

Jersey Homes Trust

Annual report and financial statements

For the year ended 31 December 2022

JERSEY HOMES TRUST

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JERSEY HOMES TRUST DIRECTORY

Trustees

Adv Philip Le Cornu (Chairman)
Martyn Scriven (Treasurer/Deputy
Chairman)
Ian Moore (Chartered Accountant)
Christopher Clarke
(Developments Director)
Paul Labesse (Estates Director)
Frank Dearie (Secretary & Risk,
Regulation and Compliance)

Managing Agent and Registered Address

Brunel Management Limited
Brunel Chambers
Devonshire Place
St Helier
Jersey, JE2 3RD

Secretary

Intertrust Corporate Services (Jersey)
Limited
44 Esplanade
St Helier
Jersey, JE4 9WG

Independent Auditors

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

Legal Advisers

Ogier
44 Esplanade
St Helier
Jersey, JE4 9WG

Accountants

IQ EQ Fund Services (Jersey) Limited
2nd Floor Gaspé House
66-72 Esplanade
St Helier
JE1 1GH

Independent Valuer

Jones Lang LaSalle IP Incorporated
Latimer House
5-7 Cumberland Place
Southampton, SO15 2BH

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2022

Twenty-seventh Annual Report
of the
Jersey Homes Trust

Reflections on the Year

This is the first Chairman's report to be written by anyone other than Michael Van Neste. As such this is my opportunity to formally thank Michael for his tireless work in establishing the Trust in the first place, and then to grow it into the organisation it is today, with 842 units providing social rented housing to those in need. His belief was, and remains, that decent, affordable homes are as much a right as proper health and education services. That belief remains fundamental to the DNA of the Trust. Michael was honoured for his work by the award of an MBE in the Queen's Birthday Honours List in 2022 and he is to be warmly congratulated for that well-deserved honour.

In my first year as Chairman I have been struck by the number of potential development opportunities that require attention before any of those opportunities become a serious reality. In assessing those opportunities I have been helped enormously by my fellow Trustees and our CEO, Steve Van Neste.

This year has also seen major economic changes which impact the way in which we are able to look at new developments. The first has been a significant rise in inflation. The latest 12 month rolling RPI figure is 10.4%. The figure for building and maintenance costs is significantly higher which means that maintenance of existing property and building new units is significantly more expensive than it was this time last year. Our only income is derived from rent, and having had a two year rent freeze during COVID and a rent increase of under 4% last year, our ability to withstand these inflationary pressures requires careful thought and planning.

In addition, the cost of borrowing has increased dramatically in 2022. The base rate at the start of the year was 0.25% and at the end of the year was 3.5%. Whilst a rate of 3.5% is much nearer a long-term average, such a steep rise, alongside high inflation affects the affordability of new developments for the Trust. Thus, whilst our ambition to develop new units of accommodation remains strong, we need to be realistic about what is affordable and achievable.

Developments and Existing Properties

Frustratingly, a third year has passed without an opportunity for the Trust to commence any further development. At a time of great need for the community and in the midst of a cost-of-living crisis this has been particularly disappointing. This lack of development has not been through a lack of effort or desire but a lack of affordable and realistic opportunities. The Trust has significant ambition to develop new, affordable, social rental accommodation and we hope that ambition will bear fruit in 2023.

In the absence of development opportunities the Trust has not been idle and this year has seen an increase in spending on the maintenance, upkeep and upgrading of our existing stock. Significant work has been carried out on Belle Vue, St. Paul's Gate, Berkshire Court and Parkinson Drive to name but four. As our housing stock ages we are acutely aware of the need to ensure that the properties are well-maintained and upgraded as appropriate to ensure that tenants can continue to be proud to call them their homes.

JERSEY HOMES TRUST

CHAIRMAN'S REPORT

For the year ended 31 December 2022

The requirements placed on landlords continually increase, and we are pleased to say that all of our properties are compliant and up-to-date with EICR electrical testing. We are also taking every opportunity to look at ways to make our properties more energy efficient. This increased spending on existing stock is likely to continue and be a feature of the Trust's expenditure going forwards.

A New Government

Jersey held elections in mid-2022 and as a result we have a new government and a new Housing Minister. We would like to take this opportunity to congratulate our new Chief Minister, Kristina Moore, on her appointment to that office, and also to congratulate the new Housing Minister, David Warr, on his election success. We look forward to working with them both, as well as the rest of the States Assembly and their various officers.

Since his appointment we have been in regular communication with the new Housing Minister and we hope to welcome him to one of our meetings in early 2023. We welcome his announcement at the end of the year to lower the qualifying income limits for the Affordable Housing Gateway with effect from 1 January 2023 but would urge him to consider further changes to remove qualifying restrictions. There remains a significant "hidden" need for social rental accommodation and unless the criteria are properly and fully opened the exact need will not be known. Future decisions on new developments should be made with full knowledge of that need.

The new Housing Minister has re-commenced the Strategic Housing Partnership and we will do what we can to contribute fully to those discussions. It is to be hoped that this will lead to recommendations which can be implemented quickly.

Tragedy at Haut du Mont

In December 2022 a large explosion in a social rented housing block at Haut du Mont caused 10 deaths, large-scale damage to property and significant trauma to those nearby and to the family and friends of those affected. Our thoughts, wishes and prayers are with all of those affected and any assistance that we are able to provide can and will be given.

Acknowledgements

To:

Nigel Sweeny (our monitoring surveyor);
Marion Falle (our public relations consultant);
Steve Van Neste and his team at Brunel Management (our property managers);
Paul Fleming and the team at IQEQ (accountancy services);
Tanya Simao and her colleagues at Intertrust (secretarial services);
and, of course, my wonderful Trustees (see below).

