 2019, the average number of patients per month was 24. The Day Therapy Unit also had an average of 57 attendances per month until the first lockdown when it had to close temporarily.

Finally, I would like to say how proud I am to have been given the opportunity to make a difference to the development and future of The Michael Sobell Hospice Charity and our wonderful Hospice and I look forward to reporting on progress throughout the coming year.

On behalf of the Board of Trustees and everyone at Michael Sobell Hospice Charity I would like to say a huge THANK YOU! We could not have achieved so much without your extraordinary continued support.

Important Post Year Events

With the Charity and the Hospice having worked so hard with the Inpatient Unit refurbishment and re-provisioning of Clinical Services we may have thought that we were through the worst times. However, none of us could have foreseen that in March 2020 the world would be facing the Covid19 pandemic.

On fundraising the first thing to hit the Charity was the closure of our non-essential shops, quickly followed by all events being cancelled by Government decree about the number of people able to gather together. In addition, our staff and volunteers have needed to either work from home or shield.

Clinically the Hospice team had to adapt to working in a Covid safe way. Having just opened prior to Covid with 6 beds we quickly escalated to 10 and were very busy with 235 admissions by December 2020, with many patients being stabilised and discharged home again.

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

We have discharged people to as far away as India and the Isle of Man, but have, of course, mainly focussed on local people. 74% of our admissions have been admitted within 24 hours of request, 24% on the same day.

Covid has meant that the Hospice Day Therapy Centre is currently unable to operate, but our clinical staff regularly stays in touch with these patients by telephone, Zoom or Covid safe visits, providing them with much needed wellbeing support.

Since the start of the pandemic the Hospice and the Charity have received amazing support from many local Community 'heroes' with supplies of PPE, gifts, food and even donations of flooring. A huge thank you to you all!

Naturally there has been a significant negative impact on fundraising but we are not alone in the world of Hospices and Charity in that. Pleasingly the Chancellor of the Exchequer has made monies available for the sector.

I am also pleased to announce that we have now employed Liz Skipper, MCIOF (Dip), as Head of Charity with effect from December 2020 and I look forward to working closely with her to advance the aims of the Charity.

It is testament to the strength of our Nation that we are making progress through these troubling times and it is also testament to the Charity's loyal supporters who have continued to do all they can to help ensure that our wonderful Hospice remains open to fulfil its vital work caring for people with life-limiting illnesses.

Once again, the Charity would like to express its sincere thanks and wish everyone all the very best for a safe and good coming year.

Mr M Breen

Chairman

Dated: 25 March 2021

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The key element of the Charity's work is to provide ongoing funding to support palliative and end of life care for patients in our locality. Michael Sobell Hospice has been providing care for over 43 years for people in its catchment area. The Charity raises funds needed to provide a range of support for the clinical services at Michael Sobell Hospice, providing relief and palliative care to patients, former patients and their families. Michael Sobell Hospice is the hospice and centre for palliative care at Mount Vernon Hospital. The Hospice provides inpatient and day care and is a centre of excellence for specialist services, enhancing without discrimination the care of patients with life limiting illnesses and support for their families and carers.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a Charity (PB2)'. The Charity relies on a number of income streams including grants, retail outlets, events and fundraising activity. In addition, we rely on donations, gifts in memory, regular giving, corporate support, legacies and grants. We endeavour, through a wide range of communication methods, to encourage our local community to take part in our activities and to attend our events to support our intentions.

(See the Chair's statement and post year end commentary on pages 1-3 for detail of the change in clinical provider within the Hospice, its refurbishment and re-opening in January 2020).

Volunteers at Michael Sobell Hospice Charity

Without the dedication of our loyal volunteers, we could not offer the same level of care to patients, their families, carers and friends. At Michael Sobell Hospice Charity, there are over 150 volunteers lending a helping hand in a variety of ways including helping us with income generation activities, working in our retail outlets and generally supporting our events and fundraising work.

