

**LES VAUX HOUSING TRUST**  
**(INCORPORATED IN JERSEY, CHANNEL ISLANDS)**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
TRUST INFORMATION**

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|----------------------|--|
| <b>Incorporation</b> | The Trust is a Jersey Association incorporated under the Loi (1862) sur les teneures en fideicommiss et l'incorporation d'associations (as amended 1963) |
| <b>Chairman</b>      | F Le Gresley   |
| <b>Treasurer</b>     | D J P Thérézien  |
| <b>Secretary</b>     | J A Le Fondré  |
| <b>Members</b>       | F Le Gresley<br>D J P Thérézien<br>J A Le Fondré<br>M J Le Boutillier<br>G Ramskill<br>T G Hart<br>G Hutchison   |
| <b>Auditors</b>      | Alex Picot, Chartered Accountants<br>95-97 Halkett Place<br>St Helier<br>Jersey<br>JE1 1BX   |

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# LES VAUX HOUSING TRUST

## CONTENTS

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|                                      | Page    |
|--------------------------------------|---------|
| Contents                             | 1       |
| Structure, Governance and Management | 2 - 4   |
| Members' report                      | 5 - 6   |
| Chairman's report                    | 7 - 8   |
| Independent Auditor's report         | 9 - 10  |
| Property revenue account             | 11 - 12 |
| Balance sheet                        | 13      |
| Cash flow statement                  | 14      |
| Statement of changes in reserves     | 15      |
| Notes to the accounts                | 16 - 24 |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
STRUCTURE, GOVERNANCE AND MANAGEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Incorporation and Objectives**

The Trust was incorporated under the Laws of Jersey, Channel Islands on 8<sup>th</sup> December 1989.

The principal objects of the Trust are to provide residential accommodation primarily though not necessarily or exclusively by way of rented accommodation, to persons in Jersey in need of such accommodation and to assist, financially or otherwise, such persons.

The registered office of the Trust is:

c/o I C N Toole & Co.  
Augres House  
16 Dumaresq Street  
St Helier  
Jersey  
JE2 3RL

The Trust also maintains a website whose address is:

<http://www.lesvauxhousingtrust.org.je>

**Members**

The number of Members shall never be less than five and never more than seven.

The Members are responsible for the management of the Trust and are appointed for an indeterminate length of time. A Member shall *ipso facto* lose his membership:-

- (i) upon his death;
- (ii) if he becomes of unsound mind or becomes bankrupt within the meaning of Article 13 of the Interpretation (Jersey) Law 1954;
- (iii) if he sends his written resignation to the Trust;
- (iv) if he ceases to be resident in Jersey;
- (v) if he be removed by a resolution passed by a simple majority of those Members present and voting at a Meeting of the Trust

The Chairman of the Trust shall be chosen by the Members from amongst their number and for such period as they shall determine.

The Members shall also appoint any one of their number or any third party to be Treasurer of the Trust and any one of their number or any third party to be Secretary of the Trust; such appointments to be upon such terms (honorary or otherwise) and for such periods as the Members shall in their absolute discretion determine.

The Members who have served during the year were:

**F Du H Le Gresley (Chairman)**  
**D J P Thérézien (Treasurer)**  
**J A Le Fondré (Secretary)**  
**M J Le Boutillier**  
**G Ramskill**  
**T G Hart**  
**G Hutchison**

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
STRUCTURE, GOVERNANCE AND MANAGEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Property and Tenant Administration**

The Members have entered into an agreement with Voisin-Hunter Limited for the management and administration of the Trust's properties, including their maintenance, dealing with the Trust's tenants and the collection of rental income.

**Accountancy Services**

The Members have entered into an agreement with I C N Toole & Co Limited for the provision of accounting services to the Trust.

**Property Portfolio**

As at 31 December 2017, the Trust's property portfolio consisted of 341 units of residential accommodation, a retail supermarket and 3 commercial shop units made up as follows:

**Troy Court, St Helier**

|    |                     |
|----|---------------------|
| 16 | One bedroom flats   |
| 48 | Two bedroom flats   |
| 16 | Three bedroom flats |

**Vale Court, St Helier**

|   |                   |
|---|-------------------|
| 8 | Studio flats      |
| 8 | One bedroom flats |

**Landscape Grove, St Helier**

|    |                   |
|----|-------------------|
| 8  | Studio flats      |
| 32 | One bedroom flats |

**St Saviour's Crescent, St Saviour**

|    |                   |
|----|-------------------|
| 8  | One bedroom flats |
| 10 | Two bedroom flats |

**Leonard Norman Close, St Saviour**

|   |                     |
|---|---------------------|
| 4 | One bedroom flats   |
| 7 | Two bedroom flats   |
| 1 | Three bedroom house |

**Berry House, St Helier**

|   |                   |
|---|-------------------|
| 3 | One bedroom flats |
| 2 | Two bedroom flats |

**John Le Fondré Court, St Helier**

|    |                   |
|----|-------------------|
| 15 | One bedroom flats |
| 3  | Two bedroom flats |

**LES VAUX HOUSING TRUST  
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STRUCTURE, GOVERNANCE AND MANAGEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Perquage Court, St Lawrence**

36 One bedroom flats  
36 Two bedroom flats

**David Moon House Court, St Helier**

26 One bedroom flats

**16-25 Clos Lempriere, St Clement**

10 Three bedroom houses

**La Mabonnerie, Trinity**

1 House (group home)

**12 Clos de la Ville, St Helier**

1 House (group home)

**Jardin de Haut, St Mary**

14 Two bedroom bungalows

**Ville Vautier, St Ouen**

6 One bedroom flats  
12 Three bedroom houses  
1 Four bedroom house

**Mourant Lodge, Trinity**

1 House (group home)

**Grands Vaux Court, St Helier**

1 One bedroom flat  
7 Two bedroom flats  
1 Retail supermarket  
3 Commercial shop units

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Statement of members' responsibilities**

According to the constitution of the Trust, it is the responsibility of the members to prepare accounts. In preparing the accounts the members should -

- ensure that the accounts are in accordance with generally accepted accounting principles and show a true and fair view of the surplus or deficit of the Trust for the year and of the state of affairs of the Trust at the end of the year;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the Trust will continue in business.

The members confirm they have complied with all the above requirements in preparing the accounts.

The members are responsible for keeping accounting records which are sufficient to show and explain the Trust's transactions and are such as to disclose with reasonable accuracy, at any time, the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The members are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website.

So far as the members are aware, there is no relevant audit information of which the Trust's auditors are unaware, and each member has taken all steps that he or she ought to have taken as a member 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.

