

Jersey Homes Trust

Annual report and financial statements

For the year ended 31 December 2012

JERSEY HOMES TRUST

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JERSEY HOMES TRUST

Trustees

Michael Van Neste (Chairman)
Adv Phillip Le Cornu (Secretary)
Martyn Scriven (Treasurer)
Ian Moore (Accountant)
Christopher Clarke
(Developments Director)
Paul Labesse (Estates Director)
Frank Dearie (Governance)
Jim Bailey (Surveyor) – Appointed 9th
October 2012

Managing Agent

Brunel Management Limited
48-50 New Street
St Helier
Jersey, JE2 3TE

Independent Auditors

PricewaterhouseCoopers CI LLP
Chartered Accountants
37 Esplanade
St Helier
Jersey, JE1 4XA

Legal Advisers

Ogier
Ogier House
The Esplanade
St Helier
Jersey, JE4 9WG

Accountants

Moore Management Limited
Liberation House
Castle Street
St Helier
Jersey, JE2 3AT

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012

The Jersey Homes Trust ("Trust") has been waiting for years for the opportunity to develop new homes. The inactivity has been due to political inertia arising mainly from a reluctance to recognise an increasing and actual housing need. Eventually, the Affordable Housing Gateway, which consolidated all the waiting lists for social rented housing, confirmed the need for hundreds of new homes. The Trust is now being encouraged to start developing again.

We are where we are. It will take twelve months to design new schemes and obtain Planning consent. It will take another two years to build major schemes. Meanwhile the waiting list grows. The Trust will do all it can to commence substantial new development as soon as possible. This will be good for Jersey people in need of decent housing and good for the economy of the Island.

I support the objectives of the Housing Minister in the Housing Transformation Programme. The Housing Department, as an independent body, should be better placed to remedy years of neglect in the maintenance of States homes. Also, the setting of rentals will be freed from political control. The Minister will not have the resources for very much new development. He will have to rely on the housing trusts for that.

The office of a Regulator of social housing providers is proposed. Jersey has few housing trusts and they are well run. Do we need the luxury of a regulator? The transformation of the Housing Department may tip the balance. We hope to be able to support the Minister's proposals. Good regulation should be proportionate and not bureaucratic. Onerous regulation might deter Trustees, who are unpaid, from offering their valuable services.

In the UK, housing trusts are concerned that rental arrears will increase dramatically when Universal Credit is introduced. The Trust faced that challenge when Income Support combined most benefits, which were then paid direct to tenants. The Trust's arrears have been maintained at extremely low levels and there have been no evictions. Pro-active management and sympathetic engagement with tenants produces these results.

Working with Government

The Housing Minister's White Paper concentrates largely on measures to bring all States homes up to the Decent Homes Standard. Years of under-investment in the maintenance of homes in the public sector have to be remedied. The programme to achieve this will take years and it will blunt the Department's ability to invest in new developments. The White Paper does not envisage an increase in the number of public sector homes although it proposes some realignments, which would release some homes for sale. It is apparent, in this scenario, that any increase in the number of social rented homes must come from the activity of the housing trusts. The Trust is strongly desirous of playing a full part in this important work in partnership with the Minister and his Department.

In the past, the Trust has looked to the States, and more particularly to the Housing Development Fund, for necessary capital and revenue subsidies to achieve viability for its developments. Over £11 million of capital subsidies were granted and millions more were provided by way of revenue subsidies to assist payment of interest. I am very happy to acknowledge this very commendable commitment and support to the Trust by the States and by successive Housing Presidents and Ministers.

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For the year ended 31 December 2012

By the same token, I acknowledge that only by an active partnership with the Housing Department and its Minister can the Trust succeed in its objectives, which were set in the first place by a Housing President many years ago. I am very happy to report that I maintain close and fruitful contacts with Ian Gallichan, the CEO of the Housing Department, as well as the Minister, Andrew Green.

The Trust developed (or otherwise acquired) 744 homes for rental in the twelve years following its setting up, this in accordance with objectives set by Housing Presidents. The support and subsidies from the States assisted the Trust to obtain from banks the necessary funding of £100 million. In the present financial environment, the Trust cannot realistically look to the States for further financial subsidy to achieve new development. Happily, as a result of the low interest rates currently payable, the Trust has been able to accumulate cash surpluses, which have been reserved to fund future development. In my report last year, I was hopeful that the Trust would receive clear encouragement from Treasury and Housing Ministers to use its reserves for such purpose, rather than to reduce possible future exposure by the States to interest subsidies. I can report that we have received the clear advice and encouragement we felt we needed.

New Developments

We are now focused on committing to further development of social housing for rental as soon as we can achieve it. Large housing projects cannot be turned on and off like a tap. For some years, political restraints have interrupted a process which should be continuous and we have to start again from scratch. During the last twelve months, the Trust has worked with architects on possible schemes and this work is continuing. It will take rather more than twelve months before any work on any site can begin and two or more years after that to deliver badly needed homes to those in need. This is an optimistic timetable and a frustrating situation for my Trustees. Part of the success of the Affordable Housing Gateway is to produce statistics of housing need that were previously questioned by major players. It will take time to rectify the mistakes of the recent past.

The Trust is conscious that the development of many millions of pounds of new housing will stimulate the local economy at a difficult time. We are committed to employing, as far as possible, local consultants and contractors in order to maximise this beneficial effect.

Housing Transformation Programme

The Whitehead Review took three years to set up and report and the conclusions of the review remain the focus of the Housing Transformation Programme. The Housing Minister, Andrew Green, remains committed to bring in reforms intended to address the chronic under-funding of essential maintenance of States' rental homes. The solution he seeks is to transform the Housing Department into an entity at arms' length from States' control and bureaucracy, whilst remaining ultimately in States' ownership. This is a challenging initiative and I wish the Minister well.

The Transformation Programme has actual implications for the existing housing trusts, because the new States entity will itself be constituted as a housing trust. It is inevitable that the whole sector will achieve homogeneity of some kind, like it or not. This is already occurring in the very successful operation of the Affordable Housing Gateway, which now manages one waiting list for all social housing providers. The Trust, together with the other housing trusts, agreed to work with the Gateway, giving up in the process some measure of their independence.