Our volunteers usually give a regular commitment, which can be flexible to fit around their personal commitments and can be anywhere between an hour a month, to several days a week.

Our Voluntary Services Officer coordinates the recruitment, training and placement of volunteers for the Charity and keeps in regular contact with them. Without the time and commitment of our volunteers, the Charity would be unable to operate effectively. They are critical to success across all areas of the organisation. Our shops and warehouse rely heavily on volunteers and without them our outlets would close. They are absolutely business critical. In the office, our volunteers work alongside the staff team providing a valuable resource with communications, finance, event preparation and administration.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

The activities undertaken in the year satisfy the objectives of the Charity and demonstrate public benefit as required by the Charity Commission.

The Hospice philosophy is based on the individual patient and those around them being of primary importance. The Hospice service is completely free to those who need it, regardless of race or belief. The funds we have generated during the year have supported Michael Sobell Hospice and its patients and families in many ways:

- The Charity granted £1,111,837 in the year to 31 March 2020 to fund a range of services, activities and equipment.
- We have funded clinical support, educational and administrative salaries within the Hospice, including on-costs, ensuring high levels of professional medical and nursing care for patients, their families and carers.
- We have continued to provide funding required for the Day Centre provision within the Hospice where those suffering from a life-limiting illness can attend on a non-residential basis. Here, they can receive support with their illness and clinical staff can review their care through day services provision. We have made funds available to purchase equipment and "little extras" to help make the patients' stay at the Hospice more comfortable.
- We continue to include patients and families in events to celebrate the lives of their loved ones.

In addition:

- We have held events within our local communities.
- We have provided opportunities for students and young people to work with us and understand the Charity and fundraising sector.

Our Charity shops are a reminder to the public that Michael Sobell Hospice is there for them when they or someone they know needs special care and they are our "face" on the high street.

The results of our income generation activities are measured against the previous year and compared to external benchmarks and budgets determined by the staff and agreed with the Trustees.

The Trustees also closely monitor the performance of the investment portfolio and obtain advice relating to investment matters.

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

Income Generation

As noted in last year's Trustee's Report the current financial year 2019/20 needs to be regarded as exceptional, not only because the Inpatient Unit was closed for most of the year, but also because of the impact of Covid-19 on the Charity's Fundraising activities. This trend is expected to continue into 2020/21 when the full impact of the Covid-19 pandemic will be felt by most charities and businesses. It should, however, be noted that the Inpatient Unit has now re-opened thanks to the tremendous efforts made by everyone involved.

The total income for the year amounted to £1,404,144 (2018/19 - £1,056,452) marking an increase of £347,692 from the previous financial year. This increase is mainly due to the fact that the Charity was a beneficiary of legacies from the Estates of previous patients and their families. Income from legacies increased by £372,646 amounting to £473,399 (2018/19 - £100,753). Because of their very nature, such bequests are unpredictable and cannot be budgeted for with any certainty. However, these are one of the main indications as to how this great Charity and the dedication of the Hospice clinical staff is perceived by the local community.

The Charity also saw a decrease of £25,865 in donations, viz. £143,756 (2018/19 - £169,621). Overall income generation excluding shop income, legacies and The Hospice Lottery Partnership amounted to £353,698 (2018/19 - £483,126), which again fell by £129,428 representing 27%, compared to 2018/19.

Trading income from shops amounted to £272,047 (2018/19 - £266,323) with the modest increase of £5,724. The Hospice Lottery Partnership investment income continued to be a steady source for the Michael Sobell Hospice Charity (MSHC) and showed an increase of £16,337 to £225,000 (2019 - £206,250) while the interest and income from listed investment received included - slightly fell by £2,413 to £25,504 (2018/19 - £27,917).

Receipts from the Sobell Bridge Club indicating an increase of £4,950 to £40,950 (2018/19 - £36,000) has remained another steady source of income for the Charity since the Club's inception in 1992.