**Business objectives and strategies**

The principal objective of the Trust is to provide social rented housing to the residents of Jersey.

The Trust's tenants are mainly allocated through the Affordable Housing Gateway, a joint waiting list for all the Social Housing Providers. Whilst we are supportive for the criteria for inclusion on this list, we are still an independent charity. Therefore, the Members have reserved the right, in exceptional circumstances, to determine if a potential tenant should be housed by the Trust, notwithstanding that they do not meet the strict criteria of the Affordable Housing Gateway.

We meet with the Trustees of other Housing Trusts on a regular basis to discuss items of mutual interest. We also meet with the Management of the Strategic Housing Unit of the Chief Minister's Department to keep abreast of proposed changes in social housing and to discuss with them our Plans and Goals as we progress. We have also met with the Housing Minister, to share our view of the difficulties and the opportunities around providing affordable accommodation.

The Trust has been generating cash flow surpluses; these will be needed to meet future loan repayment commitments and to invest in new housing units. The long-term projection for the Trust shows that is financially viable. The management agents frequently attend our properties and estates, making themselves available to our tenants. The Members also visit our sites at least once a year so that tenants can let them know of any concerns they may have in person.

The Members believe they are meeting the objective of the Trust and are responsible landlords.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Internal financial control**

The Members 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 11. The Trust is therefore dependent upon the financial controls of these third parties.

The Members receive regular reports from the property manager in respect of all of the Trust's properties.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**General overview**

In March 2017 the Trust invited tenders from local building contractors for the main contract works for the Phase 1 demolition and re-build of Troy Court. The Trustees decided to enter into a contract with ROK Construction Limited and the official commencement date was 3rd July 2017 with completion due by the 9th April 2019. Despite a very wet winter, works are on programme. Phase 1 will deliver 31 one bed units, 20 two bed units, and 9 three bed units. Of the existing Troy Court residents 63 households are considered eligible for one of the new flats. Our managing agents, Voisin-Hunter, will be working to help re-house those tenants whose housing needs are not met from the mix of housing units available in Phase 1.

In April the Trust purchased the freehold of the property Grands Vaux Court for a consideration of £2.65 million. The property is a mix of commercial, retail and residential units situated in Grands Vaux, immediately to the east of Troy Court. The residential units consist of 7 two bed units and 1 one bed unit. There are three commercial units, each measuring just under 350 sqft and tenancies are in place for all three units. The retail unit is 1,681 sqft and has a store measuring 869 sqft. SandpiperCI Limited have entered into a fifteen year contract lease with the Trust for the retail unit and store at a commencing rental of £58,105 per annum.

Following a number of insurance claims for water damage caused by leaks from hot water cylinders in some of our properties the Trustees decided to replace the hot water cylinders in the flats at John Le Fondre Court, Berry House and David Moon House and also in the houses at Clos Lempriere and Westview at a cost of £823 per unit. The manufacturer of the faulty batch of hot water cylinders has refused to accept any liability.

Other significant maintenance work carried out during 2017 included re-felting of garage roofs at Landscape Grove, new tarmac outside the garages and external re-decoration; external re-decoration of Perquage Court; artificial grass installed in small front gardens at Westview and re-decoration of the bungalows at Jardin de Haut.

I would like to thank all the team at Voisin-Hunter who look after the Trust's residential units and make sure that the needs of our tenants are responded to promptly and courteously. At the annual meeting of tenants' representatives with the Trustees held in September it was re-assuring to hear how complimentary the representatives were about the individual officers from Voisin-Hunter who are their first point of contact. I would also like to thank Teresa Cracknell for preparing minutes of meetings and generally providing secretarial support to the Trust.

We remain one of the last social housing trusts to have no paid trustees or directly employed paid officers. This means that the Trustees give a significant amount of voluntary hours to conduct the affairs of the Trust. I am very grateful for their support in what has been a busy year for the Trust.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Financial performance and position**

Rents receivable increased by £55,248 mainly due to the acquisition of Grands Vaux Court and a rent increase of 2% with effect from 1st November. We have continued with our policy of applying cost of living increases only, with the exception of Troy Court where rents went up by 1.5%.

As at the 31st December we had total rent arrears of £79,011 whilst current arrears stood at £61,005, this equates to 1.9% of current rent. Our Bad Debt Provision is £47,980.

The total figure for repairs and maintenance in 2017 was £397,614, an increase of £95,050 when compared to 2016, which was mainly attributable to the unforeseen cost of replacing hot water cylinders mentioned in the General Overview.

There were 10 tenant movements during the period 1st July to 31st December in addition to 7 internal transfers. Loss of rent due to voids during this period amounted to £6,742, equivalent to 0.39% of total available rents. Voisin-Hunter are now producing half yearly reports in January and July to fit in with our annual reporting so that we can provide a more comprehensive breakdown of tenant movements, voids and rent arrears going forward.

We currently have an overdraft facility of £3m with our main bankers which is being drawn on to fund the building works at Troy Court. This will be replaced in 2018 with a term loan arrangement which will consolidate all our other borrowings. As at the 31st December 2017 the overdraft balance stood at £1,090,675. We are grateful for the support of RBSI/NatWest in helping us to deliver quality homes for rental by Jersey residents.

**Principal risks and uncertainties**

There is currently a boom in house and office building in Jersey which means that estimating the cost of Phase 2 of our Troy Court development will be difficult. It is likely that there will be a smaller number of major contractors available to tender given existing contracts.

At the end of last year we instructed a local firm of surveyors to carry out a condition survey of Perquage Court. This estate consists of 6 blocks of 12 flats built in the 1950's. The report will define the nature of any required maintenance work (statutory, lease, Decent Homes Standard, etc.) and recommend timescale based on a 5 year planned maintenance regime. This report has now been received and where the condition ratings have been assessed as failed, the Trustees have instructed Voisin-Hunter to obtain quotes. This expenditure is not currently budgeted for and the Trustees need to decide on the long term future of this estate.

With the election of a new States of Jersey in May 2018 it will be important that independent housing trusts remain part of the solution to providing social housing in Jersey. We do not know if the post of Minister for Housing will be retained in the new ministerial set up. We were pleased that the States rejected the former Minister's proposals for regulation of social housing providers but remain open to discussions on regulation by contract.