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CHAIRMAN'S REPORT
For the year ended 31 December 2012

Regulation.

It is proposed that the office of a Regulator of Social Rented Housing should be established. The Regulator is to have statutory powers to inspect, regulate and report on the activities of housing trusts in Jersey. I am pleased to report that an excellent level of consultation with the trusts has taken place and I am hopeful that sensible, proportionate and helpful proposals will emerge. Such regulation should set and encourage best practice. It should avoid unnecessary bureaucracy. The office will require professional knowledge and appreciation of housing issues. It should respect the integrity and track-record of the existing trusts and the professionalism of their boards. It should assist transparency and confidence. It may be an asset in obtaining future funding. Trustees, who are unpaid volunteers, should never have to feel that they give their services in a potentially hostile environment. On the contrary, they should feel understood, appreciated and encouraged. My Trustees and I will support enthusiastically regulation of that kind.

It should be understood that Regulation already exists through a bilateral and binding agreement between the States and the Trust. The agreement covers key issues, such as rental caps, allocations, tenant inclusion and cash surpluses of the Trust. The constitution of the Trust requires annual reporting of accounts to the Minister, who exercises power over the appointment of Trustees. Regulations attached to the constitution cover contractual and related party matters. This framework has served the Island well for 18 years. The Trust has endeavoured to assist transparency through its website, in which its annual audited financial statements are published, and through its engagement with tenants by way of its regular publication of a beautifully produced newsletter.

Jersey is a small jurisdiction with only a handful of very well run housing trusts. The cost and necessity of a Regulator may well, therefore, be questioned at a time of financial restraint. If it's not broken, why fix it? It is also ironic that the best landlords on the Island face regulation whilst the rest of the private sector can go its own way. I believe that the transformation of the Housing Department into an arm's length body probably tips the balance of the argument. We will therefore be supportive of proportionate, respectful and helpful regulation.

Setting rents

A key element of the Housing Transformation Programme is to free social rents from political control. At present, the Minister is responsible for setting the caps on rents that the trusts must observe. Over recent years social rents have fallen further and further behind the rate of inflation and also the levels of market rents. This is unhelpful in funding new development. It is largely unnecessary since those in need receive perfectly adequate support through the housing element of Income Support. It is also unfair to those renting in the private sector. The Minister plans that, in future, rents will be set at 90 per cent of market rents of equivalent properties in the private sector, whilst phasing in the impact on those adversely affected. I believe this is a sound and fair proposal and it has my support. It is proposed that a proportion of the increased rental receipts should be paid by the trusts to the Social Security Department in order to fund the increases in Income Support. The mechanism for the calculation and payment of this has yet to be announced and it remains a cause of some concern. In a perfect world, a social landlord should charge a fair and sustainable rent and a tenant in need of assistance should receive the appropriate benefit from the State.

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012

30-year Business Plan

The Trust has been pleased to co-operate in the development of a 30-year business plan by the Housing Department. I have worked closely with John Hamon, Financial Director and his able colleague, Lindsay Wood, in submitting and refining the extensive quantity of information required to populate the plan, which is largely based upon a template used by the Department itself. This does not prevent parameters of the Trust's choosing being utilised. For the Trust, the plan will be a useful tool to postulate differing events and situations and to view the outcomes over many years. For the Housing Minister, the plans of all the trusts, taken together, will enable him to report to the States with greater clarity the position and the prospects of the entire sector. There are those who doubt the ability of any person or plan to forecast financial outcomes over so many years. I would not take issue with them. However, investment in housing is a long-term exercise and it must be sensible to have a long-term investment strategy, so long as the plan is updated year on year. It must be understood that the Trust is responsible for its own investment strategy and its long-term agreements with the States must never be compromised by the outcomes of financial plans composed by third parties.

Scrutiny

I have had meetings, formal and informal, with the Housing Scrutiny Panel, who are reviewing the progress of the Transformation Programme and formulating their response to it. The Panel published an interim report on the Minister's White Paper, which was measured, informed and a credit to the scrutiny process. My recent informal meeting with the Panel, also attended by the Chairmen of the other two larger trusts, was interesting and respectful. I welcomed the opportunity of informing the Panel members about the history, work and objectives of the Trust. I hope we were able to make a positive contribution. I congratulate Deputy Kristina Moore on her Panel and on its methods and I hope very much that her efforts will be of positive benefit to the eventual outcomes of the Transformation Programme.

Housing Trusts in Jersey

I am pleased to report that I continue to meet, fairly regularly and informally, with the Chairmen of the Les Vaux and the Christians Together housing trusts, Ken Hewitt and Diarmuid Lynes. We share many views and experiences and I believe this is helpful to the process of useful consultation on the Housing Transformation Programme. We are not a lobby group and we do not necessarily always agree on some of the issues. That is not surprising since our history and culture are not the same and I respect and understand that. I think it is healthy that the sector should find room for different institutions with their own distinctive style and objectives. Long may that continue.

New Trustee

I am more than pleased to report that another Trustee was appointed in 2012. Jim Bailey recently retired as a surveyor and he had given many years of service to the Trust in that role. Trustees wished to retain the benefit of his wisdom and experience and Jim kindly agreed to the appointment. I am rightly proud of my team, most of whom have been Trustees from the beginning, 18 years ago. They give me unstinting support and the benefit of their individual professional skills. The Trust's Trustees are unpaid for the work they do for the Trust. They have served the Island well.

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012

Benchmarking our Performance

There follows a table, produced annually, which benchmarks the performance of the Trust in crucial areas against the performance of UK housing associations. This exercise confirms that in comparisons of rental arrears, voids and re-let times, the Trust is managed particularly successfully. In comparisons of cost, it further confirms that the Trust has a low-cost base, this in a high-cost environment. I submit, therefore, that this benchmarking demonstrates excellent value-for-money in the Trust's costs and expenses. This is important since the Trust continues to favour an outsourcing model rather than establishing its own premises, staff and chief executive.