The Annual MSHC Golf Day contribution to Charity funds amounted to £44,755 (2018/19 - £29,626).

Events such as Light Up A Life raised £6,291 (2018/19 - £7,442) and Charity Bike Ride added to the income by £3,048 (2018/19 - £8,823). Another major event during 2019 was the Ladies in the Night Walk, which raised £29,238 (2018/19 - £56,911) was not as successful as in previous years, but the significant efforts of the Charity's staff and loyal volunteers are to be commended.

Reserves policy

The Charity and Hospice needs are such that the Trustees consider it prudent to try and retain sufficient reserves to enable the Charity to continue to provide services at the present level. The level of reserves at 31 March 2020 are in excess of £1.1 million following expenditure well in excess of £350,000 on the improvement and refurbishment of the Hospice Inpatient Unit. The Trustees believe that this affords sufficient time to implement a review of the level of support for MSHC and to revise the fundraising strategy. Trustees will continue to strive to maintain this level of reserves.

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Investment policy and objectives

The Charity's investments are managed by the Finance Committee, which meets monthly to review the Charity's funds and maximise the return on investments. The Committee Members are Trustees or appointed advisors. The Finance Committee reports to the Trustee Board at their scheduled meetings, or at any other time, if deemed necessary.

The overall objective is to invest the reserve assets of the Charity prudently so that funds are available if the reserves are needed to support expenditure. Also, to the extent possible within that constraint, to earn as much income and capital gain as possible with due and proper consideration for future needs and the maintenance of, and if possible, the enhancement of the value of the invested funds while they are retained.

The Trustees have agreed to hold about one half of the assets of the Charity in equity investments and about one third in a series of fixed term cash deposits that mature at regular intervals over the following 12 months. The Trustees have decided to delegate the management of the quoted investment to authorised Investment Fund Managers.

The Charities Aid Foundation (CAF) has been appointed to manage part of the Charity's quoted investment funds. At present, these investments comprise entirely of "Open-ended Collective Investment Scheme" (OECI) shares. CAF funds are managed by Octopus Investments and they are regulated by the Financial Conduct Authority.

The Charities Official Investment Fund (COIF) has been appointed to manage part of the Charity's quoted investment funds. COIF funds are managed by Churches, Charities and Local Authorities (CCLA) Fund Managers and they are regulated by the Financial Conduct Authority.

The Finance Committee (a Sub-Committee of the Trustee Board) regularly meet at monthly intervals to ensure that the Charity's investments are held in a prudent way to best exploit the options available in the financial markets, whilst ensuring that the Charity's assets are not overly exposed to market fluctuations.

The deployment of investment assets are as follows:

	31 March 20 £,000	31 March 19 £,000	Notes
Listed Investments*	357	684	**
Unlisted Investment			
Hospice Lottery P'ship	87	87	
Others	152	285	

* Value of Listed Investments at 15 Jan 21 = £450k.

** Disposal of £249k & £78k Valuation change

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Risks and uncertainties

The Charity's Trustees have considered the major risks to which the Charity is exposed and satisfied themselves that systems or procedures are established to manage those risks. Major risks are those that have a major impact and a probable or highly probable likelihood of occurring.

If they occurred, they would have a major impact on some or all of the following areas:

- Governance;
- Reputation;
- Finances;
- Compliance with law or regulation

Any of these major risks and their potential impacts could change the way Trustees, supporters or beneficiaries might deal with the Charity. The Risk Register is a tool, which enables the Charity to understand its comprehensive risk profile and identifying each major risk to which the Charity is potentially exposed. The Register is reviewed and updated by the Board of Trustees annually.

Fundraising

The fundraising team adopts a supporter-led approach to fundraising and seeks where possible to build sound long-term relationships with supporters.

The Charity has adopted the Code of Practice of the Fundraiser Regulator. In the year 2019/2020 there were no complaints about the fundraising activities. The Charity does not use professional fundraisers or involve commercial participators.