**F Le Gresley**

13 September 2018

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LES VAUX HOUSING TRUST**

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**Report on the audit of the accounts**

**Opinion**

We have audited the financial statements of Les Vaux Housing Trust (the "Trust") for the year ended 31 December 2017 which comprise the Property Revenue Account, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation are the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements give a true and fair view of the state of the Trust's affairs as at 31 December 2017 and of its surplus for the year then ended in accordance with United Kingdom Accounting Standards.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Members are responsible for the other information. 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LES VAUX HOUSING TRUST**

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**Responsibilities of the Members**

As explained more fully in the Members' responsibilities statement set out on page 5, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members 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 Members 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 Members 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

This report is made solely to the Trust's Members, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Trust's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Members as a body, for our audit work, for this report, or for the opinions we have formed.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Alex Picot, Chartered Accountants**  
95-97 Halkett Place  
St Helier  
Jersey  
JE1 1BX

**Date** 18 September 2018

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
PROPERTY REVENUE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

|   |         | 2017                        |         | 2016                        |
|---|---------|-----------------------------|---------|-----------------------------|
|   | £       | £                           | £       | £                           |
| <b>Income</b>   |         |                             |         |                             |
| Rent receivable                                       |         | 3,311,865                   |         | 3,256,617                   |
|   |         | <u>                    </u> |         | <u>                    </u> |
| <b>Management expenses</b>                            |         |                             |         |                             |
| Management fees                                       | 144,692 |                             | 143,921 |                             |
| Professional fees                                     | 7,236   |                             | 14,196  |                             |
| Sundry  | 614     |                             | 1,754   |                             |
|   |         | <u>                    </u> |         | <u>                    </u> |
|   |         | 152,542                     |         | 159,871                     |
| <b>Repairs and maintenance</b>                        |         | 397,614                     |         | 302,564                     |
| <b>Service costs</b>                                  |         |                             |         |                             |
| Rates   | 44,479  |                             | 39,330  |                             |
| Insurance   | 52,737  |                             | 44,694  |                             |
| Heat, light and water                                 | 51,219  |                             | 53,889  |                             |
| Cleaning  | 48,950  |                             | 46,471  |                             |
| Amortisation  | 3       | 1,836                       |         | 1,836                       |
|   |         | <u>                    </u> |         | <u>                    </u> |
|   |         | 199,221                     |         | 186,220                     |
| <b>Total property expenses</b>                        |         | <u>749,377</u>              |         | <u>648,655</u>              |
| <b>Net income from properties before depreciation</b> |         | 2,562,488                   |         | 2,607,962                   |
| Depreciation  | 4       | <u>327,582</u>              |         | <u>281,900</u>              |
| <b>Net income from properties</b>                     |         | 2,234,906                   |         | 2,326,062                   |

...continued overleaf

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
PROPERTY REVENUE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

|   | 2017                     | 2016                     |
|---|--------------------------|--------------------------|
|   | £                        | £                        |
| <b>Net income from properties (brought forward)</b> | 2,234,906                | 2,326,062                |
| Interest on loans attributable to the property      | 255,283                  | 328,861                  |
|   | <u>255,283</u>           | <u>328,861</u>           |
| <b>Net surplus after interest charge</b>            | 1,979,623                | 1,997,201                |
| Interest receivable                                 | 102                      | 6,904                    |
| Other income  | 12,129                   | -                        |
|   | <u>1,991,854</u>         | <u>2,004,105</u>         |
| <b>Other expenditure</b>                            |                          |                          |
| Audit   | 6,500                    | 6,400                    |
| Accountancy   | 31,600                   | 27,150                   |
| Administration and secretarial costs                | 17,944                   | 12,944                   |
| Professional indemnity insurance                    | 1,157                    | 1,158                    |
| Professional fees - general                         | 937                      | -                        |
| Bad debts   | 11,314                   | 12,248                   |
| General insurance                                   | 1,293                    | -                        |
| Bank overdraft interest and charges                 | 1,672                    | 179                      |
| General expenses                                    | -                        | 1,240                    |
|   | <u>72,417</u>            | <u>61,319</u>            |
| <b>Total surplus for the year</b>                   | <u><u>£1,919,437</u></u> | <u><u>£1,942,786</u></u> |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
BALANCE SHEET  
AS AT 31 DECEMBER 2017**

|  | Notes | 2017             |                    | 2016             |                    |
|--|-------|------------------|--------------------|------------------|--------------------|
|  |       | £                | £                  | £                | £                  |
| <b>Fixed assets</b>  |       |                  |                    |                  |                    |
| Intangible assets  | 3     |                  | 47,436             |                  | 11,254             |
| Tangible assets (owned)  | 4     |                  | 28,781,653         |                  | 23,741,901         |
|  |       |                  | <u>28,829,089</u>  |                  | <u>23,753,155</u>  |
| <b>Current assets</b>  |       |                  |                    |                  |                    |
| Debtors  | 5     | 184,824          |                    | 105,857          |                    |
| Cash at bank and in hand                                       |       | -                |                    | 2,588,643        |                    |
|  |       | <u>184,824</u>   |                    | <u>2,694,500</u> |                    |
| <b>Creditors: amounts falling due within one year</b>          | 7     | <u>3,463,949</u> |                    | <u>549,628</u>   |                    |
| <b>Net current (liabilities)/assets</b>                        |       |                  | <u>(3,279,125)</u> |                  | <u>2,144,872</u>   |
| <b>Total assets less current liabilities</b>                   |       |                  | 25,549,964         |                  | 25,898,027         |
| <b>Creditors: amounts falling due after more than one year</b> | 8     |                  | <u>9,594,500</u>   |                  | <u>11,862,000</u>  |
|  |       |                  | <u>£15,955,464</u> |                  | <u>£14,036,027</u> |
| <b>Reserves</b>  |       |                  |                    |                  |                    |
| Property revenue reserve                                       |       |                  | 8,406,147          |                  | 7,431,292          |
| Property redevelopment reserve                                 |       |                  | 6,000,000          |                  | 5,000,000          |
| Cyclical maintenance reserve                                   |       |                  | <u>1,549,317</u>   |                  | <u>1,604,735</u>   |
|  |       |                  | <u>£15,955,464</u> |                  | <u>£14,036,027</u> |

We approve these accounts and confirm that we have made available all relevant information for their preparation. The accounts were approved by the members on 13 September 2018 and were signed on their behalf by:

