



# BILLET D'ÉTAT

XVI  
2002

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WEDNESDAY, 10th JULY, 2002

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ACCOUNTS OF THE STATES  
FOR 2001



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# ***B I L L E T   D ' É T A T***

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## **TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY**

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I have the honour to inform you that a Special Meeting of the States of Deliberation will be held at **THE ROYAL COURT HOUSE, on WEDNESDAY, the 10th JULY, 2002,** immediately after the meeting already convened for that day, for the purpose of considering the States Accounts for 2001.

DE V. G. CAREY  
Bailiff and President of the States

The Royal Court House,  
Guernsey.  
The 21st June, 2002.

**Letter of the President of the States Advisory  
and Finance Committee**

The President,  
States of Guernsey,  
Royal Court House,  
St. Peter Port,  
Guernsey,  
GY1 2PB.

17 May 2002

Dear Sir,

I enclose a copy of the accounts of the States of Guernsey for the year ended 31 December 2001 together with the Auditors' report thereon.

I should be grateful if you would lay this matter before the States with appropriate propositions.

Yours faithfully,

L. C. MORGAN,

President,  
States Advisory and Finance Committee.

## **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF ANNUAL ACCOUNTS**

The Advisory and Finance Committee is responsible for the preparation of accounts for each financial year which fairly summarise the transactions made during the year and for selecting suitable accounting policies. In preparing those accounts the Advisory and Finance Committee relies on information supplied by various States Committees. Each States Committee is expected to:

- apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent.

The Advisory and Finance Committee and all other States Committees acknowledge responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the States of Guernsey.

## **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of each States Committee to identify and install a system of internal controls, including financial control, which is adequate for its own purposes. Thus Committees are responsible for safeguarding the assets of the States of Guernsey in their care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Every States Committee is also responsible for the economical, efficient and effective management of public funds and other resources entrusted to it.

It is acknowledged that States Committees are subject to financial and manpower restrictions. Nevertheless, Committees have a duty to ensure that they fulfil their obligations to install and maintain adequate internal controls and safeguard the States resources for which they are responsible.

The States internal financial controls and monitoring procedures include:

- An annual budget and planning process to allocate, control and monitor the use of resources.
- Establishment of the States Audit Commission, consisting of a majority of Non-States Members, with the primary objective of assisting Committees to ensure good management of States finances.
- Review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department.
- The requirement for all audit reports to be tabled at a meeting of the relevant States Committee to ensure that all Committee members are aware of their financial affairs.
- Regular review of the performance and security of the States' financial assets by the Advisory and Finance Committee's Investment Sub-Committee.

Through their staff recruitment and training States Committees strive to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The States internal controls and accounting policies have been and are subject to continuous review and improvement.

In addition the accounts are subject to independent external audit by auditors appointed by the States.

## **INDEPENDENT AUDITORS' REPORT TO THE ADVISORY AND FINANCE COMMITTEE**

We have audited the accounts on pages 20 to 113 and 118 to 124 which have been prepared under the accounting policies set out on page 6.

### **Respective responsibilities of directors and auditors**

As described in the statement of responsibilities for the preparation of annual accounts, the Advisory and Finance Committee is responsible for the preparation of the accounts.

We report to you our opinion as to whether the accounts fairly summarise the transactions made during that year. We also report if, in our opinion, the States Treasurer's report is not consistent with the accounts, if proper accounting records have not been kept or if we have not received all the information and explanations we require for our audit.

We read the States Treasurer's report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the 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 in the preparation of the accounts and of whether the accounting policies are appropriate to the States of Guernsey'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 fairly summarise the transactions for the year ended 31 December 2001 and have been properly prepared in accordance with the accounting policies set out on page 6.

***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

17 May 2002

## STATES OF GUERNSEY ACCOUNTING POLICIES

1. The accounts of the States of Guernsey comprising those Committees set out on pages 20 to 113 and 118 to 124 are prepared under the historical cost convention with the exception of the Consolidated Sinking Fund accounts, Consolidated Superannuation Fund accounts, the Contingency Reserve Fund accounts and investments held under the heading of Miscellaneous Securities which have been adjusted by the revaluation of investments.

Investments in States Trading Entities in respect of Guernsey Post Ltd. and Guernsey Telecoms Ltd. reflect the basis of valuation attributed to the net undertaking transferred from the States Trading Boards to the commercialised entities in accordance with The States Trading Companies (Bailiwick of Guernsey) Law, 2001, and detailed in Billet d'Etat XVIII, September 2001. Investments where a Strategic Equity Partner has been sought are carried at the best realisable estimate of the potential consideration. The values of other shareholdings are carried at cost.

2. General Revenue Account income in respect of income tax recognises cash received to 31 January in the following calendar year. All other income and expenditure is dealt with on an accruals basis.
3. Capital expenditure from General Revenue Account votes is written off in the year in which it is incurred. Depreciation is therefore not provided.
4. Stock is valued at the lower of cost and net realisable value.
5. Provisions are made for the purpose of providing readily available funds for redeeming States loans (of which only those of the States Water Board remain outstanding) when they fall due, and are subject to any losses which may be incurred on future realisations of Sinking Funds investments.
6. Investments in the Consolidated Superannuation Fund accounts are included at market prices ruling at the year end. For valuation purposes investments expressed in foreign currencies have been translated into sterling at the rate of exchange ruling at the year end. Realised and unrealised gains and losses on investments are adjusted on the members' capital accounts in proportion to their average balance during the year. Interest and dividends are similarly apportioned.
7. Investments in the Contingency Reserve Fund and investments held under the heading of Miscellaneous Securities are included at market prices ruling at the year end. For valuation purposes investments expressed in foreign currencies, if held, have been translated into sterling at the rate of exchange ruling at the year end.
8. The States of Guernsey provides a funded final salary (i.e. defined benefit) pension scheme for its employees. The contributions made by the States of Guernsey and its employees are such as to spread the full cost of benefits over the employees' working lives. The pension cost is assessed in accordance with the advice of qualified actuaries.
9. By a Resolution of the States dated 25 April 1991, General Revenue Committees are given the option, in certain circumstances, of retaining generated income for their own use. Where the Advisory and Finance Committee has authorised such income to be retained, it is shown as operating income reducing net expenditure from that year.
10. Interest receivable on the General Revenue Account is shown within the Advisory and Finance Committee accounts. Other interest is shown in the respective funds and accounts to which it relates.



## STATES TREASURER'S REPORT

### For the Year Ended 31 December 2001

#### Introduction

The purpose of this report is to give a brief overview of the major financial highlights of the outturn of General Revenue for 2001. Full details of individual Committees' income and expenditure are shown in the following pages of this Billet d'Etat.

#### General Revenue Account Income and Expenditure

In summary, the outturn for 2001 compared to 2000 was as follows:

	2001		2000	
	£m	£m	£m	£m
Income		280.2		257.6
Expenditure				
Non-Formula Led	174.5		159.5	
Formula Led	48.4		44.9	
		<u>222.9</u>		<u>204.4</u>
Operating Surplus		<u>57.3</u>		<u>53.2</u>

#### Commentary

- Income in 2001 has increased by a net amount of £22.6m compared to 2000 mainly due to an increase in income tax receipts of £25.4m (an increase of 12.6%).
- After taking into account changes in accounting treatment and inflation, this represents a real terms increase in income of 8.8% for 2001 compared to 2000. In 2000 income increased by £19.4m (an increase of 4.2% in real terms) compared to the previous year.
- Total revenue expenditure in 2001 has increased by £18.5m (8.5% in real terms) compared to 2000. In 2000 expenditure increased by £13.6m (an increase of 3.2% in real terms) compared to the previous year.
- The Operating Surplus for 2001 is an improvement of £4.1m on 2000, and exceeds earlier predictions and represents a healthy financial situation. However, the high rate of growth of revenue expenditure continues to be a matter of concern.
- The major increases in expenditure in 2001 compared to 2000 occurred in the following areas:
 

	£m
• Advisory and Finance Committee: Legal Aid Scheme	0.4
• Board of Industry: E-Business Support	0.7
• Corporate Finance Advice: Strategic Partner for Telecomms	0.7
• Dairy Farm Management Scheme	2.0
• Education	2.9
• Foot and Mouth Disease Precautions	0.6
• Health Services	4.2
• Police Force	1.1
• Social Insurance and Supplementary Benefits	3.5
• Tourist Board: Marketing	1.0

The above increases in expenditure had been anticipated and committees were able to fund the extra expenditure from existing resources, i.e. all General Revenue committees remained within their authorised budget.

## STATES TREASURER'S REPORT

### For the Year Ended 31 December 2001

#### General Revenue Account

The overall position of the General Revenue Account at 31 December 2001 was as follows:

	£m	£m
Operating surplus		57.3
Add: capital receipts		<u>1.1</u>
		58.4
Less: Appropriations		
Transfer to States Houses Fund	0.5	
Capital Fund	31.9	
Capital Reserve	19.0	
Contingency Fund	<u>6.2</u>	
		<u>57.6</u>
		0.8
Add: Balance Brought forward from 2000		<u>41.0</u>
Balance as at 31 December 2001		<u>41.8</u>

Of the above sum of £41.8m, £15.4m is allocated to individual committees in respect of accumulated unspent balances leaving an available balance on the General Revenue Account Reserve as at 31 December 2001 of £26.4m (2000: £25.5m). The target balance to be retained on the General Revenue Account as a reserve to cover unforeseen expenditure and shortfalls in income is 5% of annual income (i.e. £14.0m).

#### Capital Income and Expenditure

During 2001 capital income was £1.1m (2000: £0.9m) of which £0.4m was in respect of the sale of the Amherst Hospital site and £0.2m for sale of properties in the Bordage.

During 2001 capital expenditure, including transfers to the newly established Housing Funds, was £35.0m (2000: £13.9m). Major transactions during the year included the following:

	£m
• Advisory and Finance Committee: Procurement and finance project	3.7
• Board of Health: Premises, equipment etc.	4.3
• Education Council: ICT Strategy and related works	2.1
• Education Council: St. Anne's School Alderney	0.3
• Housing Authority: Construction and conversion of properties	0.9
• Housing Authority: Transfer to Housing Association Fund	8.3
• Housing Authority: Transfer to States Houses Fund	4.3
• Public Thoroughfares Committee: Pumping stations, foul water and sewers	4.9
• Recreation Committee: Beau Sejour Centre redevelopment	0.8

## STATES TREASURER'S REPORT

### For the Year Ended 31 December 2001

#### Capital Fund

The Capital Fund represents the amounts allocated and available to committees to fund their individual capital programmes. The movements on the Capital Fund for 2001 can be summarised as follows:

	£m	£m
Balance of Fund as at 1.1.01		22.3
Net appropriations for the year	31.9	
Transfers from Capital Reserve	12.1	
Committee expenditure in year	(35.0)	
		9.0
Balance of Fund as at 31.12.01		31.3

#### Capital Reserve

The Capital Reserve is used to accumulate funds for future capital projects of exceptional size or where insufficient information on the cost of particular projects is available. The movements on the Capital Reserve for 2001 can be summarised as follows:

	£m	£m
Balance of Fund as at 1.1.01		76.1
Appropriation from Revenue Account	19.0	
Interest received	7.1	
Transfers to Capital Fund	(12.1)	
		14.0
Balance of Fund as at 31.12.01		90.1

Following the 2002 Budget Debate in December 2001, the States approved a further transfer to the Capital Reserve at the beginning of 2002 of £18.0m.

#### Contingency Reserve Fund

The purpose of the Contingency Reserve Fund is to provide protection against major emergencies including economic downturns having a severe adverse effect on the Island. The movements on the Contingency Reserve Fund for 2001 can be summarised as follows:

	£m	£m
Balance of Fund as at 1.1.01		119.2
Appropriation from Revenue Account		6.2
Net depreciation of investments- realised and unrealised	(2.1)	
Investment management fees	(0.3)	
Interest received	8.7	
Net Investment Gain		6.3
Balance of Fund as at 31.12.01		131.7

The balance of the Fund as at 31.12.01 represents 59% of the equivalent of one year's revenue expenditure based on the actual expenditure for 2001 (2000: 58%).

Following the 2002 Budget Debate in December 2001, the States approved a further transfer to the Fund at the beginning of 2002 of £5.0m.

## **STATES TREASURER'S REPORT**

### **For the Year Ended 31 December 2001**

#### **Changes to the Format of the Year-End Accounts**

The Advisory and Finance Committee is committed to ensuring that the year-end accounts of all States entities are prepared in line with best practice and are made as easy to read and understand as possible. Together with the annual Policy and Resource Planning and Budget reports, the year-end accounts form the main means of reporting on the States financial affairs.

In recent years a number of important changes have been made to the year-end accounts, for example the introduction of Statements of Internal Financial Controls, Statements of Activities and Performance for the Trading Undertakings, and indeed the introduction of this report.

In last year's accounts the format of various Miscellaneous Accounts and Funds was revised, in line with best practice, to clarify and simplify them. Furthermore, in order to emphasise the difference between income collected by General Revenue committees for general purposes (i.e. to fund general expenditure and transfers to reserves, being mainly taxation) and operating income and recharges (i.e. to fund committees' own revenue expenditure) the sequence of various parts of the year end accounts has been amended.

As set out in the 2002 Budget Report, this year's report contains two further significant changes, i.e. revised formats for the accounts of the Ports and in respect of States Housing have been introduced. Both of these arrangements are interim reporting arrangements prior to further refinements in respect of fixed asset accounting and reporting, however, they are important first steps.

It should also be noted that, following the commercialisation and dissolution of the Electricity, Telecommunications and Post Office Boards, this year's Billet d'Etat includes the audited accounts of the three States entities up to the date of commercialisation.

#### **Appointment of External Auditors**

In 1997, following a competitive tender process, the Committee recommended and the States approved the appointment of Deloitte & Touche as auditors of all of the States accounts. It was the Committee's stated intention that there should be no major review of the reappointment of external auditors for a period of five years unless the appointment proved unsatisfactory in any significant respect.

As was stated in last year's report, the provision of external audit services to the States was put out to tender during 2001.

Having evaluated the tenders and consulted with the various interested parties including the States Audit Commission (as required by the States Audit Commission (Guernsey) 1997, Law), the Committee is recommending that the States appoint the firm of KPMG as auditors of all States accounts for the year ending 31 December 2002.

It is once again the intention of the Committee that there should be no major review of the reappointment of external auditors for a period of five years unless the appointment proves unsatisfactory in any significant respect.

It is emphasised that the Committee's decision to recommend the appointment of KPMG should not be taken as meaning that the services provided by Deloitte & Touche have been in anyway unsatisfactory.

D M Clark B.Sc, FCA  
States Treasurer  
17 May 2002



## SUMMARY OF GENERAL

THIS IS BROADLY WHERE THE INCOME ON REVENUE ACCOUNT COMES FROM -	2001		2000	
	£'000	£'000	£'000	£'000
TAXATION -				
Income Tax	226,842		201,491	
Import Duties and Impôts	14,351		14,325	
Document Duty, etc.	7,500		7,272	
Exempt Company Fees	5,068		5,051	
Automobile Tax	4,895		4,775	
Tax on Rateable Values	3,827		3,218	
		262,483		236,132
CROWN REVENUES		7,090		5,528
RENT FROM STATES HOUSES AND OTHER PROPERTIES		3,095		2,165
HEALTH AND SOCIAL SERVICES - FEES, ETC.		2,697		2,866
INTEREST AND SURPLUS ON NOTES AND COINS		1,773		4,496
SEWAGE TANKER FEES		1,279		1,113
COURT FEES AND FINES		1,078		1,059
POST OFFICE - CONTRIBUTION TO GENERAL REVENUE		385		614
MISCELLANEOUS		285		359
TOTAL REVENUE INCOME		280,165		254,332

The figures in this statement and their classification are approximate only. The statement does not constitute a part of the States Accounts and should not be treated as such.

## REVENUE INCOME

1999		1998		1997	
£'000	£'000	£'000	£'000	£'000	£'000
188,574		166,257		156,200	
13,549		13,556		11,715	
6,287		5,689		6,144	
4,905		4,914		4,000	
4,533		4,389		4,245	
3,099		3,061		3,024	
	220,947		197,866		185,328
	4,697		4,457		4,223
	2,493		1,933		2,143
	2,769		2,671		2,702
	1,468		4,189		2,800
	1,128		1,061		981
	962		992		999
	614		728		578
	333		319		424
	235,411		214,216		200,178

## SUMMARY OF GENERAL

AND THIS IS BROADLY WHERE IT GOES -	2001		2000	
	£'000	£'000	£'000	£'000
HEALTH SERVICES, CARE OF THE AGED AND CHILDREN		59,699		54,651
SOCIAL SECURITY SERVICES -				
Social Insurance and Supplementary Benefits, etc.	48,365		44,875	
Public Assistance	651		579	
Sheltered and Other Work Schemes	237		321	
		49,253		45,775
EDUCATION		44,571		41,709
ADMINISTRATIVE, TECHNICAL AND CENTRAL SERVICES INCLUDING TAX COLLECTION -				
Advisory and Finance	8,865		6,726	
Customs and States Traffic	3,637		3,404	
Income Tax Authority	3,547		3,298	
Island Development Committee	1,762		1,718	
Board of Administration	1,585		1,645	
Civil Service Board	1,089		1,112	
Housing Administration	817		999	
		21,302		18,902
LAW AND ORDER -				
Police	8,284		7,305	
Courts	3,621		2,854	
Probation, Prison and Maintenance of Prisoners in U.K. Prisons	2,743		2,387	
		14,648		12,546
SERVICES FOR LOCAL INDUSTRIES -				
Tourism	4,882		3,859	
Agriculture and Fisheries	3,452		974	
Commerce and Industry	2,460		1,630	
Horticulture	1,168		1,179	
		11,962		7,642
COMMUNITY SERVICES -				
Roads, Traffic, Coast Defence and Sewage Disposal	9,610		8,554	
Fire Brigade	2,453		2,379	
Refuse Disposal and Other Community Services provided by the Board of Administration	(104)		132	
		11,959		11,065
RECREATION, MUSEUMS, PARKS, ETC.		3,273		3,057
PROPERTIES - UPKEEP AND REPAIR		1,249		1,208
OVERSEAS AID		1,019		886
STATES OF ALDERNEY DOMESTIC ACCOUNT		834		862
STATES OF ALDERNEY AIRPORT SUBSIDY		431		418
DOCUMENT DUTY AND TREIZIEME GRANTS		125		245
MISCELLANEOUS		2,576		2,183
TOTAL REVENUE EXPENDITURE		222,901		201,149
OPERATING SURPLUS		57,264		53,183
		280,165		254,332

The figures in this statement and their classification are approximate only. The statement does not constitute a part of the States Accounts and should not be treated as such.



# REVENUE EXPENDITURE

1999		1998		1997	
£'000	£'000	£'000	£'000	£'000	£'000
	50,127		47,832		45,134
42,302		40,393		37,880	
528		595		757	
316		309		350	
—	43,146	—	41,297	—	38,987
	39,294		36,919		35,135
5,722		5,243		4,984	
3,130		2,951		2,953	
3,077		2,919		2,829	
1,565		1,558		1,410	
1,760		1,475		1,455	
1,025		881		915	
894		790		712	
—	17,173	—	15,817	—	15,258
7,208		6,507		6,228	
2,383		2,343		2,121	
2,241		2,080		2,082	
—	11,832	—	10,930	—	10,431
3,987		3,996		3,683	
804		782		784	
1,554		1,286		1,074	
1,395		1,512		1,582	
—	7,740	—	7,576	—	7,123
7,377		7,014		6,581	
2,314		2,181		2,125	
290		296		60	
—	9,981	—	9,491	—	8,766
	3,115		2,999		2,453
	1,205		914		851
	962		750		700
	658		539		802
	416		395		343
	85		96		167
	2,307		2,017		1,810
	188,041		177,572		167,960
	47,370		36,644		32,218
	235,411		214,216		200,178

## SUMMARY OF CAPITAL

	2001		2000	
	£'000	£'000	£'000	£'000
ALDERNEY AIRPORT		630		27
CIEG CABLE LINK - Fibre optic capacity connection		76		133
CORPORATE IT SYSTEMS		3,918		157
EDUCATION -				
Constructing and improving school buildings etc.	785		1,083	
ICT Strategy	2,128		2,605	
		2,913		3,688
FIRE BRIGADE - Purchase of equipment and improvements to premises		230		251
HEALTH AND SOCIAL SERVICES - Provision and improvement of accommodation, etc.		4,320		2,410
HOUSING -				
Housing grants	8,290		-	
Purchase of land, constructing houses, etc.	5,238		673	
		13,528		673
LAND RECLAMATION AND REFUSE DISPOSAL		7		158
LAW AND ORDER -				
Police	367		220	
Prison	165		30	
		532		250
RECREATION, LEISURE, ETC. - Constructing and improving facilities, etc.		1,882		214
ROADS, SEWERS, SURFACE DRAINAGE, ETC. - Improvements, new constructions,		4,976		2,520
SEA FISHERIES - Patrol Vessel		-		9
STATES OF ALDERNEY NET CAPITAL EXPENDITURE		12		39
STATES PROPERTIES - Purchases, new constructions and improvements, etc.		1,380		1,386
MISCELLANEOUS WORKS		561		1,982
TOTAL CAPITAL EXPENDITURE		34,965		13,897

## EXPENDITURE

1999		1998		1997	
£'000	£'000	£'000	£'000	£'000	£'000
	18		-		43
	-		-		-
	222		397		47
1,919		1,029		1,672	
156		-		-	
	2,075		1,029		1,672
	223		431		53
	2,935		1,402		1,290
-		-		-	
386		1,092		410	
	386		1,092		410
	99		629		3,428
308		239		112	
39		21		58	
	347		260		170
	329		184		482
	1,433		1,784		1,650
	-		396		169
	950		7		61
	756		433		260
	617		620		543
	10,390		8,664		10,278

**GENERAL REVENUE APPROPRIATION ACCOUNT**

	£
Operating Surplus	57,263,610
Committee Capital Income	1,095,091
	<hr/>
	58,358,701
Appropriated as follows -	
Capital Fund - General	(31,600,305)
Capital Fund - Reserve	(19,000,000)
Contingency Reserve Fund	(6,200,000)
	<hr/>
Transfer to General Revenue Account Reserve	£1,558,396
	<hr/>

**GENERAL REVENUE  
COMMITTEE ACCOUNTS**

## SUMMARY OF GENERAL REVENUE

Committees	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>INCOME ON REVENUE ACCOUNT</b>								
<b>Ordinary Income</b>								
Advisory and Finance Committee	17,858,639		17,180,800		16,251,800		18,924,091	
Agriculture and Countryside Board	9,387		9,500		12,000		11,292	
Arts Committee	-		-		-		-	
Board of Administration	15,045,994		14,401,500		14,615,700		15,044,748	
Board of Health	2,221,223		2,134,950		2,029,900		2,344,190	
Board of Industry	-		-		-		-	
Cadastre Committee	3,827,544		3,810,000		3,750,000		3,218,648	
Children Board	-		-		-		-	
Civil Defence Committee	-		-		-		-	
Civil Service Board	-		-		-		-	
Education Council	-		-		-		-	
Gambling Control Committee	26,567		26,540		27,800		29,080	
Guernsey Social Security Authority	-		-		-		-	
Heritage Committee	-		-		-		-	
Home Affairs Committee	-		-		-		-	
Less amount paid to Crown Revenues								
Account	-		-		-		-	
Horticulture Committee	-		-		-		-	
Housing Authority	2,911,728		3,172,100		3,442,000		5,406,366	
Income Tax Authority	231,910,158		227,969,000		216,914,000		206,552,984	
Island Development Committee	-		-		-		-	
Island Reception Committee	-		-		-		-	
Liberation Celebrations Committee	-		-		-		-	
Overseas Aid Committee	-		-		-		-	
Probation Service Committee	-		-		-		-	
Public Assistance Authority	92,289		93,500		93,500		96,743	
Public Thoroughfares Committee	1,280,821		1,151,500		1,024,250		1,113,825	
Recreation Committee	7,341		10,000		10,000		7,999	
Sea Fisheries Committee	2,529		3,000		3,000		3,212	
States Traffic Committee	4,970,407		4,803,800		4,698,800		4,851,180	
Tourist Board	-		-		-		-	
<b>Total Income on Revenue Account</b>	280,164,627		274,766,190		262,872,750		257,604,358	
		<b>280,164,627</b>		<b>274,766,190</b>		<b>262,872,750</b>		<b>257,604,358</b>
		<b>280,164,627</b>		<b>274,766,190</b>		<b>262,872,750</b>		<b>257,604,358</b>

## INCOME AND EXPENDITURE

Committees	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT</b>								
<b>Ordinary Expenditure</b>								
Advisory and Finance Committee	18,309,713		20,898,929		16,798,400		14,786,658	
Agriculture and Countryside Board	3,198,819		3,846,963		2,815,900		749,912	
Arts Committee	118,553		130,000		115,000		139,421	
Board of Administration	7,643,730		8,746,076		8,036,000		7,562,979	
Board of Health	53,469,423		53,502,000		53,250,000		49,270,367	
Board of Industry	2,202,170		2,463,900		1,445,000		1,445,965	
Cadastre Committee	198,379		198,550		183,000		173,734	
Children Board	4,882,472		4,979,450		4,717,500		4,105,946	
Civil Defence Committee	96,941		132,575		122,000		96,973	
Civil Service Board	1,088,790		1,210,800		1,200,000		1,111,596	
Education Council	44,219,353		44,755,600		44,102,251		41,332,391	
Gambling Control Committee	4,236		6,000		6,000		6,625	
Guernsey Social Security Authority	48,365,086		47,977,575		46,934,030		44,875,409	
Heritage Committee	981,486		1,126,900		1,020,000		859,097	
Home Affairs Committee	13,105,184		14,044,026		13,014,800		11,711,516	
Less amount received from Crown Revenues								
Account	(2,368,469)		(2,403,550)		(2,200,000)		(2,027,713)	
Horticulture Committee	1,168,128		1,260,437		1,374,250		1,179,064	
Housing Authority	2,288,526		2,380,410		2,133,800		5,640,774	
Income Tax Authority	3,547,336		3,683,882		3,560,000		3,298,315	
Island Development Committee	1,762,481		2,149,300		1,700,000		1,718,013	
Island Reception Committee	66,026		90,666		21,000		8,786	
Liberation Celebrations Committee	50,037		52,400		45,000		52,128	
Overseas Aid Committee	1,019,339		1,020,370		920,000		885,545	
Probation Service Committee	253,696		270,050		248,000		247,810	
Public Assistance Authority	650,869		634,600		580,000		579,573	
Public Thoroughfares Committee	8,319,172		8,443,350		7,778,200		7,631,458	
Recreation Committee	1,123,543		1,349,750		1,275,000		1,111,739	
Sea Fisheries Committee	253,269		261,925		245,000		224,573	
States Traffic Committee	2,001,228		2,123,678		1,706,800		1,783,971	
Tourist Board	4,881,501		5,352,200		4,370,000		3,858,742	
<b>Total Expenditure on Revenue Account</b>	222,901,017		230,688,812		217,516,931		204,421,367	
		<b>222,901,017</b>		<b>230,688,812</b>		<b>217,516,931</b>		<b>204,421,367</b>
<b>Operating Surplus available for appropriation</b>		<b>57,263,610</b>		<b>44,077,378</b>		<b>45,355,819</b>		<b>53,182,991</b>
		<b>280,164,627</b>		<b>274,766,190</b>		<b>262,872,750</b>		<b>257,604,358</b>

COMMITTEE REVENUE INCOME

Heads of Credit	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>ADVISORY AND FINANCE COMMITTEE</b>								
<b>Administration -</b>								
Interest receivable	15,777,719						17,680,355	
<i>Less</i> net amount due to third parties (Note a)	(14,997,028)						(14,502,548)	
General Revenue Account interest receivable	780,691						3,177,807	
Unrealised gain on revaluation of investments (Note b)	94,214						162,691	
	874,905		900,000		3,000,000		3,340,498	
Fees, charges, etc.	24,922		21,800		16,800		20,406	
Surplus on Notes and Coins Account	877,071		950,000		890,000		1,070,030	
Television Tender Payments	28,626		29,000		33,000		30,948	
		1,805,524		1,900,800		3,939,800		4,461,882
<b>Courts and Crown Revenues -</b>								
<b>Greffe -</b>								
Court fees	236,928		220,000		170,000		155,540	
Document duty	7,499,968		7,030,000		5,545,000		7,251,877	
Fees and certificates	238,818		240,000		230,000		230,416	
Leasehold duty	-		5,000		1,500		1,285	
Licences	51,647		55,000		55,000		52,294	
Transfer duty	-		-		-		7,500	
	8,027,361		7,550,000		6,001,500		7,698,912	
<b>Fixed Penalties</b>								
	247,580		270,000		350,000		331,277	
<b>Magistrates Court -</b>								
Fees	19,120		18,000		18,000		17,648	
<b>Sergeant and Sheriff -</b>								
Fees	144,260		130,000		100,000		119,511	
Fines and costs	139,347		150,000		175,000		152,612	
	283,607		280,000		275,000		272,123	
<b>Crown Revenues -</b>								
Receipts from H. M. Treasury	6,995,974		6,650,000		4,950,000		5,416,045	
Naturalisation fees	2,660		2,000		1,000		1,110	
Passport fees	155,218		165,000		180,000		159,500	
<i>Less</i> payments to H.M. Government	(155,218)		(165,000)		(180,000)		(159,500)	
Legalisation of documents	91,813		100,000		125,000		110,844	
	7,090,447		6,752,000		5,076,000		5,527,999	
		15,668,115		14,870,000		11,720,500		13,847,959
<b>Post Office contribution to General Revenue</b>		385,000		410,000		591,500		614,250
<b>TOTAL ADVISORY AND FINANCE COMMITTEE GENERAL REVENUE INCOME</b>		17,858,639		17,180,800		16,251,800		18,924,091
<b>AGRICULTURE AND COUNTRYSIDE BOARD</b>	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Farm loans interest		9,387		9,500		12,000		11,292
<b>TOTAL AGRICULTURE AND COUNTRYSIDE BOARD GENERAL REVENUE INCOME</b>		9,387		9,500		12,000		11,292



## COMMITTEE REVENUE INCOME

Heads of Credit	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>BOARD OF ADMINISTRATION</b>								
<b>Customs and Immigration -</b>								
Import duties on foreign goods	341,762		336,500		370,300		388,970	
CAP charges	-		100		100		-	
Impôts :								
Beer	1,772,901		1,635,000		1,800,000		1,731,143	
Cider	236,647		242,000		233,000		228,319	
Motor Spirit	2,114,066		2,045,000		2,045,000		2,164,202	
Spirits	1,808,387		1,600,000		1,880,000		1,807,622	
Tobacco	6,240,706		6,200,000		5,810,000		6,157,767	
Wine	1,996,854		1,840,000		1,985,000		2,007,748	
Rent and sundries	7,217		8,400		6,400		96,102	
	14,518,540		13,907,000		14,129,800		14,581,873	
Less Import duties paid to Sark	(1,840)		(2,200)		(2,200)		(2,434)	
Impôts collected for Sark	(166,152)		(160,000)		(180,000)		(164,029)	
		<b>14,350,548</b>		<b>13,744,800</b>		<b>13,947,600</b>		<b>14,415,410</b>
<b>Land Management -</b>								
<b>Beaches -</b>								
Permits, etc.	340		400		300		295	
<b>Herm -</b>								
Rent	33,792		33,800		33,100		27,090	
		<b>34,132</b>		<b>34,200</b>		<b>33,400</b>		<b>27,385</b>
<b>Property -</b>								
<b>Foulon Cemetery -</b>								
Fees	53,728		64,000		50,000		56,518	
St. Peter Port contribution	58,650		58,650		50,000		55,012	
		<b>112,378</b>		<b>122,650</b>		<b>100,000</b>		<b>111,530</b>
<b>Ships Registry -</b>								
Transferred from Ports Holding Account		<b>16,160</b>		<b>14,800</b>		<b>54,650</b>		-
<b>Central Services -</b>								
Rents, fees etc.		<b>532,776</b>		<b>485,050</b>		<b>480,050</b>		<b>490,423</b>
<b>TOTAL BOARD OF ADMINISTRATION GENERAL REVENUE INCOME</b>		<b>15,045,994</b>		<b>14,401,500</b>		<b>14,615,700</b>		<b>15,044,748</b>
<b>BOARD OF HEALTH</b>								
<b>Central Services -</b>								
Rents		<b>301,523</b>		<b>300,000</b>		<b>286,000</b>		<b>299,756</b>
<b>Health Care Services</b>								
Fees		<b>1,128,172</b>		<b>1,108,350</b>		<b>1,079,100</b>		<b>1,183,517</b>
<b>Health Studies and Nursing Services</b>								
Fees		<b>39,695</b>		<b>23,000</b>		<b>24,800</b>		<b>47,119</b>
<b>Social Care Services</b>								
Fees		<b>751,833</b>		<b>703,600</b>		<b>640,000</b>		<b>813,798</b>
<b>TOTAL BOARD OF HEALTH GENERAL REVENUE INCOME</b>		<b>2,221,223</b>		<b>2,134,950</b>		<b>2,029,900</b>		<b>2,344,190</b>

## COMMITTEE REVENUE INCOME

Heads of Credit	Accounts, 2001	Probable Outturn, 2001	Budget Estimate, 2001	Accounts, 2000
<b>CADASTRE COMMITTEE</b>	£            £	£            £	£            £	£            £
Cadastre, Rent control and collection of Tax on Rateable Values -	3,827,544	3,810,000	3,750,000	3,218,648
<b>TOTAL CADASTRE COMMITTEE GENERAL REVENUE INCOME</b>	3,827,544	3,810,000	3,750,000	3,218,648
<b>GAMBLING CONTROL COMMITTEE</b>	£            £	£            £	£            £	£            £
Administration - Fees	26,567	26,540	27,800	29,080
<b>TOTAL GAMBLING CONTROL COMMITTEE GENERAL REVENUE INCOME</b>	26,567	26,540	27,800	29,080
<b>HOUSING AUTHORITY</b>	£            £	£            £	£            £	£            £
Administration - Home Loans Fund interest received (Note c)	-	-	-	61,769
Residential Homes - Residents fees, etc.	685,135	661,750	760,000	724,868
States Houses - Rents, etc.	-	-	-	6,743,798
Less rent rebates	-	-	-	(2,124,069)
Transfer from States Houses Fund (Note d)	2,226,593	2,510,350	2,682,000	-
	<u>2,226,593</u>	<u>2,510,350</u>	<u>2,682,000</u>	<u>4,619,729</u>
<b>TOTAL HOUSING AUTHORITY GENERAL REVENUE INCOME</b>	2,911,728	3,172,100	3,442,000	5,406,366
<b>INCOME TAX AUTHORITY</b>	£            £	£            £	£            £	£            £
Exempt company fees	5,068,198	5,086,000	5,063,000	5,050,552
Dwellings profit tax	-	1,000	1,000	11,426
Income tax collected	226,841,960	222,882,000	211,850,000	201,491,006
<b>TOTAL INCOME TAX AUTHORITY GENERAL REVENUE INCOME</b>	231,910,158	227,969,000	216,914,000	206,552,984
<b>PUBLIC ASSISTANCE AUTHORITY</b>	£            £	£            £	£            £	£            £
Welfare Hostel - St Julian's House - Receipts for board and lodgings	92,289	93,500	93,500	96,743
<b>TOTAL PUBLIC ASSISTANCE AUTHORITY GENERAL REVENUE INCOME</b>	92,289	93,500	93,500	96,743

## COMMITTEE REVENUE INCOME

Heads of Credit	Accounts, 2001	Probable Outturn, 2001	Budget Estimate, 2001	Accounts, 2000
<b>PUBLIC THOROUGHFARES COMMITTEE</b>	£            £	£            £	£            £	£            £
Administration - Sewers Connections Loans Fund interest	1,589	1,500	1,250	910
Sewage tankers - Fees	1,279,232	1,150,000	1,023,000	1,112,915
<b>TOTAL PUBLIC THOROUGHFARES COMMITTEE GENERAL REVENUE INCOME</b>	<b>1,280,821</b>	<b>1,151,500</b>	<b>1,024,250</b>	<b>1,113,825</b>
<b>RECREATION COMMITTEE</b>	£            £	£            £	£            £	£            £
Policy Implementation and Administration - Interest on loans to sporting bodies	7,341	10,000	10,000	7,999
<b>TOTAL RECREATION COMMITTEE GENERAL REVENUE INCOME</b>	<b>7,341</b>	<b>10,000</b>	<b>10,000</b>	<b>7,999</b>
<b>SEA FISHERIES COMMITTEE</b>	£            £	£            £	£            £	£            £
Fisheries licences	150	-	-	100
Fisheries Loans interest	2,379	3,000	3,000	3,112
<b>TOTAL SEA FISHERIES COMMITTEE GENERAL REVENUE INCOME</b>	<b>2,529</b>	<b>3,000</b>	<b>3,000</b>	<b>3,212</b>
<b>STATES TRAFFIC COMMITTEE</b>	£            £	£            £	£            £	£            £
Administration and Vehicle Registration and Licensing - Automobile tax	4,894,688	4,755,000	4,650,000	4,774,601
Sale of registration marks	75,719	48,800	48,800	76,579
<b>TOTAL STATES TRAFFIC COMMITTEE GENERAL REVENUE INCOME</b>	<b>4,970,407</b>	<b>4,803,800</b>	<b>4,698,800</b>	<b>4,851,180</b>
<b>TOTAL GENERAL REVENUE INCOME</b>	<b><u>£280,164,627</u></b>	<b><u>£274,766,190</u></b>	<b><u>£262,872,750</u></b>	<b><u>£257,604,358</u></b>

Notes:

- As set out in the 2002 Budget Report (Billet d'Etat XXIII), with effect from 1 January 2001, the accounting treatment for interest receivable on the balance of the Capital Fund - General has been revised and it is now credited to the Capital Fund - Reserve (previously credited to General Revenue).
- The unrealised gain on revaluation of investments relates to investments held for both General Revenue and third parties. The investments are normally held until maturity therefore it is not anticipated that any gain or loss will crystallise.
- On 26 July 2000, as part of the Policy and Resource Planning Report, Billet D'Etat XV, the States agreed that with effect from 1 January 2001 the Home Loans Fund should be closed and that any outstanding balances thereon should be transferred to the Housing Development and Loan Fund.
- As set out in the 2002 Budget Report (Billet d'Etat XXIII), the accounting treatment for the expenditure (capital and revenue) and income in respect of the Authority's housing stock has been revised and a States Houses Fund established. For 2001 only, a transfer has been made from the States Houses Fund to the General Revenue Account to compensate for the reduction in net income, compared to budget.

# ADVISORY AND FINANCE COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Premises	168,296		157,500		144,450		128,423	
Staff	2,872,282		3,197,920		3,170,450		2,509,684	
Supplies and services	1,282,986		1,085,200		931,100		799,914	
Audit fees	34,309		34,100		34,100		32,147	
Consultants fees	240,383		408,900		225,500		106,341	
Contracted-out work	112,562		89,900		77,400		59,550	
Contribution to local television subtitling	37,440		37,440		37,440		37,440	
	4,748,258		5,010,960		4,620,440		3,673,499	
<i>Less</i> sundry recoveries	(32,715)		(39,800)		(39,800)		(28,850)	
notes and coins recoveries	(46,098)		(44,100)		(44,100)		(39,241)	
Sark recoveries	(301)		(330)		(330)		(326)	
	<b>4,669,144</b>		<b>4,926,730</b>		<b>4,536,210</b>		<b>3,605,082</b>	
<b>Audit Commission -</b>								
Staff	152,611		277,400		276,700		126,284	
Supplies and services	22,244		26,100		23,300		18,022	
Contracted-out work	109,086		252,900		120,000		90,666	
	<b>283,941</b>		<b>556,400</b>		<b>420,000</b>		<b>234,972</b>	
<b>Commonwealth Parliamentary Association -</b>								
Annual contribution to General Council (Vote 29.1.86)	20,453		18,800		18,800		18,515	
Regional conferences etc.	12,690		23,000		23,000		761	
	33,143		41,800		41,800		19,276	
<i>Less</i> operating income	(225)		-		-		(157)	
	<b>32,918</b>		<b>41,800</b>		<b>41,800</b>		<b>19,119</b>	
<b>Census 2001 (Vote 16.3.00) -</b>								
<i>Less</i> sundry recoveries	159,992		174,900		110,000		136	
	-		-		-		(55)	
	<b>159,992</b>		<b>174,900</b>		<b>110,000</b>		<b>81</b>	
<b>Control of Borrowing Legislation -</b>								
Guernsey Financial Services Commission	<b>100,000</b>		<b>100,000</b>		<b>100,000</b>		<b>100,000</b>	
<b>Courts and Crown Revenues -</b>								
<b>Bailiff -</b>								
Supplies and services	24,783		23,850		23,850		33,470	
Consultants fees	22,322		28,400		-		-	
Salaries, superannuation and establishment allowance	530,926		534,680		527,500		492,754	
Printing	85,913		143,000		108,000		86,058	
	663,944		729,930		659,350		612,282	
<b>Court of Appeal -</b>	42,128		80,000		80,000		84,428	
<b>Court Buildings -</b>								
Premises	27,227		42,550		42,550		80,259	
Staff	36,176		36,710		36,200		34,416	
Supplies and services	2,640		1,650		1,650		1,599	
	66,043		80,910		80,400		116,274	
<i>Less</i> recoveries from Crown Revenues	(14,934)		(22,375)		(22,375)		(35,970)	
	51,109		58,535		58,025		80,304	

# ADVISORY AND FINANCE COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Courts and Crown Revenues - (continued)</b>								
<b>Greffé -</b>								
Premises	1,357		1,800		1,800		1,386	
Staff	668,127		658,875		656,800		568,150	
Supplies and services	74,602		84,000		84,000		78,201	
Consultants fees	1,000		19,280		-		-	
Printing	11,420		24,000		24,000		15,177	
	756,506		787,955		766,600		662,914	
<i>Less</i> operating income	(29,749)		-		-		(33,440)	
	726,757		787,955		766,600		629,474	
<b>Interception of Communications -</b>	1,815		7,500		7,500		1,241	
<b>Law Officers -</b>								
Premises	13,052		14,600		14,600		10,719	
Staff	1,201,004		1,299,525		1,291,000		983,659	
Supplies and services	145,160		217,200		169,200		169,250	
Consultants fees	34,649		38,280		27,000		7,847	
	1,393,865		1,569,605		1,501,800		1,171,475	
<i>Less</i> operating income	(37,589)		(20,000)		(20,000)		(34,519)	
	1,356,276		1,549,605		1,481,800		1,136,956	
<b>Legal Publications -</b>								
Staff	-		2,000		25,000		-	
Supplies and services	198		8,400		2,000		614	
Contracted-out work	23,000		23,000		-		-	
	23,198		33,400		27,000		614	
<b>Magistrates Court -</b>								
Staff	113,628		113,200		113,700		99,783	
Supplies and services	6,826		5,400		5,400		3,061	
	120,454		118,600		119,100		102,844	
<b>Sergeant and Sheriff -</b>								
Premises	2,555		4,700		4,700		4,564	
Staff	270,251		280,565		279,650		248,997	
Supplies and services	30,739		34,600		34,600		40,144	
	303,545		319,865		318,950		293,705	
<b>Crown Revenues -</b>								
Annual allocation to H.E. Lieutenant Governor :								
Establishment allowance and salary	497,762		501,185		492,635		474,277	
Government house -								
Repairs, furniture, equipment etc.	61,783		48,000		42,000		35,921	
Maintenance of prisoners in the United Kingdom	71,570		90,000		140,000		62,032	
Legal proceedings fees, tithes, Greffé record books, etc.	78,362		65,150		65,150		55,613	
Passports	39,203		45,700		45,700		40,913	
States Prison	2,368,469		2,403,550		2,200,000		2,027,713	
Royal Court House contribution towards upkeep	14,934		22,375		22,375		35,970	
	3,132,083		3,175,960		3,007,860		2,732,439	
	6,421,309		6,861,350		6,526,185		5,674,287	
<b>Elections -</b>								
Supplies and services	6,252		2,600		2,600		13,953	
	6,252		2,600		2,600		13,953	
<i>Less</i> sundry recoveries	-		-		-		(795)	
	6,252		2,600		2,600		13,158	

# ADVISORY AND FINANCE COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Grants -</b>								
Priaulx Library (Vote 30.09.92)	128,887		140,000		105,000		75,000	
Royal Court Fund (Vote 29.04.81)	50,000		50,000		50,000		50,000	
	178,887		190,000		155,000		125,000	
<i>Less</i> sundry recoveries	(331)		-		-		(573)	
		<b>178,556</b>		<b>190,000</b>		<b>155,000</b>		<b>124,427</b>
				-		-		
<b>Guernsey Tax Tribunal -</b>								
Allowances		<b>9,214</b>		<b>7,000</b>		<b>7,000</b>		<b>3,439</b>
<b>Guernsey Technical Services -</b>								
Staff	1,658,985		1,709,975		1,704,950		1,586,444	
Supplies and services	237,221		261,300		216,600		176,002	
Consultants fees	18,542		7,300		3,000		15,629	
Contracted-out work	41,136		48,700		48,700		38,833	
	1,955,884		2,027,275		1,973,250		1,816,908	
<i>Less</i> operating income	(231,436)		(211,700)		(211,700)		(181,338)	
		<b>1,724,448</b>		<b>1,815,575</b>		<b>1,761,550</b>		<b>1,635,570</b>
<b>Human Rights Implementation -</b>								
Staff	17,902		46,700		-		-	
Supplies and services	24,274		49,300		-		-	
Consultants fees	80		5,000		-		-	
Contracted-out work	-		49,000		-		-	
		<b>42,256</b>		<b>150,000</b>		-		-
<b>International Representation -</b>		-		<b>10,000</b>		<b>10,000</b>		<b>24,872</b>
<b>Legal Aid Scheme -</b>								
Administration	44,471		75,000		-		-	
Civil Legal Aid	154,400		150,000		-		-	
Criminal Legal Aid	175,054		175,000		-		-	
		<b>373,925</b>		<b>400,000</b>		-		-
<b>Parole Review Committee -</b>								
Allowances		<b>2,726</b>		<b>4,000</b>		<b>4,000</b>		<b>2,010</b>
<b>Payments to States Members -</b>								
Allowances	784,291		784,750		800,700		770,385	
Pensions and pension contributions	138,817		142,650		146,700		139,564	
		<b>923,108</b>		<b>927,400</b>		<b>947,400</b>		<b>909,949</b>
<b>Preparations for E.M.U. -</b>								
Supplies and services	-		35,000		8,500		4,979	
Consultants fees	-		10,000		5,000		-	
		-		<b>45,000</b>		<b>13,500</b>		<b>4,979</b>
<b>Promotion of the Finance Sector -</b>		<b>200,000</b>		<b>200,000</b>		<b>200,000</b>		<b>200,000</b>
<b>States Tenancies Independent Review Tribunal -</b>								
Allowances		<b>63</b>		<b>500</b>		<b>500</b>		<b>178</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>15,127,852</b>		<b>16,413,255</b>		<b>14,835,745</b>		<b>12,552,123</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(468,345)		-
		<b>15,127,852</b>		<b>16,413,255</b>		<b>14,367,400</b>		<b>12,552,123</b>
<b>Strategic and Corporate Measures -</b>								
<b>Bailiwick Drug Strategy -</b>								
Staff	24,815		76,000		76,000		-	
Supplies and services	30,530		135,000		57,000		12,988	
Grant	-		18,900		18,900		-	
		<b>55,345</b>		<b>229,900</b>		<b>151,900</b>		<b>12,988</b>

**ADVISORY AND FINANCE COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Ecommerce and Commercialisation of Trading Boards -</b>								
<b>Commercialisation of Trading Boards -</b>								
Supplies and services	16,988		15,000		15,000		6,630	
Consultants fees and contracted-out work	83,635		45,000		30,000		55,921	
Non Executive Director fees	9,167		25,000		25,000		25,000	
	<u>109,790</u>		<u>85,000</u>		<u>70,000</u>		<u>87,551</u>	
<i>Less</i> recoveries	(72,328)		-		-		-	
		<b>37,462</b>		<b>85,000</b>		<b>70,000</b>		<b>87,551</b>
<b>Corporate Finance Advice - Equity Partner</b>								
Supplies and services	10,445		100,000		-		-	
Consultants fees	706,532		1,250,000		-		-	
	<u></u>	<b>716,977</b>	<u></u>	<b>1,350,000</b>	<u></u>	<b>-</b>	<u></u>	<b>-</b>
<b>Ecommerce Strategy -</b>								
Staff	81,803		250,000		250,000		33,940	
Supplies and services	43,682		15,000		15,000		70,645	
Consultants fees and contracted-out work	259,893		110,700		51,000		258,907	
	<u>385,378</u>		<u>375,700</u>		<u>316,000</u>		<u>363,492</u>	
<i>Less</i> contribution from Board of Industry	(28,743)		-		-		-	
		<b>356,635</b>		<b>375,700</b>		<b>316,000</b>		<b>363,492</b>
<b>Implementation of IT/Ecommerce training needs proposals -</b>								
Staff	12,472		9,650		-		2,179	
Supplies and services	11,867		37,000		-		-	
Consultants fees	24,318		20,000		-		-	
Contracted-out work	993		10,000		-		-	
	<u></u>	<b>49,650</b>	<u></u>	<b>76,650</b>	<u></u>	<b>-</b>	<u></u>	<b>2,179</b>
<b>Regulatory Framework -</b>								
Premises	31,792		-		-		-	
Staff	20,342		-		-		-	
Supplies and services	95,859		1,000		1,000		9,334	
Consultants fees and contracted-out work	346,960		295,000		70,000		415,608	
Shadow regulation	90,000		293,000		293,000		20,117	
	<u></u>	<b>584,953</b>	<u></u>	<b>589,000</b>	<u></u>	<b>364,000</b>	<u></u>	<b>445,059</b>
<b>National/International Relationships -</b>								
Consultants fees and contracted-out work		<b>197,583</b>		<b>300,000</b>		<b>300,000</b>		<b>197,072</b>
<b>Other Corporate, Economic, Social and Environmental Initiatives -</b>								
Supplies and services	951		41,350		68,000		12,262	
Contracted-out work	-		41,600		41,600		454	
Consultants fees	84,175		143,000		95,000		5,359	
	<u></u>	<b>85,126</b>	<u></u>	<b>225,950</b>	<u></u>	<b>204,600</b>	<u></u>	<b>18,075</b>
<b>Poverty survey -</b>								
Staff	7,861		5,650		-		1,853	
Supplies and services	12,588		750		-		1,272	
Consultants fees and contracted-out work	29,085		38,200		-		2,263	
	<u></u>	<b>49,534</b>	<u></u>	<b>44,600</b>	<u></u>	<b>-</b>	<u></u>	<b>5,388</b>
<b>Review of the machinery of Government in Guernsey -</b>								
Supplies and services	11,164		11,700		-		25,637	
Consultants fees	7,863		2,000		-		10,645	
	<u></u>	<b>19,027</b>	<u></u>	<b>13,700</b>	<u></u>	<b>-</b>	<u></u>	<b>36,282</b>
<b>Training -</b>								
<b>Guernsey Training Agency -</b>								
Grant to Training Agency Trust	150,000		150,000		150,000		162,725	
<b>Nelson Place Rent</b>	45,458		43,500		43,500		41,865	
	<u></u>	<b>195,458</b>	<u></u>	<b>193,500</b>	<u></u>	<b>193,500</b>	<u></u>	<b>204,590</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>2,347,750</b>		<b>3,484,000</b>		<b>1,600,000</b>		<b>1,372,676</b>

**ADVISORY AND FINANCE COMMITTEE  
EXPENDITURE ON REVENUE ACCOUNT**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Total Authorised, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>Alderney - Domestic Account Net Revenue cash allocation -</b>								
Formula led headings	(550,548)		(420,050)		(404,000)		(411,505)	
Non-formula led headings	1,384,659		1,421,724		1,307,675		1,273,364	
		<b>834,111</b>		<b>1,001,674</b>		<b>903,675</b>		<b>861,859</b>
<b>Less Use of Accumulated Unspent Balances</b>		-		-		(72,675)		-
		<b>834,111</b>		<b>1,001,674</b>		<b>831,000</b>		<b>861,859</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>18,309,713</b>		<b>20,898,929</b>		<b>16,798,400</b>		<b>14,786,658</b>

Notes :

a) Related Party Transactions

Deputy F.J. Roper is a Director of Royal London Asset Management C.I. Limited which company charged the States £239,447 in respect of investment management fees during 2001 (2000 : £223,972)

b) Non-Audit Services

The 2001 revenue expenditure of this Committee includes non-audit services provided by Deloitte & Touche amounting to £31,205 (2000 : £29,737)



# **AGRICULTURE AND COUNTRYSIDE BOARD** **EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Premises	460		460		460		590	
Staff	79,361		80,615		80,255		74,777	
Supplies and services	18,581		7,490		7,490		25,796	
Consultants fees	7,127		27,500		27,500		30,537	
		<b>105,529</b>		<b>116,065</b>		<b>115,705</b>		<b>131,700</b>
<b>Agricultural Advisory Service -</b>								
Staff	51,105		51,310		51,150		48,752	
Supplies and services	8,212		5,300		5,300		13,722	
Consultants fees	1,869		4,500		4,500		-	
		<b>61,186</b>		<b>61,110</b>		<b>60,950</b>		<b>62,474</b>
<b>Bovine Spongiform Encephalopathy -</b>								
Compensation payments		<b>1,200</b>		<b>9,000</b>		<b>9,150</b>		<b>8,400</b>
<b>Breed Development Services -</b>								
Premises	6,063		10,400		10,400		10,414	
Staff	121,610		140,785		140,345		127,188	
Supplies and services	16,132		61,400		42,900		57,535	
	143,805		212,585		193,645		195,137	
Less operating income	(37,535)		(48,000)		(48,000)		(39,419)	
		<b>106,270</b>		<b>164,585</b>		<b>145,645</b>		<b>155,718</b>
<b>Central Services-</b>								
Premises	12,339		16,975		16,975		-	
Staff	40,856		44,930		44,880		-	
Supplies and services	23,856		27,045		27,045		-	
		<b>77,051</b>		<b>88,950</b>		<b>88,900</b>		<b>-</b>
<b>Cull Cattle -</b>								
Premises	3,895		3,250		3,250		1,782	
Supplies and services	86,437		85,321		47,750		79,682	
Compensation payments	74,550		135,000		135,000		91,140	
Contracted-out work	30,550		30,550		30,550		29,340	
		<b>195,432</b>		<b>254,121</b>		<b>216,550</b>		<b>201,944</b>
<b>Dairy farm management payment scheme</b> (Vote 27.9.00)		<b>1,936,433</b>		<b>2,000,000</b>		<b>2,000,000</b>		<b>-</b>
<b>Farm Waste Systems -</b>								
Grant Scheme		<b>24,629</b>		<b>273,892</b>		<b>-</b>		<b>56,108</b>
<b>Foot and Mouth Disease-</b>								
Staff	14,119		30,000		-		-	
Supplies and services	99,864		160,000		-		-	
Contracted-out work	459,735		510,000		-		-	
		<b>573,718</b>		<b>700,000</b>		<b>-</b>		<b>-</b>
<b>Organic milk support scheme (Vote 27.9.00)</b>		<b>16,938</b>		<b>50,000</b>		<b>50,000</b>		<b>-</b>
<b>Slaughter House -</b>								
Premises	17,885		18,100		18,100		21,626	
Supplies and services	89		100		100		81	
Contracted-out work	15,800		15,800		15,800		15,215	
	33,774		34,000		34,000		36,922	
Less operating income	(4,763)		(6,000)		(6,000)		(5,700)	
		<b>29,011</b>		<b>28,000</b>		<b>28,000</b>		<b>31,222</b>
<b>Subsidies and Grants -</b>								
Royal Guernsey Agricultural and Horticultural Society Breed Promotion Campaign		<b>19,927</b>		<b>20,000</b>		<b>20,000</b>		<b>20,514</b>
<b>Veterinary Services -</b>								
Staff	36,126		45,170		44,950		39,325	
Supplies and services	15,369		31,200		31,200		42,740	
		<b>51,495</b>		<b>76,370</b>		<b>76,150</b>		<b>82,065</b>
<b>Weeds Destruction -</b>								
Staff	-		4,770		4,750		(291)	
Supplies and services	-		100		100		58	
		<b>-</b>		<b>4,870</b>		<b>4,850</b>		<b>(233)</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>3,198,819</b>		<b>3,846,963</b>		<b>2,815,900</b>		<b>749,912</b>

Note : a) Related Party Transactions

Mr. M. Blampied (a Non-States Member of the Agriculture and Countryside Board) received £41,025 in respect of the Dairy farm management payment scheme and cull cattle compensation during 2001 (2000 : nil).