The Charity does run three shops and a warehouse, which are managed by paid managers and volunteer staff and principally sell donated goods.

The Hospice Lottery Partnership continues to provide much valued funds through the hospice lottery and the Charity received £225,000 in the year.

Looking ahead

The level of fundraising during 2020/21 due to the full impact of Covid-19 will inevitably not be as successful as 2019/20, or the previous year. Even though there continue to be many challenges faced by the Charity, the Board of Trustees strongly believe that it is well placed to exploit and manage every available opportunity during 2021 and progress positively into the future.

Fundraising income from all the activities, large or small, is once again appreciatively acknowledged and our sincere thanks go to all our supporters and organisers of the events. We would like to thank all those individuals and businesses for their donations and fundraising efforts on our behalf.

My thanks go to the Board of Trustees, themselves volunteers for the Charity, for their support and guidance throughout the year. We have a skill mix on the Board, which ensures that the business and governance of the Charity is scrutinised, reviewed and supported well.

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods

The Charity will restructure the staff team to reflect the change in income generation streams and maximise its fundraising potential.

The Charity will continue in seeking to recruit additional Trustees to the Board in line with its skills requirement profile.

The Charity will prioritise its profiling in the local community through marketing and public media opportunities.

The Charity has considered the effects of Brexit (and latterly the Covid-19 pandemic) on its ability to raise funds. As all income comes from local fundraising, legacies and donations the Trustees consider that Brexit will not impact materially on fundraising efforts.

See the Chair's statement and post year end commentary on pages 1-3 for detail of the change in clinical provider within the Hospice, its refurbishment and re-opening in January 2020.

Structure, governance and management

Michael Sobell Hospice Charity is a company limited by guarantee governed by its Memorandum and Articles of Association dated 7 November 1998, revised in October 2018. It is registered as a Charity with the Charity Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R Williams	
Mr M Breen	
Mr S Kanabar	(Resigned 31 January 2020)
Mr J Sandercock	(Appointed 12 June 2019)
Mr R Lacey	(Co-opted 25 October 2018)
Mr D Edmonds	
Mr I Chandler	(Appointed 7 May 2019)
Mr B Horton	(Appointed 29 January 2020)
Mr M Golinsky	(Appointed 28 October 2020)
Mr K Kuhanandan	(Appointed 28 October 2020)

Key Management Personnel in 2019/20

Accounts Manager	Elizabeth Akeula/David Salter
Income Generation	Ophelia Chambers-Henry

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Appointment of Trustees

Most people have some skills, knowledge or experience that they can bring to a Charity. In addition, Trustees should have a strong personal commitment to the Charity's aims and objectives. It is also essential that there are no legal or other barriers to a Trustee's appointment.

To optimise our effectiveness, we recruit a diverse Board with a broad range of skills, knowledge and experience. When preparing to recruit new Trustees we seek to increase or at least maintain the diversity of our Trustee Board, whilst ensuring we have the correct skillset for continuity.

As well as achieving a balance in skills and experience, we also aim to achieve greater diversity by reaching out into communities that are not presently represented.

Responsibility for the recruitment of new Trustees rests with the Board of Trustees. There is an open and efficient process, which always acts in the best interests of the Charity. Before appointing a new Trustee, the Trustee Board ensures that the appointment meets the requirements of the Charity's governing document and the law. Before appointing a Trustee, the Trustee Board obtains a declaration from the prospective Trustee that they are not disqualified.

Organisation

The Board of Trustees, which can have up to 15 members, administers the Charity. The Board normally meets 12 times in a year. Since the re-opening of the Hospice in January 2020 the Charity has taken measures to support the Trustees. From June 2020 the Charity was managed by Cath Cole - Interim Director of Fundraising and Communications until a permanent Head of Charity was appointed in December 2020.

