

**LES BOURGS HOSPICE LBG (A
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING SHARE CAPITAL)**

**DIRECTORS' REPORT AND
UNAUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

31 DECEMBER 2018

**LES BOURGS HOSPICE LBG (A COMPANY LIMITED
BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

FINANCIAL STATEMENTS

COMPANY INFORMATION

Directors	Very Rev'd J A Guille (Chairman) C J Bound J Boyd (Executive Director) A J Creasey Dr N C King Ms T Menteshvili S K Oliphant Dr B D Parkin Dr P W Richards
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Registered number	44019
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Registered office	Andrew Mitchell House Rue du Tertre St Andrews Guernsey GY6 8SF
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Accountants	BDO Limited Place du Pre Rue du Pre St Peter Port Guernsey GY1 3LL
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FINANCIAL STATEMENTS

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REPORT OF THE DIRECTORS

The directors submit their report and the financial statements of the company and of the group for the year ended 31 December 2018. The consolidated financial statements have been prepared on the basis set out in note 2 to the financial statements. The company is incorporated in Guernsey, registration number 44019.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period and are in accordance with applicable laws. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies (Guernsey) Law, 2008. 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.

PRINCIPAL ACTIVITY

The company is a Christian Hospice and wishes to provide the opportunity for the enhancement of the quality of life for those people of Guernsey who are living with cancer and other life-threatening illnesses that are no longer responsive to curative treatments, and their families. Working in the community, for the community and with the community we seek to provide relief of physical, emotional, social and spiritual suffering for those of any religious faith as well as those who have none. The company aspires to be a leading provider of Specialist Palliative Care through research, education and collaboration with fellow healthcare professionals in the community, in the hospital and in the Hospice.

RESULTS AND DIVIDENDS

There were no dividends paid in the year under review (2017 - £nil).

The results for the year are set out on page 5.

REPORT OF THE DIRECTORS (continued)

DIRECTORS

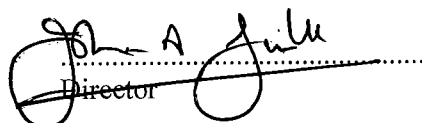
The directors of the company who served during the year were: -

Ms R Abernethy	(appointed 9 January 2018; resigned 13 March 2018)
C J Bound	(appointed 9 January 2018)
Mrs J Boyd (Executive Director)	
A J Creasey	
Very Rev'd J A Guille	(appointed 9 January 2018)
Dr N C King	
Ms T Menteshvili	(appointed 9 January 2018)
S K Oliphant	
Dr B D Parkin	(appointed 9 January 2018)
Dr P W Richards	
G A Warburton	(appointed 9 January 2018; resigned 9 July 2018)

UNAUDITED STATUS

The company is exempt from audit for the year ended 31 December 2018 and all future accounting periods, in accordance with the provisions of the Companies (Guernsey) Law, 2008, this being resolved by a waiver resolution of the members on 10 December 2012.

This report was approved by the board and signed on its behalf by:


.....
Director

Date:


.....
Director

Date: 15.10.2019

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF LES BOURGS HOSPICE LBG (A COMPANY
LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

In order to assist you to fulfil your duties under the Companies (Guernsey) Law, 2008, we have prepared for your approval the financial statements of Les Bourgs Hospice LBG for the year ended 31 December 2018 which comprise the group and parent company profit and loss accounts, the group and parent company balance sheet, the group and parent company statement of changes in equity, the group cash flow statement and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Les Bourgs Hospice LBG, in accordance with the terms of our engagement letter dated 6 September 2017. Our work has been undertaken solely to prepare for your approvals the financial statements of Les Bourgs Hospice LBG and state those matters that we have agreed to state to the directors of Les Bourgs Hospice LBG, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Les Bourgs Hospice LBG and its directors, for our work or for this report.

It is your duty to ensure that Les Bourgs Hospice LBG has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and deficit of Les Bourgs Hospice LBG. You consider that Les Bourgs Hospice LBG is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of Les Bourgs Hospice LBG. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

BDO Limited.

