

Charity registration number 1079638

Company registration number 03677413 (England and Wales)

THE MICHAEL SOBELL HOSPICE CHARITY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE MICHAEL SOBELL HOSPICE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees and Directors	Mr M J Breen	
	Mr J R G Sandercock	
	Mr M J Fitzpatrick	(Appointed 22 July 2022)
	Ms M C Roberts	(Appointed 22 July 2022)
	Mrs C O Coventry	(Appointed 22 July 2022)

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

Bankers Barclays Bank Plc
83 Wandsworth High Street
SW18 2PR

CAF Bank Limited, Kings Hill
Kent
West Malling
ME19 4TA

Natwest Bank
Borehamwood Branch
80 Shenley Road
Borehamwood
Herts
WD6 1DZ

THE MICHAEL SOBELL HOSPICE CHARITY

CONTENTS

	Page
Chairman's statement	1 - 3
Trustees' report	4 - 10
Statement of trustees' responsibilities	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 - 32

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

It is a pleasure, once again, to be writing this Statement as Chair of The Michael Sobell Hospice Charity. I firmly believe it is always good to make time for reflection on the year that has gone by to take stock of achievements and look positively towards the future.

Early 2021 remained a challenging time for everyone, including charities. However, as the year progressed the country slowly began to return to a higher degree of normality, and we could all do so much more in terms of getting out and about and meeting up with friends and family after so long apart during the Covid restrictions. Throughout the pandemic, with its significant, devastating consequences around the world, our wonderful hospice was able to remain open and the amazing clinical team continued working 'above and beyond' to ensure that its vital palliative care and essential services continued.

In these uncertain times, the hospice and the charity are also constantly reminded of the unwavering support from our local community and supporters. Yet again, on behalf of everyone here, I would like to send our heartfelt thanks to all of you. I know I have said it before, but we truly could not 'do what we do' without your enduring loyalty and generosity.

The Hospice

The Michael Sobell Hospice Inpatient Unit (IPU) has been the only clinical provider of inpatient hospice care in Hillingdon since April 2020. It is a ten-bedded inpatient unit, with a full multidisciplinary team (doctors, nurses, therapists, and chaplain) providing responsive and compassionate palliative and end-of-life care. The IPU supports people requiring complex symptom management with the aim of discharging them back to their home, together with care for people at the end of their life. The IPU also supports a 24/7 consultant-led advice line for clinicians and the public. The IPU works collaboratively with all other local palliative teams to ensure care is in the right place at the right time.

As part of the care provided to patients staying at the IPU, the multidisciplinary team work to ensure that, wherever possible, patients are supported to realise their aspirations and their wishes are carried out. For example, over the last year staff have supported patients and families with weddings; baptisms; repatriation of unwell patients; repatriation of the deceased; writing letters to patients' children; virtual reality experiences of special or 'bucket list' locations; visits from ponies; hairdressing; chiropody; dental care; remote palliative medical support for patients who are abroad; moving beds to the Hospice garden to support wellbeing and participation in outdoor family picnics; addiction support in conjunction with specialist teams and individualised spiritual support.

Over the past year, the hospice has maintained sufficient capacity to enable admissions seven days a week, with 256 referrals to the inpatient unit and 215 admissions.

The hospice is funded by NHS contracts and charitable income provided by Michael Sobell Hospice Charity.

Wellbeing Service

The Wellbeing Service partnership between Michael Sobell Hospice Charity and Harlington Hospice continues to be an essential part of the palliative care provided providing benefits and support to patients and their families. These day care services usually involve complementary therapies (including massage and reiki), creative arts, and rehabilitation (including physiotherapy and occupational therapy).

Remote Support and Wellbeing Service

Thanks to a Covid-19 grant from the London Community Response Fund, supplemented by the ongoing funding from the Charity's Hospice Lottery Partnership and general fundraising activities, the hospice has been able to set up a new Remote Support and Wellbeing Service and develop a programme of virtual events to support patients and the wider community. We were also able to invest in new technology such as tablets, cameras, and audio-visual equipment to help patients stay connected with each other, as well as our therapeutic team. This innovative Remote Support and Wellbeing Service has become an essential part of the palliative care provided. We hope it will continue to have many positive benefits for our patients and their families during the next year and beyond, as we continue to develop the service.