Thank you all for your outstanding support and service to the Trust over many years and to me personally this year.

PHILIP LE CORNU
CHAIRMAN

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2022

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.

The Trustees of The Jersey Homes Trust:

Philip Le Cornu, Chairman;

Martyn Scriven, Deputy Chairman; Treasurer;

Frank Dearie, Secretary and Risk, Regulation and Compliance;

Chris Clarke, (Chartered Structural Engineer) Developments Director;

Ian Moore, (Chartered Accountant) Accountant;

Paul Labesse, (Chartered Building Surveyor) Estates Director.

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2022

Annual Benchmarking of Performance Indicators (2019 - 2021)
against Performance Indicators of UK Housing Associations (2020 -2021)

	UK Associations		Jersey Homes Trust		
	2020	2021	2021	2020	2019
Average stock per provider	12,367	12,845	842	842	842
Rent loss from void properties	1.50%	1.90%	0.07%	0.20%	0.00%
Average re-let time (days)*	not reported	not reported	4.47	17.68	0.32
Rental arrears at year end	4.90%	4.90%	0.37%	0.69%	0.14%
Bad debts	1.00%	0.70%	0.05%	0.32%	0.16%
Maintenance & Repairs per unit:					
Weekly	£39.78	£40.12	£46.17	£34.63	£42.40
Annual	£2,068	£2,086	£2,401	£1,801	£2,205
As percentage of Turnover	37.41%	36.84%	18.55%	14.32%	17.84%
Management cost per unit:					
Weekly	£23.14	£23.63	£22.96	£21.78	£21.44
Annual	£1,203	£1,229	£1,194	£1,132	£1,115
As percentage of Turnover	21.77%	21.71%	9.22%	9.01%	9.02%
Overall costs per unit:					
Weekly	£64.37	£64.46	£69.25	£57.21	£64.25
Annual	£3,347	£3,352	£3,601	£2,975	£3,341
As percentage of Turnover	60.54%	59.21%	27.82%	23.66%	27.03%

NOTES:

“Management cost” includes all administration costs, management fees, accountancy and audit fees, property insurances, P.I. insurance and legal & professional fees.

To achieve like-for-like and meaningful comparisons:

All costs are net of depreciation and impairment costs.

JHT costs are net of Foncier Rates (for which there is no UK equivalent).

Re-let time:

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

Sources:

The “2021 Global Accounts of private registered providers” published by the Regulator of Social Housing.

The independently audited Financial Statements of The Jersey Homes Trust and reports to Trustees by Managing Agents.

Unreported data in UK statistics:

Re-let times: last reported in 2010 as 33.2 days

See also the following information sheet.

JERSEY HOMES TRUST

CHAIRMAN'S REPORT

For the year ended 31 December 2022

Benchmarking of Performance Indicators and Costs; 2022 reporting.

- This exercise compares both the management performance and operating costs of the Trust with those of major UK housing associations, as well as with prior years' results of the Trust itself. As the UK Regulator has advised, higher costs may be the result of higher standards of maintenance. This is particularly relevant in recent years' reporting since, due to the Covid pandemic, planned renovations were first postponed in 2020, with a consequent reduction in overall costs, followed by a renewed resumption and some catching up at steeply higher costs in 2021, the year of review.
- The "Global Accounts of private registered providers", published by the Regulator of Social Housing, are the aggregated accounts of UK housing associations owning more than 1,000 social housing units, which account for over 95% of the sector. There were 209 such providers out of a total number of approximately 1,400 active providers. The results of the great majority of providers UK housing associations, with fewer than 1,000 units (into which category the Trust falls) are therefore not included.
- The UK Regulator reports that "Bad debts, void losses and current tenant arrears are key performance indicators in assessing the efficiency of letting and rent collection".

Headline costs; economies of scale

The UK Regulator has confirmed that larger associations benefit from economies of scale when comparing costs. The costs of associations with fewer than 1,000 units, which are excluded from the data set, would be expected to be higher than the costs reported in the Global Accounts. In the case of the Trust, with 842 units, strict like for like comparison is not therefore possible.

Average re-let time (days) and rental loss from void properties

These parameters normally achieve nil results by the challenging policy of re-letting homes "back-to-back" (the incoming tenant securing the home immediately on the departure of the tenant vacating) and also through carrying no vacant stock. Social distancing necessitated by Covid continued to have some, though reduced, impact on days lost during the year. The results achieved compare very favourably with those of UK providers, even in normal times.

Decent Homes Standard; Major Repairs

This parameter is no longer reported, since almost all UK stock now achieves the standard. The cost of repairs generally has now levelled in the UK, following the major repairs programs that achieved the standard throughout the sector, and current levels of maintenance costs in the UK continue to benefit.

Overall Cost per unit; Maintenance & Repairs

Overall costs exceed those of UK providers, entirely attributable to Maintenance and Repairs. It was reported that planned maintenance levels in the UK continued to be reduced by the effects of Covid. In the case of the Trust, some planned maintenance was resumed. A major planned maintenance program will certainly affect future results. It should be noted that the Trust operates in a cost environment very much higher than in the UK. As a percentage of turnover, the costs of the Trust remain very much lower than those in the UK.

Management Cost per unit

The Trust's management costs remain marginally lower than UK's costs. The cost of professional fees and insurance in Jersey are unavoidably higher than in the UK, as are salary levels. Economies of scale which benefit larger providers relate particularly to management costs. This is a most reassuring result.