Much of the outsourcing is contracted through firms having a connection with Trustees. All such contracts are confirmed by our auditors as having been set up in accordance with the Regulations of the Trust and are fully reported in our published annual accounts. These arrangements are well understood and have been of benefit to the Trust over many years and have contributed to its financial and management success. Trustees are enabled to maintain a "hands-on" and day-to-day involvement in the business of the Trust and to secure keenly priced services. The contracts are professionally reviewed annually.

Good News.

In the UK, pilot studies have been conducted to measure the effect on rental arrears when housing benefits are paid direct to social housing tenants when Universal Credit commences in 2013. The initial findings indicate that arrears will rise to as much as 8% of annual rentals, which is a matter of great concern to housing associations. Also, Shelter recently reported that close to 200,000 households in England were threatened with eviction. It is feared that the problems arising from Universal Credit will only increase this statistic. When Jersey adopted a universal benefits system, Income Support, the Trust then faced a similar challenge. I can report that not a single eviction has occurred over the intervening years and our rental arrears remain at remarkably low levels.

The Trust takes the view that it is in the interests of its tenants to actively manage rental arrears and not to allow them to accumulate. Tenants otherwise can face a debt mountain which appears daunting and beyond redemption. Those in arrears receive reminders, failing which they are summoned without further delay to the Petty Debts Court. We also operate a debt repayment programme to assist tenants manage their repayments, and this has proved to be very successful. It is evident that the new benefits system has bedded in and we can report, with some relief, a significant reduction in Petty Debts proceedings in 2012. I report with great satisfaction that our rental arrears, as at December 2012, stand at just 0.25% of annual rental.

This remarkably low level of arrears should not be taken as evidence that Trust tenants are well-healed in comparison with the tenants of other providers. The vast majority of our tenants were nominated by the Housing Department and the remainder were allocated homes on a needs basis. I venture to suggest that conscientious management, understanding the needs and difficulties of tenants, produces outstanding results.

Annual benchmarking of performance:

There follows as usual our annual benchmarking review (compiled in 2012), which is based on a comparison of the Trust's performance with the performance indicators of UK housing associations. The Trust out-sources all of its administration and management, much of it to firms with which Trustees have a connection.

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012

Annual benchmarking of performance - continued:

The review demonstrates the cost-effectiveness of these arrangements, which are entered into under strict controls. The review should not be utilised to compare the performance of the Trust with UK local authority or the States Housing Department results, as they are not like-for-like.

The table of results follows.

THE JERSEY HOMES TRUST

Annual Benchmarking of Performance (2011)
against Performance of UK Housing Associations (2010)

	UK Associations	Jersey Homes Trust
Average stock	4,613	744
Vacant Stock	2.2%	0.0%
Average re-let time (days)	33.2	0.00
Rent arrears at year end	4.4%	0.2%
Operating cost per unit - Weekly	£58.65	£35.24
Operating cost per unit - Annual	£3,050	£1,832
excluding major repairs - Weekly	£49.69	£34.95
excluding major repairs - Annual	£2,584	£1,817
Management cost per unit - Weekly	£17.00	£12.24
Management cost per unit - Annual	£884	£637

NOTES:

“**Management Cost**” includes all administration costs, management fees, accountancy and audit fees, property insurances, professional indemnity insurance and legal & professional fees.

“**Operating cost**” includes all the above, all repairs and maintenance costs and bad debts.

To achieve like for like comparisons:

UK costs are net of depreciation and impairment costs (the Trust does not depreciate).

Trust costs are net of Foncier rates (for which there is no UK equivalent).

Average re-let time calculated by number of void days divided by number of re-lets in year.

UK data selected for benchmarking: The global accounts of housing associations over 1000 units (97% of homes in the sector).

**JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012**

**Annual Benchmarking of Performance (2011)
against Performance of UK Housing Associations (2010) - continued**

Sources:

The Tenant Services Authority ("TSA") websites.

The audited accounts and annual report of The Jersey Homes Trust and reports to Trustees by managing agents.

Trust benchmarking is not suitable for comparison with UK Local Authority or States of Jersey Housing Departments which operate under different conditions.

Property Management Report.

A total of 744 units are presently under management.

Brooklands:	Old Trinity Hill, St Helier. 15 units of flats and houses.
La Folie Estate:	St Lawrence. 30 units of houses and flats.
Maison de St Nicolas:	St Peter. 6 flats.
St Paul's Gate:	Dumaresq Street, St Helier. 17 flats.
Cherry Grove:	Roussel Street, St Helier. 12 flats
Kent Lodge:	Clarendon Road, St Helier. 7 flats.
St Saviour's Court:	St Saviour's Road, St Helier. 28 flats.
Belle Vue:	Route des Quennevais, St Brelade. An estate of 90 houses and flats.
La Roseraie:	Mont Millais, St Helier. An estate of 35 houses and 10 flats.
Le Jardin Fleuri:	Grouville. An estate of 16 houses.
Berkshire Court:	La Motte Street, St Helier. 113 flats and 1 amenity unit.
5 St Clement's Road:	St Helier. 10 flats,
John Wesley Apartments:	Cannon Street, St Helier. 40 flats and 1 house.
Parkside:	West Park and Lewis St, St Helier. 19 flats and maisonettes.
Victoria Place, Albert Pier:	77 flats and a 5-unit group home, on the waterfront.
Clement Court:	Ann Street, St Helier. 32 flats.
Le Coie:	Springfield, St Helier. 96 flats and 2 amenity units.
Le Grand Clos:	Mont-a-l'Abbe, St Helier. An estate of 54 houses and flats.

**JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2012**

Property Management Report - continued

Clos Le Gallais: Mont-au-Pretre, St Helier. An estate of 13 houses.

Clos du Ruisseau: Maufant. An estate of 19 houses.

The Trust holds title to all the above estates and properties.

Letting: I am pleased to report that all units under management are fully let.

Rental: The current annual rental of the Trust's property is £7,675,544 (assuming full occupancy).

Voids & Arrears: Rental arrears are 0.25% of annual rent.