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Trustees

I would like to thank all the Trustees that served in the year and particularly those that resigned from office in the year having given sterling service during very difficult times for the charity. The charity's thanks therefore go to Ian Chandler who was so instrumental in the refurbishment and improvement of the Hospice Building, Barry Horton for his calm approach and commitment to the Hospice, Kuhan Kuhanandan who also served as Treasurer and Mark Golinsky whose sage advice and fundraising activities were so valuable. They all have left the charity and the hospice in a solid position to continue providing the invaluable service that we support.

I would also like to thank my predecessor as Chair, Rosalind Williams who joined the Board in January 2012 for such committed service over her ten years of service.

Sadly Doug Edmonds, one of the charity's trustees passed away in September 2021. Both Michael Sobell Hospice and the charity owe an enormous debt of gratitude to Doug for everything that he undertook over his many years of dedicated service to the Sobell Bridge Club, the charity, and the hospice. Doug's dedication, strength of character and unwavering allegiance to Michael Sobell Hospice will never be forgotten.

I am also pleased to welcome to the Board Sean Fitzpatrick, Maggie Roberts, and Carol Coventry all of whom are also trustees of Harlington Hospice Association who joined on 22nd July 2022.

Fundraising

Firstly, my thanks go to everyone who has given generously and supported the charity during another 'not entirely normal' year in terms of fundraising and events.

The charity continued to keep in touch with supporters through newsletters (by email and post) and our future plans are to maintain regular contact. We were, however, able to re-engage with our community through our Christmas Appeal in December 2021, which also included the return of our Light Up A Life Ceremony (thankfully, not virtually as in 2020) and a hugely successful Christmas Market. Thank you to everyone who participated in these events and helped us to raise even more funds for the hospice.

Retail Operation

The collaboration between MSHC, Harlington Hospice and Age UK (Hillingdon, Harrow and Brent) continues and has developed into a very successful retail operation. The nine shops are working closely together, sharing resources, retail expertise and facilities. The MSHC Warehouse continues to house our growing shared e-Bay activities, as well as being the 'hub' for our incredibly successful book store.

The hugely popular MSHC book stalls at Amersham and Chesham continue to raise significant funds for the hospice. Our sincere thanks go to the dedicated team of volunteers whose hard work and commitment to these outdoor events every week is truly amazing and certainly much appreciated.

Hospice Lottery Partnership

Our successful alliance with the Hospice Lottery Partnership (HLP) has continued and is another source which attributes essential funds for the hospice. Over the last year the contributions received totaled £201,000. Our sincere appreciation and thanks go to everyone who is a member of HLP and everyone who donates monthly or purchases the weekly HLP lottery tickets.

Partnership with Harlington Hospice Association Limited

In 2020, a partnership between The Michael Sobell Hospice Charity and Harlington Hospice Association enabled the Michael Sobell Inpatient unit to reopen. Over 2021/22 this partnership working deepened; the two charities ran a joint Hospice Committee including three Trustees from each Charity's board and a meeting between the senior officers of each charity met bi-monthly, overseeing areas of joint working and collaboration.

As this partnership with Harlington Hospice Association evolved, this enabled the charity to begin focusing on the long-term sustainability of the Hospice service it provides funding for. The trustees worked with the Board at Harlington Hospice Association to appoint a joint Director of Fundraising for both charities, enabling the medium and long-term fundraising plans to be brought into alignment.

~~The trustees also appointed a joint Communications Manager and have plans to recruit further joint Communications and Fundraising Team members. This is to support the fundraising activities of both MSHC and HHA and to align with and support the future plans to merge the two charities.~~

THE MICHAEL SOBELL HOSPICE CHARITY

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Current Update Since 1 April 2022

In July 2022, the boards of The Michael Sobell Hospice Charity and Harlington Hospice Association formally approved the merger plans that had been under discussion for some time. The merger is expected to streamline fundraising activity and save costs through sharing services. These changes will enable the charity to safeguard the provision of the services inside the Michael Sobell Hospice inpatient unit, way into the future.

