
STATES OF JERSEY



HOWARD DAVIS FARM TRUST: REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016

Presented to the States on 21st August 2017
by the Minister for Treasury and Resources

STATES GREFFE

INTRODUCTORY REPORT

The Minister for Treasury and Resources approved the Constitution of “The Howard Davis Farm Trust” in [MD-PH-2008-0098](#) in order to promote –

- the training and research in respect of agriculture and horticulture in Jersey and/or other countries or territories;
- the protection, enhancement and monitoring of, training with regard to, and research into the environment of Jersey and/or other countries and territories;

and to monitor the objectives referred to above.

The full text of the Howard Davis Farm Constitution can be read at [APPENDIX 1 to the report](#) attached to MD-PH-2008-0098.

The creation of the Trust was needed to receive a balance of the proceeds of any lease of Howard Davis Farm pursuant to Article 3 of the [Howard Davis Farm \(Abrogation of Covenant\) \(Jersey\) Law 2008](#).

In the Constitution, section 9 stated –

“9. Accountability to the States of Jersey

The Committee shall present annually to the Minister, for onward presentation to the States, the audited accounts of the Trust and a report of its activities.”.

The Howard Davis Farm Trust

Report and Financial Statements

For the year ended 31 December 2016

The Howard Davis Farm Trust

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The Howard Davis Farm Trust

Legal and administrative information

Status

The Howard Davis Farm Trust, "The Trust", is a Charitable Jersey Trust.

The Trust was established by Act of the Royal Court of Jersey on 15 May 2009 and is registered under the Non-Profit Organisations (Jersey) Law 2008.

The Objects of the Trust are to promote -

- (a) training and research in respect of agriculture and horticulture in Jersey and/or other countries or territories;
- (b) the protection, enhancement, monitoring of, and training with regard to and research into the environment of Jersey and/or of other countries or territories; and

to monitor the objectives referred to in (a) and (b) above.

Trustees

Mrs. Aylwen Lyddell, Chairman

Richard Pirouet, Vice Chairman and Treasurer

Paul Tucker MBE, Secretary

Roderick Stevens

Atholl Swainston-Harrison

Michael Stentiford, M.B.E

Pierre Horsfall, C.B.E.

Address

Chaumarais

La Rue de Samarès

St Clement

Jersey

JE2 6LS

Charity registration number NPO0714

The Howard Davis Farm Trust

Legal and administrative information (continued)

Auditors

Moore Stephens Audit & Assurance (Jersey) Limited
P O Box 236
First Island House
Peter Street
St Helier
Jersey
JE4 8SG

Bankers

HSBC Bank Plc
P O Box 14
St Helier
Jersey
JE4 8NP

Investment Advisors

Brewin Dolphin
Kingsgate House
The Esplanade
St Helier
Jersey
JE2 3QB

Report of the Trustees for the year ended 31 December 2016

The Trustees of The Howard Davis Farm Trust (“the Trust”) present their report together with the audited financial statements for the year ended 31 December 2016. The financial statements comply with the Trust’s constitution, which is the Trust’s governing document, and Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, Governance and Management

The Trust is a Charitable Jersey Trust. The Trust was established by an Act of the Royal Court of Jersey on 15 May 2009, which also approved its constitution. Any changes to that constitution require approval by the Royal Court. The trust is registered under the Non-Profit Organisations (Jersey) Law 2008, registration number NPO0714.

The Trustees’ names are set out on page 3 of this report. The constitution requires that there must be at least five but no more than seven trustees at all times. At least four Trustees must be resident in Jersey.

One of the Trustees is an appointee of the Treasury Minister of Jersey and, currently, that is Pierre Horsfall. All the remaining Trustees were appointed by the Trust’s constitution and any subsequent changes to those Trustees need to be approved by all Trustees.

Decisions of Trustees are taken by simple majority.

The Chairman or Vice Chairman handle the induction of any new Trustees and brief such new Trustees on the activities of the Trust.

Objectives and Activities

The Trust is a charity and exists to promote:

- (a) training and research in respect of agriculture and horticulture in Jersey and/or other countries or territories;
- (b) the protection, enhancement, monitoring of, and training with regard to and research into the environment of Jersey and/or of other countries or territories; and

to monitor the objectives referred to in (a) and (b) above.

To achieve these objectives, the Trustees receive grants from the States of Jersey in respect of the various leases covering the Howard Davis Farm. They then advertise for applicants seeking grants in these areas, consider the applications and make grants as they have considered appropriate.

These activities create benefits for the development of the agricultural industry, mainly in Jersey, in the area of enhanced research and development as well as educational and training benefits for people working or planning to work in the industry.