Other providers

The Trust's Benchmarking is not suitable for comparison with the performance of UK local authority housing or with Andium Homes in Jersey.

JERSEY HOMES TRUST
CHAIRMAN'S REPORT
For the year ended 31 December 2022

The estates of The Jersey Homes Trust as at 1st January 2023

PROPERTY	Number of bedrooms					Total
	1	2	3	4	5	
Brooklands	1	11	3	-	-	15
Berkshire Court	113	-	-	-	-	113
Belle Vue	24	53	11	2	-	90
Clement Court	27	5	-	-	-	32
Clos Du Ruisseau	-	-	19	-	-	19
Cherry Grove	-	12	-	-	-	12
Le Grand Clos	14	6	27	7	-	54
Garrett Anderson House	37	3	-	-	-	40
Hameau de la Mer	18	3	-	-	-	21
Jardin de la Mare	-	-	29	-	-	29
John Wesley Apts	17	23	1	-	-	41
Kent Lodge	-	7	-	-	-	7
Le Coie	49	46	-	-	1	96
La Folie	3	29	1	-	-	33
Le Jardin Fleuri	-	4	12	-	-	16
La Roseaie	4	14	27	-	-	45
Milbrook Gardens	-	5	-	-	-	5
Maison St Nicolas	-	6	-	-	-	6
Parkside	1	6	8	2	2	19
Clos Le Gallais	-	2	11	-	-	13
5 St Clements Road	9	1	-	-	-	10
St Paul's Gate	-	17	-	-	-	17
St Saviour's Court	-	24	4	-	-	28
Victoria Place Group Home	-	-	-	-	1	1
Victoria Place	22	51	4	-	-	77
TOTALS	344	328	157	11	3	839
Berkshire Court Shop						1
Le Coie Commercial Units						2
Total						842

The Trust owns the freehold of all properties listed, which also includes 3 commercial units. All units listed are fully occupied.

JERSEY HOMES TRUST

TRUSTEES' REPORT

For the year ended 31 December 2022

The Trustees submit their annual report and the audited financial statements of the Jersey Homes Trust (the "Trust") for the year ended 31 December 2022.

Activities

The Trust is a Jersey Housing Association, registered in the Royal Court on 9 June 1995 as an association for the purposes of the law entitled "Lois (1862) sur les teneures en fideicommis 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 Statement of Comprehensive Income on page 16.

Trustees

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

Michael Van Neste stood down as Chairman on 11 January 2022 and was replaced as Chairman by Advocate Philip Le Cornu. Frank Dearie was appointed Secretary on 11 January 2022 in place of Advocate Philip Le Cornu who took over as Chairman.

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 comprising Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and in accordance with the Statement of Recommended Practice - Accounting by Registered Social Housing Providers 2018. 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 United Kingdom Accounting Standards including Financial Reporting Standard 102 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 9 June 1995 as amended, the most recent such amendment dated 4 August 2016.

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

For the year ended 31 December 2022

Key financial policies and strategies

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

The primary objective of the Trust is to provide social rented housing for Jersey residents in need. The creation of the Trust was fostered by the Housing Committee of the States of Jersey in accordance with their policy to support the development of social housing projects for the foreseeable future by housing trusts (Policy Guidelines No 4 issued December 1993).

The Trust has achieved its objective primarily through the development of new units of accommodation. Each development must be tailored for the needs of social housing tenants as well as meeting the design criteria of the Trustees as regards architectural appeal, sustainability and environmental considerations.

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.

- ***Rental policy***

In accordance with the rental policy approved by the States, from 1 January 2022 rentals for new tenancies are set at 80% of equivalent market rentals. The rentals for pre-existing tenancies are increased annually, subject to an overall cap not to exceed the 80% of market measure.

- ***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.

- ***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,
- pay for current or set aside for future property acquisitions, improvements, refurbishment or development, and
- provide working capital for the Trust.

All current cash surpluses are set aside, reserved or committed to cover current and projected expenditure, interest payments and for future loan repayments, as scheduled with funders.

- ***Trustees remuneration***

For the year ended 31 December 2022, compensation paid or payable to the Trustees was £110,500 (2021: £127,500).

JERSEY HOMES TRUST
TRUSTEES' REPORT
For the year ended 31 December 2022

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 12. 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

	2022	2021
<i>Under management</i>	Units	Units
One bedroom flats	338	338
Two bedroom flats	271	271
Three bedroom flats	19	19
Four bedroom flats	2	2
Five bedroom flats	4	4
One bedroom houses	1	1
Two bedroom houses	57	57
Three bedroom houses	138	138
Four bedroom houses	9	9
Other facilities	3	3
	842	842

Independent auditors

PricewaterhouseCoopers CI LLP have expressed their willingness to continue in office.

Access to these financial statements through the Trust's website

The maintenance and integrity of the trust's website is the responsibility of the trustees; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**JERSEY HOMES TRUST
TRUSTEES' REPORT
For the year ended 31 December 2022**

Risks and uncertainties

The Trustees consider that the key financial risks currently being managed by the Trust are as follows:

- (a) Sufficient funding for development projects is not achieved;
- (b) The funding terms available are less preferable than as projected/required;
- (c) Fiscal policy enacted by the States of Jersey leads to rental income being lower than that per the financial models; and
- (d) Improper management of the housing properties leads to maintenance costs being higher than that per the financial models.

The Trustees closely monitor the impact of the above risks including the financial modelling of sensitivity analysis on a number of scenarios. This assists to provide an “early warning mechanism” which enables informed decisions to be made by the Trustees.