Special Thank You

On behalf of the Board of Trustees, the charity and the hospice, I would also like to take this opportunity to, once again, formally convey our sincere thanks to the North West London Clinical Commissioning Group, Hillingdon NHS Trust and all the Mount Vernon Hospital site team and departments for their continuing support of The Michael Sobell Hospice Charity.

Personal Thank You

I am honoured to continue as Chair of the Michael Sobell Hospice Charity and on behalf of all the trustees, everyone at the hospice and the charity, I would like to say another huge THANK YOU! We certainly could not manage without your extraordinary loyalty and continued support.

Mr M J Breen

Chairman

Date: 17 December 2022

THE MICHAEL SOBELL HOSPICE CHARITY

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

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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

Our Charity's purposes as set out in the objects contained in the company's Articles of Association and are:

The relief of sickness and suffering of residents of the London Borough of Hillingdon and the surrounding areas and the provision of associated care and support to their carers, dependants and families, including but not limited to:

- (1) providing financial and other support to organisations providing palliative and end of life care;
- (2) advancing the education of members of the community on the work of such organisations to raise awareness of palliative and end of life care; and
- (3) supporting research into high quality palliative and end of life care and disseminating the results of such research through the community.

Michael Sobell Hospice has been providing care for over 44 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.

Volunteers at Michael Sobell Hospice Charity

Without the dedication of our committed and loyal volunteers, the charity could not support the funding of excellent levels of care to patients, their families, carers and friends. At Michael Sobell Hospice Charity, there are over 100 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 lives and can be anywhere between an hour a month, to several days a week.

Our Fundraising and Retail teams coordinate the recruitment, training and placement of volunteers for the charity and keep in regular contact with them. Without the time and commitment of volunteers, the charity would be unable to operate effectively. They are critical to success across all areas of the organisation. The charity's two shops and warehouse rely heavily on volunteers and without them these outlets would close. They are absolutely business critical. In the office, 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 2022

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 the charity has generated during the year have supported Michael Sobell Hospice and its patients and families in many ways:

- The charity granted £1,170,336 in the year to 31 March 2022 to fund a range of services, activities and equipment
- Clinical support, educational and administrative salaries within the hospice have been funded by the Charity, including on-costs, ensuring high levels of professional medical and nursing care for patients, their families, and carers
- The Hospice Day Therapy Unit has been closed during the pandemic, so a new Remote Support and Wellbeing Service has been developed, offering patients across the Hillingdon Borough a programme of virtual events to help them keep in touch with each other and the clinical team
- The charity continues to include patients and families in events to celebrate the lives of their loved ones such as the annual Light Up A Life Ceremony
- Due to lockdowns and the various restrictions imposed, the Fundraising Team were less able to organise our usual programme of "live" events. However, the charity kept in touch with supporters through e- newsletters and a series of virtual quizzes throughout the year, which proved to be very popular.

Michael Sobell Hospice Charity shops are a reminder to the public that the hospice is there for them when they or someone they know needs special care and these shops 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. Obviously in the year 2021/2022 these activities have been somewhat restricted in view of the Covid-19 pandemic.

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 2022

Financial review

Income Generation

The total income for the year amounted to £1,155,861 (2021: 1,919,590) marking a decrease of £763,729 from the previous financial year. This decrease is substantially because the charity as a beneficiary of legacies from the estates of previous patients and their families will see yearly variances. Income from such legacies in the year decreased by £463,020 to £223,087 (2021: £686,107). 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 the charity and the dedication of the hospice clinical staff is perceived by the local community. The income derived from grants also decreased by £355,346 in the year.

The charity also saw a decrease in donations to £459,515 (2021: £600,258).