Trustee induction and training

New Trustees undergo an orientation programme to brief them on their legal obligations under Charity and company law, the committee and decision-making processes, the business plan and recent financial performance of the Charity. During the induction period, they meet the other members of the Trustee Board and the staff team. Trustees are encouraged to attend appropriate external events to increase their knowledge and understanding of the role and the wider charity sector.

Pay policy for senior staff

The directors are the Charity's Trustees. The senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis (see Organisation note). All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 27 to the accounts. The pay of the senior staff is reviewed annually and benchmarked against pay levels in other comparable charities, the voluntary sector and similar roles.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or senior manager of the Charity with a contractor or supplier or professional services must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Current year no such related party transaction, except as below:

During the year an amount of £4,596 (2019: £nil) was paid to The Creative Place Ltd for various refurbishment works at the Hospice. The Creative Place Ltd is a company in which Mr M Breen, a Charity Trustee, is Chairman and holds a beneficial interest.

THE MICHAEL SOBELL HOSPICE CHARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Statement of trustees' responsibilities

The trustees, who are also the directors of The Michael Sobell Hospice Charity for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution was made at the Trustee Board Meeting on 27 May 2020 to appoint RDP Newmans as the Charity's Auditor for the ensuing year, replacing Mazars.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mr M Breen
Chairman

Dated: 25 March 2021

Mr K Kuhanandan
Treasurer

Dated: 25 March 2021

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE MICHAEL SOBELL HOSPICE CHARITY

Opinion

We have audited the financial statements of The Michael Sobell Hospice Charity (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE MICHAEL SOBELL HOSPICE CHARITY

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

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

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

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE MICHAEL SOBELL HOSPICE CHARITY

Use of our report

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

Paresh Radia FCA (Senior Statutory Auditor)
for and on behalf of RDP Newmans LLP

26 March 2021

Chartered Accountants
Statutory Auditor

Lynwood House
373-375 Station Road
Harrow, Middlesex
HA1 2AW

THE MICHAEL SOBELL HOSPICE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
Income and endowments from:							
Donations and legacies	3	696,655	500	697,155	269,524	13,230	282,754
Other trading activities	4	638,046	-	638,046	715,328	-	715,328
Investments	5	25,504	-	25,504	27,917	-	27,917
Other income	6	43,439	-	43,439	30,453	-	30,453
Total income		1,403,644	500	1,404,144	1,043,222	13,230	1,056,452
Expenditure on:							
Raising funds	7	418,731	-	418,731	491,192	4,357	495,549
Charitable activities	8	1,111,388	449	1,111,837	679,382	22,492	701,874
Other	12	9,054	-	9,054	-	-	-
Total resources expended		1,539,173	449	1,539,622	1,170,574	26,849	1,197,423
Net gains/(losses) on investments	13	(53,138)	-	(53,138)	9,930	-	9,930
Net movement in funds		(188,667)	51	(188,616)	(117,422)	(13,619)	(131,041)
Fund balances at 1 April 2019		1,294,824	3,979	1,298,803	1,412,246	17,598	1,429,844
Fund balances at 31 March 2020		1,106,157	4,030	1,110,187	1,294,824	3,979	1,298,803

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MICHAEL SOBELL HOSPICE CHARITY

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	15	12,932		9,055	
Investments	16	443,663		770,405	
		<u>456,595</u>		<u>779,460</u>	
Current assets					
Debtors	18	352,718		118,734	
Investments	19	152,547		285,692	
Cash at bank and in hand		394,979		424,136	
		<u>900,244</u>		<u>828,562</u>	
Creditors: amounts falling due within one year	20	(246,652)		(309,219)	
Net current assets		<u>653,592</u>		<u>519,343</u>	
Total assets less current liabilities		<u>1,110,187</u>		<u>1,298,803</u>	
Income funds					
Restricted funds	22	4,030		3,979	
<u>Unrestricted funds</u>					
Designated funds	23	655,000		655,000	
General unrestricted funds		451,157		639,824	
		<u>1,106,157</u>		<u>1,294,824</u>	
		<u>1,110,187</u>		<u>1,298,803</u>	