**F Le Gresley**  
Chairman

**D J P Thérézien**  
Treasurer

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

|   | 2017<br>£           | 2016<br>£         |
|---|---------------------|-------------------|
| <b>Cash flow from operating activities</b>                                |                     |                   |
| Operating surplus   | 1,919,437           | 1,942,786         |
| Depreciation and amortisation   | 329,418             | 283,736           |
| Interest payable  | 255,283             | 328,861           |
| Interest receivable   | (102)               | (6,904)           |
| (Increase)/decrease in debtors  | (78,967)            | (7,929)           |
| (Decrease) in other creditors and accruals                                | 14,099              | (1,235)           |
| <b>Net cash inflow from operating activities</b>                          | <b>2,439,168</b>    | <b>2,539,315</b>  |
| Interest paid   | (255,746)           | (333,713)         |
| Interest received   | 102                 | 6,904             |
| <b>Net cash outflow for returns on investing and servicing of finance</b> | <b>(255,644)</b>    | <b>(326,809)</b>  |
| <b>Capital expenditure and financial investment</b>                       |                     |                   |
| Purchase of tangible fixed assets   | (5,368,334)         | (504,631)         |
| Purchase of decennial insurance policy                                    | (38,018)            | -                 |
| Disposal of tangible fixed assets   | 1,000               | 1,800             |
| <b>Net cash outflow for capital expenditure and financial investment</b>  | <b>(5,405,352)</b>  | <b>(502,831)</b>  |
| <b>Financing</b>  |                     |                   |
| New long term States loan   | -                   | -                 |
| Loan principal repayments   | (457,490)           | (482,500)         |
| <b>Net cash outflow from financing</b>                                    | <b>(457,490)</b>    | <b>(482,500)</b>  |
| <b>(Decrease)/increase in cash in the year</b>                            | <b>(3,679,318)</b>  | <b>1,227,175</b>  |
| Opening cash and cash equivalents   | 2,588,643           | 1,361,468         |
| <b>Closing cash balance</b>   | <b>(£1,090,675)</b> | <b>£2,588,643</b> |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2017**

|  | Cyclical<br>maintenance<br>reserve<br>£ | Property<br>redevelopment<br>reserve<br>£ | Property<br>revenue<br>reserve<br>£ |
|--|---|---|-------------------------------------|
| Balance at 1 January 2016                  | 1,556,764                               | 4,000,000                                 | 6,536,477                           |
| Surplus for the year                       | -                                       | -   | 1,942,786                           |
| Transfer to cyclical maintenance reserve   | 47,971                                  | -   | (47,971)                            |
| Transfer to property redevelopment reserve | -                                       | 1,000,000                                 | (1,000,000)                         |
|  | <u>1,604,735</u>                        | <u>5,000,000</u>                          | <u>7,431,292</u>                    |
| Balance at 31 December 2016                |   |   |                                     |
| Balance at 1 January 2017                  | 1,604,735                               | 5,000,000                                 | 7,431,292                           |
| Surplus for the year                       | -                                       | -   | 1,919,437                           |
| Transfer to cyclical maintenance reserve   | (55,418)                                | -   | 55,418                              |
| Transfer to property redevelopment reserve | -                                       | 1,000,000                                 | (1,000,000)                         |
|  | <u>1,549,317</u>                        | <u>6,000,000</u>                          | <u>8,406,147</u>                    |
| Balance at 31 December 2017                |   |   |                                     |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1 Accounting policies**

**1.1 Accounting convention**

The accounts are prepared under the historical cost convention and in accordance with generally accepted accounting principles in the Island of Jersey, incorporating United Kingdom accounting standards. The accounts are prepared in sterling, which is the functional currency of the Trust.

**1.2 Statement of compliance**

The accounts have been prepared in compliance 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 by the Members and have been prepared, where appropriate, in accordance with the Statement of Recommended Practice - Accounting by Registered Social Landlords 2014 (the "SORP"). 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 accounts.

**1.3 Income and expenditure**

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

**1.4 Loan and deposit interest**

Loan interest is charged in the period to which it relates. Deposit interest is credited on the date it is received.

**1.5 Ten year insurance cover**

On 25 May 2007 the Trust took out a latent defects insurance policy with Premier Guarantee to cover the development of 10 houses at Clos Lempriere, St Clement. The policy is for a period of 10 years from 10 June 2014. The total cost of the policy amounts to £8,290 made up of a survey fee of £2,800 and an insurance premium of £5,490. An amount of £4,172.50 was paid on 25 May 2007 and the balance of £4,117.50 was paid on 21 August 2014. The cost of the policy is being amortised over the period of cover.

On 5 March 2012 the Trust paid £10,073 representing a portion (14/33rds) of the Decennial Insurance Cover taken out with Premier Guarantee by Alpine Contractors Limited for Units 3-16, Fields 561 and 562 St. Mary. The cost of the policy is being amortised over the period of cover.

On 8 June 2017 the Trust paid £38,018 representing 20% of the premium and 100% of the technical audit fee in respect of the Decennial Insurance Cover being taken out with Premier Guarantee for Blocks A, B and C of Phase 1 of the redevelopment of Troy Court and Valley Court, Les Grands Vaux, St. Saviour. The balance of the cost of the policy will be paid at practical completion of Phase 1 of the redevelopment. The total cost of the policy will then be amortised over the period of cover.

**1.6 Cyclical maintenance reserve**

Transfers are made from the accumulated property revenue reserve to create a reserve for cyclical maintenance which will be released back to the property revenue reserve as cyclical maintenance expenditure is incurred.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1.7 Tangible fixed assets and depreciation**

Freehold land and buildings (including refurbishments) are stated at cost less depreciation. Freehold buildings are depreciated on a straight line basis over their remaining useful economic lives of between 10 and 50 years. Land is not depreciated. Finance costs incurred up to completion of each building are capitalised, after which any further finance costs are expensed in the property revenue account. The following freehold properties are now fully depreciated and the value shown in the accounts represents the land value of each property: Troy Court, Vale Court, Landscape Grove, Perquage Court and Valley Court. All remaining freehold properties are being depreciated over a period of 50 years.

The Trust has decided to retain the value of its land and buildings at cost and not to adopt a policy of revaluation in future. Freehold buildings (including refurbishments) are depreciated over their useful economic lives of between 10 and 50 years.

**1.8 Financial instruments**

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Such assets are subsequently stated at amortised cost using the effective interest method. Given the nature of receivables and cash and cash equivalents, however and their short length of time between the origination and settlement, their amortised cost is the same as their fair value on the date of origination.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the revenue account.

(b) Financial liabilities

Basic financial liabilities including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method. Given the nature of trade and other payables, however and their short length of time between the origination and settlement, their amortised cost is the same as their fair value on the date of origination.

(c) Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying value and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the revenue account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the revenue account.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1.9 Critical accounting estimates and assumptions**

In the application of the Trust's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No significant judgements have had to be made by management in preparing these accounts.

Key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the accounts are described below.