CHARTERED ACCOUNTANTS
Place du Pré
Rue du Pré
St Peter Port
Guernsey

Date: *16 October 2019*

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	£	2017 £
INCOME			
Group income		1,447,490	1,807,902
Cost of sales		(525)	-
		<hr/>	<hr/>
GROSS SURPLUS		1,446,965	1,807,902
ADMINISTRATION AND GENERAL COSTS		(1,472,537)	(1,260,849)
ESTABLISHMENT COSTS		(88,706)	(86,275)
FINANCIAL AND PROFESSIONAL COSTS		(52,622)	(158,290)
		<hr/>	<hr/>
		(166,900)	302,488
OTHER OPERATING INCOME/(EXPENDITURE)			
Movement in fair value of listed investments	12	(75,886)	276,447
Diminution in value of bequeathed properties		(133,750)	-
Profit on disposal of bequeathed properties		-	48,855
		<hr/>	<hr/>
OPERATING (DEFICIT)/SURPLUS		(376,536)	627,790
Interest receivable		259	76
Interest payable		-	(68)
		<hr/>	<hr/>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		(376,277)	627,798
General Fund brought forward		9,997,822	9,370,024
		<hr/>	<hr/>
GENERAL FUND CARRIED FORWARD		9,621,545	9,997,822
		<hr/>	<hr/>

The notes on pages 12 to 21 form an integral part of these financial statements.

**COMPANY PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	£	2017 £
INCOME		1,248,367	1,694,062
ADMINISTRATION AND GENERAL COSTS		(1,145,900)	(1,081,754)
ESTABLISHMENT COSTS		(88,706)	(86,275)
FINANCIAL AND PROFESSIONAL COSTS		(52,622)	(44,297)
		<hr/>	<hr/>
		(38,861)	481,736
OTHER OPERATING INCOME/(EXPENDITURE)			
Movement in fair value of listed investments	12	(75,886)	276,447
Diminution in value of bequeathed properties		(133,750)	-
Profit on disposal of bequeathed properties		-	48,855
		<hr/>	<hr/>
OPERATING (DEFICIT)/SURPLUS		(248,497)	807,038
Bank interest receivable		259	76
Bank interest payable		-	(68)
		<hr/>	<hr/>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		(248,238)	807,046
General fund brought forward		5,540,979	4,733,933
		<hr/>	<hr/>
GENERAL FUND CARRIED FORWARD		5,292,741	5,540,979
		<hr/>	<hr/>

The notes on pages 12 to 21 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

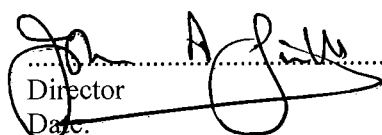
31 DECEMBER 2018

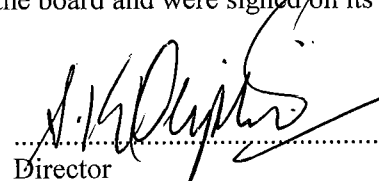
	Note	£	2017 £
FIXED ASSETS			
Land	9	1,045,000	1,045,000
Tangible fixed assets	10	3,337,765	3,469,328
Other investments	12	4,381,855	3,911,927
		8,764,620	8,426,255
CURRENT ASSETS			
Bequeathed properties	13	775,000	833,750
Prepaid expenses		16,441	16,441
Cash at bank		152,852	794,528
		944,293	1,644,719
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(87,368)	(73,152)
		856,925	1,571,567
NET CURRENT ASSETS		856,925	1,571,567
NET ASSETS		9,621,545	9,997,822
GENERAL FUND			
Capital fund	19	1,650,074	1,650,074
Revenue fund		7,971,471	8,347,748
		9,621,545	9,997,822

The directors consider that the company is entitled to exemption from audit under section 256 of the Companies (Guernsey) Law, 2008 and the members have not required the company to obtain an audit for the year in question in accordance with section 256(3) of the Companies (Guernsey) Law, 2008.