The financial statements were approved by the Trustees on 25 March 2021

Mr M Breen
Chairman

Mr K Kuhanandan
Treasurer

Company Registration No. 03677413

THE MICHAEL SOBELL HOSPICE CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	28		(309,036)		(75,460)
Investing activities					
Purchase of tangible fixed assets		(19,229)		-	
Proceeds on disposal of investments		273,604		-	
Investment income		25,504		24,112	
Net cash generated from investing activities			279,879		24,112
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(29,157)		(51,348)
Cash and cash equivalents at beginning of year			424,136		475,484
Cash and cash equivalents at end of year			394,979		424,136

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

The Michael Sobell Hospice Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Michael Sobell Hospice, Mount Vernon Hospital, Rickmansworth Road, Northwood, Middlesex, HA6 2RN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

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

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

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

Donated services and gifts in kind are included at the value to The Michael Sobell Hospice Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to each particular category. Where costs cannot be directly attributable to particular headings they are allocated to activities on a basis consistent with the use of those resources.

Direct charitable expenditure represents costs incurred in meeting the objects of the charity.

Fundraising costs are those incurred by the charity in seeking voluntary donations as well as in relation to particular fund-raising events.

Shop and Retail costs are those incurred by the charity in running its shops, warehouse and merchandise activity.

Support costs are those incurred in connection with administration of the charity and compliance with its constitutional and statutory requirements are then charged to the relevant activities.

The trust is not registered for VAT so all expenses shown in the statement of financial activities and notes to the accounts are shown gross (i.e. inclusive of VAT).

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	3 Years Straight line
Fixtures and fittings	3 Years Straight line
Motor vehicles	3 Years Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Basic financial assets

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

Basic financial liabilities

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	143,256	500	143,756	168,771	850	169,621
Legacies receivable	473,399	-	473,399	100,753	-	100,753
Grant income	80,000	-	80,000	-	12,380	12,380
	<u>696,655</u>	<u>500</u>	<u>697,155</u>	<u>269,524</u>	<u>13,230</u>	<u>282,754</u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising events	140,999	242,755
Shop income	272,047	266,323
Sponsorships and social lotteries	225,000	206,250
	<u>638,046</u>	<u>715,328</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	23,301	24,112
Interest receivable	2,203	3,805
	<u>25,504</u>	<u>27,917</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Sobell Bridge Club and other income	43,439	30,453

7 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020	2019	2019	2019
	£	£	£	£
<u>Fundraising and publicity</u>				
Staging fundraising events	15,189	42,373	-	42,373
Other fundraising costs	18,868	-	-	-
Staff costs	38,985	89,925	-	89,925
Support costs	94,033	113,550	3,112	116,662
	<u>167,075</u>	<u>245,848</u>	<u>3,112</u>	<u>248,960</u>
<u>Trading costs</u>				
Operating charity shops	115,271	106,186	-	106,186
Staff costs	98,772	93,738	-	93,738
Support costs	37,613	45,420	1,245	46,665
	<u>251,656</u>	<u>245,344</u>	<u>1,245</u>	<u>246,589</u>
	<u>418,731</u>	<u>491,192</u>	<u>4,357</u>	<u>495,549</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