(a) Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

(b) Bad debt provisions

Certain amounts due to the Trust will not be paid due to the default of a small number of tenants. Our estimates of doubtful debts, based on our historical experience, are used in determining the level of debts that we believe will not be collected. These estimates consider a variety of factors including the debtors' personal and financial position.

**2 Taxation**

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

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**3 Intangible fixed assets**

|                       | <b>Building<br/>defects<br/>insurance<br/>£</b> |
|-----------------------|---|
| <b>Cost</b>           |   |
| At 1 January 2017     | 18,363  |
| Additions             | 38,018  |
|                       | <hr/>   |
| At 31 December 2017   | 56,381  |
|                       | <hr/>   |
| <b>Amortisation</b>   |   |
| At 1 January 2017     | 7,109   |
| Charge for year       | 1,836   |
|                       | <hr/>   |
| At 31 December 2017   | 8,945   |
|                       | <hr/>   |
| <b>Net book value</b> |   |
| At 31 December 2017   | 47,436  |
|                       | <hr/> <hr/>                                     |
| At 31 December 2016   | 11,254  |
|                       | <hr/> <hr/>                                     |

On 25 May 2007 the Trust took out a latent defects insurance policy with Premier Guarantee to cover the development of 10 houses at Clos Lempriere, St Clement. The policy is for a period of 10 years from 10 June 2014. The total cost of the policy amounts to £8,290 made up of a survey fee of £2,800 and an insurance premium of £5,490. An amount of £4,172.50 was paid on 25 May 2007 and the balance of £4,117.50 was paid on 21 August 2014. The cost of the policy is being amortised over the period of cover.

On 5 March 2012 the Trust paid £10,073 representing a portion (14/33rds) of the Decennial Insurance Cover taken out with Premier Guarantee by Alpine Contractors Limited for Units 3-16, Jardin de Haut, St. Mary. The cost of the policy is being amortised over the period of cover.

On 8 June 2017 the Trust paid £38,018 representing 20% of the premium and 100% of the technical audit fee in respect of the Decennial Insurance Cover being taken out with Premier Guarantee for Blocks A, B and C of Phase 1 of the redevelopment of Troy Court and Valley Court, Les Grands Vaux, St. Saviour. The balance of the cost of the policy will be paid at practical completion of Phase 1 of the redevelopment. The total cost of the policy will then be amortised over the period of cover.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**4 Tangible fixed assets (owned)**

|                       | <b>Land and<br/>buildings<br/>Freehold</b> | <b>Refurbish-<br/>ment</b> | <b>Total</b> |
|-----------------------|--|----------------------------|--------------|
|                       | <b>£</b>                                   | <b>£</b>                   | <b>£</b>     |
| <b>Cost</b>           |  |                            |              |
| At 1 January 2017     | 32,340,559                                 | 2,211,050                  | 34,551,609   |
| Additions             | 5,368,334                                  | -                          | 5,368,334    |
| Disposals             | (1,000)                                    | -                          | (1,000)      |
|                       | <hr/>                                      | <hr/>                      | <hr/>        |
| At 31 December 2017   | 37,707,893                                 | 2,211,050                  | 39,918,943   |
|                       | <hr/>                                      | <hr/>                      | <hr/>        |
| <b>Depreciation</b>   |  |                            |              |
| At 1 January 2017     | 8,696,549                                  | 2,113,159                  | 10,809,708   |
| Charge for the year   | 324,950                                    | 2,632                      | 327,582      |
|                       | <hr/>                                      | <hr/>                      | <hr/>        |
| At 31 December 2017   | 9,021,499                                  | 2,115,791                  | 11,137,290   |
|                       | <hr/>                                      | <hr/>                      | <hr/>        |
| <b>Net book value</b> |  |                            |              |
| At 31 December 2017   | 28,686,394                                 | 95,259                     | 28,781,653   |
|                       | <hr/> <hr/>                                | <hr/> <hr/>                | <hr/> <hr/>  |
| At 31 December 2016   | 23,644,010                                 | 97,891                     | 23,741,901   |
|                       | <hr/> <hr/>                                | <hr/> <hr/>                | <hr/> <hr/>  |

**5 Debtors**

|                               | <b>2017</b> | <b>2016</b> |
|-------------------------------|-------------|-------------|
|                               | <b>£</b>    | <b>£</b>    |
| Other debtors                 | 12,129      | -           |
| Bad debt provision            | (47,980)    | (54,820)    |
| Rent arrears                  | 79,011      | 78,936      |
| Voisin-Hunter Limited         | 36,436      | 61,609      |
| Interest on tenants' deposits | 40          | 40          |
| Prepayments                   | 18,386      | 5,221       |
| GST control account           | 86,802      | 14,871      |
|                               | <hr/>       | <hr/>       |
|                               | 184,824     | 105,857     |
|                               | <hr/> <hr/> | <hr/> <hr/> |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**6 Loans**

|                               | 2017              | 2016              |
|-------------------------------|-------------------|-------------------|
|                               | £                 | £                 |
| Bank loans                    |                   |                   |
| Repayable in less than 1 year | 2,330,010         | 520,000           |
| Repayable in 1 to 2 years     | 854,500           | 2,225,000         |
| Repayable in 2 to 5 years     | 1,230,000         | 1,674,500         |
| Repayable in 5 years or more  | 7,510,000         | 7,962,500         |
|                               | <u>9,594,500</u>  | <u>11,862,000</u> |
|                               | <u>11,924,510</u> | <u>12,382,000</u> |

The bank loans are secured by way of a registered bond in respect of each property. The bank loan for Leonard Norman Close was repaid in 2014 and the bank loans for Berry House, Perquage Court and St. Saviour's Crescent were repaid in 2015. The loan on John Le Fondré Court is due to be repaid in 10 years and is charged interest at base rate plus 0.9%; the loan on David Moon House is due to be repaid in 15 years and is charged interest at base rate plus 0.9%. The Trust receives a subsidy from the States of Jersey on the bank interest charged on these loans, reducing it to a maximum of 4%. The loan on Clos Lempriere is due to be repaid in 15 years and is charged interest at LIBOR plus 1.5%. No subsidy is receivable from the States of Jersey in respect of bank interest charged on this loan. The loan on La Mabonnerie and Clos de la Ville is due to be repaid in 16 years and is charged interest at LIBOR plus 2.5%. A subsidy is receivable from the States of Jersey in respect of bank interest charged on this loan, reducing it to a maximum of 6%. The loan on the St. Mary's Village development (Jardin de Haut) was due to be repaid by 30 September 2017, but has been extended to 28 February 2018 and is charged interest at LIBOR plus 2.5%. No subsidy is receivable from the States of Jersey in respect of bank interest charged on this loan. The loan on La Ville Vautier is to be repaid in 24 years, but the capital repayments will commence 5 years and 3 months after drawdown. The loan is charged interest at LIBOR plus 2.5%. The Trust entered into a SWAP arrangement with the bank for a fixed rate of 4.24% for a 5 year period which expired in December 2016. No subsidy is receivable from the States of Jersey in respect of bank interest charged on this loan. The loan on Mourant Lodge is due to be repaid by 4 July 2019 and is charged interest at LIBOR plus 2%. No interest subsidy is receivable from the States of Jersey in respect of bank interest charged on this loan.