Report of the Trustees for the year ended 31 December 2016 (continued)

Achievements and Performance

During the year, the Trustees received total income from grants and investments of £ 101,174 (2015: £90,504) and made grants totalling £ 67,725 (2015: £29,024). After deducting the administrative expenses and adding the investment revaluation reserve, the total valuation of the Trust's net assets as at 31 December 2016 was £400,295 (2015: £354,625).

During the year, the Trustees entered into pledges for further grants which will only be paid if certain conditions are satisfied. Should all these conditions be satisfied, the Trust will be committed to make further grants totalling approximately £ 49,331 (2015: £44,925)

Investment Policy and Achievements

The Trustees decided to invest approximately £150,000 in a portfolio of fixed interest bonds and medium risk collective investment funds. Their objectives in doing so were to balance a regular flow of income with preservation of capital in real terms. There are no social or environmental limitations on the investments purchased. The remaining available funds were invested with the Trustees' bankers on deposit accounts.

During 2016, the investment portfolio generated income of £7,142 (2015: £6,516). There were no disposals during the year but last year there were realised gains on sale of investments of £14,762. During the year, the value of the investment portfolio increased by £14,697 (2015: decrease of £19,865). These levels of investment income are in line with expectations and the movements in capital values are in line with market movements during the year.

Reserves policy

All surplus funds are either invested to produce additional income or held by the Trustees' bankers until required for making grants.

Risk review

The Trustees have conducted their own review of the major risks to which the Trust is exposed and systems have been established to mitigate those risks. Internal risks are mitigated by the implementation of procedures for authorisation of all transactions and activities.

Plans for the future

The Trustees intend to continue to advertise for applications for grants and to consider those applications.

The Howard Davis Farm Trust

Report of the Trustees for the year ended 31 December 2016 (continued)

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Trustees are required to prepare financial statements for each financial year. The Trustees have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. The Trustees must prepare financial statements that give a true and fair view of the state of the Trust's affairs at the end of the year and of the net movement in resources of the Trust for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and 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.

Auditors

Moore Stephens were appointed as the Trust's auditors on 28 March 2011 and, during the year, they incorporated and became Moore Stephens Audit & Assurance (Jersey) Limited "MSAJL". MSAJL were therefore appointed as auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 27 June 2017 and signed on their behalf by;



Paul Tucker MBE Secretary

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HOWARD DAVIS FARM TRUST

We have audited the financial statements of The Howard Davis Farm Trust (the "Trust") for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

This report is made solely to the Trustees as a body in accordance with our agreement. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditors' 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 Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HOWARD DAVIS FARM TRUST
(continued)**

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 December 2016 and of its incoming resources and application of resources, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.



Moore Stephens Audit & Assurance (Jersey) Limited
First Island House
Peter Street
St Helier
Jersey
JE4 8SG

Date: 7-7-17

The Howard Davis Farm Trust

**Statement of Financial Activities
For the year ended 31 December 2016**

	Note	31 December 2016 £	31 December 2015 £
INCOMING RESOURCES			
Incoming resources from generated funds:			
Voluntary income			
- Grants	2	93,952	83,939
Activities for generating funds			
- Deposit interest		80	49
- Investment income		7,142	6,516
Total incoming resources		101,174	90,504
RESOURCES EXPENDED			
Charitable activities	3	67,725	29,024
Governance costs	4	2,476	2,074
Total resources expended		70,201	31,098
Net incoming resources before other recognised (losses)/gains:		30,973	59,406
Other recognised (losses)/gains:			
Gain on disposal of investments		-	14,762
Gain/(loss) on revaluation of investments		14,697	(19,865)
Net gain/(loss) on investments	6	14,697	(5,103)
Net movement in funds		45,670	54,303
Total incoming funds brought forward		354,625	300,322
Total funds carried forward		400,295	354,625

The Howard Davis Farm Trust

Balance Sheet as at 31 December 2016	Note	Unrestricted funds at 31 December 2016	Unrestricted funds at 31 December 2015
		£	£
FIXED ASSETS			
Listed investments	6	215,920	201,223
CURRENT ASSETS			
Debtors	7	13,828	7,210
Cash at bank	8	171,897	147,442
		185,725	154,652
Creditors: amounts falling due within one year			
Creditors	9	1,350	1,250
		1,350	1,250
Net current assets		184,375	153,402
Net assets		400,295	354,625
Total Unrestricted funds		400,295	354,625

Approved by the Trustees on 27 June 2017 and signed on their behalf by:



Richard Pirouet, Treasurer

The notes on pages 12 to 16 form part of these financial statements.