The directors acknowledge their responsibilities for complying with the requirements of the Companies (Guernsey) Law, 2008 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Director
Date:


.....
Director
Date: 15.10.19

COMPANY BALANCE SHEET

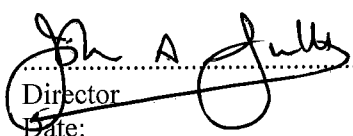
31 DECEMBER 2018

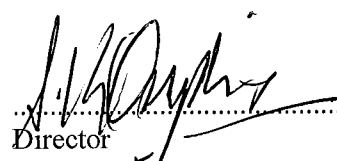
	Note	£	2017 £
FIXED ASSETS			
Tangible fixed assets	10	72,106	89,904
Investment in subsidiaries	11	4	4
Other investments	12	4,381,855	3,911,927
		4,453,965	4,001,835
CURRENT ASSETS			
Bequeathed properties	13	775,000	833,750
Cash at bank		143,065	774,161
		918,065	1,607,911
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(79,289)	(68,767)
		838,776	1,539,144
NET CURRENT ASSETS			
		5,292,741	5,540,979
GENERAL FUND			
Capital fund	19	1,650,074	1,650,074
Revenue fund		3,642,667	3,890,905
		5,292,741	5,540,979

The directors consider that the company is entitled to exemption from audit under section 256 of the Companies (Guernsey) Law, 2008 and the members have not required the company to obtain an audit for the year in question in accordance with section 256(3) of the Companies (Guernsey) Law, 2008.

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.....
Director
Date:


.....
Director
Date: 15.10.19.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

31 DECEMBER 2018

	Capital fund £	Reserve fund £	Total £
At 1 January 2017	1,650,074	7,719,950	9,370,024
Surplus for the financial year	-	627,798	627,798
At 1 January 2018	<u>1,650,074</u>	<u>8,347,748</u>	<u>9,997,822</u>
Deficit for the financial year	-	(376,277)	(376,277)
At 31 December 2018	<u>1,650,074</u>	<u>7,971,471</u>	<u>9,621,545</u>

The notes on pages 12 to 21 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

31 DECEMBER 2018

	Capital fund £	Reserve fund £	Total £
At 1 January 2017	1,650,074	3,083,859	4,733,933
Surplus for the financial year	-	807,046	807,046
	<hr/>	<hr/>	<hr/>
At 1 January 2018	1,650,074	3,890,905	5,540,979
Deficit for the financial year	-	(248,238)	(248,238)
	<hr/>	<hr/>	<hr/>
At 31 December 2018	1,650,074	3,642,667	5,292,741

The notes on pages 12 to 21 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

31 DECEMBER 2018

	Note	£	2017 £
Cash flows from operating activities			
(Deficit)/surplus for the financial year		(376,277)	627,798
Depreciation of tangible fixed assets	10	145,116	138,279
Fair value losses/(gains) recognised in profit and loss account	12	75,886	(276,447)
Net interest receivable		(259)	(8)
Profit on disposal of bequeathed properties		-	(48,855)
Diminution in bequeathed properties		133,750	-
Increase in debtors		-	(16,441)
Increase/(decrease) in creditors		14,216	(8,470)
Increase in bequeathed property		(75,000)	-
		<hr/>	<hr/>
		(82,568)	415,856
Cash from operations			
Interest paid		-	(68)
Proceeds from bequeathed properties		-	205,105
		<hr/>	<hr/>
Net cash generated from operating activities		(82,568)	620,893
		<hr/>	<hr/>
Cash flows from investing activities			
Payments to acquire tangible fixed assets	10	(13,553)	(30,468)
Proceeds on disposal of fixed asset investments	12	1,604,186	150,000
Payments to acquire fixed asset investments	12	(2,150,000)	(500,000)
Interest received		259	76
		<hr/>	<hr/>
Net cash from investing activities		(559,108)	(380,392)
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(641,676)	240,501
Cash and cash equivalents at beginning of year		794,528	554,027
		<hr/>	<hr/>
Cash and cash equivalents at end of year		152,852	794,528
		<hr/>	<hr/>

The notes on pages 12 to 21 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

1. COMPANY INFORMATION

Les Bourgs Hospice LBG is a company incorporated in Guernsey, registration number 44019. The registered office is Andrew Mitchell House, Rue du Tertre, St Andrews, Guernsey, GY6 8SF.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with 'Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102) and the Companies (Guernsey) Law, 2008. The financial statements have been prepared under the historical cost convention modified for the revaluation of listed investments. The financial statements have been prepared on a going concern basis.

