

JERSEY HERITAGE TRUST

Report and Accounts

31 December 2000

TRUSTEES

Jurat P J de Veulle - Chairman
Mr F E Cohen - Vice Chairman
Mr P J Austin
Mr P J B Le Brocq
Deputy A S Crowcroft
Mrs S P Henwood
Deputy D R Maltwood
Mrs S J Pinel
Dr E Sallis (Appointed 14 June 2000)
Mrs M Sunier

DIRECTOR

Mr M P Day, BA FMA FRSA FIMgt

OFFICE

The Jersey Museum
The Weighbridge
St Helier
Jersey
JE2 3NF

AUDITORS

Ernst & Young
Unity Chambers
28 Halkett Street
St Helier
Jersey
JE1 1EY

BANKERS

Royal Bank of Scotland International
PO Box 64
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Jersey
JE2 3NJ

Jersey Heritage Trust

TRUSTEES' ANNUAL REPORT 2000

INCORPORATION

The Jersey Heritage Trust was formally incorporated by order of Her Majesty in Council on 1 May 1983 and registered in Jersey on 3 June 1983.

PURPOSE STATEMENT

The Trust's purpose statement is as follows:

"Jersey's heritage and culture is special. The purpose of the Jersey Heritage Trust is to care for it, promote wide access to it, act as advocates on its behalf and bring imagination to telling its stories so that we inspire people to create a better island for everyone."

CHAIRMAN

Jurat P J de Veuille succeeded Mr D G Filleul OBE who retired as Chairman of the Trust on 24 July 2000. The Trustees would like to place on formal record the debt owed to the outgoing Chairman during the whole life of the Trust.

GOVERNANCE

The Board of Trustees formally meets 6-8 times per year. Additional assurance about the Trust's work is provided by four joint Trustee/Officer groups. The two capital project groups ensure value for money is obtained from, and cost control is applied to, the major capital expenditure on the Archive building and Mont Orgueil restoration programme. The Governance Committee provides additional assurance to the Trust that a sound internal framework exists with regard to the organisation's assets and resources, financial and legal responsibilities, probity, value for money and staffing. The Collections & Commissions Group have responsibility for ensuring there is a proper balance between the need to care for collections, purchase historic objects of local interest, and add to the collections through new commissions.

PROPERTIES

The Trust is the owner of the properties known as the Jersey Museum, No.9 Pier Road and the Sir Francis Cook Gallery. It also has leases on the properties known as the Occupation Tapestry Gallery & Maritime Museum, and Le Hocq Tower, the rents for these properties being £51,943 and £10 per annum respectively. The Trust has been granted by deed of gift the perpetual usufruct of Mont Orgueil and Elizabeth Castle. Two management agreements with the Société Jersiaise cover the responsibilities of the Trust to the properties at La Hougue Bie and Hamptonne. The status of the Trust in respect of the Archive building at Clarence Road is still subject to negotiation.

On 1 September 2000 the Harbours & Airport Committee granted the Trust the lease of 'A' store at a nominal rent of £5 per annum. This property which is adjacent to the Maritime Museum will be converted into additional public space when funds become available.

INCOMING RESOURCES

The States of Jersey Revenue Grant

The Jersey Heritage Trust received an increase of £158,000 in its revenue grant funding. The increased grant enabled the organisation to meet the additional costs of operating the Jersey Archive (£123,000) and cost of living pay awards (£35,000). The Trust also received a grant of £60,000 for site improvements, resulting in a total increase in States Grant support in the year of £218,000.

Admissions Income

The Tourism Committee reported that visitors to the Island in the year 2000 were 5% lower than in 1999. The Trust has not been immune to this decline, but has been able to reduce the impact by obtaining a larger share of the visitor market, through more targeted marketing and offering a better visitor experience by investing more in its sites. As a result the decrease in income from this source was limited to 2.3%.

Rents Receivable

In response to the decline in the tourism industry the Trust has continued to seek alternative sources of income. Promotion of the sites as a venue for events such as wedding receptions, dance events and business meetings has generated increased revenue for the organisation. The total income of £129,000 exceeds that achieved in 1999, and growth is set to continue following the completion of the Rose Room facilities at the Archive.

OUTGOING RESOURCES

Site Expenditure

The improved financial position achieved by the start of the year, together with the one-off site improvement grant resulted in expenditure on the management of collections and care of sites returning to levels more consistent with achieving basic minimum standards.

Visitor Services

The increase in the expenditure on visitor services was attributable to an increase in the Perpetual Living History and events programmes both of which remain very popular with visitors generally.