The Howard Davis Farm Trust

Notes to the financial statements For the year ended 31 December 2016

1. Accounting policies

- (a) The financial statements have been prepared under the historical cost convention (except for listed investments which are accounted for at market value) and on a going concern basis in accordance with the United Kingdom Accounting Standards and comply with Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Section 1A effective 1 January 2015.
- (b) The charity has not disclosed the split of funds across different fund classes on the grounds that all funds belonging to the charity are unrestricted.
- (c) Incoming resources comprising grants, investments and bank deposits are included in full in the Statement of Financial Activities when receivable.
- (d) Resources expended are recognised in the period in which they are incurred. Resources expended are allocated to the particular activity where the cost relates directly to that activity.
- (e) Listed investments are shown at market value at the balance sheet date. Change in market value is recognised in the Statement of Financial Activities.
- (f) Grants payable are recognised in the Statement of Financial Activities when the conditions of the grant have been fulfilled and the grant is claimable.

2. Grants

Grants are received from the States of Jersey which pays the Trust part of the proceeds of rental income from leases of land and properties on Howard Davis Farm that were gifted to the Public of the Island in 1927. The amounts to be paid as grants are determined by the Howard Davis Farm (Abrogation of Covenant) (Jersey) Law 2008.

The Howard Davis Farm Trust

Notes to the financial statements
For the year ended 31 December 2016 (continued)

3. Charitable activities

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Agricultural symposium	17,031	-
Overseas community farming project	5,000	-
Educational courses	29,590	9,807
What's for dinner talks	3,000	-
Training courses	7,517	8,717
Training equipment	2,000	-
Birds on the Edge programme	-	3,000
Jersey Coastal Survey	-	5,000
Jersey Bat Survey	-	2,500
Community horticultural project	3,587	-
Total grants awarded	67,725	29,024

4. Governance costs

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Investment advisory fees	500	500
Audit fees	1,339	1,235
Sundry expenses	637	339
	2,476	2,074

5. Taxation

The Charitable Trust is exempt from Jersey Income Tax on its charitable activities under the provisions of Article 115(a) of the Income Tax (Jersey) Law 1991.

The Howard Davis Farm Trust

Notes to the financial statements
For the year ended 31 December 2016 (continued)

6. Listed investments

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
At 1 January	201,223	195,887
Net additions	-	10,439
Net gain/(loss) on investments	14,697	(5,103)
At 31 December	<u>215,920</u>	<u>201,223</u>

Listed investments are stated at market value. The difference between cost and market value of the investments at 31 December 2016 is £38,205 (2015 £23,508).

The investments are categorised as follows:

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Fixed interest bonds	55,070	53,898
Mutual funds	160,850	147,325
	<u>215,920</u>	<u>201,223</u>

7. Debtors

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Brewin Dolphin	13,827	7,210
	<u>13,827</u>	<u>7,210</u>

Notes to the financial statements
For the year ended 31 December 2016 (continued)

8. Cash at Bank

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
HSBC	171,897	147,442
	<u>171,897</u>	<u>147,442</u>

9. Creditors

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Amounts falling due within one year		
Audit fees	1,350	1,250
	<u>1,350</u>	<u>1,250</u>

10. Commitments

During the year up to 31 December 2016, the Trustees made various pledges to applicants for grants which required those applicants to satisfy various conditions before the grants would be paid to them. As at that date those conditions had not been fully satisfied and the grants were not therefore payable at that time. Should those conditions be met in the future, the Trust will be committed to make further grants totalling approximately £ 49,331 (2015: £44,925).

**Notes to the financial statements
For the year ended 31 December 2016 (continued)**

11. Related party transactions

Until his retirement from the board on 17 September 2015, the Vice Chairman and Treasurer of the Trust, Mr Richard Pirouet was a non-executive Director of The Law Debenture Trust Corporation (Channel Islands) Limited which is wholly owned by the Law Debenture Corporation plc. As at 31 December 2016 the Trust had listed investments in the Law Debenture Corporation plc with a market value of £34,016 (2015: £31,872).

During the prior year, the Trust paid a grant of £3,000 to the National Trust for Jersey (for its Birds on the Edge campaign) which is related to the Trust through two Trustees who hold positions on that organisation's council and finance committee. The balance outstanding as at 31 December 2015 and 31 December 2016 was £ Nil. The Trustees who hold these positions did not take part in either the consideration of the application or the awarding of the grant.

None of the trustees received any remuneration during the year. Mr Richard Pirouet was reimbursed an amount of £350 net of GST of £17 (2015: £339 net of GST of £17) which he had paid on behalf of the Trust in respect of advertising expenses. Mr Rod Stevens was reimbursed £122 in respect of travelling expenses to attend a function sponsored by the trust (2015 £ Nil).

12. Controlling Party

There is no ultimate controlling party. The Trust is controlled by the Trustees.