Acknowledgements

To:

Nigel Sweeny (our monitoring surveyor);
Marion Falle (our public relations consultant);
Stephen Van Neste and his team at Brunel Management (our property managers);
Tricia Redmond and the team at Moore Management (accountancy services);
Sylvia Lennon at Ogier (secretarial services);
Ian Gallichan (Chief Executive Officer at the Housing Department);
John Hamon (Finance Director, Housing Department)

and to my wonderful Trustees (see below).

Thank you all for your services and kindnesses in 2012.

**MICHAEL VAN NESTE
CHAIRMAN**

The Trustees of the Jersey Homes Trust:

Michael Van Neste, Chairman;
Advocate Philip Le Cornu, Secretary;
Martyn Scriven, Treasurer;
Ian Moore, Accountant;
Chris Clarke, Developments Director;
Paul Labesse, Estates Director.
Frank Dearie, Risk, Regulation and Compliance.
Jim Bailey, Surveyor

JERSEY HOMES TRUST

TRUSTEES' REPORT

The Trustees submit their report and the audited financial statements of the Jersey Homes Trust for the year ended 31 December 2012.

Activities

The Jersey Homes Trust is a Jersey Housing Association, registered in the Royal Court on 9th June 1995 as an association for the purposes of the law entitled "Lois (1862) sur les teneures en fideicommiss et l'incorporation d'associations". The 1862 law provides for duly registered incorporated associations and trusts to hold land and property for charitable purposes.

Results

The results for the year are shown in the income and expenditure account on page 17.

Trustees

The Trustees of the Jersey Homes Trust during the year were as shown on page 2.

Trustees' responsibilities

The Trustees have undertaken responsibility for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the income and expenditure for that year in accordance with United Kingdom Accounting Standards. In preparing those financial statements, generally accepted accounting practice requires that the Trustees:

- select suitable accounting policies and then apply them consistently;
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis (unless it is inappropriate to presume that the Trust will continue its activities).

The Trustees confirm they have complied with all the above requirements in preparing the financial statements.

The Trustees are required to act in accordance with the Constitution of the Trust. They are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities. The Trustees confirm they have complied with the constitution dated 9th June 1995.

So far as the Trustees are aware, there is no relevant audit information of which the Trust's auditors are unaware, and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

JERSEY HOMES TRUST

TRUSTEES' REPORT

The accounts are published on www.jerseyhomestrust.org.je which is a website maintained by the Jersey Homes Trust. The work undertaken by the independent auditors does not involve consideration of the maintenance and integrity of the website and accordingly the independent auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation governing the preparation and dissemination of the accounts may differ from legislation in other jurisdictions.

Key financial policies and strategies

- ***Objectives, policies and strategies for development and financing***

The objectives of the Trust are to provide social housing primarily in the rental market for the inhabitants of the Island of Jersey. The creation of the Trust was encouraged by the Housing Committee of the States of Jersey through the Housing Department in response to the establishment of a policy for the creation of Housing Trusts to undertake the development of social housing projects in the Island of Jersey for the foreseeable future (Policy Guidelines No 4 issued December 1993).

The Trust aims to achieve its objectives primarily through the development of new units of accommodation. Each development must fall within the spirit of social housing and be a development which generally meets the approval of the Trustees for reasons of architectural appeal, environment, and social needs.

Each project is evaluated and approved by the Trustees and presented to the Housing Department for approval. If approved by the Housing Department, the Trustees will then arrange for finance from banks in the private sector supported by an interest rate subsidy provided by the States of Jersey and a letter of comfort issued by the States Treasury with the authority of the Treasury and Resources Minister and the Housing Minister. It is often the case that a scheme will be subject to a valuation undertaken by the States of Jersey Property Services Department in order to assist with the approval process by the States Ministries.

Financing is usually negotiated on a five year review basis which includes a review of the subsidy and support provided by the Treasury & Resources Minister and the Housing Minister of the States of Jersey.

- ***Rent policy***

The Trust's residential rentals will not exceed the maximum rentals set by the States of Jersey Housing Department's own fair rent structure.

- ***Long term stock maintenance and repair policy***

The properties owned by the Trust are to be held for the long term, and are subject to the Trust's policy of continuous maintenance, repair or refurbishment where considered appropriate.

JERSEY HOMES TRUST

TRUSTEES' REPORT

Key financial policies and strategies (continued)

- *Reserves strategy*

The Trust will pay to the States of Jersey Housing Ministry any cash surplus arising from its activities which have not been set aside, reserved or committed. The Trust may set aside, reserve or commit sums from cash surpluses to:

- pay the debts and commitments (future or current) of the Trust,
- pay for current or set aside for future property repairs and maintenance (taken to designated reserves – see note 13),
- pay for current or set aside for future property acquisitions, improvements, refurbishment or development, and
- provide working capital for the Trust.

Internal Financial Control

The Trustees have overall responsibility for ensuring that the Trust maintains a system of internal financial control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that assets are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of financial information and the safeguarding of assets.

The Trust has no employees. The day to day operations of the Trust are all carried out by third parties, in which some of the Trustees have an interest, as disclosed in note 14. The Trust is therefore dependent upon the financial controls of these third parties.

The Trustees appoint a project team to each development project, including a project architect and a client representative who reports to the Trustees on a regular basis. The Trustees also receive regular reports from the property manager in respect of all of the Trust's properties.

Homes and bedspaces

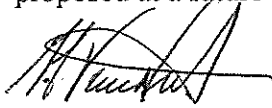
	2012	2011
	Units	Units
<i>Under management</i>		
One bedroom flats	283	283
Two bedroom flats	257	257
Three bedroom flats	19	19
Five bedroom flats	1	1
One bedroom houses	1	1
Two bedroom houses	54	54
Two bedroom maisonettes	4	4
Four bedroom maisonettes	2	2
Five bedroom maisonettes	2	2
Three bedroom houses	108	108
Four bedroom houses	9	9
Other facilities	4	4
	<hr/> 744	<hr/> 744

There are currently no Homes under development

**JERSEY HOMES TRUST
TRUSTEES' REPORT**

Independent Auditors

A resolution to reappoint PricewaterhouseCoopers CI LLP as auditors to the Trust will be proposed at a future Trustees' meeting.