Management & Administration

The expenditure level in 1999 had been achieved by delaying staff appointments, reductions in IT investment and a reduced training programme. In the year 2000 expenditure returned to normal levels.

RESERVES

The increase in the unrestricted reserve from £81,000 to £167,000 compares favourably with that of the previous year. In part the increase is attributable to the transfer of £40,000 from the Designated Fund to the Unrestricted Fund following Trustees agreement to a proposal from the Commissions and Collections Group to cease designating the Acquisitions Grant element of the States Grant. The decision was taken so as to allow the Collections and Commissions Group greater flexibility in resourcing all aspects of collections management.

CAPITAL EXPENDITURE

Jersey Archive

The building was opened to the public on 25 July 2000. On 19 January 2001 the Trust and main contractor on the project reached agreement on the final contract sum. This settlement ensures that the project cost will now be within the budget cost of £5,900,000.

INVESTMENTS AND CASH BALANCES

At the year end cash balances have decreased from £4,462,000 to £4,253,000. The majority of these cash balances are held by the Trust for its capital programme or other restricted purposes. At the year end £224,000 of this amount was available for general revenue expenditure.

As the vast majority of its cash balances are held for restrictive purposes, the Trust's investment policy is necessarily a cautious one. Balances are held on term deposits with three reputable banks with varying terms of up to one year.

Jersey Heritage Trust

TRUSTEES' ANNUAL REPORT 2000

STATEMENT OF RECOMMENDED PRACTICE

In compliance with requirements of Statement of Recommended Practice No.2 entitled "Accounting by Charities", the Statement of Financial Activities splits the accounts into the following funds:

Unrestricted Funds

These are resources which are expendable at the discretion of the Jersey Heritage Trust. From within such funds the Trustees may, from time to time, designate or re-designate funds for special purposes and, at the end of the year, the distinction between those unrestricted funds which are designated and those which are not will need to be shown.

Restricted Funds

Both income and capital earmarked by the donor for specific projects, must be accounted for separately.

Heritage Funds

Where there is no power or authority within the Jersey Heritage Trust to convert assets into any other form or to dispose of them, they are designated as a Heritage fund, which has the characteristic of permanence. Note 4 to the accounts expands on the assets that comprise the Jersey Heritage Trust's funds.

SUMMARY

During 2000, the Trust has consolidated its financial position. It is however critical to remain cautious about the future given the uncertainty that remains around the tourism industry and levels of future States funding.

On behalf of the Jersey Heritage Trust



(Chairman)

The Jersey Heritage Trust

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The Trustees have prepared accounts in accordance with generally accepted accounting principles to show a true and fair view of the net movement in resources of the Jersey Heritage Trust for the period and the state of the Jersey Heritage Trust's affairs at the end of the year.

In preparing accounts the Trustees should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Jersey Heritage Trust will continue in business.

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

REPORT OF THE AUDITORS
to the Trustees of the Jersey Heritage Trust

We have audited the accounts on pages 8 to 16, which have been prepared under the historical cost convention on the basis of the accounting policies set out on page 11.

Respective responsibilities of Trustees and auditors

As described on page 5 the Jersey Heritage Trust Trustees are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts, which have been prepared in accordance with United Kingdom accounting standards, and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by the Auditing Practices Board and by our profession's ethical guidance.

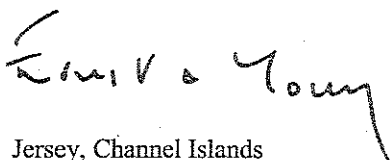
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the United Kingdom Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the Jersey Heritage Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Jersey Heritage Trust as at 31 December 2000 and of its net incoming resources for the year then ended.



Jersey, Channel Islands

Date: 17 May 2001

Jersey Heritage Trust

BALANCE SHEET

at 31 December 2000

	Notes	Unrestricted Funds £000 (See page 9)	Designated Funds £000 (Note 2)	Restricted Funds £000 (Note 3)	Heritage Funds £000 (Note 4)	2000 Total £000	1999 Total £000
PROPERTY	5	-	-	-	10,004	10,004	9,451
OTHER FIXED ASSETS	6	23	-	-	1,272	1,295	1,012
		23	-	-	11,276	11,299	10,463
CURRENT ASSETS							
Debtors		23	-	-	91	114	21
Bank balances		224	108	695	3,226	4,253	4,462
		247	108	695	3,317	4,367	4,483
CREDITORS: amounts falling due within one year							
Creditors		103	-	6	200	309	206
Net current assets		144	108	689	3,117	4,058	4,277
TOTAL ASSETS LESS CURRENT LIABILITIES		167	108	689	14,393	15,357	14,740
CREDITORS: amounts falling due after more than one year							
Loan payable	7	-	-	-	468	468	495
Net assets		167	108	689	13,925	14,889	14,245
Represented by:							
INCOME FUNDS		167	108	689	-	964	680
HERITAGE FUNDS		-	-	-	13,925	13,925	13,565
Total		167	108	689	13,925	14,889	14,245