Trading income from shops amounted to £226,103 (2021: £89,544). This increase of 153% in shop income was largely due to the releasing of Covid restrictions on the high streets. This trend is expected to continue as the high street recovers from Covid. The fundraising activities, although curtailed again by Covid pleasingly increased by 152% to £160,434 compared to last financial year of £63,638. Both retail and fundraising activities are reinvigorated with additional staff and restructuring retail models, and the management and the Board of Trustees believe that the charity is well placed to take advantage of the recovery of post-Covid national economy.

Contributions from The Hospice Lottery Partnership (shown within 'Donations and Legacies') continued to be a steady source for the Michael Sobell Hospice Charity (MSHC) maintaining roughly at the same level in the current year £201,000 (2021: £217,852). The interest and income from listed investments rose slightly to £15,206 from £13,313 the previous year.

Receipts from the Sobell Bridge Club have started to recover with £5,200 (2021: £2,955) and we are hopeful that this recovery will accelerate post the balance sheet date.

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 2022 amounted to £1,482,230 of which £3,050 are for restricted purposes and £813,824 for designated purposes. The trustees believe that this will provide sufficient time to implement a review of the level of support for The Michael Sobell Hospice and the fundraising strategy. Trustees will continue to strive to maintain the high quality of services experienced by the patients.

THE MICHAEL SOBELL HOSPICE CHARITY

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

FOR THE YEAR ENDED 31 MARCH 2022

Investment policies

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 22	31 March 21
	£'000	£'000
Listed Investments	494	455
Unlisted Investment		
Hospice Lottery P'ship 206	206	
Others	208	198

Investment Policy and Objectives

The policies and objectives remain largely the same as in previous years and continue to be updated regularly. These are:

Liquidity Risk Policy

The charity will endeavour to maintain sufficient liquid assets, at all times, to meet its known expenditure requirements for the following three-month period. These liquid assets will consist of cash, funds held in current bank and building society accounts, and funds held in notice accounts, not exceeding 90 days-notice, in bank and building society accounts and any fixed term deposits maturing within the next 90 days.

Investments

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 MICHAEL SOBELL HOSPICE CHARITY

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

FOR THE YEAR ENDED 31 MARCH 2022

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 continues to monitor all fundraising activities, fundraisers and volunteers in accordance with the Code of Fundraising Practice. The charity does not use professional fundraisers or involve commercial participants.

The charity runs two 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 its hospice lottery and the charity received £201,000 in the year.

Looking ahead

The level of fundraising during 2021/22 due to the continued impact of Covid-19 has inevitably not been as successful as previous years. Even though there continue to be many challenges faced by the charity, the Board of Trustees strongly believe that it is well placed to explore and manage every available opportunity during 2022 and 2023 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.

Our 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.

Plans for future periods

The Charity will continue to 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, particularly enhancing fund-raising ability.

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.

THE MICHAEL SOBELL HOSPICE CHARITY

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

FOR THE YEAR ENDED 31 MARCH 2022

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 M J Breen	
Mr J R G Sandercock	
Mr M J Fitzpatrick	(Appointed 22 July 2022)
Ms M C Roberts	(Appointed 22 July 2022)
Mrs C O Coventry	(Appointed 22 July 2022)
Mr D A V Edmonds	(Resigned 17 September 2021)
Mr K K Kuhanandan	(Resigned 30 May 2022)
Mr I B Chandler	(Resigned 31 May 2022)
Mr M Golinsky	(Resigned 22 July 2022)
Mr B D Horton	(Resigned 22 July 2022)
Ms R Williams	(Resigned 22 July 2022)

Key management personell in 2021/22

Accounts Manager	Mr D Salter
Head of Charity	Ms L Skipper (to May 2022)

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 December 2020 the charity was managed by Liz Skipper as Head of Charity until May 2022.

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.

THE MICHAEL SOBELL HOSPICE CHARITY

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

FOR THE YEAR ENDED 31 MARCH 2022

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 28 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 Board of Trustees in the same way as any other contractual relationship with a related party.