A handwritten signature in black ink, appearing to be 'A. V. ...', written over a horizontal line.

Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF JERSEY HOMES TRUST

Report on the financial statements

We have audited the accompanying financial statements of Jersey Homes Trust ("the Trust") which comprise the Balance Sheet as of 31 December 2012 and the Income and Expenditure Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Trustees' responsibility for the financial statements

The Trustees are responsible for the preparation of financial statements that give a true and fair view in accordance with United Kingdom Accounting Standards, and have been properly prepared in accordance with the Constitution. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


In our opinion, the financial statements give a true and fair view of the financial position of the Trust as of 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with United Kingdom Accounting Standards and have been properly prepared in accordance with the requirements of the Constitution.

Report on other legal and regulatory requirements

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Chairman's Report and the Trustees' Report.

In our opinion, the information given in the Chairman's Report and the Trustees' Report is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the Trustees as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.


For and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants
Jersey, Channel Islands
2 July 2013

JERSEY HOMES TRUST
BALANCE SHEET
As at 31 December 2012

		31 December 2012		31 December 2011	
	Notes	£	£	£	£
Trust fund					
Income account	12		14,730,208		11,986,239
Designated reserve	13		4,493,851		4,019,388
Development reserve	13		6,800,000		5,300,000
			<u>26,024,059</u>		<u>21,305,627</u>
Represented by:					
Fixed assets					
Housing properties	6	116,840,193		116,840,193	
Less: States of Jersey grants	7	(11,299,000)		(11,299,000)	
			105,541,193		105,541,193
Current assets					
Debtors and prepayments	8	452,959		214,511	
Balance at managing agents		567,036		565,236	
Bank balances		11,314,307		9,671,117	
		<u>12,334,302</u>		<u>10,450,864</u>	
Current liabilities – amounts due in less than one year					
Bank loans	11	2,717,092		15,909,712	
Bank Overdraft		-		1	
Creditors	9	105,941		112,345	
Tenants' deposits	10	188,964		189,114	
		<u>3,011,997</u>		<u>16,211,172</u>	
Net current assets/(liabilities)			<u>9,322,305</u>		<u>(5,760,308)</u>
Total assets less current liabilities			114,863,498		99,780,885
Liabilities falling due after more than one year					
Bank loans	11	88,839,439		78,475,258	
			<u>(88,839,439)</u>		<u>(78,475,258)</u>
Net Assets			<u>26,024,059</u>		<u>21,305,627</u>

The financial statements were approved by the Trustees on ... 2.7.2013 ...
and are signed on their behalf by:

Trustee

Trustee

The notes on pages 20 to 29 form part of these audited financial statements

JERSEY HOMES TRUST
INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2012

		31 December 2012 £	31 December 2011 £
Income from property rentals	1	7,551,242	7,398,226
Property expenses		(902,692)	(851,861)
Provision for bad debts		(12,999)	(18,840)
Net property income		6,635,551	6,527,525
Sundry Income		3,551	329
Operating expenses	3	(555,338)	(612,288)
Operating surplus		6,083,764	5,915,566
Interest receivable		224,513	117,753
Interest payable	5	(1,512,436)	(1,445,052)
Surplus on ordinary activities		4,795,841	4,588,267
Development costs	4	(77,409)	(112,022)
Transfer to designated reserve	12&13	(474,463)	(497,380)
Transfer to development reserve	12&13	(1,500,000)	(2,000,000)
Retained income for the year		2,743,969	1,978,865

All of the operations of the Trust are classified as continuing.

There is no difference between the retained income for the year and its historical cost equivalent. The Trust has no recognised gains and losses other than the income for the year.

The notes on page 20 to 29 form part of these audited financial statements.

JERSEY HOMES TRUST
CASHFLOW STATEMENT
For the year ended 31 December 2012

	31 December 2012		31 December 2011	
	£	£	£	£
Net cash flow from operating activities (Note 1)		5,941,884		5,913,226
Development costs		<u>(77,409)</u>		<u>(112,022)</u>
		5,864,475		5,801,204
Returns on investing and servicing of finance				
Interest paid	(1,519,384)		(1,448,310)	
Interest received	<u>128,339</u>		<u>91,341</u>	
Net cash out flow from returns on investment and servicing of finance		(1,391,045)		(1,356,969)
Net cash outflow from capital expenditure				-
Financing				
Loan principal repayments	<u>(2,828,439)</u>		<u>(2,002,466)</u>	
Net cash outflow from financing		<u>(2,828,439)</u>		<u>(2,002,466)</u>
Increase in cash in the period		<u>1,644,991</u>		<u>2,441,769</u>

JERSEY HOMES TRUST
CASHFLOW STATEMENT
For the year ended 31 December 2012

Note 1 to Cashflow Statement

Reconciliation of operating profit to net cash inflow from operating activities	2012	2011
Operating Surplus	6,083,764	5,915,566
Increase in debtors	(238,448)	(429)
Increase in creditors	(6,554)	(31,581)
Movement in Interest payable	6,948	3,258
Movement in Interest receivable	96,174	26,412
	<u>5,941,884</u>	<u>5,913,226</u>

Note 2 to Cashflow Statement

Reconciliation of net cash flow to movement in net debt	2012	2011
Increase in cash in period	1,644,991	2,441,769
Loan principal repayments	2,828,439	2,002,466
Movement in net debt in the period	4,473,430	4,444,235
Opening net debt	<u>(84,148,618)</u>	<u>(88,592,853)</u>
Closing net debt	<u>(79,675,188)</u>	<u>(84,148,618)</u>

Note 3 to Cashflow Statement
Analysis of changes in net debt

	01 Jan 2012	Cashflows	31 Dec 2012
Cash at bank & held at agents	<u>10,236,352</u>	<u>1,644,991</u>	<u>11,881,343</u>
Debt due after one year	(78,475,258)	(10,364,181)	(88,839,439)
Debt due within one year	<u>(15,909,712)</u>	<u>13,192,620</u>	<u>(2,717,092)</u>
	<u>(94,384,970)</u>	<u>2,828,439</u>	<u>(91,556,531)</u>
	<u>(84,148,618)</u>	<u>4,473,430</u>	<u>(79,675,188)</u>

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

1. Principal accounting policies

The financial statements have been prepared in accordance with generally accepted accounting standards in the United Kingdom, as adopted/deemed appropriate in accordance with the constitution and have been prepared, where appropriate, in accordance with the Statement of Recommended Practice - Accounting by Registered Social Landlords ('the SORP') given that the SORP has been prepared for social landlords registered as housing associations within the United Kingdom.

