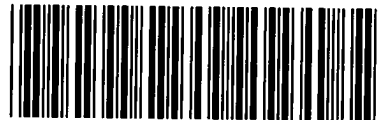


THE HOBSON CHARITY LIMITED
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

FRIDAY



L8KOYSOW

L12

20/12/2019

#1

COMPANIES HOUSE

THE HOBSON CHARITY LIMITED

CONTENTS

	Page
Legal and Administrative Information	1
Directors' Report	2 – 6
Independent Auditor's Report	7 – 9
Statement of Financial Activities (including an income and expenditure account)	10
Balance Sheet	11 – 12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 – 31

THE HOBSON CHARITY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Status	Registered in England and Wales
Charity Registration Number	326839
Registered Office	21 Bryanston Street Marble Arch London W1H 7PR
Correspondence Address	PO Box 57691 London NW7 0GR
Company Registration Number	01890971
Trustees and Directors	Lady Patricia Hobson OBE (Chair) Deborah Hobson Jennifer Richardson Elizabeth Kelsall (appointed 6 March 2019) Emma Richardson (appointed 6 March 2019)
Administrator / main contact	Mark Turner
Bankers	Lloyds Bank Plc 39 Threadneedle Street London EC2R 8AU
Auditors	Lewis Golden LLP Chartered Accountants and Statutory Auditors 40 Queen Anne Street London W1G 9EL
Solicitors	Edwin Coe LLP 2 Stone Buildings Lincoln's Inn London WC2A 3TH
Investment Advisors	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

THE HOBSON CHARITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors are pleased to present their report together with the audited financial statements of the charitable company ("the charity") for the year ended 31 March 2019, which also represents the trustees' report which is required to be prepared by Part 8 of the Charities Act 2011.

The directors of the charity are its trustees for the purpose of charity law, as set out on page 1, and throughout the financial statements are collectively referred to as the trustees.

The financial statements have been prepared in accordance with accounting policies set out on pages 15 to 17 and with applicable United Kingdom accounting standards, current statutory requirements, the Charities Act 2011, the Companies Act 2006 (Charitable Companies), 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) (as amended for accounting periods commencing from 1 January 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the charity's governing document. Legal and administrative information set out on page 1 forms part of this report.

Objectives and activities for the public benefit

The charity was incorporated on 28 February 1985 and the objectives for which the charity was established, as dictated by the Memorandum of Association as amended 16 September 1987, are to carry out all or any of the following purposes, namely:

- the relief of poverty, suffering and distress among the aged, impotent and poor inhabitants of the United Kingdom and the provision of facilities for recreation and other leisure time occupation for them generally in the interests of their social welfare within the meaning of the, now repealed, Recreational Charities Act 1958 and as therein limited;
- the advancement of education amongst the inhabitants of the United Kingdom generally;
- the furtherance of such other charitable purposes beneficial to such communities of the United Kingdom as the charity may think fit; and
- to make grants to such associations, trusts, societies or corporations as are established for charitable purposes.

The trustees regularly review the grant making policies of the charity which currently are:

- the charity will continue to make grants to individuals only in exceptional circumstances;
- the trustees will consider applications for grants which are in accordance with the stated objectives of the charity;
- there are no minimum or maximum limits for any grants; and
- all grants will be approved unanimously by the trustees.

In the short-term, the charity carries out its objectives by making grants to a wide range of charitable causes as quantified in note 5 to the financial statements. The charity aims to distribute grants to those charitable organisations that the board of trustees decide are in line with the objectives of the charity. By providing such financial support the charity seeks to enable other charitable organisations to achieve their objectives.

The trustees' long-term aim is to maintain total funds at a level which will generate investment income to fund future grant making at a level of approximately £1.2m per annum in perpetuity. In the current year, the charity achieved total investment income of £875,221 (2018: £1,975,626). The charity expected a reduction in their investment income in the current year due to the trustees' decision to sell the investment property portfolio in the period. The trustees have reinvested part of the receipts from the sales as at the current year end, however, are staggering the reinvestment to spread their risk exposure and thus a lower level of investment income is expected for the coming year. Under the Memorandum and Articles of Association, the charity has the power to invest without any restrictions any monies of the charity upon such investments and in such manner as may from time to time be expedient.

THE HOBSON CHARITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

Objectives and activities for the public benefit (continued)

The trustees confirm that in accordance with section 17 of the Charities Act 2011, they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning their future grant making activities.

During the year ended 31 March 2019, the trustees aimed to distribute a minimum of £2,000,000 (2018: £2,000,000) in grants and achieved this as a result of receiving and considering more applications from a greater range of organisations than in prior years. The section 'Achievements and performance' below contains further details of grants made during the year.

Achievements and performance

The trustees paid and committed grants for the year totalling £2,681,233 (2018: £3,688,161). Of this total, £635,479 (2018: £1,599,380) falls due for payment in future years. This exceeded the charities objective for the year ended 31 March 2019 to distribute approximately £2,000,000. The following table puts the charity's grants for the year into broad categories and shows the prior year for comparison. Full details of the grant recipients are set out in note 5 to the financial statements.