**States of Jersey loans**

Each States of Jersey loan was secured by a simple conventional hypothec. All loans from the States of Jersey have been repaid in full. The loan for Vale Court was repaid in 2010, the loan for Valley Court was repaid in 2012, the loan for Troy Court was repaid in 2013 and the loan in respect of Landscape Grove was repaid in 2015.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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| <b>7 Creditors: amounts falling due within one year</b> | <b>2017</b>             | <b>2016</b>           |
|---|-------------------------|-----------------------|
|   | <b>£</b>                | <b>£</b>              |
| Bank overdraft  | 1,090,675               | -                     |
| Bank interest payable                                   | 6,561                   | 7,024                 |
| Short term bank loans (see note 6 )                     | 2,330,010               | 520,000               |
| Other creditors and accruals                            | 36,703                  | 22,604                |
|   | <u>3,463,949</u>        | <u>549,628</u>        |
|   | <u><u>3,463,949</u></u> | <u><u>549,628</u></u> |

  

| <b>8 Creditors: amounts falling due after more than one year</b> | <b>2017</b>             | <b>2016</b>              |
|--|-------------------------|--------------------------|
|  | <b>£</b>                | <b>£</b>                 |
| Long term bank loans (see note 6 )                               | 9,594,500               | 11,862,000               |
|  | <u>9,594,500</u>        | <u>11,862,000</u>        |
|  | <u><u>9,594,500</u></u> | <u><u>11,862,000</u></u> |

**9 Tenants' deposits**

Tenants' deposits totalling £96,943 are held by the Trust's managing agent, Voisin-Hunter Limited and Tenants' deposits totalling £30,021 are held by myDeposits Jersey under the Residential Tenancy (Deposit Scheme) (Jersey) Regulations 2014. These amounts are not reflected in these accounts.

**10 Related party transactions**

Accountancy and administration services were provided during the year at a cost of £39,175 (2016: £30,000) by I C N Toole & Co Limited, a firm of which Denis Therezien, a member and current Treasurer of the Trust is a director. Amounts owed to I C N Toole & Co Limited at the year end were £10,475 (2016: £7,100).

Quantity Surveying services were provided during the year at a cost of £31,646 (2016: £40,000) by Woodward Burton Associates, a firm of which Tom Hart, a member, is also a partner. Amounts owed to Woodward Burton Associates at the year end were £nil (2016: £nil).

Legal and professional services were provided during the year at a cost of £20,043 (2016: £20,030) by Le Gallais and Luce, a partnership in which Malcolm Le Boutillier, a member, was a partner. Amounts owed to Le Gallais and Luce at the year end were £nil (2016: £nil).

Architectural services were provided to the Trust during the year at a cost of £120,923 (2016: £201,639) by Michael Bravery, son of Ian Bravery, a former member. Ian Bravery has no financial or other interest in his son's firm. Amounts owed to Michael Bravery at the year end were £nil (2016: £nil).

John Le Fondré, a member and the Secretary of the Trust, is a member of The States of Jersey and in 2017 was Chairman of the States of Jersey Corporate Services Scrutiny Panel. Subsequent to the General Elections held in May 2018 he was elected Chief Minister by the States Assembly on 4 June 2018.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**11 Capital commitments**

**John Le Fondré Court**

On 5 July 2004 the Trust entered into a contract to develop the site now known as John Le Fondré Court, Victoria Street, St Helier. The development, which was completed by December 2005, is being financed by a 25 year bank loan that is due to be repaid by 2027. The balance on the loan from the bank to finance the development amounted to £1,650,000 as at 31 December 2017.

**David Moon House**

On 29 September 2006 the Trust acquired the site of the property formerly known as the Aquila Youth Centre, Great Union Road, St Helier from the States of Jersey and entered into a contract to develop the site into 26 units of residential accommodation. The acquisition and development is being financed by a £3,666,000 bank loan that is due to be repaid by 2032. The balance on the loan from the bank to finance the development amounted to £2,925,000 as at 31 December 2017.

**Clos Lempriere**

On 20 July 2007 the Trust acquired the site of the properties known as Nos. 16-25 Clos Lempriere, La Rue de Maupertuis, St Clement from Denbrae Limited and entered into a contract to develop the site into 10 units of residential accommodation. The acquisition and development is being financed by a £1,800,000 bank loan that is due to be repaid by 2032. The balance on the loan from the bank to finance the development amounted to £1,150,000 as at 31 December 2017.

**Leonard Norman Close, Berry House, Perquage Court and St Saviour's Crescent**

The bank loan raised by the Trust to finance the acquisition of its property at Leonard Norman Close was repaid in 2014 and the loans raised to finance the acquisition of its properties at Berry House, Perquage Court and St Saviour's Crescent were all repaid in 2015.

**Troy Court, Valley Court, Vale Court and Landscape Grove**

The States of Jersey loans raised by the Trust to finance the acquisition of its properties at Vale Court, Valley Court, Troy Court and Landscape Grove were repaid in full in 2010, 2012, 2013 and 2015 respectively.

**12 Clos de la Ville and La Mabonnerie**

On 17 October 2008 the Trust acquired two properties known as 12 Clos de la Ville, St Helier and La Mabonnerie, La Rue de la Monnaie, Trinity for the sum of £610,000 from the States of Jersey. The acquisition together with the costs of refurbishment works is being financed by a bank loan of £820,000 that is due to be repaid by 2033. The balance on the loan from the bank to finance the development amounted to £685,010 as at 31 December 2017.

**Jardin de Haut**

On 28 January 2011 the Trust acquired a site to build 14 units of residential accommodation on part of Fields 561 & 562, St Mary from Jardin de Haut Limited for £750,000. The Trust also entered into a contract to build the 14 units with Jardin de Haut Limited for the total sum of £1,513,800. The acquisition and development is being financed by a £2,405,000 bank loan that was due to be repaid on 30 September 2017, but which has subsequently been extended to 28 February 2018. The balance on the loan from the bank to finance this development amounted to £1,905,000 as at 31 December 2017.