ARTS COMMITTEE  
EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
Cultural Activities Inside the Island								
Grants	61,053		62,500		57,500		82,871	
Consultants fees	-		10,000		-		-	
		61,053		72,500		57,500		82,871
Grant to Friends of St. James Association (Vote 25.4.90)		57,500		57,500		57,500		56,550
TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE		118,553		130,000		115,000		139,421

**BOARD OF ADMINISTRATION**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Alderney Airport trading loss</b>		<b>431,261</b>		<b>423,830</b>		<b>418,850</b>		<b>418,135</b>
<b>Alderney Breakwater -</b>								
Premises	2,322		3,100		3,100		2,673	
Staff	126,848		140,820		138,950		133,491	
Supplies and services	29,210		22,000		22,000		28,136	
Upkeep, repairs and consultants fees	254,907		271,000		271,000		248,086	
	413,287		436,920		435,050		412,386	
<i>Less</i> sundry recoveries	-		-		-		(560)	
	413,287		436,920		435,050		411,826	
<i>Less</i> Contribution from States of Alderney	(15,000)		(15,000)		(15,000)		(15,000)	
		<b>398,287</b>		<b>421,920</b>		<b>420,050</b>		<b>396,826</b>
<b>Central Administration -</b>								
<b>Administration -</b>								
Staff	384,404		425,660		424,250		391,596	
Supplies and services	54,361		59,650		49,650		59,678	
	438,765		485,310		473,900		451,274	
<b>Emergency Services -</b>								
Supplies and services	180		300		300		83	
Contracted-out work	31,998		31,900		31,900		30,796	
Emergency services	6,437		9,400		9,400		9,045	
	38,615		41,600		41,600		39,924	
<b>Grants -</b>								
L'Ancrese Commons Council (Vote 28.02.01)	30,000		30,000		15,000		15,000	
Royal National Lifeboat Institution (Vote 13.6.28)	300		300		300		300	
	30,300		30,300		15,300		15,300	
		<b>507,680</b>		<b>557,210</b>		<b>530,800</b>		<b>506,498</b>
<b>Customs and Immigration -</b>								
Premises	204,617		206,400		198,900		184,460	
Staff	2,479,805		2,459,710		2,374,500		2,271,571	
Supplies and services	495,726		569,700		424,700		403,702	
Consultants fees	7,172		8,000		-		-	
	3,187,320		3,243,810		2,998,100		2,859,733	
<i>Less</i> Sark recoveries	(9,544)		(10,000)		(10,000)		(9,322)	
sundry recoveries	(49,356)		(17,500)		(17,500)		(18,533)	
		<b>3,128,420</b>		<b>3,216,310</b>		<b>2,970,600</b>		<b>2,831,878</b>
<b>Energy Efficiency -</b>								
Supplies and services	13,209		11,750		11,750		11,071	
Consultants fees	1,783		3,500		3,500		3,969	
		<b>14,992</b>		<b>15,250</b>		<b>15,250</b>		<b>15,040</b>
<b>Land Management -</b>								
<b>Beaches -</b>								
Staff	14,214		15,330		15,100		12,862	
Supplies and services	72,089		74,550		74,550		78,163	
Upkeep, repair and consultants fees	102,657		112,250		112,250		108,318	
	188,960		202,130		201,900		199,343	
<b>Cliff Paths -</b>								
Contracted-out work	120,510		107,900		107,900		120,975	
<b>Coastal Management -</b>								
Consultants fees	874		-		-		1,150	
Contracted-out work	5,599		7,500		7,500		6,069	
Upkeep and repairs	142,892		165,800		116,100		79,850	
	149,365		173,300		123,600		87,069	

**BOARD OF ADMINISTRATION**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Land Management - (continued)</b>								
<b>Environment -</b>								
Premises	2,195		2,200		-		-	
Staff	100,969		132,780		142,650		124,697	
Supplies and services	34,333		28,300		30,500		38,409	
Contracted-out work	49,129		55,000		48,600		49,894	
Environmental enhancement	29,986		31,650		31,650		38,907	
Environment 2000	17,624		26,250		26,250		18,367	
Upkeep and repairs	22,649		21,800		21,800		24,799	
	256,885		297,980		301,450		295,073	
<i>Less</i> sundry recoveries	(628)		(7,000)		(7,000)		(269)	
	256,257		290,980		294,450		294,804	
<b>Lihou Island -</b>								
Staff	374		1,581		23,700		19,722	
Supplies and services	3,146		8,500		8,500		6,658	
Environmental enhancement	-		4,200		4,200		3,212	
Upkeep and repairs	3,587		5,100		11,500		6,012	
	7,107		19,381		47,900		35,604	
<i>Less</i> sundry recoveries	(2,335)		(1,500)		(1,500)		(2,025)	
	4,772		17,881		46,400		33,579	
<b>Herm -</b>								
Upkeep and repairs	7,080		7,500		7,500		9,939	
<b>Parks, Gardens and Plantations -</b>								
Premises	55,593		34,900		34,900		37,321	
Contracted-out work	518,086		511,000		511,000		488,825	
	573,679		545,900		545,900		526,146	
		<b>1,300,623</b>		<b>1,345,591</b>		<b>1,327,650</b>		<b>1,271,855</b>
<b>Property -</b>								
<b>Foulon Cemetery -</b>								
Premises	22,279		21,600		21,600		24,538	
Staff	64,794		59,890		45,350		69,652	
Supplies and services	4,098		4,950		4,950		7,884	
Contracted-out work	53,698		49,000		31,000		4,156	
	144,869		135,440		102,900		106,230	
<b>Markets -</b>								
Premises	30,675		29,500		-		55,113	
Staff	137,831		122,800		121,700		119,121	
Supplies and services	103		500		-		133	
	168,609		152,800		121,700		174,367	
<i>Less</i> sundry recoveries	(3,878)		-		-		-	
	164,731		152,800		121,700		174,367	
<i>Less</i> operating income	(42,749)		(30,000)		-		(192,098)	
	121,982		122,800		121,700		(17,731)	
		<b>266,851</b>		<b>258,240</b>		<b>224,600</b>		<b>88,499</b>
<b>Transport Board -</b>								
Supplies and services	33,041		31,800		5,600		16,769	
Consultants fees	4,705		10,500		-		15,187	
	37,746		42,300		5,600		31,956	
<i>Less</i> sundry recoveries	(2,500)		-		-		-	
		<b>35,246</b>		<b>42,300</b>		<b>5,600</b>		<b>31,956</b>
<b>Waste Services -</b>								
<b>Bulk Refuse -</b>								
Staff	18,245		17,360		17,100		15,072	
Supplies and services	150,624		86,550		86,550		91,391	
	168,869		103,910		103,650		106,463	

**BOARD OF ADMINISTRATION**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Waste Services - (continued)</b>								
<b>Paper Savers Scheme -</b>								
Collection Points	21,806		22,000		22,000		20,709	
Baling and export	98,980		92,300		92,300		91,820	
	<u>120,786</u>		<u>114,300</u>		<u>114,300</u>		<u>112,529</u>	
<b>Recycling of Waste -</b>								
Premises	28,450		28,450		28,450		32,779	
Staff	108,812		117,060		104,450		94,284	
Supplies and services	121,739		114,500		114,500		136,706	
Oil disposal	-		20,000		20,000		37	
	<u>259,001</u>		<u>280,010</u>		<u>267,400</u>		<u>263,806</u>	
<i>Less</i> sundry recoveries	(45,165)		(35,000)		(35,000)		(36,583)	
	<u>213,836</u>		<u>245,010</u>		<u>232,400</u>		<u>227,223</u>	
<b>Refuse Disposal and Land Reclamation -</b>								
Premises	33,364		38,650		38,650		33,043	
Staff	366,205		469,480		441,900		360,085	
Supplies and services	548,412		615,600		541,300		461,468	
Burning and shipping of waste	(1,199)		-		-		13,221	
Consultants fees	22,775		25,650		25,650		17,838	
Preparation and completion of sites	80,442		135,000		135,000		108,291	
	<u>1,049,999</u>		<u>1,284,380</u>		<u>1,182,500</u>		<u>993,946</u>	
<i>Less</i> operating income	(2,189,802)		(1,708,000)		(1,633,700)		(1,804,914)	
	<u>(1,139,803)</u>		<u>(423,620)</u>		<u>(451,200)</u>		<u>(810,968)</u>	
		<b>(636,312)</b>		<b>39,600</b>		<b>(850)</b>		<b>(364,753)</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>5,447,048</b>		<b>6,320,251</b>		<b>5,912,550</b>		<b>5,195,934</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(203,550)		-
		<b>5,447,048</b>		<b>6,320,251</b>		<b>5,709,000</b>		<b>5,195,934</b>
<b>Central Services -</b>								
<b>Insurance and Risk Management-</b>								
Staff	39,603		43,950		43,800		39,217	
Supplies and services	43,559		40,000		40,000		20,874	
Contracted-out work	36,456		25,000		25,000		9,079	
Insurance premiums and transfers to Insurance Deductible Fund	1,114,539		1,125,000		1,125,000		1,061,589	
	<u>1,234,157</u>		<u>1,233,950</u>		<u>1,233,800</u>		<u>1,130,759</u>	
<i>Less</i> sundry recoveries	(645,208)		(560,000)		(560,000)		(575,992)	
		<b>588,949</b>		<b>673,950</b>		<b>673,800</b>		<b>554,767</b>
<b>Property Services-</b>								
Premises	675,448		756,625		668,500		783,386	
Staff	155,058		163,050		162,500		134,543	
Supplies and services	22,871		60,200		70,200		31,075	
Public conveniences -								
Contracted-out work	387,504		372,000		352,000		390,628	
Rent	366,852		400,000		400,000		472,646	
		<b>1,607,733</b>		<b>1,751,875</b>		<b>1,653,200</b>		<b>1,812,278</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>2,196,682</b>		<b>2,425,825</b>		<b>2,327,000</b>		<b>2,367,045</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>7,643,730</b>		<b>8,746,076</b>		<b>8,036,000</b>		<b>7,562,979</b>

# BOARD OF HEALTH

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Central Services -</b>								
Staff	1,861,919		1,803,672		1,813,522		1,635,615	
Supplies and services	2,393,621		2,303,476		2,133,803		1,944,534	
Consultants fees	79,853		70,200		70,200		75,016	
Grants -								
St John Ambulance and Rescue Service - ex gratia pensions	10,174		10,200		10,200		10,563	
	4,345,567		4,187,548		4,027,725		3,665,728	
<i>Less</i> recoveries	(1,012,869)		(1,077,445)		(1,077,445)		(977,995)	
		<b>3,332,698</b>		<b>3,110,103</b>		<b>2,950,280</b>		<b>2,687,733</b>
<b>Health Care Services -</b>								
Premises	2,029,208		2,060,770		2,060,769		1,926,215	
Staff	12,518,733		12,405,744		12,004,302		11,449,118	
Supplies and services	8,169,450		8,131,226		8,163,344		7,440,470	
Consultants fees	8,622		124,700		124,700		14,577	
Contracted-out work	399,394		246,400		276,400		380,340	
Grants -								
St John Ambulance and Rescue Service - general purposes	1,358,850		1,358,850		1,108,850		1,080,470	
Maintenance of patients in UK hospitals	755,933		695,980		795,980		730,425	
Reciprocal health agreements	2,650,505		2,525,200		2,525,200		2,083,641	
Transfer to Net Working Capital Reserve	200,900		-		-		-	
	28,091,595		27,548,870		27,059,545		25,105,256	
<i>Less</i> recoveries	(1,761,575)		(1,612,206)		(1,662,205)		(1,615,391)	
	26,330,020		25,936,664		25,397,340		23,489,865	
<i>Less</i> operating income	(1,382,766)		(1,191,800)		(1,191,800)		(1,161,799)	
		<b>24,947,254</b>		<b>24,744,864</b>		<b>24,205,540</b>		<b>22,328,066</b>
<b>Health Studies and Nursing Services -</b>								
Premises	362		1,000		1,000		1,169	
Staff	16,086,890		15,740,363		15,725,210		15,141,764	
Supplies and services	553,391		715,213		816,513		502,930	
Consultants fees	6,213		3,800		3,800		1,975	
Contracted-out work	5,280		-		10,000		-	
	16,652,136		16,460,376		16,556,523		15,647,838	
<i>Less</i> recoveries	(19,022)		(24,700)		(24,700)		(15,728)	
	16,633,114		16,435,676		16,531,823		15,632,110	
<i>Less</i> operating income	(827)		(3,500)		(3,500)		(2,586)	
		<b>16,632,287</b>		<b>16,432,176</b>		<b>16,528,323</b>		<b>15,629,524</b>
<b>Service Development</b>		<b>-</b>		<b>216,527</b>		<b>629,370</b>		<b>88,380</b>
<b>Public Health and Strategy -</b>								
Staff	595,429		602,775		601,315		556,082	
Supplies and services	416,305		418,176		418,176		637,948	
Consultants fees	643		3,000		3,000		-	
Grants	150,583		160,100		160,100		151,800	
Tobacco control	95,700		100,000		100,000		97,053	
	1,258,660		1,284,051		1,282,591		1,442,883	
<i>Less</i> recoveries	(12,520)		(16,300)		(16,300)		(4,345)	
	1,246,140		1,267,751		1,266,291		1,438,538	
<i>Less</i> operating income	(3,530)		(1,000)		(1,000)		(3,886)	
		<b>1,242,610</b>		<b>1,266,751</b>		<b>1,265,291</b>		<b>1,434,652</b>

**BOARD OF HEALTH**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Social Care Services -</b>								
Premises	174,180		128,532		128,531		131,015	
Staff	5,559,910		5,945,063		5,985,101		5,515,921	
Supplies and services	1,203,912		1,327,484		1,327,064		1,190,788	
Grants	132,400		132,400		132,400		126,794	
Maintenance of patients in UK hospitals	429,295		405,100		305,100		314,254	
	7,499,697		7,938,579		7,878,196		7,278,772	
<i>Less recoveries</i>	(60,789)		(67,400)		(67,400)		(54,121)	
	7,438,908		7,871,179		7,810,796		7,224,651	
<i>Less operating income</i>	(124,334)		(139,600)		(139,600)		(122,639)	
		7,314,574		7,731,579		7,671,196		7,102,012
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		53,469,423		53,502,000		53,250,000		49,270,367

# BOARD OF INDUSTRY

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Administration -</b>								
Staff	139,960		172,525		164,000		129,832	
Supplies and services	4,471		8,600		8,600		15,893	
Consultants fees	6,110		6,500		-		-	
		<b>150,541</b>		<b>187,625</b>		<b>172,600</b>		<b>145,725</b>
<b>Business Development Services -</b>								
Staff	63,216		65,525		73,300		67,588	
Supplies and services	21,488		29,500		39,500		25,128	
Exhibition support	71,991		77,855		76,855		69,219	
Guernsey Enterprise Agency	8,000		8,000		8,000		8,000	
Promotion of light industry	66,842		72,000		63,000		83,712	
	231,537		252,880		260,655		253,647	
Less recoveries	(2,345)		(6,000)		(6,000)		(7,206)	
		<b>229,192</b>		<b>246,880</b>		<b>254,655</b>		<b>246,441</b>
<b>Central Services -</b>								
Premises	29,477		40,545		40,545		42,925	
Staff	97,599		107,330		107,220		108,038	
Supplies and services	56,992		64,685		64,685		67,095	
		<b>184,068</b>		<b>212,560</b>		<b>212,450</b>		<b>218,058</b>
<b>Commercialisation of Trading Boards -</b>								
Consultants fees	-		-		-		-	<b>1,368</b>
<b>Employment Services -</b>								
Staff	33,949		52,340		51,950		49,437	
Supplies and services	45,905		57,300		45,300		40,215	
Field workers wages	170,926		193,155		193,155		269,884	
Sub-contract work	1,961		2,000		2,000		2,657	
	252,741		304,795		292,405		362,193	
Less recoveries	(15,258)		(40,000)		(40,000)		(62,881)	
		<b>237,483</b>		<b>264,795</b>		<b>252,405</b>		<b>299,312</b>
<b>Guernsey Promotion Agency-</b>		<b>37,500</b>		<b>37,500</b>		-		-
<b>Health and Safety at Work Executive -</b>								
Staff	184,654		185,660		185,100		174,430	
Supplies and services	36,541		55,070		55,070		34,980	
	221,195		240,730		240,170		209,410	
Less recoveries	-		(6,300)		(6,300)		-	
	221,195		234,430		233,870		209,410	
Less operating income	(6,735)		(12,000)		(12,000)		(6,529)	
		<b>214,460</b>		<b>222,430</b>		<b>221,870</b>		<b>202,881</b>
<b>Industrial Relations Services -</b>								
Staff	114,140		101,720		101,400		86,234	
Supplies and services	26,039		35,000		35,000		18,487	
		<b>140,179</b>		<b>136,720</b>		<b>136,400</b>		<b>104,721</b>
<b>Investors in People -</b>		<b>28,481</b>		<b>18,500</b>		<b>18,500</b>		<b>35,443</b>
<b>Promotion of E-Business -</b>								
Staff	83,457		92,000		-		-	
Supplies and services	539,056		542,500		-		-	
Consultants fees	55,273		89,500		-		-	
Contribution to Advisory and Finance Committee	28,743		76,000		-		-	
		<b>706,529</b>		<b>800,000</b>		-		-
<b>Strategic Business Advice -</b>								
Staff	51,714		53,600		53,600		48,083	
Supplies and services	71,433		139,400		16,900		18,735	
Consultants fees	31,688		24,500		24,500		3,289	
Contracted-out work	314		3,000		3,000		599	
	155,149		220,500		98,000		70,706	
Less recoveries	(63,326)		(83,500)		(48,500)		(41,342)	
		<b>91,823</b>		<b>137,000</b>		<b>49,500</b>		<b>29,364</b>



**BOARD OF INDUSTRY**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Trading Standards Services -</b>								
Staff	142,472		153,270		152,700		129,099	
Supplies and services	26,028		40,270		40,270		36,599	
	168,500		193,540		192,970		165,698	
<i>Less</i> sundry recoveries	-		(2,000)		(2,000)		-	
	168,500		191,540		190,970		165,698	
<i>Less</i> operating income	(2,817)		(1,650)		(1,650)		(3,046)	
		<b>165,683</b>		<b>189,890</b>		<b>189,320</b>		<b>162,652</b>
<b>Utilities - Regulatory Framework-</b>								
Consultants fees		<b>16,231</b>		<b>10,000</b>		-		-
<b>Total Ordinary Revenue Expenditure</b>		<b>2,202,170</b>		<b>2,463,900</b>		<b>1,507,700</b>		<b>1,445,965</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(62,700)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>2,202,170</b>		<b>2,463,900</b>		<b>1,445,000</b>		<b>1,445,965</b>

**CADASTRE COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Cadastre, Rent control and collection of Tax on Rateable Values -</b>								
Premises		4,189		6,550		6,550		3,614
Staff		175,124		171,500		170,950		159,199
Supplies and services		30,265		29,100		27,100		20,071
		209,578		207,150		204,600		182,884
<i>Less</i> sundry recoveries		(11,199)		(8,600)		(8,600)		(9,150)
		198,379		198,550		196,000		173,734
<b>Total Ordinary Revenue Expenditure</b>		<b>198,379</b>		<b>198,550</b>		<b>196,000</b>		<b>173,734</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(13,000)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>198,379</b>		<b>198,550</b>		<b>183,000</b>		<b>173,734</b>

**CHILDREN BOARD****EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Central Services -</b>								
Premises	34,316		40,100		40,100		25,462	
Staff	610,980		605,950		569,900		487,786	
Supplies and services	316,051		353,400		353,400		243,040	
	961,347		999,450		963,400		756,288	
<i>Less</i> recoveries	(3,590)		(2,500)		(2,500)		(2,010)	
		<b>957,757</b>		<b>996,950</b>		<b>960,900</b>		<b>754,278</b>
<b>Community Services -</b>								
Premises	59,392		71,900		71,900		44,068	
Staff	976,139		1,053,550		1,049,800		918,572	
Supplies and services	51,642		74,150		74,150		37,469	
	1,087,173		1,199,600		1,195,850		1,000,109	
<i>Less</i> recoveries	(82)		(1,500)		(1,500)		(156)	
	1,087,091		1,198,100		1,194,350		999,953	
<i>Less</i> operating income	-		(1,800)		(1,800)		(1,405)	
		<b>1,087,091</b>		<b>1,196,300</b>		<b>1,192,550</b>		<b>998,548</b>
<b>Home Finding Services</b>								
Premises	38,275		44,700		44,700		28,400	
Staff	1,046,732		1,004,850		1,001,000		945,074	
Supplies and services	112,321		95,350		95,350		89,879	
Local fostering and adoption	495,774		496,000		550,000		452,361	
Out of Island placements	1,152,799		1,153,100		941,100		848,370	
	2,845,901		2,794,000		2,632,150		2,364,084	
<i>Less</i> recoveries	(8,277)		(7,800)		(7,800)		(10,964)	
		<b>2,837,624</b>		<b>2,786,200</b>		<b>2,624,350</b>		<b>2,353,120</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>4,882,472</b>		<b>4,979,450</b>		<b>4,777,800</b>		<b>4,105,946</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(60,300)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>4,882,472</b>		<b>4,979,450</b>		<b>4,717,500</b>		<b>4,105,946</b>

**CIVIL DEFENCE COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Premises		10,142		28,400		28,400		10,558
Staff		55,124		57,325		57,000		54,683
Supplies and services		32,455		47,600		47,600		33,984
		97,721		133,325		133,000		99,225
<i>Less</i> sundry recoveries		(780)		(750)		(750)		(2,252)
<b>Total Ordinary Revenue Expenditure</b>		<b>96,941</b>		<b>132,575</b>		<b>132,250</b>		<b>96,973</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(10,250)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>96,941</b>		<b>132,575</b>		<b>122,000</b>		<b>96,973</b>

**CIVIL SERVICE BOARD**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Staff		705,076		730,800		728,500		672,845
Supplies and services		137,094		130,000		130,000		150,906
Consultants fees		7,546		14,000		14,000		9,718
Post entry training - States employees		260,938		346,000		346,000		299,976
		1,110,654		1,220,800		1,218,500		1,133,445
<i>Less</i> recoveries		(21,864)		(10,000)		(10,000)		(21,849)
<b>Total Ordinary Revenue Expenditure</b>		<b>1,088,790</b>		<b>1,210,800</b>		<b>1,208,500</b>		<b>1,111,596</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(8,500)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>1,088,790</b>		<b>1,210,800</b>		<b>1,200,000</b>		<b>1,111,596</b>

# EDUCATION COUNCIL EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Administration -</b>								
Premises	174,757		73,400		73,400		116,210	
Staff	1,204,769		1,200,210		1,238,300		1,139,972	
Supplies and services	352,116		292,300		292,300		331,771	
Appointment of teachers	443,693		435,900		435,900		355,330	
Consultants fees	28,829		2,700		2,700		100,920	
	2,204,164		2,004,510		2,042,600		2,044,203	
<i>Less</i> recoveries	(6,266)		(4,000)		(4,000)		(1,814)	
	2,197,898		2,000,510		2,038,600		2,042,389	
<i>Less</i> operating income	(66,092)		(8,000)		(8,000)		(55,535)	
		<b>2,131,806</b>		<b>1,992,510</b>		<b>2,030,600</b>		<b>1,986,854</b>
<b>Central Services -</b>								
Premises	209,378		219,300		219,300		200,440	
Staff	1,384,294		1,439,874		1,335,900		1,307,915	
Supplies and services	1,087,526		1,339,906		1,494,551		849,005	
Library service - payments to Guille Alles Library	270,200		288,200		284,100		253,600	
	2,951,398		3,287,280		3,333,851		2,610,960	
<i>Less</i> recoveries	(50,552)		(53,000)		(53,000)		(61,537)	
		<b>2,900,846</b>		<b>3,234,280</b>		<b>3,280,851</b>		<b>2,549,423</b>
<b>Grants and Scholarships -</b>								
Blanchelande College	62,631		57,500		57,500		50,627	
Elizabeth College	1,609,093		1,596,500		1,596,500		1,604,681	
Ladies College	1,176,444		1,175,600		1,175,600		1,137,889	
Southampton University	1,000		500		500		-	
Sports	70,700		70,700		70,700		67,700	
Maintenance grants	147,473		181,200		181,200		149,035	
	3,067,341		3,082,000		3,082,000		3,009,932	
<i>Less</i> recoveries	(19,816)		(30,000)		(30,000)		(24,251)	
		<b>3,047,525</b>		<b>3,052,000</b>		<b>3,052,000</b>		<b>2,985,681</b>
<b>Further Education -</b>								
<b>Apprenticeship Scheme -</b>								
Grants to employers	573,739		625,000		625,000		601,660	
<b>College of Further Education -</b>								
Premises	146,689		137,200		137,200		145,267	
Staff	3,994,742		3,885,170		3,746,900		3,630,500	
School supplies	665,563		579,800		579,800		640,579	
	4,806,994		4,602,170		4,463,900		4,416,346	
<i>Less</i> recoveries	(56,138)		(49,000)		(49,000)		(67,163)	
	4,750,856		4,553,170		4,414,900		4,349,183	
<i>Less</i> operating income	(558,470)		(396,500)		(396,500)		(470,416)	
	4,192,386	<b>4,766,125</b>	4,156,670	<b>4,781,670</b>	4,018,400	<b>4,643,400</b>	3,878,767	<b>4,480,427</b>
<b>Schools -</b>								
<b>Secondary sector -</b>								
Premises	591,637		580,100		580,100		644,434	
Staff	9,802,830		9,980,905		9,731,300		9,102,701	
School supplies	841,329		870,995		796,400		814,471	
	11,235,796		11,432,000		11,107,800		10,561,606	
<i>Less</i> recoveries	(48,399)		(28,500)		(28,500)		(18,859)	
	11,187,397		11,403,500		11,079,300		10,542,747	

**EDUCATION COUNCIL**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Schools - (continued)</b>								
<b>Primary sector -</b>								
Premises	540,884		490,600		490,600		474,077	
Staff	8,708,140		8,505,945		8,298,300		8,073,475	
School supplies	365,095		351,470		374,200		377,727	
	9,614,119		9,348,015		9,163,100		8,925,279	
<i>Less recoveries</i>	(15,366)		(12,900)		(12,900)		(11,521)	
	9,598,753		9,335,115		9,150,200		8,913,758	
<b>Voluntary sector -</b>								
Premises	41,028		37,400		37,400		39,044	
Staff	921,161		880,195		875,800		849,419	
School supplies	41,518		42,645		39,000		34,302	
	1,003,707		960,240		952,200		922,765	
		<b>21,789,857</b>		<b>21,698,855</b>		<b>21,181,700</b>		<b>20,379,270</b>
<b>Special Education -</b>								
<b>Special Education Services -</b>								
Premises	19,391		26,400		26,400		16,835	
Staff	1,303,876		1,283,260		999,600		1,058,527	
Supplies and services	59,031		49,020		47,900		44,535	
Residential placements	652,511		670,000		900,000		621,303	
	2,034,809		2,028,680		1,973,900		1,741,200	
<b>Schools -</b>								
Premises	102,249		100,700		100,700		98,976	
Staff	1,693,898		1,580,115		1,573,800		1,590,009	
School supplies	49,792		71,140		51,300		44,605	
	1,845,939		1,751,955		1,725,800		1,733,590	
<i>Less recoveries</i>	(536)		(1,000)		(1,000)		(630)	
	1,845,403		1,750,955		1,724,800		1,732,960	
		<b>3,880,212</b>		<b>3,779,635</b>		<b>3,698,700</b>		<b>3,474,160</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>38,516,371</b>		<b>38,538,950</b>		<b>37,887,251</b>		<b>35,855,815</b>
<b>Guille Alles Library -</b>								
Grant		<b>766,650</b>		<b>766,650</b>		<b>765,000</b>		<b>732,935</b>
<b>Higher and Advanced Education -</b>		<b>4,936,332</b>		<b>5,450,000</b>		<b>5,450,000</b>		<b>4,743,641</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>44,219,353</b>		<b>44,755,600</b>		<b>44,102,251</b>		<b>41,332,391</b>

# **GAMBLING CONTROL COMMITTEE** **EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Staff		3,532		4,100		4,100		4,350
Supplies and services		511		1,900		1,900		159
Casino gaming proposals		193		-		-		2,116
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>4,236</b>		<b>6,000</b>		<b>6,000</b>		<b>6,625</b>

# **GUERNSEY SOCIAL SECURITY AUTHORITY** **EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Non Contributory Services -</b>								
Premises		35,268		35,000		35,000		33,224
Staff		706,710		726,300		713,000		667,470
Supplies and services		526,451		547,000		542,000		560,963
Attendance and invalid care allowance		1,670,972		1,747,300		1,734,300		1,619,673
Concessionary TV licences for the elderly		237,570		222,000		-		-
Family allowance		6,717,691		6,740,000		6,733,800		6,474,717
Medical expenses assistance scheme		48,863		58,000		58,000		39,533
Special Christmas payments		150		175		130		175
Supplementary benefit scheme		9,273,353		9,302,700		8,825,800		8,582,333
		<b>19,217,028</b>		<b>19,378,475</b>		<b>18,642,030</b>		<b>17,978,088</b>
<b>Grants -</b>								
General provision for grants to charities approved by States Resolution		-		140,000		140,000		-
Guernsey Branch of the Samaritans		4,001		-		-		3,805
Guernsey Citizens Advice Bureau		12,941		-		-		12,325
Guernsey Welfare Service		35,665		-		-		34,558
Guernsey Womens Refuge Ltd		15,750		-		-		15,000
Relate		16,750		-		-		17,645
Salvation Army		15,000		-		-		14,000
The Methodist Church (Wesley)		12,441		-		-		11,845
Womens Royal Voluntary Service		22,840		-		-		21,750
		<b>135,388</b>		<b>140,000</b>		<b>140,000</b>		<b>130,928</b>
<b>Health Service -</b>								
States grant		<b>5,884,151</b>		<b>5,761,700</b>		<b>5,735,000</b>		<b>5,432,350</b>
<b>Social Insurance -</b>								
States grant		<b>23,128,519</b>		<b>22,697,400</b>		<b>22,520,000</b>		<b>21,334,043</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>48,365,086</b>		<b>47,977,575</b>		<b>47,037,030</b>		<b>44,875,409</b>
<b>Less Use of Accumulated Unspent Balances</b>		<b>-</b>		<b>-</b>		<b>(103,000)</b>		<b>-</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>48,365,086</b>		<b>47,977,575</b>		<b>46,934,030</b>		<b>44,875,409</b>

# HERITAGE COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Historic Sites -</b>								
Premises	32,599		35,090		29,440		24,574	
Staff	65,281		66,910		63,350		59,489	
Supplies and services	21,723		26,380		33,130		22,980	
Consultants fees	10,080		8,000		8,000		4,588	
Upkeep, repair and restoration	44,282		164,190		62,890		47,176	
	173,965		300,570		196,810		158,807	
<i>Less</i> operating income	(457)		(1,500)		(1,500)		(1,305)	
		<b>173,508</b>		<b>299,070</b>		<b>195,310</b>		<b>157,502</b>
<b>Archive Service -</b>								
Premises	3,158		4,315		4,315		6,420	
Staff	97,415		96,500		96,200		91,701	
Supplies and services	27,377		29,450		29,450		27,650	
		<b>127,950</b>		<b>130,265</b>		<b>129,965</b>		<b>125,771</b>
<b>Museums and Galleries -</b>								
Premises	29,801		22,600		25,800		31,172	
Staff	748,087		718,540		712,500		635,282	
Supplies and services	227,664		272,000		272,000		190,480	
Consultants fees	831		8,000		8,000		8,908	
Contracted-out work	1,755		2,000		2,000		1,677	
Upkeep, repair and restoration	16,093		13,000		13,000		19,500	
	1,024,231		1,036,140		1,033,300		887,019	
<i>Less</i> operating income -								
Sale of souvenirs and pamphlets	(80,173)		(83,500)		(83,500)		(86,400)	
<i>Less</i> cost of sales	26,676		40,000		40,000		37,038	
Catering sales	(89,008)		(83,000)		(83,000)		(82,061)	
<i>Less</i> cost of sales	42,895		40,000		40,000		33,458	
	(99,610)		(86,500)		(86,500)		(97,965)	
Admission charges	(197,358)		(216,000)		(216,000)		(167,107)	
Entertainment events - ticket sales	(42,514)		(35,000)		(35,000)		(42,985)	
Rent, etc.	(4,721)		(1,075)		(1,075)		(3,138)	
	(344,203)		(338,575)		(338,575)		(311,195)	
		<b>680,028</b>		<b>697,565</b>		<b>694,725</b>		<b>575,824</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>981,486</b>		<b>1,126,900</b>		<b>1,020,000</b>		<b>859,097</b>

# **COMMITTEE FOR HOME AFFAIRS** **EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Fire Brigade -</b>								
Premises	50,839		71,160		71,160		60,838	
Staff	2,127,464		2,186,200		2,186,300		2,042,970	
Supplies and services	276,710		312,240		253,740		278,604	
	2,455,013		2,569,600		2,511,200		2,382,412	
<i>Less</i> sundry recoveries	(390)		(1,200)		(1,200)		(2,846)	
	2,454,623		2,568,400		2,510,000		2,379,566	
<i>Less</i> operating income	(1,619)		(700)		(700)		(644)	
		<b>2,453,004</b>		<b>2,567,700</b>		<b>2,509,300</b>		<b>2,378,922</b>
<b>Police Force -</b>								
Premises	87,997		104,440		104,440		71,628	
Staff	6,623,078		7,045,450		6,975,600		6,212,116	
Supplies and services	1,623,720		1,970,886		1,528,460		1,021,135	
Transfer to Net Working Capital Reserve	-		-		-		62,291	
	8,334,795		9,120,776		8,608,500		7,367,170	
<i>Less</i> sundry recoveries	(44,792)		(40,000)		(40,000)		(51,990)	
Sark recoveries	-		(1,000)		(1,000)		(244)	
	8,290,003		9,079,776		8,567,500		7,314,936	
<i>Less</i> operating income	(6,292)		(7,000)		(7,000)		(10,055)	
<b>Total Ordinary Revenue Expenditure</b>	8,283,711		9,072,776		8,560,500		7,304,881	
<i>Less</i> Use of Accumulated Unspent Balances	-		-		(255,000)		-	
		<b>8,283,711</b>		<b>9,072,776</b>		<b>8,305,500</b>		<b>7,304,881</b>
<b>States Prison -</b>								
Premises	149,022		167,000		159,500		192,019	
Staff	1,763,776		1,766,050		1,617,000		1,469,355	
Supplies and services	456,004		470,500		423,500		366,878	
	2,368,802		2,403,550		2,200,000		2,028,252	
<i>Less</i> sundry recoveries	(333)		-		-		(539)	
	2,368,469		2,403,550		2,200,000		2,027,713	
<i>Less</i> amount received from Crown Revenues Account	(2,368,469)		(2,403,550)		(2,200,000)		(2,027,713)	
		-		-		-		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>10,736,715</b>		<b>11,640,476</b>		<b>10,814,800</b>		<b>9,683,803</b>



# **COMMITTEE FOR HORTICULTURE** **EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Staff	151,423		151,670		151,200		172,018	
Supplies and services	14,691		24,470		24,470		32,555	
Consultants fees	38,466		23,187		5,000		976	
	204,580		199,327		180,670		205,549	
<i>Less</i> recoveries	(3,150)		(18,500)		(18,500)		(3,500)	
		<b>201,430</b>		<b>180,827</b>		<b>162,170</b>		<b>202,049</b>
<b>Advisory Support Scheme -</b>		<b>28,520</b>		<b>60,000</b>		<b>60,000</b>		<b>3,222</b>
<b>Arboricultural Services -</b>								
Staff	39,151		39,160		39,050		36,279	
Supplies and services	74,112		79,550		79,550		60,064	
Consultants fees	1,356		1,000		1,000		-	
	114,619		119,710		119,600		96,343	
<i>Less</i> recoveries	(5,601)		(1,000)		(1,000)		-	
		<b>109,018</b>		<b>118,710</b>		<b>118,600</b>		<b>96,343</b>
<b>Central Services-</b>								
Premises	20,565		28,290		28,290		38,633	
Staff	68,092		74,910		74,810		97,234	
Supplies and services	39,762		45,150		45,150		60,386	
		<b>128,419</b>		<b>148,350</b>		<b>148,250</b>		<b>196,253</b>
<b>Corporate Guernsey -</b>								
Floral Guernsey		<b>66,554</b>		<b>45,000</b>		<b>45,000</b>		<b>43,088</b>
<b>Horticultural Advisory Service -</b>								
<b>Laboratory Service -</b>								
Staff	129,407		147,430		146,950		136,618	
Supplies and services	20,825		39,330		39,330		26,136	
	150,232		186,760		186,280		162,754	
<i>Less</i> operating income	(38,093)		(35,000)		(35,000)		(44,073)	
	112,139		151,760		151,280		118,681	
<b>Technical Services -</b>								
Staff	45,165		45,350		45,250		70,785	
Supplies and services	2,137		7,000		7,000		9,412	
Consultants fees	3,955		5,500		5,500		14,093	
Information services	1,927		1,700		1,700		2,094	
	53,184		59,550		59,450		96,384	
<i>Less</i> operating income	-		(1,000)		(1,000)		(3,318)	
	53,184		58,550		58,450		93,066	
		<b>165,323</b>		<b>210,310</b>		<b>209,730</b>		<b>211,747</b>
<b>Interest Subsidy Scheme -</b>								
(Votes 31.7.86 and 30.11.88)		<b>226,431</b>		<b>210,000</b>		<b>350,000</b>		<b>243,689</b>
<b>Market Development Scheme -</b>		<b>163,224</b>		<b>185,000</b>		<b>185,000</b>		<b>92,642</b>
<b>Plant Health -</b>								
Staff	53,571		53,540		53,350		50,143	
Supplies and services	19,538		38,800		37,200		17,569	
	73,109		92,340		90,550		67,712	
<i>Less</i> operating income	(1,858)		(750)		(750)		(945)	
		<b>71,251</b>		<b>91,590</b>		<b>89,800</b>		<b>66,767</b>
<b>Quality Audit Department -</b>								
Premises	-		250		250		53	
Staff	7,958		8,000		7,950		21,335	
Supplies and services	-		4,900		6,500		1,991	
	7,958		13,150		14,700		23,379	
<i>Less</i> operating income	-		(2,500)		(2,500)		(115)	
		<b>7,958</b>		<b>10,650</b>		<b>12,200</b>		<b>23,264</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>1,168,128</b>		<b>1,260,437</b>		<b>1,380,750</b>		<b>1,179,064</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(6,500)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>1,168,128</b>		<b>1,260,437</b>		<b>1,374,250</b>		<b>1,179,064</b>

# HOUSING AUTHORITY

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Premises	-		-		-		18,946	
Staff	663,816		631,330		619,400		699,188	
Supplies and services	152,975		186,250		163,750		281,338	
		<b>816,791</b>		<b>817,580</b>		<b>783,150</b>		<b>999,472</b>
<b>Document Duty and Treizieme -</b>								
Grant scheme		<b>124,939</b>		<b>215,000</b>		<b>165,000</b>		<b>244,865</b>
<b>Residential Homes -</b>								
Premises	145,501		128,050		128,050		168,387	
Staff	1,070,854		1,053,530		991,500		970,378	
Supplies and services	130,441		166,250		166,250		135,432	
		<b>1,346,796</b>		<b>1,347,830</b>		<b>1,285,800</b>		<b>1,274,197</b>
<b>States Houses -</b>								
Staff	-		-		-		385,948	
Supplies and services	-		-		-		92,832	
Contracted-out work	-		-		-		35,888	
Rates and taxes	-		-		-		152,435	
Repairs	-		-		-		2,455,137	
		-		-		-		<b>3,122,240</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>2,288,526</b>		<b>2,380,410</b>		<b>2,233,950</b>		<b>5,640,774</b>
<i>Less Use of Accumulated Unspent Balances</i>		-		-		<b>(100,150)</b>		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>2,288,526</b>		<b>2,380,410</b>		<b>2,133,800</b>		<b>5,640,774</b>

**INCOME TAX AUTHORITY**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001	Budget Estimate, 2001	Accounts, 2000
	£	£	£	£	£
<b>Administration -</b>					
Premises		39,796	43,615	43,615	36,535
Staff		2,506,074	2,648,015	2,685,715	2,303,627
Supplies and services		969,660	957,352	862,628	952,292
Audit fee		6,217	6,000	6,000	5,861
Consultants fees		25,589	28,900	-	-
<b>Total Ordinary Revenue Expenditure</b>		<b>3,547,336</b>	<b>3,683,882</b>	<b>3,597,958</b>	<b>3,298,315</b>
<i>Less</i> Use of Accumulated Unspent Balances		-	-	(37,958)	-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>3,547,336</b>	<b>3,683,882</b>	<b>3,560,000</b>	<b>3,298,315</b>

**ISLAND DEVELOPMENT COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001	Budget Estimate, 2001	Accounts, 2000
	£	£	£	£	£
<b>Administration -</b>					
Staff		1,483,542	1,694,500	1,689,000	1,450,688
Supplies and services		180,761	324,800	324,800	234,316
Consultants fees		76,600	107,200	57,200	15,191
Printing detailed development plans		24,394	25,000	25,000	20,341
		1,765,297	2,151,500	2,096,000	1,720,536
<i>Less</i> recoveries		(207)	(200)	(200)	(1,641)
		1,765,090	2,151,300	2,095,800	1,718,895
<i>Less</i> operating income		(2,609)	(2,000)	(2,000)	(882)
<b>Total Ordinary Revenue Expenditure</b>		<b>1,762,481</b>	<b>2,149,300</b>	<b>2,093,800</b>	<b>1,718,013</b>
<i>Less</i> Use of Accumulated Unspent Balances		-	-	(393,800)	-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>1,762,481</b>	<b>2,149,300</b>	<b>1,700,000</b>	<b>1,718,013</b>

ISLAND RECEPTION COMMITTEE  
EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
Visit of Her Majesty The Queen		60,635		69,666		-		-
Provision of hospitality to visitors -								
Charybdis Weekend		2,016						1,365
H.M. Forces		684						2,273
International Air Rally		284						431
La Fete d'la Vielle Lanque Normand		-						124
National Rifle Association		135						116
201 Squadron RAF		809						861
St John Ambulance regional competitions		165						-
Sundries		237						123
Swearing in of new Lieutenant-Governor		-						3,375
Visit of members of the Further Education National Training Organisation (FENTO)		-						118
Visit of the Swiss Ambassador		1,061						-
		5,391		21,000		21,000		8,786
TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE		66,026		90,666		21,000		8,786

LIBERATION CELEBRATIONS COMMITTEE  
EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
Liberation Day -								
Co-ordination and staging of celebrations		81,652		81,500		74,100		79,266
Less recoveries		(31,615)		(29,100)		(29,100)		(36,945)
		50,037		52,400		45,000		42,321
Millennium Celebrations -								
Co-ordination and staging of celebrations		-		-		-		9,807
TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE		50,037		52,400		45,000		52,128

**OVERSEAS AID COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Supplies and services		1,911		2,000		2,000		15
<b>Contributions to aid overseas</b>								
<b>Africa</b>								
Agriculture and fisheries	48,101						19,209	
Education	113,624						143,997	
Health	331,594						194,899	
Integrated development	145,891						138,421	
	<u>639,210</u>						<u>496,526</u>	
<b>Indian sub-continent</b>								
Education	-						65,932	
Health	42,830						80,015	
Integrated development	139,564						95,772	
	<u>182,394</u>						<u>241,719</u>	
<b>Latin America and the Caribbean</b>								
Agriculture and fisheries	27,090						-	
Health	-						27,655	
Integrated development	12,743						9,750	
	<u>39,833</u>						<u>37,405</u>	
<b>Other Asia and Pacific</b>								
Agriculture and fisheries	24,500						2,530	
Education	7,680						-	
Health	12,407						22,944	
Integrated development	11,404						59,406	
	<u>55,991</u>						<u>84,880</u>	
		917,428		918,370		918,000		860,530
<b>Emergency Disaster Relief - General -</b>								
Donation to Mozambique Flood Appeal (AFC 1.3.00)	-		-		-		25,000	
Donation to Gujarat, India Earthquake Appeal (AFC 7.2.01)	100,000		100,000		-		-	
	<u>100,000</u>		<u>100,000</u>		<u>-</u>		<u>-</u>	25,000
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		1,019,339		1,020,370		920,000		885,545

**PROBATION SERVICE COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Administration -</b>								
Premises		5,888		6,200		5,350		4,689
Staff		218,579		231,800		231,100		208,150
Supplies and services		29,229		32,050		30,050		34,971
<b>Total Ordinary Revenue Expenditure</b>		<b>253,696</b>		<b>270,050</b>		<b>266,500</b>		<b>247,810</b>
<i>Less Use of Accumulated Unspent Balances</i>		-		-		(18,500)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>253,696</b>		<b>270,050</b>		<b>248,000</b>		<b>247,810</b>

**PUBLIC ASSISTANCE AUTHORITY**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	
<b>Administration -</b>								
Premises		2,385		3,000		3,000		2,377
Staff		51,773		51,670		49,500		48,319
Supplies and services		11,050		12,000		10,500		9,622
		<b>65,208</b>		<b>66,670</b>		<b>63,000</b>		<b>60,318</b>
<b>Grants to Parochial Outdoor Assistance Boards</b>		<b>195,795</b>		<b>177,500</b>		<b>150,000</b>		<b>147,231</b>
<b>Medical Assistance Scheme</b>		<b>5,320</b>		<b>5,000</b>		<b>4,000</b>		<b>4,325</b>
<b>Welfare Hostel - St Julian's House -</b>								
Premises		62,717		59,065		43,065		48,989
Staff		280,516		283,090		281,910		266,191
Supplies and services		47,997		46,525		44,025		54,096
Consultants fees		(535)		2,750		-		4,663
		<b>390,695</b>		<b>391,430</b>		<b>369,000</b>		<b>373,939</b>
<i>Less recoveries</i>		(6,149)		(6,000)		(6,000)		(6,240)
		<b>384,546</b>		<b>385,430</b>		<b>363,000</b>		<b>367,699</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>650,869</b>		<b>634,600</b>		<b>580,000</b>		<b>579,573</b>

**PUBLIC THOROUGHFARES COMMITTEE**  
**EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Supplies and services		8,545		5,675		5,675		3,755
<b>Pumping Stations -</b>								
Supplies and services	179,151		197,000		197,000		179,961	
Upkeep and repairs	487,634		401,000		401,000		439,072	
		666,785		598,000		598,000		619,033
<b>Retaining Walls -</b>								
Upkeep and repairs		15,388		20,000		20,000		24,488
<b>Sewage Tankers-</b>								
Staff	1,100,944		1,112,140		1,097,200		1,057,001	
Supplies and services	(2,321)		-		-		(13,661)	
Contracted out work	507,940		520,000		520,000		502,562	
		1,606,563		1,632,140		1,617,200		1,545,902
<b>Sewers and outfalls -</b>								
Consultants fees	172,628		130,000		130,000		132,706	
Sewer descaling	67,404		68,000		68,000		64,500	
Sewer rehabilitation	437,678		460,000		1,000,000		1,180,323	
Upkeep and repairs	161,004		210,000		210,000		178,452	
		838,714		868,000		1,408,000		1,555,981
<b>Surface water outfalls and streams -</b>								
Staff	41,452		36,045		35,925		33,877	
Supplies and services	1,642		4,150		4,150		1,841	
Rehabilitation and separation	1,721,428		1,690,000		500,000		334,819	
Upkeep and repairs	246,616		250,000		250,000		294,338	
		2,011,138		1,980,195		790,075		664,875
<b>Upkeep of roads -</b>								
Staff	32,076		26,140		26,050		26,500	
Supplies and services	8,097		5,000		5,000		6,750	
Resurfacing and reconstruction	1,879,761		2,080,000		2,130,000		1,938,535	
Road cleaning	880,194		920,000		920,000		906,477	
Upkeep and repairs	371,911		308,200		258,200		339,162	
		3,172,039		3,339,340		3,339,250		3,217,424
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		8,319,172		8,443,350		7,778,200		7,631,458

# RECREATION COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Outdoor Sports Facilities -</b>								
Premises	92,763		98,330		82,830		71,453	
Staff	106,684		104,030		102,530		94,978	
	199,447		202,360		185,360		166,431	
<i>Less</i> operating income	(131,308)		(137,490)		(137,490)		(131,639)	
		<b>68,139</b>		<b>64,870</b>		<b>47,870</b>		<b>34,792</b>
<b>Policy Implementation and Administration -</b>								
Premises	41,887		53,000		15,000		6,276	
Staff	135,765		154,240		153,820		130,890	
Supplies and services	23,764		55,510		55,510		12,211	
		<b>201,416</b>		<b>262,750</b>		<b>224,330</b>		<b>149,377</b>
<b>Sports Development -</b>								
Staff	39,624		46,930		46,800		37,856	
Supplies and services	4,447		11,000		11,000		14,779	
General	58,510		56,700		50,000		58,322	
Island Games	41,373		40,000		40,000		2,725	
Island Games 2003	-		30,000		30,000		-	
Island Games - Bid document (Vote 28.10.98)	-		-		-		1,176	
		<b>143,954</b>		<b>184,630</b>		<b>177,800</b>		<b>114,858</b>
<b>Beau Sejour Centre -</b>								
Premises	305,867		442,600		442,600		-	
Staff	1,893,556		1,834,140		1,821,640		-	
Operating expenditure	927,871		1,079,960		1,079,960		-	
	3,127,294		3,356,700		3,344,200		-	
<i>Less</i> operating income	(2,317,260)		(2,419,200)		(2,419,200)		-	
	810,034		937,500		925,000		-	
Grant from General Revenue Account (Vote 26.2.98)								
Capital	-		-		-		150,000	
Revenue	-		-		-		672,000	
	-		-		-		822,000	
<i>Less</i> funding from Channel Islands Lottery	(100,000)		(100,000)		(100,000)		(135,000)	
	(100,000)		(100,000)		(100,000)		687,000	
Transfer for conferences, etc. (Vote 27.7.83)	-		-		-		125,712	
		<b>710,034</b>		<b>837,500</b>		<b>825,000</b>		<b>812,712</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>1,123,543</b>		<b>1,349,750</b>		<b>1,275,000</b>		<b>1,111,739</b>

Note: On 30 November 2000 (Billet d'Etat XXIII) the States resolved that funding for Beau Sejour Centre should be included within a single overall General Revenue budget heading for the Recreation Committee with effect from 2001.



# SEA FISHERIES COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Staff	153,439		157,470		154,625		138,381	
Supplies and services	21,292		17,200		17,200		21,509	
Consultants fees	9,990		16,500		-		-	
Fisheries investigation	200		3,000		3,000		1,567	
Vessel running costs	29,822		24,980		24,980		41,310	
		<b>214,743</b>		<b>219,150</b>		<b>199,805</b>		<b>202,767</b>
<b>Central services -</b>								
Premises	6,169		8,622		8,622		4,292	
Staff	20,428		20,405		22,825		10,804	
Supplies and services	11,929		13,748		13,748		6,710	
		<b>38,526</b>		<b>42,775</b>		<b>45,195</b>		<b>21,806</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>253,269</b>		<b>261,925</b>		<b>245,000</b>		<b>224,573</b>

# STATES TRAFFIC COMMITTEE

## EXPENDITURE ON REVENUE ACCOUNT

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration and Vehicle Registration and Licensing -</b>								
Premises	10,890		12,850		12,850		10,197	
Staff	673,322		699,250		697,000		690,003	
Supplies and services	196,148		213,228		196,750		218,179	
Consultants fees	7,756		-		-		-	
Contracted-out work	9,123		7,050		7,050		5,607	
	897,239		932,378		913,650		923,986	
<i>Less operating income</i>	(389,132)		(329,100)		(329,100)		(351,620)	
		<b>508,107</b>		<b>603,278</b>		<b>584,550</b>		<b>572,366</b>
<b>Public Transport Department -</b>								
<b>Other Public Transport Support-</b>								
Supplies and services	8,405		10,698		6,350		16,182	
Park-and-ride schemes	1,000		400		400		5	
	9,405		11,098		6,750		16,187	
<b>Scheduled Bus Service Support -</b>								
Supplies and services	26,586		15,800		15,800		21,040	
Bus promotions	49,273		61,000		-		-	
Contract payments	647,302		647,302		338,000		347,362	
	723,161		724,102		353,800		368,402	
<b>School Bus Service Support -</b>								
	330,262		329,000		329,000		346,242	
<b>School Bus Service Vouchers -</b>								
Supplies and services	28,334		42,900		42,900		40,013	
<i>Less recoveries</i>	(7,115)		(7,000)		(7,000)		(9,992)	
	21,219		35,900		35,900		30,021	
		<b>1,084,047</b>		<b>1,100,100</b>		<b>725,450</b>		<b>760,852</b>
<b>Traffic Department -</b>								
Supplies and services	4,372		20,000		20,000		4,686	
Consultants fees	14,055		20,000		20,000		113,736	
Maintenance of car parks and traffic lights	61,082		58,800		55,300		54,162	
Road improvements	36,150		30,000		10,000		9,155	
Signs and lines facilities	293,415		291,500		291,500		269,014	
		<b>409,074</b>		<b>420,300</b>		<b>396,800</b>		<b>450,753</b>
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>2,001,228</b>		<b>2,123,678</b>		<b>1,706,800</b>		<b>1,783,971</b>

**TOURIST BOARD****EXPENDITURE ON REVENUE ACCOUNT**

Heads of Charge	Accounts, 2001		Total Authorised, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>Administration -</b>								
Premises	66,411		99,600		99,600		50,875	
Staff	511,040		546,130		528,450		502,723	
Supplies and services	170,131		199,250		184,250		242,063	
Consultants fees	56,316		25,000		25,000		127,723	
Contracted-out work	68,491		80,000		80,000		-	
	872,389		949,980		917,300		923,384	
<i>Less</i> recoveries	(3,491)		(3,100)		(3,100)		(2,534)	
sales of merchandise	(46,004)		(47,300)		(47,300)		(44,058)	
	822,894		899,580		866,900		876,792	
<i>Less</i> operating income	(37,063)		(43,000)		(43,000)		(39,630)	
		<b>785,831</b>		<b>856,580</b>		<b>823,900</b>		<b>837,162</b>
<b>Sales and Marketing -</b>								
Staff	340,734		360,950		359,800		309,446	
Marketing activities	3,426,600		3,561,000		2,949,500		2,459,031	
	3,767,334		3,921,950		3,309,300		2,768,477	
<i>Less</i> recoveries	(3,497)		(3,500)		(3,500)		(3,094)	
sales of advertising space	(183,669)		(190,000)		(190,000)		(198,912)	
		<b>3,580,168</b>		<b>3,728,450</b>		<b>3,115,800</b>		<b>2,566,471</b>
<b>Product Development -</b>								
Staff	150,595		149,370		148,900		140,592	
Development activities	375,927		630,800		395,800		327,154	
	526,522		780,170		544,700		467,746	
<i>Less</i> recoveries	(4,640)		(7,000)		(7,000)		(6,875)	
	521,882		773,170		537,700		460,871	
<i>Less</i> operating income	(6,380)		(6,000)		(6,000)		(5,762)	
		<b>515,502</b>		<b>767,170</b>		<b>531,700</b>		<b>455,109</b>
<b>Total Ordinary Revenue Expenditure</b>		<b>4,881,501</b>		<b>5,352,200</b>		<b>4,471,400</b>		<b>3,858,742</b>
<i>Less</i> Use of Accumulated Unspent Balances		-		-		(101,400)		-
<b>TOTAL CARRIED TO SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE</b>		<b>4,881,501</b>		<b>5,352,200</b>		<b>4,370,000</b>		<b>3,858,742</b>

# **CAPITAL INCOME AND EXPENDITURE**

COMMITTEE CAPITAL INCOME

Heads of Credit	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
Per published accounts 2000		-		-		-		608,257
BOARD OF ADMINISTRATION								
Bouet wayleave (AFC 26.9.00)		-		20,000		-		-
Burnt Lane, St. Martins - Transfer of States Works Department premises (AFC 10.1.01)		100,000		100,000		-		-
George Road, St. Peter Port - sale of strip of land (AFC 11.7.00)		39,850		39,850		-		-
Grandes Maison Road wayleaves (AFC 19.9.01)		5,200		-		-		-
19, Havilland Street sale (AFC 19.10.00)		146,824		146,824		120,000		-
HOUSING AUTHORITY								
Amherst Hospital site - sale by tender (AFC 21.4.99)		398,350		398,350		-		-
Lindsey Court, Maladerie Road wayleave (AFC 13.6.01)		7,500		7,501		-		-
Properties in the Bordage, St. Peter Port - sale by tender (AFC 5.7.00)		241,000		56,875		-		-
Rodley Park wayleave (AFC 20.9.00)		700		700		-		-
Sale of incompatible housing stock (Votes 31.1.96)		144,555		200,000		200,000		229,148
RECREATION COMMITTEE								
Loan repayments		300		300		300		600
SEA FISHERIES COMMITTEE								
Loans Fund capital repayments (Vote 10.7.97)		10,812		8,150		15,250		14,474
TOTAL CAPITAL INCOME		1,095,091		978,550		335,550		852,479

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>ADVISORY AND FINANCE COMMITTEE</b>								
Per published accounts 2000		-		-		-		24,690
CIEG cable link - fibre optic capacity connection (Vote 26.7.00 : £10,000,000)		76,226		100,000		9,800,000		133,337
Commemoration of the Millennium -								
Reservoir Walk (Vote 25.2.99 : £200,000)		96,139		194,500		80,000		2,402
Tapestry Gallery (Vote 25.2.99 : £300,000)		271,402		271,500		180,000		28,500
Consultants fees and site investigations - net expenditure / (recovery) (Votes 11.12.91, 14.7.94, 12.7.95 and 15.7.99 : £2,100,000)		103,367		(300,000)		500,000		1,081,489
Corporate finance and purchasing system (Votes 31.1.01 and 12.12.01 : £5,000,000)		3,701,442		3,500,000		2,000,000		-
Corporate IT projects (Votes 15.7.99, 26.7.00 and 19.7.01 : £500,000)		204,728		190,000		150,000		156,539
E-Government Infrastructure development		-		75,000		-		-
Government House -								
Computerisation of administration (AFC 30.3.99 : £23,621)		-		-		2,700		-
Major maintenance programme (Votes 11.2.98, 29.7.98 and 19.7.01 : £884,750)		58,168		59,194		-		137,960
Royal Court House -								
Roof repairs		-		-		400,000		-
Telecommunication system replacement (AFC 27.2.01 : £13,000)		12,773		13,000		-		-
Sir Charles Frossard House conference facilities (AFC 17.7.01 : £13,000)		12,882		13,000		-		-
States of Alderney net Capital Expenditure		12,111		509,605		965,585		38,546
States Analysts Laboratory - transfer to Burnt Lane		-		-		410,000		-
States of Guernsey mapping project - Global positioning base station (AFC 19.1.00 : £35,000)		475		2,400		-		32,598
Treasury corporate infrastructure upgrade - Phase I (AFC 24.10.01 : £30,000)		12,163		30,000		-		-
Treasury receipting system - replacement (AFC 1.3.00 : £48,300)		1,079		12,750		-		35,521
<b>TOTAL ADVISORY AND FINANCE COMMITTEE CAPITAL EXPENDITURE</b>		4,562,955		4,670,949		14,488,285		1,671,582