Category	2019 Amount £	2019 Number of grants	2018 Amount £	2018 Number of grants
Animals	34,346	10	107,850	16
Bereavement	2,000	1	19,140	3
Carers	2,000	1	7,000	2
Cathedral	72,000	4	15,000	3
Community	145,525	39	242,756	40
Conservation	-	-	16,400	3
Counselling	-	-	3,000	1
Disability	263,370	35	265,663	49
Domestic Abuse	1,000	1	-	-
Education	625,036	27	1,815,144	61
Elderly	10,500	3	57,250	16
Environmental	9,157	3	74,000	7
Health & Wellbeing	12,000	3	35,780	8
Heritage	45,000	3	10,000	1
Homeless	10,500	4	42,710	7
Hospice	124,862	17	138,462	17
Life-Limiting	32,750	6	26,030	8
Medical	111,112	12	346,090	32
Mental Health	1,980	2	24,500	7
Museum	11,350	3	144,527	13
Music	24,000	4	6,000	3
Poverty	16,590	2	16,444	8
Rehabilitation	13,595	4	52,145	8
Rescue	(15,000)	1	50,462	8
Social Care	(64)	1	5,058	1
Theatre	13,610	4	20,500	4
Veterans	1,029,564	4	70,000	7
Youth	84,450	9	76,250	17
Total	2,681,233	203	3,688,161	350

THE HOBSON CHARITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

Achievements and performance (continued)

During the year 203 grants (2018: 350) were awarded to 187 different beneficiaries (2018: 339) in furtherance of the charity's objectives.

Donations of £1 million (2018: £nil) were received during the year with associated gift aid of £250,000 (2018: £nil). The trustees made the decision to designate this income for research and heritage. Of the grants committed in the current year, £28,650 (2018: £nil) were designated to this fund. In the prior year the charity designated a legacy of £5m received, from a previous trustee, for education. In the prior year £1.4m grants were allocated against this fund. Of the remaining fund the charity designated a further £1,577,950. The trustees anticipate utilising all the remaining designated funds within 3 to 5 years.

The charity received rental income of £654,768 (2018: £1,920,522) from its investment properties during the year and £47,754 (2018: £nil) from Sarasin & Partners LLP Investment Fund. The trustees made the decision to sell their investment property portfolio in the year which led to the reduction in rental income. The Sarasin & Partners LLP Investment Fund income is from the reinvestment of funds into a new portfolio held with them.

The charity received interest of £172,699 (2018: £55,104) and incurred governance costs of £105,022 (2018: £113,214).

As at 31 March 2019 the fair value of the properties was £nil (2018: £27,770,500) following the sale of the investment properties. The trustees took the decision based on current market factors to sell their investment property portfolio in the year and seek alternative investment opportunities. The sale of the portfolio resulted in a net realised loss of £4,706,101 (2018: £nil). The loss is considered by the trustees to be due to market factors affecting commercial properties, high streets and the uncertainty surrounding BREXIT.

The trustees opted to invest £9.6m (2018: £nil) in the current year into a portfolio held with Sarasin & Partners LLP. The fair value of the investment portfolio at the balance sheet date was £10,030,099 (2018: £nil). The trustees believe this portfolio is adequately diversified and will provide beneficial investment returns in the future.

Financial review

The charity's activities resulted in net outgoing (2018: incoming) resources on the Unrestricted Income Fund for the year of £666,101 (2018: £3,165,179).

The total amount received during the year into the Unrestricted Income Fund was £2,125,221 (2018: £6,975,626). The usual principal funding sources of the charity are the income from the investments and bank interest, and in addition during the year a one off donation of £1,250,000 (including gift aid) was received (2018: a legacy of £5m). These sources generate enough income to enable the charity to meet its objectives. No transfers were made from the Expendable Endowment Fund to the Unrestricted Income Fund. The Expendable Endowment Fund fell by a net amount of £4,278,329. This was made up of a fall of £4,706,101 (2018: £3,385,850) due to the loss on disposal of the investment properties and an increase on the unrealised gain of £427,772 (2018: £nil) on the Sarasin & Partners LLP Investment Fund. The charity holds an expendable endowment fund to ensure the aims of the charity can be met in perpetuity.

As at 31 March 2019 the charity had total funds carried forward of £41,900,112 (2018: £46,844,542).

The trustees consider the risks associated with the assets in which funds are held and aim to maintain an appropriate mix of assets in order to realise the long-term aim.

Plans for future periods

At the time of writing, because of the high number of applications in hand the trustees believe that the charity is fully committed for the year ended 31 March 2020 and therefore recommends that applicants withhold their grant applications until at least March 2020. The charity is a paperless organisation, applications should be made in writing (attached to an email as a PDF) and sent to the charity administrator, Mark Turner at post@hobsoncharity.org.uk or if email is not possible then to the correspondence address PO Box 57691, London, NW7 0GR. Grant applications must: be consistent with the charity's objectives; exclude core costs, people or salary costs; and include the project details, a detailed budget and the most recent year end financial statements.

THE HOBSON CHARITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

Plans for future periods (continued)

The trustees intend to distribute a total of approximately £1.2m from the unrestricted funds during the year ending 31 March 2020 and to review how the charity's grants have been applied by the recipients of previous donations and grants and progress made by projects that the charity's funding has made possible.

The trustees continue to work with their investment advisors Sarasin & Partners LLP in seeking alternative appropriate investment opportunities. The trustees intend to increase their investment holding with Sarasin & Partners LLP in the future up to a total investment of £36m.

The trustees are confident that through a combination of different income streams, they will receive sufficient income to enable the charity to meet its objectives.

Structure, governance and management.

The Hobson Charity Limited is a company limited by shares and a registered charity governed by its Memorandum and Articles of Association.

The charity may by ordinary resolution appoint a person who is willing to act to be a trustee either to fill a vacancy or as an additional trustee. Subject to Article 31, a trustee may be appointed under the Memorandum and Articles of Association to hold office for life or any other period or upon such terms in respect of their retirement as the trustees shall at the time of their appointment determine. Any person may be appointed or elected as a trustee, whatever may be their age, and no trustee shall be required to vacate their office by reason of their attaining or having attained the age of seventy years or any other age.