The following accounting policies set out below have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and under the presumption that the Trust is carrying on business as a going concern.

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of demand deposits and short term deposits with maturities of 12 months or less. As at 31 December 2012, all cash and cash equivalents were held in bank accounts at Barclays Bank Plc and Lloyds TSB Plc.

Income and expenditure

Income and expenditure is accounted for on an accruals basis, except for certain property expenses disbursed by the managing agent which are accounted for on a cash basis, due to the nature of the transactions.

Rental income is not arranged on an arms length basis since residential rentals must not exceed the maximum rentals set by the States of Jersey Housing Department's own fair rent structure.

Loan interest and interest subsidies

Loan interest and interest subsidies are accounted for on an accruals basis.

Loan interest payable on loans for properties held for letting and the related interest subsidies receivable are included in the income and expenditure account. Loan interest payable on loans to finance property developments is capitalised up to the date that the development is completed.

Designated and Development reserves

The designated reserve has been set up as a reserve for future repairs and maintenance costs on completed developments. The amount transferred to the reserve is calculated based on financial models prepared for each individual property. Separate reserves are maintained for each property. Where expenditure is incurred on a property on such repairs, the reserve for that property may be utilised and a transfer is made to the income and expenditure account for the amount involved.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

1. Principal accounting policies – continued

Designated and Development reserves – continued

In accordance with Clause 8a of the contract with the Housing Committee, the Trust has set aside an additional £1,500,000 as a development reserve to provide seed capital for future housing developments (2011: £2,000,000).

Depreciation of housing properties

The housing properties are held as fixed assets rather than investment property as the criteria under SSAP 19 – “Investment Properties” are not met (interest in buildings are “not held for their investment potential” and “rental income is not negotiated with tenants at arm’s length”).

Financial Reporting Standard No 15 (Tangible Fixed Assets) permits exclusion from depreciation of properties on which the annual charge and accumulated depreciation charge are immaterial. Depreciation may be immaterial as the result of very long estimated useful economic lives or high estimated residual values (or both). This applies to the Trust housing properties and accordingly no depreciation has been provided. The Trustees consider there to be no material difference between preparation on a cash or accruals basis for the said line item.

The majority of the properties owned by the Trust are newly built developments, constructed within the last ten years. The Trust has a policy of continuous maintenance and refurbishment, with a designated reserve provision specifically for this purpose. The Trustees also believe that the residual value of the properties will not be less than the cost.

Labesse & Co, Chartered surveyors, undertook an impairment review on behalf of the Trustees of all of the Trust’s properties as at 31 December 2012 in accordance with the requirements of both Financial Reporting Standard No 15 (Tangible Fixed Assets) and Financial Reporting Standard No 11 (Impairment of Fixed Assets and Goodwill). This impairment review has (as recommended by Financial Reporting Standard No 11) taken account of the economic and political environment in which the Trust operates, the financial model of each of the completed development projects compared with actual financial performance, and the physical condition of all of the properties owned by the Trust. Based on this impairment review the Trustees have concluded that there is no impairment in the carrying value of any of the properties owned by the Trust.

Housing properties

Housing properties held for letting and under construction are stated at cost. The cost of properties is their purchase price and building costs together with any directly attributable costs of acquisition and development.

States of Jersey grants

Grants received from the States of Jersey have been received as a contribution towards the capital costs of housing properties and as such have been shown on the face of the balance sheet as a deduction from the cost of those properties in accordance with the SORP.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

2. Taxation

The Trust is exempt from income tax under the provisions of Article 115(a) of the Income Tax (Jersey) Law, 1961.

3. Operating Expenses

	2012 £	2011 £
Property management fees (note 14)	358,361	351,122
Audit fees	16,798	15,910
Administration and accountancy fees	73,334	69,183
Insurance	79,244	76,162
Legal & professional fees	19,769	88,372
Bank charges	1,096	887
Sundry expenses	6,736	10,652
	<u>555,338</u>	<u>612,288</u>

4. Development costs

	2012 £	2011 £
Convent and Caesarea Court	36,767	112,022
Belle Vue	12,679	-
Lempriere Street	27,963	-
	<u>77,409</u>	<u>112,022</u>

5. Interest payable

	2012 £	2011 £
Interest payable on loans attributable to housing properties	<u>1,512,436</u>	<u>1,445,052</u>

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

6. Housing properties at cost

	2011 £	Movement in year £	2012 £
Housing properties held for letting			
Maison de St Nicolas, St Peter, Jersey	626,182	-	626,182
Brooklands, St Helier, Jersey	1,545,956	-	1,545,956
La Folie Estate, St Lawrence, Jersey	1,862,592	-	1,862,592
St Paul's Gate, St Helier, Jersey	1,520,679	-	1,520,679
Cherry Grove, St Helier, Jersey	1,410,026	-	1,410,026
St Saviour's Court, St Helier, Jersey	3,749,452	-	3,749,452
Kent Lodge, St Helier, Jersey	881,011	-	881,011
Belle Vue, St Brelade, Jersey	11,859,858	-	11,859,858
La Roseraie, St Helier, Jersey	8,264,000	-	8,264,000
Le Jardin Fleuri, Grouville, Jersey	3,292,577	-	3,292,577
Berkshire Court, St Helier, Jersey	19,464,903	-	19,464,903
5 St Clements Road, St Helier, Jersey	1,426,221	-	1,426,221
John Wesley Apartments, St Helier, Jersey	7,351,413	-	7,351,413
Parkside, St Helier, Jersey	4,064,943	-	4,064,943
Victoria Place, Albert Pier, St Helier, Jersey	12,541,421	-	12,541,421
Clement Court, Ann Street, St Helier, Jersey	6,808,797	-	6,808,797
Le Coie, Springfield, St Helier, Jersey	12,137,290	-	12,137,290
La Folie redevelopment scheme, St Lawrence, Jersey	3,819,775	-	3,819,775
Le Grand Clos, Maufant, Jersey	8,474,743	-	8,474,743
Clos le Gallais, Mont-au-Pretre, Jersey	2,309,720	-	2,309,720
Clos du Ruisseau (formerly Field 690A)	3,428,634	-	3,428,634
	<u>116,840,193</u>	-	<u>116,840,193</u>