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>AGRICULTURE AND COUNTRYSIDE BOARD</b>								
AI Unit refurbishment		-	10,000		-		-	
Animal carcass crane		-	15,000		-		-	
Incinerator modifications		-	17,000		-		-	
Tractor replacement (AFC 8.8.01 : £5,500)		5,500	5,500		-		-	
Vehicle replacements		-	-		10,000		-	
<b>TOTAL AGRICULTURE AND COUNTRYSIDE BOARD CAPITAL EXPENDITURE</b>		5,500	47,500		10,000		-	
<b>BOARD OF ADMINISTRATION</b>								
Per published accounts 2000		-	-		-		329,969	
Alderney Airport net Capital Expenditure		629,702	821,015		653,620		27,448	
Central Services -								
Belvedere Road resurfacing		-	60,000		-		-	
Board of Administration storage facility		-	-		500,000		-	
Capital improvements to States properties		-	-		180,000		-	
Courts - extension and refurbishment (Vote 27.12.00 : £3,000,000)		43,191	250,000		-		15,551	
Fermain Bay Kiosk purchase (AFC 15.8.01 : £70,000)		-	70,000		-		-	
Heritage Committee -								
Archive storage		-	-		1,500,000		-	
Museum storage		-	-		1,000,000		-	
Hostel of St John refurbishment		-	-		200,000		-	
Public conveniences upgrade		-	-		120,000		-	
Sablon D'Or Kiosk reconstruction		-	-		50,000		-	
Secretariat vehicle replacement (AFC 21.11.01 : £11,000)		9,912	-		-		-	
Sir Charles Frossard House - Housing Authority relocation / rationalisation (Vote 29.9.99 : £970,400)		270,947	300,000		-		581,005	
St. James the Less stained glass and rendering repairs		-	-		400,000		-	
St. James Police Station conversion (Vote 27.1.94 : £642,397)		2,896	-		-		-	
St. Peter Port car parking - feasibility studies (AFC 17.7.01 : £16,500)		16,554	6,500		-		-	
Vazon kiosk and toilets - reconstruction		-	-		50,000		-	

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>BOARD OF ADMINISTRATION (continued)</b>								
Customs and Immigration -								
Alderney Customs Office		-	26,500		-			-
Car hall - extension (AFC 26.9.00 : £95,520)		33,762	35,520		-			60,000
Car hall - internal development		-	26,500		-			-
CCTV system replacement (Vote 27.1.00 : £199,900)		27,182	28,630		-			171,270
Computerisation -								
Administration server upgrade (AFC 7.7.99 : £65,600)		3,294	5,400		-			3,870
Commercial Computer System		-	15,000		-			-
Freight administration system - Phase II (AFC 20.12.96 : £95,000)		10,000	28,255		-			-
Information technology communications link upgrade (AFC 9.11.00 : £15,300)		13,750	13,932		-			1,368
Intelligence handling system		-	-		44,000			-
Licence plate recognition equipment		-	-		50,000			-
Passport issuance system upgrade (AFC 9.11.00 : £16,000)		15,100	16,000		16,000			-
Specialist investigation equipment		-	-		35,000			-
Suspect index upgrade (AFC 11.7.01 : £21,550)		-	21,550		-			-
Drug testing equipment - replacement (AFC 24.4.01 : £21,850)		19,903	21,850		27,000			-
Financial Investigation Unit -								
Intelligence		-	30,000		60,000			-
National links		-	-		75,000			-
New Jetty - office accommodation alterations (AFC 13.6.01 : £28,105)		2,364	28,105		-			-
Oberlands temporary accommodation (AFC 15.11.00 : £30,700)		18,297	18,297		-			12,108
Radio equipment replacement		-	-		250,000			-
Radio fittings replacement (AFC 11.12.01 : £16,300)		-	12,000		-			-
Search equipment (AFC 11.12.01 : £33,100)		-	30,000		30,000			-
Surveillance equipment (AFC 14.6.00 : £42,000)		3,236	6,084		-			35,916
Telephone switchboard replacement (AFC 21.2.01 : £49,750)		36,103	49,750		50,000			-
Vehicle replacements -								
Dog vans		-	12,000		11,500			-
Enforcement		-	20,000		12,000			-
Utility vehicle (AFC 17.10.01 : £11,119)		11,119	11,119		-			-

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>BOARD OF ADMINISTRATION (continued)</b>								
Land Management -								
Car park resurfacing - Fort Hommet, L'Eree and Saumarez Park (AFC 22.12.99 : £90,000)		-		-		4,500		78,446
Environment -								
Energy management measures and equipment (Vote 26.3.92 : £325,000)		4,759		-		57,000		19,828
Parks, Gardens and Plantations -								
La Vallette garden paths resurfacing		-		-		50,000		-
Saumarez Park -								
Path resurfacing (AFC 12.12.00 : £85,000)		84,844		84,845		-		-
Walled garden - restoration		-		-		100,000		-
Property -								
Foulon -								
Cremator - replacement (Vote 11.5.01 : £928,039)		477,588		450,000		830,000		-
Garden of rest - plaque walls		-		75,000		-		-
Market redevelopment - final stage consultants fees (AFC 12.12.00 and 20.2.02 : £639,584)		431,208		177,265		250,000		210,596
Waste Services -								
Recycling								
Can baler replacement		-		25,000		-		-
Eurobins replacement		-		12,500		-		-
Trucks replacement		-		35,000		-		-
Landfill sites -								
Bordeaux landfill site -								
Area enhancement		-		-		65,000		-
Civic amenity recycling site		-		-		500,000		-
Creve Coeur landfill site -								
Area restoration and enhancement		-		-		30,000		-
Dyson's Quarry gas extraction system		-		80,000		-		-
Mont Cuét landfill site -								
Material recovery facility		-		-		150,000		-
Quarry preparation for waste disposal (Vote 27.3.97 : £4,608,679)		11,864		100,000		300,000		36,325
St. Germain landfill site -								
Area enhancement (AFC 25.8.99 : £55,000)		(4,660)		(181)		4,300		51,498
Torrey Canyon site -								
Preparation for landfill		-		-		90,000		-
Tunnel composting trial		-		-		300,000		-
<b>TOTAL BOARD OF ADMINISTRATION CAPITAL EXPENDITURE</b>		2,172,915		3,003,436		8,044,920		1,635,198



## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>BOARD OF HEALTH</b>								
Per published accounts 2000		-		-		-		866,239
Central Services -								
Finance, Purchasing, Information management and Technology -								
Major infrastructure upgrade		-		-		100,000		-
Management information system - personnel (AFC 20.5.98 : £89,250)		8,750		41,624		33,433		16,810
Office system replacements (AFC 19.9.01 : £34,141)		34,141		143,141		70,000		-
Pathology computer system (Vote 18.12.97 : £272,540)		-		20,401		20,401		15,447
Pharmacy / patient administration system replacement		-		-		1,200,000		-
Radiology computer system replacement		-		-		250,000		-
Services upgrade (AFC 27.2.01 : £97,462)		96,163		97,462		-		-
Personnel Services -								
Premises -								
Arlington Court - conversion and extension (Vote 28.6.00 : £1,075,558)		590,774		665,046		635,000		410,512
Grasmere, Oberlands Road - purchase (Vote 5.12.01 : £190,000)		18,000		-		-		-
Staff accommodation		-		500,000		1,100,000		-
Health Care Services -								
Equipment (additional) -		-		183,000		184,000		-
Day Patient Unit bronchoscope (AFC 19.9.01 : £16,150)		16,102		16,150		-		-
Intensive Care Unit equipment (AFC 17.10.01 : £16,500)		16,502		16,500		-		-
King Edward VII Hospital catering equipment (AFC 8.2.00 : £35,500)		2,192		2,192		-		33,308
Laparoscopic and vascular surgery equipment (AFC 17.7.01 : £21,900)		17,466		21,900		-		-
Oxygen supply equipment (Vote 6.4.00 : £155,615)		141,896		143,070		-		12,545
Pressure relief equipment		-		14,000		-		-
Site security cameras (AFC 9.11.00 and 10.1.01 : £26,582)		24,750		24,750		-		1,800
Theatres / Loveridge ward / Pathology - uninterruptable power supply (AFC 22.8.01 : £68,545)		55,284		68,545		45,000		-
Transport incubator and medivac stretcher (AFC 9.11.00 : £35,000)		21,808		26,168		-		8,832

**COMMITTEE CAPITAL EXPENDITURE**

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>BOARD OF HEALTH (continued)</b>								
Health Care Services - (continued)								
Equipment (replacement) -		-	165,000		528,000			-
Blood gas analysers (AFC 7.3.01 : £18,450)		18,450	18,450		-			-
Castel and King Edward VII Hospitals -								
Armchairs		-	5,000		-			-
Bed /mattress replacements - phase I (AFC 24.7.01 : £133,715)		133,715	133,715		-			-
Dining table chairs		-	5,000		-			-
Equipment (AFC 5.12.01 : £83,963)		15,057	-		-			-
Furniture		-	5,000		-			-
Hospital equipment		-	16,000		-			-
Infusion pumps (AFC 27.11.01 : £42,110)		42,195	-		-			-
Interim management plan - Phase I (AFC 10.1.01 : £45,219)		45,219	45,219		30,000			-
Interim management plan - Phase II (AFC 30.10.01 : £63,060)		15,567	23,000		17,000			-
Mobile hoists		-	22,000		-			-
Occupational therapy equipment upgrade		-	5,000		-			-
Coronary Care Unit - monitor and telemetry (AFC 27.2.01 : £100,854)		100,472	100,854		125,000			-
Day Patient Unit -								
Sigmoidoscope (AFC 19.9.01 : £20,150)		20,147	20,150		-			-
Dining room servery (AFC 17.10.01 : £79,615)		-	79,615		-			-
Endoscopy washer and associated works (AFC 12.5.99 : £82,870)		9,934	30,102		32,646			19,545
Intensive Care Unit ventilator (AFC 26.6.01 : £31,314)		28,426	31,314		-			-
Mammography / stereotactic biopsy machine (AFC 21.3.01 : £135,091)		132,814	135,091		125,000			-
Meeting room equipment upgrade (AFC 9.11.00 : £7,118)		7,117	7,117		-			-
Moving and Handling equipment (AFC 3.10.01 : £19,000)		18,928	19,000		-			-
Ophthalmology equipment (AFC 23.5.01 : £35,500)		35,500	35,500		-			-
Oven (AFC 10.1.01 : £10,880)		10,430	10,430		-			-
Pathology department equipment (AFC 9.11.00 : £53,301)		43,905	50,237		-			3,064

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>BOARD OF HEALTH (continued)</b>								
Health Care Services - (continued)								
Pharmacy isolator cabinet (AFC 17.10.01 : £24,732)		-	24,732		-			-
Plate system (AFC 7.3.01 : £49,900)		49,900	49,900		-			-
Radiology mobile image intensifier (AFC 21.3.01 : £110,000)		110,000	110,000		100,000			-
Radiology equipment - Rooms 1 and 3 (AFC 21.2.01 : £433,515)		431,615	433,515		85,000			-
Radiology processing equipment (AFC 16.5.01 and 13.11.01 : £35,000)		33,213	28,500		-			-
Sterile Services Department - equipment (AFC 26.10.99 : £150,000)		12,371	11,397		-			121,772
Surgical laser (AFC 26.6.01 : £47,167)		46,176	47,167		-			-
Theatre -								
Ophthalmic microscope (AFC 19.9.01 : £43,500)		43,314	43,500		-			-
Video imaging system (AFC 19.9.01 : £65,000)		63,806	65,000		-			-
Urology endoscopic equipment (AFC 3.10.01 : £13,808)		11,368	13,808		-			-
Premises -								
Adolescent unit (AFC 12.1.00 : £36,075)		12,751	19,688		22,075			16,387
Boiler Plant heat recovery system		-	-		40,000			-
Brock ward assessment and rehabilitation		-	-		500,000			-
Building and energy management system Phases II and III		-	-		25,000			-
Castel Hospital - Clinical areas flooring replacement		-	17,000		-			-
Foul washer		-	50,000		-			-
Hospital chiller condenser (AFC 7.3.01 : £16,300)		14,821	16,300		-			-
King Edward VII Hospital -								
Allan Grut ward re-roofing (AFC 12.4.00 : £79,970)		3,579	3,579		-			76,302
Boiler decentralisation (Vote 29.9.99 : £343,664)		36,430	44,486		-			288,178
Day hospital (Vote 26.7.00 : £164,432)		117,064	141,667		81,000			22,765
Le Cheminant wing alterations		-	-		100,000			-
La Corbinerie -								
Continuing care wards		-	-		1,800,000			-
Creation of public footpath (AFC 8.5.01 and 24.7.01 : £10,865)		1,580	10,865		-			-

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>BOARD OF HEALTH (continued)</b>								
Health Care Services - (continued)								
Premises - (continued)								
Infrastructure -		-		-		468,000		-
Mechanical plant (AFC 13.3.01 : £161,785)		147,769		161,785		-		-
Mortuary air handling plant		-		-		50,000		-
Nuclear Medicine Department - relocation (AFC 6.1.99 and 24.10.00 : £76,678)		2,263		2,263		-		34,421
Nursing offices alterations		-		-		15,000		-
Occupational therapy department extension		-		5,000		15,000		-
Occupational therapy / physiotherapy department conversions (Vote 28.6.00 : £146,084)		65,868		70,800		96,000		75,283
Pathology roof / guttering replacement		-		-		80,000		-
Pharmacy -								
Refurbishment (Vote 27.6.01 : £598,555)		257,881		300,000		342,000		-
Temporary decant arrangements / asbestos removal (AFC 25.7.00 : £81,888)		3,220		3,220		-		78,503
Princess Elizabeth Hospital -								
Clinical waste incinerator (Vote 28.6.01 : £1,576,817)		363,166		800,000		1,250,000		-
Fire alarms replacement - phase I		-		10,000		-		-
HWS storage calorifiers Phases I and II		-		-		49,000		-
Radiology administration and Ultrasound department - relocation (AFC 28.4.98 : £95,000)		(1,693)		(1,693)		-		3,164
Security door upgrades (AFC 7.3.01 : £15,535)		15,535		15,535		-		-
Steam boiler feed water storage tank		-		-		40,000		-
Sterile Services Department refurbishment (Vote 11.10.00 and AFC 26.2.02 : £275,115)		217,780		218,180		132,000		57,335
Surgical wards - bathroom alterations (AFC 21.11.01 : £21,220)		21,220		-		-		-
Temporary office accommodation		-		5,000		15,000		-
Theatre roof replacement (AFC 9.11.00 : £68,932)		67,660		68,932		-		-
Victoria Wing isolation rooms (AFC 7.3.01 : £78,912)		75,676		78,912		-		-
Water main refurbishments (AFC 21.3.01 : £56,000)		45,289		56,000		-		-

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001	Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£
<b>BOARD OF HEALTH (continued)</b>							
Health Studies and Nursing Services -							
Premises -							
Creche		-	-	180,000			-
Nurse Education Centre relocation (AFC 14.6.00 : £99,825)		27,484	27,484	-			71,797
Social Care Services -							
Equipment (replacement) -							
States analysts laboratory -							
Gas chromatograph (AFC 24.10.00 : £11,694)		10,694	10,694	-			726
Heat and ventilation unit (AFC 13.6.01 : £10,323)		9,582	10,323	-			-
Premises -							
Duchess of Kent House -							
Additional car parking (AFC 29.5.01 : £15,324)		15,324	15,324	-			-
Window frames / doors replacement (AFC 21.11.01 : £21,982)		-	10,000	-			-
Mignot Memorial Hospital -							
Main drain repairs / resurface drive (AFC 19.9.01 : £24,762)		475	24,762	22,000			-
Sun lounge		-	40,000	90,000			-
Services for People with a Learning Disability -							
Premises -							
Chateau Reve - extension (AFC 4.10.00 and 9.11.00 : £64,040)		62,626	64,010	29,000			30
Hayward House - alterations		-	5,000	15,000			-
Old Stables replacement		-	20,000	-			-
Roadwork and path repairs		-	5,000	-			-
Small community homes		-	-	400,000			-
Sunnybrook alterations (AFC 13.3.01 : £20,980)		20,980	20,980	-			-
The Croft alterations (AFC 21.11.01 : £23,150)		-	8,000	-			-
3, Les Vieux Chenes - alterations (AFC 22.11.00 : £18,500)		17,355	18,500	15,000			-
Vehicles -							
Replacement -							
Fleet car replacement programme (AFC 13.6.01 : £116,522)		116,522	116,522	80,000			-
General purpose van (AFC 3.10.01 : £10,055)		10,055	10,055	-			-
High roof van (AFC 14.6.00 : £16,163)		(1,559)	(1,559)	-			16,163
Minibus 20-seater (AFC 3.10.01 : £51,928)		-	51,928	32,000			-
<b>TOTAL BOARD OF HEALTH CAPITAL EXPENDITURE</b>		4,280,864	6,328,804	10,663,555			2,250,928

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>BOARD OF INDUSTRY</b>								
Burnt Lane - redevelopment including contribution from Committee for Horticulture		-		-		350,000		-
Employment Services - portacabin replacement (AFC 30.1.01 : £30,000)		28,438		30,000		-		-
Fieldwork Department - vehicle replacement (AFC 23.5.01 : £23,000)		22,330		23,000		-		-
<b>TOTAL BOARD OF INDUSTRY CAPITAL EXPENDITURE</b>		50,768		53,000		350,000		-
<b>CHILDREN BOARD</b>								
Per published accounts 2000		-		-		-		90,000
Child Care computer system (AFC 13.3.01 : £28,000)		19,600		28,000		20,000		-
Community Action Programme -								
Coach House minor works (AFC 5.8.98 : £33,000)		-		2,191		-		-
Family Centre playbus replacement		-		-		20,000		-
Garden Hill refurbishment (AFC 17.5.00 : £58,643)		-		3,369		-		55,274
Les Genats Family Centre		-		-		43,000		-
Perruque House / Le Carrefour - refurbishment (Vote 27.1.99 : £468,299)		14,872		23,762		-		12,650
Rue des Pins Family Centre		-		53,000		25,000		-
Perruque House - car parking area (AFC 6.5.98 : £2,500)		1,010		1,097		-		-
Secure Unit development		-		-		91,000		-
Swissville Family Centre -								
Refurbishment		-		-		20,000		-
Workshop replacement		-		-		25,000		-
Vehicles - replacement		-		15,000		15,000		-
Women's Refuge - refurbishment (AFC 19.11.97 : £153,670)		3,783		2,701		-		669
<b>TOTAL CHILDREN BOARD CAPITAL EXPENDITURE</b>		39,265		129,120		259,000		158,593
<b>CIVIL DEFENCE COMMITTEE</b>								
Integrated emergency management system		-		-		12,000		-
Public safety radio system replacement		-		-		40,000		-
<b>TOTAL CIVIL DEFENCE COMMITTEE CAPITAL EXPENDITURE</b>		-		-		52,000		-

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>EDUCATION COUNCIL</b>								
Per published accounts 2000		-		-		-		232,239
Information and Communication Technology Strategy -								
Phase I (Vote 29.7.99 : £500,000)		-		6,578		-		420,224
Phases II and III -								
Associated building works		-		-		600,000		-
Communications equipment, server and software (Vote 27.7.00 and 8.8.01 : £197,561)		198,290		115,000		80,000		40,569
Electrical improvements and associated building works -								
Contract 1 (AFC 24.5.00 and 21.6.00 : £74,962)		5,449		13,937		-		61,025
Contract 2 (AFC 24.5.00 and 21.6.00 : £47,611)		4,651		26,056		-		21,555
Contract 3 (AFC 24.5.00 and 21.6.00 : £73,970)		19,777		26,935		-		47,035
Contract 4 (AFC 24.5.00 and 21.6.00 : £62,809)		22,434		14,431		-		48,378
Equipment and services (Research Machines) (Vote 27.7.00 : £5,753,013)		969,851		2,347,000		2,000,000		1,802,265
Major electrical and building works - surveys etc. (Vote 27.7.00 and 30.10.01 : £209,249)		110,927		128,107		55,700		27,636
Major electrical upgrades and data cabling Phase I (AFC 17.7.01 : £852,032)		638,548		600,000		1,000,000		-
Project management - limited local area networks (AFC 25.7.00 : £75,000)		22,012		-		25,000		80,663
Strategic project management - Phase III (AFC 4.10.00, 10.1.01 and 8.8.01 : £315,000)		136,344		187,404		95,000		55,596
Training (AFC 18.4.01 : £375,000)		-		100,000		-		-
Training software contingencies etc.		-		-		1,045,000		-
Other projects -								
College of Further Education - Management information system replacement (AFC 12.5.99 : £158,740)		2,317		29,469		-		46,314
Minibus replacements (AFC 27.4.99 : £47,613)		(100)		-		-		-
Minibus replacements		-		20,000		20,000		-
Property -								
Asbestos testing and removal		-		-		1,875,000		-
College of Further Education and other minor works (AFC 1.8.01 : £19,382)		13,497		19,382		-		-
St Peter Port Secondary School boiler room (AFC 20.10.00 : £26,315)		5,538		8,315		-		18,000

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>EDUCATION COUNCIL (continued)</b>								
Property - (continued)								
St Sampsons Secondary School boiler room (AFC 20.10.00 : £23,765)		874		3,356		-		20,409
Various small contracts under £20,000 (AFC 20.10.00 : £215,000)		76,728		96,919		-		118,081
College of Further Education -								
Beauty Therapy Suite (AFC 30.5.00 : £29,297)		7,434		7,491		-		21,806
Temporary accommodation (AFC 26.6.01 : £99,639)		80,116		99,639		-		-
Electrical rewiring (general)		-		-		500,000		-
Fire detection and prevention system upgrades		-		100,000		600,000		-
Floraville, Vauvert - conversion to teachers accommodation (AFC 25.8.99 : £99,000)		12,180		14,948		-		45,978
Forest School -								
Mechanical / engineering upgrade		-		18,000		-		-
Primary School redevelopment (Vote 25.3.98 : £2,825,297)		11,009		15,099		-		155,890
Glass and glazing replacement		-		-		300,000		-
Hautes Capelles Junior School -								
Mechanical / engineering upgrade		-		20,000		-		-
Modernisation and extensions (Vote 1.6.95 : £2,979,316)		-		18,109		-		10,958
Les Beaucamps School - purchase of land (AFC 15.11.00 : £3,686)		3,686		3,686		-		-
Longfield Centre - Gable/window replacement		-		2,000		-		-
Major maintenance programme		-		-		1,350,000		-
Minor improvements to school buildings		-		-		535,000		-
Oakvale School -								
Construction (Vote 14.2.91 : £2,581,955)		-		89,621		-		-
Purchase of land		-		150,000		-		-
St. Annes School -								
Boiler replacement (AFC 11.7.01 : £42,248)		35,103		42,248		-		-
Extension (Vote 28.6.00 : £674,624)		318,510		346,527		224,600		388,097
St. Sampsons Secondary School -								
Boilers replacement (AFC 30.10.01 : £81,380)		65,703		10,000		-		-
Modernisation and extension Phase I (Vote 30.6.93 : £1,680,597)		-		48,217		-		-
Modernisation and extension Phase II (Vote 1.12.94 : £421,825)		-		12,022		-		-



## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001	Budget Estimate, 2001	Accounts, 2000	
	£	£	£	£	£	£
<b>EDUCATION COUNCIL (continued)</b>						
Property - (continued)						
School property surveys		-	-	255,000		-
School swimming pool upgrades		-	-	185,000		-
School water supplies upgrade		-	-	45,000		-
School workshops -						
Health and safety review - Phase I (AFC 7.12.99 : £26,112)		584	1,328	-		24,784
Health and safety review - Phase II (AFC 11.7.01 : £26,650)		24,424	26,650	25,000		-
Health and safety review - Phase III		-	28,000	163,000		-
Special Education facilities development		-	-	1,000,000		-
Temporary accommodation		-	35,000	210,000		-
Vale Infant School -						
Temporary classrooms - Phase II (AFC 30.6.98 : £34,073)		-	8,875	-		-
Vauvert School -						
Dry rot and maintenance repairs (Vote 27.6.01 : £250,000)		127,670	200,000	-		-
<b>TOTAL EDUCATION COUNCIL CAPITAL EXPENDITURE</b>		<b>2,913,556</b>	<b>5,040,349</b>	<b>12,188,300</b>		<b>3,687,502</b>

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>HERITAGE COMMITTEE</b>								
Asterix, Gallo-roman wreck - preservation treatment work (Vote 27.1.99 : £159,520)		20,000		20,000		20,000		20,000
Castle Cornet -								
Floodlight system cabling replacement		-		-		10,000		-
Main drain connection		-		-		25,000		-
Main electricity cable replacement (AFC 6.6.01 : £45,000)		28,147		45,000		20,000		-
201 Squadron Museum refurbishment / redisplay (Vote 25.10.00 : £239,233)		198,591		214,596		129,000		24,637
Guernsey Museum and Art Gallery -								
Café Victoria refurbishment (AFC 14.3.00 : £25,000)		(15)		-		-		24,909
Computer link to sites (AFC 11.7.01 : £63,655)		51,381		63,655		45,000		-
Heating ventilation system replacement / new art gallery (Vote 28.5.97 : £263,299)		19,166		-		-		2,298
Toilet refurbishment (AFC 23.6.98 and 19.5.99 : £71,891)		2,834		2,734		-		-
Van replacement (AFC 5.12.01 : £12,865)		-		18,000		-		-
<b>TOTAL HERITAGE COMMITTEE CAPITAL EXPENDITURE</b>		320,104		363,985		249,000		71,844

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>COMMITTEE FOR HOME AFFAIRS</b>								
Per published accounts 2000		-		-		-		177,312
Fire Brigade / Police Force radio system replacement (Vote 27.9.01 : £1,625,000)		195,756		500,000		1,850,000		-
Fire Brigade -								
Equipment - replacement -								
Compressor (AFC 13.3.01 : £17,362)		15,363		17,362		-		-
Light strike vehicle (AFC 19.9.01 : £119,515)		69,351		60,000		110,000		-
Towing vehicles (AFC 10.1.01 : £27,156)		26,318		27,156		28,000		-
Water tender (Vote 29.7.98 : £128,725)		5,650		5,650		-		97,329
Water tender (AFC 6.1.99 : £141,117)		8,578		8,578		-		103,949
Wireless staff car (AFC 24.7.01 : £8,806)		(1,745)		8,806		11,850		-
Information Technology -								
Computer development programme (AFC 20.12.00 : £42,000)		18,018		37,000		44,250		-
Management information system (AFC 13.6.01 : £74,800)		-		53,000		22,500		-
Premises -								
Control Room relocation and refitting		-		-		275,000		-
Vehicle bays reinstatement		-		-		30,000		-
Vehicle exhaust extraction system		-		52,000		52,000		-
Police Force -								
Equipment - additional -								
Firearms training simulator (AFC 24.3.98 : £69,000)		4,555		4,555		-		2,408
Equipment - replacement -								
Audio / visual radio alarms (AFC 7.3.01 : £15,000)		2,670		15,000		15,000		-
Booklet maker		-		-		8,450		-
CCTV - Airport system upgrade		-		30,000		90,000		-
CCTV microwave link (AFC 29.3.00 : £41,780)		18,399		39,796		21,780		1,984
Colour printer / copier (AFC 24.4.01 : £28,000)		-		28,000		28,000		-
Digital duplicator		-		-		8,500		-
Diving Section trailer (AFC 7.3.01 : £9,000)		7,431		9,000		9,000		-
Guillotine for stationery		-		-		8,000		-
Major incident vehicle (AFC 17.5.00 : £50,000)		40,775		40,776		-		9,224

**COMMITTEE CAPITAL EXPENDITURE**

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>COMMITTEE FOR HOME AFFAIRS (continued)</b>								
Police Force - (continued)								
Equipment - replacement - (continued)								
Photocopier - Court office (AFC 7.3.01 : £9,500)		6,500		9,500		9,500		-
Photocopier - General office (AFC 29.3.00 : £10,230)		899		3,335		-		6,895
Print Department equipment (AFC 7.3.01 : £24,950)		-		24,950		-		-
Radio test equipment (AFC 29.3.00 : £23,000)		-		18,991		-		4,009
Secure mail system (AFC 29.3.00 : £6,500)		-		6,500		-		-
Tradenet dealer board (AFC 7.3.01 and 21.11.01 : £49,600)		-		38,500		38,500		-
Vehicles 2000 (AFC 29.3.00 : £41,000)		14,737		18,817		-		22,183
Vehicles 2001 (AFC 24.4.01 : £78,000)		66,520		78,000		81,130		-
Voice mail (AFC 7.3.01 : £25,000)		-		25,000		25,000		-
Information Technology -								
Computer development programme (AFC 24.3.98 : £40,000)		2,500		2,916		-		3,000
Computer development programme phase 9 (AFC 7.3.01 : £82,000)		47,958		40,000		82,000		-
Disaster Recovery system (AFC 28.4.98 : £97,150)		-		6,201		-		1,987
Financial Intelligence Service IT Project		-		-		60,000		-
Fixed penalty tickets automation		-		20,000		-		-
Intelligence database - phase I (AFC 17.3.99 : £25,000)		14,850		20,250		-		4,750
Intelligence database - phase II (AFC 29.3.00 : £50,000)		-		25,000		-		-
Ports users national computer system (AFC 10.1.97 : £12,000)		-		6,315		-		5,685
Premises -								
Financial investigation project - alteration to premises (AFC 21.2.01 : £15,000)		14,996		15,000		15,000		-
Gym		-		-		17,500		-
Office accommodation - additional (AFC 2.8.00 : £27,000)		15,936		15,946		-		11,054
Range construction - Fort Le Marchant (AFC 1.12.99 : £20,000)		625		1,118		-		18,882
Teaching facilities - refurbishment (AFC 7.3.01 : £10,000)		-		10,000		10,000		-

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>COMMITTEE FOR HOME AFFAIRS (continued)</b>								
States Prison -								
Equipment - additional -								
A Wing - CCTV equipment (AFC 21.6.00 : £5,000)		57		57		-		3,933
Internal CCTV system		-		20,000		33,000		-
Internal communication system (AFC 22.11.00 : £12,000)		8,687		12,000		-		-
Record storage facilities (AFC 29.8.01 : £10,000)		9,576		10,000		-		-
Surveillance equipment		-		-		10,500		-
Equipment - replacement -								
Kitchen equipment (AFC 25.9.01 : £15,000)		14,532		15,000		-		-
Personnel Carrier		-		25,000		-		-
Telephone system		-		15,000		-		-
Vehicle (AFC 26.6.01 : £9,500)		9,313		9,500		-		-
Information Technology -								
Computer database (AFC 25.7.00 : £20,000)		16,834		18,859		10,000		1,141
Computer development		-		15,000		-		-
Education department computers		-		15,000		-		-
Premises -								
Building materials for training and minor building projects (AFC 28.10.94 : £5,000)		-		-		185		-
Control room - Lightning protection (AFC 17.10.01 : £10,720)		-		10,720		10,000		-
Education and interview centre (AFC 26.6.01 : £94,533)		-		94,533		38,000		-
Foreign Nationals facilities		-		5,000		-		-
Guard wire system replacement		-		-		65,000		-
Kitchen refurbishment (AFC 13.6.01 : £10,000)		9,898		10,000		-		-
Locking suite and electronic gate (AFC 22.11.00 : £47,000)		46,966		47,000		25,000		-
Perimeter fence refurbishment / upgrade		-		-		554,000		-
Prisoner accommodation upgrade (AFC 26.9.00 : £75,000)		49,425		49,764		25,000		25,236
Razor wire		-		-		32,000		-
Secure exercise area		-		-		20,000		-
<b>TOTAL COMMITTEE FOR HOME AFFAIRS CAPITAL EXPENDITURE</b>		<b>761,928</b>		<b>1,695,451</b>		<b>3,773,645</b>		<b>500,961</b>

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>	<b>Budget Estimate, 2001</b>	<b>Accounts, 2000</b>	
	£	£	£	£	£	£
<b>COMMITTEE FOR HORTICULTURE</b>						
Per published accounts 2000		-	-	-		8,650
Laboratory refurbishment		-	-	80,000		-
<b>TOTAL COMMITTEE FOR HORTICULTURE CAPITAL EXPENDITURE</b>		-	-	80,000		8,650
<b>HOUSING AUTHORITY</b>						
Houses, Flats etc. -						
Building -						
Courtil Jacques - construction and conversion Phase I (Vote 24.9.97 : £727,018)		-	36,000	-		8,310
La Guelle Flats - six additional dwellings (Vote 30.6.99 : £479,731)		-	24,000	7,663		281,935
La Villiaze Road - four one bedroom dwellings (Vote 29.1.92 : £227,590)		1,750	-	-		-
Route de Carteret - nine dwellings (Vote 29.10.97 : £557,616)		36,522	36,522	-		3,587
Route de Carteret - five dwellings - Phase II (Vote 29.11.00 : £426,964)		357,278	260,000	300,000		340
Routes des Coutures - five dwellings (Vote 29.7.99 : £477,785)		22,085	86,000	106,394		280,059
Improvements and renovations -						
Courtil Jacques - refurbishment - Phase II (Vote 26.7.00 : £660,549)		510,210	360,000	450,000		49,465
Roseville (Petit Bouet Estate) redevelopment / additional dwellings		-	-	450,000		-
Housing management system (Vote 31.1.96 : £160,000)		9,822	12,000	14,965		49,332
Transfer to States Houses Fund (Vote 27.9.01 : £4,300,000)		4,300,000	460,000	1,200,000		-
Transfer to States Housing Association Fund (Vote 27.9.01 : £8,290,000)		8,290,000	8,290,000	-		-
<b>TOTAL HOUSING AUTHORITY CAPITAL EXPENDITURE</b>		13,527,667	9,564,522	2,529,022		673,028
<b>INCOME TAX AUTHORITY</b>						
Reform of Tax System -						
Computer software / office refurbishment (AFC 1.2.00 and Vote 14.12.00 : £360,150)		19,766	26,230	10,000		333,740
Optical Character Recognition System (AFC 16.5.01 : £43,180)		39,395	43,180	-		-
Statistical information database (AFC 5.7.00 : £99,050)		30,888	56,282	59,050		42,768
<b>TOTAL INCOME TAX AUTHORITY CAPITAL EXPENDITURE</b>		90,049	125,692	69,050		376,508

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001	Probable Outturn, 2001	Budget Estimate, 2001	Accounts, 2000
	£            £	£            £	£            £	£            £
<b>ISLAND DEVELOPMENT COMMITTEE</b>				
Application processing system replacement (AFC 11.7.00 : £98,950)	-	25,000	53,950	46,975
Computer purchases (AFC 27.7.99 : £45,000)	9,426	10,320	-	2,219
Computer replacements (AFC 13.6.01 : £19,979)	19,970	19,970	15,000	-
GIS St Peter Port building height model	-	-	25,000	-
<b>TOTAL ISLAND DEVELOPMENT COMMITTEE CAPITAL EXPENDITURE</b>	29,396	55,290	93,950	49,194
<b>PUBLIC THOROUGHFARES COMMITTEE</b>				
Per published accounts 2000	-	-	-	328,310
Pumping stations -				
Belle Greve Bay foul water pumping station upgrade (AFC 15.11.00 : £90,812)	85,812	90,000	40,000	-
Cobo pumping station - upgrade (Vote 24.9.97 : £1,480,707)	64,590	65,000	170,000	12,355
Kimberley Estate foul water pumping station (AFC 29.8.01 : £52,778)	57,770	52,770	-	-
Lowlands foul water pumping station upgrade (AFC 14.1.98 : £66,693)	521	-	6,500	-
Red Lion pumping station upgrade (AFC 21.11.01 : £50,000)	-	25,000	5,000	-
St. Sampsons Harbour pumping station / North Side firemain extension including contribution from the Committee for Home Affairs (Vote 6.4.00 : £2,146,664)	587,011	800,000	500,000	1,155,390
SCADA system replacement (AFC 1.2.00 : £263,105)	32,622	46,000	60,000	216,338
Vale Pond pumping station upgrade (AFC 24.5.00 : £85,020)	33,494	40,000	5,000	41,200
Vazon pumping station	-	-	75,000	-
Sewage tankers -				
Replacement programme (AFC 20.9.00 : £271,710)	261,306	261,310	271,000	-
Sewers and outfalls -				
Construction of branch connections (Vote 8.12.93 : £20,000 )	1,604	1,610	5,000	4,565
Contributions to private schemes (AFC 26.5.95 : £50,000)	-	-	10,000	45,477
Foul water network extension plan (Vote 25.10.00 and AFC 21.11.01 : £5,310,000)	3,758,503	2,000,000	3,000,000	-

**COMMITTEE CAPITAL EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts, 2001</b>		<b>Probable Outturn, 2001</b>		<b>Budget Estimate, 2001</b>		<b>Accounts, 2000</b>	
	£	£	£	£	£	£	£	£
<b>PUBLIC THOROUGHFARES COMMITTEE (continued)</b>								
Sewers and outfalls - (continued)								
Landes du Marche foul water drainage purchase of land (AFC 15.8.01 : £4,000)		2,040		4,000		-		-
Les Nouettes foul water drainage (Vote 29.7.99 : £800,275)		12,994		10,000		200,000		114,212
Relining sewers -								
La Charroterie Phase III (Vote 25.11.99 : £407,365)		479		100,000		7,000		296,376
North and South Side laterals rehabilitation (Vote 30.6.99 : £491,052)		(4,584)		50,000		70,000		82,033
Robergerie Road foul water drainage (AFC 21.6.00 : £35,037)		29,934		30,000		10,000		2,755
Route Militaire foul water drainage (AFC 24.5.00 : £82,926)		875		2,000		-		79,912
Saline Lane, St Sampsons - purchase of land (AFC 2.8.00 : £2,461)		2,461		2,461		-		-
Sewer connection grants (AFC 25.5.99 : £100,000)		17,171		30,000		25,000		45,640
Surface water, outfalls and streams -								
Internal manhole survey (AFC 24.5.00 : £58,190)		2,108		10,000		-		44,554
Les Dicqs outfall		-		-		80,000		-
<b>TOTAL PUBLIC THOROUGHFARES COMMITTEE CAPITAL EXPENDITURE</b>		4,946,711		3,620,151		4,539,500		2,469,117



## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>RECREATION COMMITTEE</b>								
Per published accounts 2000		-		-		-		50,114
Beau Sejour Centre -								
Asbestos removal (AFC 30.10.01 : £85,118)		32,565		85,118		-		-
Redevelopment (Vote 11.4.01 and 1.11.01 : £9,000,000)		792,431		800,000		-		-
Beau Sejour Park -								
Playground resurfacing (AFC 24.7.01 : £7,400)		6,771		7,400		15,000		-
Softball pitch - fence replacement (AFC 17.1.01 : £15,000)		14,883		15,000		22,000		-
Delancey Park -								
Childrens play area equipment replacement		-		-		60,000		-
Tennis courts - relocation		-		-		30,000		-
Fort Le Marchant Rifle Range -								
Safety barriers for butts (AFC 2.5.01 : £8,000)		8,000		8,000		-		-
La Vallette Bathing Places -								
Building enhancement		-		-		25,000		-
Osmond Priaulx Memorial Playing Field -								
Athletic facilities upgrade (AFC 8.8.01 : £108,500)		94,294		108,500		-		-
Changing rooms / clubhouse facilities (with hockey club) (Vote 27.9.01 : £545,184)		58,753		100,000		450,000		-
Infield upgrade (AFC 22.8.01 : £99,859)		85,129		99,859		-		-
Landscaping and general site enhancement		-		-		385,000		-
Other projects -								
Pick-up van (AFC 29.5.01 : £5,750)		5,750		5,750		-		-
Playing fields equipment replacement (AFC 14.3.00 : £11,000)		-		-		10,000		10,755
St. Germain area enhancement - contribution		-		-		5,000		-
Transfer to Sports Loan Fund		-		-		100,000		-
25 metre range development		-		-		150,000		-
Victoria Avenue - chain link fencing replacement		-		-		20,000		-
<b>TOTAL RECREATION COMMITTEE CAPITAL EXPENDITURE</b>		1,098,576		1,229,627		1,272,000		60,869
<b>SEA FISHERIES COMMITTEE</b>								
Per published accounts 2000		-		-		-		9,249
Patrol vessel -								
Outboard engine replacement		-		-		5,500		-
<b>TOTAL SEA FISHERIES COMMITTEE CAPITAL EXPENDITURE</b>		-		-		5,500		9,249

## COMMITTEE CAPITAL EXPENDITURE

Heads of Charge	Accounts, 2001		Probable Outturn, 2001		Budget Estimate, 2001		Accounts, 2000	
	£	£	£	£	£	£	£	£
<b>STATES TRAFFIC COMMITTEE</b>								
Bus shelters additional (AFC 24.4.01 £30,000)		-	30,000		-		-	
Information technology -								
Signs and lines asset register		-	-		15,000		-	
Vehicle Registration and Licensing Department -								
Driving licence equipment replacement (AFC 23.6.99 : £15,000)		1,105	1,105		-		4,092	
Information technology system upgrades (AFC 24.10.00 : £80,000)		39,133	45,000		80,000		-	
North Beach car park repairs (AFC 6.10.99 : £70,000)		13,237	-		-		51,168	
Office accommodation refurbishment (AFC 26.6.01 : £31,891)		8,000	31,891		75,000		-	
Purchase of buses, spare parts, equipment etc. (Vote 14.3.01 : £260,138)		92,764	92,764		-		167,374	
Traffic improvements schemes								
1 Le Vrangue Hill demolition		-	20,000		-		-	
Bosq Lane		-	55,000		-		-	
Halfway and Victoria Avenue junction		-	-		90,000		-	
Les Banques traffic management		-	80,000		-		-	
St. Julians Avenue traffic management		-	40,000		-		-	
St. Martins traffic management		-	40,000		40,000		-	
Waterfront highway improvements - Phase I		-	-		200,000		-	
<b>TOTAL STATES TRAFFIC COMMITTEE CAPITAL EXPENDITURE</b>		154,239	435,760		500,000		222,634	
<b>TOURIST BOARD</b>								
Fortress Guernsey Initiative (Vote 27.10.93 : £500,000)		10,795	80,000		100,000		50,917	
Fortress Guernsey Initiative - Phase II		-	-		142,000		-	
Information technology strategy implementation - Phases I and II		-	-		22,000		-	
Interpretation Strategy Projects		-	50,000		-		-	
Minor enhancement projects		-	-		150,000		-	
<b>TOTAL TOURIST BOARD CAPITAL EXPENDITURE</b>		10,795	130,000		414,000		50,917	

**TOTAL CAPITAL EXPENDITURE** £34,965,288 £36,493,636 £59,581,727 £13,896,774

Notes :

a) (AFC dd.mm.yy) is the date the Advisory and Finance Committee approved the Capital project under delegated powers conferred on it by the States.

b) Advisory and Finance Committee  
Non - Audit Services

The 2001 capital expenditure of the Committee includes non-audit services provided by Deloitte & Touche amounting to £300,785 (2000 : £147,210).

**LIST NO. 1**  
**LIST OF GENERAL REVENUE CAPITAL ACCOUNT VOTES OF THE STATES**  
**OUTSTANDING AT 31 DECEMBER 2001**

<b>Date of vote</b>	<b>Purpose</b>	<b>Amount voted £</b>	<b>Balance outstanding at 31.12.01 £</b>
<b>ADVISORY AND FINANCE COMMITTEE</b>			
	Commemoration of the Millennium		
25.2.99	Reservoir walk	200,000	98,380
25.2.99	Tapestry Gallery	300,000	98
19.7.01	Corporate IT projects	100,000	37,701
19.1.00	States of Guernsey mapping project - Global positioning base station	35,000	1,927
1.3.00	Treasury receipting system - replacement	48,300	11,700
31.1.01 &			
12.12.01	Corporate purchasing and finance system	5,000,000	1,298,557
24.10.01	Treasury corporate infrastructure upgrade phase I	30,000	17,837
<b>STATES OF ALDERNEY</b>			
	General Services Committee		
	Harbour		
16.12.93	Trellex fendering for quay	20,000	20,000
19.9.01	Crane replacement	275,000	29,789
24.10.01	Fishermans shed	4,000	4,000
	Health and Welfare		
13.10.99	Royal Connaught House Residential Home - renovation	46,200	17,565
12.4.00 &			
27.6.01	Jubilee Home conversion	165,288	112,243
	Public Services		
11.4.97	Management Information system	19,986	3,266
	Land and Property		
19.10.00	Island Hall renovations preparation of specifications	18,000	201
24.4.01	Alderney Airport - purchase/preparation of land	30,000	5,245
24.7.01	New Vicarage consultants fees	7,000	5,764
	States Housing		
3.11.99	Central heating conversions	51,000	35,832
23.9.98	States Offices		
	Fire alarm system	7,278	786
	Roads, Coasts and Beaches		
7.11.90	Coast erosion repairs	40,000	10,485
	Sewage, Sanitation and Refuse		
7.10.97	Braye and Le Banquage sewer pump - replacements	35,000	24,941
19.9.01	Waste Strategy consultants fees	14,000	1,898
	Policy and Finance Committee		
23.9.98	Computer network upgrade	7,590	2,577
22.8.01	Alderney Snooker Club loan	30,000	30,000
<b>BOARD OF ADMINISTRATION</b>			
	Alderney Airport		
17.5.00	Hangar door repair / replacement	25,321	3,541
14.6.00	LITAS / APAPI units replacement	39,300	22,777
21.2.01	Air Traffic Control recorder replacements	50,547	6,649
13.6.01	Fire appliances replacement	263,314	263,314
25.7.01	Runway and taxi surface resealing	578,801	12,147
19.12.01	Rescue equipment replacement	5,560	5,560
	Alderney Breakwater		
6.1.99	Long term maintenance strategy - consultants fees	40,000	4,578
	Central Services		
27.12.00	Courts - Extension and refurbishment	3,000,000	2,941,258
29.9.99	Sir Charles Frossard House - Housing Authority relocation/rationalisation	970,400	60,002
15.8.01	Fermain Bay kiosk - purchase	70,000	70,000
21.11.01	Secretariat vehicle replacement	11,000	1,088

Date of vote	Purpose	Amount voted £	Balance outstanding at 31.12.01 £
<b>BOARD OF ADMINISTRATION (Continued)</b>			
	Customs and Immigration		
	Computerisation		
20.12.96	Freight administration system - Phase II	95,000	18,255
7.7.99	Administration server upgrade	65,600	7,914
9.11.00	Information technology communications link upgrade	15,300	182
11.7.01	Computerised suspect index upgrade	21,550	21,550
27.1.00	CCTV system replacement	199,900	1,448
14.6.00	Surveillance equipment	42,000	2,848
26.9.00	Car hall extension	95,520	1,758
9.11.00	Passport issuance system upgrade	16,000	900
21.2.01	Telephone switchboard replacement	49,750	13,647
24.4.01	Drug testing equipment replacement	21,850	1,947
13.6.01	New Jetty office accommodation alterations	28,105	25,741
11.12.01	Radio fittings replacement	16,300	16,300
11.12.01	Search equipment	33,100	33,100
	Land Management		
	Environment		
26.3.92	Energy management measures and equipment	325,000	242,237
25.8.99	St. Germain area enhancement	55,000	4,480
	Property		
11.5.01	Foulon cremator replacement	928,039	450,451
	Waste Services - Landfill sites		
	Mont Cuét landfill site		
27.3.97	Quarry preparation for waste disposal	4,608,679	488,552
<b>BOARD OF HEALTH</b>			
	Central Services		
	Finance, Purchasing, Information Management and Technology		
18.12.97	Pathology computer system	272,540	20,401
20.5.98	Management information system - personnel	89,250	32,874
	Premises		
28.6.00	Arlington Court - conversion and extension	1,075,558	74,272
5.12.01	Grasmere, Oberlands Road - purchase	190,000	172,000
	Health Care Services		
	Equipment - additional		
9.11.00	Transport incubator and medivac stretcher	35,000	4,360
17.7.01	Laparoscopic and vascular surgery equipment	21,900	4,434
22.8.01	Theatres/Loveridge Ward/Pathology - uninterruptable power supply	68,545	13,261
5.12.01	Anaesthetic equipment	65,000	65,000
5.12.01	Standby generators - main control panel	77,630	77,630
	Equipment - replacement		
	King Edward VII Hospital		
29.9.99	Boiler decentralisation	343,664	8,056
26.7.00	Day hospital	164,432	24,602
12.5.99	Endoscopy washer and associated works	82,870	20,168
9.11.00	Pathology department equipment	53,301	6,332
21.2.01	Radiology equipment - rooms 1 and 3	433,515	1,900
13.3.01	Mechanical plant	161,785	14,016
3.10.01	Urology endoscopic equipment	13,808	2,440
17.10.01	Dining room servery	79,615	79,615
17.10.01	Pharmacy isolator cabinet	24,732	24,732
27.11.01	Blood bank freezer	17,500	17,500
27.11.01	Haematology analysers	41,000	41,000
5.12.01	Castel and King Edward VII Hospitals equipment	83,963	68,906
11.12.01	Telepathology diagnostic equipment	37,524	37,524

Date of vote	Purpose	Amount voted £	Balance outstanding at 31.12.01 £
<b>BOARD OF HEALTH (Continued)</b>			
Health Care Services (continued)			
Premises			
12.1.00	Adolescent unit	36,075	6,936
28.6.00	Occupational therapy / physiotherapy department conversion	146,084	4,932
7.3.01	Victoria Wing isolation rooms	78,912	3,236
8.5.01 &			
24.7.01	La Corbinerie site - creation of public footpath	10,865	9,285
16.5.01 &			
13.11.01	Radiology - processing equipment	35,000	1,787
27.6.01	Pharmacy refurbishment	598,555	340,674
28.6.01	Clinical waste incinerator - replacement	1,576,817	1,213,651
30.10.01	Castel Hospital - interim management plan phase II	63,060	47,493
21.11.01	Divette ward relocation	65,600	65,600
Social Care Services			
Premises			
19.9.01	Mignot Memorial Hospital - main drain repairs/resurface drive	24,762	24,287
21.11.01	Duchess of Kent House window frames/doors replacement	21,982	21,982
Services for People with a learning disability			
4.10.00 &			
9.11.00	Chateau Reve - extension	64,040	1,383
21.11.01	The Croft alterations	23,150	23,150
Vehicles replacement			
3.10.01	Minibus 20 seater	51,928	51,928
<b>CHILDREN BOARD</b>			
Community Action Programme			
22.7.98	Family Centre minor works - Phase I	11,000	508
5.8.98	Coach House minor works	33,000	2,191
27.1.99	Perruque House / Le Carrefour - refurbishment	468,299	40,890
19.11.97	Women's Refuge refurbishment	153,670	2,931
17.5.00	Garden Hill refurbishment	58,643	3,369
13.3.01	Child care computer system	28,000	8,400
<b>EDUCATION COUNCIL</b>			
Information and Communication Technology Strategy - Phases II and III			
24.5.00 &			
21.6.00	Contract 1	74,962	8,488
24.5.00 &			
21.6.00	Contract 2	47,611	21,405
24.5.00 &			
21.6.00	Contract 3	73,970	7,158
27.7.00	Equipment and services (Research Machines)	5,753,013	2,980,897
27.7.00 &			
30.10.01	Major electrical and building works - surveys etc.	209,249	70,685
4.10.00 &			
10.1.01 &			
8.8.01	Strategic Project management - phase III	315,000	123,061
18.4.01	Training	375,000	375,000
17.7.01	Major electrical upgrades and data cabling - phase I	852,032	213,484
Other project			
12.5.99	College of Further Education - Management information system replacement	158,740	27,152

Date of vote	Purpose	Amount voted £	Balance outstanding at 31.12.01 £
<b>EDUCATION COUNCIL (Continued)</b>			
	Property		
	Asbestos removal		
20.10.00	St Peter Port Secondary School boiler room	26,315	2,777
20.10.00	St Sampsons Secondary School boiler room	23,765	2,482
20.10.00	Various small contracts under £20,000	215,000	20,191
1.8.01	College of Further Education and other minor works	19,382	5,885
26.6.01	College of Further Education - Temporary accommodation	99,639	19,523
25.3.98	Forest Primary School - redevelopment	2,825,297	4,090
1.6.95	Hautes Capelles Junior School - modernisation and extensions	2,979,316	18,109
14.2.91	Oakvale School - construction	2,581,955	289,621
11.7.01	St Annes School boiler replacement	42,248	7,145
	St Sampsons Secondary School -		
30.6.93	Modernisation and extension Phase I	1,680,597	198,217
1.12.94	Modernisation and extension Phase II	421,825	12,022
30.10.01	Boilers replacement	81,380	15,676
11.7.01	School workshops - Health and safety review - phase II	26,650	2,226
	Vauvert School		
29.6.95	Modernisation	632,971	8,059
27.6.01	Dry rot and maintenance repairs	250,000	122,330
<b>HERITAGE COMMITTEE</b>			
27.1.99	Asterix, Gallo-roman wreck - preservation treatment work	159,520	60,270
	Guernsey Museum and Art Gallery		
28.5.97	Heating ventilation system replacement / new art gallery	263,299	6,908
23.6.98 &			
19.5.99	Toilet refurbishment	71,891	2,781
14.3.00	Café Victoria refurbishment	25,000	106
11.7.01	Computer Link to sites	63,655	12,274
5.12.01	Van replacement	12,865	12,865
	Castle Cornet		
25.10.00	201 Squadron Museum refurbishment / redisplay	239,233	16,005
6.6.01	Main electricity cable replacement	45,000	16,852
<b>COMMITTEE FOR HOME AFFAIRS</b>			
27.9.01	Fire Brigade/Police radio system replacement	1,625,000	1,429,243
	Fire Brigade		
	Equipment - replacement		
13.3.01	Compressor	17,362	1,999
24.7.01	Wireless/staff car	8,806	10,551
19.9.01	Light strike vehicle	119,515	50,164
	Information Technology		
20.12.00	Computer development programme	42,000	23,982
13.6.01	Management Information system	74,800	74,800
	Police Force		
	Equipment - replacement		
29.3.00	Radio test equipment	23,000	18,991
29.3.00	Secure mail system	6,500	6,500
29.3.00	CCTV microwave link	41,780	21,397
7.3.01	Audio/Visual radio alarms	15,000	12,330
7.3.01	Diving section trailer	9,000	1,569
7.3.01	Print department equipment	24,950	24,950
7.3.01 &			
21.11.01	Tradenet dealer board	49,600	49,600
7.3.01	Voice mail	25,000	25,000
24.4.01	Colour printer/copier	28,000	28,000
	Information Technology		
10.1.97	Ports users national computer system	12,000	6,315
17.3.99	Intelligence database - phase I	25,000	5,400
29.3.00	Intelligence database - phase II	50,000	50,000
7.3.01	Computer development programme phase 9	82,000	34,042
	Premises		
1.12.99	Range construction - Fort Le Marchant	20,000	493
7.3.01	Teaching facilities replacement	10,000	10,000

<b>Date of vote</b>	<b>Purpose</b>	<b>Amount voted £</b>	<b>Balance outstanding at 31.12.01 £</b>
<b>COMMITTEE FOR HOME AFFAIRS (Continued)</b>			
	Prison		
22.11.00	Equipment - additional Internal communications system	12,000	3,313
25.9.01	Equipment - replacement Kitchen equipment	15,000	468
25.7.00	Information Technology Computer database	20,000	2,025
26.6.01	Premises Education and interview centre	94,533	94,533
29.8.01	Record storage facilities	10,000	424
17.10.01	Control room lightning protection	10,720	10,720
<b>HOUSING AUTHORITY</b>			
	Houses, Flats etc.		
	Building		
31.1.96	Le Bordage - eight dwellings	579,043	41,443
24.9.97	Courtil Jacques - construction and conversion	727,018	52,499
30.6.99	La Guelle flats - six additional dwellings	479,730	75,728
29.7.99	Route des Coutures - five dwellings	477,785	104,249
26.7.00	Courtil Jacques - Phase II - refurbishment	660,549	100,874
29.11.00	Route de Carteret - five dwellings - Phase II	426,964	69,346
31.1.96	Housing management system	160,000	5,812
<b>INCOME TAX AUTHORITY</b>			
1.2.00 &			
14.12.00	Reform of tax system - computer software / office refurbishment	360,150	6,644
5.7.00	Statistical information database	99,050	25,394
16.5.01	Reform of tax system - optical character recognition system	43,180	3,785
<b>ISLAND DEVELOPMENT COMMITTEE</b>			
27.7.99	Computer purchases	45,000	894
11.7.00	Application processing system replacement	98,950	51,975
<b>PUBLIC THOROUGHFARES COMMITTEE</b>			
	Pumping Stations		
24.9.97	Cobo pumping station - upgrade	1,480,707	222,076
14.1.98	Lowlands foul water pumping station upgrade	66,693	16,027
16.12.98	La Mare de Carteret pumping station upgrade	96,647	912
1.2.00	SCADA system replacement	263,105	14,145
6.4.00	St. Sampsons Harbour pumping station / North Side firemain extension including contribution from the Committee for Home Affairs	2,146,664	404,264
24.5.00	Vale Pond pumping station upgrade	85,020	10,326
15.11.00	Belle Greve Bay foul water pumping station upgrade	90,812	5,000
21.11.01	Red Lion pumping station upgrade	50,000	50,000
20.9.00	Sewage tankers - replacement programme	271,710	10,404
	Sewers and Outfalls		
8.12.93	Construction of branch connections	20,000	2,026
26.5.95	Contribution to private schemes	50,000	3,535
6.6.97	Sewer renovation access chambers	50,000	6,565
25.5.99	Sewer connection grants	100,000	34,723
29.7.99	Les Nouettes foul water drainage	800,275	219,713
	Relining sewers		
30.9.98	La Charroterie - Phase I	354,612	75,374
30.6.99	North and South Side laterals rehabilitation	491,052	96,596
25.11.99	La Charroterie - Phase III	407,365	110,509
24.5.00	Route Militaire foul water drainage	82,926	2,138
21.6.00	Robergerie Road foul water drainage	35,037	2,347
25.10.00 &			
21.11.01	Foul water network extension plan	5,310,000	1,551,497
15.8.01	Landes du Marche foul water drainage - purchase of land	4,000	1,960
	Surface Water, Outfalls and Streams		
24.5.00	Internal manhole survey	58,190	11,528

<b>Date of vote</b>	<b>Purpose</b>	<b>Amount voted £</b>	<b>Balance outstanding at 31.12.01 £</b>
<b>RECREATION COMMITTEE</b>			
	Beau Sejour Centre		
11.4.01 & 1.11.01	Redevelopment	9,000,000	8,207,569
30.10.01	Asbestos removal	85,118	52,553
	Osmond Priaulx Memorial Playing Field		
8.8.01	Athletic facilities upgrade	108,500	14,206
22.8.01	Infield upgrade	99,859	14,730
27.9.01	Changing rooms/clubhouse facilities (with Hockey Club)	545,184	486,430
<b>STATES TRAFFIC COMMITTEE</b>			
	Vehicle Registration and Licensing Department - Information Technology		
24.10.00	systems upgrade	80,000	40,867
24.4.01	Bus shelters additional	30,000	30,000
26.6.01	Office accommodation refurbishment	31,891	23,891
<b>TOURIST BOARD</b>			
27.10.93	Fortress Guernsey initiative	500,000	155,422
		<hr/>	<hr/>
		£75,207,884	£28,275,181
		<hr/>	<hr/>