During the year, Mr M J 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 £201,000 (2021: £217,852) and expenditure in the year was £171 (2021: £Nil) with an amount due to the Hospice Lottery Partnership of £111 at the year end (2021: £30,000 due from).

Mr M J Breen, Mr J R G Sandercock, Mr M J Fitzpatrick, Ms M C Roberts and Mrs C O Coventry are also trustees and directors of the Harlington Hospice Association Limited. Expenditure in the year was £1,186,579 (2021: £694,086) with an amount due from the Harlington Hospice Association Limited of £70,404 (2021: £10,112 due to).

Supplier payment policy

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditor

In accordance with the company's articles, a resolution proposing that RDP Newmans LLP be reappointed as auditor of the company will be put at a General Meeting.

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 J Breen
Chairman

17 December 2022

THE MICHAEL SOBELL HOSPICE CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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.

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES 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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2022 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

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 charity'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 auditor's 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.

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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, 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.

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MICHAEL SOBELL HOSPICE CHARITY

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.

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Trustees, who are also the directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charity Commission Regulations, Charities Act 2011, Statement of recommended practice (SORP FRS102), taxation legislation and data protection, anti-bribery and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

THE MICHAEL SOBELL HOSPICE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MICHAEL SOBELL HOSPICE CHARITY

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- reviewed and tested journal entries to identify unusual transactions and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing and agreeing financial statement disclosures and testing to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and bankers.
- reviewing minutes of board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

19 December 2022

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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
Income and endowments from:							
Donations and legacies	3	738,759	8,739	747,498	1,689,062	17,545	1,706,607
Other trading activities	4	386,537	-	386,537	153,182	-	153,182
Investments	5	15,206	-	15,206	13,313	-	13,313
Other income	6	6,620	-	6,620	46,488	-	46,488
Total income		1,147,122	8,739	1,155,861	1,902,045	17,545	1,919,590
Expenditure on:							
Raising funds	7	534,766	-	534,766	422,361	-	422,361
Charitable activities	8	1,229,620	14,117	1,243,737	752,141	6,376	758,517
Impairment losses reversed		-	-	-	(119,143)	-	(119,143)
Total expenditure		1,764,386	14,117	1,778,503	1,055,359	6,376	1,061,735
Net gains/(losses) on investments	12	37,854	-	37,854	98,976	-	98,976
Net (outgoing)/incoming resources before transfers		(579,410)	(5,378)	(584,788)	945,662	11,169	956,831
Gross transfers between funds	14	6,771	(6,771)	-	-	-	-
Net movement in funds		(572,639)	(12,149)	(584,788)	945,662	11,169	956,831
Fund balances at 1 April 2021		2,051,819	15,199	2,067,018	1,106,157	4,030	1,110,187
Fund balances at 31 March 2022		1,479,180	3,050	1,482,230	2,051,819	15,199	2,067,018

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 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	15	10,726	17,175
Investments	16	699,636	661,782
		<u>710,362</u>	<u>678,957</u>
Current assets			
Debtors	18	278,147	724,659
Investments	19	207,649	197,600
Cash at bank and in hand		447,947	624,678
		<u>933,743</u>	<u>1,546,937</u>
Creditors: amounts falling due within one year	20	<u>(161,875)</u>	<u>(158,876)</u>
Net current assets		<u>771,868</u>	<u>1,388,061</u>
Total assets less current liabilities		<u>1,482,230</u>	<u>2,067,018</u>
Income funds			
Restricted funds	24	3,050	15,199
<u>Unrestricted funds</u>			
Designated funds		813,824	813,824
General unrestricted funds		665,356	1,237,995
	25	<u>1,479,180</u>	<u>2,051,819</u>
		<u>1,479,180</u>	<u>2,051,819</u>
		<u>1,482,230</u>	<u>2,067,018</u>

The financial statements were approved by the Trustees on 17 December 2022

Mr M J Breen
Trustee

Mr J R G Sandercock
Trustee

Company registration number 03677413

THE MICHAEL SOBELL HOSPICE CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	30		(190,113)		227,048
Investing activities					
Purchase of tangible fixed assets		(1,824)		(10,662)	
Investment income received		15,206		13,313	
Net cash generated from investing activities					
			13,382		2,651
Net cash used in financing activities					
			-		-
Net (decrease)/increase in cash and cash equivalents					
			(176,731)		229,699
Cash and cash equivalents at beginning of year			624,678		394,979
Cash and cash equivalents at end of year			447,947		624,678

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022

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:

Fixtures and fittings	3 - 5 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 the statement of financial activities.