The trustees have considered the recruitment, appointment and training of new trustees. They agreed that any new trustee would have to be reputable, professional and be selected based on their suitability for the role. Training in financial accounting should be a requirement, although this would be dependent on the experience and knowledge of the trustee. Training in the role and responsibilities of a charity trustee would be mainly in the form of publications available from the Charity Commission. Any queries would be addressed to relevant professional advisors as required. As part of the induction process, new trustees are familiarised with the charity's governing document.

Two new trustees have been appointed in the current year, Elizabeth Kelsall and Emma Richardson who were both appointed on 6 March 2019.

All trustees give their time freely and no trustee remuneration was paid in the current and prior year.

Decisions are made by the trustees with regards to grant making and other areas unanimously, with the consent of all trustees at board meetings.

Principal risks and uncertainties

During the year the trustees have undertaken a risk assessment. The assessment helped to identify the major risks to which the charity is exposed.

The principal risk and uncertainty for the charity is that not enough income is generated in order to award grants and cover any governance costs. The charity holds a mixed portfolio of investments and the trustees have established a system to review major risks and to mitigate those risks by regularly reviewing the portfolio. The exposure of the charity to price risk, credit risk, liquidity risk and cash flow risk from holding its investments is therefore limited.

Reference and administrative information

The reference and administrative information set out on page 1 of forms part of this report.

The trustees who served during the year are shown on page 1 of this report.

THE HOBSON CHARITY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

Statement of trustees' responsibilities

The trustees (who are also the directors for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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 judgments and accounting 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 charitable company will continue to operate.

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

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418 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 trustees authorise the Directors' Report.

By order of the trustees

Lady Patricia Hobson OBE
Trustee

Deborah Hobson
Trustee

Jennifer Richardson
Trustee

Elizabeth Kelsall
Trustee

Emma Richardson
Trustee

Date: 19 December 2019

THE HOBSON CHARITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HOBSON CHARITY LIMITED

Opinion

We have audited the financial statements of The Hobson Charity Limited (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities (including an income and expenditure account), the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and related 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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 company'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 directors' 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 HOBSON CHARITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HOBSON CHARITY LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE HOBSON CHARITY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HOBSON CHARITY LIMITED (CONTINUED)

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 auditor's 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.



Andrew Moss (Senior Statutory Auditor)
For and on behalf of Lewis Golden LLP, Statutory Auditor
40 Queen Anne Street
London W1G 9EL

Date: 19/12/19

THE HOBSON CHARITY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Income Fund 2019 £	Expendable Endowment Fund 2019 £	Total Funds 2019 £	Total Funds 2018 £
Income and endowments from:					
Donations and legacies	2	1,250,000	-	1,250,000	5,000,000
Investment income	3	875,221	-	875,221	1,975,626
Total		2,125,221	-	2,125,221	6,975,626
Expenditure on:					
Raising funds					
Property insurance	4	(5,067)	-	(5,067)	(9,072)
Charitable activities					
Grant making	5	(2,681,233)	-	(2,681,233)	(3,688,161)
Governance costs	7	(105,022)	-	(105,022)	(113,214)
Total		(2,791,322)	-	(2,791,322)	(3,810,447)
Net (expenditure)/income and net movement in funds before gains and losses on investments		(666,101)	-	(666,101)	3,165,179
Net (losses)/gains on investments					
Losses on investment properties	10	-	(4,706,101)	(4,706,101)	(3,385,850)
Gains on investments	11	-	427,772	427,772	-
Total net losses on investments		-	(4,278,329)	(4,278,329)	(3,385,850)
Net movement in funds		(666,101)	(4,278,329)	(4,944,430)	(220,671)
Reconciliation of funds:					
Total funds brought forward	16	19,074,042	27,770,500	46,844,542	47,065,213
Total funds carried forward	17	18,407,941	23,492,171	41,900,112	46,844,542

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended are derived from continuing activities.

THE HOBSON CHARITY LIMITED

BALANCE SHEET AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Investments					
Investment properties	10	-		27,770,500	
Investments	11	10,030,099		-	
			10,030,099		27,770,500
Current assets					
Debtors	12	260,317		8,768	
Cash at bank and in hand		32,692,281		21,241,593	
		32,952,598		21,250,361	
Creditors: amounts falling due within one year	13	(1,004,580)		(2,048,316)	
Net current assets			31,948,018		19,202,045
Total assets less current liabilities			41,978,117		46,972,545
Creditors: amounts falling due after more than one year	14		(78,000)		(128,000)
Net assets			41,900,117		46,844,545
Represented by:-					
Called up share capital	15		5		3
Unrestricted Income Fund	17	18,407,941		19,074,042	
Unrealised Investment Property Gains		-		932,269	
Expendable Endowment Fund	17	23,492,171		26,838,231	
Total Expendable Endowment Fund	17	23,492,171		27,770,500	
Total Funds			41,900,112		46,844,542
Net assets	17		41,900,117		46,844,545

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

As per s454 of the Companies Act 2006, the trustees can amend these financial statements if they subsequently prove to be defective on a voluntary basis.