8 Charitable activities

	Clinical staffing and support 2020 £	Clinical staffing and support 2019 £
Patient/staff support and counselling	18,342	29,899
Clinical staff salaries	654,506	566,620
Refurbishment contribution costs	370,503	-
New equipment, repairs and servicing	1,869	-
	<u>1,045,220</u>	<u>596,519</u>
Share of support costs (see note 9)	56,420	69,998
Share of governance costs (see note 9)	10,197	35,357
	<u>1,111,837</u>	<u>701,874</u>
Analysis by fund		
Unrestricted funds	1,111,388	679,382
Restricted funds	449	22,492
	<u>1,111,837</u>	<u>701,874</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Management costs	57,243	-	57,243	103,971	-	103,971
Management employment costs	130,823	-	130,823	129,354	-	129,354
Other governance expenses	-	10,197	10,197	-	35,357	35,357
	<u>188,066</u>	<u>10,197</u>	<u>198,263</u>	<u>233,325</u>	<u>35,357</u>	<u>268,682</u>
Analysed between						
Fundraising	94,033	-	94,033	116,662	-	116,662
Trading	37,613	-	37,613	46,665	-	46,665
Charitable activities	56,420	10,197	66,617	69,998	35,357	105,355
	<u>188,066</u>	<u>10,197</u>	<u>198,263</u>	<u>233,325</u>	<u>35,357</u>	<u>268,682</u>

Management support costs are reallocated on the basis of staff time per activity.

The allocation percentages noted below show fairly the spread of people and activities between support costs:

50% Fundraising
20% Trading
30% Charitable activities

Governance costs includes auditors' fees, legal, training and other sundry costs.

Audit fees for the year were £7,000 (2019: £6,950).

10 Trustees

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

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Fundraising and publicity (including shops)	9	11
Support staff	2	3
	<u>11</u>	<u>14</u>

Employment costs

	2020 £	2019 £
Wages and salaries	206,419	293,050
Social security costs	12,768	16,296
	<u>219,187</u>	<u>309,346</u>

All clinical staff were employed via East & North Hertfordshire NHS Trust and Harlington Hospice and not directly by Michael Sobell Hospice Charity. The charity allocated funds for these posts. These costs are shown as charitable activities within Note 8 of the accounts.

The Key Management Personnel totalled £68,269 for the year (2019: £122,639) which was in respect of 2 employees (2019: 3).

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	Unrestricted funds	Total
	2020	£ 2019
Net loss on disposal of tangible fixed assets	9,054	-

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	(77,813)	-
Gain/(loss) on sale of investments	24,675	9,930
	<u>(53,138)</u>	<u>9,930</u>

14 Taxation

The Charity is exempt from tax on income and gains falling within section 505 of Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2019	38,673	18,970	-	57,643
Additions	-	3,869	15,360	19,229
Disposals	(38,673)	(18,970)	-	(57,643)
	<u>-</u>	<u>3,869</u>	<u>15,360</u>	<u>19,229</u>
At 31 March 2020	-	3,869	15,360	19,229
Depreciation and impairment				
At 1 April 2019	38,673	9,916	-	48,589
Depreciation charged in the year	-	537	5,760	6,297
Eliminated in respect of disposals	(38,673)	(9,916)	-	(48,589)
	<u>-</u>	<u>537</u>	<u>5,760</u>	<u>6,297</u>
At 31 March 2020	-	537	5,760	6,297
Carrying amount				
At 31 March 2020	-	3,332	9,600	12,932
	<u>-</u>	<u>3,332</u>	<u>9,600</u>	<u>12,932</u>
At 31 March 2019	-	9,055	-	9,055
	<u>-</u>	<u>9,055</u>	<u>-</u>	<u>9,055</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

16 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2019	683,738	86,667	770,405
Valuation changes	(77,813)	-	(77,813)
Disposals	(248,929)	-	(248,929)
At 31 March 2020	356,996	86,667	443,663
Carrying amount			
At 31 March 2020	356,996	86,667	443,663
At 31 March 2019	683,738	86,667	770,405

17 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	152,547	285,692

18 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	50,871	43,820
Prepayments and accrued income	301,847	74,914
	352,718	118,734

19 Current asset investments

	2020 £	2019 £
Unlisted investments	152,547	285,692

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

20 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	5,614	3,551
Trade creditors	227,768	13,402
Other creditors	10	-
Accruals and deferred income	13,260	292,266
	<hr/>	<hr/>
	246,652	309,219
	<hr/>	<hr/>