Trustee
27 June 2023



Trustee

Independent auditor's report to the trustees of Jersey Homes Trust

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements of Jersey Homes Trust (the "trust") for the year ended 31 December 2022 have been properly prepared, in all material respects, in accordance with the accounting policies described in note 1 to the financial statements and the provisions of the Constitution of the Trust.

What we have audited

The trust's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in reserves for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the trust in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter - basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the trust to comply with the financial reporting provisions of the Constitution of the Trust. As a result, the financial statements may not be suitable for another purpose. This report, including the opinion, has been prepared for and only for the trustees as a body in accordance with the Constitution of the Trust 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.

Other information

The trustees are responsible for the other information. The other information comprises all the information included in the Annual report and financial statements but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the trustees for the financial statements

The trustees are responsible for the preparation of the financial statements in accordance with the Constitution of the Trust and the accounting policies in note 1 and for determining that the accounting policies are acceptable in the circumstances. 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.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers CI LLP

PricewaterhouseCoopers CI LLP
Chartered Accountants
Jersey, Channel Islands
29 June 2023

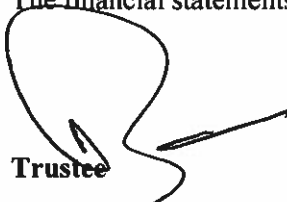
The maintenance and integrity of the trust's website is the responsibility of the trustees; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

JERSEY HOMES TRUST
STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

	Notes	31 December 2022		31 December 2021	
		£	£	£	£
Fixed assets					
Housing properties	5		<u>204,320,000</u>		<u>192,136,929</u>
Current assets					
Debtors and prepayments	6	561,967		421,929	
Balance at managing agents	12	605,498		666,497	
Cash at bank and in hand	7	<u>13,653,806</u>		<u>14,683,875</u>	
		<u>14,821,271</u>		<u>15,772,301</u>	
Creditors – amounts falling due within one year					
Bank loans	10	6,951,200		6,840,057	
Creditors	8	149,684		117,233	
Tenants' deposits	9	<u>17,214</u>		<u>18,164</u>	
		<u>7,118,098</u>		<u>6,975,454</u>	
Net current assets			<u>7,703,173</u>		<u>8,796,847</u>
Creditors – amounts falling due after more than one year					
Bank loans	10	53,791,508		60,742,707	
			<u>(53,791,508)</u>		<u>(60,742,707)</u>
Net assets			<u>158,231,665</u>		<u>140,191,069</u>
Trust fund					
Housing property revaluation reserve	11	87,563,498		72,263,226	
Retained reserves		<u>70,668,167</u>		<u>67,927,843</u>	
			<u>158,231,665</u>		<u>140,191,069</u>

The financial statements were approved by the Trustees on 27 June 2023 and are signed on their behalf by:


Trustee


Trustee

The notes on pages 20 to 33 form an integral part of these audited financial statements.

JERSEY HOMES TRUST
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022

	<i>Notes</i>	31 December 2022 £	31 December 2021 £
Income from property rentals	1	11,298,480	10,898,738
Property expenses		(2,779,346)	(2,146,552)
Provision for bad debts	6	<u>(13,852)</u>	<u>(5,044)</u>
Net property income		8,505,282	8,747,142
Operating expenses	3	<u>(1,098,259)</u>	<u>(1,005,203)</u>
Operating surplus before depreciation		7,407,023	7,741,939
Depreciation	5	<u>(3,221,634)</u>	<u>(3,220,851)</u>
Operating surplus		4,185,389	4,521,088
Interest income		134,193	1,595
Interest expense	4	<u>(1,579,258)</u>	<u>(746,904)</u>
Surplus on ordinary activities		2,740,324	3,775,779
Other comprehensive income			
Unrealised gain on revaluation of housing properties		15,300,272	-
Total comprehensive income for the year		<u>18,040,596</u>	<u>3,775,779</u>

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

The notes on page 20 to 33 form an integral part of these audited financial statements.

JERSEY HOMES TRUST
STATEMENT OF CHANGES IN RESERVES
For the year ended 31 December 2022

	Housing property revaluation reserve (note 11) £	Retained reserves £	Total trust fund £
At 31 December 2020	72,263,226	64,152,064	136,415,290
Surplus on ordinary activities	-	3,775,779	3,775,779
	<hr/>	<hr/>	<hr/>
At 31 December 2021	72,263,226	67,927,843	140,191,069
Surplus on ordinary activities	-	2,740,324	2,740,324
Unrealised gain on revaluation of housing properties	15,300,272	-	15,300,272
	<hr/>	<hr/>	<hr/>
At 31 December 2022	87,563,498	70,668,167	158,231,665

The notes on page 20 to 33 form an integral part of these audited financial statements.

JERSEY HOMES TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	31 December 2022		31 December 2021	
	£	£	£	£
Net cash inflow from operating activities (note 1)		7,279,868		7,821,409
Cash flow from investing activities				
Interest received	134,193		1,595	
Acquisition and construction of properties	(104,433)		(47,564)	
Net cash inflow/(outflow) from investing activities		29,760		(45,969)
Cash flow from financing activities				
Interest paid	(1,560,640)		(747,682)	
Loan principal repayments	(6,840,056)		(6,355,355)	
Net cash outflow from financing activities		(8,400,696)		(7,103,037)
(Decrease)/increase in cash in the year		(1,091,068)		672,403
Cash and cash equivalents at beginning of the year		15,350,372		14,677,969
Cash and cash equivalents at end of the year		14,259,304		15,350,372
Cash and cash equivalents consists of:				
Balance at managing agents		605,498		666,497
Cash at bank and in hand		13,653,806		14,683,875
Cash and cash equivalents		14,259,304		15,350,372

The notes on page 20 to 33 form an integral part of these audited financial statements.