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 2022

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.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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.

Specifically, the Trustees have made judgements on the apportionment of support and governance costs across the various charitable activities (see note 9 for further details) - the basis of this apportionment has remained consistent to prior years.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	450,776	8,739	459,515	582,713	17,545	600,258
Legacies receivable	223,087	-	223,087	686,107	-	686,107
Grant income	64,896	-	64,896	420,242	-	420,242
	<u>738,759</u>	<u>8,739</u>	<u>747,498</u>	<u>1,689,062</u>	<u>17,545</u>	<u>1,706,607</u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	160,434	63,638
Shop income	226,103	89,544
	<u>386,537</u>	<u>153,182</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from listed investments	13,643	11,863
Interest receivable	1,563	1,450
	<u>15,206</u>	<u>13,313</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Sobell Bridge Club and other income	5,200	2,955
Furlough grant income	1,420	43,533
	<u>6,620</u>	<u>46,488</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	44,447	8,373
Other fundraising costs	35,284	21,536
Staff costs	153,865	54,436
Support costs	85,224	101,354
	<u>318,820</u>	<u>185,699</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Raising funds (Continued)

Trading costs		
Operating charity shops	83,013	97,646
Staff costs	92,141	93,354
Depreciation and impairment	6,702	5,120
Support costs	34,090	40,542
	<hr/>	<hr/>
Trading costs	215,946	236,662
	<hr/>	<hr/>
	534,766	422,361
	<hr/>	<hr/>

8 Charitable activities

	Clinical staffing and support 2022 £	Clinical staffing and support 2021 £
Patient/staff support and counselling	19,271	11,317
Clinical staff salaries	1,151,065	670,736
Refurbishment contribution costs	-	490
	<hr/>	<hr/>
	1,170,336	682,543
	<hr/>	<hr/>
Share of support costs (see note 9)	51,134	60,812
Share of governance costs (see note 9)	22,267	15,162
	<hr/>	<hr/>
	1,243,737	758,517
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	1,229,620	752,141
Restricted funds	14,117	6,376
	<hr/>	<hr/>
	1,243,737	758,517
	<hr/>	<hr/>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Management costs	72,379	-	72,379	87,814	-	87,814
Management employment costs	98,069	-	98,069	114,894	-	114,894
Other governance expenses	-	22,267	22,267	-	15,162	15,162
	<u>170,448</u>	<u>22,267</u>	<u>192,715</u>	<u>202,708</u>	<u>15,162</u>	<u>217,870</u>
Analysed between						
Fundraising	85,224	-	85,224	101,354	-	101,354
Trading	34,090	-	34,090	40,542	-	40,542
Charitable activities	<u>51,134</u>	<u>22,267</u>	<u>73,401</u>	<u>60,812</u>	<u>15,162</u>	<u>75,974</u>
	<u>170,448</u>	<u>22,267</u>	<u>192,715</u>	<u>202,708</u>	<u>15,162</u>	<u>217,870</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 £12,000 (2021: £13,200).

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Fundraising and publicity (including shops)	9	9
Support staff	<u>4</u>	<u>2</u>
Total	<u>13</u>	<u>11</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	336,268	236,900
Social security costs	26,582	19,246
	<u>362,850</u>	<u>256,146</u>

All clinical staff were employed by 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 £84,875 for the year (2021: £48,522) which was in respect of 2 employees (2021: 2).

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

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Revaluation of investments	<u>37,854</u>	<u>98,976</u>

13 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.