Signed by:
Chairman

Trustee

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Jersey Heritage Trust

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2000

	<i>Unrestricted Funds £000</i>	<i>Designated Funds £000</i>	<i>Restricted Funds £000</i>	<i>Heritage Funds £000</i>	<i>2000 Total £000</i>	<i>1999 Total £000</i>
INCOMING RESOURCES						
States' grants						
-revenue	939	354	-	-	1,293	1,075
-other	-	-	244	852	1,096	5,796
Admissions income	636	-	84	-	720	737
Rents & heritage spaces	129	-	-	-	129	118
Publications	9	-	-	-	9	9
Bank interest	56	-	35	214	305	137
Sponsorship & related income	110	-	89	1	200	145
Fees & charges	36	2	-	-	38	53
	<u>1,915</u>	<u>356</u>	<u>452</u>	<u>1,067</u>	<u>3,790</u>	<u>8,070</u>
OUTGOING RESOURCES						
Direct expenses						
Sites & collections	1,120	-	185	734	2,039	1,489
Visitor services	405	-	-	-	405	340
Archive costs	-	332	-	-	332	168
Special projects	-	-	8	-	8	29
Société grant	-	41	-	-	41	41
Management & administration	321	-	-	-	321	279
	<u>1,846</u>	<u>373</u>	<u>193</u>	<u>734</u>	<u>3,146</u>	<u>2,346</u>
Net (outgoing)/incoming resources before transfers	69	(17)	259	333	644	5,724
Transfers between funds	17	(40)	(4)	27	-	-
Net (outgoing)/incoming resources after transfers	<u>86</u>	<u>(57)</u>	<u>255</u>	<u>360</u>	<u>644</u>	<u>5,724</u>
Realised loss on sale of quoted investments	-	-	-	-	-	(1)
Net movement in resources	86	(57)	255	360	644	5,723
Total resources brought forward	81	165	434	13,565	14,245	8,522
Total resources carried forward	<u>167</u>	<u>108</u>	<u>689</u>	<u>13,925</u>	<u>14,889</u>	<u>14,245</u>

Jersey Heritage Trust

CASHFLOW STATEMENT

for the year ended 31 December 2000

	2000 £000	1999 £000
Total resources brought forward (page 8)	14,245	8,522
Total resources carried forward (page 8)	14,889	14,245
Net increase in resources	644	5,723
Reconciliation of net increase in resources to net cash inflow from operating activities		
Sale of quoted investments	–	162
Depreciation	424	345
Increase/(decrease) in creditors	103	39
(Increase)/decrease in debtors	(93)	(5)
Net cash inflow from operating activities	1,078	6,264
Additions to fixed assets	(1,260)	(2,767)
Decrease in loan	(27)	(28)
Decrease in cash	(209)	3,469
Opening cash	4,462	993
Closing cash	4,253	4,462

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

1. ACCOUNTING POLICIES

(A) ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention and in accordance with accounting principles generally accepted in the Island of Jersey.

(B) PROPERTY

The initial restoration expenditure and any development work is capitalised; subsequent repairs and restoration costs are written off to the Statement of Financial Activities. No depreciation is provided on freehold property as in the opinion of the trustees, any depreciation charged on the freehold property would be immaterial. The Trustees carry out an annual impairment review on each of the Freehold properties to ensure their current value is not less than their carrying amount.

(C) FIXED ASSETS

Fixed assets (with the exception of items for collection which are written off in the year of acquisition) are depreciated on a straight line basis using the following rates:

Fixtures and fittings	10%
Other equipment	20% - 33%
Motor vehicle	25%
Leasehold property	Life of the lease

(D) COLLECTIONS

The Jersey Heritage Trust's own collection comprises objects, artefacts, archives material, and data, of an historic nature which are specifically donated to, or purchased by, the Trust, all acquisition costs being written off to the acquisition fund.

Items generally donated to the museum are deemed to have been donated to the Société Jersiaise and are not included in these accounts.