JERSEY HOMES TRUST
STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

Note 1 to Statement of Cash Flows	31 December	31 December
Reconciliation of operating surplus to net cash inflow	2022	2021
from operating activities	£	£
Operating surplus	4,185,389	4,521,088
Depreciation	3,221,634	3,220,851
(Increase)/decrease in debtors and prepayments	(140,038)	47,656
Increase in creditors and tenants deposits	12,883	31,814
	<u>7,279,868</u>	<u>7,821,409</u>

Note 2 to Statement of Cash Flows	31 December	31 December
Reconciliation of net cash flow to movement in	2022	2021
net debt	£	£
(Decrease)/increase in cash at bank & held at agents	(1,091,068)	672,403
Loan principal repayments	<u>6,840,056</u>	<u>6,355,355</u>
Movement in net debt in the year	5,748,988	7,027,758
Opening net debt	<u>(52,232,392)</u>	<u>(59,260,150)</u>
Closing net debt	<u>(46,483,404)</u>	<u>(52,232,392)</u>

Note 3 to Statement of Cash Flows	1 Jan 2022	Cashflows	31 Dec 2022
Analysis of changes in net debt	£	£	£
Cash at bank & held at agents	<u>15,350,372</u>	<u>(1,091,068)</u>	<u>14,259,304</u>
Debt due after one year	(60,742,707)	6,951,199	(53,791,508)
Debt due within one year	<u>(6,840,057)</u>	<u>(111,143)</u>	<u>(6,951,200)</u>
	<u>(67,582,764)</u>	<u>6,840,056</u>	<u>(60,742,708)</u>
	<u>(52,232,392)</u>	<u>5,748,988</u>	<u>(46,483,404)</u>

The notes on page 20 to 33 form an integral part of these audited financial statements.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Principal accounting policies

The financial statements have been prepared in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102, the Financial Reporting Standard as applicable in the UK and Republic of Ireland (“FRS 102”), as adopted/deemed appropriate in accordance with the Constitution of the Trust and have been prepared, where appropriate, in accordance with the Statement of Recommended Practice - Accounting by Registered Social Housing Providers 2018 (the “SORP”), except for the valuation of the housing properties and accounting policies as selected by the Trustees. The Trust is a public benefit entity.

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 on a going concern basis under the historical cost convention, as modified by the revaluation of fixed assets. The level of rounding applied in these financial statements is to the nearest pound sterling (“GBP”).

The preparation of financial statements in conformity with FRS 102 and the SORP requires the use of accounting estimates and exercise of judgement by the Trustees while applying the Trust’s accounting policies. These estimates are based on the Trustees’ best knowledge of the events which existed at the date of the Statement of Financial Position; however, the actual results may differ from these estimates. The most significant areas impacted by estimates and assumptions are described on pages 23 & 24.

Going concern

The Trust remains compliant with its banking covenants and maintains a significant current asset surplus. The Trustees are satisfied that projected rental income is sufficient to service current debt repayments and have therefore authorised the preparation of these financial statements on a going concern basis.

Cashflow projections have been prepared for a period of 12 months from the date of approval of the financial statements and indicates sufficient liquidity to continue as a going concern.

Presentation and functional currency

The Trust’s functional and presentation currency is the GBP being the currency of the primary economic environment in which the Trust operates. The Trust does not enter into transactions in currencies other than the GBP.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position are comprised of demand deposits.

Rental income

Rental income is accounted for on an accruals basis and represents income from social lettings.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Principal accounting policies – continued

Other income and expenditure

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

Loan interest

Loan interest is accounted for on an accruals basis.

Loan interest expense on loans for properties held for letting are included in the Statement of Comprehensive Income. Loan interest expense (and any other related borrowing/transaction costs) on loans to finance property developments is capitalised up to the date that the development is completed.

Financial instruments

The Trust has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial assets

a. Debtors and impairments

Debtors are non-derivative assets with fixed or determinable payments, the majority of which is made up of rental income receivable. The Trust includes in this category short term receivables and prepayments. Trade debtors are subsequently measured at amortised cost less provision for impairment.

The Trust provides for bad debts on rental income when there are circumstances or events which indicate that the counterparty will be unable to settle the amount due to the Trust. This assessment is undertaken on an annual basis.

Impairment losses are recognised in the Statement of Comprehensive Income. Subsequent reversals of an impairment loss are recognised when the original impairment indicator no longer exist.

Financial liabilities

a. Creditors

Creditors are non-derivative liabilities with fixed or determinable payments. The Trust includes in this category short term payables which are expected to be realised within 12 months of the Statement of Financial Position date.

b. Bank loans

Bank loans and borrowings are initially recognised at the transaction price (including transaction costs), and are subsequently measured at amortised cost using the effective interest method.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Principal accounting policies – continued

Housing properties

Housing properties are valued at Existing Use Value for Social Housing (“EUV-SH”) on a regular basis to ensure the carrying value does not materially differ from the fair value. The aggregate surpluses or deficit on revaluation is the difference between the cost of the property less accumulated depreciation and the amount of the valuation. Revaluation surpluses are recognised in Other Comprehensive Income and accumulated in reserves (Housing property revaluation reserve). Works to existing properties will generally be capitalised under the following circumstances:

- a) Where a component of the housing property that has been treated separately for depreciation purposes and depreciated over its useful economic life is replaced or restored; and/or
- b) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed assets in excess of the previously assessed standard of performance. Such enhancement can occur if the improvements result in an increase in rental income, a material reduction in future maintenance costs or a significant extension of the life of the property.