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

6. Housing properties at cost – continued

Land acquired by the Trust for development with the financial support of the Ministry is subject to covenants protecting the interests of the Public and perpetuating its use for social rented housing.

Housing properties owned are used as security against the borrowings of the Trust. For further details see note 11.

7. States of Jersey grants

The States of Jersey have provided capital grants for the total sum of £11,299,000 as follows:

- a) for the purchase of the Berkshire Court site, St Helier, Jersey in the sum of £6,215,000. This grant is non-repayable.
- b) for the purchase and development of John Wesley Apartments, St Helier, Jersey in the sum of £1,425,000. This grant is non-repayable.
- c) for the Le Jardin Fleuri development, Grouville, Jersey in the sum of £75,000. This grant is non-repayable.
- d) for the purchase and development of the Clement Court site, St Helier, Jersey in the sum of £1,750,000. This grant is non-repayable.
- e) to assist in the purchase of the Parkside site, St Helier, Jersey in the sum of £975,000. This grant is non-repayable.
- f) To assist in the purchase of 5 St Clements Road, St Helier, Jersey in the sum of £225,000. This grant is non-repayable.
- g) For the purchase and development of the Clement Court site, St Helier, Jersey in the sum of £634,000. This grant is non-repayable.

8. Debtors and prepayments

	2012	2011
	£	£
Amounts due from The Albert Pier Housing Association	134,435	-
Current rentals due	78,227	72,265
Bank Interest receivable	189,901	93,727
Insurance prepaid	38,900	37,504
Other debtors and prepayments	11,496	11,015
	<u>452,959</u>	<u>214,511</u>

The loan to The Albert Pier Housing Association in respect of replacement lighting costs, is unsecured, interest free and repayable on 31 December 2017.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

9. Creditors

	2012	2011
	£	£
Loan Interest Payable	13,995	20,943
Other – property related	64,261	66,912
Other – non-property related	27,685	24,490
Creditors due in less than one year	<u>105,941</u>	<u>112,345</u>

All property expenses are paid within thirty days upon receipt of the invoices.

10. Tenants' deposits

This amount of £188,964 represents deposits received from tenants (2011: £189,114). All deposits shall be repaid to the tenants at the expiry or earlier determination of the tenancy subject only to the deduction there from of any arrears of rent and a reasonable amount in respect of any damage to the premises by the tenant.

11. Bank loans

	2012		2011	
	£	£	£	£
Repayable in less than 1 year		2,717,092		15,909,712
Repayable in 1 to 2 years	3,048,040		2,568,742	
Repayable in 2 to 5 years	11,363,840		9,610,346	
Repayable in 5 years or more	<u>74,427,559</u>		<u>66,296,170</u>	
		<u>88,839,439</u>		<u>78,475,258</u>
		<u>91,556,531</u>		<u>94,384,970</u>

On 13 January 2012 terms of the loans for Clement Court, Clos le Gallais and Clos du Ruisseau were changed from a short term to a long term basis.

On 15 March 2013, the Trustees entered into a Bond, Billets and Variation agreement with Barclays Bank which allows for the cross collateralisation of existing loans that Barclays Bank have a charge over, subject to a cap of £90,000,000.

All of the loans are from Barclays Bank Plc or Lloyds TSB Plc. The terms of the loans are as follows:

Property	Description	Charge (£)	Initial Loan (£)	Maturity Date	Value of instrument (£)
Barclays Bank					
Maison de St Nicolas (Moorestown)	Promissory note over land and property	-	633,000	30/06/2018	302,592
Brooklands	Promissory note over land and prop	-	1,653,750	15/02/2018	809,082
St Paul's Gate	Promissory note over land and property	-	1,596,000	15/02/2018	830,314
Total value C/fd					<u>1,941,988</u>

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

11. Bank loans (continued)

Property	Description	Charge (£)	Initial Loan (£)	Maturity Date	Value of instrument (£)
Total value B/fd					1,941,988
Cherry Grove	Promissory note over land and property	-	1,548,750	30/09/2020	1,001,754
La Folie Estate	Promissory note over land and property	2,496,000	2,000,000	21/03/2018	873,612
St Saviours Court	Promissory note over land and property	-	3,321,000	30/03/2023	2,333,902
Kent Lodge	Promissory note over land and property	-	900,000	30/06/2023	668,598
Belle Vue	Promissory note over land and property	11,865,000	11,865,000	30/09/2024	9,311,321
St Clements Road	Promissory note over land and property	1,200,000	1,200,000	29/06/2029	1,002,076
Le Jardin Fleuri (La Champs des Fleurs)	Promissory note over land and property	2,850,000	2,850,000	31/12/2027	2,800,943
Victoria Place (Albert Pier)	Promissory note over land and property	16,386,000	12,500,000	30/06/2028	11,130,378
Berkshire Court & Albert Pier	Promissory note over land and property	13,380,000	13,380,000	30/09/2030	12,222,211
La Roseaie (Mont Millais)	Promissory note over land and property	8,287,000	8,287,000	31/12/2029	7,559,877
John Wesley Apartments (Cannon St)	Promissory note over land and property	6,000,000	6,000,000	30/09/2029	5,484,830
Parkside (Town Park)	Promissory note over land and property	3,200,000	3,200,000	30/09/2029	2,936,893
St Clement Court (Ann Street)	Promissory note over land and property	4,300,000	4,630,000	31/12/2029	3,776,455
La Folie Redevelopment scheme (La Folie Phase 2)	Promissory note over land and property	1,531,523	3,670,000	31/12/2032	3,670,000
Clos le Gallais	Promissory note over land and property	2,275,000	4,950,000	29/12/2036	2,271,804
Clos du Ruisseau	Promissory note over land and property	3,365,000	5,353,280	29/12/2036	3,363,015
Lloyds TSB Bank					
Le Coie	Registered bond attached to property	12,250,000	12,250,000	31/12/2027	10,737,427
Le Grand Close	Registered bond attached to property	8,600,000	8,600,000	31/12/2032	8,469,447
TOTAL VALUE					91,556,531