14 Transfers

During the year, various Restricted Fund balances amounting to £6,771 (2021: nil) were transferred to Unrestricted Funds. These transfers were surpluses which had arisen after any objectives of the funding had been satisfied. As there was to be no clawback of these surpluses, they were transferred to Unrestricted Funds.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Tangible fixed assets

	Fixtures and fittings	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 2021	14,531	15,360	29,891
Additions	1,824	-	1,824
	<u>16,355</u>	<u>15,360</u>	<u>31,715</u>
At 31 March 2022	16,355	15,360	31,715
Depreciation and impairment			
At 1 April 2021	1,836	10,880	12,716
Depreciation charged in the year	3,793	4,480	8,273
	<u>5,629</u>	<u>15,360</u>	<u>20,989</u>
At 31 March 2022	5,629	15,360	20,989
Carrying amount			
At 31 March 2022	10,726	-	10,726
	<u>12,695</u>	<u>4,480</u>	<u>17,175</u>
At 31 March 2021	12,695	4,480	17,175

16 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2021	455,972	205,810	661,782
Valuation changes	37,854	-	37,854
	<u>493,826</u>	<u>205,810</u>	<u>699,636</u>
At 31 March 2022	493,826	205,810	699,636
Carrying amount			
At 31 March 2022	493,826	205,810	699,636
	<u>455,972</u>	<u>205,810</u>	<u>661,782</u>
At 31 March 2021	455,972	205,810	661,782

17 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	222,732	706,267
Equity instruments measured at cost less impairment	205,810	205,810
Instruments measured at fair value through profit or loss	701,475	653,572
	<u>1,130,017</u>	<u>1,565,649</u>
Carrying amount of financial liabilities		
Measured at amortised cost	149,350	151,865
	<u>149,350</u>	<u>151,865</u>

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	60,942	-
Other debtors	161,790	706,267
Prepayments and accrued income	55,415	18,392
	<u>278,147</u>	<u>724,659</u>

19 Current asset investments

	2022	2021
	£	£
Unlisted investments	207,649	197,600
	<u>207,649</u>	<u>197,600</u>

20 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Other taxation and social security		6,055	7,011
Deferred income	21	6,470	-
Trade creditors		132,363	127,049
Other creditors		4,987	-
Accruals and deferred income		12,000	24,816
		<u>161,875</u>	<u>158,876</u>

21 Deferred income

	2022	2021
	£	£
Other deferred income	6,470	-
	<u>6,470</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2022	2021
	£	£
Deferred income is included within:		
Current liabilities	6,470	-
	<u>6,470</u>	<u>-</u>

Movements in the year:

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21	Deferred income		(Continued)
	Deferred income at 1 April 2021	-	-
	Resources deferred in the year	6,470	-
		<u> </u>	<u> </u>
	Deferred income at 31 March 2022	6,470	-
		<u> </u>	<u> </u>

22 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.

23 Share capital

The company is limited by guarantee. In the event of the company being wound up while someone is a trustee, or within one year afterwards, in the event of there being a deficiency, each trustee will contribute a sum not exceeding £1.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 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				Transfers	Balance at 31 March 2022
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 1 April 2021	Incoming resources	Resources expended				
	£	£	£	£	£	£			£	£
Berkhamsted Benevolent (2)	1,932	-	-	1,932	-	-		(1,932)	-	-
The Mason Le Page charity	1,110	3,030	-	4,140	-	(2,417)		(1,723)	-	-
Derek Stewart Group	87	-	-	87	-	-		(87)	-	-
Other restricted	901	9,515	(1,086)	9,330	5,689	(11,700)		(3,319)	-	-
Berkhamsted Benevolent (3)	-	5,000	(5,290)	(290)	-	-		290	-	-
Memory Tree	-	-	-	-	3,000	-		-	-	3,000
Wishlist Campaign	-	-	-	-	50	-		-	-	50
	4,030	17,545	(6,376)	15,199	8,739	(14,117)		(6,771)	-	3,050

The total restricted fund reserve carried forward amounts to £3,050 (2021: £15,199).