Costs of the care and maintenance of all collections managed by the Jersey Heritage Trust, whether owned by the Société Jersiaise, the Jersey Heritage Trust, the States of Jersey and others, are borne by the Jersey Heritage Trust and are reflected in these accounts. All the costs of insurance in respect of collections held on properties owned or managed by the Trust, are reflected in these accounts.

(E) GRANTS

All grants are credited on a received basis.

(F) INVESTMENT INCOME

Deposit interest is accrued on a daily basis.

(G) RENT RECEIVABLE

Credit is taken for rental income on the dates receivable.

(H) SPECIFIC FUNDS

Grants or bequests received for specific purposes are accounted for separately.

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

2. DESIGNATED FUNDS

The income funds of the Trust include the following designated funds which have been set aside out of unrestricted fund by the Trustees of the Jersey Heritage Trust.

	<i>Balance 1 January 2000 £000</i>	<i>Incoming Resources £000</i>	<i>Outgoing Resources £000</i>	<i>Transfers (Note 8) £000</i>	<i>Balance 31 December 2000 £000</i>
Acquisition	40	—	—	(40)	—
Grants to the Société Jersiaise	—	41	(41)	—	—
JHT fund-Société projects	31	—	—	—	31
Jersey Archive	94	315	(332)	—	77
Total	165	356	(373)	(40)	108

3. RESTRICTED FUNDS

	<i>Balance 1 January 2000 £000</i>	<i>Incoming Resources £000</i>	<i>Outgoing Resources £000</i>	<i>Transfers (Note 8) £000</i>	<i>Balance 31 December 2000 £000</i>
Ancient monuments	351	102	(125)	—	328
Citibank 2000	27	12	(16)	—	23
Commonwealth Institute Exhibition	44	3	—	—	47
F Cohen Fund	1	—	—	(1)	—
Howard D Lifeboat restoration	2	—	—	—	2
Boat restoration	4	10	(14)	—	—
Millennium Mosaic	2	1	—	(3)	—
Millennium Monument Project	2	254	(8)	—	248
Art Restoration	1	4	(3)	—	2
Database/Public Access	—	40	(8)	—	32
Hamptonne Environment	—	18	(19)	—	(1)
No 9 Fund	—	8	—	—	8
Total	434	452	(193)	(4)	689

4. HERITAGE FUNDS

	<i>Balance 1 January 2000 £000</i>	<i>Incoming Resources £000</i>	<i>Outgoing Resources £000</i>	<i>Transfers (Note 8) £000</i>	<i>Balance 31 December 2000 £000</i>
Jersey Archive	4,933	875	(78)	—	5,730
Augrès Collections Store	47	—	—	27	74
Jersey Museum	3,643	—	(109)	—	3,534
Mont Orgueil Restoration	3,025	182	(267)	—	2,940
OTG/Maritime Museum	1,302	—	(207)	—	1,095
Sir Francis Cook Gallery-Bequest	615	10	(73)	—	552
Total	13,565	1,067	(734)	27	13,925

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

5. PROPERTY

	<i>Freehold Land & Buildings £000</i>	<i>Leasehold Property £000</i>	<i>Total £000</i>
Cost			
At 1 January 2000	4,445	5,252	9,697
Additions	–	650	650
Disposals	–	–	–
At 31 December 2000	<u>4,445</u>	<u>5,902</u>	<u>10,347</u>
Accumulated depreciation			
At 1 January 2000	–	246	246
Charge for the year	–	97	97
Disposals	–	–	–
At 31 December 2000	<u>–</u>	<u>343</u>	<u>343</u>
Net book values at 31 December 2000	<u>4,445</u>	<u>5,559</u>	<u>10,004</u>
Net book values at 31 December 1999	<u>4,445</u>	<u>5,006</u>	<u>9,451</u>

All the above assets have been included within the Heritage Funds.

The freehold property above comprises the following:

	<i>Cost £000</i>
Jersey Museum, Weighbridge, St Helier	3,433
Sir Francis Cook Gallery, Augrès, Trinity	444
Collections Store, Augrès, Trinity	568
Total	<u>4,445</u>

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

5. PROPERTY (continued)

The leasehold property above comprises the following:	<i>Cost</i> <i>£000</i>
Occupation Tapestry Gallery/Maritime Museum B,C,D,E stores, New North Quay, St Helier	439
Jersey Archive Clarence Road, St Helier	5,120
Le Hocq Tower, St Clement	—
Total	<u><u>5,559</u></u>

The terms of the leases are as follows:

<i>Property</i>	<i>Lease length</i>	<i>Expiry date</i>
Occupation Tapestry Gallery/ Maritime Museum	9 years	30 June 2005
Jersey Archive (under negotiation)	99 years	From signing date
Le Hocq Tower, St Clement	25 years	24 June 2019

In compliance with requirements of Statement of Recommended Practice all expenditure on the Mont Orgueil Restoration Project has been taken to the Statement of Financial Activities.