21 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2018	Incoming resources	Resources expended	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 31 March 2020
	£	£	£	£	£	£	£
Berkhamsted Benevolent (1)	6,224	-	(6,224)	-	-	-	-
Berkhamsted Benevolent (2)	8,535	-	(6,603)	1,932	-	-	1,932
LB Hillingdon	1,488	-	(1,488)	-	-	-	-
The Mason Le Page charity	-	2,380	(1,270)	1,110	-	-	1,110
Derek Stewart Group	-	10,000	(9,913)	87	-	-	87
Other restricted	1,351	850	(1,351)	850	500	(449)	901
	<u>17,598</u>	<u>13,230</u>	<u>(26,849)</u>	<u>3,979</u>	<u>500</u>	<u>(449)</u>	<u>4,030</u>

The Berkhamsted and Boxmoor B T Benevolent Society fund (2) is restricted for the purchase of patient amenities. The balance remains unchanged in the year.

The Derek Stewart Group fund is restricted to fund clinical staff posts. The balance of £87 remains unchanged in the year and is taken forward to fund future clinical staff posts.

The remaining funds are for patient support. During the year a total of £500 was received from Ms J Wright, Mrs B Amodia and Howdens to purchase a dishwasher for the hospice. In relation to this, £449 was expended.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Transfers £	Balance at 1 April 2019 £	Movement in funds Incoming resources £	Balance at 31 March 2020 £
Unrestricted Bequest	791,000	(136,000)	655,000	-	655,000
	<u>791,000</u>	<u>(136,000)</u>	<u>655,000</u>	<u>-</u>	<u>655,000</u>

This fund is used to designate legacies and bequests that are received each year to protect the charity from volatility in this income stream.

24 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	12,932	-	12,932	9,055	-	9,055
Investments	443,663	-	443,663	115,405	-	770,405
Current assets/ (liabilities)	649,562	4,030	653,592	515,364	3,979	519,343
	<u>1,106,157</u>	<u>4,030</u>	<u>1,110,187</u>	<u>639,824</u>	<u>3,979</u>	<u>1,298,803</u>

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	70,875	68,600
Between two and five years	220,000	91,203
In over five years	97,500	25,000
	<u>388,375</u>	<u>184,803</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

26 Events after the reporting date

Coronavirus pandemic risk

The charity has been directly affected by the pandemic relating to the worldwide outbreak of Coronavirus in late 2019. In 23 March 2020, the UK Government announced a nationwide lock down which was gradually lifted in June 2020 only to be followed by a second and third lockdown on 5 November 2020 and 5 January 2021 respectively. These lockdowns and the uncertainty surrounding the pandemic itself have had a direct impact on the charity.

Further detail on the charity's response to the pandemic is noted in the Chairman's report.

27 Related party transactions

Transactions with related parties

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

During the year, Mr M Breen (the chairman and trustee of Michael Sobell Hospice Charity) was also a director of the Hospice Lottery Partnership in which the charity has an interest. Income received in the year was £225,000 (2019: £206,250) with an amount due from the Hospice Lottery Partnership of £18,075 (2019: £25,750) at the year end.

During the year an amount of £4,596 (2019: £nil) was paid to The Creative Place Ltd for various refurbishment works at the Hospice. The Creative Place Ltd is a company in which Mr M Breen is Chairman and holds a beneficial interest.

28 Cash generated from operations	2020 £	2019 £
Deficit for the year	(188,616)	(131,041)
Adjustments for:		
Investment income recognised in statement of financial activities	(25,504)	(24,112)
Loss on disposal of tangible fixed assets	9,054	-
Gain on disposal of investments	(24,675)	(9,930)
Fair value gains and losses on investments	77,813	-
Depreciation and impairment of tangible fixed assets	6,297	5,378
Movements in working capital:		
(Decrease) in short term deposits	133,145	23,315
(Increase) in debtors	(233,983)	(50,394)
(Decrease)/increase in creditors	(62,567)	111,324
Cash absorbed by operations	(309,036)	(75,460)