THE HOBSON CHARITY LIMITED

BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

The financial statements were approved and authorised for issue by the board of trustees on 19 December 2019



Lady Patricia Hobson OBE
Trustee



Deborah Hobson
Trustee



Jennifer Richardson
Trustee



Elizabeth Kelsall
Trustee



Emma Richardson
Trustee

(Company Registered No. 01890971)
(Charity Registered No. 326839)

THE HOBSON CHARITY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital	Designated Income Fund forming part of the Unrestricted Income Fund £	Unrestricted Income Fund £	Unrealised Investment Property Gains forming part of the Expendable Endowment Fund £	Expendable Endowment Fund £	Total Equity £
Balance as at 1 April 2017	3	-	15,908,863	4,318,119	26,838,231	47,065,216
Net income / (expenditure) for the year	-	3,600,000	(434,821)	-	-	3,165,179
Net losses on investments	-	-	-	(3,385,850)	-	(3,385,850)
Balance as at 31 March 2018	<u>3</u>	<u>3,600,000</u>	<u>15,474,042</u>	<u>932,269</u>	<u>26,838,231</u>	<u>46,844,545</u>
Balance as at 1 April 2018	3	3,600,000	15,474,042	932,269	26,838,231	46,844,545
Net expenditure for the year	-	(356,600)	(309,501)	-	-	(666,101)
Net losses on investments	-	-	-	-	(4,278,329)	(4,278,329)
Issue of shares	2	-	-	-	-	2
Reanalysis of Expendable Endowment Fund	-	-	-	(932,269)	932,269	-
Balance as at 31 March 2019	<u>5</u>	<u>3,243,400</u>	<u>15,164,541</u>	<u>-</u>	<u>23,492,171</u>	<u>41,900,117</u>

THE HOBSON CHARITY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from operating activities		
Net movement in funds	(4,944,430)	(220,671)
Adjustments for:		
Losses on investments	4,706,101	3,385,850
Unrealised gains on investments	(427,772)	-
Interest income shown in investing activities	(172,699)	(55,104)
Deduct property income shown in investing activities	(654,768)	(1,920,522)
Deduct other investment income shown in investing activities	(47,754)	-
(Increase) / decrease in debtors	(251,549)	2,068
(Decrease) / increase in creditors	(1,093,736)	1,195,574
Net cash (used in) / provided by operating activities	(2,886,607)	2,387,195
Net cash flows from investing activities		
Income from investment properties	654,768	1,920,522
Interest income	172,699	55,104
Other investment income	47,754	-
Purchase of investments	(9,602,327)	-
Net disposal proceeds of investment properties	23,064,399	-
Increase in share capital	2	-
Net cash provided by investing activities	14,337,295	1,975,626
Increase in cash and cash equivalents in the year	11,450,688	4,362,821
Cash and cash equivalents at the beginning of the year	21,241,593	16,878,772
Cash and cash equivalents at the end of the year	32,692,281	21,241,593

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The charity is a public benefit entity.

The financial statements are prepared under the historical cost convention and in accordance with 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) (as amended for accounting periods commencing from 1 January 2016)) – (Charities SORP (FRS 102)), the Companies Act 2006, the Charities Act 2011 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1.2 Income

Income is recognised when the charity has entitlement to the funds, on the following basis:

(i) *Donations and legacies*

Donations, legacies and grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(ii) *Investment properties*

Rent is recognised when receivable and represents income from the charity's investment properties.

(iii) *Listed investments*

Dividends and commission are recognised when receivable and represent income received from listed securities.

(iv) *Bank interest receivable*

Interest is recognised when receivable by the charity and represents treasury and bank interest.

1.3 Expenditure

(i) *Raising funds*

This comprises property management costs which are recognised on an accruals basis. Any irrecoverable VAT is added to the related expense.

(ii) *Grant making*

Grants are accounted for in full in the period the grants are approved and the decision is notified to the recipient irrespective of the period covered by the grant. Grants awarded but not yet paid are recorded as grant commitments in the Balance Sheet. Any conditional grants are not provided for until the trustees are satisfied that the conditions or grant terms have been met. Grant commitment creditors are split between creditors amounts falling due within one year and creditors amounts falling due after one year according to when the grants will be paid (see note 6).

(iii) *Governance costs*

Governance costs include external audit and accountancy fees, staff costs and legal and professional fees. Governance costs are recognised on an accruals basis. Irrecoverable VAT is included in the cost of those items to which it relates.

1.4 Investment properties

Investment properties are initially recognised at cost, which includes the original purchase price and the costs directly attributable to bringing the asset into its working condition for its intended use.

Investment properties are included on the Balance Sheet at their fair value which is determined annually. No depreciation is provided. Realised gains and losses on the disposal of investments are calculated as the difference between the sale proceeds, after deducting selling costs, and the fair value. Unrealised gains and losses represent the movement between fair values. Realised and unrealised gains and losses are included on the face of the Statement of Financial Activities (including an income and expenditure account).

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

1 Accounting policies (continued)

1.5 Listed investments

Listed investments are stated in the financial statements at fair value. Realised gains and losses on the sale of investments are calculated as the difference between the sale proceeds and the original cost. Unrealised gains and losses represent the movement between fair values. Realised and unrealised gains and losses are included on the face of the Statement of Financial Activities (including an income and expenditure account). Listed investments are held primarily to provide an investment return for the charity.

1.6 Funds

The charity maintains an Unrestricted Income Fund, which includes a Designated Unrestricted Income Fund and an Expendable Endowment Fund.

Income generated by the Expendable Endowment Fund is recognised as part of the Unrestricted Income Fund. Unrealised revaluation gains on investment properties are taken to Unrealised Investment Property Gains, which for the purpose of charity fund accounting is part of the Expendable Endowment Fund. Revaluation losses are also taken to Unrealised Investment Property Gains to the extent that there is an Unrealised Investment Property Gains surplus in respect of the relevant asset. Unrealised valuation gains or losses on listed investments are recognised in the Expendable Endowment Fund.

The Expendable Endowment Fund was established from donations received for that purpose. The primary intention in establishing an Expendable Endowment Fund is for funds to be invested so as to generate future income for the purpose of the charity. The trustees shall also be permitted to convert any or the entire Expendable Endowment Fund to the Unrestricted Income Fund, however in any decision whether or not to convert endowment monies into expendable income the trustees should have regard for the primary intention of this endowment.