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries. The results of the subsidiaries acquired or sold are consolidated for the periods from or to the date that control passed. Acquisitions are accounted for under the acquisition method. The financial statements of all group companies have been prepared with a 31 December 2018 year end.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The financial statements are presented in pounds sterling (£).

Judgements made by the directors, in the application of those accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 4.

3. SIGNIFICANT ACCOUNTING POLICIES

The group has consistently applied the following accounting policies to all periods presented in these financial statements:

Income

Donations and store receipts are accounted for on a cash received basis and are included in the profit and loss account.

Legacy income is accounted for on a cash received basis.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basic financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice or not more than 24 hours. Cash equivalents are 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.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provisions for impairment. The charge for depreciation is provided at rates calculated to write down the cost of the asset, less its residual sum on a straight line basis over the period of their estimated useful economic lives. No depreciation is applied to the land elements of freehold property. The rates adopted are as follows:

Hospice building	2% - 20%
Motor vehicles	25%
Fixtures and fittings	10%
Equipment	20%
Computer equipment	50%

Fixed assets are assessed at each reporting date to determine any requirements to derecognise or impair an item or group of items. The group will derecognise or impair fixed assets on disposal of an item or when no future economic benefits are expected from its use or disposal in accordance with FRS102.17.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income and expenditure account.

Bequeathed properties

The company gets bequeathed properties from time to time. The properties are held as current assets as they are held for sale as part of someone's estate. The assets are included at their current market value and for the percentage of the property they have been bequeathed.

Investments in subsidiary undertakings

All investments in subsidiary undertakings are included in the financial statements at the lower of cost or the directors' estimate of their realisable value. Any permanent diminution in the value of a subsidiary company is accounted for through the profit and loss account.

Valuation of investments

Listed investments are included in these financial statements at their mid-market value at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

The group recognises payments under operating leases as an expense over the lease term on a straight line basis.

Interest income

Interest income is recognised in the income and expenditure account using the effective interest method.

Public benefit entity

As a charity the company is a public benefit company.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, the directors have made the following judgements:

Determined whether leases entered into by the group are either operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determined whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Investment impairment reviews performed for the standalone company financial statements include management judgements, estimates and assumptions of current and future market conditions. Management expectations of how strategic plans for the operating business align with market conditions and the anticipated consequences form the basis for deciding whether an investment impairment is required.

5. TAXATION

The company has been approved as a charitable entity by the States of Guernsey Revenue Service and it is therefore exempt from Guernsey income tax.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

6. DONATIONS IN KIND

The company receives significant amounts of assistance other than asset or cash donations, mainly in the form of food and voluntary help in fund raising and administration. No attempt has been made to value these contributions for accounting purposes.

7. OPERATING (DEFICIT)/SURPLUS - GROUP

	£	2017 £
Operating (deficit)/surplus is stated after charging:		
Depreciation	145,116	138,279
	<hr/>	<hr/>

8. KEY MANAGEMENT PERSONNEL COMPENSATION

The total group remuneration costs were £1,099,780 (2017 - £1,050,365).

Key management personnel, includes all directors and a number of senior managers who together have authority and responsibility for planning, directing and controlling the activities of the group. No Director (with the exception of the Executive Director) receives any remuneration, the total compensation to the Executive Director and the senior management team (including salaries and social security) was £223,985 (2017 - £209,557). There are no pension payments to any employees.

The average monthly number of employees in the parent company, including directors, during the year was 40 (2017 - 40).

The average monthly number of employees in the group, including directors, during the year was 48 (2017 - 51).