**LIST NO. 2**  
**LIST OF GENERAL REVENUE CAPITAL ACCOUNT VOTES OF THE STATES**  
**CLOSED IN 2001**

<b>Date of original vote</b>		<b>Amount of original vote £</b>	<b>Actual total expenditure £</b>	<b>Additional amounts voted £</b>	<b>Amounts unspent £</b>
<b>ADVISORY AND FINANCE COMMITTEE</b>					
15.7.99 & 26.7.00	Corporate IT projects Government House	400,000	400,000	-	-
11.2.98 & 29.7.98 & 19.7.01 30.3.99 20.10.99 & 13.6.01	Major Maintenance Programme Computerisation of Administration Security Lighting	215,750 23,621 37,000	883,724 17,839 42,940	669,000 - 5,940	1,026 5,782 -
27.2.01	Royal Court House telecommunications system replacement	13,000	12,773	-	227
17.7.01	Sir Charles Frossard House conference facility	13,000	12,882	-	118
<b>STATES OF ALDERNEY</b>					
	General Services Committee				
	Harbour				
17.7.01	Outboard motor replacement	3,533	3,328	-	205
27.4.99 & 19.9.01	States Housing - Coastguards upgrading Sewage, Sanitation and refuse	60,000	63,570	3,570	-
5.4.95	Braye sewer pump - replacements	16,682	16,127	-	555
5.11.97	Valongis Sewer - phase II	6,530	6,530	-	-
29.8.01	Le Banquage site works - phase II Vehicles and Plant	11,160	11,160	-	-
22.12.99 & 26.2.02 27.3.01 4.4.01 23.5.01 23.5.01	Fire Brigade Hydraulic cutting equipment Fire Brigade Landrover replacement Refuse collection vehicle replacement Mechanical digger replacement Mowing equipment replacement	5,700 10,000 63,100 13,000 7,200	5,774 9,802 63,072 12,314 7,020	74 - - - -	- 198 28 686 180
<b>AGRICULTURE AND COUNTRYSIDE BOARD</b>					
8.8.01	Tractor replacement	5,500	5,500	-	-
<b>BOARD OF ADMINISTRATION</b>					
	Central Services				
27.1.94	St James Police Station conversion	642,397	500,539	-	141,858
23.6.98	Mignot Plateau propose car park - consultants fees	24,000	7,502	-	16,498
10.3.99	L'Eree Public Conveniences - disabled facilities	19,869	16,677	-	3,192
24.3.99 & 13.9.00 20.9.00 9.11.00 23.6.99 15.11.00	Royal Court and Old Prison site consultants fees Cambria House conversion St James the Less - Land acquisition/boundary wall Vehicle replacement Oberlands Temporary Accommodation	97,500 82,000 29,500 6,400 30,700	195,418 81,823 29,410 5,814 30,405	98,042 - - - -	124 177 90 586 295
	Land Management				
22.12.99	Car Park resurfacing - Fort Hommet, L'Eree and Saumarez Park	90,000	78,446	-	11,554
12.12.00	Saumarez Park path resurfacing	85,000	84,844	-	156
	Waste Services				
	Equipment purchase -				
8.12.93	Gas Leachate monitoring equipment	65,000	-	-	65,000
	Landfill sites				
10.12.92	St Germain landfill site surface water drainage	55,000	-	-	55,000
14.6.00	Romains Quarry leachate pumping station	25,428	23,894	-	1,534

Date of original vote		Amount of original vote £	Actual total expenditure £	Additional amounts voted £	Amounts unspent £
	<b>BOARD OF HEALTH</b>				
	Central Services				
27.2.01	IT Services upgrade	97,462	96,163	-	1,299
19.9.01	Office system replacements	34,141	34,141	-	-
	Health Care Services				
	Equipment (additional)				
12.5.99 &					
24.10.00	Building and energy management system	35,000	35,329	329	-
26.10.99	ENT equipment	25,000	21,048	-	3,952
6.4.00	Oxygen supply equipment	155,615	154,440	-	1,175
19.4.00	Ophthalmology equipment	10,072	6,547	-	3,525
9.11.00 &					
10.1.01	Site security cameras	24,050	26,550	2,532	32
19.9.01	Day Patient Unit broncoscope	16,150	16,102	-	48
	Equipment (replacement)				
6.1.99	Nuclear medicine gamma camera	300,662	289,865	-	10,797
12.5.99	Central laundry washer extractor	22,150	20,987	-	1,163
12.5.99	Ultrasound machine	30,000	28,900	-	1,100
2.6.99	Sterile Services department - washer disinfectors	72,783	72,782	-	1
21.7.99	Clinical chemistry analysers	78,000	78,000	-	-
26.10.99	Sterile Services department equipment	150,000	149,352	-	648
8.2.00	King Edward VII Hospital catering equipment	35,500	35,500	-	-
5.7.00	Anaesthetic machines	59,250	59,142	-	108
5.7.00	Endoscopy services equipment	92,000	89,971	-	2,029
5.7.00	Tissue processor	17,650	17,650	-	-
9.11.00	Meeting room equipment upgrade	7,118	7,117	-	1
10.1.01	Castel Hospital interim management plan phase I	45,219	45,219	-	-
10.1.01	Oven	10,880	10,430	-	450
27.2.01	Coronary Care Unit - monitor and telemetry	100,854	100,472	-	382
7.3.01	Blood gas analysers	18,450	18,450	-	-
7.3.01	Plate system	49,900	49,900	-	-
21.3.01	Mammography/stereotactic biopsy machine	135,091	132,814	-	2,277
21.3.01	Radiology mobile image intensifier	110,000	110,000	-	-
23.5.01	Ophthalmology equipment	35,500	35,500	-	-
26.6.01	Intensive Care Unit - ventilator	31,314	28,426	-	2,888
26.6.01	Surgical laser	47,167	46,176	-	991
19.9.01	Day Patient Unit sigmoidoscope	20,150	20,147	-	3
19.9.01	Theatre ophthalmic microscope	43,500	43,314	-	186
19.9.01	Theatre video imaging system	65,000	63,806	-	1,194
3.10.01	Moving and handling equipment	19,000	18,928	-	72
	Premises				
3.9.97	Speech Therapy department relocation	74,000	73,843	-	157
28.4.98	Radiology administration and Ultrasound department relocation	95,000	95,000	-	-
6.1.99 &					
24.10.00	Nuclear medicine department relocation	67,475	76,678	9,203	-
3.2.99	A Block - bed/passenger lift refurbishment	78,000	77,789	-	211
12.4.00	Allan Grut Ward re-roofing	79,970	79,881	-	89
14.6.00	Nurse education centre relocation	99,825	99,282	-	543
25.7.00	Pharmacy temporary decant arrangements/asbestos removal	81,888	81,723	-	165
11.10.00 &					
26.2.02	Sterile Services department refurbishment	265,515	275,115	9,600	-
9.11.00	Theatre roof replacement	68,932	67,660	-	1,272
7.3.01	Hospital chiller condenser	16,300	14,821	-	1,479
21.3.01	Water mains refurbishment	56,000	45,289	-	10,711
	Social Care Services				
	Equipment (replacement)				
	States Analysts laboratory				
14.6.00	Chemical analyser	48,000	48,000	-	-
24.10.00	Gas chromatograph	11,694	11,420	-	274
13.6.01	Heat and Ventilation Unit	10,323	9,582	-	741
	Services for People with a Learning Disability				
6.10.99 &					
24.10.00	Les Alouettes, Castel - purchase/conversion	382,008	387,734	5,849	123
22.11.00	3 Les Vieux Chenes alterations	18,500	17,355	-	1,145

Date of original vote		Amount of original vote £	Actual total expenditure £	Additional amounts voted £	Amounts unspent £
<b>BOARD OF HEALTH (continued)</b>					
	Vehicles (replacement)				
21.7.99	Respite Care home van	15,708	15,283	-	425
14.6.00	Diesel minibus	27,922	27,272	-	650
14.6.00	Diesel van	9,798	8,873	-	925
14.6.00	High roof van	16,163	14,604	-	1,559
13.6.01	Fleet car replacement programme	116,522	116,522	-	-
3.10.01	General purpose van	10,055	10,055	-	-
<b>BOARD OF INDUSTRY</b>					
31.1.01	Employment services - portacabin replacement	30,000	28,438	-	1,562
23.5.01	Fieldwork Department - vehicle replacement	23,000	22,330	-	670
<b>CHILDREN BOARD</b>					
13.12.96	Swissville roofing replacement and repairs	27,000	25,585	-	1,415
6.5.98	Perruque House - car parking area	2,500	2,413	-	87
24.10.00	Computerisation - phase III	90,000	90,000	-	-
<b>EDUCATION COUNCIL</b>					
29.7.99	Information and communication strategy - phase I	500,000	493,422	-	6,578
	Miscellaneous Projects				
27.4.99	Minibus - replacements	47,613	47,397	-	216
13.9.00	Minibus - replacement	19,850	19,850	-	-
19.10.00	Raised seating units	21,000	20,318	-	682
	Premises				
28.7.88 &					
23.1.02	Mont Varouf School - modernisation and creation of care unit	614,502	623,647	9,145	-
27.10.93	Minor improvements to school buildings	161,000	158,359	-	2,641
30.6.94 &					
23.1.02	St. Annes School extensions	69,000	69,546	546	-
12.1.96	St. Martins School additional classrooms	90,427	81,619	-	8,808
8.7.97	La Mare de Carteret Primary School temporary classrooms	61,500	57,855	-	3,645
8.7.97	Oakvale School temporary classrooms	34,450	33,336	-	1,114
8.7.97	Vale Infant School temporary classrooms	32,150	30,730	-	1,420
8.7.97	Vale Junior School temporary classrooms	32,150	31,435	-	715
24.9.97 &					
23.1.02	Forest School temporary classrooms	92,163	98,096	5,933	-
30.6.98 &					
23.1.02	Grammar School temporary classrooms	52,000	53,786	1,786	-
30.6.98	Vale Infant School temporary classrooms - phase II	34,073	25,198	-	8,875
7.12.99	School Workshops - Health and safety review phase I	26,112	25,368	-	744
29.3.00	Rue des Landes, Forest - purchase of land	189,339	189,339	-	-
30.5.00	College of Further Education Beauty Therapy suite	29,297	29,241	-	56
15.11.00	Les Beaucamps School purchase of land	3,686	3,686	-	-
<b>COMMITTEE FOR HOME AFFAIRS</b>					
	Fire Brigade				
	Equipment - replacement				
29.7.98	Water tender	128,725	128,689	-	36
6.1.99	Water tender	141,117	134,006	-	7,111
10.1.01	Towing vehicle	27,156	26,318	-	838
	Police Force				
	Equipment - additional				
24.3.98	Firearms training simulator	69,000	69,000	-	-
	Equipment - replacement				
29.3.00	Photocopier - general office	10,230	7,794	-	2,436
29.3.00	Vehicles 2000	41,000	36,920	-	4,080
17.5.00	Major incident vehicle	50,000	49,999	-	1
7.3.01	Photocopier - court office	9,500	6,500	-	3,000
24.4.01	Vehicles 2001	78,000	66,520	-	11,480

Date of original vote		Amount of original vote £	Actual total expenditure £	Additional amounts voted £	Amounts unspent £
<b>COMMITTEE FOR HOME AFFAIRS (continued)</b>					
	Police Force (continued)				
	Information Technology				
24.3.98	Computer development programme	40,000	39,584	-	416
28.4.98	Disaster recovery system	97,150	90,949	-	6,201
	Premises				
2.8.00	Office accommodation additional	27,000	26,990	-	10
21.2.01	Financial investigation project alterations to premises	15,000	14,996	-	4
	Prison				
	Equipment - additional				
21.6.00	A Wing - CCTV equipment	5,000	3,990	-	1,010
	Equipment - replacement				
26.6.01	Vehicle	9,500	9,313	-	187
	Premises				
26.9.00	Prisoner accommodation upgrade	75,000	74,662	-	338
22.11.00	Locking suite and electronic gate	47,000	46,966	-	34
13.6.01	Kitchen refurbishment	10,000	9,898	-	102
<b>HOUSING AUTHORITY</b>					
	Houses, Flats etc.				
	Building				
29.1.92	La Villiaze Road - four dwellings	227,590	196,177	-	31,413
11.8.93	Old Valnord School - eleven dwellings	785,253	759,022	-	26,231
24.9.97	La Vrangue estate - two replacement dwellings	155,147	146,993	-	8,154
29.10.97	Route de Carteret - nine dwellings	557,616	551,554	-	6,062
27.9.01	Transfer to States Houses Fund	4,300,000	4,300,000	-	-
27.9.01	Transfer to States Housing Association Fund	8,290,000	8,290,000	-	-
<b>ISLAND DEVELOPMENT COMMITTEE</b>					
13.6.01	Computer replacement	19,979	19,970	-	9
<b>PUBLIC THOROUGHFARES COMMITTEE</b>					
	Pumping stations				
2.8.00	Saline Lane, St. Sampsons purchase of land	2,461	2,461	-	-
<b>RECREATION COMMITTEE</b>					
	Beau Sejour				
17.1.01	Softball pitch fence replacement	15,000	14,883	-	117
24.7.01	Playground resurfacing	7,400	6,771	-	629
	Other projects				
24.5.00	Van replacement	14,300	13,456	-	844
2.5.01	Fort Le Marchant rifle range safety barriers for butts	8,000	8,000	-	-
29.5.01	Pick-up van	5,750	5,750	-	-
<b>STATES TRAFFIC COMMITTEE</b>					
23.6.99	Driving licence equipment replacement	15,000	14,228	-	772
6.10.99	North Beach car park repairs	70,000	64,405	-	5,595
14.3.01	Purchase of buses, spare parts, equipment etc.	260,138	260,138	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		£23,698,620	£24,003,972	£821,549	£516,197

# MISCELLANEOUS ACCOUNTS

**STATES OF GUERNSEY**

	2001 £	2000 £
STATES OF GUERNSEY BALANCES:		
GUERNSEY GENERAL RESERVE		
Capital Fund - General	31,263,541	22,271,351
Capital Fund - Reserve	90,120,424	76,070,385
Contingency Reserve Fund	131,714,929	119,214,488
General Revenue Account Reserve	41,757,315	40,979,866
Net Working Capital Reserve	39,528,838	39,327,938
States Trading Entities Reserve	52,389,423	3,165
 BOARD OF ADMINISTRATION - Ports Holding Account	 25,787,291	 27,789,556
 CHANNEL ISLANDS LOTTERY (GUERNSEY) FUND		
Appropriation Account	56,212	33,561
 NOTE ISSUE AND COIN ISSUE		
Notes and coins in circulation	28,028,641	25,647,616
Less face value of precious metal coins	(1,091,662)	(962,278)
 NOTES AND COINS WITHDRAWN FROM CIRCULATION		
Awaiting re-issue	1,589,325	450,489
Awaiting destruction	563,022	381,672
 STATES ENTITIES - Deposits with States Treasury	 70,661,177	 64,704,363
 STATES WORKS DEPARTMENT ACCOUNT	 929,938	 1,971,695
 VARIOUS STATES OF GUERNSEY CAPITAL ACCOUNTS		
Consolidated Sinking Fund	226,507	202,648
Farm Loans Fund	913,271	913,271
Fisheries Loans Fund	29,594	40,405
Home Loans Fund	-	811,688
Housing Development and Loan Fund	32,349,472	30,472,702
Insurance Deductible Fund	899,327	712,695
Museum Publications Fund	50,530	48,797
Sewers Connection Loans Fund	230,000	230,000
Sports Loans Fund	169,951	169,951
States Houses Fund	3,660,825	-
States Housing Association Fund	8,201,242	-
Sundry Funds	22,682	32,568
 WILFRED CAREY PURCHASE FUND -		
Capital Account	1,773,000	1,773,000
Purchase of Exhibits Account	14,618	5,914
Revenue Account	789,077	736,318
	<hr/>	<hr/>
	£562,628,510	£454,033,824
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## SUMMARY OF BALANCES

	2001 £	2000 £
REPRESENTED BY :		
CASH :		
At banks	27,231,639	13,523,852
In hand (including notes and coins withdrawn from circulation)	2,474,117	993,482
SECURITIES, CASH DEPOSITS, ETC.		
Asset Purchase Fund - Loans outstanding	35,630	3,019
Consolidated Sinking Fund - Investments	165,993	150,430
Contingency Reserve Fund - Investments	131,714,929	119,214,488
Higher Education and Youth Service Loans - outstanding	629,539	527,661
Farm Loans Fund - Loans outstanding	269,725	354,880
Fisheries Loans Fund - Loans outstanding	29,594	40,405
Home Loans Fund - Loans outstanding	-	811,688
Housing Development and Loan Fund - Loans outstanding	44,050,375	30,914,470
Museum Publications Fund - Bank deposit account	-	299
Sewers Connection Loans Fund - Loans outstanding	68,589	81,404
Sports Loans Fund - Loans outstanding	136,750	146,749
Sundry Funds balances outstanding	7,702	19,332
Miscellaneous securities -		
Certificates of deposit	236,779,421	218,683,939
Commercial Paper	14,928,877	14,925,033
Deposits with finance houses	62,091,036	71,142,915
Shareholding in States Trading Entities	52,389,423	3,165
Debtors and prepayments	60,916,815	56,310,757
Stocks	2,853,844	2,574,978
Creditors and Accruals	(25,970,917)	(18,122,929)
Housing Development and Loan Fund Private Sector borrowing	(11,000,000)	-
	599,803,081	512,300,017
Less Net Assets held by the States of Guernsey in a fiduciary capacity	(37,174,571)	(58,266,193)
	<hr/> £562,628,510 <hr/>	<hr/> £454,033,824 <hr/>

**CAPITAL FUND - GENERAL**

	£	£
<b>RESOURCES -</b>		
Balance of Fund at 1 January 2001		22,271,351
2001 appropriation from Revenue Account	31,575,000	
Transfers from Capital Fund - Reserve	12,076,226	
Sale of incompatible housing stock (Vote 31.1.96 )	325,305	
Transfers from committee Revenue Account unspent balances	280,947	
		<u>44,257,478</u>
		66,528,829
<i>Less</i>		
Transfer to Public Thoroughfares Committee revenue budget in respect of Surface Water Separation and Rehabilitation Programme (Vote 26.7.00)		(300,000)
		<u>66,228,829</u>
<i>Less</i>		
2001 committee capital expenditure		(34,965,288)
		<u>£31,263,541</u>
Balance of Fund at 31 December 2001		
		<u>£31,263,541</u>
<b>COMMITMENTS -</b>		
Liabilities on firm capital votes at 31 December 2001		28,275,181
Capital Allocations		44,333,360
2002 appropriation from Revenue Account		(21,345,000)
Minimum appropriations 2003 and 2004		(20,000,000)
		<u>£31,263,541</u>

**CAPITAL FUND - RESERVE**

	£
Balance of Fund at 1 January 2001	76,070,385
Appropriation from Revenue Account (Vote 14.12.00)	19,000,000
Interest received (Vote 10.7.96)	7,126,265
<i>Less</i>	
Transfers to Capital Fund - General	(12,076,226)
	<u>£90,120,424</u>
Balance of Fund at 31 December 2001	
	<u>£90,120,424</u>

## Note :

- a ) As set out in the 2002 Budget Report (Billet d'Etat XXIII), with effect from 1 January 2001, the accounting treatment for interest receivable on the balance of the Capital Fund - General has been revised and it is now credited to the Capital Fund - Reserve (previously credited to the General Revenue Account).



## CONTINGENCY RESERVE FUND

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January	119,214,488	102,547,903
Interest	8,677,938	8,134,963
Investment Management Fees	(254,511)	(227,973)
Net (depreciation) / appreciation of investments - realised and unrealised profits and losses on investments and foreign exchange contracts	(2,122,986)	1,759,595
Transfers from General Revenue (Votes 9.12.99, 26.7.00 and 14.12.00)	6,200,000	7,000,000
Balance at 31 December	<u>£131,714,929</u>	<u>£119,214,488</u>

At 31 December, the Reserve was held as follows :

	2001 £	2000 £
Quoted investments		
Government Securities	100,353,061	86,927,715
Other fixed interest securities	14,116,984	14,145,133
	<u>114,470,045</u>	<u>101,072,848</u>
Cash Deposits including accrued interest and Investment Management Fees due	17,244,884	18,076,589
Unrealised profit on Foreign Exchange Contracts	-	65,051
	<u>£131,714,929</u>	<u>£119,214,488</u>

## GENERAL REVENUE ACCOUNT RESERVE

	2001 £	2000 £
Balance at 1 January	40,979,866	31,169,996
Appropriation for the year	1,558,396	9,443,768
Adjustment re-Beau Sejour Centre (Vote 30.11.00)	-	497,388
Revenue Unspent Balances transferred to Capital Fund - General	(280,947)	(131,286)
Revenue Unspent Balances transferred to States Houses Fund	(500,000)	-
Balance at 31 December	<u>£41,757,315</u>	<u>£40,979,866</u>

**NET WORKING CAPITAL RESERVE**

	2001 £	2000 £
Balance at 1 January	39,327,938	39,265,647
Transfer from Board of Health	200,900	-
Transfer from Committee for Home Affairs	-	62,291
	<hr/>	<hr/>
Balance at 31 December	£39,528,838	£39,327,938
	<hr/>	<hr/>

## Note :

- a ) Since 1995 committee departments have been formally bringing into account sundry debtors, prepayments and stocks. The net result of the creation of such balances has been transferred to the Net Working Capital Reserve. The Net Working Capital Reserve is purely the result of such accounting adjustments and does not represent an additional resource available for appropriation.

**STATES TRADING ENTITIES RESERVE**

	£	£
Investments in:		
· Alderney Electricity Ltd. - at cost		3,165
· Guernsey Post Ltd. (Note a)		22,386,258
· Guernsey Telecoms Ltd. (Note b)	49,910,375	
Less provision	(19,910,375)	
	<hr/>	<hr/>
		30,000,000
Balance at 31 December 2001		£52,389,423
		<hr/>

## Notes :

- a ) Following the States decision of 26 September 2001 (Billet d'Etat XVIII, 2001), the States Post Office Board transferred net assets to the agreed value of £22,386,258 to Guernsey Post Ltd. with effect from 1 October 2001.
- b ) Following the States decision of 26 September 2001 (Billet d'Etat XVIII, 2001), the States Telecommunications Board transferred net assets to the agreed value of £49,910,375 to Guernsey Telecoms Ltd. with effect from 1 October 2001.

The States have been seeking a Strategic Equity Partner to invest in Guernsey Telecoms Ltd. and, as detailed in Billet d'Etat X, May 2002, have received an offer for the purchase of the entity. Although the offer is subject to approval by the States, it is considered appropriate to provide against the initial carrying value to reduce it to an amount approximating to the potential consideration.

## c ) Post Balance Sheet Event

Following the States decision of 13 December 2001 (Billet d'Etat XXIV, 2001), the States Electricity Board transferred net assets to the agreed value of £109,208,844 to Guernsey Electricity Ltd. with effect from 1 February 2002.

## ASSET PURCHASE FUND

	2001 £	2000 £
Balance at 1 January	(3,019)	(4,612)
Assets purchased	(40,200)	-
Repayments	7,589	1,593
	<hr/>	<hr/>
Balance at 31 December	(£35,630)	(£3,019)
	<hr/>	<hr/>

Notes :

- a ) All interest is credited directly to the General Revenue Account and in 2001 this amounted to £1,248.
- b ) On 12 July 1995 (Billet d'Etat XV) the States approved the establishment of the Asset Purchase Fund and resolved that the total outstanding balance owed at any one time should not exceed a maximum level of £500,000.

## CHANNEL ISLANDS LOTTERY (GUERNSEY) FUND

### FORFEITED PRIZES ACCOUNT

	2001 £	2000 £
Balance at 1 January	21,420	-
Share of forfeited prizes	71,397	63,251
Transfer to Operating Account	(48,635)	(41,831)
	<hr/>	<hr/>
Balance at 31 December	£44,182	£21,420
	<hr/>	<hr/>

### OPERATING ACCOUNT

Forfeited prizes	48,635	41,831
Sale of tickets	1,078,400	1,153,500
	<hr/>	<hr/>
	1,127,035	1,195,331
Agents' commission	(139,338)	(150,852)
Contribution to prize fund including forfeited prizes	(680,836)	(721,153)
Printing and stationery	(64,158)	(56,469)
Promotion	(19,308)	(20,135)
Salaries	(22,474)	(21,017)
States of Jersey administration charges	(16,176)	(17,302)
Superannuation	(735)	(701)
Other expenses	(3,300)	(3,944)
	<hr/>	<hr/>
Surplus	180,710	203,758
	<hr/>	<hr/>
Chief Pleas of Sark - share of surplus	(1,039)	(1,152)
States of Alderney - share of surplus	(2,329)	(4,022)
States of Guernsey - share of surplus transferred to Appropriation Account	(177,342)	(198,584)
	<hr/>	<hr/>
	£ -	£ -
	<hr/>	<hr/>

### APPROPRIATION ACCOUNT

Balance at 1 January	12,141	22,502
Share of surplus transferred from Operating Account	177,342	198,584
	<hr/>	<hr/>
	189,483	221,086
Donation to Association of Guernsey Charities (Vote 29.3.89)	(77,453)	(73,945)
Transfers to Beau Sejour Centre Account	(100,000)	(135,000)
	<hr/>	<hr/>
Balance at 31 December	£12,030	£12,141
	<hr/>	<hr/>

Notes :

- a ) The balance on the Appropriation Account is payable ultimately to the Beau Sejour Centre under States Resolutions I of 27 September 1972 and XXII of 26 February 1998.
- b ) In accordance with the States Resolution of 23 February 1995 (Billet D'Etat V, February 1995), with effect from 2000 any forfeited prize money from expired Draws which remains unused in the current year will be retained for use as a contingency to support the prize funds in future Draws.

**CONSOLIDATED SINKING FUND****CAPITAL ACCOUNT**

	2001 £	2000 £
Balance at 1 January	219,485	201,633
Interest	9,443	9,370
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(2,421)	8,482
Balance at 31 December	<u>£226,507</u>	<u>£219,485</u>

**INVESTMENT ACCOUNT**

Balance at 1 January	167,267	158,797
Investments purchased	1,747	388
Investments realised	(540)	(336)
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(2,481)	8,418
Balance at 31 December	<u>£165,993</u>	<u>£167,267</u>

**FARM LOANS FUND****CAPITAL ACCOUNT**

	2001 £	2000 £
Balance at 1 January	913,271	743,271
Transfer to General Revenue re - Grant Scheme (Vote 9.2.00)	-	(330,000)
Transfer from General Revenue Account (Vote 27.9.00)	-	500,000
Balance at 31 December	<u>£913,271</u>	<u>£913,271</u>

**BORROWERS ACCOUNT**

Balance at 1 January	354,880	399,022
Advances to borrowers	-	64,970
Repayments receivable from borrowers	(85,155)	(109,112)
Balance at 31 December	<u>£269,725</u>	<u>£354,880</u>

## FISHERIES LOANS FUND

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January	40,405	54,879
Transfer to General Revenue Account (Vote 10.7.97)	(10,811)	(14,474)
Balance at 31 December	<u>£29,594</u>	<u>£40,405</u>

### BORROWERS ACCOUNT

Balance at 1 January	40,405	54,879
Repayments receivable from borrowers	(10,811)	(14,474)
Balance at 31 December	<u>£29,594</u>	<u>£40,405</u>

## HOME LOANS FUND

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January	811,688	1,101,022
Transfer to Housing Development and Loan Fund (Vote 12.7.90)	-	(289,334)
Transfer to Housing Development and Loan Fund (Vote 26.7.00)	(811,688)	-
Balance at 31 December	<u>£ -</u>	<u>£811,688</u>

### BORROWERS ACCOUNT

Balance at 1 January	811,688	1,101,022
Repayments receivable from borrowers	-	(289,334)
Transfer to Housing Development and Loan Fund (Vote 26.7.00)	(811,688)	-
Balance at 31 December	<u>£ -</u>	<u>£811,688</u>

Note :

- a ) On 26 July 2000 the States agreed that with effect from 1 January 2001 the Home Loans Fund shall be closed and that any outstanding balances thereon shall be transferred to the Housing Development and Loan Fund.

## HOUSING DEVELOPMENT AND LOAN FUND

### REVENUE ACCOUNT

	2001 £	2000 £
Interest receivable		
Borrowers	1,533,099	975,291
States of Guernsey	-	310,725
Interest payable on borrowing and other fees		
Private Sector	(248,096)	-
States of Guernsey	(219,921)	-
Net loss for year on sale of property transferred from		
Property Account - realised and unrealised profits and losses	-	(36,501)
Surplus on Revenue Account for the year transferred to Capital Account	£1,065,082	£1,249,515

### CAPITAL ACCOUNT

Balance at 1 January	30,472,702	28,933,853
Surplus for year on Revenue Account	1,065,082	1,249,515
Transferred from Home Loans Fund (Vote 12.7.90)	-	289,334
Transferred from Home Loans Fund (Vote 26.7.00)	811,688	-
Balance at 31 December	£32,349,472	£30,472,702

### BORROWERS ACCOUNT

	2001 £	2000 £
Balance at 1 January	30,914,470	18,269,610
Advances to borrowers	18,452,482	16,440,738
Repayments receivable from borrowers	(6,128,265)	(3,795,878)
Transferred from Home Loans Fund (Vote 26.7.00)	811,688	-
Balance at 31 December	£44,050,375	£30,914,470

### PROPERTY ACCOUNT

Balance at 1 January	-	(1,750)
Maison Le Marchant redevelopment (Vote 13.2.91)	-	38,251
Net loss for year on sale of property transferred to Revenue Account - realised and unrealised profits and losses	-	(36,501)
Balance at 31 December	£ -	£ -

### SUMMARY OF BALANCES AT 31 DECEMBER 2001

Capital Account	32,349,472	30,472,702
Borrowers Account	(44,050,375)	(30,914,470)
	(£11,700,903)	(£441,768)
Represented by:		
Cash balance / (borrowing) with States of Guernsey	(700,903)	(441,768)
Private Sector borrowing	(11,000,000)	-
	(£11,700,903)	(£441,768)

Notes :

a ) The amount outstanding by borrowers at 31 December 2001 was distributed as follows :

<u>Rate of Interest</u> %	<u>Number of loans</u>	<u>Capital Outstanding</u> £
3.00 and below	328	22,721,561
3.25 to 5.00	131	12,381,116
5.25 to 7.00	90	6,915,285
7.25 and above	45	2,032,413
	<hr/> 594	<hr/> £44,050,375

b ) The average rate of interest being charged at 31 December 2001 was 3.6% (31.12.00, 3.7%)

c ) On 26 July 2000 the States agreed that with effect from 1 January 2001 the Home Loans Fund shall be closed and that any outstanding balances thereon shall be transferred to the Housing Development and Loan Fund.

d ) As envisaged when the Housing Development and Loan Fund was established (Billet d'Etat XIII, 1990), the Advisory and Finance Committee has obtained a £25million private sector borrowing facility for the Fund. As at 31 December 2001, the Fund has borrowed £11million (2000: £nil) from this source.

## INSURANCE DEDUCTIBLE FUND

	2001 £	2000 £
Balance at 1 January	712,695	538,728
Transferred from General Revenue Account	375,000	375,000
Transfer to Insurance Company in respect of claims	(188,368)	(201,033)
	<hr/>	<hr/>
Balance at 31 December	£899,327	£712,695
	<hr/>	<hr/>

## MUSEUM PUBLICATIONS FUND

### STOCK ACCOUNT

	2001 £	2000 £
Balance at 1 January	27,152	30,015
Monographs - Sales	(1,077)	(2,863)
Stock - Written off	(28)	-
	<hr/>	<hr/>
Balance at 31 December	£26,047	£27,152
	<hr/>	<hr/>

### REVENUE ACCOUNT

Balance at 1 January	48,797	47,569
Interest	1,280	16
Monographs - Sales	1,682	4,266
Cost of sales - Opening stock	(27,152)	(30,015)
Closing stock	26,047	27,152
Royalties - Paid	(266)	(191)
Received	142	-
	<hr/>	<hr/>
Balance at 31 December	£50,530	£48,797
	<hr/>	<hr/>

### SUMMARY OF BALANCES AT 31 DECEMBER

Capital Account		
Bank balance	-	299
Cash balance with States of Guernsey	24,483	21,346
	<hr/>	<hr/>
	24,483	21,645
Stock	26,047	27,152
	<hr/>	<hr/>
	£50,530	£48,797
	<hr/>	<hr/>



## NOTE AND COIN ISSUE

### NOTES AND COINS IN CIRCULATION

	2001 £ Notes	2001 £ Coins	2000 £ Notes	2000 £ Coins
In circulation at 1 January	19,617,016	6,030,600	18,761,268	5,625,728
Less precious metal coins	-	(962,278)	-	(833,416)
	<u>19,617,016</u>	<u>5,068,322</u>	<u>18,761,268</u>	<u>4,792,312</u>
Issued during the year :				
New notes and coins	12,017,000	560,835	9,315,000	401,402
Used notes and coins re-issued	64,437,000	59,492	59,595,500	147,658
	<u>76,454,000</u>	<u>620,327</u>	<u>68,910,500</u>	<u>549,060</u>
Withdrawn during the year :				
To await destruction	(9,056,176)	(1,798)	(9,612,952)	(1,933)
To await re-issue	(65,568,200)	(67,128)	(58,441,800)	(142,255)
	<u>(74,624,376)</u>	<u>(68,926)</u>	<u>(68,054,752)</u>	<u>(144,188)</u>
Precious metal coins :				
Transfer of face value to Notes and Coins Trading Account	-	(129,384)	-	(128,862)
	<u>£21,446,640</u>	<u>£5,490,339</u>	<u>£19,617,016</u>	<u>£5,068,322</u>
In circulation at 31 December	21,446,640	6,582,001	19,617,016	6,030,600
Less precious metal coins	-	(1,091,662)	-	(962,278)
	<u>£21,446,640</u>	<u>£5,490,339</u>	<u>£19,617,016</u>	<u>£5,068,322</u>

### NOTES AND COINS WITHDRAWN FROM CIRCULATION AWAITING RE-ISSUE

Awaiting re-issue at 1 January	438,600	11,889	1,592,300	17,292
Withdrawn during the year	65,568,200	67,128	58,441,800	142,255
Re-issued during the year	(64,437,000)	(59,492)	(59,595,500)	(147,658)
	<u>£1,569,800</u>	<u>£19,525</u>	<u>£438,600</u>	<u>£11,889</u>

### NOTES AND COINS WITHDRAWN FROM CIRCULATION AWAITING DESTRUCTION

Awaiting destruction at 1 January	368,098	13,574	129,146	11,641
Withdrawn during the year	9,056,176	1,798	9,612,952	1,933
Destroyed during the year	(8,876,624)	-	(9,374,000)	-
	<u>£547,650</u>	<u>£15,372</u>	<u>£368,098</u>	<u>£13,574</u>

## NOTE AND COIN ISSUE

### NOTES AND COINS TRADING ACCOUNT

	2001 £	2000 £
Interest on balance in circulation	1,123,353	1,215,959
Royalties on sale of coins :		
Royalties receivable	226,776	198,574
Release from reserve of face value of precious metal coins	129,383	128,862
Face value of coins sold	(338,405)	(239,813)
	<u>17,754</u>	<u>87,623</u>
Sales direct to collectors, etc.	20,748	21,320
	<u>1,161,855</u>	<u>1,324,902</u>
Administration :		
Premises	(2,111)	(2,023)
Staff	(42,872)	(35,674)
Supplies and services	(22,031)	(19,696)
Note destruction fees	(945)	(1,197)
Note screening	(64,909)	(58,797)
	<u>(132,868)</u>	<u>(117,387)</u>
Purchase of new notes and coins issued :		
Stock at 1 January	(426,195)	(526,675)
Purchases	(71,999)	(37,005)
Stock at 31 December	346,279	426,195
	<u>(151,915)</u>	<u>(137,485)</u>
Surplus for year transferred to General Revenue Account	<u>£877,072</u>	<u>£1,070,030</u>

## SEWERS CONNECTION LOANS FUND

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January and balance at 31 December	<u>£230,000</u>	<u>£230,000</u>

### BORROWERS ACCOUNT

Balance at 1 January	81,404	45,863
Advances to borrowers	2,656	47,283
Repayments receivable from borrowers	(15,471)	(11,742)
Balance at 31 December	<u>£68,589</u>	<u>£81,404</u>

## SPORTS LOANS FUND

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January and balance at 31 December	£169,951	£169,951

### BORROWERS ACCOUNT

Balance at 1 January	146,749	159,349
Repayments receivable from borrowers	(9,999)	(12,600)
Balance at 31 December	£136,750	£146,749

## STATES HOUSES FUND

	2001 £
Income -	
Interest	100,000
Rents	7,411,535
Less Rent rebates	(2,070,076)
Less Transfer to General Revenue	(2,226,593)
Transfer from Housing Authority Capital Allocation (Vote 27.9.01)	4,300,000
Transfer from Housing Authority Unspent Revenue Balances	500,000
	8,014,866
Expenditure -	
Administration Charges -	
Staff	(499,704)
Supplies and Services	(88,410)
Contracted out work	(28,450)
Consultants fees	(22,059)
States Houses -	
Repairs, maintenance, refurbishment and enhancements	(3,126,788)
Rates and Taxes	(519,323)
Other expenditure	(69,307)
Balance at 31 December	£3,660,825

### Notes :

- a ) As set out in the 2002 Budget Report (Billet d'Etat XXIII), the accounting treatment for the expenditure (capital and revenue) and income in respect of the Authority's housing stock has been revised and a States Houses Fund established. For 2001 only, a transfer has been made from the States Houses Fund to the General Revenue Account to compensate for the reduction in net income, compared to budget.
- b ) The States Housing Authority has responsibility for approximately 2,100 dwellings with an estimated market value, taking into account their nature and location, in excess of £210million (at 2000 prices).

## STATES HOUSING ASSOCIATION FUND

	2001 £
Income -	
Interest	93,748
Transfer from Housing Authority Capital Allocation (Vote 27.9.01)	8,290,000
	<hr/>
	8,383,748
Expenditure -	
Consultants fees	(182,506)
	<hr/>
Balance at 31 December	£8,201,242
	<hr/>

Note :

- a ) The States Housing Association Fund has been established in accordance with the States decision of 27 September 2001 (Billet d'Etat XIX).

## WILFRED CAREY PURCHASE FUND (Vote 12 July, 1990)

### CAPITAL ACCOUNT

	2001 £	2000 £
Balance at 1 January and balance at 31 December	£1,773,000	£1,773,000
	<hr/>	<hr/>

### REVENUE ACCOUNT

Balance at 1 January	736,318	662,363
Interest	128,746	147,090
Transferred to Purchase of Exhibits Account	(75,987)	(73,135)
	<hr/>	<hr/>
Balance at 31 December	£789,077	£736,318
	<hr/>	<hr/>

### PURCHASE OF EXHIBITS ACCOUNT

Balance at 1 January	5,914	-
Donations, commission, etc.	-	25
Sundry purchases	(67,283)	(67,246)
Transferred from Revenue Account	75,987	73,135
	<hr/>	<hr/>
Balance at 31 December	£14,618	£5,914
	<hr/>	<hr/>



## SUMMARY OF BALANCES HELD

	2001 £	2000 £
Consolidated Superannuation Fund	617,488,889	674,774,090
H M Receiver General	987,454	744,479
Various charity, amenity and other fund Capital Accounts etc.	2,320,397	2,060,328
Various charity, amenity and other fund Revenue Accounts etc.	1,983,148	2,055,927
	<hr/>	<hr/>
	£622,779,888	£679,634,824
	<hr/>	<hr/>

## IN A FIDUCIARY CAPACITY

	2001 £	2000 £
Consolidated Superannuation Fund - Investments	584,391,147	620,082,683
Various charity, amenity and other funds etc. - Investments and bank deposit accounts	1,214,170	1,285,948
Net Assets held by the States of Guernsey (including £33,097,742 (2000 : £54,691,407) attributable to the Superannuation Fund)	37,174,571	58,266,193
	<u>£622,779,888</u>	<u>£679,634,824</u>

**SUPERANNUATION FUND****CAPITAL ACCOUNTS****TEACHERS**

	2001 £	2000 £
Balance at 1 January	169,023,317	163,409,606
Employers' contributions	3,064,316	2,801,107
Teachers' contributions	1,289,696	1,201,537
Transfer values received from :		
Non-members of the fund	685,211	1,299,403
Other members of the fund	31,800	26,882
Interest, dividends and commission	4,999,900	5,311,207
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(18,777,216)	411,767
	<hr/> 160,317,024	<hr/> 174,461,509
Pensions	(4,013,869)	(3,737,330)
Lump sum payments	(1,034,743)	(956,165)
Contributions refunded to teachers	(4,281)	(8,280)
Investment management and other fees	(318,222)	(305,186)
Transfer values paid to :		
Non-members of the fund	(155,260)	(430,259)
Other members of the fund	-	(972)
	<hr/> £154,790,649	<hr/> £169,023,317

**COMBINED POOL**

Balance at 1 January	504,164,608	488,254,476
Employers' contributions	7,353,890	6,899,713
Employees' contributions	5,555,036	5,149,062
Post Office employees' contributions -		
Widows and childrens scheme	1,246	1,179
Refunds of contributions repaid	8,216	23,562
Medical and hospital staff - receipts from F.S.S.N. in respect of 'frozen' benefits	6,352	11,283
Transfer values received from :		
Non-members of the fund	879,921	1,100,989
Other members of the fund	-	972
Interest, dividends and commission	14,907,383	15,880,098
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(55,984,950)	1,231,150
	<hr/> 476,891,702	<hr/> 518,552,484
Pensions	(10,389,554)	(9,602,116)
Lump sum payments	(2,099,172)	(2,037,968)
Contributions refunded to employees	(907,773)	(842,696)
Investment management and other fees	(948,400)	(912,482)
Transfer values paid to :		
Non-members of the fund	(1,296,987)	(965,732)
Other members of the fund	(31,800)	(26,882)
	<hr/> £461,218,016	<hr/> £504,164,608

**STATES MEMBERS PENSION FUND**

Balance at 1 January	1,586,165	1,496,222
States contribution	67,819	58,589
Members' contributions	14,877	18,798
Capital payment	35,000	35,000
Interest, dividends and commission	47,880	49,811
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(179,815)	3,862
	<hr/> 1,571,926	<hr/> 1,662,282



## SUPERANNUATION FUND

STATES MEMBERS PENSION FUND (continued)		
	2001 £	2000 £
Pensions	(76,463)	(71,749)
Contributions refunded to members	(3,242)	(1,506)
Investment management and other fees	(11,997)	(2,862)
Balance at 31 December	£1,480,224	£1,586,165
CONSOLIDATED SUPERANNUATION FUND		
Balance at 1 January	674,774,090	653,160,304
Employers' contributions	10,486,025	9,759,409
Teachers' and other employees' contributions	6,859,609	6,369,397
Capital payment	35,000	35,000
Post Office employees' contributions -		
Widows and childrens scheme	1,246	1,179
Refunds of contributions repaid	8,216	23,562
Medical and hospital staff - receipts from F.S.S.N. in respect of 'frozen' benefits	6,352	11,283
Transfer values received from :		
Non-members of the fund	1,565,132	2,400,392
Interest, dividends and commission	19,955,163	21,241,116
Net appreciation / (depreciation) of investments - realised and unrealised profits and losses	(74,941,981)	1,646,779
	638,748,852	694,648,421
Pensions	(14,479,886)	(13,411,195)
Lump sum payments	(3,133,915)	(2,994,133)
Contributions refunded	(915,296)	(852,482)
Investment management and other fees	(1,278,619)	(1,220,530)
Transfer values paid to :		
Non-members of the fund	(1,452,247)	(1,395,991)
Balance at 31 December	£617,488,889	£674,774,090

Notes :

- a ) A valuation of the funds' investments was made at 31 December 2001. The resulting net depreciation together with net realised profits and losses for the year was debited to the accounts of the participating groups in proportion to their average daily balance during 2001. Interest, dividends and commission for the period were credited on the same basis.
- b ) ( i ) The net depreciation of the investments for the year including realised and unrealised profits and losses was equal to 11.106% of the balance of the fund at 1 January 2001 (2000, net appreciation 0.252%) or 11.115% of the average daily balance of the fund during the year before crediting or debiting such net depreciation or interest, etc. (2000, net appreciation 0.252%).
- ( ii ) Interest, dividends and commission were equal to 2.957% of the balance of the fund at 1 January 2001 (2000, 3.252%) or 2.960% of the average daily balance of the fund during the year before crediting or debiting such interest, etc. or net depreciation (2000, 3.244%).
- c ) At 31 December 2001 the Consolidated Fund was held as follows :

	(At valuation) £	(At cost) £
Quoted investments :		
Government securities	90,892,743	91,993,515
Equities, etc.	491,506,478	446,711,810
	582,399,221	538,705,325
Cash - Held by States of Guernsey	31,711,672	31,711,672
- Other	1,991,926	1,991,926
	616,102,819	572,408,923
Net outstanding debtors due in 2002	1,386,070	1,386,070
	617,488,889	573,794,993
Net realised Capital Appreciation since the inception of the fund	-	(239,849,834)
	£617,488,889	£333,945,159

## SUPERANNUATION FUND

Notes : (continued)

- d) The States of Guernsey provides a funded final salary (i.e. defined benefit) pension scheme for its employees. The assets of the scheme are held separately from other States assets. This fund is under the control of the States Advisory and Finance Committee, which has arranged for it to be invested by professional advisors in a wide range of stock exchange securities.

The pension costs charged in the accounts of the various employing bodies for the year ended 31 December 2001, including costs for States Members, totalled £10,521,025 (2000, £9,794,409). These pension costs included a £35,000 capital payment to the States Members Fund in respect of the past service of current Members (2000, £35,000).

The pension costs relating to the scheme are assessed in accordance with the advice of qualified actuaries using the attained age method of valuation. The charge for 2001 is based on the valuation which took place at 31 December 1998. The report by the actuaries on the valuation indicated that there was a past service surplus in the Fund and the contribution rate was adjusted with effect from 1 January 2000. The surplus is being amortised over the expected service lives of the employees.

- e) Actuarial Valuation at 31 December 1998

The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to the teachers, and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group.

Similarly the valuation showed that the actuarial value of the assets relating to the teachers at 31 December 1998 represented 98.8% of the actuarial value of the accrued liabilities relating to this group. The balance of liability in respect of the teachers amounted to £1,380,000. This balance of liability is being met by additional contributions payable by the employing body over the remaining working lifetimes of the current members of this group.

The valuation showed that the actuarial value of the assets relating to the States Members Pension Scheme at 31 December 1998 represented 85.4% of the actuarial value of the accrued liabilities relating to this group. The balance of liability in respect of the States Members amounted to £182,190. The balance of liability is being met by a continuation of the fixed annual payments of £35,000 per annum for six and a half years from 1 January 2000.

The market value of the total scheme's assets amounted to £569,015,647 at 31 December 1998.

### Post Valuation Events

The rates of contribution payable by the employing bodies and in respect of States Members were revised following the actuarial valuation at 31 December 1998.

Full details of the actuarial valuation at 31 December 1998 are included in an appendix to Billet d'Etat XXII for 8 December 1999. The recommendations contained therein were approved by the States on 9 December 1999.

- f) Actuarial Valuation(s) at 31 December 2001

As a result of the publication of the Financial Reporting Standard number 17 ("FRS 17"), Retirement Benefits, a provisional actuarial valuation of the Superannuation Fund at 31 December 2001 has been carried out.

The results of this valuation, undertaken by the Fund's professional actuaries in line with the guidance set out in FRS 17 indicates that at 31 December 2001 the actuarial value of the assets represented 113.5% of the actuarial value of the accrued liabilities relating to the Scheme members.

A full actuarial valuation of the Fund is in the process of being carried out. The results of this valuation, including any proposed changes to the rates of employers' contributions will, in the normal way, be reported in the next Budget Report due to be presented to the States in December 2002.

## THE FUNDED DEBT OF THE STATES AT 31 DECEMBER 2001

<u>Description of loan</u>	<u>Redemption Dates</u>	<u>Balances at 1 January 2001</u>	<u>Redeemed During 2001</u>	<u>Balances at 31 December 2001</u>
STATES WATER BOARD LOANS				
3 <sup>3</sup> / <sub>4</sub> % Water 1933	1943 / 2008	22,000	-	22,000
D 3 <sup>3</sup> / <sub>4</sub> % Water 1935	1944 / 2009	6,800	600	6,200
3% Water 1937	1946 / 2011	80,000	-	80,000
3 <sup>1</sup> / <sub>2</sub> % Water 1938	1947 / 2012	55,000	-	55,000
4% Water 1940	1949 / 2014	80,000	-	80,000
		<u>£243,800</u>	<u>£600</u>	<u>£243,200</u>

## SINKING FUND PROVISION

	<u>Provision at 1 January 2001</u>	<u>Provision made in 2001</u>	<u>Provision at 31 December 2001</u>
STATES WATER BOARD	<u>£219,485</u>	<u>£7,022</u>	<u>£226,507</u>

## SUMMARY OF DEBT AT 31 DECEMBER 2001

	<u>Loans Outstanding</u>	<u>Sinking Fund Provisions</u>	<u>Net Debt</u>
STATES WATER BOARD	<u>£243,200</u>	<u>£226,507</u>	<u>£16,693</u>

Notes :

- a ) The loan marked D is serviced by annual drawings, the remainder are serviced by the Sinking Fund.
- b ) The total amount of loans held by the States of Guernsey is £193,115. The remainder of the loans ie. £50,085 is held by the general public.

## CASH FLOW STATEMENT

	Note	2001 £	2000 £
Net Cash Inflow from operating activities	1	59,646,883	49,867,896
Returns on investments and servicing of finance			
Returns on Investments and Interest received		22,061,123	27,317,102
Interest paid		(7,853,726)	(9,992,607)
Net cash inflow from returns on investments and servicing of finance		14,207,397	17,324,495
Investing activities			
Payments to acquire capital assets		(34,965,288)	(13,896,774)
Purchase of Investments		(21,547,888)	(42,932,523)
Receipts from sales of capital assets and capital repayments		1,095,091	852,479
Net cash outflow from investing activities		(55,418,085)	(55,976,818)
Net movement in balances on loans and miscellaneous funds etc.		(3,247,773)	(7,087,756)
Increase in cash	2 & 3	£15,188,422	£4,127,817

Notes :

1 RECONCILIATION OF OPERATING SURPLUS TO  
NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating Surplus	57,263,610	53,182,991
Transfer to Net Working Capital Reserve	200,900	62,291
Interest received	(15,777,719)	(17,680,355)
Interest paid	14,997,028	14,502,548
Increase in stocks	(278,866)	(116,876)
Increase in debtors	(4,606,058)	(212,063)
Increase in creditors	7,847,988	129,360
Net cash inflow from operating activities	£59,646,883	£49,867,896

2 RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET FUNDS

	2001 £	2000 £
Change in net funds - increase in cash in the year	15,188,422	4,127,817
Net funds at 1 January 2001	14,517,334	10,389,517
Net funds at 31 December 2001	£29,705,756	£14,517,334

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2001 £	Movement in net funds £	At 31 December 2001 £
Cash at banks	13,523,852	13,707,787	27,231,639
Cash in hand	993,482	1,480,635	2,474,117
Total	£14,517,334	£15,188,422	£29,705,756

The above figures represent amounts pertaining to General Revenue only. The figures in this statement and their classification are approximate only. The statement does not constitute a part of the States Accounts and should not be treated as such.

# **TRADING UNDERTAKINGS**

## Ports Financial Commentary

### Principal Activities

The Airport provides for the safe and expeditious movement of commercial and private aircraft, passengers and cargo to, from and at the island on the most cost effective basis. The airport also ensures that policies, facilities and services are commensurate with the requirements of the island in respect of Air Transport Services, General Aviation and standards set by the United Kingdom's Civil Aviation Authority.

The Harbours provide a commercial sea-passenger and freight handling facility for the commercial operators, including the provision of berthing and/or marina facilities for local and visiting yachtsmen together with berthing and handling facilities for the local fishing fleet. The Harbours also provide essential service to ensure adequate facilities and handling for the commercial sea transport requirements of the island and, so far as is possible, adequate and safe facilities for private (leisure) boat owners, and for the local fishing fleet.

### Financial Highlights

Combined turnover for the Ports for the year was £11.6m (up on 2000 by £1.1m), with £5.1m (2000: £4.7m) and £0.6m (2000: £0.7m) being attributable to the harbours of St Peter Port and St Sampson's respectively.

Operating expenditure of £9.1m (excluding loan-charges) was up on 2000 by £0.1m. £0.8m (2000: £0.8m) of this was categorised as exceptional in nature and largely related to the continuing costs of acquiring property in the vicinity of the Airport boundary to ensure compliance with outstanding Civil Aviation Authority audit report safety recommendations, together with road re-routeing work. Similar expenditure in respect of road re-routeing is set to continue into 2002, in the order of £1m.

Progressing the Ports' capital programme cost £5.8m (2000: £0.4m) in 2001, of which £5.2m (2000: £0.3m) was attributable to Guernsey Airport. £3m of the capital expenditure at Guernsey Airport related to property acquisition.

After taking account of all revenue and capital activity in 2001, the Ports imposed a net extraction of funds of £3.4m from the Ports Holding Account (2000: £1.0m contribution). After providing for investment income, funds represented by the Ports Holding Account suffered a net diminishment of £2.0m (2000: £2.0m growth) or 7.2% for the twelve months to 31 December 2001.

The Ports Holding Account reserve is required to fund a five-year Ports capital programme, together with future exceptional revenue expenditure, costing £40.1m at 2002 price levels. This includes an amount of £17.5m (excluding consultants fees) in respect of the Airport terminal development, the replacement of which was approved by the States in 2000.

### Operational Performance

Total passenger movements at the Harbours increased in 2001 to just over 510,000, an increase on the previous year of 3.5%. Passenger movements at Guernsey Airport totalled 863,000, down on 2000 by 2.4%. Aircraft movements over the year were similar to 2000.

The level of cargo handled at St Peter Port Harbour rose by 9,600 tonnes in 2001, equating to a 4.8% increase on the previous year, whilst at St Sampson's Harbour the level of cargo handled rose by 5,300 tonnes or 38%. This increase was virtually all attributable to the importation of building materials.

The number of vehicles handled at the Harbours was up on the previous year by 6,300 or 6.3%.

The Board sees no reason why the level of Ports activity in 2002 should not be broadly similar to the 2001 position.

## **Other Matters**

The States approved, in principle, the Guernsey Airport terminal building and environs redevelopment project in November 2000. Following detailed planning work, consultation with interested parties and the relevant tender process, the Board will be bringing the matter back to the States during the early part of 2002. It is anticipated that the new terminal will be commissioned by mid- to-late 2003.

The Board, in conjunction with the Advisory and Finance Committee, progressed with the re-formatting of the financial accounts of the Ports in order to increase clarity and understanding in the presentation of the accounts. The first stage of this exercise was completed in 2001 and will be reflected in the published accounts of the Ports for 2001. The second and final stage of the exercise is under way and is due for completion by the end of 2002.

## **Ports Sub-Committee Members**

Deputy R C Berry OBE	President
Deputy M A Ozanne	Vice-President
Deputy Mrs P Robilliard	
Advocate P J G Atkinson	
Mr G R Dorey	

## **Other Board Members**

Deputy M E Best  
Deputy L S Trott  
Douzaine Representative D Grut  
Mr M Collins

## **Principal Officers**

Mr R T Kirkpatrick	Chief Executive – Board of Administration
Captain R P Barton	Harbour Master
Mr A Bridle	Airport Director
Mr N S Vaughan	Finance Director – Board of Administration

## BOARD OF ADMINISTRATION - GUERNSEY AIRPORT

### REVENUE ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>INCOME</b>				
Advertising, picketing, etc.	118,879	-	61,326	-
Car parking fees	243,069	-	242,328	-
Rents	963,935	-	958,731	-
Traffic receipts	4,549,090	-	3,833,343	-
<b>TOTAL INCOME</b>		5,874,973		5,095,728
<b>EXPENDITURE</b>				
<b>Administration</b>				
Staff	248,533		234,362	
Supplies and services	163,004		52,305	
Insurance, rates and taxes	122,602		106,293	
	534,139		392,960	
<b>Aerodrome Fire Service</b>				
Staff	1,068,870		974,248	
Supplies and services	107,059		121,997	
	1,175,929		1,096,245	
<b>Airport Infrastructure</b>				
Premises	284,201		321,665	
Staff	433,786		406,292	
Supplies and services	102,549		87,568	
Maintenance of property	89,601		271,978	
	910,137		1,087,503	
<b>Navigational Services</b>				
Staff	1,840,902		1,794,925	
Supplies and services	261,570		361,049	
	2,102,472		2,155,974	
<b>Recovery from Alderney Airport</b>	(108,500)		(104,000)	
<b>TOTAL EXPENDITURE</b>		4,614,177		4,628,682
<b>OPERATING SURPLUS FOR THE FINANCIAL YEAR BEFORE CAPITAL CHARGES AND EXCEPTIONAL EXPENDITURE</b>		1,260,796		467,046
<b>CAPITAL CHARGES</b>				
Interest	389,200		406,350	
Redemption	569,750		496,400	
		958,950		902,750
<b>EXCEPTIONAL EXPENDITURE</b>				
<b>Civil Aviation Authority Compliance</b>				
<b>Revised airport safety zone</b> (see note)				
Property acquisition and demolition	697,178		598,422	
Roadways rerouteing	9,482		-	
		706,660		598,422
<b>OPERATING DEFICIT FOR THE FINANCIAL YEAR TRANSFERRED TO THE PORTS HOLDING ACCOUNT</b>		(£404,814)		(£1,034,126)

NOTE: In order to comply with Civil Aviation Authority recommendations, the Board is required to enlarge the airport safety zone, necessitating the purchase of properties within this zone. The value of the land acquired is treated in the normal manner by means of a loan from the Ports Holding Account. The additional costs of acquisition, demolition of properties and rerouteing of the roadways are treated as exceptional expenditure in the Revenue Account and therefore, effectively written off in the year of acquisition.