Works to existing properties which fail to meet this criteria are charged to the Statement of Comprehensive Income. The major components are deemed to be land as well as those listed below.

Housing properties carried under construction are recorded at cost (Under construction) until such time whereby the housing property is no longer under construction and is available for letting, at which stage it will be valued on the EUV-SH basis (Held for letting).

Commercial units are valued at fair value (not on the EUV-SH basis) less subsequent depreciation and impairment. The Trust has classified the commercial units as property, plant and equipment (housing properties) as they are not held by the Trust for capital appreciation or rental income based on market rates. Furthermore, these units are integral to the social housing scheme of which they are a part of and were not acquired separately from the housing itself.

Depreciation of housing properties

Depreciation is charged on a straight line basis over the expected economic useful lives of each major component that makes up the housing property. On initial acquisition of a new housing property the deemed cost of each component is allocated as a percentage of the total cost. For housing properties transferred into held for letting, depreciation is charged when the property is available for use. The expected useful life of each component is as follows:

	Expected life (years)
Structure (including partitions, drainage, walls, floors, ceilings and stairs)	100
Windows and doors	30
Roof	70
Kitchens	20
Bathrooms	30
Wiring and electrical installations	40

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Principal accounting policies – continued

Depreciation of housing properties – continued

Plumbing and installations	30
Boilers	10 - 15
Lifts	25

Land that forms part of the housing property is not depreciated.

Annual reviews are undertaken to establish whether a charge needs to be made for any financial impairment that has arisen to reduce the value of any class of property to an amount less than historical cost and accumulated depreciation. Labesse & Co, Chartered surveyors, undertook a review of the property portfolio at January 2023. The Trustees have considered the impairment assessment prepared by Labesse & Co and concluded that no impairment is required.

Impairment of assets

Where indicators of impairment have been identified an impairment assessment is carried out and any required charges are recognised in the Statement of Comprehensive Income.

Impairment is calculated as the difference between the carrying value of income generating units and the estimated value in use at the date an impairment loss is recognised. Value in use represents the net present value of expected future cash flows from these units.

Retained reserves

The retained reserves are made up of accumulated surpluses generated on ordinary activities.

Critical accounting estimates and assumptions

The following are the key assumptions and estimates affecting the Trust:

a) Useful lives of tangible fixed assets

Tangible fixed assets are depreciated on a systematic basis based on the Trustees' best estimate of the asset's useful life. This estimate is based on a variety of factors such as the expected use, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

b) Impairment of assets

As previously disclosed, the Trustees undertook an impairment review on its properties. This impairment review takes into account 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 conditions of all of the properties owned by the Trust.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1. Principal accounting policies – continued

c) Categorisation of housing properties as property, plant and equipment

Under the requirements of the SORP, housing properties that are held for the provision of social housing must be treated as property, plant and equipment. All housing properties owned by the Trust are rented out to third parties in accordance with the rental policy approved by the States of Jersey (not charged on commercial rates) and the developments support the wider social housing community within the Island of Jersey. Given this, and the fact that the Trust is a not-for-profit body, the Trustees have determined that the Trust's properties meet the definition of property, plant and equipment and have been accounted for as such.

d) Valuation of housing properties

The Trust carries its housing properties on an EUV-SH basis using the latest valuation produced by an external valuer less accumulated depreciation less impairment. Any revaluation losses or gains are then recognised within other comprehensive income and accumulated in reserves (housing property revaluation reserve).

In line with the Trust's valuation policies adopted by the Trustees, the housing properties are subject to an external valuation every 3 years, or earlier as deemed appropriate by the Trustees, taking into account the following factors, but not limited to:

- The Housing price index in general within Jersey (including the demand for Socially rented properties);
- Any significant capital expenditures/enhancements on the held for letting properties;
- Any impairment indicators;
- The increase in rental income year on year.

The Trust's housing properties were valued as at 31 December 2022 by independent professionally qualified valuers who hold a recognised professional qualification and have experience in the properties valued. The Trustees review the valuations performed by the independent valuers for financial reporting purposes.

2. Taxation

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

3. Operating expenses

	2022	2021
	£	£
Property management fees (note 12)	655,874	585,645
Trustee remuneration	110,500	127,500
Audit fees	31,890	28,075
Administration and accountancy fees	90,931	71,242
Insurance	171,945	158,166
Legal and professional fees	25,345	32,914
Bank charges	1,774	1,661
Consultancy fees	10,000	-
	<u>1,098,259</u>	<u>1,005,203</u>

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

4. Interest expense

	2022 £	2021 £
Interest expense on loans attributable to housing properties	<u>1,579,258</u>	<u>746,904</u>

5. Housing properties

	Held for letting £	Under construction £	Total housing properties £
31 December 2022			
At 1 January 2022	192,136,929	-	192,136,929
Additions	104,433	-	104,433
Depreciation	(3,221,634)	-	(3,221,634)
Unrealised gain on revaluation of housing properties	15,300,272	-	15,300,272
	<u>204,320,000</u>	<u>-</u>	<u>204,320,000</u>
At 31 December 2022			
	Held for letting £	Under construction £	Total housing properties £
31 December 2021			
At 1 January 2021	195,310,216	-	195,310,216
Additions	47,564	-	47,564
Depreciation	(3,220,851)	-	(3,220,851)
	<u>192,136,929</u>	<u>-</u>	<u>192,136,929</u>
At 31 December 2021			

Valuations were carried out as at 31 December 2022 by Jones Lang LaSalle Limited (“JLL”) (an independent valuer) using the discounted cash flow method. The discounted cashflow calculation is a valuation of rental income and/or sale values per square foot considering non-recoverable costs and applying a discount rate to income over a period of years depending on the secured leases. The valuations were prepared using the EUV-SH (apart from the commercial units), as required by the SORP. The commercial units were valued using a rent and yield approach. The total of this valuation was £204,320,000.