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**La Ville Vautier**

On 16 December 2011 the Trust acquired 19 units of residential accommodation situated at Westview, La Ville Vautier, St. Ouen from Community Homes Limited for the sum of £3,500,000. The acquisition is being financed by a bank loan that is due to be repaid by 2041. The balance on the loan from the bank to finance these properties amounted to £3,155,000 as at 31 December 2017.

**Mourant Lodge**

On 10 March 2014 the Trust completed the development of Mourant Lodge, La Rue de la Monnaie, Trinity. The development costs and associated expenses are being financed by a bank loan of £489,500 that is due to be repaid by 2019. The balance on the loan from the bank to finance the development amounted to £454,500 as at 31 December 2017.

**Troy Court and Valley Court Phase 1 redevelopment**

On 2 August 2017 the Trust entered into a contract with ROK Construction Limited for the demolition of Valley Court and part of Troy Court (Phase 1) and the construction of three apartment buildings on that site. The contract is for the sum of £12,430,158.18 and completion is scheduled for 9 April 2019. The development costs and associated expenses are being financed from the Trust's cash reserves and a bank overdraft facility in the sum of £3,000,000 pending finalisation of a new loan facility from the Royal Bank of Scotland International Limited.

**12 Average number of employees**

The average number of employees employed by the Trust during the current year and previous year was nil.

**13 Risks and uncertainties**

The Members 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) Funding is available on less preferable terms than as projected/required;
- (c) Rental income is lower than projected due to changes in fiscal policy enacted by the States of Jersey which would lead to rental income being lower than that per the financial models;
- (d) Improper management of the housing properties leads to maintenance costs being higher than that per the financial models;
- (e) Higher maintenance and other costs due to annual inflation (RPI) being higher than that per the financial models.

The Members 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 Members.

**14 Post balance sheet event**

On 16 March 2018 the Trust completed the acquisition of Dun Na Ri Apartments from Mr Niall Iain MacFirbhisigh for £1,250,000 plus costs and expenses. The property, which is situate at 95 St. Saviour's Road, St Helier, comprises five residential units of accommodation and was financed by a loan from the States of Jersey in the sum of £1,250,000 which is due to be repaid by 28 February 2054.

**LES VAUX HOUSING TRUST**  
**DETAILED PROPERTY REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

|                                | Troy Court      | Valley Court    | Vale Court     | Landscape Grove | St Saviour's Crescent | Leonard Norman Close | Berry House    | John Le Fondré Court | Perquage Court  |
|--------------------------------|-----------------|-----------------|----------------|-----------------|-----------------------|----------------------|----------------|----------------------|-----------------|
|                                | £               | £               | £              | £               | £                     | £                    | £              | £                    | £               |
| <b>Income</b>                  |                 |                 |                |                 |                       |                      |                |                      |                 |
| Rent receivable                | 683,307         | 1,226           | 107,488        | 320,110         | 185,790               | 124,813              | 49,033         | 167,031              | 625,864         |
| <b>Management expenses</b>     |                 |                 |                |                 |                       |                      |                |                      |                 |
| Management fees                | 29,744          | 108             | 4,770          | 13,861          | 8,183                 | 5,438                | 2,157          | 7,338                | 27,345          |
| Professional fees              | 1,508           | 716             | -              | -               | -                     | -                    | -              | -                    | 1,373           |
| Sundry                         | 561             | -               | 10             | 13              | -                     | 6                    | -              | 8                    | 10              |
|                                | 31,813          | 824             | 4,780          | 13,874          | 8,183                 | 5,444                | 2,157          | 7,346                | 28,728          |
| <b>Repairs and maintenance</b> |                 |                 |                |                 |                       |                      |                |                      |                 |
| Current maintenance            | 55,846          | 2,238           | 13,230         | 44,167          | 21,009                | 13,457               | 5,080          | 19,689               | 52,249          |
|                                | 55,846          | 2,238           | 13,230         | 44,167          | 21,009                | 13,457               | 5,080          | 19,689               | 52,249          |
| <b>Service costs</b>           |                 |                 |                |                 |                       |                      |                |                      |                 |
| Rates                          | 11,122          | 2,740           | 1,407          | 3,895           | 1,946                 | 1,325                | 643            | 2,372                | 6,920           |
| Insurance                      | 11,486          | 1,442           | 1,746          | 4,308           | 3,441                 | 2,540                | 1,158          | 3,331                | 7,799           |
| Heat, light and water          | 14,779          | 502             | 3,512          | 7,471           | 856                   | 418                  | 536            | 4,834                | 11,095          |
| Cleaning                       | 1,969           | -               | 4,996          | 9,721           | 6,515                 | 4,967                | 2,798          | 7,537                | -               |
| Amortisation                   | -               | -               | -              | -               | -                     | -                    | -              | -                    | -               |
|                                | 39,356          | 4,684           | 11,661         | 25,395          | 12,758                | 9,250                | 5,135          | 18,074               | 25,814          |
| <b>Total property expenses</b> | 127,015         | 7,746           | 29,671         | 83,436          | 41,950                | 28,151               | 12,372         | 45,109               | 106,791         |
| Depreciation                   | -               | -               | -              | -               | 15,436                | 11,200               | 4,180          | 41,124               | -               |
| <b>Net income</b>              | <u>£556,292</u> | <u>(£6,520)</u> | <u>£77,817</u> | <u>£236,674</u> | <u>£128,404</u>       | <u>£85,462</u>       | <u>£32,481</u> | <u>£80,798</u>       | <u>£519,073</u> |