## BOARD OF ADMINISTRATION - GUERNSEY AIRPORT

### CAPITAL ACCOUNT Year Ended 31 December 2001

	2001	2000
	£	£
<b>EXPENDITURE</b>		
Per published accounts 2000	-	149,567
<b>Aerodrome Fire Service</b>		
Fire appliance cab upgrade - vehicle 1 (AFC 19.1.00 and 24.10.01 : £82,185)	81,363	822
Thermal Imaging Camera (AFC 13.6.01 : £6,450)	6,450	-
	<hr/>	<hr/>
	87,813	822
<b>Airport Infrastructure</b>		
Air shelter replacement (AFC 19.9.01 : £11,602)	11,602	-
Cargo shed refurbishment - consultants fees (AFC 24.4.01 : £22,000)	20,838	-
Emergency gate roadways-upgrade (Phase II) (AFC 31.1.01 : £28,454)	22,287	-
Hangar - purchase of lease (AFC 13.11.01 : £2,400,000)	2,400,000	-
Lighting upgrade - Phase I (Vote 1.8.97 : £381,849)	3,060	7,524
Property and land purchases (AFC 31.1.01 and 13.6.01 : £640,332)	640,332	-
Runway Extension - feasibility study (AFC 23.5.01 and 5.12.01 : £73,350)	68,161	-
Uninterruptable power supply upgrade (AFC 13.3.01 : £44,290)	40,767	-
Technical building heating replacement (AFC 27.3.01 : £14,700)	12,721	-
Terminal building redevelopment - consultants fees (Vote 31.1.01 and AFC : 27.3.01 : £1,305,182)	1,368,337	-
Tractor replacement (AFC 8.8.01 : £13,866)	13,866	-
	<hr/>	<hr/>
	4,601,971	7,524
<b>Civil Aviation Authority Compliance</b>		
<b>Revised airport safety zone</b> (see note)		
Value of land acquired	30,821	7,250
<b>Navigational Services</b>		
DVOR / DME replacement (AFC 12.4.00 : £567,892)	261,426	144,946
IRVR replacement (Vote: 15.3.00 : £135,539)	101,334	16,987
Meteorological station software upgrade (AFC 21.2.01 : £12,000)	11,400	-
Primary Radar replacement (Vote 14.12.95 : £1,659,997)	4,200	-
Recorders replacement (AFC 21.2.01 : £145,945)	130,504	-
	<hr/>	<hr/>
	508,864	161,933
<b>TOTAL CAPITAL EXPENDITURE FOR THE FINANCIAL YEAR</b>	<hr/>	<hr/>
<b>FUNDED BY LOAN FROM THE PORTS HOLDING ACCOUNT</b>	£5,229,469	£327,096
	<hr/>	<hr/>

## BOARD OF ADMINISTRATION - HARBOUR OF ST. PETER PORT

### REVENUE ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>INCOME</b>				
Facilities charges	2,333,143	-	2,134,651	-
Marina and Moorings fees: local visitors	1,064,655		979,253	
	347,911		351,757	
Pilotage dues	326,996		315,988	
Less payments to pilots	(322,909)		(312,038)	
Rents, etc	485,838		482,765	
Shipping dues	739,795		691,317	
Ships Registry Fees	86,535		-	
Less transfer to General Revenue Account	(16,160)		-	
Sundries	65,412		56,269	
<b>TOTAL INCOME</b>		5,111,216		4,699,962
<b>EXPENDITURE</b>				
<b>Administration</b>				
Staff	1,469,276		1,282,864	
Supplies and services	177,637		198,219	
Contracted-out work	26,074		25,000	
Insurance, rates and taxes	26,779		23,780	
Less recoveries	(41,140)		(55,224)	
	1,658,626		1,474,639	
<b>Harbour Infrastructure</b>				
Premises	423,207		518,469	
Staff	138,794		133,374	
Supplies and services	167,098		46,033	
Less recoveries	(98,121)		(46,152)	
	630,978		651,724	
<b>Marina and Moorings</b>				
Staff	352,907		316,136	
Supplies and services	319,321		380,990	
Less recoveries	-		(267)	
	672,228		696,859	
<b>Navigational Services</b>				
Staff	281,341		273,118	
Supplies and services	60,351		103,964	
	341,692		377,082	
<b>Ships Registry</b>				
Premises	9,639		-	
Staff	47,741		-	
Supplies and services	12,995		-	
	70,375		-	
<b>TOTAL EXPENDITURE</b>		3,373,899		3,200,304
<b>OPERATING SURPLUS FOR THE FINANCIAL YEAR BEFORE CAPITAL CHARGES</b>		1,737,317		1,499,658
<b>CAPITAL CHARGES</b>				
Interest	532,900		569,950	
Redemption	423,500		425,800	
		956,400		995,750
<b>OPERATING SURPLUS FOR THE FINANCIAL YEAR TRANSFERRED TO THE PORTS HOLDING ACCOUNT</b>		£780,917		£503,908

## BOARD OF ADMINISTRATION - HARBOUR OF ST. PETER PORT

### CAPITAL ACCOUNT Year Ended 31 December 2001

	2001	2000
	£	£
<b>EXPENDITURE</b>		
Per published accounts 2000	-	49,965
<b>Administration</b>		
Vehicle replacements (AFC 15.11.00 : £11,695)	7,175	4,520
<b>Harbour Infrastructure</b>		
Derrick crane, No. 4 berth refurbishment (Vote 30.5.01 : £236,410)	201,244	-
Mobile Crane replacement (AFC 16.5.01 : £157,318)	147,318	-
New jetty cladding replacement (AFC 10.1.01 (consultants fees) : £56,900 and Vote 1.11.01 : £3,282,473)	42,316	19,375
	<u>390,878</u>	<u>19,375</u>
<b>TOTAL CAPITAL EXPENDITURE FOR THE FINANCIAL YEAR FUNDED BY LOAN FROM THE PORTS HOLDING ACCOUNT</b>	<u><u>£398,053</u></u>	<u><u>£73,860</u></u>

## BOARD OF ADMINISTRATION - HARBOUR OF ST. SAMPSON

### REVENUE ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>INCOME</b>				
Facilities charges	522,108	-	598,306	-
Marina and Moorings fees	21,561	-	18,137	-
Rents, etc	30,578	-	28,652	-
Sundries	12,360	-	11,044	-
<b>TOTAL INCOME</b>		586,607		656,139
<b>EXPENDITURE</b>				
<b>Administration</b>				
Staff	137,621	-	137,125	-
Supplies and services	3,033	-	2,999	-
Insurance, rates and taxes	-	-	2,337	-
	140,654	-	142,461	-
<b>Harbour Infrastructure</b>				
Premises	47,045	-	75,117	-
Staff	80,193	-	74,618	-
Supplies and services	41,063	-	69,284	-
Less recoveries	(584)	-	(921)	-
	167,717	-	218,098	-
<b>Marina and Moorings</b>				
Supplies and services	8,667	-	1,254	-
<b>Navigational Services</b>				
Supplies and services	5,728	-	4,426	-
<b>TOTAL EXPENDITURE</b>		322,766		366,239
<b>OPERATING SURPLUS FOR THE FINANCIAL YEAR BEFORE CAPITAL CHARGES AND EXCEPTIONAL EXPENDITURE</b>		263,841		289,900
<b>CAPITAL CHARGES</b>				
Interest	125,900	-	137,000	-
Redemption	117,500	-	106,400	-
		243,400		243,400
<b>EXCEPTIONAL EXPENDITURE</b>				
Deepwater berths and land reclamation studies		84,239		169,806
<b>OPERATING DEFICIT FOR THE FINANCIAL YEAR TRANSFERRED TO THE PORTS HOLDING ACCOUNT</b>		(£63,798)		(£123,306)

### CAPITAL ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>EXPENDITURE</b>				
<b>Marina and Moorings</b>				
Longue Hougue marina (AFC 7.3.01 : £450,000)		190,294		-
Sampling programme - consultants fees (AFC 31.1.01 : £30,000)		25,618		-
<b>TOTAL CAPITAL EXPENDITURE FOR THE FINANCIAL YEAR FUNDED BY LOAN FROM THE PORTS HOLDING ACCOUNT</b>		£215,912		£ -

## BOARD OF ADMINISTRATION - PORTS HOLDING ACCOUNT

	2001	2000
	£	£
<b>Balance at 1 January</b>	27,789,556	25,140,539
<b>Revenue Account - Operating Surplus / (Deficit)</b>		
Airport	(404,814)	(1,034,126)
Harbour of St. Peter Port	780,917	503,908
Harbour of St. Sampson	(63,798)	(123,306)
	312,305	(653,524)
<b>Investment Interest received</b>	1,370,114	1,561,597
<b>Capital Charges</b>		
Interest	1,048,000	1,113,300
Redemption	1,110,750	1,028,600
<b>Capital Expenditure</b>		
Airport	(5,229,469)	(327,096)
Harbour of St. Peter Port	(398,053)	(73,860)
Harbour of St. Sampson	(215,912)	-
	(5,843,434)	(400,956)
<b>Balance at 31 December</b>	<u>£25,787,291</u>	<u>£27,789,556</u>

### NOTES:

- (AFC dd.mm.yy) is the date the Advisory and Finance Committee approved the Capital project under delegated powers conferred on it by the States.
- At 31 December 2001, there were unexpended balances of votes for capital expenditure not completed totalling £841,407 in respect of the Airport, £3,325,137 in respect of the Harbour of St. Peter Port and £264,087 in respect of the Harbour of St. Sampson.
- The total of outstanding loans made by the Ports Holding Account to the Ports was as follows:

	2001	2000
	£	£
Airport	9,114,237	4,454,518
Harbour of St. Peter Port	5,696,724	5,722,171
Harbour of St. Sampson	1,328,487	1,230,075
	<u>£16,139,448</u>	<u>£11,406,764</u>

## BOARD OF ADMINISTRATION - ALDERNEY AIRPORT

### REVENUE ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>INCOME</b>				
Traffic receipts, rents, etc.	-	341,545	-	331,976
<b>EXPENDITURE</b>				
<b>Administration</b>				
Staff	15,976		15,182	
Supplies and services	169,163		133,707	
	<u>185,139</u>		<u>148,889</u>	
<b>Aerodrome Fire Service</b>				
Staff	359,555		338,028	
Supplies and services	20,143		32,080	
	<u>379,698</u>		<u>370,108</u>	
<b>Airport Infrastructure</b>				
Premises	45,363		67,257	
Supplies and services	1,308		2,338	
	<u>46,671</u>		<u>69,595</u>	
<b>Navigational Services</b>				
Staff	147,706		142,679	
Supplies and services	13,592		18,840	
	<u>161,298</u>		<u>161,519</u>	
<b>TOTAL EXPENDITURE</b>		772,806		750,111
<b>OPERATING DEFICIT FOR THE FINANCIAL YEAR FUNDED BY THE BOARD OF ADMINISTRATION</b>		<u>(£431,261)</u>		<u>(£418,135)</u>

### CAPITAL ACCOUNT

Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
<b>EXPENDITURE</b>				
Per published accounts 2000	-	-	-	16,523
<b>Airport Infrastructure</b>				
Air shelter (AFC 19.9.01 : £8,294)	8,294		-	
Hangar door repair / replacement (AFC 17.5.00 : £25,321)	10,855		10,925	
Runway and taxi surface resealing (AFC 25.7.01 : £578,802)	<u>566,654</u>		<u>-</u>	
		585,803		10,925
<b>Navigational Services</b>				
Air Traffic Control recorder - replacements (AFC 21.2.01 : £50,548)		43,899		-
<b>TOTAL CAPITAL EXPENDITURE FOR THE FINANCIAL YEAR FUNDED BY THE BOARD OF ADMINISTRATION</b>		<u>£629,702</u>		<u>£27,448</u>

## **STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT**

### **STATEMENT OF ACTIVITIES AND PERFORMANCE**

**Year ended 31 December 2001**

#### **Principal Activities**

The Board's principal activities in relation to the Dairy are detailed in the Guernsey Dairy's mission statement as being "the most efficient, economical and sustainable production of milk and related products that can be achieved, meeting the needs of all consumers, producers and the environment."

#### **Financial Highlights**

The Revenue Account for the year ending 31<sup>st</sup> December 2001 shows a deficit of £134,724. This compares with a deficit of £39,796 for 2000.

The main factors causing the increase in the deficit were as follows:

- Liquid milk sales fell by 32.3%, due to the reduction in the selling price of a litre of milk from 92p to 66p at the beginning of 2001. The quantity of milk sold increased by 0.7% in 2001.
- By-product sales were down by £233,000 (19.6%) on 2000. A major reduction in cheese accounted for this fall, with sales down by almost £250,000. The introduction of milk quotas in 2001 resulted in a reduction in milk intake and therefore less need to make cheese with surplus milk that had to then be sold on the export market at a loss.
- Administration expenses increased to £1,751,000 in 2001, a rise of £371,000. Re-allocation of wage costs previously classified as "Production wages" accounts for £218,000 of this increase. The other areas that increased were the losses on disposal of fixed assets £127,000 (2000: nil) and the provision for doubtful debt £67,000 (2000: nil).
- On the positive side, the cost of milk purchases reduced in 2001, in conjunction with the 50% subsidy to local farmers by the Agriculture & Countryside Board. As a result, the Dairy saved 46% on the cost of milk compared with 2000. This saving would have been even greater had the Dairy not had to import milk from Jersey toward the end of 2001 in order to meet sales demand. The net effect of milk sales less milk purchases was a saving of £122,000 in 2001.
- The other significant saving was made on packaging materials, due to closer stock management ahead of the Dairy re-branding project. This saving equated to £140,000 (24.9%).

There was a significant reduction in capital expenditure in 2001, with the only item costing in excess of £20,000 being the Alfast system, at £54,000.

#### **Operational Performance**

The aforementioned Alfast system was purchased to attain consistent fat levels in the different varieties of milk, as well as to improve the product quality. A second milk-packaging machine on loan from Elopak was installed, thus increasing the packing capacity and acting as backup for the other machine.

The purchase of a new product booking system and Crystal Reports has led to an improvement in management reporting.

## **STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT**

### **STATEMENT OF ACTIVITIES AND PERFORMANCE Year ended 31 December 2001**

#### **Other matters**

Major planned capital expenditure in 2002 includes: -

- SCADA control system to satisfy due diligence requirements highlighted in the recent (Hazard Analysis and Critical Control Points) ;
- new vehicle unloading and cleaning bay;
- two milk tankers;
- two cream tanks;
- tiling of the Dairy, in accordance with Health & Safety legislation;
- milk intake/production bespoke computer software to improve the recording of milk intake, processing and losses.

Greater emphasis was placed on Quality Assurance in 2001, with HACCP and other product quality procedures being compiled and implemented in 2001.

Plans were also in place at the end of 2001 to employ a Health & Safety Officer on a temporary basis to address key issues at the Dairy.

#### **Board Members and Principal Officers**

Deputy P J Roffey - President  
Douzenier H J Dorey - Vice President  
Deputy J M Le Sauvage - Member  
Deputy T M Le Pelley - Member  
Deputy B J Gabriel - Member  
Mr M J Blampied - Member  
Mr J J Cleal - Member

Mr N D Lewis - Chief Executive Officer  
Mr R Nash - Deputy Chief Executive  
MR C J Hall - General Manager



## **STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The States of Guernsey Agriculture and Countryside Board ("the Board") is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the States Agriculture and Countryside Board - Dairy Trading Account ("the Dairy") as at the end of the financial year and of the surplus or deficit of the Dairy for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of each States Board to identify and install a system of internal controls, including financial control, which is adequate for its own purposes. Thus Boards are responsible for safeguarding the assets of the States of Guernsey in their care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Every States Board is also responsible for the economical, efficient and effective management of public funds and other resources entrusted to it.

It is acknowledged that States Boards are subject to financial and manpower restrictions. Nevertheless, Boards have a duty to ensure that they fulfil their obligations to install and maintain adequate internal controls and safeguard the States resources for which they are responsible.

The States internal financial controls and monitoring procedures include:

- an annual budget and planning process to allocate, control and monitor the use of resources;
- establishment of the States Audit Commission, consisting of a majority of Non-States Members, with the primary objective of assisting Committees to ensure good management of States finances;
- review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department;
- the requirement for all audit reports to be tabled at a meeting of the relevant States Board to ensure that all Board members are aware of their financial affairs; and
- regular review of the performance and security of the States financial assets by the Advisory and Finance Committee's Investment Sub-Committee;

Through their staff recruitment and training, States Boards strive to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The States internal controls and accounting policies have been and are subject to continuous review and improvement.

In addition, the accounts are subject to independent external audit by auditors appointed by the States.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT**

We have audited the financial statements of the States Agriculture and Countryside Board – Dairy Trading Account (“the Dairy”) for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement, and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described on page 127 the Board is responsible for the preparation of financial statements of the Dairy in accordance with United Kingdom accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

We report to you our opinion as to whether the financial statements give a true and fair view of the Dairy’s affairs. We also report if, in our opinion, the Dairy has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the information on pages 125 and 126 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements and of whether the accounting policies are appropriate to the Dairy’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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Dairy's affairs as at 31 December 2001 and of its deficit for the year then ended.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter’s House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

30 May 2002

**STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD -  
DAIRY TRADING ACCOUNT**

**REVENUE ACCOUNT**

**Year ended 31 December 2001**

	Note	2001 £	2000 £
<b>SALES</b>	1		
Liquid milk		3,331,751	4,923,266
By-products		950,903	1,184,162
CICL (labour and overheads)		45,171	48,309
Sundry sales		8,324	7,850
		<u>4,336,149</u>	<u>6,163,587</u>
<b>COST OF SALES</b>			
Production wages		235,857	478,084
Milk		2,014,036	3,727,779
By-product ingredients		57,646	64,368
Packaging materials		424,400	564,872
Carriage inwards		6,677	2,609
Sundries		8,173	6,886
		<u>2,746,789</u>	<u>4,844,598</u>
<b>GROSS SURPLUS</b>		1,589,360	1,318,989
Other operating income		516	6,411
Administration expenses	2	<u>(1,750,541)</u>	<u>(1,379,883)</u>
<b>OPERATING DEFICIT</b>		(160,665)	(54,483)
Bank interest receivable		<u>25,941</u>	<u>14,687</u>
<b>DEFICIT FOR THE FINANCIAL YEAR</b>	7	(134,724)	(39,796)
Transfer to general reserve	7	<u>(49,202)</u>	<u>(52,660)</u>
		<u>(183,926)</u>	<u>(92,456)</u>

All activities derive from continuing operations.

There are no recognised gains or losses for the current or preceding financial years other than as stated in the revenue account.

**STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD -  
DAIRY TRADING ACCOUNT**

**BALANCE SHEET  
31 December 2001**

	Note	2001 £	2000 £
<b>TANGIBLE FIXED ASSETS</b>	3	<u>1,883,445</u>	<u>2,096,702</u>
<b>CURRENT ASSETS</b>			
Stock	4	220,083	397,481
Debtors	5	444,424	755,006
Balances with States Treasury		567,288	19,651
Bank balances - current		34,491	37,615
- deposit		392,021	616,333
Cash in hand		53	69
		<u>1,658,360</u>	<u>1,826,155</u>
<b>CREDITORS: amounts falling due within one year</b>	6	<u>498,495</u>	<u>744,823</u>
<b>NET CURRENT ASSETS</b>		<u>1,159,865</u>	<u>1,081,332</u>
<b>TOTAL NET ASSETS</b>		<u><u>3,043,310</u></u>	<u><u>3,178,034</u></u>
<b>RESERVES</b>	7	<u><u>3,043,310</u></u>	<u><u>3,178,034</u></u>

These financial statements were approved by the States of Guernsey Agriculture and Countryside Board on 24 May 2002.

Signed on behalf of the Board

P J ROFFEY  
President

**STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD -  
DAIRY TRADING ACCOUNT**

**CASH FLOW STATEMENT  
Year ended 31 December 2001**

	<b>Note</b>	<b>2001 £</b>	<b>2000 £</b>
<b>Net cash inflow from operating activities</b>	8	453,550	361,364
<b>Returns on investments</b>			
Interest received		25,941	16,249
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(159,316)	(295,622)
Receipts from sales of tangible fixed assets		10	-
<b>Net cash outflow from capital expenditure</b>		(159,306)	(295,622)
<b>Management of liquid resources</b>			
(Increase)/reduction in amounts held with States Treasury		(547,637)	141,405
<b>(Decrease)/increase in cash</b>	9	(227,452)	223,396

# STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Income

Sales are accounted for on an accruals basis.

Interest is recognised on an accruals basis.

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

#### Depreciation

Depreciation is calculated at the following annual rates so as to write off tangible fixed assets over their anticipated useful lives using the straight line method:

	Estimated life in years	Depreciation % per annum
Site	-	Nil
Roads	10	10
Buildings	50 - 20	2 - 5
Plant and machinery	20 - 3	5 - 33.33
Motor vehicles	4	25
Laboratory equipment	20 - 8	5 - 12.5
Furniture and fittings	20 - 8	5 - 12.5
Refrigerated farm bulk tanks	8 - 5	12.5 - 20

By agreement with the Agriculture and Countryside Board, farmers with a bulk farm tank situated on their property have the option to purchase the tank for a nominal sum on or after the fifth anniversary of the date of installation.

The historical cost depreciation charge is inadequate to provide for the replacement of fixed assets, therefore an annual transfer is made to the general reserve.

The Board have reassessed the economic useful lives applied to certain buildings following the introduction of FRS15, "Tangible Fixed Assets", and adopted the periods disclosed above. In prior years certain buildings were being depreciated over the economic life of 100 years.

#### Stock

Stock is valued at the lower of cost and net realisable value. Cost includes an appropriate proportion of processing expenses.

#### Pension costs

The costs of the defined benefit scheme are charged to the revenue account over the period during which the Dairy benefits from the employees' services. Surpluses or deficiencies are spread over the expected average remaining working lifetime of employees in proportion to their expected payroll costs.

#### Transfer to general reserve

Amounts transferred to the general reserve represent amounts equal to 20% of the total depreciation charge for the year in order to increase reserves for future capital expenditure purposes.

**STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD -  
DAIRY TRADING ACCOUNT**

**NOTES TO THE ACCOUNTS  
Year ended 31 December 2001**

**2. ADMINISTRATION EXPENSES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Advertising and promotion	8,108	21,331
Carriage outwards	7,579	11,790
Cleaning materials	32,062	24,534
Depreciation	246,010	263,302
Fuel, light, power and water	144,266	173,314
General administration cost	40,945	40,911
Laboratory materials and equipment	31,100	50,785
Loss on disposal of fixed assets	126,553	-
Motor vehicle expenses	39,407	22,986
Other expenses	54,024	58,709
Product research and development	1,645	-
Professional fees	10,726	25,482
Provision for doubtful debt	66,202	-
R&M and insurance (plant machinery)	96,980	77,139
R&M and insurance (site and buildings)	33,693	21,313
Rates	2,802	2,467
Salaries and wages	799,425	581,592
Staff training and recruitment	9,014	4,228
	<hr/>	<hr/>
	<b>1,750,541</b>	<b>1,379,883</b>
	<hr/> <hr/>	<hr/> <hr/>

During 2001, a revised allocation of wage cost was effected between production costs and administration expenses of £218,000. The comparative allocation for 2000 has not been restated, as the information was not readily obtainable.

# STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 3. TANGIBLE FIXED ASSETS

	1 January 2001 £	Additions £	Disposals £	31 December 2001 £
<b>Cost</b>				
Site and roads	8,487	-	7,521	966
Buildings	1,446,933	-	17,033	1,429,900
Plant and machinery	2,547,870	116,210	264,187	2,399,893
Motor vehicles	126,279	-	-	126,279
Laboratory equipment	97,438	-	2,020	95,418
Furniture and fittings	162,181	43,107	93,909	111,378
Refrigerated bulk tanks - farms	53,837	-	-	53,837
	<u>4,443,025</u>	<u>159,316</u>	<u>384,670</u>	<u>4,217,671</u>
	1 January 2001 £	Charge for the year £	Disposals £	31 December 2001 £
<b>Depreciation</b>				
Site and roads	7,091	309	6,435	965
Buildings	337,848	32,420	8,076	362,192
Plant and machinery	1,664,250	179,024	175,447	1,667,827
Motor vehicles	102,696	12,146	-	114,842
Laboratory equipment	79,159	4,168	1,738	81,589
Furniture and fittings	101,442	17,943	66,411	52,974
Refrigerated bulk tanks - farms	53,837	-	-	53,837
	<u>2,346,323</u>	<u>246,010</u>	<u>258,107</u>	<u>2,334,226</u>
<b>Net book amount</b>	<u>2,096,702</u>			<u>1,883,445</u>

### 4. STOCK

	2001 £	2000 £
Milk and milk by-products	59,920	191,224
Packaging materials	104,641	143,332
Other stock	55,522	62,925
	<u>220,083</u>	<u>397,481</u>



**STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD -  
DAIRY TRADING ACCOUNT**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**5. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Trade debtors		
- Standard Credit customers	474,122	736,568
- Extended Credit customers	3,334	5,500
Prepayments	12,328	2,035
Accrued income	20,842	10,903
	<u>510,626</u>	<u>755,006</u>
Provision for doubtful debt	(66,202)	-
	<u>444,424</u>	<u>755,006</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Trade creditors	274,957	418,121
Other creditors	127,469	138,878
Accruals	96,069	187,824
	<u>498,495</u>	<u>744,823</u>

**7. RECONCILIATION OF MOVEMENTS IN RESERVES**

	<b>General reserve £</b>	<b>Revenue account £</b>	<b>Total £</b>
Deficit for the financial year	-	(134,724)	(134,724)
Transfer from revenue account	49,202	(49,202)	-
	<u>49,202</u>	<u>(183,926)</u>	<u>(134,724)</u>
Net addition to / (reduction in) reserves	3,283,726	(105,692)	3,178,034
Opening reserves at 1 January 2001	<u>3,332,928</u>	<u>(289,618)</u>	<u>3,043,310</u>
Closing reserves at 31 December 2001	<u>3,332,928</u>	<u>(289,618)</u>	<u>3,043,310</u>

The general reserve is required to fund the asset base of the Board (see note 1).

# STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 8. RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Deficit on operating activities	(160,665)	(54,483)
Depreciation charge	246,010	263,302
Loss on sale of fixed assets	126,553	-
Decrease in stock	177,398	102,966
(Increase)/decrease in debtors	310,582	(86,128)
(Decrease)/increase in creditors	(246,328)	135,707
Net cash inflow from operating activities	<u>453,550</u>	<u>361,364</u>

### 9. ANALYSIS OF CHANGES IN NET CASH FLOWS DURING THE YEAR

	2001 £
Balance at 1 January 2001	654,017
Net cash inflows	<u>(227,452)</u>
Balance at 31 December 2001	<u>426,565</u>

### 10. ANALYSIS OF THE CHANGES IN NET FUNDS AS SHOWN IN THE BALANCE SHEET

	2001 £	Change in Year £	2000 £
Bank balances - current	34,491	(3,124)	37,615
- deposit	392,021	(224,312)	616,333
Cash in hand	53	(16)	69
	<u>426,565</u>	<u>(227,452)</u>	<u>654,017</u>

### 11. PENSION FUND

The employees of the States of Guernsey Agriculture and Countryside Board - Dairy Trading Account are members of the States of Guernsey Superannuation Fund. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. As the Fund is a multi entity arrangement the States Electricity Board is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the States Electricity Board hence contributions are treated as if this were a defined contribution scheme in accordance with Financial Reporting Standard 17 "Retirement benefits".

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 "Retirement benefits":

# STATES OF GUERNSEY AGRICULTURE AND COUNTRYSIDE BOARD - DAIRY TRADING ACCOUNT

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 11. PENSION FUND (continued)

"The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group."

The total amount of superannuation contributions for the period ended 31 December 2001 was £70,965 (year ended 31 March 2001: £60,817), which were all paid during the period.

### 12. RELATED PARTY TRANSACTIONS

Of the States of Guernsey Agriculture and Countryside Board - Dairy Trading Account's annual income and expenditure, less than 20% of their respective value is due to transactions with other States entities.

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Board are of the opinion that there has been no related party transactions in this financial year, other than as stated below:

	Income/ (expenditure) 2001 £	Income/ (expenditure) 2000 £	Debtor/ (creditor) 2001 £	Debtor/ (creditor) 2000 £
Committee President – P Roffey (director of CI Co-op – supplies of milk for retail)	490,436	585,279	25,153	35,700
Committee member – M Blampied (liquid milk supplies purchased by the Dairy)	(39,106)	(62,725)	(3,702)	(4,933)
Committee and Dairy Executive sub- committee member – B Gabriel (goods purchased by the Dairy)	72	37	(41)	-
Dairy Executive sub-committee member – D Cowley (liquid milk supplies purchased by the Dairy)	(144,560)	(242,261)	(13,985)	(14,769)
Dairy Executive sub-committee member – G Le Tissier (from October 2001) (supplies of milk for retail)	85,487	n/a	7,095	n/a

### 13. STATEMENT OF CONTROL

The States of Guernsey Agriculture and Countryside Board - Dairy Trading Account is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States of Guernsey Agriculture and Countryside Board has been delegated to the members of the Board who have been appointed by the States of Guernsey.

# STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE

## STATEMENT OF ACTIVITIES AND PERFORMANCE

Year ended 31 December 2001

### Principal Activities

Beau Sejour Centre ("the Centre") is the Island's principal centre for sports and leisure. It provides a variety of sporting and recreational activities which are available to the local population and visitors to the Island.

Facilities provided include swimming (both competitive and leisure), indoor sports (squash, badminton, football etc.) fitness and health suites including saunas, steam room and solarium. The Centre provides leisure facilities such as a cinema, live theatre, restaurant and bar. In addition the Centre is, by virtue of the scope of its facilities, a venue for conferences, exhibitions and dinner dances.

### Financial Highlights

	2001 £'000s	2000 £'000s
<b>Operating revenue</b>		
Admissions and memberships	100	257
Sports	727	669
Health and fitness	429	212
Entertainment	446	630
Trading areas	615	658
	<hr/>	<hr/>
Total operating revenue	2,317	2,426
	<hr/>	<hr/>
Total operating costs (excluding depreciation)	3,023	3,059
	<hr/>	<hr/>
<b>Operating deficit on ordinary activities (excluding depreciation)</b>	(706)	(633)
	<hr/>	<hr/>

### Operational Performance

2001 was the first full year where the Centre had offered the Freedom membership scheme. The scheme proved popular with customers enjoying reduced prices and free usage of some facilities. Revenue from memberships increased by £121,000 to £346,000. Income from the scheme has been included above within Health and fitness (£249,740) and Sports (£27,750) for 2001. Year end number of memberships stood at 4,436 (2000: 4,192), with Freedom memberships making up 1,111 of the total.

### Other Matters

The States of Guernsey Recreation Committee ("the Committee") took a policy letter to the States in March 2001, detailing major refurbishment to the Centre. The States accepted the policy letter and £9 million was allocated to the project. Following a tender process the States approved the contractor at the November 2001 meeting and enabling work commenced the following month.

The Centre continued the operational partnership with DC Leisure which has been able to use its extensive experience of managing UK leisure centres to the benefit of the Centre. It is intended that this partnership will continue to review all operating activities, staffing issues and marketing activity as part of an ongoing process of streamlining the business.

The Centre did not experience any significant levels of staff turnover during the year and reported sickness levels remained at a controllable level. Staff costs increased by 7% in 2001, to £1,881,830 (2000: increase of 2.9% to £1,758,442).

**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**STATEMENT OF ACTIVITIES AND PERFORMANCE  
Year ended 31 December 2001**

**Recreation Committee Members**

Deputy I Rihoy – President  
Deputy P Sirett – Vice President (elected 1 June 2001)  
Deputy M E W Burbridge – Vice President (term expired 31 May 2001)  
Deputy K Prevel  
Deputy M O'Hara  
Deputy M Lowe (elected 1 June 2001)  
Mr R Roussel  
Mr S Falla

**Senior Management Team**

D Chilton – Director of Recreation  
D Ferguson – Centre Manager  
S Wilcocks – Technical Services Manager  
K Gallienne – Finance, Administration and IT Manager  
P Weaver – Events Manager  
G Merrien – Health and Fitness Manager  
A Knott – Trading Areas Manager  
S Herridge – Sales and Marketing Manager  
A Frankland – Swimming Development Officer  
M Cotter – Duty Manager  
L Darling – Duty Manager  
A Collette – Duty Manager

## **STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

The Recreation Committee ("the Committee") is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Beau Sejour Centre as at the end of the financial year and of the surplus or deficit of Beau Sejour Centre for that period. In preparing those financial statements, the Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of the Committee to identify and install a system of internal controls, including financial control, which is adequate for its own purposes. Thus the Committee is responsible for safeguarding those assets of the States of Guernsey (including those of Beau Sejour Centre) in their care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Every States Committee is also responsible for the economical, efficient and effective management of the public funds and other resources entrusted to it.

It is acknowledged that the Committee is subject to financial and manpower restrictions. Nevertheless there is a duty to ensure it fulfils its obligations to install and maintain adequate internal controls and safeguard the States of Guernsey resources for which it is responsible.

The Committee and specifically Beau Sejour Centre's internal financial controls and monitoring procedures include:

- An annual budget and planning process to allocate, control and monitor the use of resources.
- Co-ordination and co-operation with the States Audit Commission, whose primary objective is to ensure good management of the States of Guernsey finances.
- Review and appraisal of the adequacy and application of internal controls in conjunction with the States Internal Audit Department.
- The requirement for all audit reports to be tabled at a meeting of the Committee to ensure that its members are aware of their financial affairs.

Through staff recruitment and training the Committee strives to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The Committee's internal controls and accounting policies have been and are subject to continuous review and improvement.

In addition the financial statements are subject to independent external audit by auditors appointed by the States of Guernsey.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE**

We have audited the financial statements of Beau Sejour Centre for the year ended 31 December 2001 which comprise the revenue account, the balance sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of the Committee and auditors**

As described in the statement of responsibilities for the preparation of the financial statements the Committee is responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report if, in our opinion, the operating statement is not consistent with the financial statements, if the Committee has not kept proper accounting records or if we have not received all of the information and explanations we require for our audit.

We read the information on pages 138 and 139 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements and of whether the accounting policies are appropriate to Beau Sejour Centre'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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of Beau Sejour Centre's affairs as at 31 December 2001 and of its deficit for the year then ended.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

31 May 2002

**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**REVENUE ACCOUNT  
Year ended 31 December 2001**

	Note	£	2001 £	2000 £
<b>OPERATING REVENUE</b>	2		2,317,260	2,426,327
<b>OPERATING COSTS</b>				
Direct costs	3	2,073,582		2,098,251
Central services expenses	4	949,411		961,258
Depreciation - recurring	1 & 5	275,145		282,628
			(3,298,138)	(3,342,137)
<b>OPERATING DEFICIT ON ORDINARY ACTIVITIES</b>			(980,878)	(915,810)
<b>OTHER INCOME</b>				
Revenue funding			810,034	-
Revenue grant			-	537,000
Lottery income receivable			-	135,000
Profit on disposal of fixed assets			326	-
			810,360	672,000
<b>DEFICIT FOR THE FINANCIAL YEAR</b>			(170,518)	(243,810)
Transfer of funds (from)/to Recreation Committee General Reserves				
- 2000			(538,138)	-
- 2001			166,491	-
<b>DEFICIT RETAINED FOR THE FINANCIAL YEAR</b>	9		(542,165)	(243,810)

All material activities derive from continuing operations.

There are no recognised gains or losses for the current or preceding financial years other than as stated in the revenue account.



**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**BALANCE SHEET  
Year ended 31 December 2001**

	<b>Note</b>	<b>2001 £</b>	<b>2000 £</b>
<b>TANGIBLE FIXED ASSETS</b>	5	3,602,314	2,940,758
<b>CURRENT ASSETS</b>			
Stocks	6	56,064	69,576
Debtors	7	212,946	132,893
Cash at bank and in hand		4,939	4,970
Amounts held with States Treasury		-	538,138
		273,949	745,577
<b>CREDITORS: amounts falling due within one year</b>	8	(167,887)	(260,790)
<b>NET CURRENT ASSETS</b>		106,062	484,787
<b>TOTAL NET ASSETS</b>		3,708,376	3,425,545
<b>RESERVES</b>	9	3,708,376	3,425,545

These financial statements were approved by the Recreation Committee on 10 May 2002.

Signed on behalf of the Committee

I RIHOY  
President

# STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards except as stated below. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Going concern

The accounts have been prepared on a going concern basis on the assumption that support will continue to be provided by the States of Guernsey (see note 13).

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

#### Depreciation

Depreciation is calculated at the following annual rates so as to write off the cost of tangible fixed assets over their anticipated useful lives using the straight line method:

	Estimated life in years	Depreciation % per annum
Freehold land and buildings	50	2
Plant, equipment, furniture, fixtures and fittings and catering equipment	10	10
Office equipment	10 - 5	10 - 20
Motor vehicles and weight training equipment	5	20
Water flumes	25	4
Soft play equipment	3	33.33
Outdoor facilities	80	1.25
Sports equipment	5	20

#### Sports equipment

Sports equipment and maintenance equipment purchased prior to 1998 is dealt with on a renewals basis (the assets being replaced when required) under which no depreciation is charged. This departure from Financial Reporting Standard No. 15 "Tangible Fixed Assets" is not regarded as having a material impact on the results of the Centre.

#### Stock

Stock is valued at the lower of cost and net realisable value.

#### Funding

On 30 November 2000 (Billet d'Etat XXIII) the States resolved that funding for Beau Sejour Centre should be included within a single overall General Revenue budget heading for the Recreation Committee, with effect from 2001. The effect of the revision to the funding arrangements is shown within the Revenue Account on page 5. Prior to 1 January 2001, revenue grants were credited to the revenue account and capital funding was credited to the general reserve.

#### Lottery income

Lottery income was accounted for on an accruals basis and represented the amount transferred from the appropriation account of the Channel Islands Lottery (Guernsey) Fund to the credit of the States of Guernsey - Beau Sejour Current Account with the Centre in accordance with a States Resolution dated 24 April 1974 as subsequently amended on 27 July 1983 and 26 February 1998. With effect from 1 January 2001 the lottery funding to the Centre ceased.

# STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 1. ACCOUNTING POLICIES (continued)

#### Conference allowances

In accordance with a States Resolution dated 30 April 1980 as subsequently amended on 27 July 1983, the Recreation Committee was authorised to transfer, with effect from 1 January 1979, the fixed cost of each conference for UK residents held at the Centre from the States General Revenue Account to the Centre's account. These charges are compiled in a manner determined by the States Advisory and Finance Committee. With effect from 1 January 2001 the conference allowances to the Centre ceased.

#### Pension costs

The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the revenue account so as to spread the cost over the service lives of employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

#### Cashflow statement

Due to the funding arrangements in place with effect from 1 January 2001, as detailed in the accounting policy above, Beau Sejour Centre is now fully funded and as such there are no cash movements in the year. Accordingly no cashflow statement has been prepared for inclusion in these financial statements.

### 2. OPERATING REVENUE

	2001 £	2000 £
Admission and membership charges	99,755	257,426
Sports	726,767	668,608
Health and fitness	429,011	212,147
Entertainment	446,078	629,608
Trading areas	615,649	658,538
	<u>2,317,260</u>	<u>2,426,327</u>

### 3. DIRECT COSTS

	2001 £	2000 £
<b>Sports</b>		
Salaries, wages and superannuation	675,214	637,323
Maintenance and general expenses	116,104	124,275
	<u>791,318</u>	<u>761,598</u>
<b>Health and fitness</b>		
Salaries, wages and superannuation	208,927	175,272
Maintenance and general expenses	42,332	44,437
	<u>251,259</u>	<u>219,709</u>
<b>Entertainment</b>		
Salaries, wages and superannuation	213,923	222,734
Cinema	6,039	22,185
Theatre and concerts	151,476	255,825
Maintenance and general expenses	46,036	19,044
	<u>417,474</u>	<u>519,788</u>
CARRIED FORWARD	<u>1,460,051</u>	<u>1,501,095</u>

**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**NOTES TO THE ACCOUNTS  
Year ended 31 December 2001**

**3. DIRECT COSTS (continued)**

	<b>2001</b> £	<b>2000</b> £
BROUGHT FORWARD	1,460,051	1,501,095
<b>Trading areas</b>		
Cost of sales - bar, catering and shop	340,471	332,455
Salaries, wages and superannuation	222,143	221,611
Maintenance and general expenses	50,917	43,090
	<u>613,531</u>	<u>597,156</u>
	<u>2,073,582</u>	<u>2,098,251</u>

**4. CENTRAL SERVICES EXPENSES**

	<b>2001</b> £	<b>2000</b> £
<b>Business development</b>		
Salaries, wages and superannuation	34,746	1,770
Advertising and general expenses	34,561	45,557
	<u>69,307</u>	<u>47,327</u>
<b>Repairs and maintenance</b>		
Salaries, wages and superannuation	364,020	341,928
Reapportioned wages	(77,651)	(72,990)
Fuel, light and power	143,708	166,461
General expenses	108,606	123,322
	<u>538,683</u>	<u>558,721</u>
<b>Finance, administration and information technology</b>		
Salaries, wages and superannuation	162,857	157,804
Insurance	24,129	26,275
Rates	23,694	19,991
Postage, printing, telephone and stationery	26,510	30,963
Training, travel and entertainment	23,499	5,519
Computer charges	28,565	40,657
A&F service charge	7,850	7,650
Consultancy charges	8,561	33,229
Audit fee	4,818	4,683
Professional fees	3,200	-
General expenses	25,651	28,350
Bad debts	2,087	89
	<u>341,421</u>	<u>355,210</u>
	<u>949,411</u>	<u>961,258</u>

**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**NOTES TO THE ACCOUNTS  
Year ended 31 December 2001**

**5. TANGIBLE FIXED ASSETS**

	<b>1 January 2001 £</b>	<b>Additions £</b>	<b>Written off /disposals £</b>	<b>31 December 2001 £</b>
<b>Cost</b>				
Freehold land and buildings	3,458,559	826,849	-	4,285,408
Plant and equipment	1,679,268	43,046	-	1,722,314
Furniture, fixtures and fittings	1,087,410	14,800	-	1,102,210
Office equipment	324,229	22,756	-	346,985
Catering equipment	161,724	3,170	(5,520)	159,374
Motor vehicles	5,950	-	-	5,950
Weight training equipment	85,164	9,500	-	94,664
Outdoor facilities	2,502	-	-	2,502
Water flumes	359,068	-	-	359,068
Soft play equipment	12,411	14,565	-	26,976
Sports equipment	114,688	2,015	(1,556)	115,147
Maintenance equipment	8,635	-	-	8,635
	<u>7,299,608</u>	<u>936,701</u>	<u>(7,076)</u>	<u>8,229,233</u>
	<b>1 January 2001 £</b>	<b>Charge for the year £</b>	<b>Written off /disposals £</b>	<b>31 December 2001 £</b>
<b>Depreciation</b>				
Freehold land and buildings	1,406,696	69,178	-	1,475,874
Plant and equipment	1,456,132	59,273	-	1,515,405
Furniture, fixtures and fittings	864,338	57,651	-	921,989
Office equipment	248,279	28,844	-	277,123
Catering equipment	128,249	7,435	(5,520)	130,164
Motor vehicles	5,976	85	-	6,061
Weight training equipment	62,447	9,808	-	72,255
Outdoor facilities	2,501	-	-	2,501
Water flumes	157,218	14,362	-	171,580
Soft play equipment	11,672	5,372	-	17,044
Sports equipment	14,550	22,711	(1,556)	35,705
Maintenance equipment	792	426	-	1,218
	<u>4,358,850</u>	<u>275,145</u>	<u>(7,076)</u>	<u>4,626,919</u>
<b>Net book value</b>	<u>2,940,758</u>			<u>3,602,314</u>

**6. STOCKS**

	<b>2001 £</b>	<b>2000 £</b>
Consumables	36,180	28,186
Goods for resale	19,884	41,390
	<u>56,064</u>	<u>69,576</u>

# STATES OF GUERNSEY RECREATION COMMITTEE – BEAU SEJOUR CENTRE

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 7. DEBTORS

	2001 £	2000 £
Trade debtors	146,801	93,814
Prepayments and other debtors	66,145	39,079
	<u>212,946</u>	<u>132,893</u>

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Bank overdraft	-	5,795
Trade creditors	41	123,510
Accruals	49,086	16,483
Deferred income	118,760	115,002
	<u>167,887</u>	<u>260,790</u>

### 9. RESERVES

	General reserve £	Revenue Account £	Total £
Balance 1 January 2001	4,369,614	(944,069)	3,425,545
Capital funding	824,996	-	824,996
Deficit for year	-	(542,165)	(542,165)
	<u>5,194,610</u>	<u>(1,486,234)</u>	<u>3,708,376</u>
Balance 31 December 2001			

The general reserve is required to fund the asset base of the Centre.

### 10. PENSION FUND

The employees of Beau Sejour Centre are members of the States of Guernsey Superannuation Scheme (“the fund”). This is a defined benefits pension scheme, funded by contributions from both employers and employees at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected costs of benefits payable to employees’ over the period of those employees’ expected service lives. As the Fund is a multi entity arrangement the Committee is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the committee hence contributions are treated as it this were a defined contribution scheme in accordance with Financial Reporting Standard 17 “Retirement benefits”.

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 “Retirement benefits”.

“The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

**STATES OF GUERNSEY RECREATION COMMITTEE –  
BEAU SEJOUR CENTRE**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**10 PENSION FUND (continued)**

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group.”

The total amount of the Committees superannuation contributions for the year ended 31 December 2001 was £68,469 (2000: £61,488) . At 31 December 2001 there were no outstanding contributions due (2000: £nil).

**11. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996 and 15 December 1997, the Committee are of the opinion that there have been no related party transactions in this or the preceding financial year.

**12. STATEMENT OF CONTROL**

Beau Sejour Centre is wholly owned and ultimately controlled by The States of Guernsey. Responsibility for the operations of Beau Sejour Centre has been delegated to the members of the Recreation Committee who have been appointed by the States of Guernsey.

**13. FUNDING**

The States of Guernsey through the budgetary arrangements agreed with the Recreational Committee have undertaken to provide sufficient financial support to enable the Beau Sejour Centre to operate on a going concern basis for the foreseeable future.

## STATES OF GUERNSEY WATER BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE

Year ended 31 December 2001

#### Principal Activity

The principal activity of the Board is the provision of a public water supply throughout the Island. This includes ancillary services such as pipelaying and remediation of pollution.

In addition to its utility operations, the Board discharges several functions of government: catchment protection, plumbing standards and water resource planning. Although the Board is self-regulating in respect of water quality supplied, performance is independently monitored by the Environmental Health Department Board of Health.

#### Financial Summary

	2001 £'000	2000 £'000	Change %
Income - unmeasured	2,732	2,650	+3.1
- measured	2,544	2,543	+0.0
- other trading (net)	179	204	-12.3
Total operating income	5,455	5,397	+1.1
Expenditure - operating	1,934	2,000	-3.3
- management	992	888	+11.7
	2,926	2,888	+1.3
<b>Operating surplus before depreciation</b>	2,529	2,509	+0.8
Surplus on sale of fixed assets	8	257	
Net interest received	144	161	
Depreciation, transfers and provisions	(1,584)	(1,827)	
<b>Retained surplus for the year</b>	1,097	1,100	
<b>Capital expenditure (gross)</b>	3,053	2,354	

The main focus of capital expenditure was rehabilitation and renewal of the distribution pipe network to improve the reliability of mains and reduce discolouration of water supplies: over 22 kilometres of main was completed during the year. The Board also completed a substantial project to provide facilities to recycle water and treat waste products arising from water treatment at the St Saviours and Kings Mills plant. In addition the Board began a feasibility study to evaluate the use of specific membranes for water treatment prior to refurbishment and upgrading St Saviours plant. A more detailed summary of capital expenditure during the year is appended to the accounts.



# STATES OF GUERNSEY WATER BOARD

## STATEMENT OF ACTIVITIES AND PERFORMANCE

Year ended 31 December 2001

### Operational Performance

	2001	2000	Change %
<b>Number of customers</b>			
paying by rateable value	13,641	13,931	-2.1
paying by measure	9,344	8,841	+5.7
Total	22,985	22,772	+0.9
<b>Volume supplied in million litres (partially weather related)</b>			
delivered to customers paying by measure	2,280ML	2,370 ML	-3.8
delivered to other customers	1,808ML	1,749 ML	+3.4
operational use, firefighting and losses	779ML	785 ML	-0.8
Total put into supply	4,867ML	4,904 ML	-0.8
<b>Service (partially weather related)</b>			
Restrictions on supply	None	None	
Burst mains - trunk mains	10	12	-16.7
- smaller mains	60	89	-32.6
- total	70	101	-30.7
Discolouration – claims paid	£198	£656	-69.8
<b>Unit costs (partially weather related)</b>			
Water production	£198/ML	£185/ML	+7.0
Water distribution	£20/ customer	£28/ customer	-28.6

### Other Matters

The demand for water from the public supply has reduced from a peak of over 5,700 Megalitres during 1970/1971, and a second peak of 5,239 ML in 1988, to the current 4,867 ML. Analysis of current trends show that increasing domestic requirements have been offset by reducing demand for commercial purposes especially power generation, horticulture and tourist accommodation. The Board's income during 2001 was particularly affected by reduced sales of water for power generation following commissioning of the French cable link.

Costs of water production rose by 7% over 2000 due to the need to operate three water treatment works during the drier summer period, but were still less than 1999 in real terms.

Costs of water distribution fell by nearly 30% following capital investment and higher levels of planned maintenance in previous years. The resources released were deployed to meet the high level of demand for new water mains and service connections.

For many years the Board has been monitoring the quality of its raw material, including water in Island streams. From 2002 the Board will be contributing this information in a simplified form as a Quality of Life Indicator to be published annually by the Advisory and Finance Committee.

Water quality supplied to customers continues to improve due to the rehabilitation of water mains and other initiatives. The Board is developing a more systematic approach to measure performance, which will ultimately be published.

Facilities for customers to pay water charges by direct debit were introduced during the year and by 31 December 2001 some 13% of water charge accounts were paid by this method. The Board will actively promote direct debit payments during 2002 with an expectation that 30% of customers will adopt this method of payment.

## **STATES OF GUERNSEY WATER BOARD**

### **STATEMENT OF ACTIVITIES AND PERFORMANCE**

**Year ended 31 December 2001**

#### **Board Members and Principal Officers**

During 2001:

Board Members were:

Deputy E W Walters, President  
Deputy P N Bougourd, Vice-President  
Deputy J Le Sauvage  
Deputy R Bisson  
Deputy T Le Pelley  
Mr H Turian  
Mr G Wherry

Principal Officers were:

C H Gaudion, Chief Executive  
A A Redhead, Technical Director  
K Carter, Chief Accounting Officer  
G Johns, Water Production Director  
M Wadley, Water Distribution Director  
C Guilbert, Administration Manager

## **STATES OF GUERNSEY WATER BOARD**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Board and of the surplus or deficit of the Board for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board. It is also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of the States Water Board to identify and install a system of internal controls, including financial control, which is adequate for its own purposes, and to safeguard the assets of the States of Guernsey in their care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is also responsible for the economical, efficient and effective management of public funds and other resources entrusted to it.

The States Water Board internal financial procedures include:

- An annual budget to allocate, control and monitor the use of capital and revenue resources, analysed by department and type of income/expenditure.
- The production of quarterly management accounts enabling income and expenditure to be monitored against budget.
- The production of monthly management accounting reports on capital expenditure, cashflow, distribution stock and compliance exception reports.
- Authorisation and control of the placing of orders.
- Authorisation and control of payments made.
- Regular review of debts, income and expenditure by type and department.
- Regular review of charges for water supplies and other services.
- Review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department.
- Consideration of all audit reports by the Board.

The Board strives to ensure that all staff with financial responsibilities have the necessary integrity, skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The Board's internal controls and accounting policies have been and are subject to continuous review and improvement.

In addition the financial statements are subject to independent external audit by auditors appointed by the States of Guernsey.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY WATER BOARD**

We have audited the financial statements of The States of Guernsey Water Board for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of the Board and auditors**

As described in the statement of responsibilities for the preparation of financial statements, the Board is responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report if, in our opinion, the statement of activities and performance is not consistent with the financial statements, if the Board has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the statement of activities and performance for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements and of whether the accounting policies are appropriate to the Board'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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Board's affairs as at 31 December 2001 and of its surplus for the year then ended.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

21 March 2002

# STATES OF GUERNSEY WATER BOARD

## REVENUE ACCOUNT

Year ended 31 December 2001

INCOME	Note	2001 £	2000 £
<b>Water supplies</b>			
Unmeasured		2,732,424	2,649,599
Measured		2,543,891	2,543,420
		<u>5,276,315</u>	<u>5,193,019</u>
Net surplus on other trading activities before management expenses and depreciation	2	178,565	203,998
<b>TOTAL OPERATING INCOME</b>		<u>5,454,880</u>	<u>5,397,017</u>
<b>Operating expenses</b>			
Water production		962,557	904,826
Water distribution		458,596	636,700
Water quality control		362,260	338,153
Property maintenance		150,074	120,599
		<u>1,933,487</u>	<u>2,000,278</u>
<b>Management expenses</b>			
General and financial management		298,372	271,123
Income collection		238,706	231,195
Technical and customer services		239,707	192,374
Administration, information technology, public relations and office expenses		215,240	193,376
		<u>992,025</u>	<u>888,068</u>
<b>TOTAL EXPENDITURE</b>		<u>2,925,512</u>	<u>2,888,346</u>
<b>OPERATING SURPLUS BEFORE DEPRECIATION AND SURPLUS ON SALE OF FIXED ASSETS</b>		2,529,368	2,508,671
Depreciation	4 & 5	(759,145)	(789,291)
Surplus on sale of fixed assets	4	8,412	17,602
Net (depreciation)/appreciation of sinking fund investment	6	(2,421)	8,483
<b>OPERATING SURPLUS FOR THE YEAR</b>		<u>1,776,214</u>	<u>1,745,465</u>
Net interest receivable	3	143,605	160,870
Surplus on sale of properties		-	239,140
<b>SURPLUS FOR THE YEAR</b>		<u>1,919,819</u>	<u>2,145,475</u>
Transfer to general reserve	4 & 10	(749,267)	(728,311)
Transfer to property development fund reserve	10	(73,926)	(317,186)
<b>RETAINED SURPLUS FOR THE YEAR, TRANSFERRED TO REVENUE ACCOUNT RESERVE</b>		<u>1,096,626</u>	<u>1,099,978</u>

All material activities derive from continuing operations.

There are no recognised gains and losses or other movements in reserves for the current or preceding financial years other than as stated in the revenue account.

## STATES OF GUERNSEY WATER BOARD

### BALANCE SHEET

31 December 2001

	Note	2001 £	2000 £
<b>TANGIBLE FIXED ASSETS</b>	5	20,638,682	18,492,873
<b>CONSOLIDATED SINKING FUND</b>			
States of Guernsey - contributions and interest	6	226,508	219,486
<b>CURRENT ASSETS</b>			
Stocks		506,676	494,538
Debtors and prepayments	7	899,664	808,179
Balances due from States Treasury:			
Funds held for capital expenditure	13	1,142,916	1,228,933
Property development fund	10 & 13	1,496,692	1,422,766
Cash at bank and in hand	13	95,663	163,836
		4,141,611	4,118,252
<b>CREDITORS: amounts falling due within one year</b>	8	634,645	377,674
<b>NET CURRENT ASSETS</b>		3,506,966	3,740,578
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		24,372,156	22,452,937
<b>CREDITORS: amounts falling due after more than one year</b>	9	243,200	243,800
<b>TOTAL NET ASSETS</b>		24,128,956	22,209,137
<b>RESERVES</b>	10	24,128,956	22,209,137

These financial statements were approved by the States of Guernsey Water Board on 21 March 2002.

Signed on behalf of the Board

E W WALTERS

President

# STATES OF GUERNSEY WATER BOARD

## CASH FLOW STATEMENT Year ended 31 December 2001

	Note	2001 £	2000 £
<b>Net cash inflow from operating activities</b>	11	<u>2,682,716</u>	<u>2,462,123</u>
<b>Returns on investments and servicing of finance</b>			
Interest received	3	152,177	169,461
Interest paid	3	(8,572)	(8,591)
Sinking fund interest reinvested	3	<u>(9,443)</u>	<u>(9,370)</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>		<u>134,162</u>	<u>151,500</u>
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(3,053,411)	(2,354,107)
Less: Customer contributions to mains		<u>148,457</u>	<u>17,054</u>
Additions to fixed assets		<u>(2,904,954)</u>	<u>(2,337,053)</u>
Receipts from sales of tangible fixed assets		<u>8,412</u>	<u>259,390</u>
<b>Net cash outflow from investing activities</b>		<u>(2,896,542)</u>	<u>(2,077,663)</u>
<b>Management of liquid resources</b>			
Decrease/(Increase) in amounts held with States Treasury	12	<u>12,091</u>	<u>(505,648)</u>
<b>Financing</b>			
Repayment of loan	12	<u>(600)</u>	<u>(600)</u>
<b>(Decrease)/increase in cash</b>	12 & 13	<u><u>(68,173)</u></u>	<u><u>29,712</u></u>

## STATES OF GUERNSEY WATER BOARD

### NOTES TO THE ACCOUNTS

Year ended 31 December 2001

#### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

##### Accounting convention

The financial statements are prepared under the historical cost convention.

##### Revenue

Operating revenue includes the estimated value of unbilled supplies as at 31 December 2001 amounting to £399,609 (2000: £362,376) calculated by reference to the value at which supplies will be invoiced. This total estimated value of unbilled supplies is included in debtors.

##### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Work of a capital nature undertaken by the Board is capitalised at cost of materials, supplies and services used plus associated costs of labour.

The Board accounts for disposal proceeds on property in the profit and loss account. They are then transferred to the property development fund reserve which provides for future property expenditure.

##### Depreciation

Depreciation is calculated at the following annual rates so as to write off the cost of tangible fixed assets over their anticipated useful lives using the straight line method. The calculations are based on capital expenditure incurred at the commencement of the accounting period with the exception of motor vehicles where depreciation is also charged on additions during the accounting period.

	Estimated life in years	Depreciation % per annum
Dam	50	2
Mains	50 - 10	2 - 10
Land and quarries	Nil	Nil
Structures and buildings	50 - 10	2 - 10
Fixed plant	20 - 10	5 - 10
Distribution meters	10	10
Office furniture, fittings and equipment	10 - 5	10 - 20
Mobile plant and equipment	5	20
Motor vehicles	5	20

The accounting records for mains analyse expenditure by reference to the year in which it was incurred without identifying individual items of expenditure.