The charity established a Designated Unrestricted Income Fund from the donation received in the year. The intention in establishing a Designated Fund is for funds to be granted for the advancement of research and heritage. This Designated Unrestricted Income Fund is in addition to the Designated Unrestricted Income Fund for the advancement of education which was created in the prior year.

Any funds receivable during the relevant accounting year but not utilised are carried forward as part of the Unrestricted Income Fund.

1.7 Cash at bank and in hand

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.8 Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities (including an income and expenditure account). If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities (including an income and expenditure account).

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

1 Accounting policies (continued)

1.8 Financial instruments (continued)

Financial assets are derecognised when:

- (a) The contractual rights to the cash flows from the asset expire or are settled; or
- (b) Substantially all the risks and rewards of the ownership of the asset are transferred to another party; or
- (c) Control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors that are classified as debt 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, this is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.9 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the charity's financial statements require trustees to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the reporting date. However uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

2 Donations and legacies

	Unrestricted Income Fund £	Total Funds 2019 £	Unrestricted Income Fund £	Total Funds 2018 £
Donations	1,250,000	1,250,000	-	-
Legacies	-	-	5,000,000	5,000,000
	<u>1,250,000</u>	<u>1,250,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

During the year the charity received an unrestricted donation of £1,250,000 (2018: unrestricted legacy £5,000,000). The charity designated these funds for the purposes of grant giving for the advancement of research and heritage (2018: education).

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

3 Investment income

	Unrestricted Income Fund £	Total Funds 2019 £	Unrestricted Income Fund £	Total Funds 2018 £
Income from UK investment properties	654,768	654,768	1,920,522	1,920,522
Income from UK listed investments	47,754	47,754	-	-
Bank interest receivable	172,699	172,699	55,104	55,104
	<u>875,221</u>	<u>875,221</u>	<u>1,975,626</u>	<u>1,975,626</u>

All income from investment properties is generated from operating leases.

4 Raising funds

	Unrestricted Income Fund £	Total Funds 2019 £	Unrestricted Income Fund £	Total Funds 2018 £
Property insurance	<u>5,067</u>	<u>5,067</u>	<u>9,072</u>	<u>9,072</u>

5 Grant making

The following table analyses the grants into broad categories, by the period in which they fall due for payment.

	Paid 2019 £	Payable 2020-22 £	Total £
Animals			
Barn Owl Trust	1,000	-	1,000
Canine Concern Scotland Trust	(154)	-	(154)
Cotswold Dogs & Cats Home (RSPCA)	-	3,000	3,000
Dogs' Friends	500	-	500
Freedom of Spirit Trust for Border Collies	2,000	-	2,000
Friends of RSPCA Southridge Animal Centre	-	500	500
Hope Rescue	10,000	-	10,000
Makants Greyhound Rescue NW	15,000	-	15,000
Parkgate Pony Sanctuary	2,000	-	2,000
Team Poundie	-	500	500
	<u>30,346</u>	<u>4,000</u>	<u>34,346</u>
	Paid 2019 £	Payable 2020-22 £	Total £
Bereavement			
Walsall Bereavement Support Service	<u>2,000</u>	<u>-</u>	<u>2,000</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Carers			
Fife Young Carers	2,000	-	2,000
	Paid 2019 £	Payable 2020-22 £	Total £
Cathedral			
Canterbury Cathedral Trust	50,000	-	50,000
Gloucester Cathedral	-	10,000	10,000
Guildford Cathedral	-	2,000	2,000
St German's Cathedral Foundation for Music and the Arts	10,000	-	10,000
	60,000	12,000	72,000
	Paid 2019 £	Payable 2020-22 £	Total £
Community			
Abberley Hall Foundation	500	-	500
Accrington Stanley Football In The Community Trust Limited	-	2,500	2,500
Barnet Community Transport	(19,000)	-	(19,000)
Bridgend Centre	2,045	-	2,045
Broomhouse Centre	-	5,000	5,000
Chester-Le-Street Methodist Church	399	-	399
Colchester Mercury Theatre	-	5,000	5,000
Duxford Community Centre	-	2,000	2,000
Friends of Skelton Old Church	-	3,100	3,100
Honeypot Children's Charity	1,000	-	1,000
Hot Line Meals Service (London)	1,000	-	1,000
Hour Community	1,600	-	1,600
Ipswich Community Playbus	811	-	811
Jewish Care	5,000	-	5,000
Melton Mowbray & District Scout Council	3,188	-	3,188
Mill Hill East Church	10,000	-	10,000
Notts County Football in the Community	-	2,000	2,000
Parochial Church Council Of The Ecclesiastical Parish Of St Budeaux Plymouth	-	5,000	5,000
Relate Worcestershire	460	-	460
St Andrew's Church, Calstock PCC	-	5,000	5,000
St Andrew's Church Totteridge	20,000	-	20,000
Carried Forward	27,003	29,600	56,603