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

11. Bank loans (continued)

The rate of interest incurred on each loan amounts to LIBOR + 0.75%.

In the event that interest exceeds 4% per annum, the sum equal to the difference between 4% and the interest rate is reimbursed by the States of Jersey. Except for Le Grand Close, Clos le Gallais and Clos du Ruisseau where the interest rate limit is 6% per annum.

12. Income account

	2012 £	2011 £
At 1 January 2012	11,986,239	10,007,374
Surplus on ordinary activities	4,795,841	4,588,267
Development costs	(77,409)	(112,022)
Transfer to designated reserve	(474,463)	(497,380)
Transfer to development reserve	<u>(1,500,000)</u>	<u>(2,000,000)</u>
At 31 December 2012	<u>14,730,208</u>	<u>11,986,239</u>

Capital repayments on the Trust's loans for the purchase of properties and land are made from net income. These Capital repayments are not reflected in the income account as they are applied to the reduction of liabilities in the balance sheet of the Trust.

As at 31 December 2012 the Trust reported accumulated retained income amounting to £14,730,208 (2011: £11,986,239) out of which the Trust has made accumulated capital repayments totalling £14,342,324 (2011: £11,513,885). In accordance with the constitution of the Trust the net surplus after loan repayments amounted to £387,884 (2011: £472,354) as at 31 December 2012, as reported below

Income account as at 31 December 2012	14,730,208
Capital repayments made to 31 December 2012	<u>(14,342,324)</u>
Net surplus as at 31 December 2012	387,884

In the opinion of the Trustees the net surplus is required for working capital purposes as provided for in the constitution of the Trust therefore no amounts are available for distribution.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

13. Designated reserve

	2012	2011
	£	£
At 1 January 2012	4,019,388	3,522,008
Transfer from income and expenditure account*	<u>474,463</u>	<u>497,380</u>
At 31 December 2012	<u>4,493,851</u>	<u>4,019,388</u>

*The transfer from the income and expenditure account represents the difference between the actual property and maintenance expense incurred during the year and the aggregate estimated maintenance expenses for the year per the financial models.

For the year ended 31 December 2012 the Trustees transferred £1,500,000 (2011 £2,000,000) to the development reserve to provide seed capital for future housing projects. The total amount accumulated in the reserve at the year end is £6,800,000 (2011 £5,300,000).

14. (i) Related parties

The following are related parties as defined by Financial Reporting Standard No 8 "Related Party Disclosures":

(a) The Trustees

No fees or expenses were paid to the Trustees for the year ended 31 December 2012.

(b) Brunel Management Limited ('Brunel') through its relationship with Mr M C Van Neste.

Brunel manages all of the Trust's properties and receives a fee of 4.75% of rental income received plus reimbursement for certain sundry expenses incurred.

The total amount payable for all services during the year was £358,361 (2011 £351,122) of which £56,527 (2011 £55,037) remained outstanding and is included in creditors. Brunel Management Limited maintains a segregated bank account on behalf of the Trust for the collection of rent and payment of property expenses. At 31 December 2012 this balance was £567,036 (2011 £565,236).

(c) Ogier through its relationship with Advocate Phillip Le Cornu

Ogier Group act as the Trust's legal advisers and provide secretarial services. The total amount payable during the year was £17,504 (2011 £29,051) of which £5,040 was outstanding at the year end (2011 £nil).

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

14. Related Parties (continued)

- (d) Moore Management Limited through its relationship with Mr I Moore

Moore Management Limited act as the Trust's accountants. The amount payable during the year was £56,330 (2011 £53,507) of which £10,927 remained outstanding and is included in creditors at 31 December 2012 (2011 £8,530).

- (e) Ross-Gower Associates through its relationship with Mr C Clarke

Ross-Gower Associates act as consulting engineer to the Trust during the year £673 (2011 £nil) was payable to Ross-Gower Associates of which £507 was outstanding at the year end.

- (f) Labesse & Co. through its relationship with Mr P Labesse

Labesse & Co. act as the Trust's surveyors. During the year ended 31 December 2012 £9,188 (2011 £8,250) was payable to Labesse & Co none of which was outstanding at the year end.

14. (ii) In accordance with the Constitution, in respect of any contract or arrangement for professional services rendered to the Trust by a Trustee (defined as a "Member" in the Constitution) acting as an employee, director, partner or member of a firm or company appointed by the Trustees to render such services, the following provisions apply and were adhered to during the year:

Individual Trustees shall not be part to any Trustee discussion nor vote in relation to any aspect of a contract or arrangement between the Trust and said Individual Trustee.

Such professional services rendered to the Trust may be remunerated.

No Trustee shall be remunerated for performing any service or duty to the Trust in the capacity only of Trustee.

The controlling parties of the Trust as defined by Financial Reporting Standard No 8 are the Trustees of the Trust, whose only benefits are as outlined in paragraphs 13 (i) (a to f) and 13 (ii) above.

15. Ultimate controlling party

In the opinion of the Trustees, there is no ultimate controlling party as all Trustees are bound by the Constitution dated 9th July 1995.

16. Subsequent events

There were no other significant events after the year end, other than those disclosed in the notes.