The historical cost depreciation charge is inadequate to provide for the replacement of fixed assets, therefore, to meet this future expenditure, an annual transfer is made to the general reserve.

Following a review by the Board, it was agreed to change the remaining estimated life of the dam to 50 years. It was previously 167 years, giving an annual depreciation rate of 0.6%.

##### Stock

Stock which consists of materials for capital projects and consumables is valued at the lower of cost and net realisable value.

##### Pension costs

The costs of the defined benefit scheme are charged to the revenue account over the period during which the Board benefits from the employees' services. Surpluses or deficiencies are spread over the expected average remaining working lifetime of employees in proportion to their expected payroll costs.



# STATES OF GUERNSEY WATER BOARD

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 2. NET SURPLUS ON OTHER TRADING ACTIVITIES BEFORE MANAGEMENT EXPENSES AND DEPRECIATION

	2001 £	2000 £
<b>Mains and service laying trading account (a):</b>		
Charges for capital works (b)	369,741	324,546
Charges for maintenance works	105,530	226,710
Charges for other works	96,827	50,146
	<hr/>	<hr/>
	572,098	601,402
Expenditure	(437,032)	(431,403)
	<hr/>	<hr/>
Contribution to management expenses and depreciation	135,066	169,999
<b>Miscellaneous income:</b>		
Standard charges for service laying	130,459	86,398
Charges for work at ascertained cost	94,095	19,019
Property rental income	15,881	15,756
Miscellaneous sales	13,463	9,316
	<hr/>	<hr/>
	253,898	130,489
Expenditure	(210,399)	(96,490)
	<hr/>	<hr/>
Contribution to management expenses and depreciation	43,499	33,999
	<hr/>	<hr/>
<b>Net surplus on other trading activities before management expenses and depreciation</b>	<b>178,565</b>	<b>203,998</b>
	<hr/>	<hr/>

- (a) The Board operates a trading account for the provision of fully inclusive mains and service laying teams. This enables the Board to manage the costs of direct labour by charging a standard hourly rate irrespective of whether the work relates to a department within the Board or to an external consumer.
- (b) Charges for capital works include some works partly or wholly financed by consumer contributions as stated in the additional information to the financial statements.

### 3. NET INTEREST RECEIVABLE

	2001 £	2000 £
<b>Interest income:</b>		
Consolidated sinking fund (note 6)	9,443	9,370
Deposit accounts	142,734	160,091
	<hr/>	<hr/>
	152,177	169,461
<b>Interest expense:</b>		
Loans	(8,572)	(8,591)
	<hr/>	<hr/>
	143,605	160,870
	<hr/>	<hr/>

# STATES OF GUERNSEY WATER BOARD

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 4. DEPRECIATION

	2001 £	2000 £
Depreciation charge for the year (note 5)	759,145	789,291
Profit on sale of moveable fixed assets	(8,412)	(17,602)
	<u>750,733</u>	<u>771,689</u>
Transfer to general reserve (note 10)	749,267	728,311
	<u>1,500,000</u>	<u>1,500,000</u>

The transfer to the general reserve is required because the provision for depreciation under the historic cost convention is inadequate to meet the future replacement cost of assets.

### 5. TANGIBLE FIXED ASSETS

	1 January 2001 £	Additions £	Disposals £	31 December 2001 £
<b>Cost</b>				
Dam	309,360	-	-	309,360
Mains	16,680,244	1,602,796	-	18,283,040
Land and quarries	320,819	14,742	-	335,561
Structures and buildings	2,600,798	281,741	-	2,882,539
Fixed plant	3,228,088	724,360	-	3,952,448
Distribution meters	1,082,345	32,689	-	1,115,034
Office furniture, fittings and equipment	403,977	73,029	2,324	474,682
Mobile plant and equipment	265,992	82,832	1,472	347,352
Motor vehicles	522,021	92,765	50,407	564,379
	<u>25,413,644</u>	<u>2,904,954</u>	<u>54,203</u>	<u>28,264,395</u>
	1 January 2001 £	Charge for the year £	Disposals £	31 December 2001 £
<b>Depreciation</b>				
Dam	145,548	3,343	-	148,891
Mains	2,949,064	270,571	-	3,219,635
Structures and buildings	733,628	50,721	-	784,349
Fixed plant	1,708,536	175,066	-	1,883,602
Distribution meters	654,338	108,234	-	762,572
Office furniture, fittings and equipment	243,690	41,493	2,324	282,859
Mobile plant and equipment	214,864	15,328	1,472	228,720
Motor vehicles	271,103	94,389	50,407	315,085
	<u>6,920,771</u>	<u>759,145</u>	<u>54,203</u>	<u>7,625,713</u>
<b>Net book value</b>	<u>18,492,873</u>			<u>20,638,682</u>

# STATES OF GUERNSEY WATER BOARD

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 5. TANGIBLE FIXED ASSETS (continued)

During 1999 professional advice was taken to assess the current market value of the Board's main administrative property. A value of £585,000 was indicated. This is in excess of net book value, however, as the property is required for the Board's continuing operations and there is no immediate plan to relocate, the Board has decided it is not appropriate to incorporate this value into the financial statements.

Several properties have been identified by the Board as assets surplus to the Board's requirements. These properties have a negligible net book value. The Board is proposing to sell these properties as the opportunity arises.

### 6. CONSOLIDATED SINKING FUND - CONTRIBUTIONS AND INTEREST

	2001 £	2000 £
Balance brought forward at 1 January	219,486	201,633
Net (depreciation)/appreciation in value of sinking fund investment	(2,421)	8,483
Interest received reinvested in sinking fund (note 3)	9,443	9,370
	<hr/>	<hr/>
Balance carried forward at 31 December	226,508	219,486
	<hr/>	<hr/>

The consolidated sinking fund contributions and interest comprises funds held by the States Treasury on behalf of the Board. These funds are invested by the States Treasury and any gains or losses are passed on to the Board (see note 9). These investments include £170,956 (2000: £167,267) representing the market value of Water Loans repurchased on behalf of the Board.

### 7. DEBTORS AND PREPAYMENTS

	2001 £	2000 £
Estimated value of unbilled supplies	399,609	362,376
Consumers' accounts outstanding	434,780	407,698
Other debtors and prepayments	65,275	38,105
	<hr/>	<hr/>
	899,664	808,179
	<hr/>	<hr/>

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
General creditors	539,925	318,008
Deferred income	94,720	59,666
	<hr/>	<hr/>
	634,645	377,674
	<hr/>	<hr/>

## STATES OF GUERNSEY WATER BOARD

### NOTES TO THE ACCOUNTS

Year ended 31 December 2001

#### 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Loans falling due in five years or more:	Issued	Redeemable	2001 £	2000 £
<b>Description</b>				
Consolidated Sinking Fund				
3.75% Water	1933	1943/2008	22,000	22,000
3% Water	1937	1946/2011	80,000	80,000
3.5% Water	1938	1947/2012	55,000	55,000
4% Water	1940	1949/2014	80,000	80,000
			<u>237,000</u>	<u>237,000</u>
Redeemable by annual drawings				
3.25% Water	1935	1944/2009	6,200	6,800
			<u>243,200</u>	<u>243,800</u>

The total amount of the loans held by the States Treasury on behalf of the Board is £193,115 (2000: £191,765). The remainder of the loan i.e. £50,085 (2000: £52,035) is held by the general public.

The net debt arising from these arrangements is £16,693 (2000: £24,314) (see note 6).

#### 10. RESERVES

	Property Development Fund £	General Reserve £	Revenue Account £	Total £
Balance 1 January 2001	1,422,766	5,319,521	15,466,850	22,209,137
Surplus for the year	-	-	1,919,819	1,919,819
Provision for future replacement of assets (note 4)	-	749,267	(749,267)	-
Current year transfer to property development fund	73,926	-	(73,926)	-
	<u>1,496,692</u>	<u>6,068,788</u>	<u>16,563,476</u>	<u>24,128,956</u>

The general reserve is required to fund the asset base of the Board (note 4).

#### 11. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating surplus for the year	1,776,214	1,745,465
Net depreciation/(appreciation) of sinking fund investment	2,421	(8,483)
Depreciation charges and surplus on sale of moveable fixed assets (notes 4 and 5)	750,733	771,689
(Increase)/decrease in stock	(12,138)	4,909
(Increase) in debtors and prepayments	(91,485)	(84,145)
Increase in creditors due within one year	256,971	32,688
	<u>2,682,716</u>	<u>2,462,123</u>

# STATES OF GUERNSEY WATER BOARD

## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 12. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	£
Decrease in cash in the year	(68,173)
Net decrease in balances with States Treasury	(12,091)
Cash to repay loans	600
Change in net funds	(79,664)
Net funds at 1 January 2001	2,571,735
Net funds at 31 December 2001	2,492,071

### 13. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2001 £	Cash Flows £	At 31 December 2001 £
Cash at bank and in hand	163,836	(68,173)	95,663
Property development fund	1,422,766	73,926	1,496,692
Cash held with States Treasury	1,228,933	(86,017)	1,142,916
	2,815,535	(80,264)	2,735,271
Debt due after more than one year	(243,800)	600	(243,200)
Total	2,571,735	(79,664)	2,492,071

### 14. PENSION FUND

The employees of the States of Guernsey Water Board are members of the States of Guernsey Superannuation Scheme. This is a defined benefits pension scheme, funded by contributions from both employer and employee at rates which are determined periodically on the basis of actuarial advice and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. The report by the actuaries on the valuation of the Superannuation Fund at 31 December 1998 indicated that a surplus existed, however, the contribution rate to the Fund was increased with effect from 1 January 2000. The surplus is being amortised over the expected service lives of all the employees within the scheme. As the scheme is a multi employer arrangement, the Board is unable to identify its share of underlying assets and liabilities of the scheme or the implications of the surplus on the Board, as required by Financial Reporting Standard 17 "Retirement Benefits".

The total amount of superannuation contributions for the year ended 31 December 2001 was £133,846 (2000: £123,694), which were all paid during the year.

Further details relating to the funding of the Superannuation Scheme are provided in the Superannuation Fund section of the accounts of the States of Guernsey.

### 15. COMMITMENTS

Capital commitments at 31 December for which no provision has been made in these financial statements were as follows:

	2001 £	2000 £
Authorised but not contracted	95,767	1,228,679
Contracted	134,318	497,659
	230,085	1,726,338

## **STATES OF GUERNSEY WATER BOARD**

### **NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

#### **16. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Board are of the opinion that there have been no related party transactions in the current or preceding financial years.

Of the States Water Board's annual income and expenditure, less than 20% of their respective value is due to transactions with other States entities.

#### **17. CONTINGENCIES**

The Board is aware of a contractual claim against it relating to delays on the Northern Ring Main project. Interim payments have been made during 2000 and 2001 and a further £50,000 has been included as a contracted commitment pending final resolution of this claim. Part of the claim relates to delays following rejection of sub-standard pipes supplied by a third party and the Board hopes to reclaim some of these additional costs from the pipe supplier.

#### **18. STATEMENT OF CONTROL**

The States Water Board is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States Water Board has been delegated to the members of the Board who have been appointed by the States of Guernsey.

## STATES OF GUERNSEY WATER BOARD

### ADDITIONAL INFORMATION

The additional information on pages 165 to 166 has been prepared from the accounting records of the Board. While it does not form part of the financial statements, it should be read in conjunction with them and the auditors' report thereon.

## STATES OF GUERNSEY WATER BOARD

### FIXED ASSET ADDITIONS DURING 2001

<b>WATER DISTRIBUTION</b>	<b>£</b>	<b>£</b>
<b>Rehabilitation of Mains</b>		
Preparatory works for future contracts and completion of previous contracts	99,857	
Trunk main from Juas Water Treatment Works, Vale via St Peter Port to L'Aumone Junction, Castel	531,811	
Trunk Mains from Forest Road Service Reservoir to St Pierre Du Bois and St Martins	325,448	
Trunk Main from St Saviours Water Treatment Works to St Pierre Du Bois	186,338	
<b>Total rehabilitation of mains</b>		<b>1,143,454</b>
<b>Renewal of mains</b>		
Red Lion – Longstore, Les Banques, St Peter Port	148,543	
Moulin Huet, St Martins	42,475	
The Bordage & Rue Du Pre, St Peter Port	35,634	
Le Rue Du Chardronnet, Vale	23,284	
Rue du Banquet, Torteval	19,315	
Robergerie Road, St Sampsons	13,477	
Lowlands Road, St Sampsons	9,456	
Replacement of Mains by insertion of structural lining:		
La Route Du Coudre, St Peters	39,175	
Sous Les Hougues, Vale	35,532	
Northern Ring Main – Phase 1, North West Quadrant	32,098	
Lower Lines, Fort George, St Peter Port	18,636	
La Planque, Forest	16,645	
Victoria Avenue, St Sampsons	11,252	
Preel Close, Castel	7,805	
La Rue De La Rocques A L'Or, Torteval	6,315	
Other minor renewals	8,050	
<b>Total renewal of mains</b>		<b>467,692</b>
<b>Extension of Mains and General Distribution</b>		
Mains requisitioned by customers	130,094	
Purchase and installation of Meters	32,689	
Rationalisation of Mains	7,317	
Other Schemes in Progress	4,297	
<b>Total Extension of Mains and General Distribution</b>		<b>174,397</b>
<b>TOTAL WATER DISTRIBUTION</b>		<b>1,785,543</b>
<b>WATER TREATMENT</b>		
St Saviours Water Treatment Works:		
Sludge Disposal plant	253,937	
Feasibility Study and Pilot Plan prior to Major Improvement Project	75,761	
Kings Mills Water Treatment Works:		
Sludge treatment plant	120,540	
Renewal of Equipment and Machinery	29,299	
Juas Reservoir – Carbon Dosing Plant	16,578	
Other Schemes in progress	10,781	
<b>TOTAL WATER TREATMENT</b>		<b>506,896</b>
Carried forward		<b>2,292,439</b>

**STATES OF GUERNSEY WATER BOARD****FIXED ASSET ADDITIONS DURING 2001**

	<b>£</b>	<b>£</b>
<b>BROUGHT FORWARD</b>		2,292,439
<b>WATER RESOURCES</b>		
St Saviours Water Treatment Works:		
Washwater Recovery Plant	253,937	
Kings Mills Water Treatment Works:		
Washwater Recovery Plant	120,540	
Jamblin Reservoir Pumping Station – Improve Pipework and		
Controls prior to SCADA connection	43,658	
Sundry Renewals and Other Schemes in Progress	21,873	
	<hr/>	
<b>TOTAL WATER RESOURCES</b>		440,008
<b>CAPITAL EXPENDITURE FOR GENERAL PURPOSES</b>		
Motor vehicles	92,765	
Mobile plant and equipment	82,832	
Improvements to Head Office, Land and Property	76,999	
Computer Projects	54,273	
Office furniture and equipment	14,095	
	<hr/>	
<b>TOTAL GENERAL</b>		320,964
		<hr/>
<b>GROSS TOTAL CAPITAL EXPENDITURE</b>		3,053,411
Less: Consumers' contributions to capital mains		148,457
		<hr/>
<b>FIXED ASSET ADDITIONS</b>		2,904,954
Sale of vehicles and plant - net proceeds		8,412
		<hr/>
<b>NET FIXED ASSET ADDITIONS</b>		2,896,542
		<hr/> <hr/>



## STATES OF GUERNSEY ELECTRICITY BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE

Period from 1 April 2001 to 31 January 2002

#### Principal Activities

The principal activities of the States of Guernsey Electricity Board are the generation, importation and distribution of electricity and the sale of associated goods and services.

#### Financial Highlights

During the period to 31 January 2002, turnover from electricity sales increased by 3.4% compared to the corresponding ten month period. This represents a 3.5% increase in units billed and a 0.13% increase in the average price per unit. There were no tariff increases to our customers.

Interest earned on deposits held with the States Treasury amounted to £0.277 million for the period (£0.740 million for the year to 31 March 2001), with the final contribution to reserves standing at £0.224 million (£1.990 million for the year to 31 March 2001).

All three trading sections, Retail Sales, Repair & Care and Contracts, contributed £0.169 million to Guernsey electricity (£0.121 million previous 10 month period). Net contribution, after service charge, was £0.082 million (£0.046 million previous 10 month period).

Capital expenditure during the period to 31 January 2002 was £3.108 million (£22.558 million previous 10 month period).

#### Operational Highlights

##### Customers:

The number of customers increased by 56 (0.20%) from 27,462 to 27,518.

##### Units:

1 April 2001 to 31 January 2002 was the first full financial reporting period of electricity importation through the cable link between Guernsey, Jersey and the European grid. 83.30% of the island needs were met by the cable link to 31 January 2002 compared with just 11.74% for the previous period, as shown by the units analysis below:

	10 months to 31 January 2002	10 months to 31 January 2001	% change
Units imported MWh	208,021	30,000	+593.40
Units generated MWh	41,707	225,626	-81.51
Total units imported/generated MWh	249,728	255,626	-2.31

	10 months to 31 January 2002	10 months to 31 January 2001	% change
<b>Average price:</b>			
Average price per kWh billed (pence)	7.77	7.76	+0.13

#### Reliability

The reliability of Guernsey Electricity's supply is measured by minutes lost per customer. Power failures can be caused by a failure of generation plant, a failure of the distribution network or a failure of the cable link. As in the previous period customers lost no minutes due to generation activity in the current period. However, 32.51 minutes were lost in respect of distribution and the cable link. This compares with 5.93 minutes for the previous period. Our long established good record has been adversely impacted in the first full period of using the cable link, but these initial statistics should not detract from the significant long-term price and environmental benefits that this extra capacity from Europe provides.

## STATES OF GUERNSEY ELECTRICITY BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE (continued)

Period from 1 April 2001 to 31 January 2002

#### Other Matters

Preparations have continued for the Commercialisation of the States of Guernsey Electricity Board. Guernsey Electricity Limited was incorporated on 24 August 2001. Final States approval for the change in status was granted at the December 2001 meeting of the States of Deliberation.

Following completion of all the necessary legislation, the transfer of the business and the substantial part of the assets to Guernsey Electricity Limited became effective on 1 February 2002. The Electricity (Guernsey) Law, 2001 also came into effect from 1 February 2002 and replaced all earlier legislation including the Loi Relative a la Fourniture de l'Electricity, 1933.

The Director General of the Office of Utility Regulation has granted a licence to the new company, under the provisions of The Regulation of Utilities (Bailiwick of Guernsey) Law, 2001. The licences were signed on 1 February 2002.

#### Board Members and Principal Officers

Prior to its dissolution on 31 January 2002, the following were either Board Members or Principal Officers of the States of Guernsey Electricity Board:

##### Board Members

Deputy W M Bell - President  
 Douzenier W Le R Robilliard - Vice-president  
 Advocate I H Beattie  
 Mr K Guille  
 Douzenier B Sheriff  
 Deputy R L Collenette  
 Deputy A H Adam (appointed May 2001)

##### Principal Officers

Mr I Watson - General Manager  
 Mr N F Ozanne - Deputy General Manager  
 Mrs D J Le Noury - Financial Manager  
 Mr S J Morris - Chief Electrical Engineer  
 Mr D Wherry - Commercial Manager

#### Board of Directors

The board of directors of Guernsey Electricity Limited is as follows:

Deputy L C Morgan (appointed on incorporation, resigned 31 January 2002)

Deputy J E Langlois (appointed on incorporation, resigned 31 January 2002)

Mr K A Gregson	Chairman	(appointed 1 February 2002)
Mr R Tee	Non Executive Director	(appointed 1 February 2002)
Mr K Guille	Non Executive Director	(appointed 1 February 2002)
Mr J R Shaw	Non Executive Director	(appointed 1 February 2002)

Mr I Watson	Managing Director	(appointed 1 February 2002)
Mr N F Ozanne	Executive Director	(appointed 1 February 2002)
Mr S J Morris	Engineering Director	(appointed 1 February 2002)

The directors were appointed in accordance with the provisions of the States Trading Companies (Bailiwick of Guernsey) Ordinance, 2001.

## **STATES OF GUERNSEY ELECTRICITY BOARD**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

Section 9(1) of the Electricity Law 1933 required the Board to prepare proper books of account and an annual set of financial statements.

It was the responsibility of the Board that these financial statements should conform to the best commercial standards. These financial statements must give a true and fair view of the state of affairs of the Board as at the end of the financial period and of the surplus or deficit of the Board for that period. In preparing these financial statements the Board was required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to do so.

The Board was responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board and to enable it to ensure that the financial statements comply with Section 9(1) of The Electricity Law, 1933. It was also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board was dissolved at 11.59pm on 31 January 2002 and the Advisory and Finance Committee (the "Committee") on behalf of the States of Guernsey has assumed the above responsibility for the purposes of arranging the completion and approval of these financial statements.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

The Board was also responsible for the economical, efficient and effective management of public funds and all other resources entrusted to it. In order to fulfil its responsibilities, a number of internal controls have been put in place. These included:

- Periodic reviews of internal controls by the States Internal Audit Department.
- Prompt reporting of all audit reports to the Board for their consideration.
- The preparation of an annual budget and careful monitoring of this budget against actual income and expenditure throughout the year.
- In addition to the annual capital expenditure budget which was approved by the Board, individual capital items must be sanctioned by the Board before any expenditure can be incurred.
- The preparation of monthly management accounts and performance indicators which were presented to the Board within three weeks of the month end.
- Tendering guidelines have been approved by the Board and are used for purchases over £10,000. Guidelines were also in place for the procurement of items of less than £10,000.
- Members of staff who were authorised to raise orders have limits on the value of orders that they can place. Orders over a certain value (depending on the seniority of the officer) must have been approved by the Head of Department.
- A similar system was in place for the authorisation of invoices.
- Recruitment procedures were in place to ensure that staff were well matched to the jobs that they were required to perform.
- Guernsey Electricity was committed to the training, development and welfare of its staff so that they were well equipped to perform their duties.

To assist the Board in fulfilling its responsibilities, an Internal Control Function had been set up within Guernsey Electricity. The internal controls of Guernsey Electricity have been and were subject to continuous review and improvement.

In accordance with Section 9(2) of the Electricity Law, 1933 the Board's financial statements are subject to independent external audit by auditors appointed by the States.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY ADVISORY AND FINANCE COMMITTEE ON BEHALF OF THE STATES OF GUERNSEY**

We have audited the financial statements of the States of Guernsey Electricity Board for the period from 1 April 2001 to 31 January 2002 which comprise the revenue account, statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of the Board, Committee and auditors**

As described in the statement of responsibilities for the preparation of financial statements, the Board was responsible for the preparation of financial statements, prepared in accordance with applicable Guernsey law and United Kingdom accounting standards. However, the Board was dissolved at 11.59pm on 31 January 2002 and the Advisory and Finance Committee has assumed the above responsibilities for the purposes of arranging the completion and approval of these financial statements. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a fair and true view and are properly prepared in accordance with Section 9(1) of the Electricity Law, 1933. We also report if, in our opinion, the information on pages 167 and 168 is not consistent with the financial statements, if the Board has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the information on pages 167 and 168 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board'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 as to whether the financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Board's affairs as at 31 January 2002 and of its surplus for the period from 1 April 2001 to 31 January 2002 and have been properly prepared in accordance with Section 9(1) of the Electricity Law, 1933.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

8 April 2002

# STATES OF GUERNSEY ELECTRICITY BOARD

## REVENUE ACCOUNT

Period from 1 April 2001 to 31 January 2002

	Note	Period from 1 April 2001 to 31 January 2002 £	Year ended 31 March 2001 £
<b>INCOME</b>	2	21,308,634	26,604,065
<b>EXPENSES</b>			
Cost of imported units		5,334,093	1,379,822
Fuel oil		934,240	6,054,747
Other generation costs		2,688,899	3,329,969
Cable link	3	224,729	214,762
Distribution costs		1,652,692	1,994,716
Other sales costs		2,283,727	3,244,003
Finance and administration		2,395,172	2,714,174
Information technology		748,358	830,759
Stock provision		(125,134)	(43,556)
Depreciation	7	5,217,071	6,409,453
		<u>21,353,847</u>	<u>26,128,849</u>
<b>OPERATING (DEFICIT)/ CONTRIBUTION</b>	4	(45,213)	475,216
Net interest earned	5	269,579	729,202
Recovery from liquidator	6	-	785,453
		<u></u>	<u></u>
<b>SURPLUS FOR THE FINANCIAL PERIOD/YEAR, TRANSFERRED TO GENERAL RESERVE</b>	11	<u>224,366</u>	<u>1,989,871</u>

All activities derive from continuing operations.

**STATES OF GUERNSEY ELECTRICITY BOARD**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**Period from 1 April 2001 to 31 January 2002**

		<b>Period from 1 April 2001 to 31 January 2002 £</b>	<b>Year ended 31 March 2001 £</b>
	<b>Note</b>		
Surplus for the financial period/year		224,366	1,989,871
Customers' contributions towards capital expenditure	11	800,528	453,468
<b>TOTAL GAINS RECOGNISED</b>		<b>1,024,894</b>	<b>2,443,339</b>

# STATES OF GUERNSEY ELECTRICITY BOARD

## BALANCE SHEET

31 January 2002

	Note	31 January 2002 £	31 March 2001 £
<b>TANGIBLE FIXED ASSETS</b>	7	91,393,741	93,525,391
<b>CURRENT ASSETS</b>			
Stocks and work in progress	8	2,627,424	2,353,230
Debtors and prepayments	9	5,112,534	4,259,532
Balances with States Treasury		7,398,449	4,623,582
Cash at bank and in hand		177,078	452,929
		15,315,485	11,689,273
<b>CREDITORS: amounts falling due within one year</b>	10	5,668,245	5,117,983
<b>NET CURRENT ASSETS</b>		9,647,240	6,571,290
<b>CREDITORS: amounts falling due after more than one year</b>	3	1,146,771	1,227,365
<b>TOTAL NET ASSETS</b>		99,894,210	98,869,316
<b>GENERAL RESERVE</b>	11	99,894,210	98,869,316

As the States of Guernsey Electricity Board was dissolved at 11.59 pm on 31 January 2002 these accounts were approved by the States of Guernsey Advisory and Finance Committee on behalf of the States of Guernsey on 3 April 2002.

Signed on behalf of the Committee

DEPUTY L C MORGAN

President

**STATES OF GUERNSEY ELECTRICITY BOARD****CASH FLOW STATEMENT****Period from 1 April 2001 to 31 January 2002**

	<b>Note</b>	<b>Period from 1 April 2001 to 31 January 2002 £</b>	<b>Year ended 31 March 2001 £</b>
<b>Net cash inflow from operating activities</b>	12	4,567,763	6,625,994
<b>Returns on investments and servicing of finance</b>			
Interest received		277,191	739,553
Interest paid		(7,535)	(10,765)
<b>Net cash inflow from returns on investments and servicing of finance</b>		269,656	728,788
<b>Capital investment</b>			
Payments to acquire tangible fixed assets		(3,350,174)	(23,817,977)
Proceeds on disposal of tangible fixed assets		56,294	15,425
Customers' contributions towards capital expenditure		800,528	453,468
<b>Net cash outflow from investing activities</b>		(2,493,352)	(23,349,084)
<b>Net cash inflow/(outflow) before use of liquid resources and financing</b>		2,344,067	(15,994,302)
<b>Management of liquid resources</b>			
Net cash movements with States Treasury		(2,774,867)	15,783,803
<b>Net cash (outflow)/inflow from use of liquid resources</b>		(2,774,867)	15,783,803
<b>Financing</b>			
Recovery from liquidator		-	785,453
<b>Net cash inflow from financing</b>		-	785,453
<b>(Decrease)/increase in cash</b>	13 & 14	(430,800)	574,954

Movements in balances with States Treasury are deemed liquid resources in accordance with Financial Reporting Standard 1 (revised).



# STATES OF GUERNSEY ELECTRICITY BOARD

## NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Sales of electricity

Sales of electricity include the estimated value of unbilled units at the year end. The unbilled units are valued at current tariff rates.

#### Deferred income

Premium income receivable in respect of lease arrangements entered into, as described in note 3, is recognised over the initial period of the lease.

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

#### Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets over the period of their estimated useful lives using the straight line method. The estimated life of each class of fixed asset is set out below. Depreciation will commence in the year of acquisition or on completion of construction when a full year's depreciation will be charged. Ten months depreciation is charged in these financial statements. Any shortfall of depreciation arising on the disposal or write-off of fixed assets is charged to the disposals account and any proceeds arising from the disposal are credited to that account. Land is not depreciated.

	Estimated life in years	Depreciation % per annum
Land	-	0
Buildings	20 - 30	5 - 3.33
Cable Link	25	4
Plant and machinery - Generation	10 - 25	10 - 4
- Distribution	25	4
- Street lighting	10	10
Distribution network comprising:		
Distributors	25	4
Meters	15	6.67
Cyclocontrol receivers	5	20
Motor vehicles	5	20
Furniture and equipment	3 - 10	33.33 - 10
Minor plant	5 - 10	20 - 10

#### Customers' contributions towards capital expenditure

Customers' contributions towards capital expenditure are regarded as contribution to capital and are credited directly to the general reserve in the period of receipt.

#### Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

In respect of goods held for resale a provision is made based on the time elapsed since the goods were purchased. Provision is made for other stocks relating to strategic plant based upon the remaining useful economic life of the assets to which they relate.

#### Leases

Operating lease rentals are charged to income in equal annual amounts over the lease term.

## STATES OF GUERNSEY ELECTRICITY BOARD

### NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

#### 1. ACCOUNTING POLICIES (continued)

##### Pension costs

The costs of the defined benefit scheme are charged to the revenue account over the period during which the Board benefits from the employees' services. Surpluses or deficiencies are spread over the expected average remaining working lifetime of employees in proportion to their expected payroll costs.

##### Joint arrangements

The Channel Islands Electricity Grid Limited is a joint arrangement between the Jersey Electricity Company Limited and the States of Guernsey Electricity Board. The company was formed to manage the project and the ongoing operation of the cable link.

In accordance with Financial Reporting Standard No. 9, "Associates and Joint Ventures", these financial statements include the Board's entitlement to the assets, liabilities, cash flows and the shared items of this joint arrangement where the Board's entitlements are fully determined by contracts with the other party to the joint arrangement.

#### 2. INCOME

	Period from 1 April 2001 to 31 January 2002 £	Year end 31 March 2001 £
Sales of electricity	18,556,561	22,876,090
Other sales	2,506,005	3,428,571
Other income	246,068	299,404
	<u>21,308,634</u>	<u>26,604,065</u>

#### 3. CABLE LINK

Following the commissioning of the system, a number of fibres failed in the power cable between Guernsey and Jersey. This problem has been satisfactorily resolved

The Board had an ongoing obligation to its supplier, Electricité de France, to meet the cost of a minimum amount of electricity. This was a revenue commitment which amounted to approximately £1,115,000 per annum based on the tariff applicable at January 2002. The Board was also committed to contribute towards the reinforcement of the French network. This will amount to approximately £532,000 (31 March 2001: £621,000). This liability will be met over the life of the contract for the supply of electricity, which is 15 years from December 1997.

On 29 November 1999 the Board together with the Jersey Electricity Company Limited, entered into a 35 year lease and lease back arrangements in the amount of £70.13 million in respect of the installation and operation of the Interconnector system between France, Jersey and Guernsey. The counterparty in the arrangement is Natwest Offshore Limited.

On entering into the arrangements, the Board received an initial premium of £1.45 million which is amortised over 15 years (the initial period of the lease). At commencement annual receipts and payments under the lease and lease back arrangements both total £1.21m. This figure is set to escalate at 6% per annum over the duration of the lease. The Board had an unconditional right of set-off of all committed lease payments against lease receipts such that there was no risk that net lease payments would be required.

# STATES OF GUERNSEY ELECTRICITY BOARD

## NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

### 4. OPERATING (DEFICIT)/CONTRIBUTION

Operating (deficit)/contribution is after  
charging/(crediting):

	Period from 1 April 2001 to 31 January 2002 £	Year ended 31 March 2001 £
Depreciation (note 7)	5,217,071	6,409,453
Rentals under operating leases	33,693	37,200
(Profit)/loss on disposal of assets	(33,869)	2,717
Auditors' remuneration - audit	12,220	11,430
- non-audit services	13,250	1,500
Bad debts	2,610	4,256
Commercialisation costs	29,777	2,743
	<u>29,777</u>	<u>2,743</u>

### 5. NET INTEREST EARNED

	Period from 1 April 2001 to 31 January 2002 £	Year ended 31 March 2001 £
Deposits with banks and States Treasury	277,129	739,599
Less interest payable on:		
Bank overdraft	1,985	2,161
Security deposits	<u>5,565</u>	<u>8,236</u>
	(7,550)	(10,397)
Net interest earned	<u>269,579</u>	<u>729,202</u>

### 6. RECOVERY FROM LIQUIDATOR

No distribution was received in the current period/year (2000: £785,453). The Board had £5,350,000 on deposit with the Bank of Credit and Commerce International when it ceased trading on 5 July 1991. Since that date £4,116,633 has been recovered.

# STATES OF GUERNSEY ELECTRICITY BOARD

## NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

### 7. TANGIBLE FIXED ASSETS

	1 April 2001 £	Additions £	Written off /disposals £	31 January 2002 £
<b>Cost</b>				
Land and buildings	23,206,377	109,829	255	23,315,951
Cable link	32,638,905	(204,539)	-	32,434,366
Plant and machinery:				
Generation	63,155,690	540,017	640,332	63,055,375
Distribution & street lighting	5,646,392	966,906	16,250	6,597,048
Distribution network	21,977,328	1,356,294	10,939	23,322,683
Motor vehicles, furniture and equipment and minor plant	3,389,977	339,339	229,824	3,499,492
	<u>150,014,669</u>	<u>3,107,846</u>	<u>897,600</u>	<u>152,224,915</u>
	1 April 2001 £	Charge for the year £	Written off /disposals £	31 January 2002 £
<b>Depreciation</b>				
Land and buildings	8,775,119	707,476	-	9,482,595
Cable link	1,305,556	1,080,862	-	2,386,418
Plant and machinery:				
Generation	32,241,664	2,264,108	627,762	33,878,010
Distribution	2,121,684	164,663	15,244	2,271,103
Distribution network	9,716,049	654,980	9,893	10,361,136
Motor vehicles, furniture and equipment and minor plant	2,329,206	344,982	222,276	2,451,912
	<u>56,489,278</u>	<u>5,217,071</u>	<u>875,175</u>	<u>60,831,174</u>
<b>Net book value</b>	<u>93,525,391</u>			<u>91,393,741</u>
	1 April 2001 £	Additions £	Completed during year £	31 January 2002 £
<b>Assets in the course of construction included in above costs:</b>				
Plant and machinery - Gas Turbine Project:				
Gas Turbine No. 4	<u>2,835,755</u>	<u>416,612</u>	<u>-</u>	<u>3,252,367</u>

Subject to the fulfilment of certain conditions, further proceeds on the sale of the Mirrlees generators may arise. This contingent gain will be limited to a maximum of £120,000.

# STATES OF GUERNSEY ELECTRICITY BOARD

## NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

### 8. STOCKS AND WORK IN PROGRESS

	31 January 2002	31 March 2001
	£	£
Fuel stocks	691,460	453,554
Purchased goods for resale	261,110	325,397
Provision	(13,940)	(23,952)
	<u>247,170</u>	<u>301,445</u>
Other stocks	2,286,685	2,362,035
Provision	(746,490)	(861,612)
	<u>1,540,195</u>	<u>1,500,423</u>
Work in progress	148,599	97,808
	<u><u>2,627,424</u></u>	<u><u>2,353,230</u></u>

### 9. DEBTORS AND PREPAYMENTS

	31 January 2002	31 March 2001
	£	£
Estimated value of unbilled units	2,955,876	2,542,893
Customer accounts outstanding	1,203,719	1,334,524
Other debtors	613,744	70,950
Prepayments	339,195	311,165
	<u><u>5,112,534</u></u>	<u><u>4,259,532</u></u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 January 2002	31 March 2001
	£	£
Bank overdraft	212,639	57,690
Trade creditors	1,457,895	1,922,422
Customer payments received in advance	3,024,054	2,303,186
Deferred income (note 3)	96,713	96,713
Prepayments	876,944	737,972
	<u><u>5,668,245</u></u>	<u><u>5,117,983</u></u>

### 11. GENERAL RESERVE

	31 January 2002	31 March 2001
	£	£
Balance at 1 April	98,869,316	96,425,977
Customers' contributions towards capital expenditure	800,528	453,468
Transfer from revenue account	224,366	1,989,871
Balance at 31 January/31 March	<u><u>99,894,210</u></u>	<u><u>98,869,316</u></u>

The general reserve is required to fund the asset base of the Board.

## STATES OF GUERNSEY ELECTRICITY BOARD

### NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

#### 12. RECONCILIATION OF OPERATING (DEFICIT)/CONTRIBUTION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 1 April 2001 to 31 January 2002 £	Year ended 31 March 2001 £
Operating (deficit)/contribution	(45,213)	475,216
(Profit)/loss on disposal of assets	(33,869)	2,717
Depreciation charges	5,217,071	6,409,453
(Increase)/decrease in stocks and work in progress	(274,194)	174,786
Increase in debtors and prepayments	(853,064)	(185,134)
Increase/(decrease) in creditors	557,032	(251,044)
Net cash inflow from operating activities	<u>4,567,763</u>	<u>6,625,994</u>

#### 13. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	Period from 1 April 2001 to 31 January 2002 £	Year ended 31 March 2001 £
(Decrease)/increase in cash in the year	(430,800)	574,954
Cash used to increase/(decrease) liquid resources	<u>2,774,867</u>	<u>(15,783,803)</u>
Change in net funds	2,344,067	(15,208,849)
Net funds at 1 April	<u>5,018,821</u>	<u>20,227,670</u>
Net funds at 31 January/31 March	<u>7,362,888</u>	<u>5,018,821</u>

#### 14. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2001 £	Movements £	At 31 January 2002 £
Cash at bank and in hand	452,929	(275,851)	177,078
Bank overdraft	<u>(57,690)</u>	<u>(154,949)</u>	<u>(212,639)</u>
	395,239	(430,800)	(35,561)
Balances with States Treasury	<u>4,623,582</u>	<u>2,774,867</u>	<u>7,398,449</u>
	<u>5,018,821</u>	<u>2,344,067</u>	<u>7,362,888</u>

# STATES OF GUERNSEY ELECTRICITY BOARD

## NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

### 15. COMMITMENTS

#### Capital commitments

Capital commitments for which no provision has been made in these financial statements are:

	<b>31 January 2002 £</b>	<b>31 March 2001 £</b>
Contracted	3,123,888	6,947,160
Authorised but not contracted	9,553,869	4,173,400
	<u>12,677,757</u>	<u>11,120,560</u>

#### Operating lease commitments

The Board was committed to making the following payments during the next year in respect of an operating lease:

	<b>31 January 2002 £</b>	<b>31 March 2001 £</b>
Land and buildings		
Lease which expires:		
Beyond five years	41,815	51,200
	<u>41,815</u>	<u>51,200</u>

## STATES OF GUERNSEY ELECTRICITY BOARD

### NOTES TO THE ACCOUNTS

For the period 1 April 2001 to 31 January 2002

#### 16. POST BALANCE SHEET EVENT

In accordance with the States Trading Companies (Bailiwick of Guernsey) Ordinance 2001 the undertaking of the States of Guernsey Electricity Board was transferred and vested in Guernsey Electricity Limited with effect from 1 February 2002. Guernsey Electricity Limited is wholly owned by the States of Guernsey.

As part of the transfer arrangement, specified residential properties previously held by the States of Guernsey Electricity Board reverted to the States of Guernsey. All other properties have been revalued prior to the transfer to Guernsey Electricity Limited. Retained residential properties have been valued on an open market value basis and the primary industrial property ascribed a value based on estimated replacement costs.

Ownership of the two fibre optic cables laid at the same time as the electricity cable to France were transferred to Guernsey Electricity Limited. However, Heads of Agreement have provided for the States of Guernsey, or any other body it may designate in future, to enjoy permanent right of use of any capacity in the fibre optic cables not required for telemetering purposes. The capacity required for telemetering purposes was transferred at net book value as at 31 January 2002. The capacity over which the States of Guernsey retains use was transferred at a nominal value of £1.

All other assets were transferred at net book value as at 31 January 2002.

The effective transfer value at 1 February 2002 was:

	NBV 31 January 2002 £	Revaluation £	Transferred to States of Guernsey £	NBV 1 February 2002 £	Provisional figure as at 30 June 2001 £
<b>TANGIBLE FIXED ASSETS</b>	91,393,741	10,797,679	(1,483,045)	100,708,375	101,682,344
<b>Current assets</b>					
Fuel stocks	691,460	-	-	691,460	637,690
Other stocks and work in progress	1,935,964	-	-	1,935,964	1,805,317
Debtors and prepayments	5,112,534	-	-	5,112,534	3,948,596
Balances with the States Treasury	7,398,449	-	-	7,398,449	5,599,467
Cash at bank and in hand	177,078	-	-	177,078	6,458
<b>CREDITORS DUE WITHIN ONE YEAR</b>	(5,668,245)	-	-	(5,668,245)	(3,774,340)
<b>NET CURRENT ASSETS</b>	9,647,240	-	-	9,647,240	8,223,188
<b>CREDITORS DUE AFTER MORE THAN ONE YEAR</b>	(1,146,771)	-	-	(1,146,771)	(1,227,365)
<b>TOTAL NET ASSETS</b>	99,894,210	10,797,679	(1,483,045)	109,208,844	108,678,167

The revaluation uplift to fixed assets consists of £10,302,965 in respect of the power station and adjoining buildings and £494,714 in respect of residential properties.

The net book value of the assets that reverted to the States of Guernsey consists of £1,201,597 in respect of optic fibre cables and £281,448 in respect of domestic properties.

Guernsey Electricity Limited has issued 2 ordinary shares of £1 each to the States of Guernsey in initial consideration for the above and will shortly issue ordinary £1 shares for the full balance.

The provisional figures shown in the 30 June 2001 column are the figures which were disclosed in the Billet D'Etat dated 12 December 2001.



## STATES OF GUERNSEY ELECTRICITY BOARD

### NOTES TO THE ACCOUNTS

**For the period 1 April 2001 to 31 January 2002**

#### 17. PENSION FUND

The employees of the States Electricity Board are members of the States of Guernsey Superannuation Fund. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. As the Fund is a multi entity arrangement the States Electricity Board is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the States Electricity Board hence contributions are treated as if this were a defined contribution scheme in accordance with Financial Reporting Standard 17 "Retirement benefits".

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 "Retirement benefits":

"The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group."

The total amount of superannuation contributions for the period ended 31 January 2002 was £383,365 (year ended 31 March 2001: £452,690), which were all paid during the period.

#### 18. STATEMENT OF CONTROL

The States of Guernsey Electricity Board was wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States of Guernsey Electricity Board was delegated to the members of the Board who had been appointed by the States of Guernsey. See also note 16.

#### 19. RELATED PARTY TRANSACTIONS

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Board were of the opinion that there have been no disclosable related party transactions in this financial period.

Of the States of Guernsey Electricity Board's annual income and expenditure, less than 20% of their respective value is due to transactions with other States entities.

## STATES OF GUERNSEY POST OFFICE BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE

#### PRINCIPAL ACTIVITIES

The Board's principal activity is the provision of a postal service for the Bailiwick of Guernsey. The Board also markets its postage stamps and other philatelic products to stamp collectors worldwide.

#### OPERATIONAL PERFORMANCE

During the period the volumes of letter mail sent out from the Bailiwick to UK and International destinations further increased by 40% over 2000 to nearly 23 million items for the nine months.

Incoming and locally posted mail for local delivery increased during the nine months by 7% over 2000 to 21 million items.

The new Commercial Agreement signed with Consignia in 2000 has reduced the profitability of the outgoing letter mail, and overall the financial results for 2001 are consequently reduced over 2000.

Due to the effect of the States' staff number limitation policy, Post Office staff continued to work very substantial amounts of overtime in order to maintain the daily collection and delivery service.

#### OTHER MATTERS

With effect from 1 October 2001 the business undertaking of the Board was passed to Guernsey Post Limited, a newly incorporated States Trading Company which is 100% owned by the States of Guernsey.

The new Board of Guernsey Post Limited is listed below.

All the assets of the States of Guernsey Post Office Board passed to Guernsey Post Limited with the exception of the land and buildings of Postal Headquarters at Guelles Road which has been retained by the States. However Guernsey Post Limited will continue to occupy this building at a nominal rent until its new Postal Headquarters is completed. This is expected to be in September 2002.

#### POST OFFICE BOARD MEMBERS (UNTIL 30 SEPTEMBER 2001)

Deputy Mike Torode	President
Hirzel Dorey	Vice President
Deputy Mike Best	
Rupert Evans	
David Warr	

#### DIRECTORS OF GUERNSEY POST LIMITED (FROM 1 OCTOBER 2001)

Chris Spencer	Chairman
James Symons	Managing Director
Ernest Smith	Vice Chairman (deceased 17 October 2001)
Roger Perrot	Non-executive Director
David Roberts	Non-executive Director
David Warr	Non-executive Director
George Parker	Operations Director

## **STATES OF GUERNSEY POST OFFICE BOARD**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

Section 10(1) of The Post Office (Guernsey) Law, 1969 requires The States of Guernsey Post office Board (“the Board”) to prepare financial statements for each financial period which conform to best commercial standards. These statements must give a true and fair view of the state of affairs of the Board as at the end of the financial period and of the surplus or deficit of the Board for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to do so.

The Board was responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board and to enable it to ensure that the financial statements comply with Section 10(1) of The Post Office (Guernsey) Law, 1969. It was also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board was dissolved at 11.59pm on 30 September 2001 and the States of Guernsey Advisory and Finance Committee (the “Committee”) on behalf of the States of Guernsey has assumed the above responsibility for the purposes of arranging the completion and approval of these financial statements.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of each States Committee to identify and install a system of internal controls, including financial controls, which is adequate for its own purposes. Thus Committees are responsible for safeguarding the assets of the States of Guernsey in their care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Every States Committee is also responsible for the economical, efficient and effective management of public funds and other resources entrusted to it.

It is acknowledged that States Committees are subject to financial and manpower restrictions. Nevertheless, Committees have a duty to ensure that they fulfil their obligations to install and maintain adequate internal controls and safeguard the States resources for which they are responsible.

The States internal financial controls and monitoring procedures include:

- An annual budget and planning process to allocate, control and monitor the use of resources.
- Establishment of the States Audit Commission, consisting of a majority of non-States Members, with the primary objective of assisting Committees to ensure good management of States finances.
- Review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department.
- The requirement for all audit reports to be tabled at a meeting of the relevant States Committee to ensure that all Committee members are aware of their financial affairs.
- Regular review of the performance and security of the States' financial assets by the Advisory and Finance Committee's Investment Sub-Committee.

Through its staff recruitment and training the States of Guernsey Post Office Board strove to ensure that all those with financial responsibilities had the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The Board's internal controls and accounting policies have been subject to continuous review and improvement.

In accordance with Section 10(1) of The Post Office (Guernsey) Law, 1969, the Board's financial statements are subject to independent external audit by auditors appointed by the States.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY ADVISORY AND FINANCE COMMITTEE ON BEHALF OF THE STATES OF GUERNSEY POST OFFICE BOARD**

We have audited the financial statements of the States of Guernsey Post Office Board for the period from 1 January 2001 to 30 September 2001 which comprise the revenue account, the balance sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies therein.

### **Respective responsibilities of the Board, Committee and auditors**

As described in the statement of responsibilities for the preparation of financial statements, the Board was responsible for the preparation of financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. However, the Board was dissolved at 11.59pm on 30 September 2001 and the Advisory and Finance Committee, on behalf of the States of Guernsey, has assumed the above responsibilities for the purpose of arranging the completion and approval of these financial statements. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Section 10(1) of The Post Office (Guernsey) Law, 1969. We also report if, in our opinion, the information on page 184 is not consistent with the financial statements, if the Board has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the information on page 184 for the above period and consider the implications of our report if we become aware of any apparent misstatements.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board'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 as to whether the financial statements are free from material misstatement, whether caused by fraud or by other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Board's affairs as at 30 September 2001 and of its surplus for the period from 1 January 2001 to 30 September 2001 and have been properly prepared in accordance with Section 10(1) of The Post Office (Guernsey) Law, 1969.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

1 March 2002

# STATES OF GUERNSEY POST OFFICE BOARD

## REVENUE ACCOUNT

Period from 1 January 2001 to 30 September 2001

	Note	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
<b>POSTAL OPERATIONS</b>			
Income:			
Postal services	1	9,187,424	10,591,528
Remittance and agency services		178,165	239,837
		<hr/>	<hr/>
		9,365,589	10,831,365
Expenses	2	(8,386,373)	(8,988,430)
		<hr/>	<hr/>
<b>POSTAL SURPLUS</b>		979,216	1,842,935
		<hr/>	<hr/>
<b>PHILATELIC OPERATIONS</b>			
Income		1,129,588	1,732,769
Expenses	3	(811,491)	(1,066,147)
		<hr/>	<hr/>
<b>PHILATELIC SURPLUS</b>		318,097	666,622
		<hr/>	<hr/>
<b>OPERATING SURPLUS</b>	4	1,297,313	2,509,557
<b>OTHER INCOME</b>			
Interest receivable	5	732,285	1,022,090
Rents receivable		5,921	16,515
		<hr/>	<hr/>
		738,206	1,038,605
		<hr/>	<hr/>
<b>SURPLUS FOR THE FINANCIAL PERIOD/YEAR</b>		2,035,519	3,548,162
Contribution to Bailiwick General Revenues	6	(318,097)	(675,000)
		<hr/>	<hr/>
<b>RETAINED SURPLUS FOR THE FINANCIAL PERIOD/YEAR</b>	11	1,717,422	2,873,162
		<hr/>	<hr/>

All activities derive from continuing operations.

There are no recognised gains and losses or other movements in reserves for the current financial period or preceding financial year other than as stated in the revenue account.

# **STATES OF GUERNSEY POST OFFICE BOARD**

## **BALANCE SHEET**

**As at 30 September 2001**

	Note	30 September 2001 £	31 December 2000 £
<b>TANGIBLE FIXED ASSETS</b>	7	8,197,607	7,301,816
<b>CURRENT ASSETS</b>			
Stocks	8	150,073	137,942
Debtors	9	1,503,093	1,407,366
Balances with States Treasury		18,887,966	16,490,864
Cash at bank and in hand		710,107	790,666
		21,251,239	18,826,838
<b>CREDITORS: amounts falling due within one year</b>	10	(4,180,045)	(2,577,275)
<b>NET CURRENT ASSETS</b>		17,071,194	16,249,563
<b>TOTAL NET ASSETS</b>		25,268,801	23,551,379
<b>RESERVES</b>	11	25,268,801	23,551,379

As the States of Guernsey Post Office Board was dissolved at 11.59pm on 30 September 2001, these financial statements were approved by the States of Guernsey Advisory and Finance Committee, on behalf of the States of Guernsey 26 February 2002.

Signed on behalf of the Committee

L C MORGAN

President

**STATES OF GUERNSEY POST OFFICE BOARD**

**CASH FLOW STATEMENT**

**Period from 1 January 2001 to 30 September 2001**

	Note	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
<b>Net cash inflow from operating activities</b>	12	2,884,564	1,785,067
<b>Returns on investments and servicing of finance</b>			
Interest received		732,285	1,022,090
Rents received		5,921	16,515
<b>Net cash inflow on returns on investments and servicing of finance</b>		738,206	1,038,605
<b>Capital expenditure</b>			
Payment to acquire tangible fixed assets		(1,131,227)	(1,858,189)
Proceeds from sales of tangible fixed assets		-	16,211
<b>Net cash outflow from capital expenditure</b>		(1,131,227)	(1,841,978)
<b>Management of liquid resources</b>			
Increase in balance with States Treasury	13 & 14	(2,397,102)	(579,848)
<b>Contributions to Bailiwick General Revenues</b>		(175,000)	(674,500)
<b>Decrease in cash</b>	13 & 14	(80,559)	(272,654)

## STATES OF GUERNSEY POST OFFICE BOARD

### NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

#### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

##### Accounting convention

The financial statements are prepared under the historical cost convention.

##### Revenue

Sales of stamps and the crediting of franking machines are accounted for on a cash receivable basis.

##### Expenses

Postal operations expenses are charged as incurred. No provision is made for future delivery charges which may be incurred in respect of stamps and franking machine credits sold but unused at the balance sheet date.

##### Alderney regional stamp issues

Revenue and expense items in respect of Alderney regional stamp issues are included in the Board's revenue account for the period.

##### Stocks

The cost of definitive stamps is written off over the expected sales life of each type of stamp, which is unlikely to exceed five years. Commemorative stamp costs are fully written off in the year of issue. Stocks of stationery and spares are valued at the lower of cost and net realisable value.

##### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

##### Depreciation

Depreciation is calculated at the following annual rates so as to write off the cost of tangible fixed assets over their anticipated useful lives using the straight line method. The calculations are based on capital expenditure incurred at the end of the accounting period.

	Estimated life in years	Depreciation % per annum
Freehold land	Nil	Nil
Freehold buildings - postal headquarters	50	2
- other	30 - 50	2 - 3.3
Furniture and fittings, office equipment and postal machinery	3 - 10	10 - 33.3
Transport	5	20

##### Pension costs

The costs of the defined benefit scheme are charged to the revenue account over the period during which the Board benefits from the employees' services. Surpluses or deficiencies are spread over the expected average remaining working lifetime of employees in proportion to their expected payroll costs.

##### Leases

Rentals are charged to the revenue account in equal annual amounts over the lease term.



# STATES OF GUERNSEY POST OFFICE BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 2. EXPENSES - POSTAL OPERATIONS

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Mail operations wages, superannuation and other staff expenses	3,417,503	4,844,547
Conveyance of mail	2,704,278	1,729,374
Post Office counter expenses	665,052	1,095,629
General administration	576,321	593,087
Other operational expenses	1,023,219	725,793
	<u>8,386,373</u>	<u>8,988,430</u>

### 3. EXPENSES - PHILATELIC OPERATIONS

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Philatelic operations wages and superannuation	283,832	357,830
Agents' expenses	118,367	184,661
Sales and marketing	52,739	81,479
Computer services	59,902	69,281
Printing, stationery, stamp production and postage	203,727	226,561
Other operational expenses	92,924	146,335
	<u>811,491</u>	<u>1,066,147</u>

### 4. OPERATING SURPLUS

Operating surplus is after  
charging/(crediting):

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Salaries, wages and superannuation	4,417,347	5,778,017
Auditors' remuneration		
Audit fee	10,484	9,894
Other services	6,500	-
Loss/(profit) on disposal of fixed assets	2,646	(9,178)
Depreciation	232,790	301,338
	<u></u>	<u></u>

Certain salary and wages costs have been allocated to relevant expense headings in notes 2 and 3.

# STATES OF GUERNSEY POST OFFICE BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 5. INTEREST RECEIVABLE

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
States Treasury	711,351	1,014,598
Other	20,934	7,492
	<u>732,285</u>	<u>1,022,090</u>

### 6. CONTRIBUTION TO BAILIWICK GENERAL REVENUES

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Guernsey	289,468	614,250
Alderney	22,267	47,250
Sark	6,362	13,500
	<u>318,097</u>	<u>675,000</u>

Of the total contribution, £318,097 had not been paid as at 30 September 2001 (2000: £175,000).

### 7. TANGIBLE FIXED ASSETS

	1 January 2001 £	Additions £	Written off /disposals £	30 September 2001 £
<b>Cost</b>				
Freehold buildings	5,697,748	1,062,269	-	6,760,017
Furniture and fittings	640,434	8,165	(49)	648,550
Office equipment	754,357	59,023	(140)	813,240
Postal machinery	342,733	1,770	(25,560)	318,943
Transport	585,632	-	-	585,632
Freehold land	2,215,638	-	-	2,215,638
	<u>10,236,542</u>	<u>1,131,227</u>	<u>(25,749)</u>	<u>11,342,020</u>
	1 January 2001 £	Charge for the period £	Written off /disposals £	30 September 2001 £
<b>Depreciation</b>				
Freehold buildings	1,235,799	73,189	-	1,308,988
Furniture and fittings	530,739	19,728	(49)	550,418
Office equipment	565,723	74,658	(50)	640,331
Postal machinery	249,089	8,601	(23,004)	234,686
Transport	353,376	56,614	-	409,990
	<u>2,934,726</u>	<u>232,790</u>	<u>(23,103)</u>	<u>3,144,413</u>
<b>Net book value</b>	<u>7,301,816</u>			<u>8,197,607</u>

# STATES OF GUERNSEY POST OFFICE BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 8. STOCKS

	30 September 2001 £	31 December 2000 £
Stamps and stationery	129,486	112,357
Other stocks	20,587	25,585
	<u>150,073</u>	<u>137,942</u>

### 9. DEBTORS

	30 September 2001 £	31 December 2000 £
Postal debtors	1,284,018	1,148,806
Philatelic debtors	115,684	124,138
Prepayments	86,993	79,334
Other debtors	16,398	55,088
	<u>1,503,093</u>	<u>1,407,366</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2001 £	31 December 2000 £
Postal creditors	1,302,565	314,077
Agency services balances	655,349	680,891
Philatelic customers' balances	200,018	202,064
Other creditors	2,022,113	1,380,243
	<u>4,180,045</u>	<u>2,577,275</u>

Included within other creditors is an amount of £500,000 (2000: £500,000), which was paid on 3 October 2001, in respect of the purchase of land.

### 11. RESERVES

	General reserve £	Revenue account £	Total £
Balance brought forward at 1 January 2001	16,000,000	7,551,379	23,551,379
Retained surplus for the financial period	-	1,717,422	1,717,422
	<u>16,000,000</u>	<u>9,268,801</u>	<u>25,268,801</u>

The general reserve represents the Board's fixed assets together with sums set aside to fund future capital expenditure.