The valuation was prepared in accordance with the RICS Valuation Standards (the “Red Book”). In undertaking the valuation, JLL adopted the International Accounting Standards Board’s definition of Fair Value in FRS 102 as ‘the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date’.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

5. Housing properties - continued

Housing properties owned are used as security against the borrowings of the Trust. For further details see note 10.

6. Debtors and prepayments

	2022 £	2021 £
Current rentals due	358,086	295,294
Insurance prepaid	85,708	78,135
Other debtors and prepayments	<u>118,173</u>	<u>48,500</u>
	<u>561,967</u>	<u>421,929</u>

During the year the Trust provided for net bad debts in respect of current rentals due of £13,852 (2021: £5,044).

7. Cash at bank and in hand

	2022 £	2021 £
Cash at bank	<u>13,653,806</u>	<u>14,683,875</u>

As at 31 December 2022, all cash and cash equivalents were held in bank accounts at Barclays Private Clients International Limited and Lloyds Bank Plc.

8. Creditors

	2022 £	2021 £
Loan interest payable	25,009	6,391
Other – property related	300	275
Other – non-property related	<u>124,375</u>	<u>110,567</u>
Creditors due in less than one year	<u>149,684</u>	<u>117,233</u>

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

9. Tenants' deposits

This amount of £17,214 represents deposits received from tenants (2021: £18,164). All deposits have been discontinued and are in the process of being repaid to the tenants.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Bank loans

	2022		2021	
	£	£	£	£
Repayable in less than 1 year		6,951,200		6,840,057
Repayable in 1 to 2 years	7,404,273		6,951,200	
Repayable in 2 to 5 years	30,350,562		21,400,534	
Repayable in 5 years or more	16,036,673		32,390,973	
		53,791,508		60,742,707
		60,742,708		67,582,764

On 15 March 2014, the Trustees entered into a Bond, Billets and Variation agreement with Barclays Bank Plc which allows for the cross collateralisation of existing loans that Barclays Bank Plc have with a charge over various properties, subject to a cap of £90,000,000. On 29 September 2017, the cap on the Bond, Billets and Variation agreement was increased to £110,000,000. This includes all developments with the exception of Le Coie, Le Grand Clos, Hameau de La Mer and Garrett Anderson House.

On 13 February 2006 and 27 October 2015, the Trustees entered into a registered bond with Lloyds Bank Plc valued at £8,600,000 and £12,250,000 respectively in respect of the Le Coie and Le Grand Clos developments.

All of the loans are from Barclays Bank Plc or Lloyds Bank Plc. The rate of interest incurred on each of the Barclays Bank Plc loans in the prior year amounted to LIBOR + 0.75% (apart from the 2017 facility with Barclays Bank Plc which suffered interest at LIBOR + 1.85% in the prior year). Due to the cessation of LIBOR as an available rate, from 1 January 2022 the Barclays Bank Plc loans incurred interest at a similar margin over the Banks Base Rate plus an applicable Credit Adjustment Spread. The rate of interest incurred on the Lloyds Bank Plc loans was and continues to amount to the Banks Base Rate + 0.75%.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Bank loans – continued

A summary of the current loans outstanding is shown below. All are repayable in accordance with agreed repayment schedules.

2022	Original facility	Repayments to date	Loan amount outstanding	Repayable in less than 1 year	Repayable in 1 to 2 years	Repayable in 2 to 5 years	Repayable in 5 years or more
Loans							
BARCLAYS Long term loans							
Victoria Place	12,500,000	(6,489,454)	6,010,546	819,368	889,233	3,128,874	1,173,071
Belle Vue	11,865,000	(9,536,758)	2,328,242	1,066,895	1,150,172	111,175	
Kent Lodge	880,000	(760,042)	119,958	83,456	36,502		
St Clements Road	1,200,000	(797,997)	402,003	93,424	100,994	207,585	
St Saviours Court	3,800,341	(3,765,158)	35,183	35,183			
Jardin Fleuri	3,240,000	(1,906,421)	1,333,579	231,404	250,614	851,561	
La Roseraie	8,287,000	(3,796,848)	4,490,152	498,933	542,639	1,916,615	1,531,965
Berkshire Court	13,380,000	(6,077,234)	7,302,766	800,499	870,761	3,076,414	2,555,092
John Wesley	6,000,000	(2,712,155)	3,287,845	357,725	389,158	1,375,114	1,165,848
Parkside	3,200,000	(1,408,587)	1,791,413	187,180	203,726	720,501	680,006
La Folie	3,670,000	(622,501)	3,047,499	213,629	230,486	801,620	1,801,764
Clement Court	4,300,000	(2,445,632)	1,854,368	304,140	329,547	1,156,257	64,424
Clos le Gallais	2,275,530	(484,385)	1,791,145	103,733	117,349	444,873	1,125,190
Clos Du Ruisseau	3,378,454	(666,893)	2,711,561	144,050	163,429	622,481	1,781,601
2017 Barclays Facility	15,000,000	(2,437,500)	12,562,500	750,000	750,000	11,062,500	
TOTAL	92,976,325	(43,907,565)	49,068,760	5,689,619	6,024,610	25,475,570	11,878,961