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Community (continued)			
Brought forward	27,003	29,600	56,603
St James Road Methodist Church	-	5,000	5,000
St Mary's Church, Fishguard	-	10,000	10,000
St Mary Magdalen Church	-	3,650	3,650
St Michael & All Angels Middleton Tyas Parochial Church Committee	-	5,000	5,000
St Peter And St Leonard, Horbury With St John, Horbury Bridge	-	6,000	6,000
St Peter and St John's Church, Rugby	-	5,000	5,000
St Peter and St Paul Church - Weedon Bec PCC	-	7,500	7,500
Team Oasis Children's Charity	-	3,500	3,500
The Arts Depot Trust Ltd	2,500	-	2,500
Welcome To Our Future (Local Agenda 21)	-	1,000	1,000
Wells Cathedral Chapter	-	10,000	10,000
Welwyn Garden City Centenary Foundation Limited	20,000	-	20,000
Wirral Mencap	(228)	-	(228)
Workplace Matters	10,000	-	10,000
	<u>59,275</u>	<u>86,250</u>	<u>145,525</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Disability			
Bevern Trust	-	2,000	2,000
British Disabled Angling Association	3,000	-	3,000
Cam Sight	807	-	807
Dementia Together Wirral	-	1,496	1,496
Doncaster Deaf Trust	-	1,000	1,000
Douglas Bader Foundation	3,000	-	3,000
Go Kids Go (Association of Wheelchair Children)	2,393	-	2,393
Jigsaw Trust	-	4,500	4,500
KEEN London	450	-	450
KIDS	5,000	-	5,000
Kids In Action	-	50,000	50,000
Carried Forward	<u>14,650</u>	<u>58,996</u>	<u>75,646</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

		Paid 2019 £	Payable 2020-22 £	Total £
Disability (continued)				
	Brought forward	14,650	58,996	73,646
Livability		50,000	50,000	100,000
Metro Blind Sport		-	750	750
Movement for Non-Mobile Children (Whizz-kidz)		-	6,000	6,000
MS Mutual Support		-	5,000	5,000
Norwood		-	5,000	5,000
Nuneaton & North Warwickshire Equestrian Centre		-	-	-
Riding for The Disabled Association		-	5,000	5,000
Royal Blind Asylum and School, Edinburgh		4,415	-	4,415
Royal National College For The Blind		-	3,858	3,858
Scope West Sussex - The Point		-	4,665	4,665
SeeAbility		17,736	-	17,736
South London Special League		(2,000)	-	(2,000)
Stagetext		2,000	-	2,000
Sue Ryder		12,000	-	12,000
The Talking Trust St Mary's Bexhill		-	5,000	5,000
Vauxhall City Farm		-	3,000	3,000
Walton Lea Partnership		-	2,000	2,000
Watford & District Mencap Society		-	300	300
Watling View Parent Staff Association		15,000	-	15,000
		<u>113,801</u>	<u>149,569</u>	<u>263,370</u>
		Paid 2019 £	Payable 2020-22 £	Total £
Domestic Abuse				
Haven, Wolverhampton		<u>1,000</u>	<u>-</u>	<u>1,000</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Education			
Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust	5,000	-	5,000
BRIT School	-	1,000	1,000
Brogdale Collections	-	955	955
Checkin Works	2,041	-	2,200
Children & The Arts	5,000	-	5,000
City Gateway Limited	-	10,650	10,650
Conservation Education & research Trust (Earthwatch)	-	3,740	3,740
Edward James Foundation	-	5,000	5,000
Friends of Wootton School	2,000	-	2,000
Gloucestershire Music Makers	-	2,000	2,000
Haileybury School	500,000	-	500,000
Hallgate Primary School	-	5,000	5,000
International Service Fellowship Trust - Interserve	-	5,000	5,000
Kingswood Trust	-	1,200	1,200
Life Education Wessex & Thames Valley	-	2,000	2,000
Lodge Hill Trust	-	12,300	12,300
Mountview Academy Of Theatre Arts Limited	-	15,000	15,000
National Autistic Society	-	5,064	5,064
National Literacy Trust	-	3,750	3,750
National Youth Ballet Of Great Britain	-	25,000	15,000
Queen Elizabeth Scholarship Trust	(6,000)	-	(6,000)
Royal Academy of Culinary Art's 'Adopt A School' Trust	3,336	-	3,336
Seafarers UK (King George's Fund For Sailors)	5,000	-	5,000
Society of Antiquities Of London (Kelmscott Manor)	-	10,000	10,000
Therapy Garden	1,000	-	1,000
	<u>517,377</u>	<u>107,659</u>	<u>625,036</u>
	Paid 2019 £	Payable 2020-22 £	Total £
Elderly			
Care & Repair Edinburgh	-	3,200	3,200
Life Cycle UK	-	1,000	1,000
Tax Volunteers (Tax Help)	6,300	-	6,300
	<u>6,300</u>	<u>4,200</u>	<u>10,500</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Environmental			
Caring for Life	-	1,000	1,000
Durham Wildlife Trust	-	2,000	2,000
Gloucestershire Wildlife Trust	-	6,157	6,157
	-	9,157	9,157

	Paid 2019 £	Payable 2020-22 £	Total £
Health & Wellbeing			
YMCA East Surrey	5,000		5,000
Quo Vadis Trust	-	2,000	2,000
Bunbury ESCA Festival	-	5,000	5,000
	5,000	7,000	12,000

	Paid 2019 £	Payable 2020-22 £	Total £
Heritage			
All Saint's St Ewe	-	15,000	15,000
Chelsea Physic Garden Company	-	20,000	20,000
Tavistock Heritage Trust	-	10,000	10,000
	-	45,000	45,000

	Paid 2019 £	Payable 2020-22 £	Total £
Homeless			
Bethany Christian Trust	-	2,000	2,000
Cathedral Archer Project	2,500	-	2,500
Rowan Alba Limited	-	1,000	1,000
South Tyneside Churches' Key Project	-	5,000	5,000
	2,500	8,000	10,500