# STATES OF GUERNSEY POST OFFICE BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 12. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 1 January 2001 to 30 September 2001 £	Year to 31 December 2000 £
Operating surplus	1,297,313	2,509,557
Depreciation charges	232,790	301,338
Loss/(profit) on disposal of fixed assets	2,646	(9,178)
Increase in stocks	(12,131)	(6,690)
Increase in debtors	(95,727)	(137,746)
Increase/(decrease) in creditors	1,459,673	(872,214)
<b>Net cash inflow from operating activities</b>	<b>2,884,564</b>	<b>1,785,067</b>

### 13. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	£
Decrease in cash in the period	(80,559)
Increase in balances with States Treasury	2,397,102
Change in net funds	2,316,543
Net funds at 1 January 2001	17,281,530
Net funds at 30 September 2001	19,598,073

### 14. ANALYSIS OF THE BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	30 September 2001 £	1 January 2001 £	Change in period £
Balances with States Treasury	18,887,966	16,490,864	2,397,102
Cash at bank and in hand	710,107	790,666	(80,559)
<b>Total</b>	<b>19,598,073</b>	<b>17,281,530</b>	<b>2,316,543</b>

### 15. CAPITAL COMMITMENTS

At 30 September 2001 the Board had authorised future capital expenditure as follows:

	30 September 2001 £	31 December 2000 £
New Postal Headquarters contracted but not provided	10,468,000	-

# STATES OF GUERNSEY POST OFFICE BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 16. PENSION FUND

The employees of the States of Guernsey Post Office Board are members of the States of Guernsey Superannuation Scheme. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of actuarial advice, and which are calculated to spread the expected costs of benefits payable to employees over the period of those employees' expected service lives. The report by the actuaries on the valuation of the Superannuation Fund at 31 December 1998 indicated that a surplus existed, however the contribution rate to the Fund was increased with effect from 1 January 2000. The surplus is being amortised over the expected service lives of all the employees within the Scheme. As the Scheme is a multi employer arrangement, the Board was unable to identify its share of underlying assets and liabilities of the Scheme or the implications of the surplus on the Board, as required by Financial Reporting Standard 17 "Retirement Benefits".

The total amount of superannuation contributions for the period from 1 January 2001 to 30 September 2001 was £175,271 (31 December 2000: £233,762). At 30 September 2001 the amount of contributions due but not paid to the Fund was £22,270 (2000: £23,220).

Further details relating to the funding of the Superannuation Scheme are provided in the Superannuation Fund section of the accounts of the States of Guernsey.

### 17. POST BALANCE SHEET EVENTS

The States of Guernsey Post Office Board was dissolved at 11.59pm on 30 September 2001. In accordance with the States Trading Companies (Bailiwick of Guernsey) Ordinance 2001 the undertaking of the Board was transferred and vested in Guernsey Post Limited with effect from 1 October 2001. Guernsey Post Limited is wholly owned by the States of Guernsey.

As part of the transfer arrangement the freehold of the existing postal headquarters land and buildings was retained by the States of Guernsey, who simultaneously granted a 1 year leasehold interest, renewable quarterly thereafter, to Guernsey Post Limited. Other freehold land and properties, previously held by the Board, were transferred to Guernsey Post Limited on the basis of open market value recognising current use, which resulted in a revaluation uplift of £1,202,225.

The effective transfer value at 1 October was:

	30 September 2001 £	Revaluation £	Retained by States of Guernsey £	Transferred to Guernsey Post Limited 1 October 2001 £	Provisional figure as at 30 June 2001 £
<b>TANGIBLE FIXED ASSETS</b>	<u>8,197,607</u>	<u>1,202,225</u>	<u>(4,084,767)</u>	<u>5,315,065</u>	<u>4,668,460</u>
<b>CURRENT ASSETS</b>					
Stocks	150,073	-	-	150,073	137,942
Debtors	1,503,093	-	-	1,503,093	1,423,961
Balance with Treasury	18,887,966	-	-	18,887,966	18,353,061
Cash at bank and in hand	<u>710,107</u>	<u>-</u>	<u>-</u>	<u>710,107</u>	<u>559,915</u>
	<u>21,251,239</u>	<u>-</u>	<u>-</u>	<u>21,251,239</u>	<u>20,474,879</u>
<b>Creditors due within one year</b>	<u>(4,180,045)</u>	<u>-</u>	<u>-</u>	<u>(4,180,045)</u>	<u>(2,261,145)</u>
<b>NET CURRENT ASSETS</b>	<u>17,071,194</u>	<u>-</u>	<u>-</u>	<u>17,071,194</u>	<u>18,213,734</u>
<b>TOTAL NET ASSETS</b>	<u>25,268,801</u>	<u>1,202,225</u>	<u>(4,084,767)</u>	<u>22,386,259</u>	<u>22,882,194</u>

## **STATES OF GUERNSEY POST OFFICE BOARD**

### **NOTES TO THE ACCOUNTS**

**For the period 1 January 2001 to 30 September 2001**

#### **17. POST BALANCE SHEET EVENTS (continued)**

Guernsey Post Limited has issued 2 ordinary shares of £1 each to the States of Guernsey in initial consideration for the above and will shortly issue ordinary £1 shares for the full balance.

The provisional figures shown in the 30 June 2001 column are the figures which were disclosed in the Billet D'Etat dated 26 September 2001.

#### **18. STATEMENT OF CONTROL**

The States of Guernsey Post Office Board is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States of Guernsey Post Office Board was delegated to the members of the Board who had been appointed by the States of Guernsey. See also note 17.

#### **19. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Board are of the opinion that there have been no material related party transactions in this financial year.

Of the States of Guernsey Post Office Board's annual income and expenditure, less than 20% of their respective value is due to transactions with other States entities.

## **STATES TELECOMMUNICATIONS BOARD**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

Section 9(1) of The Telecommunications (Guernsey) Law, 1972 requires the States Telecommunications Board (“the Board”) to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Board as at the end of the financial period and of the surplus or deficit of the Board for that period. In preparing those financial statements, the Board was required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The Board was responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board and to enable it to ensure that the financial statements comply with Section 9(1) of The Telecommunications (Guernsey) Law, 1972. It was also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board was dissolved at 11.59pm on 30 September 2001 and the Advisory and Finance Committee (the “Committee”) on behalf of the States of Guernsey has assumed the above responsibility for the purposes of arranging the completion and approval of these financial statements.

## **STATES TELECOMMUNICATIONS BOARD**

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It was the responsibility of the Board to identify and install a system of internal controls, including financial control, which was adequate for its own purposes. Thus the Board was responsible for safeguarding the assets of the States of Guernsey in its care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board was also responsible for the economical, efficient and effective management of public funds and other resources entrusted to it.

The Board's internal financial controls and monitoring procedures included:

- authorisation procedures for the raising of orders, invoice payment and the signing of cheques;
- an annual budget and planning process to allocate, control and monitor the use of resources, including non-financial performance statistics;
- quarterly reports to the Board on financial performance, including an update to the projected outcome for the year;
- review and appraisal of the soundness, adequacy and application of internal controls. Such reviews and appraisals were carried out internally by the Board. However, from time to time certain controls are reviewed and appraised by the States Internal Audit Department;
- in accordance with The Telecommunications (Guernsey) Law, 1972, the annual accounts are subject to an independent external audit by auditors appointed by the States; and
- audit reports were tabled at a meeting of the Board to ensure that all Board members were aware of all financial affairs.

Through staff recruitment and training the Board strove to ensure that all those with financial responsibilities had the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

The Board's internal controls and accounting policies have been subject to continuous review and improvement.



## STATES TELECOMMUNICATIONS BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE

#### Principal Activities

The principal activity of the Board was the provision of fixed and mobile telecommunications services to both residential and business customers in the Bailiwick of Guernsey.

#### Financial Highlights

Operating surplus for the period 1 January 2001 to 30 September 2001 was £2.6 million compared with £0.01 million for the whole of 2000. The overall surplus for the year was £3.1 million in relation to £0.9 million in 2000. The key drivers of the Board's improved profitability to date in 2001 are detailed below.

Turnover of £25.7 million has been driven by the following factors:

- The continued growth in Guernsey GSM services fuelled by the successful rollout of prepay mobile with subscriber numbers rising sharply in 2001. Equally, although the number of postpay subscribers has remained largely static, the mix of postpay subscribers has changed with a higher proportion of high spend roamer tariffs in 2001.
- The rise in miscellaneous income following greater demand for business systems and structured cabling equipment.
- The increase in call income with more calls to mobile handsets and higher internet access traffic.

The most significant tariff changes during 2001 were as follows:

Quarterly exchange line rental	£12.00 from £11.10	+8.1%
Untimed local calls (per call)	5.0p from 4.5p	+11.1%
International mobile calls – Austria and New Zealand	40 ppm from 20 ppm	+50%
International mobile calls – Belgium and Germany	25 ppm from 10 ppm	+150%
International mobile calls - France and Irish Republic	25 ppm from 8 ppm	+213%

Calls to international mobiles increased significantly due to a differential charge being introduced by the interconnecting network operators for calls to an international mobile number compared to calls to an international fixed number.

Revenue expenditure during the period was £23.1 million. The main drivers behind this are:

- Network maintenance costs have increased because of the introduction of the Guernsey-Alderney-Sark-Guernsey SDH Radio Link, support and improved software for the new GSM second switch and upgrades to System X.
- Office salaries and wages have risen following a review of the company's pay structure, an increase in the number of staff and RPI.

Fixed asset additions of £5.5 million include £0.2 million on the St. Sampson's West underground cabling scheme, £1.1 million on the Guernsey-Alderney-Sark-Guernsey SDH Radio Link, £1.7 million on the SDH Broadband Network, £0.2 million on the Converse Platform and £0.7 million on the rationalisation of the System X Switches.

## STATES TELECOMMUNICATIONS BOARD

### STATEMENT OF ACTIVITIES AND PERFORMANCE (continued)

#### Operational Performance

The number of fixed exchange lines grew to 54,418 by the end of 2001, an increase of 2.5% compared to the end of 2000. Strong growth was again experienced on the GSM mobile network where the number of pre-pay subscribers rose to 11,826, although the number of postpay subscribers remained fairly static at 17,173. GSM roaming was extended to 67 countries over 135 operator networks.

#### Board Members and Principal Officers

President	Deputy M E W Burbridge (until September 2001)
Vice President	Deputy I F Rihoy (until May 2001) Deputy M M Lowe (from June 2001 until September 2001)
Chairman	Mr D R Jehan
Members	Mr R G Knight Mr K Long Mr A W Mullee Mr P Bachmann (from October 2001) Mr M Ferbrache (from October 2001) Deputy B J Gabriel (until September 2001) Deputy D P Earl (until September 2001) Deputy J E Langlois (until July 2001) Deputy L C Morgan (until September 2001) Deputy D Jones (until August 2001) Deputy B Flouquet (from August 2001 until September 2001) Mr M O'Hara (from June 2001 until September 2001)
Chief Executive	A W Mullee
Deputy Chief Executive	R C Cleal
Finance Director	Mr K Long ACMA
Director of Product Portfolio	S J Fitzgerald
Director of Sales and Marketing	Mr S Thomas
Director of Network Services	Mr B Corbin

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY ADVISORY AND FINANCE COMMITTEE ON BEHALF OF THE STATES OF GUERNSEY**

We have audited the financial statements of States Telecommunications Board for the period from 1 January 2001 to 30 September 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of the Board, Committee and auditors**

As described in the statement of responsibilities for the preparation of financial statements, the Board was responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. However the Board was dissolved at 11.59pm on 30 September 2001 and the Advisory and Finance Committee on behalf of the States of Guernsey has assumed the above responsibilities for the purposes of arranging the completion and approval of these financial statements. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Section 9 (1) of The Telecommunications (Guernsey) Law, 1972. We also report if, in our opinion, the information on page 197 is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the information on pages 198 to 200 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee in the preparation of the financial statements and of whether the accounting policies are appropriate to the Board'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 financial statements 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 financial statements.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the Board's affairs as at 30 September 2001 and of its surplus for the period from 1 January 2001 to 30 September 2001 and have been properly prepared in accordance with Section 9 (1) of The Telecommunications (Guernsey) Law, 1972.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bording  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

1 March 2002

# STATES TELECOMMUNICATIONS BOARD

## REVENUE ACCOUNT

Period from 1 January 2001 to 30 September 2001

	Note	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 As restated £
<b>INCOME</b>			
Exchange lines and other rentals		5,667,199	7,412,561
Local calls		1,566,691	1,939,155
Trunk calls		3,850,227	4,305,083
Other calls		2,657,599	3,817,461
Interconnection receipts from other telecoms companies		2,446,276	2,696,039
Connection and other charges		1,005,681	1,196,518
Guernsey GSM services		6,414,655	6,315,994
Miscellaneous income		2,141,446	2,156,839
<b>TOTAL INCOME</b>	2	25,749,774	29,839,650
<b>EXPENDITURE</b>			
Direct cost of income		1,851,146	2,260,673
Network maintenance		1,957,248	2,166,935
Installation and maintenance of customer equipment		456,664	1,237,330
Building maintenance and services		690,379	1,068,559
Finance and administration		2,904,018	3,777,467
Interconnection payments to other telecoms companies		3,588,912	4,363,896
General expenses		2,046,179	2,985,392
Office salaries and wages		6,479,968	7,551,255
Depreciation and loss on disposals	3	3,125,263	4,415,412
<b>TOTAL EXPENDITURE</b>		23,099,777	29,826,919
<b>OPERATING SURPLUS</b>	3	2,649,997	12,731
<b>INTEREST RECEIVABLE</b>	4	415,307	844,248
<b>SURPLUS FOR THE FINANCIAL YEAR, TRANSFERRED TO RESERVES</b>	9	3,065,304	856,979

All activities are derived from continuing operations.

The comparative figures for the year ended 31 December 2000 have been restated to reflect the change of classification for salaries and wages.

There are no other movements in reserves other than the profit for the current period and prior financial year.

# STATES TELECOMMUNICATIONS BOARD

## BALANCE SHEET

As at 30 September 2001

	Note	30 September 2001 £	31 December 2000 £
<b>TANGIBLE FIXED ASSETS</b>	5	33,712,891	31,354,967
<b>CURRENT ASSETS</b>			
Stocks	6	1,010,865	1,352,455
Debtors	7	7,523,925	6,852,992
Balances with States Treasury		9,252,133	12,588,996
Cash at bank and in hand		219,414	909,540
		18,006,337	21,703,983
<b>CREDITORS: amounts falling due within one year</b>	8	5,107,073	9,512,099
<b>NET CURRENT ASSETS</b>		12,899,264	12,191,884
<b>TOTAL NET ASSETS</b>		46,612,155	43,546,851
<b>RESERVES</b>	9	46,612,155	43,546,851

As the States Telecommunications Board was dissolved at 11.59pm on 30 September 2001 these accounts were approved by the States of Guernsey Advisory and Finance Committee on behalf of the States of Guernsey on 26 February 2002.

Signed on behalf of the Committee

LC MORGAN

President

# STATES TELECOMMUNICATIONS BOARD

## CASH FLOW STATEMENT

Period from 1 January 2001 to 30 September 2001

	Note	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Net cash inflow from operating activities	10	4,258,926	4,024,591
<b>Returns on investments and servicing of finance</b>			
Interest received		415,307	844,248
<b>Net cash inflow from returns on investments and servicing of finance</b>		415,307	844,248
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(8,711,345)	(4,096,435)
Receipts from sales of tangible fixed assets		10,123	9,617
<b>Net cash outflow from investing activities</b>		(8,701,222)	(4,086,818)
<b>Management of liquid resources</b>			
Decrease/(increase) in amounts held with States Treasury		3,336,863	(534,688)
<b>(Decrease)/increase in cash</b>	11 & 12	(690,126)	247,333

# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### Change of accounting reference date

During the period the accounting reference date has changed from 31 December to 30 September.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Tangible fixed assets

Expenditure on tangible fixed assets is capitalised at cost. Conventional fixed asset accounting procedures exist for individual assets having a total net book value of £32,087,129 (31 December 2000: £28,249,279). As at 30 September 2001, fixed asset costs include £1,695,898 (31 December 2000: £6,044,211) for assets under construction for which no depreciation has been charged.

For all other assets, additions are recorded and maintained by reference to category and year of acquisition. Depreciation is charged against the cost of the asset category as shown below. Assets are written out of the accounting records at the end of their expected useful life as determined from the year of acquisition and the asset categories' expected useful life. During the period, the economic useful life, of certain assets was revised and this resulted in additional depreciation, as described in note 3.

#### Computer system development costs

Computer development costs are written off as incurred.

#### Depreciation

Depreciation of tangible fixed assets is provided on a straight line basis by reference to historical cost and the estimated working lives of the assets. Depreciation commences in the month following on from the acquisition date. The lives assigned to major categories of fixed assets are:

	Estimated life in years	Depreciation % per annum
Leasehold improvements	10	10
Distribution and transmission lines	8 - 20	12.5 - 5
Distribution and transmission equipment	4 - 15	25 - 6.66
Exchange equipment	5 - 20	20 - 5
Mobile communication equipment	4 - 15	25 - 6.66
Customers' equipment	4 - 12	25 - 8.33
Motor vehicles	5 - 10	20 - 10
Tools and test equipment	3 - 13	33.33 - 7.69
Internet equipment	4 - 8	25 - 12.5
Freehold buildings	50	2
Utilities installations	5 - 15	20 - 6.66
IT Equipment	3 - 7	33.33 - 14.29
Office Equipment	3 - 10	33.33 - 10

No depreciation is provided on freehold land.

#### Stock

Stock is valued at the lower of cost and net realisable value

# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 1 ACCOUNTING POLICIES (continued)

#### Pension costs

The costs of the defined benefit scheme are charged to the revenue account over the period during which the Board benefits from the employees' services. Surpluses or deficiencies are spread over the expected average remaining working lifetime of employees in proportion to their expected payroll costs.

#### Leases

Rentals are charged to the revenue account in equal amounts over the lease term.

### 2. TOTAL INCOME

Total income comprises the gross invoiced value of all services provided and equipment sold in the period. It includes the value of unbilled calls as at 30 September 2001 amounting to £2,597,277 (31 December 2000: £2,418,142) calculated by reference to the amount at which calls will be billed. This total value of unbilled calls is included in debtors.

### 3. OPERATING SURPLUS

Operating surplus is after charging/(crediting):

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Depreciation – normal	2,981,628	3,881,393
Depreciation – exceptional	143,635	533,730
Profit on disposal of fixed assets	(10,123)	(4,654)
Auditors' remuneration:		
Audit fee	19,695	36,045
Non-audit services	8,500	6,762
Rentals under operating leases	45,000	45,000
Commercialisation costs	74,696	-

Following a review of the useful economic lives of tangible fixed assets, a number of assets were identified that required additional depreciation resulting in a further £143,635 being charged in this period.

### 4. INTEREST RECEIVABLE

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Interest on bank and States of Guernsey Treasury Deposits	415,307	844,248



# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 5. TANGIBLE FIXED ASSETS

	1 January 2001 £	Additions £	Disposals £	Transfers £	30 September 2001 £
<b>Cost</b>					
Freehold land and buildings	4,361,025	110,118	-	(565,543)	3,905,600
Leasehold improvements	239,529	-	-	19,720	259,249
Utilities installations	-	240,631	-	554,004	794,635
Office equipment	-	-	-	907,554	907,554
Distribution and transmission lines	20,574,560	649,499	-	(39,755)	21,184,304
Distribution and transmission equipment	7,983,742	2,741,808	-	(831,412)	9,894,138
Exchange equipment	14,290,071	1,261,641	-	(1,287,262)	14,264,450
Mobile communication equipment	5,518,495	(16,943)	-	2,132,775	7,634,327
Customers' equipment	690,334	-	-	11,950	702,284
Motor vehicles	737,905	76,039	(76,464)	-	737,480
Tools and test equipment	760,277	7,667	-	(434,506)	333,438
Computer and office equipment	2,733,335	213,509	(438,769)	(895,916)	1,612,159
Internet equipment	399,244	199,218	-	428,391	1,026,853
	58,288,517	5,483,187	(515,233)	-	63,256,471
	1 January 2001 £	Charge for the period £	Disposals £	Transfers £	30 September 2001 £
<b>Depreciation</b>					
Freehold land and buildings	1,040,579	96,018	-	(137,777)	998,820
Leasehold improvements	-	-	-	19,444	19,444
Utilities installations	-	-	-	127,257	127,257
Office equipment	-	-	-	620,458	620,458
Distribution and transmission lines	8,523,517	729,635	-	1,803	9,254,955
Distribution and transmission equipment	3,951,800	733,316	-	(816,020)	3,869,096
Exchange equipment	8,886,762	594,733	-	(112,633)	9,368,862
Mobile communication equipment	1,126,526	472,668	-	1,107,004	2,706,198
Customers' equipment	420,315	61,318	-	9,816	491,449
Motor vehicles	515,300	70,746	(76,464)	-	509,582
Tools and test equipment	463,119	49,712	-	(312,468)	200,363
Computer and office equipment	1,901,221	276,145	(438,769)	(667,992)	1,070,605
Internet equipment	104,411	40,972	-	161,108	306,491
	26,933,550	3,125,263	(515,233)	-	29,543,580
<b>Net book value</b>	31,354,967				33,712,891

# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 6. STOCKS

	30 September 2001 £	31 December 2000 £
Stores stock	1,225,685	1,567,275
Provision for obsolete stock	(214,820)	(214,820)
	<u>1,010,865</u>	<u>1,352,455</u>

### 7. DEBTORS

	30 September 2001 £	31 December 2000 £
Trade debtors	3,835,461	3,678,106
Prepayments and other debtors	1,091,187	756,744
Accrued income	<u>2,597,277</u>	<u>2,418,142</u>
	<u>7,523,925</u>	<u>6,852,992</u>

A provision for doubtful debts amounting to £229,257 (31 December 2000: £121,900) has been deducted from trade debtors.

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 September 2001 £	31 December 2000 £
Trade creditors	1,758,410	3,019,644
Accruals	<u>3,348,663</u>	<u>6,492,455</u>
	<u>5,107,073</u>	<u>9,512,099</u>

### 9. RESERVES

	Revenue Account £
Balance at 1 January 2001	43,546,851
Surplus for the financial period	<u>3,065,304</u>
Balance at 30 September 2001	<u>46,612,155</u>

# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 10. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 1 January 2001 to 30 September 2001 £	Year ended 31 December 2000 £
Operating surplus	2,649,997	12,731
Depreciation and loss on sale of tangible fixed assets	3,125,263	4,415,123
Profit on sale of tangible fixed assets	(10,123)	(4,654)
Decrease/(increase) in stocks	341,590	(298,180)
Increase in debtors	(670,933)	(1,343,945)
(Decrease)/increase in creditors and accruals	(1,176,868)	1,243,516
Net cash inflow from operating activities	4,258,926	4,024,591

### 11. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	Period from 1 January 2001 to 30 September 2001 £
Decrease in cash in the period	(690,126)
Decrease in balances with States Treasury	(3,336,863)
Change in net funds	(4,026,989)
Net funds at 1 January 2001	13,498,536
Net funds at 30 September 2001	9,471,547

### 12. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2001 £	Movement in net funds £	30 September 2001 £
Balances with States Treasury	12,588,996	(3,336,863)	9,252,133
Cash at bank and in hand	909,540	(690,126)	219,414
Total	13,498,536	(4,026,989)	9,471,547

### 13. COMMITMENTS

At 30 September 2001 the Board had authorised future capital expenditure as follows:

	30 September 2001 £	31 December 2000 £
Capital accruals		
Capital - contracted but not provided	3,424,758	6,993,366
Other - contracted but not provided	709,745	1,607,158
	4,134,503	8,600,524

## STATES TELECOMMUNICATIONS BOARD

### NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

#### 14. OPERATING LEASE COMMITMENTS

At 30 September 2001 the Board was committed to making the following payment during the next year in respect of operating leases:

	<b>Land and buildings 30 September 2001 £</b>	<b>Land and buildings 31 December 2000 £</b>
Expiring over 5 years	60,000	60,000

#### 15. PENSION FUND

The employees of the States Telecommunications Board are members of the States of Guernsey Superannuation Scheme. This is a defined benefits pension scheme, funded by contributions from both employer and employee at rates which are determined periodically on the basis of actuarial advice and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees expected service lives. The report by the actuaries on the valuation of the Superannuation Fund at 31 December 1998 indicated that a surplus existed, however, the contribution rate to the Fund was increased with effect from 1 January 2000. The surplus is being amortised over the expected service lives of all the employees within the Scheme. As the scheme is a multi employer arrangement, the Board is unable to identify its share of underlying assets and liabilities of the Scheme or the implications of the surplus on the Board, as required by Financial Reporting Standard 17 "Retirement Benefits".

The total amount of superannuation contributions for the period from 1 January 2001 to 30 September 2001 was £365,563 (31 December 2000: £470,008).

Further details relating to the funding of the Superannuation Scheme are provided in the Superannuation Fund section of the accounts of the States of Guernsey.

#### 16. RELATED PARTY TRANSACTIONS

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Board are of the opinion that there have been no related party transactions in this financial period, except as disclosed below:

Period from 1 January 2001 to 30 September 2001 (31 December 2000: £nil).

Carey Langlois	£15,419
TV2 International Ltd	£ 8,357

Deputy J E Langlois is a partner of Carey Langlois and Mr D Earl has an interest in TV2 International Ltd.

Of the States Telecommunications Board's annual income and expenditure, less than 20% of their respective value is due to transactions with other States entities (31 December 2000: less than 20%).

#### 17. STATEMENT OF CONTROL

The States Telecommunications Board is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States Telecommunications Board had been delegated to the members of the Board who had been appointed by the States of Guernsey. See also note 18.

# STATES TELECOMMUNICATIONS BOARD

## NOTES TO THE ACCOUNTS

For the period 1 January 2001 to 30 September 2001

### 18. POST BALANCE SHEET EVENT

The States Telecommunication Board was dissolved at 11.59pm on 30 September 2001.

In accordance with the States Trading Companies (Bailiwick of Guernsey) Ordinance 2001 the undertaking of the Board was transferred and vested in Guernsey Telecoms Limited with effect from 1 October 2001. Guernsey Telecoms Limited is wholly owned by the States of Guernsey.

As part of the transfer arrangement specified freehold properties previously held by the Board reverted to the States of Guernsey who simultaneously granted a 99 year leasehold interest in respect of certain properties to Guernsey Telecoms Limited on the basis of open market value recognising current use which resulted in a revaluation uplift of £3,298,220.

The effective transfer value at 1 October was:

	30 September 2001 £	Revaluation £	1 October 2001 £	Provisional figure as at 30 June 2001 £
<b>TANGIBLE FIXED ASSETS</b>	<u>33,712,891</u>	<u>3,298,220</u>	<u>37,011,111</u>	<u>35,967,541</u>
<b>CURRENT ASSETS</b>				
Stocks	1,010,865	-	1,010,865	1,033,952
Debtors	7,523,925	-	7,523,925	7,507,581
Balance with Treasury	9,252,133	-	9,252,133	9,385,112
Cash at bank and in hand	219,414	-	219,414	1,092,643
	<u>18,006,337</u>	<u>-</u>	<u>18,006,337</u>	<u>19,019,288</u>
<b>Creditors due within one year</b>	<u>(5,107,073)</u>	<u>-</u>	<u>(5,107,073)</u>	<u>(5,676,369)</u>
<b>NET CURRENT ASSETS</b>	<u>12,899,264</u>	<u>-</u>	<u>12,899,264</u>	<u>13,342,919</u>
<b>TOTAL NET ASSETS</b>	<u>46,612,155</u>	<u>3,298,220</u>	<u>49,910,375</u>	<u>49,310,460</u>

Guernsey Telecoms Limited has issued 2 ordinary shares of £1 each to the States of Guernsey in initial consideration for the above and will shortly issue ordinary £1 shares for the full balance.

The provisional figures shown in the 30 June 2001 column are the figures which were disclosed in the Billet D'Etat dated 26 September 2001.

The States are asked to decide:–

Whether they are of the opinion to approve:–

(1) the following Accounts for the year 2001–

1. States Advisory and Finance Committee;
2. States Agriculture and Countryside Board;
3. States Arts Committee;
4. States Board of Administration;
5. States Board of Health;
6. States Board of Industry;
7. States Cadastre Committee;
8. States Children Board;
9. States Civil Defence Committee;
10. States Civil Service Board;
11. States Education Council;
12. States Gambling Control Committee;
13. Guernsey Social Security Authority;
14. States Heritage Committee;
15. States Committee for Home Affairs;
16. States Committee for Horticulture;
17. States Housing Authority
18. States Income Tax Authority;
19. Island Development Committee;
20. Island Reception Committee;
21. States Liberation Celebrations Committee;
22. States Overseas Aid Committee;
23. States Probation Service Committee;
24. States Public Assistance Authority;
25. States Public Thoroughfares Committee;
26. States Recreation Committee;
27. States Sea Fisheries Committee;
28. States Traffic Committee;
29. States Tourist Board;
30. Committees' Capital Income and Expenditure;
31. Miscellaneous Accounts;
32. States Board of Administration as respects the Ports;
33. Alderney Airport;
34. States Agriculture and Countryside Board – Dairy Trading Account;
35. States Recreation Committee as respects the Beau Sejour Centre;
36. States Water Board;

(2) The Accounts of the States Electricity Board for the ten months ended on the 31 January, 2002.

(3) The Accounts of the States Post Office Board and the States Telecommunications Board for the nine months ended on the 30 September, 2001.

(4) To appoint the firm of KPMG as auditors of all States accounts for the year ending 31 December, 2002.

# APPENDICES

## STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT

### STATEMENT OF ACTIVITIES AND PERFORMANCE

Year ended 31 December 2001

#### PRINCIPAL ACTIVITIES

The States of Guernsey Board of Administration - Works Department ("the Department" or "States Works Department") operates as a trading organisation which contracts with mainly States' clients to deliver a wide range of services. Those services demand the effort of a predominately manual labour force utilising specialist plant and equipment to maintain the public services of the Island.

#### Financial Highlights

	2001 £'000	2000 £'000
Income	6,826	6,336
Surplus	167	132
Capital expenditure	1,208	432

Income has risen substantially in the year due in part to the additional services provided to protect the island from the risk of foot and mouth infection. New contracts associated with the maintenance of the foulon cemetery and the millennium walk have contributed to the general increase in income.

Despite the increase in income the operating surplus has only grown by £35,000 reflecting the continued increase in the cost of depreciation and the marginal value of the foot and mouth services.

Capital expenditure has been a major feature of the year. The Hure Mare depot has undergone a major transformation with the upgrade of Store and Workshop facilities. In addition bulk fuel storage and a vehicle wash have been installed at the depot. This has also been a year of high value vehicle purchases, which will serve to improve the reliability of service for the future.

#### Operational Performance

Overheads	2001	2000
Numeric ratio: Support staff/Operational staff	15.3%	12.8%
Cost ratio: Support staff/Operational staff	21.1%	21.2%

#### Effort

Income/Employee	£43,058	£36,140
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#### Emergency Call-Out

Number of calls	410	328
Manhours worked	1,524	1,308

#### Non-Scheduled Work

New jobs raised	4,659	4,802
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#### Developments in 2001

Depot development at La Hure Mare completed. Computerised Job Costing and Accounts systems upgraded with new Windows NT dedicated servers to provide increased reliability and redundancy of services.



## **STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT**

### **STATEMENT OF ACTIVITIES AND PERFORMANCE Year ended 31 December 2001**

#### **Board Members and Principal Officers**

The States Works Department is responsible to the Board of Administration.

Deputy R C Berry	President Board of Administration
Deputy M A Ozanne	Vice President Board of Administration
Deputy M E Best	Board Member, Departmental Representative
Deputy L S Trott	Board Member
Deputy Mrs P Robilliard	Board Member
Douzaine Representative D Grut	Board Member
Advocate P J G Atkinson	Board Member
Mr G R Dorey	Board Member
Mr M Collins	Board Member
Mr R T Kirkpatrick	Chief Executive Board of Administration
Mr N S Vaughan	Finance Director Board of Administration

#### **States Works Department**

Mr D R Parish	General Manager
Mr B G Langlois	Financial Controller
Mr N J Dorey	Projects Manager
Mr J D McEwan	Contracts Manager

## **STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT**

### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Board of Administration ("the Board") is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the States Works Department as at the end of the financial year and of the surplus or deficit of the States Works Department for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of each States Committee to identify and install a system of internal controls, including financial control, which is adequate for its own purposes. Thus the Board of Administration is responsible for safeguarding the assets of the States Works Department and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The Board of Administration is also responsible for the economic, efficient and effective operations and management of the States Works Department.

It is acknowledged that the States Works Department is subject to financial and manpower restrictions. Nevertheless the Board of Administration has a duty to ensure that they fulfil their obligations to install and maintain adequate internal controls and safeguard the States resources for which they are responsible.

The States Works Department's internal financial controls and monitoring procedures include:

- Annually reported and approved budgets monitored against monthly management accounts with additional operational detail reported in a detailed quarterly report which monitors actual income and expenditure against that anticipated. All such detail is regularly reviewed at meetings of the Board of Administration to ensure that all Committee members are informed of the Department's financial affairs.
- Client invoices are subjected to a range of pre-determined computerised integrity checks prior to dispatch, in order to ensure accuracy.
- The control of materials and stores purchases are managed using a computerised job costing programme with specific authorisation limits for purchases and segregated areas of responsibility for processing of payments, all of which maintain detailed audit trails.
- Manpower expenditure is monitored and controlled at source via time sheets which are authorised and the computerised job costing and financial accounts packages which check validity and permits reconciliation with the wage bill.
- Capital expenditure authorisation is subject to strict valuation guidelines and purchase procedures.
- Regular independent review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department.

Through their staff recruitment and training the States Works Department strives to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties with the proficiency which the community has the right to expect.

In addition the accounts are subject to an independent external audit by auditors appointed by the States.

## **INDEPENDENT AUDITORS' REPORT TO THE STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT**

We have audited the financial statements of States Works Department for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement and the related notes 1 to 18. The financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of the Board and auditors**

As described in the statement of responsibilities for the preparation of financial statements, the Board of Administration is responsible for the preparation of the financial statements in accordance with United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report if, in our opinion, the statement of activities and performance is not consistent with the financial statements, if the Board has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the statement of activities and performance for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements and of whether the accounting policies are appropriate to the States Works Department'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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the Board's affairs as at 31 December 2001 and of its surplus for the year then ended.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

3 April 2002

**STATES OF GUERNSEY BOARD OF ADMINISTRATION -  
WORKS DEPARTMENT**

**REVENUE ACCOUNT  
Year ended 31 December 2001**

	Note	2001 £	2000 £
<b>INCOME</b>	2	6,761,750	6,225,865
<b>EXPENSES</b>			
Labour and direct materials	3	4,818,697	4,480,228
Transport, plant and equipment maintenance	4	593,719	563,185
Building maintenance and charges	5	257,691	235,109
Administration and general	6	988,292	925,962
		<u>6,658,399</u>	<u>6,204,484</u>
<b>OPERATING SURPLUS</b>		103,351	21,381
Interest received from States Treasury		<u>64,090</u>	<u>110,631</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	11	<u><u>167,441</u></u>	<u><u>132,012</u></u>

All material activities derive from continuing operations.

There are no recognised gains or losses or other movements in reserves for the current or preceding financial years other than as stated in the revenue account.

**STATES OF GUERNSEY BOARD OF ADMINISTRATION -  
WORKS DEPARTMENT**

**BALANCE SHEET  
31 December 2001**

	Note	2001 £	2000 £
<b>TANGIBLE FIXED ASSETS</b>	7	4,125,310	3,140,903
<b>CURRENT ASSETS</b>			
Stock and work in progress	8	154,106	201,954
Debtors	9	1,253,340	1,056,162
Balance with States Treasury		929,937	1,971,695
		<u>2,337,383</u>	<u>3,229,811</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(273,875)</u>	<u>(349,337)</u>
<b>NET CURRENT ASSETS</b>		<u>2,063,508</u>	<u>2,880,474</u>
<b>TOTAL NET ASSETS</b>		<u><u>6,188,818</u></u>	<u><u>6,021,377</u></u>
<b>RESERVES</b>	11	<u><u>6,188,818</u></u>	<u><u>6,021,377</u></u>

These financial statements were approved by the Board of Administration on 26 March 2002.

Signed on behalf of the Board

R C BERRY  
President

**STATES OF GUERNSEY BOARD OF ADMINISTRATION -  
WORKS DEPARTMENT**

**CASH FLOW STATEMENT  
Year ended 31 December 2001**

	Note	2001 £	2000 £
<b>Net cash inflow from operating activities</b>	12	101,691	865,053
<b>Returns on investments</b>			
Interest received		64,090	110,631
<b>Net cash inflow from returns on investments</b>		64,090	110,631
<b>Investing activities</b>			
Payments to acquire tangible fixed assets		(1,208,069)	(432,296)
Receipts from sales of tangible fixed assets		530	780
<b>Net cash outflow from investing activities</b>		(1,207,539)	(431,516)
<b>Management of liquid resources</b>			
Decrease/(increase) in amounts held with States Treasury		1,041,758	(544,168)
<b>Movement in cash</b>		-	-

# STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Income

Income comprises amounts in respect of services provided and goods supplied in the year.

#### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

#### Depreciation

Depreciation is calculated at the following annual rates so as to write off the cost of tangible fixed assets over their anticipated useful lives using the straight line method:

	Estimated life in years	Depreciation % per annum
Plant, tools and equipment	10 - 3	10 - 33.33
Motor vehicles	10 - 3	10 - 33.33
Office equipment	20 - 3	5 - 33.33
Buildings and fittings	50 - 10	2 - 10
Land		0

#### Stock and work in progress

Stock and work in progress is valued at the lower of cost and net realisable value.

#### Pension costs

The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the income and expenditure account so as to spread the cost over the service lives of employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable pay.

### 2. INCOME

	2001 £	2000 £
Maintenance - Buildings and properties	1,421,857	1,414,280
- Highways	1,718,786	1,853,475
- Sewers and pump stations	902,301	712,031
- Vehicles and plant	495,918	478,485
- Land areas	1,420,829	1,409,403
Transport services	102,416	64,371
Island wide emergencies and callouts	73,138	66,990
Administrative services	626,505	226,830
	<u>6,761,750</u>	<u>6,225,865</u>

# STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 3. LABOUR AND DIRECT MATERIALS

	2001 £	2000 £
Labour charges:		
Wages and employer's superannuation	3,329,303	3,045,031
Direct materials:		
Materials and services	969,303	888,110
Stores	207,396	218,603
Sub contractors	325,757	350,015
Less: Discounts received	(13,062)	(21,531)
	<u>1,489,394</u>	<u>1,435,197</u>
	<u><u>4,818,697</u></u>	<u><u>4,480,228</u></u>

### 4. TRANSPORT, PLANT AND EQUIPMENT MAINTENANCE

	2001 £	2000 £
Vehicles - Fuel and maintenance	220,230	229,451
- Depreciation	110,974	76,120
Plant, tools and equipment - Maintenance	101,700	105,640
- Replacements	60,749	58,748
- Depreciation	49,097	39,014
Contractors' charges	18,745	21,077
Garage expenses	16,459	15,259
Other costs	15,765	17,876
	<u>593,719</u>	<u>563,185</u>
	<u><u>593,719</u></u>	<u><u>563,185</u></u>

### 5. BUILDING MAINTENANCE AND CHARGES

	2001 £	2000 £
La Hure Mare	127,007	125,404
Burnt Lane depot	36,037	22,772
Stones Yard garage	30,107	30,085
Saumarez Park depot	1,244	1,556
Post office garage	11,325	11,342
Other sites	2,300	2,001
Buildings and fittings depreciation	49,671	41,949
	<u>257,691</u>	<u>235,109</u>
	<u><u>257,691</u></u>	<u><u>235,109</u></u>



**STATES OF GUERNSEY BOARD OF ADMINISTRATION -  
WORKS DEPARTMENT**

**NOTES TO THE ACCOUNTS  
Year ended 31 December 2001**

**6. ADMINISTRATION AND GENERAL**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Salaries, wages and employer's superannuation	717,069	682,143
Travel and collection charges	30,515	25,781
Post, stationery and telephone	41,876	37,568
Computer charges	119,108	97,188
Insurance	41,370	40,873
Audit fee	5,784	4,056
Sundry office expenses	19,229	31,055
Office and equipment depreciation	13,907	5,707
Profit on disposal of fixed assets	(517)	(759)
Bad debts provided for and written off	(49)	2,350
	<u>988,292</u>	<u>925,962</u>

**7. TANGIBLE FIXED ASSETS**

	<b>1 January 2001 £</b>	<b>Additions £</b>	<b>Written off /disposals £</b>	<b>31 December 2001 £</b>
<b>Cost</b>				
Plant, tools and equipment	601,953	37,180	(24,821)	614,312
Motor vehicles	1,344,849	376,405	(92,733)	1,628,521
Office equipment	61,409	143,584	-	204,993
Buildings and fittings	2,427,469	595,500	-	3,022,969
Land	593,820	55,400	-	649,220
	<u>5,029,500</u>	<u>1,208,069</u>	<u>(117,554)</u>	<u>6,120,015</u>
	<b>1 January 2001 £</b>	<b>Charge for the year £</b>	<b>Written off /disposals £</b>	<b>31 December 2001 £</b>
<b>Depreciation</b>				
Plant, tools and equipment	454,576	49,097	(24,819)	478,854
Motor vehicles	1,083,725	110,974	(92,722)	1,101,977
Office equipment	44,132	13,907	-	58,039
Buildings and fittings	306,164	49,671	-	355,835
Land	-	-	-	-
	<u>1,888,597</u>	<u>223,649</u>	<u>(117,541)</u>	<u>1,994,705</u>
<b>Net book value</b>	<u>3,140,903</u>			<u>4,125,310</u>

# STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 8. STOCK AND WORK IN PROGRESS

	2001 £	2000 £
Stock	107,300	110,700
Work in progress	46,806	91,254
	<u>154,106</u>	<u>201,954</u>

### 9. DEBTORS

	2001 £	2000 £
Trade debtors	142,045	113,090
Balances due from States departments	1,108,820	940,273
Prepayments and other debtors	2,475	2,799
	<u>1,253,340</u>	<u>1,056,162</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	206,555	278,404
Accruals	67,320	70,933
	<u>273,875</u>	<u>349,337</u>

### 11. RESERVES

	Revenue Account £
Balance 1 January 2001	6,021,377
Surplus for the financial year	<u>167,441</u>
Balance 31 December 2001	<u>6,188,818</u>

### 12. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating surplus	103,351	21,381
Depreciation charges	223,649	162,790
Profit on disposal of tangible fixed assets	(517)	(759)
Decrease/(increase) in stocks and work in progress	47,848	(14,804)
(Increase)/decrease in debtors	(197,178)	531,315
(Decrease)/increase in creditors	(75,462)	165,130
	<u>101,691</u>	<u>865,053</u>

# STATES OF GUERNSEY BOARD OF ADMINISTRATION - WORKS DEPARTMENT

## NOTES TO THE ACCOUNTS Year ended 31 December 2001

### 13. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2001 £	2000 £
Movement in cash	-	-
(Decrease)/increase in liquid resources	(1,041,758)	544,168
	<u>(1,041,758)</u>	<u>544,168</u>
Net funds at 1 January	1,971,695	1,427,527
<b>Net funds at 31 December</b>	<u><u>929,937</u></u>	<u><u>1,971,695</u></u>

### 14. ANALYSIS OF NET FUNDS

	1 January 2001 £	Cash flow £	31 December 2001 £
Balance with States Treasury	<u>1,971,695</u>	<u>(1,041,758)</u>	<u>929,937</u>

### 15. CAPITAL COMMITMENTS

	2001 £	2000 £
Contracted for but not provided	<u>232,450</u>	<u>721,551</u>

### 16. PENSION FUND

The employees of the States Works Department are members of the States of Guernsey Superannuation Scheme. This is a defined benefits pension scheme, funded by contributions from both employer and employee at rates which are determined on the basis of actuarial advice and which are calculated to spread the expected costs of benefits payable to employees over the period of those employees' expected service lives. The report by the actuaries on the valuation of the Superannuation Fund at 31 December 1998 indicated that a surplus existed however the contribution rate to the Fund was increased with effect from 1 January 2000. The surplus is being amortised over the expected service lives of the employees. As the Scheme is a multi employer arrangement, the Board is unable to identify its share of the underlying assets and liabilities of the Scheme or the implications of the surplus on the Board, as required by Financial Reporting Standard 17 "Retirement Benefits".

The total amount of superannuation contributions for the year ended 31 December 2001 was £228,489 (2000: £186,560), which were all paid during the year.

Further details relating to the funding of the Superannuation Scheme are provided in the Superannuation Fund section of the accounts of the States of Guernsey.

### 17. RELATED PARTY TRANSACTIONS

After making appropriate enquiries, in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Department are of the opinion that there have been no related party transactions in the current or preceding financial years apart from those with other States entities.

Of the States of Guernsey Board of Administration - Works Department annual income, 92% (2000: 96%) of the value is due to transactions with other States entities. This includes aggregate value of transactions with the Public Thoroughfares Committee totalling 37% (2000: 41%) of the Department's annual income.

Less than 20% of the value of the Department's annual expenditure in the current and preceding financial years is due to transactions with other States entities.

**STATES OF GUERNSEY BOARD OF ADMINISTRATION -  
WORKS DEPARTMENT**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**18. STATEMENT OF CONTROL**

The States of Guernsey Board of Administration - Works Department is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the operations of the States of Guernsey Board of Administration - Works Department has been delegated to the members of the Board who have been appointed by the States of Guernsey.

## **ROYAL COURT FUND**

### **STATEMENT OF RESPONSIBILITIES**

The States Treasurer is responsible for the preparation of an income and expenditure account for each financial year which fairly summarise the transactions made during the year and for selecting suitable accounting policies. In preparing that account the States Treasurer is expected to:

- apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent; and
- prepare the income and expenditure account on a going concern basis, unless it is inappropriate to do so.

The States Treasurer acknowledges responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Royal Court Fund.

It is the responsibility of the Royal Court Fund to identify and install a system of internal controls, including financial control, which is adequate for its own purposes. Thus the Royal Court Fund is responsible for safeguarding the assets in its care and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE BAILIFF AND JURATS OF THE ROYAL COURT - ROYAL COURT FUND**

We have audited the income and expenditure account of the Royal Court Fund for the year ended 31 December 2001 which comprise the income and expenditure account and the related note 1, prepared under the accounting policies set out therein.

### **Respective responsibilities of the States Treasurer and auditors**

As described in the statement of responsibilities, the States Treasurer is responsible for the preparation of the income and expenditure account in accordance with United Kingdom accounting standards. Our responsibility is to audit the income and expenditure account in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the income and expenditure account fairly summarises the transactions of the Royal Court Fund. We also report if, in our opinion, the Royal Court Fund has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

### **Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the income and expenditure account. It also includes an assessment of the significant estimates and judgements made by the States Treasurer in the preparation of the income and expenditure account, and of whether the accounting policies are appropriate to the Royal Court Fund'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 income and expenditure account is 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 income and expenditure account.

### **Opinion**

In our opinion the income and expenditure account fairly summarises the transactions of the Royal Court Fund for the year ended 31 December 2001.

### ***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

27 May 2002

## ROYAL COURT FUND

### INCOME AND EXPENDITURE ACCOUNT

Year ended 31 December 2001

	Note	2001 £	2000 £
<b>INCOME</b>	1		
Grant from States General Revenue Account		50,000	50,000
<b>EXPENDITURE</b>			
Garage - Rent		33,600	33,600
Grants - Remembrance Day service		104	169
- Wreaths		140	80
Library		15,114	14,568
Office equipment		-	601
Sundries		711	409
		49,669	49,427
<b>SURPLUS FOR THE FINANCIAL YEAR, TRANSFERRED TO THE STATES GENERAL REVENUE ACCOUNT</b>		331	573

This income and expenditure account was approved on 24 May 2002 by:

D M CLARK  
States Treasurer

**ROYAL COURT FUND**

**NOTES TO THE INCOME AND EXPENDITURE ACCOUNT**

**Year ended 31 December 2001**

**1. ACCOUNTING POLICY**

**Income and expenditure**

Income and expenditure are included on a cash basis.



**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**FINANCIAL STATEMENTS 2001**

**OFFICERS**

**Guernsey Social Security Authority**

President
Deputy Owen Le Tissier

Vice President
Deputy Andrew Sauvarin (re-elected 1 June 2001)

Authority Members
Deputy Mary Lowe
Deputy Pat Robilliard
Deputy Daniel Le Cheminant (elected 1 June 2001)
Douzaine Representative Hirzel Dorey (retired 31 May 2001)
Roy Le Prevost
John Guilbert

Administrator
Malcolm Nutley

## **STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**

### **Controlled and Managed by the Guernsey Social Security Authority**

#### **OPERATING STATEMENT**

##### **Financial highlights**

The Guernsey Insurance Fund had an operating surplus of £8.2m in 2001 compared with £5.9m in 2000. The surplus, added to net income from investments of £10m (2000: £10m) resulted in a total of £18.2m (2000: £16m) being transferred to reserves.

During the year, contribution income grew by 8.4% to £40.6m (2000: £37.5m), reflecting a continued increase in the number of people working in Guernsey and Alderney, increased earnings from a buoyant economy and a 6.6% increase in the Upper Earnings Limit. Part of the increase in the Upper Earnings Limit was to compensate for the loss of contribution income due to the abolition, removal of the Lower Earnings Limit threshold at the beginning of 2001, of non-reckonable contributions collected on very low earnings between what was the earnings threshold and the lower earnings limit.

The largest economic sector remains the financial sector, which now accounts for 26% of the employed population and represents 30% of the total income received from employers and employees.

Benefit expenditure increased by 5.8% to £52.8m, in line with the 6% general increase in benefit rates. The number of new claims processed by the staff during the year increased marginally to 21,267. At the year-end there were 13,958 benefit claims in payment, of which 86% were to people in receipt of old age pension.

With net assets of £349m (2000: £377m), expenditure cover fell from 7.1 years to 6.3 years. The fall was mainly attributable to a sharp decline in world markets towards the year-end, with the Fund's investment portfolio (including cash invested but excluding investment property) valued at £319m (2000: £353m).

New monies totalling £3m were added to the investment portfolio during the year, in addition to the £8.6m investment income reinvested.

##### **Activities during 2001**

Apart from the abolition of non-reckonable contributions, the Authority made no significant policy changes to the contributory benefits financed by the Guernsey Insurance Fund

The Authority embarked on its major technological migration project towards the end of 2000. This project is to replace all of the Authority's computer systems, moving from a mainframe to a client server environment. The Authority suspended the project in June 2001 due to projected increases in estimated costs to completion. The Authority has been negotiating a restructuring of the project to a position of fixed price to completion. A final decision as to how the project will proceed is pending.

The public area on level 2 of Edward T Wheadon House was fully refurbished, creating a much enhanced, customer friendly environment for people with claims or questions on the Guernsey Insurance Fund benefits.

Towards the end of the year, the Authority launched a pilot programme with a number of small businesses, called 'Schedule Creator' with a view to their completion of contribution schedules on computer diskette. This is targeted at companies that do not have payroll packages sufficient to make use of the established electronic media returns. The indications are that Schedule Creator will be highly successful and will attract several hundred users. There will be efficiency gains for all parties.

Also late in the year, the Authority purchased a new finance and ordering package that is planned for an implementation early in 2002.

The Authority regrets that no progress was made on achieving gender equality in the social insurance scheme in 2001 because of competing demands on management resources, including the development of long-term care insurance and the difficulties of the technological migration project.

The Authority was pleased to receive Investors In People accreditation in May 2001.

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Future developments**

For the Guernsey Insurance Fund, the Authority's focus in 2002 will be the resumption of the technological migration and substantial progress with the project.

As noted above the Authority plan to introduce a new finance and ordering package early in 2002. This new package will form an important part of the full technological migration.

The Authority will resume its work on the major policy and practical considerations achieving the gender equality issues.

**Statistics**

Benefits	No. of claimants as at:		No. of new cases during the year	
	31/12/01	31/12/00	2001	2000
Old Age Pension	12,069	11,761	1,008	973
Widows Benefits	504	524	111	155
Invalidity Benefit	595	596	293	321
Sickness Benefit	313	286	10,745	10,441
Unemployment Benefit	84	75	820	1,001
Travel Allowance Grant	N/A	N/A	5,348	5,156
Limited Medical Benefit	N/A	N/A	5	2
Industrial Medical Benefit	N/A	N/A	1,760	1,744
Industrial Injury Benefit	24	18	163	216
Industrial Disablement Benefit	257	247	17	27
Maternity Allowance	109	105	356	423
Maternity Grant	N/A	N/A	207	244
Death Grant	N/A	N/A	434	463
Guardian's Allowance	1	1	0	0
Children' Special Allowance	2	2	0	1
Total	13,958	13,615	21,267	21,167

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Number of contributors (as at week 36)**

	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>
<b>Employers</b>	2,537	2,612	2,695	2,688	2,701
<b>Employed</b>					
Male	14,984	14,836	14,688	14,715	14,694
Female	13,360	13,560	13,509	13,361	13,192
	28,344	28,396	28,197	28,076	27,886
<b>Self-employed</b>	3,454	3,458	3,421	3,442	3,430
<b>Non-employed</b>	5,116	5,199	5,026	4,980	4,941
<b>Total</b>	<b>36,914</b>	<b>37,053</b>	<b>36,644</b>	<b>36,498</b>	<b>36,257</b>

From the beginning of 2001, the Earnings Threshold was removed and Non-reckonable contributions were no longer collected from contributors' earnings between the Earnings Threshold and the Lower Earnings Limit.

**Contribution rates**

	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>
<b>Employers</b>	4.1%	4.1%	4.1%	4.1%	4.1%
<b>Employed</b>					
Full rate	3.2%	3.2%	3.2%	3.2%	3.2%
Reduced rate	0.5%	0.5%	0.5%	0.5%	0.5%
<b>Self-employed</b>	6.3%	6.3%	6.3%	6.3%	6.3%
<b>Non-employed</b>	5.7%	5.7%	5.7%	5.7%	5.7%

Note: These rates are additional to the contribution rates applicable to the Guernsey Health Service Fund and specified in the accounts for that Fund

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Five-year performance**

	<b>2001</b> £	<b>2000</b> £	<b>1999</b> £	<b>1998</b> £	<b>1997</b> £
<b>Income</b>	63,737,145	58,784,596	55,469,821	51,793,501	48,470,368
Expenditure	55,554,292	52,849,823	49,634,653	46,776,846	45,105,194
Operating surplus	8,182,853	5,934,773	5,835,168	5,016,655	3,365,174
<b>Investment income</b>	10,039,381	10,041,816	11,013,468	10,454,104	9,894,804
Transfer to reserves	18,222,234	15,976,589	16,848,636	15,470,759	13,259,978

<b>Investments</b>					
Property	7,540,000	8,070,000	8,060,000	7,715,537	7,250,000
Cash invested	19,646,987	21,608,092	23,130,836	33,895,889	28,509,658
Listed investments	299,695,028	331,243,418	323,898,484	255,077,140	226,747,462
	326,882,015	360,921,510	355,089,320	296,688,566	262,507,120

<b>Investment performance</b>					
Realised gains/(losses)	1,855,151	12,558,096	9,180,735	11,586,984	8,715,961
Unrealised gains/(losses)	(42,321,955)	(20,489,353)	31,995,793	5,296,014	14,912,101
Impairment of investments	(5,467,793)	-	-	-	-
Capital gains/(losses)	(45,934,597)	(7,931,257)	41,176,528	16,882,998	23,628,062

<b>Expenditure cover</b>					
Reserves	348,469,415	376,711,778	368,656,446	310,286,820	277,467,526
Expenditure	55,554,292	52,849,823	49,634,653	46,776,846	45,105,194
Number of years cover	6.3	7.1	7.4	6.6	6.2

## **STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**

### **Controlled and Managed by the Guernsey Social Security Authority**

#### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Guernsey Social Security Authority ("the Authority") is required to prepare financial statements for each financial year which give a true and fair view of the disposition of the net assets of the Guernsey Insurance Fund at the end of the financial year and of the income and expenditure of the Guernsey Insurance Fund for that period. In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Guernsey Insurance Fund and enable them to ensure that the financial statements comply with Section 100(3) of The Social Insurance (Guernsey) Law, 1978. It is also responsible for safeguarding the assets of the Authority and the Guernsey Insurance Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of the Authority:

- to identify and install an appropriate system of internal controls, including financial controls;
- to safeguard the assets of the Authority and the Guernsey Insurance Fund and to take reasonable steps for the prevention and detection of fraud and other irregularities;
- to manage the funds and other resources entrusted to the Authority, economically, efficiently and effectively.

The Authority's internal financial controls and monitoring procedures include:

- an annual budget and planning process to allocate, control and monitor the use of resources;
- a requirement to table at a meeting of the Authority:
  - the annual audit report together with the audited financial statements;
  - the annual report of observations and recommendations produced by the external auditors;
  - the annual policy and resource plan;
  - the quarterly management accounts;
- by Law, an actuarial review to determine the adequacy of the contribution rates must be undertaken at least once every five years and submitted to the Authority and the States of Guernsey;
- a regular review of the performance and security of the Guernsey Insurance Fund by the Authority and Combined Actuarial Performance Services Limited;
- a review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department;
- a requirement for internal audit reports to be tabled at a meeting of the Authority;

Through its staff recruitment and training, the Authority strives to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties.

The Authority's internal controls and accounting policies have been and are subject to continuous review.

In addition the financial statements are subject to an independent external audit by auditors appointed by the States of Guernsey.

**STATES OF GUERNSEY - GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**INDEPENDENT AUDITORS' REPORT TO THE AUTHORITY**

We have audited the financial statements of States of Guernsey - Guernsey Insurance Fund for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of the Authority and auditors**

As described in the statement of responsibilities for the preparation of the financial statements the Authority is responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view of the disposition of the net assets of the Guernsey Insurance Fund and are properly prepared in accordance with its accounting policies and comply with Section 100(3) of the Social Insurance (Guernsey) Law, 1978. We also report if, in our opinion, the operating statement is not consistent with the financial statements, if the Authority has not kept proper accounting records or if we have not received all of the information and explanations we require for our audit.

We read the operating statement for the above year and consider the implications for our report if we become aware of any apparent misstatements.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority in the preparation of the financial statements and of whether the accounting policies are appropriate to the Guernsey Insurance Fund'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 financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the disposition of the net assets of the Guernsey Insurance Fund as at 31 December 2001 and of its surplus for the year then ended and have been properly prepared in accordance with its accounting policies and comply with Section 100(3) of the Social Insurance (Guernsey) Law, 1978.