9. LAND

GROUP

	£	2017 £
Les Bourgs Court	580,000	580,000
Route de la Croix	465,000	465,000
	<hr/>	<hr/>
	1,045,000	1,045,000
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

10. TANGIBLE FIXED ASSETS

GROUP

	Hospice building £	Motor vehicles £	Fixtures, fittings and equipment £	Office equipment £	Computer equipment £	Total £
<i>Cost</i>						
At 1 January 2018	4,197,869	10,435	131,252	41,176	24,475	4,405,207
Additions	-	-	3,999	3,162	6,392	13,553
At 31 December 2018	4,197,869	10,435	135,251	44,338	30,867	4,418,760
<i>Depreciation</i>						
At 1 January 2018	818,445	7,827	63,230	22,717	23,660	935,879
Charge for the year	114,050	2,608	13,417	8,868	6,173	145,116
At 31 December 2018	932,495	10,435	76,647	31,585	29,833	1,080,995
<i>Net book value</i>						
At 31 December 2017	3,379,424	2,608	68,022	18,459	816	3,469,328
At 31 December 2018	3,265,374	-	58,604	12,753	1,034	3,337,765

Les Bourgs Hospice Properties Limited (note 11) is the owner of Andrew Mitchell House. This property was gifted to the company by The Andrew Mitchell Christian Charitable Trust ("the Trust"). In the event that the property is sold the Trust is entitled to a percentage of the sale proceeds.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

10. TANGIBLE FIXED ASSETS (continued)

COMPANY

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<i>Cost</i>					
At 1 January 2018	10,435	131,252	41,176	24,475	207,338
Additions	-	3,643	3,162	6,392	13,197
At 31 December 2018	10,435	134,895	44,338	30,867	220,535
<i>Depreciation</i>					
At 1 January 2018	7,827	63,230	22,717	23,660	117,434
Charge for the year	2,608	13,346	8,868	6,173	30,995
At 31 December 2018	10,435	76,576	31,585	29,833	148,429
<i>Net book value</i>					
At 31 December 2017	2,608	68,022	18,459	815	89,904
At 31 December 2018	-	58,319	12,753	1,034	72,106

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

11. INVESTMENTS IN SUBSIDIARY COMPANIES

COMPANY

	Shares at cost
	£
At 1 January and 31 December 2018	4

In the opinion of the directors the aggregate value of the investments in subsidiary companies is not less than the amounts at which they are included in the financial statements.

The subsidiary undertakings at the year-end are as follows.

Name of subsidiary undertaking	Activity	Place of registration	% of share capital owned by company
<i>Directly held</i>			
Les Bourgs Hospice Enterprises Limited	Charity retailer	Guernsey	100
Les Bourgs Hospice Properties Limited	Property holding	Guernsey	100

12. OTHER INVESTMENTS

GROUP AND COMPANY

	Listed £
Valuation	
At 1 January 2018	3,911,927
Additions	2,150,000
Withdrawals	(1,604,186)
Fair value movements	(75,886)
	<hr/>
At 31 December 2018	4,381,855
	<hr/>
Split between portfolios as follows:	
Rathbone Portfolio	1,468,584
Ravenscroft Portfolio	2,913,271
	<hr/>
	4,381,855
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

13. BEQUEATHED PROPERTIES

GROUP/COMPANY

	£	2017 £
Mille Fleurs	700,000	833,750
St Pierre	75,000	-
	<hr/>	<hr/>
	775,000	833,750
	<hr/>	<hr/>

Mille Fleurs was sold for £1,500,000 on 18 July 2019, of which the company is entitled to 50% of the net proceeds. The company has received an interim distribution of £700,000.

The company is entitled to a 1/6th share of St Pierre. A sale has been agreed for £495,000. However, lawyers have perceived a defect in the will of realty of the Testator. The purchaser is still proposing to purchase the property, but there may be legal costs to resolve the situation.

The directors have included both properties in the balance sheet at their estimated realisable value.

14. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	£	2017 £	£	2017 £
Trade creditors	17,998	11,042	15,933	10,740
Accruals	68,845	61,585	62,831	57,502
Credit card	525	525	525	525
	<hr/>	<hr/>	<hr/>	<hr/>
	87,368	73,152	79,289	68,767
	<hr/>	<hr/>	<hr/>	<hr/>

15. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2018 the group had future minimum lease payments under non-cancellable operating leases as follows:

	£	2017 £
<i>GROUP</i>		
Within one year	69,407	67,458
After one year and not later than five years	277,628	274,284
After five years	356,346	425,716
	<hr/>	<hr/>
	703,381	767,458
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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

15. COMMITMENTS UNDER OPERATING LEASES (continued)

The company leases two properties for the fundraising retail operations of Les Bourgs Hospice Enterprises Limited. The first lease expires on 8 June 2030 at a rent of £54,571 per annum. The second lease expires on 7 June 2030, which has a break clause on 8 June 2024, at a rent of £14,836 per annum.

16. RELATED PARTY TRANSACTIONS

In the preparation of these financial statements, the directors have taken advantage of the exemption under FRS 102 and have not disclosed the details of related party transactions with wholly owned subsidiaries of Les Bourgs Hospice LBG.

17. CONTROLLING PARTIES

In the opinion of the directors there is no controlling party as no party has the ability to direct the financial and operating policies of the company with a view to gaining economic benefit.

18. LIMITATION OF GUARANTEE

Les Bourgs Hospice LBG is a company limited by guarantee incorporated on 2 December 2005 with the intention of carrying on the activities of Les Bourgs Hospice Charitable Trust which transferred all its assets and liabilities into the company.

The guarantee made by each of the four members is £10 each.

19. CAPITAL FUND

Included in the Capital Fund are the proceeds of a donation to be used in the future to fund a palliative care consultancy post, which are valued at 31 December 2018 at £330,553 (2017 - £332,802). These funds are represented by undesignated investments held within the Ravenscroft and Rathbone managed portfolios.

**THE FOLLOWING PAGES DO NOT FORM A PART OF THE
FINANCIAL STATEMENTS OF THE COMPANY
AND ARE PRESENTED FOR INFORMATION PURPOSES ONLY**

COMPANY DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	£	2017 £
INCOME		
Ordinary revenue, donations and gifts	343,155	263,040
Donations from Les Bourgs Hospice Enterprises Limited	266,800	331,639
Friends of Les Bourgs Hospice	175,000	238,769
Donations over £5,000	45,000	152,092
Bequeathed properties	75,000	-
Legacies	343,412	708,522
	<hr/>	<hr/>
	1,248,367	1,694,062
ADMINISTRATION AND GENERAL COSTS		
Nursing salaries	847,004	815,262
Administration salaries	147,977	148,438
Food and housekeeping	23,908	28,189
Medical expenditure	6,314	10,060
Publicity and stationery	11,829	11,137
Computer expenses	46,206	27,437
Cleaning	7,561	15,223
Staff training	8,354	7,035
Telephone and postage	4,921	3,976
Travel, entertainment and accommodation	3,639	1,706
Motor vehicle costs	266	514
Legal and professional	25,536	7,307
Recruitment expenses	2,583	-
Volunteer expenses	4,858	-
Sundry expenses	4,944	5,470
	<hr/>	<hr/>
	(1,145,900)	(1,081,754)
ESTABLISHMENT COSTS		
Heat, light and water	31,676	33,013
Rates and insurance	12,812	11,144
Repairs and maintenance	44,218	42,118
	<hr/>	<hr/>
	(88,706)	(86,275)
FINANCIAL AND PROFESSIONAL COSTS		
Financial administration fee	19,044	17,531
Bank charges	2,583	2,479
Depreciation	30,995	24,287
	<hr/>	<hr/>
	(52,622)	(44,297)
	<hr/>	<hr/>
SUB-TOTAL CARRIED FORWARD TO PAGE 23	(38,861)	481,736

COMPANY DETAILED PROFIT AND LOSS ACCOUNT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2018

	£	2017 £
SUB-TOTAL BROUGHT FORWARD FROM PAGE 22	(38,861)	481,736
OTHER OPERATING INCOME /(EXPENDITURE)		
Movement in fair value of listed investments	(75,886)	276,447
Diminution in value of bequeathed assets	(133,750)	-
Profit on disposal of bequeathed property	-	48,855
	(248,497)	807,038
BANK INTEREST RECEIVABLE	259	76
BANK INTEREST PAYABLE	-	(68)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	(248,238)	807,046