6. OTHER FIXED ASSETS

	<i>Fixtures & Fittings</i>		<i>Other Equipment</i>	<i>Motor Vehicles</i>	<i>Total</i>
	<i>Leasehold</i>	<i>Other</i>			
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cost					
At 1 January 2000	1,098	1,090	94	11	2,293
Additions	592	—	18	—	610
Disposals	—	—	(55)	(11)	(66)
At 31 December 2000	<u>1,690</u>	<u>1,090</u>	<u>57</u>	<u>—</u>	<u>2,837</u>
Accumulated depreciation					
At 1 January 2000	329	881	63	8	1,281
Charge for the period	189	109	26	3	327
Disposals	—	—	(55)	(11)	(66)
At 31 December 2000	<u>518</u>	<u>990</u>	<u>34</u>	<u>—</u>	<u>1,542</u>
Net book values					
at 31 December 2000	<u>1,172</u>	<u>100</u>	<u>23</u>	<u>—</u>	<u>1,295</u>
Net book values					
at 31 December 1999	<u>769</u>	<u>209</u>	<u>31</u>	<u>3</u>	<u>1,012</u>

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

6. OTHER FIXED ASSETS (continued)

The net book value of assets at 31 December 2000 is analysed between the following funds:

	<i>Fixtures & Fittings</i>		<i>Other</i>	<i>Motor</i>	<i>Total</i>
	<i>Leasehold</i>	<i>Other</i>	<i>Equipment</i>	<i>Vehicles</i>	
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Unrestricted	-	-	23	-	23
Heritage funds	1,172	100	-	-	1,272
Total	1,172	100	23	-	1,295

Leasehold fixtures and fittings relate to costs associated with fitting out the Occupation Tapestry Gallery/ Maritime Museum and the Archive Building. Other fittings relate to costs associated with the Jersey Museum.

	<i>2000</i>	<i>1999</i>
	<i>£000</i>	<i>£000</i>
	<i>Total</i>	<i>Total</i>
Capital commitments		
Authorised but not contracted for:	2,747	3,632
Contracted for:	102	932
Total	2,849	4,564

All the above capital commitments relate to the Mont Orgueil restoration project.

7. LOAN PAYABLE

The States of Jersey have provided a loan of £550,000 to the Jersey Heritage Trust for the purpose of building a Collections Store at Augrès. The loan is interest free and repayable in 20 equal annual installments, with the first installment having been made 1 January 2000. The loan is analysed as to creditors as follows:

	<i>2000</i>	<i>1999</i>
	<i>£000</i>	<i>£000</i>
Amounts falling due in less than 1 year	27	27
Amounts falling due in more than 1 year	468	495
	495	522

8. TRANSFER BETWEEN FUNDS

The sum of £27,500 was transferred from the unrestricted funds to the Augrès Store fund. This relates to the annual payment of the loan described more fully in note 7.

The Board of Trustees agreed to cease designating the Acquisition's Grant element of the States Grant and as result the sum of £40,330 was transferred from the Designated Fund to the Unrestricted Fund.

The Trust has met its contractually obligations in respect of certain other restricted funds. As a result a total of £3,755 has been transferred from the restricted fund to the unrestricted fund.

Jersey Heritage Trust

NOTES TO THE ACCOUNTS

at 31 December 2000

9. PENSION COSTS

Included in total costs are staff costs amounting to £1,358,349 which includes employer's contributions of £112,382 which relate to Jersey Heritage Trust staff, who are members of the Public Employees' Contributory Retirement Scheme. Reference to the impact of Statement of Standard Accounting Practice No. 24 entitled "Accounting for Pension Costs" in respect of the Public Employees' Contributory Retirement Scheme has been made within the annual accounts of the Treasurer of the States of Jersey.

10. WHOLLY OWNED SUBSIDIARY

The Jersey Heritage Trust has one wholly owned subsidiary, the Jersey Museum Trading Company Limited. This company holds the liquor licences in respect of the Jersey Museum, but is otherwise dormant and has no other assets.