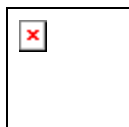


JERSEY TABLE TENNIS ASSOCIATION: GRANT OF A LOAN

**Lodged au Greffe on 13th April 1999
by the Finance and Economics Committee**



STATES OF JERSEY

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PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- to authorise the granting of a loan not exceeding £100,000 to the Jersey Table Tennis Association for the purpose of building a new headquarters at F.B. Fields, St. Clement, the loan to bear interest at four per cent per annum and to be repayable at the end of a period of ten years from the loan being advanced, on the condition that should the Association inherit the property of which it is the beneficiary in a will and sell it within the ten year period referred to above it will be required to repay the loan on the sale of the property.

FINANCE AND ECONOMICS COMMITTEE

-

REPORT

Background

The Jersey Table Tennis Association, the governing body for the sport, are seeking to build a new headquarters at F.B. Fields at the cost of £400,000. Currently, there are a number of groups playing table tennis in the Island at different venues. The loss of St. Joseph's sports hall, Grouville to a housing development and the deterioration of the clubroom at Goosegreen Marsh, Beaumont has emphasised the need for an Island Headquarters.

It is intended that with a new facility local players can all play and socialise together under one roof. The facility will also enable the fostering of more visiting teams to the benefit of island sport tourism.

Funding

The cost of the project is to be shared between the Jersey Table Tennis Association, the Sport, Leisure and Recreation Committee revenue budget and a grant from Lottery profits. The Association has approached the Sport, Leisure and Recreation Committee for funding and at its meeting on 8th January 1998, the Committee approved grants to the Association totalling £300,000. £150,000 was granted from its pound for pound revenue budget and £150,000 from Lottery profits.

The Jersey Table Tennis Association is the beneficiary of a will which bequeaths a property. The owner of the property has been a life-long supporter and member of the Jersey Table Tennis Association and altered his will on 30th May 1996, bequeathing his property to the Association. On the advice of his lawyer, he has supplied a letter of intent detailing an extract of his will to the Treasurer of the States.

The property has been professionally valued at £190,000 and the Treasury has been provided with a copy of the valuer's report.

Loan arrangement

The Jersey Table Tennis Association have been unable to find a means of funding its £100,000 share from the private sector either through sponsorship, a loan or an agreement to release the equity of the property bequeathed to them so they have approached the Finance and Economics Committee for a subsidised loan.

The Committee propose to offer the Jersey Table Tennis Association a £100,000 loan over a term of ten years at a fixed rate of interest of four per cent per annum. The £100,000 capital will be repaid as soon as the property is sold.

If the loan remains unpaid after ten years, it will have to be re-negotiated.

The Jersey Table Tennis Association plan to fund the interest on the loan through registration fees, sponsorship and the hire of the hall.

The Jersey Table Tennis Association has already started building the new headquarters at the F.B. Fields using the funds granted from the Sport, Leisure and Recreation Committee and the lottery. They now need additional funds from a £100,000 loan to meet contract payments.