The Berkhamsted and Boxmoor B T Benevolent Society fund (2) is restricted for the purchase of patient amenities. As the funding objectives had been satisfied, and no clawback was expected, the balances on these funds were transferred to the Unrestricted Fund.

The Derek Stewart Group fund is restricted to fund clinical staff posts. The balance of £87 was transferred to the Unrestricted Fund as the funding objectives had been satisfied, and no clawback was expected.

The Mason Le Page Charity balance of £1,723 was transferred to the Unrestricted Fund as the funding objectives had been satisfied, and no clawback was expected. There were various restricted fund balances amounting to £3,319, which were all transferred to the Unrestricted Fund as any funding objectives had been satisfied, and no clawback were expected.

The Memory Tree (£3,000) and Wishlist Campaign (£50) funds are restricted, the balances being carried forward to be defrayed next year.

The trustees are satisfied that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

25 Unrestricted 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:

	Movement in funds				Movement in funds				Balance at 31 March 2022
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers gains and losses	
	£	£	£	£	£	£	£	£	£
Designated fund - Bequest	655,000	-	-	158,824	813,824	-	-	-	813,824
General unrestricted fund	451,157	1,902,045	(956,383)	(158,824)	1,237,995	1,147,122	(1,764,386)	6,771	665,356
	<u>1,106,157</u>	<u>1,902,045</u>	<u>(956,383)</u>	<u>-</u>	<u>2,051,819</u>	<u>1,147,122</u>	<u>(1,764,386)</u>	<u>6,771</u>	<u>1,479,180</u>

This designated fund is set aside for legacies and bequests that are received each year to protect the charity from volatility in this income stream. During the year no transfers were made from general unrestricted funds to designated funds.

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

26 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	10,726	-	10,726	17,175	-	17,175
Investments	699,636	-	699,636	661,782	-	661,782
Current assets/(liabilities)	768,818	3,050	771,868	1,372,862	15,199	1,388,061
	<u>1,479,180</u>	<u>3,050</u>	<u>1,482,230</u>	<u>2,051,819</u>	<u>15,199</u>	<u>2,067,018</u>

27 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:

	2022 £	2021 £
Within one year	72,860	72,860
Between two and five years	161,880	179,640
In over five years	31,375	31,375
	<u>266,115</u>	<u>283,875</u>

28 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 J 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 £201,000 (2021: £217,852) and expenditure in the year was £171 (2021: £Nil) with an amount due to the Hospice Lottery Partnership of £111 at the year end (2021: £30,000 due from).

Mr M J Breen, Mr J R G Sandercock, Mr M J Fitzpatrick, Ms M C Roberts and Mrs C O Coventry are also trustees and directors of the Harlington Hospice Association Limited. Expenditure in the year was £1,186,579 (2021: £694,086) with an amount due from the Harlington Hospice Association Limited of £70,404 (2021: £10,112 due to).

THE MICHAEL SOBELL HOSPICE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

29 Post balance sheet events

In July 2022, the Boards of The Michael Sobell Hospice Charity and Harlington Hospice Association formally approved the merger plans that had been under discussion for some time. The merger is expected to streamline fundraising activity and save costs through sharing services. These changes will enable the Charity to safeguard the provision of the services inside the Michael Sobell Hospice inpatient unit, way into the future.

30 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(584,788)	956,831
Adjustments for:		
Investment income recognised in statement of financial activities	(15,206)	(13,313)
Fair value gains and losses on investments	(37,854)	(98,976)
Impairment of investments	-	(119,143)
Depreciation and impairment of tangible fixed assets	8,273	6,419
Movements in working capital:		
(Decrease) in short term deposits	(10,049)	(45,053)
Decrease/(increase) in debtors	446,512	(371,941)
(Decrease) in creditors	(3,471)	(87,776)
Increase in deferred income	6,470	-
Cash (absorbed by)/generated from operations	(190,113)	227,048

31 Analysis of changes in net funds

The charity had no debt during the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.