**LES VAUX HOUSING TRUST**  
**DETAILED PROPERTY REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

|                                | David Moon<br>House<br>£ | 16-25 Clos<br>Lempriere<br>£ | La<br>Mabonnerie<br>£ | 12 Clos de la<br>Ville<br>£ | Jardin de Haut<br>£ | Ville Vautier<br>£ | Mourant Lodge<br>£ | Grands Vaux<br>Court<br>£ | Total<br>£        |
|--------------------------------|--------------------------|------------------------------|-----------------------|-----------------------------|---------------------|--------------------|--------------------|---------------------------|-------------------|
| <b>Income</b>                  |                          |                              |                       |                             |                     |                    |                    |                           |                   |
| Rent receivable                | 239,592                  | 145,897                      | 32,811                | 37,268                      | 179,115             | 253,618            | 29,030             | 129,871                   | 3,311,865         |
| <b>Management expenses</b>     |                          |                              |                       |                             |                     |                    |                    |                           |                   |
| Management fees                | 10,499                   | 6,356                        | 1,444                 | 1,640                       | 7,879               | 11,165             | 1,277              | 5,489                     | 144,692           |
| Professional fees              | -                        | 390                          | -                     | -                           | -                   | -                  | 260                | 2,990                     | 7,236             |
| Sundry                         | -                        | -                            | -                     | -                           | -                   | 4                  | -                  | 2                         | 614               |
|                                | 10,499                   | 6,746                        | 1,444                 | 1,640                       | 7,879               | 11,169             | 1,537              | 8,481                     | 152,542           |
| <b>Repairs and maintenance</b> |                          |                              |                       |                             |                     |                    |                    |                           |                   |
| Current maintenance            | 53,196                   | 17,761                       | -                     | 5,878                       | 18,425              | 40,600             | 625                | 34,166                    | 397,614           |
|                                | 53,196                   | 17,761                       | -                     | 5,878                       | 18,425              | 40,600             | 625                | 34,166                    | 397,614           |
| <b>Service costs</b>           |                          |                              |                       |                             |                     |                    |                    |                           |                   |
| Rates                          | 2,815                    | 1,709                        | 248                   | 400                         | 2,139               | 3,617              | 297                | 885                       | 44,479            |
| Insurance                      | 4,583                    | 2,892                        | 597                   | 931                         | 2,553               | 3,313              | 615                | -                         | 52,737            |
| Heat, light and water          | 6,632                    | -                            | -                     | -                           | 362                 | 222                | -                  | -                         | 51,219            |
| Cleaning                       | 9,877                    | -                            | -                     | -                           | -                   | 570                | -                  | -                         | 48,950            |
| Amortisation                   | -                        | 829                          | -                     | -                           | 1,007               | -                  | -                  | -                         | 1,836             |
|                                | 23,907                   | 5,430                        | 845                   | 1,331                       | 6,061               | 7,722              | 912                | 885                       | 199,221           |
| <b>Total property expenses</b> | 87,602                   | 29,937                       | 2,289                 | 8,849                       | 32,365              | 59,491             | 3,074              | 43,532                    | 749,377           |
| Depreciation                   | 73,628                   | 29,012                       | 11,948                | 6,104                       | 32,068              | 48,308             | 8,888              | 45,686                    | 327,582           |
| <b>Net income</b>              | <b>£78,362</b>           | <b>£86,948</b>               | <b>£18,574</b>        | <b>£22,315</b>              | <b>£114,682</b>     | <b>£145,819</b>    | <b>£17,068</b>     | <b>£40,653</b>            | <b>£2,234,906</b> |

**LES VAUX HOUSING TRUST  
(INCORPORATED IN JERSEY, CHANNEL ISLANDS)  
FREEHOLD PROPERTIES AND BUILDING DEFECTS INSURANCE  
FOR THE YEAR ENDED 31 DECEMBER 2017**

| <b>Properties</b>                           | <b>Freehold<br/>property<br/>£</b> | <b>Refurbish-<br/>ment<br/>£</b> | <b>Accumulated<br/>depreciation<br/>£</b> | <b>Total<br/>£</b> | <b>Defects<br/>insurance<br/>£</b> | <b>Amortisation<br/>£</b> | <b>Total<br/>£</b> |
|---|------------------------------------|----------------------------------|---|--------------------|------------------------------------|---------------------------|--------------------|
| Troy Court, St Helier, Jersey               | 8,829,704                          | 1,045,080                        | 3,700,999                                 | 6,173,785          | 38,018                             | -                         | 38,018             |
| Valley Court, St Saviour, Jersey            | 715,932                            | 181,863                          | 561,795                                   | 336,000            | -                                  | -                         | -                  |
| Vale Court, St Helier, Jersey               | 459,189                            | 257,839                          | 365,028                                   | 352,000            | -                                  | -                         | -                  |
| Landscape Grove, St Helier, Jersey          | 2,189,157                          | 372,303                          | 961,460                                   | 1,600,000          | -                                  | -                         | -                  |
| 6 St Saviour's Crescent, St Saviour, Jersey | 1,477,656                          | 9,414                            | 369,571                                   | 1,117,499          | -                                  | -                         | -                  |
| Leonard Norman Close, St Saviour, Jersey    | 1,016,776                          | 18,184                           | 254,207                                   | 780,753            | -                                  | -                         | -                  |
| Berry House, St Helier, Jersey              | 483,941                            | -                                | 96,128                                    | 387,813            | -                                  | -                         | -                  |
| John Le Fondré Court, St Helier, Jersey     | 2,496,227                          | -                                | 491,997                                   | 2,004,230          | -                                  | -                         | -                  |
| Perquage Court, St Lawrence, Jersey         | 4,606,887                          | 245,603                          | 2,692,490                                 | 2,160,000          | -                                  | -                         | -                  |
| David Moon House, St Helier, Jersey         | 3,681,303                          | -                                | 666,660                                   | 3,014,643          | -                                  | -                         | -                  |
| 16-25 Clos Lempriere, St Clement, Jersey    | 1,809,460                          | 80,764                           | 258,767                                   | 1,631,457          | 8,290                              | 2,902                     | 5,388              |
| La Mabonnerie, Trinity, Jersey              | 597,461                            | -                                | 100,869                                   | 496,592            | -                                  | -                         | -                  |
| 12 Clos de la Ville, St Helier, Jersey      | 305,212                            | -                                | 56,378                                    | 248,834            | -                                  | -                         | -                  |
| Jardin de Haut, St Mary, Jersey             | 2,351,668                          | -                                | 192,076                                   | 2,159,592          | 10,073                             | 6,043                     | 4,030              |
| La Ville Vautier, St Ouen, Jersey           | 3,565,457                          | -                                | 289,849                                   | 3,275,608          | -                                  | -                         | -                  |
| Mourant Lodge, Trinity, Jersey              | 444,388                            | -                                | 33,330                                    | 411,058            | -                                  | -                         | -                  |
| Grands Vaux Court, St Saviour, Jersey       | 2,677,475                          | -                                | 45,686                                    | 2,631,789          | -                                  | -                         | -                  |
| At 31 December 2017                         | <u>£37,707,893</u>                 | <u>£2,211,050</u>                | <u>11,137,290</u>                         | <u>£28,781,653</u> | <u>£56,381</u>                     | <u>£8,945</u>             | <u>£47,436</u>     |
| At 31 December 2016                         | <u>£32,340,559</u>                 | <u>£2,211,050</u>                | <u>£10,809,708</u>                        | <u>£23,741,901</u> | <u>£18,363</u>                     | <u>£7,109</u>             | <u>£11,254</u>     |