During the current year the loan in relation to Cherry Grove had its final repayment and is now repaid in full.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Bank loans – continued

LLOYDS Long term loans								
Le Grand Clos	8,519,064	(1,860,450)	6,658,614	389,773	440,810	1,670,349	4,157,682	
Le Coite	12,250,000	(7,234,666)	5,015,334	871,808	938,853	3,204,673		
TOTAL	20,769,064	(9,095,116)	11,673,948	1,261,581	1,379,663	4,875,022	4,157,682	
TOTAL OUTSTANDING BORROWINGS			60,742,708	6,951,200	7,404,273	30,350,592		16,036,643

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Bank loans – continued

2021	Original facility	Repayments to date	Loan amount outstanding	Repayable in less than 1 year	Repayable in 1 to 2 years	Repayable in 2 to 5 years	Repayable in 5 years or more
Loans							
BARCLAYS Long term loans							
Victoria Place	12,500,000	(5,736,058)	6,763,942	753,396	819,368	2,893,875	2,297,303
Belle Vue	11,865,000	(8,548,616)	3,316,384	988,142	1,066,895	1,261,347	
Cherry Grove	1,440,839	(1,326,788)	114,051	114,051			
Kent Lodge	880,000	(682,692)	197,308	77,350	83,456	36,502	
St Clements Road	1,200,000	(711,727)	488,273	86,270	93,424	308,579	
St Saviours Court	3,800,341	(3,444,794)	355,547	320,364	35,183		
Jardin Fleuri	3,240,000	(1,693,165)	1,546,835	213,256	231,404	813,996	288,179
La Roseaie	8,287,000	(3,339,168)	4,947,832	457,680	498,933	1,769,485	2,221,734
Berkshire Court	13,380,000	(5,343,050)	8,036,950	734,184	800,499	2,839,875	3,662,392
John Wesley Parkside	6,000,000	(2,384,096)	3,615,904	328,059	357,725	1,269,292	1,660,828
La Folie	3,200,000	(1,237,023)	1,962,977	171,564	187,180	664,784	939,449
Clement Court	3,670,000	(424,885)	3,245,115	197,616	213,629	745,595	2,088,275
Clos le Gallais	4,300,000	(2,165,491)	2,134,509	280,141	304,140	1,070,854	479,374
Clos Du Ruisseau	2,275,530	(393,261)	1,882,269	91,124	103,733	397,272	1,290,140
2017 Barclays Facility	3,378,454	(540,783)	2,837,671	126,110	144,050	554,684	2,012,827
	15,000,000	(1,687,500)	13,312,500	750,000	750,000	2,250,000	9,562,500
TOTAL	94,417,164	(39,659,097)	54,758,067	5,689,307	5,689,619	16,876,140	26,503,001

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Bank loans – continued

LLOYDS Long term loans								
Le Grand Clos	8,519,064	(1,517,943)	7,001,121	342,507	389,773	1,491,937	4,776,904	
Le Coite	12,250,000	(6,426,424)	5,823,576	808,243	871,808	3,032,456	1,111,069	
TOTAL	20,769,064	(7,944,367)	12,824,697	1,150,750	1,261,581	4,524,393	5,887,973	
TOTAL OUTSTANDING BORROWINGS			67,582,764	6,840,057	6,951,200	21,400,533	32,390,974	

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

11. Housing property revaluation reserve

	2022 £	2021 £
Opening balance	72,263,226	72,263,226
Unrealised gain on revaluation of housing properties	<u>15,300,272</u>	<u>-</u>
Closing balance	<u>87,563,498</u>	<u>72,263,226</u>

Valuations have been carried out as at 31 December 2022 by JLL (an independent valuer) using the discounted cash flow method. The valuations have been prepared using the EUV-SH (apart from the commercial units), as required by the SORP. The commercial units have been valued using a rent and yield approach.

The housing property revaluation reserve is unrealised and is therefore not available for distribution.

12. Related parties

The following are related parties as defined by Section 33 of FRS 102:

(a) The Trustees

Remuneration paid to the Trustees during the year ended 31 December 2022 amounted to £110,500 (2021: £127,500) of which nil was outstanding at the current and prior year end.

(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 5.25% (2021: 4.75%) of rental income received plus reimbursement for certain sundry expenses incurred. Brunel also receives an additional fee of £5,500 per calendar month for providing CEO consultancy services to the Trust. The total amount payable for all services during the year was £655,874 (2021: £585,645) of which £80,169 (2021: £71,517) remained outstanding and is included in creditors. Brunel maintains a segregated bank account on behalf of the Trust for the collection of rental and payment of property expenses. At 31 December 2022, this balance was £605,498 (2021: £666,497).

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

Labesse & Co. act as the Trust’s surveyors. During the year ended 31 December 2022, £12,600 (2021: £12,600) was payable to Labesse & Co. none of which was outstanding at the year end (2021: nil).

(d) Cranham Investments Limited through its relationship with Mr M C Van Neste

In 2021 the Trustees approved a small contract to lease storage space from Cranham Investments Limited at an annual rental of £4,680. Mr M C Van Neste is a Director of and shareholder in Cranham Investments Limited.

JERSEY HOMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

13. Capital commitments

The Trust had no capital commitments at the current or prior year reporting date.

14. Ultimate controlling party

The controlling parties of the Trust as defined by Section 33 of FRS 102 are the Trustees of the Trust, whose only benefits are as outlined in the Constitution and in note 3 and 12 above.

15. Subsequent events

There are no subsequent events to report.