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Hospice			
Eden Valley Hospice, Carlisle	14,000	-	14,000
Farleigh Hospice	10,375	-	10,375
Harrogate District Hospice Care - Saint Michael's Hospice	4,400	-	4,400
Kirkwood Hospice	3,610	-	3,610
Mary Stevens Hospice Limited	-	9,503	9,503
North London Hospice	1,000	-	1,000
Prince & Princess of Wales Hospice	(2,460)	-	(2,460)
Prince of Wales Hospice	5,000	-	5,000
Princess Alice Hospice	4,900	-	4,900
Richard House Trust	5,000	-	5,000
St Andrew's Hospice (Lanarkshire)	10,000	-	10,000
St David's Hospice	500	-	500
St Peter's Hospice	50,000	-	50,000
St Raphael's Hospice	4,200	-	4,200
Working & Sam Beare Hospice	4,834	-	4,834
	<u>115,359</u>	<u>9,503</u>	<u>124,862</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Life-Limiting			
Breast Cancer Haven	3,000	-	3,000
Candlelighters Trust	10,000	-	10,000
Children's Adventure Farm Trust	6,750	-	6,750
Clowns in the Sky	-	3,000	3,000
Teenage Cancer Trust	5,000	-	5,000
Willow Foundation	5,000	-	5,000
	<u>29,750</u>	<u>3,000</u>	<u>32,750</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Medical			
Birmingham Children's Hospital Charity	-	10,000	10,000
Diabetic Awareness Week	1,500	-	1,500
Edinburgh Headway Group	-	970	970
Frimley Health Charity	1,000	-	1,000
Haemochromatosis Society	-	1,608	1,608
Maggie's Cancer Caring Centres	-	10,000	10,000
MS Society	20,000	-	20,000
Rice - The Research Institute For The Care Of Older People	20,000	-	20,000
Royal Cornwall Hospitals Charity	-	10,000	10,000
Royal Holloway University of London	2,000	4,000	6,000
Southampton Children's Hospital Charity	-	10,034	10,034
University of Dundee	-	20,000	20,000
	<u>44,500</u>	<u>66,612</u>	<u>111,112</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Mental Health			
Bridewell Organic Gardens	-	1,000	1,000
Chapter (West Cheshire) Ltd	-	980	980
	<u>-</u>	<u>1,980</u>	<u>1,980</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Museum			
Bury St Edmunds Heritage Trust	5,000	-	5,000
Coldharbour Mill Working Wool Museum	-	5,000	5,000
Haslemere Educational Museum	-	1,350	1,350
	<u>5,000</u>	<u>6,350</u>	<u>11,350</u>

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Music			
Amersham Band	-	5,000	5,000
Bristol Ensemble Limited	-	1,000	1,000
Royal Philharmonic Orchestra Limited	8,000	-	8,000
Windsor Parish Church of St John The Baptist	-	10,000	10,000
	<u>8,000</u>	<u>16,000</u>	<u>24,000</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Poverty			
City Harvest	-	15,000	15,000
Vineyard Arches Trust (The Arches)	-	1,590	1,590
	<u>-</u>	<u>16,590</u>	<u>16,590</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Rehabilitation			
Changing Tunes	4,100	-	4,100
Hardman Trust	-	3,600	3,600
Nelson Trust	-	4,895	4,895
Sofa Project	1,000	-	1,000
	<u>5,100</u>	<u>8,495</u>	<u>13,595</u>

	Paid 2019 £	Payable 2020-22 £	Total £
Rescue			
Hampshire and Isle of Wight Air Ambulance	(15,000)	-	(15,000)

	Paid 2019 £	Payable 2020-22 £	Total £
Social Care			
St. Francis' Children's Society	(64)	-	(64)

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

5 Grant making (continued)

	Paid 2019 £	Payable 2020-22 £	Total £
Theatre			
Kiln Theatre (Tricycle Theatre)	2,500	-	2,500
London Children's Ballet	1,110	-	1,110
Mayflower Theatre	10,000	-	10,000
	<u>13,610</u>	<u>-</u>	<u>13,610</u>
	Paid 2019 £	Payable 2020-22 £	Total £
Veterans			
Care for Veterans	-	1,564	1,564
DNRC - The Black Stork Charity	1,000,000	-	1,000,000
Royal British Legion Industries Ltd	-	28,000	28,000
	<u>1,000,000</u>	<u>29,564</u>	<u>1,029,564</u>
	Paid 2019 £	Payable 2020-22 £	Total £
Youth			
Bibbys Farm	5,000	-	5,000
Garden Classroom	2,900	-	2,900
Greenhouse Sports Limited	2,000	-	2,000
Parish of St Mary & St Nicolas Spalding (PCC)	-	1,200	1,200
Petersham and Ham Sea Scouts	-	1,000	1,000
Prince's Trust	25,000	25,000	50,000
Resurgo Trust	-	10,800	10,800
Trinity Sailing Foundation	-	6,550	6,550
Wales Millennium Centre	5,000	-	5,000
	<u>39,900</u>	<u>44,550</u>	<u>84,450</u>
Total	<u>2,045,754</u>	<u>635,479</u>	<u>2,681,233</u>

In the current and prior year, all grants have been made to institutions from the Unrestricted Income Fund. In the current year £577,950 (2018: £1.4 million) of the grants allocated to institutions for education and £1,000,000 (2018: £nil) of the grants allocated to veterans have been made from the Designated Unrestricted Income Fund for Education. Heritage grants of £25,000 (2018: £nil) and Community grants of £3,650 (2018: £nil) were paid out of the Designated Unrestricted Income Fund for Research and Heritage.

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

6 Analysis of accruals for grants payable

	Notes	2020 £	2021-22 £	Total £
Grants committed during the year	5	607,479	28,000	635,479
Grants committed in prior periods		344,075	50,000	394,075
	13, 14	951,554	78,000	1,029,554

7 Governance costs

	Unrestricted Income Fund £	Total Funds 2019 £	Unrestricted Income Fund £	Total Funds 2018 £
Auditor's remuneration				
Audit fees	13,200	13,200	10,800	10,800
Tax advisory services	-	-	3,600	3,600
Other services	30,353	30,353	34,161	34,161
	43,553	43,553	48,561	48,561
Staff costs	8 51,575	51,575	37,986	37,986
Bank charges	325	325	265	265
Other	9,569	9,769	26,402	26,402
	105,022	105,022	113,214	113,214

8 Staff costs

	2019 £	2018 £
Staff costs were as follows:		
Wages and salaries	50,000	37,500
Social security costs	1,575	486
	51,575	37,986
	2019 £	2018 £
The average monthly number of employees, including the trustees, during the year was as follows:		
Administration and support	5	5

No employees in the current and prior year received employment benefits of greater than £60k.

9 Trustees remuneration

No remuneration or expenses were paid to trustees in respect of the current and prior year.

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

10 Investment properties

	2019 £	2018 £
At 1 April 2018		
Historical cost	26,838,231	26,838,231
Revaluation brought forward	932,269	4,318,119
Fair value	27,770,500	31,156,350
Less disposals at fair value	(23,064,399)	-
Realised loss on disposal	(4,706,101)	-
Fair value at 31 March 2019	-	27,770,500

The Tuscan property portfolio was disposed of during the year.

11 Listed investments

	2019 £	2018 £
At 1 April 2018		
Historical cost	-	-
Fair value	-	-
Add acquisitions at cost	9,602,327	-
Unrealised gains on revaluation	427,772	-
Fair value at 31 March 2019	10,030,099	-

Realised and unrealised gains and losses on listed investments are allocated to the Expendable Endowment Fund.

12 Debtors

	2019 £	2018 £
Other taxation and social security	-	1,442
Accrued income	251,560	49
Other debtors	7,581	-
Prepayments	1,176	7,277
	260,317	8,768

Financial assets that are debt instruments measured at amortised cost comprise relevant accrued income and other debtors and amounted to £9,141 (2018: £49).

13 Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Trade creditors		25,787	8,893
Other taxation and social security		2,484	-
Other creditors		-	8,409
Other accruals		24,755	18,635
Accruals for grants payable	6	951,554	2,012,379
		1,004,580	2,048,316

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

14 Creditors: amounts falling after more than one year

	Note	2019 £	2018 £
Accruals for grants payable	6	78,000	128,000

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, general accruals (excluding the audit fee accrual) and accruals for grants payable and amounted to £1,066,896 (2018: £2,165,516).

15 Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
At 1 April 2018 3 (2018: 3) Ordinary Shares of £1 each	3	3
Issued Ordinary shares of £1 each	2	-
Allotted, called up and fully paid		
At 31 March 2019 5 (2018: 3) Ordinary Shares of £1 each	5	3

The charity issued 2 ordinary shares for £1 each in the current year. As at 31 March 2019 there were 5 Ordinary Shares of £1 each allotted, called up and fully paid. All shares are of the same class.

16 Trust funds

Expendable Endowment Fund (including Unrealised Investment Property Gains):

	£
Balance as at 1 April 2018	27,770,500
Net outgoing resources	(4,278,329)
Balance as at 31 March 2019	23,492,171

Unrestricted Income Fund:

	As at 01.04.18 £	Income £	Expenditure £	Transfers £	As at 31.03.19 £
Unrestricted Fund	15,474,042	875,221	(1,184,722)	-	15,164,541
Designated					
Educational Fund	3,600,000	-	(1,577,950)	-	2,022,050
Research and Heritage Fund	-	1,250,000	(28,650)	-	1,221,350
Total net assets	19,074,042	2,125,221	(2,791,322)	-	18,407,941

The charity invested the donation received in the year of £1,250,000 into a Designated Fund. This fund was established to provide grants for the advancement of research and heritage.

THE HOBSON CHARITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

17 Analysis of net assets

	Share Capital 2019 £	Unrestricted Income Funds 2019 £	Expendable Endowment Fund 2019 £	Unrealised Investment Property Gains 2019 £	Total Funds 2018 £
Fund balances at 31 March 2019 are represented by:-					
Investments	-	-	10,030,099	-	10,030,099
Current assets	5	19,490,521	13,462,072	-	32,952,598
Liabilities	-	(1,082,580)	-	-	(1,082,580)
Total net assets	5	18,407,941	23,492,171	-	41,900,117

The Designated Unrestricted Income Fund has current assets of £3,348,000 (2018: £4.2m) and liabilities of £104,600 (2018: £600k).

18 Control

The trustees consider there to be no overall controlling party.

19 Related party transactions

During the year, the charity received a donation of £1.25m from a trustee. No restrictions were attached to the income.

In the prior year the charity received a legacy of £5m from a trustee who served and passed away in office in the year ended 31 March 2018. There were no restrictions attached to the legacy.

During the prior year, The Gosling Foundation Limited, a charity that was under common influence, incurred expenditure of £23,481 on behalf of The Hobson Charity Limited. At the prior year balance sheet date the balance owed to The Gosling Foundation Limited was £8,409.

During the prior year the charity received rental income from The Gosling Foundation Limited in respect of the charity's interest in a commercial property portfolio totalling £1,920,522. At the prior year balance sheet date the balance due to the Hobson Charity Limited was £nil.

In the current year, The Gosling Foundation Limited is not a related party, as the charities are no longer under common influence as the two charities no longer share mutual trustees.

20 Future minimum lease receipts due under non-cancellable operating leases

The future minimum lease receipts are as follows:

	2019 £	2018 £
Due not later than one year	-	1,973,396
Later than one year and not later than five years	-	8,399,420
Later than five years	-	2,232,716
	-	12,605,532

The above represents future minimum lease receipts due as at the balance sheet date. The investment property portfolio, to which the future minimum lease receipts relate, was sold during the year.