***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

9 April 2002

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**REVENUE ACCOUNT**  
**Year ended 31 December 2001**

	Note	£	2001 £	£	2000 £
<b>INCOME</b>					
Contributions from insured persons and employers	1	40,608,626		37,450,553	
Grant – States of Guernsey	1	23,128,519		21,334,043	
			63,737,145		58,784,596
<b>EXPENDITURE</b>					
Benefits payable	2	52,813,790		49,905,707	
Administration	3	4,606,727		4,746,564	
Recoveries	4	(1,866,225)		(1,802,448)	
		2,740,502		2,944,116	
			(55,554,292)		(52,849,823)
<b>OPERATING SURPLUS FOR THE YEAR</b>			8,182,853		5,934,773
<b>INVESTING ACTIVITIES</b>					
Income from invested funds			10,457,327		10,413,003
Expenditure relating to invested funds			(417,946)		(371,187)
	5		10,039,381		10,041,816
<b>SURPLUS FOR THE FINANCIAL YEAR, TRANSFERRED TO RESERVES</b>			18,222,234		15,976,589

All activities derive from continuing operations.

In addition to the revenue surplus for the current and preceding financial years as stated above there are capital gains and losses on investments and investment property as disclosed in the statement of total recognised gains and losses on page 240.



**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**BALANCE SHEET**  
**31 December 2001**

	Note	£	2001 £	£	2000 £
<b>FIXED ASSETS</b>					
Tangible assets	6	5,730,097		4,832,717	
Investment property	7	7,540,000		8,070,000	
Listed investments	8	299,695,028		331,243,418	
			312,965,125		344,146,135
<b>CURRENT ASSETS</b>					
Debtors	9	12,668,333		11,518,801	
Balances with States Treasury		7,732,807		3,520,282	
Balances with States Treasury held by investment manager		18,709,595		20,295,064	
Cash held by investment manager		937,392		1,313,028	
Cash at bank and in hand		323,224		164,924	
		40,371,351		36,812,099	
<b>CREDITORS: amounts falling due within one year</b>	10	(4,867,061)		(4,246,456)	
<b>NET CURRENT ASSETS</b>			35,504,290		32,565,643
<b>TOTAL NET ASSETS</b>			348,469,415		376,711,778
<b>RESERVES</b>	11		348,469,415		376,711,778

These financial statements were approved by the Guernsey Social Security Authority on 3 April 2002.

Signed on behalf of the Authority

DEPUTY O D LE TISSIER  
President

M NUTLEY  
Administrator

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**Year ended 31 December 2001**

	<b>Note</b>	<b>2001 £</b>	<b>2000 £</b>
Surplus for the financial year		18,222,234	15,976,589
Movement in unrealised surplus on investments	11	(42,321,955)	(20,489,353)
Realised surplus on sale of investments	8	1,855,151	12,558,096
Impairment of investments	11	(5,467,793)	-
Movement in unrealised surplus on revaluation of investment property	7	(530,000)	10,000
<b>Total recognised (losses)/gains relating to the year</b>	11	<b>(28,242,363)</b>	<b>8,055,332</b>

**CASH FLOW STATEMENT**  
**Year ended 31 December 2001**

		<b>2001 £</b>	<b>2000 £</b>
<b>Net cash inflow from operating activities</b>	12	8,062,572	6,252,578
<b>Returns on investment and servicing of finance</b>	13	10,046,933	9,881,620
		<u>18,109,505</u>	<u>16,134,198</u>
<b>Capital expenditure and financial investment</b>			
Acquisition of tangible fixed assets	6	(1,313,578)	(1,369,074)
<b>Management of liquid resources</b>			
Purchase of investments	8	(182,094,944)	(186,712,712)
Proceeds on sale of investments	8	167,708,737	171,436,520
(Increase)/decrease in amounts held with States Treasury	14	(2,627,056)	729,287
		<u>(17,013,263)</u>	<u>(14,546,905)</u>
<b>(Decrease)/increase in cash</b>	14	<b>(217,336)</b>	<b>218,219</b>

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with the particular accounting policies described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention, adjusted by the revaluation of listed investments and investment property.

**Contributions**

Contributions represent the amount of cash received before 1 February of the following year in respect of the financial year ended 31 December 2001 and amounts received relating to prior financial periods not accounted for in those periods.

**Grant - States of Guernsey**

The grant received from the States of Guernsey is based on a fixed percentage of contributions, accounted for in the relevant period.

**Benefits payable**

Benefits are accounted for on an accruals basis except that no provision is made in the accounts in respect of pension and benefit orders which have not been presented for payment at the year end. As in previous years, this represents a departure from the accruals concept as defined by Financial Reporting Standard 18 "Accounting policies". However, this does not have a material impact on the financial statements. Benefits are accounted for on the basis of whole weeks.

**Guernsey Insurance Fund**

No account is taken of future benefit entitlements.

The adequacy of the Guernsey Insurance Fund is, however, subject to actuarial review at least once every five years to determine the adequacy of contribution rates. The last such review was for the period from 1 January 1994 to 31 December 1998 and was published in the Billet D'État XIV2000.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. The costs of computer development projects are capitalised as and when they are considered to be material on an individual project basis.

Depreciation is provided on cost at the following annual rates so as to write off the assets over their anticipated useful lives:

	<b>Estimated life in years</b>	<b>Depreciation % per annum</b>
Freehold land and buildings	80	1.25 straight line
Furniture and fittings - pre 1999	20+	10 reducing balance
Furniture and fittings - 1999 onwards	10	10 straight line
Office equipment	5	20 straight line
Computer equipment and software - pre 1997	5	20 straight line
Computer equipment and software - 1997 onwards	3	33.33 straight line
Computer development	7	14.29 straight line

Costs of £2,009,221 associated with the technological migration project are included within computer development costs. This project was halted in June 2001 due to an increase in the expected costs to completion. The Authority continue to renegotiate the costs of the project and a final decision to continue with this project is pending. The Authority continue to recognise these costs as an asset on the underlying assumption that the project will be completed. Subject to this assumption the Authority believe that the value in use will exceed the capitalised costs.

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**1. ACCOUNTING POLICIES (continued)**

**Investments**

Listed investments are included in the financial statements at mid-market prices ruling at the balance sheet date. Listed investments quoted in foreign currencies and foreign exchange contracts have been translated into sterling at rates of exchange ruling at the balance sheet date. The difference between cost and valuation is shown as an unrealised surplus or deficit on investments and is taken to a separate reserve. Realised surpluses or deficits on sale of investments are taken directly to a separate reserve.

**Investment property**

The investment property is stated at open market value. The difference between cost and valuation is taken to a separate reserve.

**Investment income**

Dividends and interest receivable are included in the financial statements on a receivable basis and in the case of overseas investments gross of withholding tax suffered at source.

**Pension costs**

The expected cost of providing pensions to employees of the Authority, as calculated periodically by professionally qualified actuaries, is charged to the revenue account so as to spread the cost over the service lives of existing employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

**2. BENEFITS PAYABLE**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Old age pension	43,220,235	40,723,283
Widows	1,953,985	1,969,088
Survivor's grant	36,106	41,354
Invalidity	3,296,339	3,109,857
Sickness	1,505,848	1,416,246
Unemployment	195,087	241,069
Travel allowance grant	1,151,291	1,017,404
Limited medical	4,028	3,324
Industrial medical	130,832	121,628
Industrial injury	190,861	196,506
Industrial disablement	484,737	424,325
Maternity benefit	500,856	498,587
Death grant	140,179	139,985
Guardians' allowance	1,485	1,431
Child's special allowance	1,921	1,620
	<hr/>	<hr/>
	52,813,790	49,905,707
	<hr/>	<hr/>

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**3. ADMINISTRATION EXPENSES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Salaries and pension costs	2,847,373	2,699,864
Actuarial fees and expenses	3,440	43,251
Advertising, printing and stationery	70,577	72,046
Audit fee	7,443	6,951
Auditors' fees for other services	64,111	11,457
Bank charges	68,556	65,289
Computer expenses:		
Technological migration - pilot phase	-	510,195
Technological migration - travel/accommodation	242,476	128,640
Other projects, enhancements, etc.	293,057	190,509
Lease hire charges - equipment	5,703	18,785
Hire of software/maintenance of equipment	84,222	104,764
Miscellaneous	61,990	56,994
Depreciation (see note 6)	416,036	430,080
Edward T. Wheadon House:		
Heat, light, caretaking and cleaning	102,993	98,496
Repairs, renewals, etc.	64,933	78,859
International social security fees	5,247	5,165
Legal and professional expenses	38,548	17,394
Medical certification and reports	67,089	55,421
Office equipment	4,981	2,564
Staff training	38,694	35,834
Sundries	2,665	4,607
Telephone and postage	86,945	87,743
Travelling and motor expenses	29,486	21,656
Loss on disposal of fixed assets	162	-
	<u>4,606,727</u>	<u>4,746,564</u>

**4. RECOVERIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Amounts received from:		
Non Contributory Services	1,181,979	1,175,217
Guernsey Health Service Fund	496,409	444,820
Other States of Guernsey Entities	187,837	182,411
	<u>1,866,225</u>	<u>1,802,448</u>

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**5. NET INCOME FROM INVESTED FUNDS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Overseas interest from fixed interest securities	1,909,154	1,528,470
Overseas dividends from equities	1,060,656	737,527
Less: Withholding tax suffered	(210,328)	(162,842)
UK interest from fixed interest securities	1,115,233	1,755,935
UK dividends from equities	4,672,370	4,534,625
Interest on short term deposits	1,367,102	1,492,664
Underwriting commission	21,146	4,630
Property rental	521,994	521,994
	<u>10,457,327</u>	<u>10,413,003</u>
<b>Expenditure</b>		
Investment manager's fees	404,215	358,138
Property expenses	13,731	13,049
	<u>(417,946)</u>	<u>(371,187)</u>
<b>Net income</b>	<u><u>10,039,381</u></u>	<u><u>10,041,816</u></u>

**6. TANGIBLE ASSETS.**

	<b>1 January</b>	<b>Additions/</b>	<b>Disposals</b>	<b>31 December</b>
	<b>2001</b>	<b>charge in</b>	<b>in year</b>	<b>2001</b>
	<b>£</b>	<b>year</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
Freehold land and buildings	3,618,534	-	-	3,618,534
Furniture, fittings and office equipment	612,485	95,788	(35,327)	672,946
Computer equipment and software	1,298,723	358,074	(87,533)	1,569,264
Computer development	3,589,900	859,716	-	4,449,616
	<u>9,119,642</u>	<u>1,313,578</u>	<u>(122,860)</u>	<u>10,310,360</u>
<b>Depreciation</b>				
Freehold land and buildings	622,582	45,232	-	667,814
Furniture, fittings and office equipment	379,440	61,900	(35,301)	406,039
Computer equipment and software	844,508	308,904	(87,397)	1,066,015
Computer development	2,440,395	-	-	2,440,395
	<u>4,286,925</u>	<u>416,036</u>	<u>(122,698)</u>	<u>4,580,263</u>
<b>Net book value</b>	<u><u>4,832,717</u></u>			<u><u>5,730,097</u></u>

Freehold land and buildings comprises Edward T. Wheadon House, which was valued in August 1999 by Lovell & Partners Limited, a firm of estate agents and valuers, at an open market value of £9,880,000.

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**7. INVESTMENT PROPERTY**

	<b>2001</b> <b>£</b>	<b>2000</b> <b>£</b>
At valuation	7,540,000	8,070,000
At historic cost	3,146,034	3,146,034

The freehold property "Arnold House" was valued by Lovell & Partners Limited, a firm of estate agents and valuers, in January 2002 at £8,180,000. The Authority has revised this valuation based on a revised measurement of the floor area to £7,540,000. The property is currently let on a 42 year lease from 14 June 1989, at an annual rental of £521,994. The future rental of the property is currently being negotiated.

**8. LISTED INVESTMENTS**

	<b>2001</b> <b>Valuation</b> <b>£</b>	<b>Cost</b> <b>£</b>	<b>2000</b> <b>Valuation</b> <b>£</b>	<b>Cost</b> <b>£</b>
<b>United Kingdom</b>				
Fixed interest	21,959,889	22,292,661	25,178,841	24,531,327
Equities	171,547,078	120,308,725	193,055,638	109,935,451
	193,506,967	142,601,386	218,234,479	134,466,778
<b>Overseas</b>				
Fixed interest	27,667,594	27,418,825	38,437,609	36,681,631
Equities	78,520,467	77,763,272	74,571,330	60,393,716
	299,695,028	247,783,483	331,243,418	231,542,125
Cost of investments brought forward		231,542,125		203,707,837
Purchase of investments		182,094,944		186,712,712
Proceeds on sale of investments		(167,708,737)		(171,436,520)
Profits on sale of investments		1,855,151		12,558,096
Cost of investments carried forward		247,783,483		231,542,125

**9. DEBTORS**

	<b>2001</b> <b>£</b>	<b>2000</b> <b>£</b>
Contributions receivable	9,851,501	8,978,941
Benefits prepaid	1,541,203	1,557,972
Administration expenses prepaid	422,432	253,135
Recoveries due from Non Contributory Services	250,072	305,115
Recoveries due from Guernsey Health Service Fund	86,076	146,509
Recoveries due from other States of Guernsey entities	81,548	34,382
Investment income	4,382	3,233
States of Guernsey	431,119	239,514
	12,668,333	11,518,801

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Contributions payable to Guernsey Health Service Fund	4,393,839	3,711,989
Benefits payable	174,166	136,133
Other creditors and accruals	299,056	398,334
	<u>4,867,061</u>	<u>4,246,456</u>

**11. RECONCILIATION OF MOVEMENT IN RESERVES**

	<b>Net unrealised surplus on investments £</b>	<b>Net realised surplus on sale of investments £</b>	<b>Revaluation reserve on investment property £</b>	<b>Revenue account £</b>	<b>Total £</b>
Balance at 1 January 2001	99,701,293	107,413,985	4,923,965	164,672,535	376,711,778
Surplus arising in the financial year	(42,321,955)	1,855,151	(530,000)	18,222,234	(22,774,570)
Impairment of investments	-	(5,467,793)	-	-	(5,467,793)
	<u>57,379,338</u>	<u>103,801,343</u>	<u>4,393,965</u>	<u>182,894,769</u>	<u>348,469,415</u>
Balance at 31 December 2001	57,379,338	103,801,343	4,393,965	182,894,769	348,469,415

No account is taken of future benefit entitlements in these accounts. The above reserves have been accumulated to assist in meeting these liabilities as they fall due.

The market values of a number of investments have fallen significantly below their book costs. The Authority has adjusted for those investments for which it believes impairments have occurred.

**12. RECONCILIATION OF OPERATING SURPLUS TO  
NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Operating surplus for the year	8,182,853	5,934,773
Depreciation charges	416,036	430,080
Loss on disposal of fixed assets	162	-
Increase in debtors	(1,148,383)	(269,301)
Increase in creditors	611,904	157,026
	<u>8,062,572</u>	<u>6,252,578</u>
Net cash inflow from operating activities	8,062,572	6,252,578



**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**13. RECONCILIATION OF NET INCOME FROM INVESTED FUNDS  
TO RETURNS ON INVESTMENT AND SERVICING OF FINANCE**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Net income from invested funds (note 5)	10,039,381	10,041,816
Increase in debtors	(1,149)	(129)
Increase/(decrease) in creditors	8,701	(160,067)
	<u>10,046,933</u>	<u>9,881,620</u>

**14. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>£</b>
Decrease in cash in year	(217,336)
Increase in balances with States Treasury	2,627,056
	<u>2,409,720</u>
Change in net funds	2,409,720
Net funds at 1 January 2001	25,293,298
	<u>27,703,018</u>
Net funds at 31 December 2001	<u>27,703,018</u>

**15. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 January 2001 £</b>	<b>Change in year £</b>	<b>31 December 2001 £</b>
Balances with States Treasury	3,520,282	4,212,525	7,732,807
Balances with States Treasury held by investment managers	20,295,064	(1,585,469)	18,709,595
Cash held by investment managers	1,313,028	(375,636)	937,392
Cash at bank and in hand	164,924	158,300	323,224
	<u>25,293,298</u>	<u>2,409,720</u>	<u>27,703,018</u>

**STATES OF GUERNSEY – GUERNSEY INSURANCE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**16. PENSION FUND**

The employees of the Guernsey Social Security Authority are members of the States of Guernsey Superannuation Fund. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. As the Fund is a multi entity arrangement the Authority is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the Authority hence contributions are treated as if this were a defined contribution scheme in accordance with Financial Reporting Standard 17 "Retirement benefits".

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 "Retirement benefits":

"The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group."

The total amount of the Authority's Superannuation contributions for the year ended 31 December 2001 was £159,377 (2000: £154,624) of which the Guernsey Insurance Fund contributed £105,755 (2000: £103,955). At 31 December 2001 the amount of contributions due but not paid to the Fund was £nil (2000: £nil).

**17. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Authority are of the opinion that there have been no disclosable related party transactions with members and senior management in this financial year (2000: none).

Of the Authority's annual income and expenditure, less than 20% of their respective value (2000: <20%) is due to transactions with other States entities, except as disclosed in notes 1 and 4.

**18. STATEMENT OF CONTROL**

The Guernsey Insurance Fund is controlled and managed by the Guernsey Social Security Authority, as required by Section 100(1) of the Social Insurance (Guernsey) Law, 1978, as amended. The members of the Guernsey Social Security Authority have been elected by the States of Guernsey.

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**FINANCIAL STATEMENTS 2001**

**OFFICERS**

**Guernsey Social Security Authority**

President
Deputy Owen Le Tissier

Vice President
Deputy Andrew Sauvarin (re-elected 1 June 2001)

Authority Members
Deputy Mary Lowe
Deputy Pat Robilliard
Deputy Daniel Le Cheminant (appointed 31 May 2001)
Douzaine Representative Hirzel Dorey (retired 31 May 2001)
Roy Le Prevost
John Guilbert

Administrator
Malcolm Nutley

## **STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**

### **Controlled and Managed by the Guernsey Social Security Authority**

#### **OPERATING STATEMENT**

##### **Financial highlights**

Benefit expenditure on Non-contributory Services increased by 7% in 2001 to a total of £17.95m (2000: 16.72m). This increase includes the general increase of benefit rates by approximately 4.5%. It also includes the effect of 2001 being a 52-week year for benefit payment purposes (2000: 53 weeks).

Supplementary benefit expenditure increased by 8% to £9.3m, (2000: £8.6m). The increase was partly due to an easing of the formula for notional income on capital, approved by the States as part of the benefit uprating measures for the year.

During 2001, special grants, which form part of the overall supplementary benefit expenditure, increased by 20%. The increase was attributable to a sharp rise in the Authority's discretionary benefits for handicapped persons, which more than doubled. Increases in dental and medical treatment also saw increases of 8% and 9% respectively. A significant factor for the continued increase in demand, against a backdrop of a fairly static claimant base, is the improved awareness of both healthcare professionals and claimants as to what can be financed under special grants. The Authority was pleased to see improved access to benefits which improve the welfare of handicapped persons.

With a 5% increase in family allowance to £10.50 per child per week and taking into consideration the extra benefit week in 2000, expenditure increased by 3.9% to £6.72m (2000: £6.47m). The number of children for whom the benefit was paid was fairly static compared to the previous year.

Attendance and invalid care allowance expenditure increased by just over 3% to £1.67m (2000: £1.62m). Given the benefit rate increase and the impact of the extra benefit week in 2000, the increase in costs was low compared to the average increase over the last five years of 8% per annum. The Authority will advertise the benefits to ensure that lack of knowledge is not a factor in the low level of increase. Over 10 years the average annual increase stands at 20%.

The new benefit with regard to concessionary TV Licences commenced on 1 April 2001. Total payments made in 2001 by the Authority amounted £0.44m of which £0.20m related to advance cover for 2002 and is thus treated in the accounts as a prepayment.

##### **Activities during 2001**

Policy activities in 2001 included taking long-term care insurance proposals to the States. The proposals were approved on 1 March 2001 (Billet d'État III of 2001). The Projet de Loi is expected to be considered by the States in the first half of 2002. The new scheme will reduce expenditure on the non-contributory services account, as the insurance scheme, having its own separate fund and accounts, will replace the means-tested assessment of people in private sector residential and nursing homes.

##### **Future developments**

The Survey of Guernsey Living standards, commissioned by the Advisory and Finance Committee and undertaken by the Townsend Institute for International Poverty Research, was published early in 2002. The report identified significant levels of relative poverty in Guernsey, estimating that 16% of residents, comprising 3000 households, are poor. Single parents and single pensioners were identified as two groups particularly subject to poverty.

The Authority will be one of the lead committees in formulating policy to address the poverty issue. While some of the remedies involve services provided by other States committees, it seems inevitable that expenditure under some of the non-contributory benefit headings will increase in response to the findings. Supplementary benefit and medical expenses assistance scheme appear two likely areas where increased expenditure will be approved.

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Statistics**

Benefits	No. of claimants as at:		No. of new cases	
	31/12/01	31/12/00	2001	2000
Supplementary Benefit	1,767	1,754	1,691	1,513
Family Allowances	6,917	6,921	539	503
Attendance Allowance	375	368	137	158
Invalid Care Allowance	222	219	71	97

**Five-year performance**

	2001 £	2000 £	1999 £	1998 £	1997 £
Supplementary Benefit	9,273,353	8,582,332	8,197,835	8,083,445	7,518,741
Family Allowances	6,717,691	6,474,717	6,078,813	6,063,790	5,745,327
Attendance Allowance	1,135,182	1,090,864	1,004,331	913,698	853,745
Invalid Care Allowance	535,790	528,808	512,192	484,521	462,709
MEAS	48,863	39,533	29,009	43,085	29,872
Charitable grants	135,388	130,928	128,237	112,755	107,074

## **STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**

### **Controlled and Managed by the Guernsey Social Security Authority**

#### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Guernsey Social Security Authority ("The Authority") is required to prepare financial statements for each financial year which give a true and fair view of the disposition of the net assets of Non Contributory Services at the end of the financial year and of the surplus or deficit of Non Contributory Services for that period. In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Non Contributory Services. It is also responsible for safeguarding the assets of the Authority and Non Contributory Services and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of the Authority:

- to identify and install an appropriate system of internal controls, including financial controls;
- to safeguard the assets of the States of Guernsey and to take reasonable steps for the prevention and detection of fraud and other irregularities;
- to manage the funds and other resources entrusted to the Authority, economically, efficiently and effectively.

The Authority's internal financial controls and monitoring procedures include:

- an annual budget and planning process to allocate, control and monitor the use of resources;
- a requirement to table at a meeting of the Authority:
  - the annual audit report together with the audited financial statements;
  - the annual report of observations and recommendations produced by the external auditors;
  - the annual policy and resource plan;
  - the quarterly management accounts;
- a review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department;
- a requirement for internal audit reports to be tabled at a meeting of the Authority;

Through its staff recruitment and training, the Authority strives to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties.

The Authority's internal controls and accounting policies have been and are subject to continuous review.

In addition the financial statements are subject to an independent external audit by auditors appointed by the States of Guernsey.

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**INDEPENDENT AUDITORS' REPORT TO THE AUTHORITY**

We have audited the financial statements of States of Guernsey - Non Contributory Services for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of the Authority and auditors**

As described in the statement of responsibilities for the preparation of the financial statements the Authority is responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view of the disposition of the net assets of the Non Contributory Services and are properly prepared in accordance with its accounting policies. We also report if, in our opinion, the operating statement is not consistent with the financial statements, if the Authority has not kept proper accounting records or if we have not received all of the information and explanations we require for our audit.

We read the operating statement for the above year and consider the implications for our report if we become aware of any apparent misstatements.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority in the preparation of the financial statements and of whether the accounting policies are appropriate to the Non Contributory Services' 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 financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the disposition of the net assets of the Non Contributory Services as at 31 December 2001 and of its income and expenditure for the year then ended and have been properly prepared in accordance with its accounting policies.

***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

9 April 2002

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**REVENUE ACCOUNT**  
**Year ended 31 December 2001**

	Note	£	2001 £	£	2000 £
<b>INCOME</b>					
Grant - States of Guernsey	2	19,352,416		18,109,015	
Bank interest receivable		12,335		15,837	
<b>TOTAL INCOME</b>			19,364,751		18,124,852
<b>EXPENDITURE</b>					
Supplementary benefit	3	9,273,353		8,582,332	
Family allowances		6,717,691		6,474,717	
Attendance and invalid care allowances		1,670,972		1,619,672	
Concessionary Television Licences		237,570		-	
Medical expenses assistance scheme		48,863		39,533	
Special Christmas payment		150		175	
		17,948,599		16,716,429	
Charitable grants	5	135,388		130,928	
Administration	6	1,378,091		1,374,822	
Recoveries	7	(97,327)		(97,327)	
		1,416,152		1,408,423	
<b>TOTAL EXPENDITURE</b>			19,364,751		18,124,852
<b>OPERATING RESULT FOR THE FINANCIAL YEAR</b>					
			-		-

All activities derive from continuing operations.

There are no recognised gains and losses or movements in reserves in the current or preceding financial years other than as stated in the revenue account.



**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**BALANCE SHEET**  
**31 December 2001**

	Note	£	2001 £	£	2000 £
<b>CURRENT ASSETS</b>					
Debtors	8	1,045,924		376,189	
Cash at bank	9	145,000		455,000	
			1,190,924		831,189
<b>CREDITORS: amounts falling due within one year</b>	10		1,190,924		831,189
<b>NET CURRENT ASSETS</b>			-		-
<b>REVENUE ACCOUNT</b>			-		-

These financial statements were approved by the Guernsey Social Security Authority on 3 April 2002.

Signed on behalf of the Authority

DEPUTY O D LE TISSIER  
President

M NUTLEY  
Administrator

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**CASH FLOW STATEMENT**  
**Year ended 31 December 2001**

	<b>Note</b>	<b>2001</b> <b>£</b>	<b>2000</b> <b>£</b>
Net cash outflow from operating activities	11	(221,773)	(112,876)
Decrease in cash	12	(221,773)	(112,876)

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with the accounting policies described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Revenue account**

The grants received from the States of Guernsey are set at a level equal to expenditure accounted for in the relevant period.

**Benefits payable**

Benefits are accounted for on an accruals basis except that no provision is made in the financial statements in respect of benefit and allowance orders which have not been presented for payment at the year end. As in previous years, this represents a departure from the accruals concept as defined by Financial Reporting Standard 18 “Accounting policies”. However, this does not have a material impact on the financial statements.

**Pension costs**

The expected cost of providing pensions to employees of the Authority, as calculated periodically by professionally qualified actuaries, is charged to the revenue account so as to spread the cost over the service lives of existing employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

**Assets held in a fiduciary capacity**

Assets held in a fiduciary capacity for charitable settlements are not included in the balance sheet. These assets amounted to £10,113 at 31 December 2001 (2000: £9,837).

**2. INCOME FROM THE STATES OF GUERNSEY**

It is the practice of the States to match the expenditure of Non Contributory Services with grants. The income received from the States in the financial year may therefore be analysed in the same manner, and under the same headings as the expenditure. It is expected that this practice will continue for the foreseeable future.

**3. SUPPLEMENTARY BENEFIT**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Benefit and fuel allowance	5,885,133	5,509,346
UK rehabilitation centres	440,201	461,989
Residential and nursing homes	1,853,002	1,740,731
Special grants (note 4)	1,163,289	967,725
Travel expenses assistance scheme	60,596	42,238
Maintenance recoveries	(128,868)	(139,697)
	<hr/> 9,273,353	<hr/> 8,582,332
	<hr/> <hr/>	<hr/> <hr/>

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**4. SPECIAL GRANTS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Exceptional needs	6,479	3,975
Funeral	35,304	26,907
Handicapped persons	235,333	106,566
Medical - Chiropody	60,081	51,037
- Dental	150,923	139,287
- Hearing aids	12,791	8,364
- Medical treatment	439,616	402,332
- Medical sundries	24,083	18,616
- Ophthalmic	64,591	54,326
- Physiotherapy	78,119	81,874
Surgical and medical requisites	49,994	63,434
Sundries (not medical)	3,930	4,723
Travelling expenses	2,045	6,284
	<u>1,163,289</u>	<u>967,725</u>

**5. CHARITABLE GRANTS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Guernsey Citizens Advice Bureau	12,941	12,325
Relate	16,750	17,645
The Salvation Army (Clifton Community Centre)	15,000	14,000
The Samaritans	4,001	3,805
Guernsey Welfare Service Limited	35,665	34,558
The Methodist Church (Wesley)	12,441	11,845
Women's Royal Voluntary Service	22,840	21,750
Guernsey Women's Refuge Limited	15,750	15,000
	<u>135,388</u>	<u>130,928</u>

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**6. ADMINISTRATION**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Guernsey Insurance Fund recharges:		
Salaries and employer's insurance	665,292	627,705
Pension Fund	41,418	39,766
Common services	35,268	33,224
Computer expenses	342,674	374,061
Office alterations	-	3,134
Rent	97,327	97,327
	<hr/>	<hr/>
	1,181,979	1,175,217
Audit fee	2,489	2,332
Actuarial fees	4,989	5,478
Bank charges	66,533	66,344
Legal and professional fees	66,394	57,200
Printing and stationery	8,170	9,152
Travelling expenses	6,928	5,243
Medical reports	20,070	22,182
British war pensions	6,182	4,699
Sundries	1,933	2,290
Long stay fees expenses	89	8,848
Bank interest payable	12,335	15,837
	<hr/>	<hr/>
	1,378,091	1,374,822
	<hr/>	<hr/>

**7. RECOVERIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Rent received from the Board of Administration	97,327	97,327
	<hr/>	<hr/>

**8. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
States of Guernsey grants	432,411	3,432
Allowances paid in advance	519,941	324,018
Other debtors and prepayments	93,572	48,739
	<hr/>	<hr/>
	1,045,924	376,189
	<hr/>	<hr/>

**9. CASH AT BANK**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Call account	145,000	455,000
	<hr/>	<hr/>

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank overdraft	130,881	219,108
Benefits and allowances payable	773,264	265,247
Other creditors and accruals	36,707	41,719
Guernsey Insurance Fund recharges payable	250,072	305,115
	<u>1,190,924</u>	<u>831,189</u>

**11. RECONCILIATION OF OPERATING RESULT TO  
NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Operating result	-	-
(Increase)/decrease in debtors	(669,735)	108,802
Increase/(decrease) in creditors	447,962	(221,678)
	<u>(221,773)</u>	<u>(112,876)</u>

**12. ANALYSIS OF CHANGES IN CASH DURING THE YEAR**

	<b>£</b>
Balance at 1 January 2001	235,892
Net cash outflow	<u>(221,773)</u>
Balance at 31 December 2001	<u>14,119</u>

**13. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 January 2001 £</b>	<b>Change in year £</b>	<b>31 December 2001 £</b>
Cash at bank	455,000	(310,000)	145,000
Bank overdraft	(219,108)	88,227	(130,881)
	<u>235,892</u>	<u>(221,773)</u>	<u>14,119</u>

**STATES OF GUERNSEY – NON CONTRIBUTORY SERVICES**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**14. PENSION FUND**

The employees of the Guernsey Social Security Authority are members of the States of Guernsey Superannuation Fund. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. As the Fund is a multi entity arrangement the Authority is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the Authority hence contributions are treated as if this were a defined contribution scheme in accordance with Financial Reporting Standard 17 "Retirement benefits".

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 "Retirement benefits":

"The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group."

The total amount of the Authority's superannuation contributions for the year ended 31 December 2001 was £159,377 (2000: £154,624) of which Non-Contributory Services contributed £41,418 (2000: £39,766). At 31 December 2001 the amount of contributions due but not paid to the Fund was £nil (2000: £nil).

**15. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Authority are of the opinion that there have been no related party transactions with members or senior management in this financial year (2000: none).

Of the Authority's annual income and expenditure, less than 20% of their respective value (2000: <20%) is due to transactions with other States entities, except as disclosed in notes 2 and 6.

**16. STATEMENT OF CONTROL**

The Non Contributory Services is wholly owned and ultimately controlled by the States of Guernsey. Responsibility for the administration of Non Contributory Services rests with the Guernsey Social Security Authority, the members of which have been elected by the States of Guernsey.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**FINANCIAL STATEMENTS 2001**

**OFFICERS**

**Guernsey Social Security Authority**

President
Deputy Owen Le Tissier

Vice President
Deputy Andrew Sauvarin (re-elected 1 June 2001)

Authority Members
Deputy Mary Lowe
Deputy Pat Robilliard
Deputy Daniel Le Cheminant (appointed 31 May 2001)
Douzaine Representative Hirzel Dorey (retired 31 May 2001)
Roy Le Prevost
John Guilbert

Administrator
Malcolm Nutley



## **STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**

### **Controlled and Managed by the Guernsey Social Security Authority**

## **OPERATING STATEMENT**

### **Financial highlights**

The Health Service had an operating surplus of £1.5m in 2001, compared with £1.0m in 2000. The operating surplus, together with net income from investments of £0.6m (2000: £0.6m) gave a total of £2.1m (2000: £1.6m) transferred to reserves.

During the year, contribution income grew by 7.9% to £16.3m (2000: £15.1m), reflecting a continued increase in the number of people working in Guernsey and Alderney, increased earnings from a buoyant economy and a 6.6% increase in the Upper Earnings Limit. Part of the increase in the Upper Earnings Limit was to compensate for the loss of contribution income due to the abolition, at the beginning of 2001, of non-reckonable contributions collected on very low earnings between what was the earnings threshold and the lower earnings limit.

Overall benefit expenditure increased by 6% to £20m. The Authority's main concern is the continued increase in the cost of drugs and medicines. Despite increased scrutiny on prescribing practices by the Prescribing Support Unit, a body jointly funded by the Authority and the Board of Health, drugs expenditure in 2001 grew by 8.5%. Over the last four years the cost of drugs and medicines has, on average, increased by 8.9% per annum. The number of items prescribed during 2001 increased by 5.1% compared with 2000, which is a substantial increase from a high base.

With net assets of £17.9m (2000: £16.4m), expenditure cover increased marginally, from 10.1 months to 10.4 months. The increase is mainly attributable to the continued growth in contribution income, albeit tempered by the sharp decline in world markets towards the year-end. At the end of 2001, the Fund's investment portfolio, including cash invested, was valued at £12m (2000: £11.4m) with unrealised capital losses of £0.6m at the year end compared with a capital surplus of £0.1m the previous year.

### **Activities during 2001**

The Authority remains firmly committed to ensuring value for money from the pharmaceutical service and to that end continues to support the operations of the Prescribing Support Unit.

Throughout 2001, the Authority, working jointly with the Board of Health, negotiated the scope and cost of a replacement contract with the Medical Specialist Group to replace the current contract on its expiry at the end of 2002. This has been a major activity comprising a full review of the range of specialist medical services to be covered and the medical manpower requirements to deliver those services to contractual maximum waiting times that have halved compared with the current contract.

### **Future developments**

On 28 February 2002 (Billet d'Etat III of 2002) the States approved proposals for new specialist health insurance scheme contracts with the Medical Specialist Group, the Guernsey Physiotherapy Group and Alderney Doctors. An amendment was carried by the States, requiring the Authority and the Board of Health to facilitate talks between the Guernsey Physiotherapy Group and other physiotherapists linked with General Practitioners. This is to explore the opportunity for sub-contractual or other arrangements allowing some of the physiotherapy associated with specialist medical care to be provided at premises other than the hospital or Guernsey Physiotherapy Group premises. The Authority will pursue this resolution of the States in the first half of 2002.

The Authority will work with the Board of Health on drafting the commercial contacts with the Medical Specialist Group, the Guernsey Physiotherapy Group and the Alderney doctors, for signature prior to the year-end. These will be the detailed contracts giving effect to the Heads of Agreement approved by the States and taking effect from 1 January 2003.

The Prescribing Support Unit will continue to promote rational and cost effective prescribing.

The administration of the Guernsey Health Service Fund will be an integral part of the technological migration from the mainframe systems to client server systems, as referred to in the Guernsey Insurance Fund accounts.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Statistics**

	Ordinary prescriptions	Exempt prescriptions	Total prescriptions	Average basic cost
<b>Drugs and medicines</b>				
2000	477,459	447,893	925,352	£10.30
2001	493,961	472,210	966,171	£10.65
<b>Appliances</b>				
2000	435	2,023	2,458	£65.62
2001	557	2,328	2,885	£68.71

**Specialist Health Insurance Scheme**

	MSG		Ophthalmology		Physiotherapy	
	Inpatient and day case episodes*	Outpatient consultations*	Inpatient and day case episodes*	Outpatient consultations	Inpatient hours of treatment	Outpatient hours of treatment
2000	12,068	38,200	721	7,059	6,526	2,546
2001	11,702	37,534	1,056	6,853	6,391	3,316
% increase	-3.03%	-1.74%	46.46%	-2.92%	-2.07%	30.24%

\*These figures provided by the Board of Health are on a different basis to previous accounts for 2000.

Inpatient and day case episodes do not include well babies, patients admitted to Day Patient Unit for pre-op checks, private or amenity patients and are for Princess Elizabeth Hospital, Castel Hospital and King Edward Hospital episodes.

**Consultation grants**

	L'Aumone	Queens Road	Healthcare	Island Sports Medicine and Rehabilitation Centre	Miscellaneous Guernsey	Alderney	TOTAL
<b>2000</b>							
Doctor	70,244	69,242	76,360	607	159	12,716	229,328
Nurse	17,977	15,280	23,425	-	835	131	57,648
<b>Total 2000</b>	<b>88,221</b>	<b>84,522</b>	<b>99,785</b>	<b>607</b>	<b>994</b>	<b>12,847</b>	<b>286,976</b>
<b>2001</b>							
Doctor	71,052	69,125	76,858	472	-	12,557	230,064
Nurse	18,742	17,275	25,857	-	191	168	62,233
<b>Total 2001</b>	<b>89,794</b>	<b>86,400</b>	<b>102,715</b>	<b>472</b>	<b>191</b>	<b>12,725</b>	<b>292,297</b>
% (decrease)/ increase	1.8%	2.2%	2.9%	(22.2)%	(80.8)%	(0.9)%	1.9%

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**OPERATING STATEMENT**

**Contribution rates**

	2001	2000	1999	1998	1997
<b>Employers</b>	1.3%	1.3%	1.3%	1.3%	1.3%
<b>Employed</b>					
Full rate	1.3%	1.3%	1.3%	1.3%	1.3%
Reduced rate	1.3%	1.3%	1.3%	1.3%	1.3%
<b>Self-employed</b>	2.6%	2.6%	2.6%	2.6%	2.6%
<b>Non-employed</b>					
Full rate	2.6%	2.6%	2.6%	2.6%	2.6%
Over 65s	1.0%	1.0%	1.0%	1.0%	1.0%

**Five-year performance**

	2001 £	2000 £	1999 £	1998 £	1997 £
<b>Drugs and medicines</b>	11,159,940	10,290,216	9,864,909	8,786,281	8,232,085
% annual increase	8.5%	4.3%	12.3%	6.7%	8.8%

<b>Income</b>	22,229,015	20,522,209	19,440,559	18,119,729	17,193,828
Expenditure	20,736,658	19,521,991	18,808,314	17,460,929	16,537,446
Operating surplus	1,492,357	1,000,218	632,245	658,800	656,382
<b>Investment income</b>	595,650	592,242	611,772	807,766	643,533
Transfer to reserves	2,088,007	1,592,460	1,244,017	1,466,566	1,299,915

<b>Investments</b>					
Cash invested	4,814,338	3,430,907	4,940,944	5,114	12,102
Listed investments	7,151,275	7,940,328	4,125,419	8,428,572	7,870,896
	11,965,613	11,371,235	9,066,363	8,433,686	7,882,998

<b>Expenditure cover</b>					
Reserves	17,909,412	16,398,943	14,670,067	13,173,456	11,692,698
Expenditure	20,736,658	19,521,991	18,808,314	17,460,929	16,537,446
Number of months cover	10.4	10.1	9.4	9.1	8.5

## **STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**

### **Controlled and Managed by the Guernsey Social Security Authority**

#### **STATEMENT OF RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS**

The Guernsey Social Security Authority ("The Authority") is required to prepare financial statements for each financial year which give a true and fair view of the disposition of net assets of the Guernsey Health Service Fund at the end of the financial year and of the income and expenditure of the Guernsey Health Service Fund for that period. In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The Authority is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Guernsey Health Service Fund and enable them to ensure that the financial statements comply with Section 100(3) of The Social Insurance (Guernsey) Law, 1978 and Section 1(4) of The Health Service (Benefit) (Guernsey) Law, 1990. It is also responsible for safeguarding the assets of the Authority and the Guernsey Health Service Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT OF INTERNAL FINANCIAL CONTROLS**

It is the responsibility of the Authority:

- to identify and install an appropriate system of internal controls, including financial controls;
- to safeguard the assets of the Authority and the Guernsey Health Service Fund and to take reasonable steps for the prevention and detection of fraud and other irregularities;
- to manage the funds and other resources entrusted to the Authority, economically, efficiently and effectively.

The Authority's internal financial controls and monitoring procedures include:

- an annual budget and planning process to allocate, control and monitor the use of resources;
- a requirement to table at a meeting of the Authority:
  - the annual audit report together with the audited financial statements;
  - the annual report of observations and recommendations produced by the external auditors;
  - the annual policy and resource plan;
  - the quarterly management accounts;
- by Law, an actuarial review to determine the adequacy of the contribution rates must be undertaken at least once every five years and submitted to the Authority and the States of Guernsey;
- a regular review of the performance and security of the Guernsey Health Service Fund by the Authority;
- a review and appraisal of the soundness, adequacy and application of internal controls by the States Internal Audit Department;
- a requirement for internal audit reports to be tabled at a meeting of the Authority;

Through its staff recruitment and training, the Authority strives to ensure that all those with financial responsibilities have the necessary skills and motivation to discharge their duties.

The Authority's internal controls and accounting policies have been and are subject to continuous review.

In addition the financial statements are subject to an independent external audit by auditors appointed by the States of Guernsey.

**STATES OF GUERNSEY - GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**INDEPENDENT AUDITORS' REPORT TO THE AUTHORITY**

We have audited the financial statements of States of Guernsey - Guernsey Health Service Fund for the year ended 31 December 2001 which comprise the revenue account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of the Authority and auditors**

As described in the statement of responsibilities for the preparation of the financial statements the Authority is responsible for the preparation of the financial statements in accordance with applicable Guernsey law and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with relevant Guernsey legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view of the disposition of the net assets of the Guernsey Health Service Fund and are properly prepared in accordance with its accounting policies and comply with Section 100(3) of the Social Insurance (Guernsey) Law, 1978 and Section 1(4) of the Health Service (Benefit) (Guernsey) Law, 1990. We also report if, in our opinion, the operating statement is not consistent with the financial statements, if the Authority has not kept proper accounting records or if we have not received all of the information and explanations we require for our audit.

We read the operating statement for the above year and consider the implications for our report if we become aware of any apparent misstatements.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority in the preparation of the financial statements and of whether the accounting policies are appropriate to the Guernsey Health Service Fund'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 financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the disposition of the net assets of the Guernsey Health Service Fund as at 31 December 2001 and of its surplus for the year then ended and have been properly prepared in accordance with its accounting policies and comply with Section 100(3) of the Social Insurance (Guernsey) Law, 1978 and Section 1(4) of the Health Service (Benefit) (Guernsey) Law, 1990.

***Deloitte & Touche***

Chartered Accountants

St. Peter's House  
Le Bordage  
St. Peter Port  
Guernsey GY1 3HW  
Channel Islands

9 April 2002

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**REVENUE ACCOUNT**  
**Year ended 31 December 2001**

	Note	£	2001 £	£	2000 £
<b>INCOME</b>					
Health Service Fund allocation	1	16,344,864		15,089,859	
Grant - States of Guernsey		5,884,151		5,432,350	
			22,229,015		20,522,209
<b>BENEFITS</b>					
Drugs and medicines		12,121,101		11,182,794	
Less: Prescription charges receivable		(961,161)		(892,578)	
		11,159,940		10,290,216	
Specialist Health Insurance scheme	13	6,710,340		6,417,513	
Consultation grants		2,087,404		2,072,856	
Administration	2	778,974		741,406	
			20,736,658		19,521,991
<b>OPERATING SURPLUS FOR THE YEAR</b>					
			1,492,357		1,000,218
Interest receivable		603,146		599,837	
Investment manager's fee		(7,496)		(7,595)	
			595,650		592,242
<b>SURPLUS FOR THE FINANCIAL YEAR, TRANSFERRED TO RESERVES</b>					
	11		2,088,007		1,592,460

All activities derive from continuing operations.

In addition to the revenue surplus for the current and preceding financial years as stated above, there are capital gains/(losses) on investments as disclosed in the statement of total recognised gains and losses on page 270.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**BALANCE SHEET**  
**31 December 2001**

	Note	£	2001 £	£	2000 £
<b>FIXED ASSETS</b>					
Listed investments	3		7,151,275		7,940,328
<b>CURRENT ASSETS</b>					
Debtors	4	4,588,323		3,843,212	
Balances with States Treasury		2,178,994		1,848,236	
Balances with States Treasury held by investment managers		4,607,278		3,428,570	
Cash held by investment managers		207,060		2,337	
Cash at bank	5	440,862		445,000	
			12,022,517		9,567,355
<b>CREDITORS: amounts falling due within one year</b>	6	1,264,380		1,108,740	
<b>NET CURRENT ASSETS</b>			10,758,137		8,458,615
<b>TOTAL NET ASSETS</b>			17,909,412		16,398,943
<b>RESERVES</b>	11		17,909,412		16,398,943

These financial statements were approved by the Guernsey Social Security Authority on 3 April 2002.

Signed on behalf of the Authority

DEPUTY O D LE TISSIER  
President

M NUTLEY  
Administrator

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**Year ended 31 December 2001**

	<b>Note</b>	<b>2001 £</b>	<b>2000 £</b>
Surplus for the year		2,088,007	1,592,460
Movement in unrealised (deficit)/surplus on investments		(574,373)	123,278
(Loss)/profit on sale of investments	3	(3,165)	13,138
<b>Total recognised gains relating to the year</b>	11	<u>1,510,469</u>	<u>1,728,876</u>

**CASH FLOW STATEMENT**  
**Year ended 31 December 2001**

		<b>2001 £</b>	<b>2000 £</b>
<b>Net cash inflow from operating activities</b>	7	910,496	1,027,059
<b>Returns on investments and servicing of finance</b>			
Interest received	8	591,520	598,978
		<u>1,502,016</u>	<u>1,626,037</u>
<b>Management of liquid resources</b>			
Proceeds from sale of investments		400,000	544,145
Purchase of investments		(188,485)	(4,222,636)
(Increase)/decrease in amounts held with States Treasury		(1,509,466)	1,962,562
<b>Net cash outflow from investing activities</b>		<u>(1,297,951)</u>	<u>(1,715,929)</u>
<b>Increase/(decrease) in cash</b>	9	<u>204,065</u>	<u>(89,892)</u>



**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with the particular accounting policies described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention, as modified by the revaluation of listed investments.

**Health Service Fund allocation**

Income to the Guernsey Health Service Fund represents an allocation to that Fund of specific proportions of contribution income. The contribution income represents the amount of cash received before 1 February in the following year in respect of the financial year ended 31 December 2001 and amounts received relating to prior financial periods not accounted for in those periods. The rate of contributions for the Guernsey Health Service Fund was increased from 1 January 1996. These changes were ratified by Ordinances XXI, 1995 and VII, 1996.

**Grant - States of Guernsey**

The grant received from the States of Guernsey is based on a fixed percentage of contributions, accounted for in the relevant period.

**Guernsey Health Service Fund**

No account is taken of future benefit entitlements.

The adequacy of the Guernsey Health Service Fund is, however, subject to actuarial review at least once every five years to determine the adequacy of the contribution rates. The last review was made as at 31 December 1996 and was published in the Billet D'État XXII 1998.

**Investments**

Listed investments are included in the balance sheet at mid-market prices ruling at the year end. The difference between cost and valuation is shown as an unrealised surplus or deficit on investments and is taken to a separate reserve. Realised profits or losses on sale of investments are taken directly to a separate reserve.

**Investment income**

Bond interest receivable is included in the financial statements on an accruals basis. Accrued interest purchased and sold is dealt with through the investment income account and the cost of investments adjusted accordingly.

Other investment income is accounted for on a receivable basis.

**Interest receivable**

Interest on investments and bank deposits is recognised on an accruals basis.

**Benefits payable**

Benefits payable are included on an accruals basis, based on returns submitted by doctors and pharmacists in respect of the year.

**Pension costs**

The expected cost of providing pensions to employees of the Authority, as calculated periodically by professionally qualified actuaries, is charged to the revenue account so as to spread the cost over the service lives of existing employees in the scheme in such a way that the pension cost is a substantially level percentage of current and expected future pensionable payroll.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**2. ADMINISTRATION**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Recharged from Guernsey Insurance Fund:		
Salaries and employers' insurance	191,746	178,461
Pension Fund	12,204	10,903
Common services	11,371	10,182
Computer expenses	261,324	225,509
Rent	19,764	19,765
	<u>496,409</u>	<u>444,820</u>
Board of Health:		
Specialist Health Insurance Scheme	107,656	108,428
Drugs and medicines	15,000	29,550
Pricing and analysis of prescription forms	128,347	123,424
Advertising, postage, printing and stationery	19,622	20,049
Audit fee	2,489	2,332
Legal and professional fees	170	3,080
Bank charges	552	661
Rota expenses	4,695	4,126
Sundries	2,387	3,710
Travelling expenses	1,647	1,226
	<u>778,974</u>	<u>741,406</u>

**3. LISTED INVESTMENTS**

	<b>2001</b>	<b>2000</b>
	<b>Valuation</b>	<b>Cost</b>
	<b>£</b>	<b>£</b>
Fixed interest and equity securities	<u>7,151,275</u>	<u>7,343,511</u>
Cost of investments brought forward	7,558,191	3,866,562
Purchase of investments	188,485	4,222,636
Proceeds on sale of investments	(400,000)	(544,145)
(Loss) / profit on sale of investments	(3,165)	13,138
	<u>7,343,511</u>	<u>7,558,191</u>

**4. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Share of contributions due from		
Guernsey Insurance Fund	4,393,839	3,711,989
States of Guernsey grant	122,451	64,380
Investment income	9,984	5,714
Benefits prepaid	62,049	60,740
Other debtors and prepayments	-	389
	<u>4,588,323</u>	<u>3,843,212</u>

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**5. CASH AT BANK**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Current account	20,862	-
Call account	420,000	445,000
	<u>440,862</u>	<u>445,000</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	3,480
Benefits payable	1,115,604	811,017
Other creditors and accruals	62,700	147,734
Guernsey Insurance Fund recharges payable	86,076	146,509
	<u>1,264,380</u>	<u>1,108,740</u>

**7. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Operating surplus for the year	1,492,357	1,000,218
Increase in debtors	(740,841)	(67,730)
Increase in creditors	158,980	94,571
	<u>910,496</u>	<u>1,027,059</u>

**8. RECONCILIATION OF INTEREST RECEIVABLE TO RETURNS ON INVESTMENT AND SERVICING OF FINANCE**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Interest receivable (net of investment manager's fee)	595,650	592,242
(Increase)/decrease in debtors	(4,270)	11,557
Increase/(decrease) in creditors	140	(4,821)
	<u>591,520</u>	<u>598,978</u>

**9. RECONCILIATION OF NET CASH FLOWS TO MOVEMENT IN NET FUNDS**

	<b>£</b>
Increase in cash in the year	204,065
Increase in balances with States Treasury	1,509,466
	<u>1,713,531</u>
Change in net funds	1,713,531
Net funds at 1 January 2001	5,720,663
	<u>7,434,194</u>

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**10. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 January 2001 £</b>	<b>Change in year £</b>	<b>31 December 2001 £</b>
Balances with States Treasury	1,848,236	330,758	2,178,994
Balances with States Treasury held by investment managers	3,428,570	1,178,708	4,607,278
Cash at bank	445,000	(4,138)	440,862
Bank overdraft	(3,480)	3,480	-
Cash held by investment managers	2,337	204,723	207,060
	<u>5,720,663</u>	<u>1,713,531</u>	<u>7,434,194</u>

**11. RESERVES**

	<b>Net unrealised surplus/ (deficit) on investments £</b>	<b>Net realised surplus/ (deficit) on sale of investments £</b>	<b>Revenue account £</b>	<b>Total £</b>
Balance at 1 January 2001	382,137	819,365	15,197,441	16,398,943
(Deficit)/surplus arising in the financial year	(574,373)	(3,165)	2,088,007	1,510,469
Balance at 31 December 2001	<u>(192,236)</u>	<u>816,200</u>	<u>17,285,448</u>	<u>17,909,412</u>

No account is taken of future benefit entitlements in these accounts.

The above reserves have been accumulated partly to assist in meeting these liabilities when they fall due.

**12. PENSION FUND**

The employees of the Guernsey Social Security Authority are members of the States of Guernsey Superannuation Fund. This is a defined benefits pension scheme funded by contributions from both employer and employee at rates which are determined on the basis of independent actuarial advice, and which are calculated to spread the expected cost of benefits payable to employees over the period of those employees' expected service lives. As the Fund is a multi entity arrangement the Authority is unable to identify its share of underlying assets and liabilities of the Fund or the implications of the surplus for the Authority hence contributions are treated as if this were a defined contribution scheme in accordance with Financial Reporting Standard 17 "Retirement benefits".

The following information has previously been disclosed in the Superannuation Fund section of the Accounts of the States of Guernsey in relation to this fund although the disclosures do not recognise the requirements of Financial Reporting Standard 17 "Retirement benefits":

"The most recent valuation of the scheme was conducted at 31 December 1998. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 7% per annum, that the general level of salaries would increase at the rate of 5% per annum and that pensions and deferred pensions would increase at the rate of 3% per annum. These are long term assumptions which are expected to relate to the future lifetime of the pension scheme.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**12. PENSION FUND (continued)**

The assets and liabilities of the pension scheme are separated between those relating to the public servants, those relating to teachers and those relating to the States Members. The valuation showed that the actuarial value of the assets relating to the public servants at 31 December 1998 represented 116.2% of the actuarial value of the accrued liabilities relating to this group.”

The total amount of the Authority's Superannuation contributions for the year ended 31 December 2001 was £159,377 (2000: £154,624) of which the Guernsey Health Service Fund contributed £12,204 (2000: £10,903). At 31 December 2001 the amount of contributions due but not paid to the Fund was £nil (2000: £nil).

**13. SPECIALIST HEALTH INSURANCE SCHEME**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Specialist medical benefit	5,921,819	5,668,705
Ophthalmic benefit	537,403	514,261
Physiotherapy benefit	319,263	305,970
Alderney hospital benefit	22,031	21,083
Board of Health recoveries	(90,176)	(92,506)
	<u>6,710,340</u>	<u>6,417,513</u>

During the year ended 31 December 1995 the Fund signed the following contracts:

A seven year contract, commencing on 1 January 1996, with the Medical Specialist Group Clinic at a 1994 base cost of £4,730,000 p.a., rising with RPI and other possible contingencies. The contract is for the supply of various medical services to the Bailiwick, excluding Sark.

A seven year contract, commencing on 1 January 1996, with the Eye Clinic at a 1994 base cost of £430,000 p.a., rising with RPI and other possible contingencies. The contract is for supply of various ophthalmic services to the Bailiwick, excluding Sark.

During the year ended 31 December 1997 the Fund signed the following contracts:

A five year contract, commencing on 1 January 1998, with the Guernsey Physiotherapy Group at a base cost of £289,000 p.a., rising with RPI and other possible contingencies. The contract is for supply of various physiotherapy services to the Bailiwick, excluding Sark.

A seven year contract back dated to 1 January 1996, with the Partners of The Island Medical Centre and The Eagle Medical Practice at a base cost of £18,700 p.a., rising with RPI and other possible contingencies. The contract is for the supply of acute medical treatment in the Mignot Memorial Hospital, Alderney.

The level of contributions the Fund receives has been raised on actuarial advice from 1 January 1996 to allow the Fund to meet these increased obligations.

**14. RELATED PARTY TRANSACTIONS**

After making appropriate enquiries in accordance with Guidance Notes issued by the States Treasurer on 27 March 1996, the Authority are of the opinion that there have been no disclosable related party transactions with members and senior management in this financial year (2000: none).

Of the Authority's annual income and expenditure, less than 20% of their respective value (2000: <20%) is due to transactions with other States entities, except as disclosed in notes 1 and 2.

**15. STATEMENT OF CONTROL**

The Guernsey Health Service Fund is controlled and managed by the Guernsey Social Security Authority, as required by Section 7 of the Health Service (Benefit) (Guernsey) Law, 1990. The members of the Guernsey Social Security Authority have been elected by the States of Guernsey.

**STATES OF GUERNSEY – GUERNSEY HEALTH SERVICE FUND**  
**Controlled and Managed by the Guernsey Social Security Authority**

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**16. POST BALANCE SHEET EVENT**

On 28 February 2002 the States of Guernsey approved new contracts with the Medical Specialist Group and the Guernsey Physiotherapy Group in principle. These contracts have not yet been signed, but are expected to be for 15 year terms with major reviews after each 5 years.

The new contract with the Medical Specialist Group will be based on a per-doctor contracted price basis. This price will be £231,818 per doctor in 2002 with prices being uprated in January each year by the annual movement in the Retail Price Index.

The new contract with the Guernsey Physiotherapy Group will be based on a per-physiotherapist and per-assistant price, with different rates applying to different grades of physiotherapist. The maximum contract price in the first 5 years of the contract, allowing for the complete transfer of the Board of Health physiotherapy services, will be £1,277,035 in 2002.

## **AUDITORS' REPORT TO THE BOARD OF ELIZABETH COLLEGE - GUERNSEY**

We have audited the financial statements on pages 278 to 285 which have been prepared in accordance with the accounting policies set out on page 281.

### **Respective responsibilities of the Board of Directors and auditors**

The Board of Directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the revenue surplus or deficit of the College for that period and are in accordance with applicable laws. In preparing those financial statements the Board of Directors are required to :

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue its operations.

The Board of Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed. In this matter we draw particular attention to notes 1(b) and 3 to the financial statements:

Notes 1(b) and 3 to the financial statements explain that the historic main College buildings and playing fields are not included in fixed assets; that the costs of furniture and equipment and of minor improvements and maintenance to all buildings and grounds are written off through the revenue account when incurred; and that no depreciation is provided for on other freehold properties as it is the College's policy to maintain the properties in such a condition that the estimated residual values are at least equal to their book values. We concur with these accounting policies.

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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the grant-aided sector of the College as at 31 August 2001 and of its revenue surplus for the year then ended.

*BDO GUERNSEY LIMITED*

CHARTERED ACCOUNTANTS  
Commerce House  
Guernsey

*27 November 2001*

**ELIZABETH COLLEGE - GUERNSEY****REVENUE ACCOUNT****FOR THE YEAR ENDED 31 AUGUST 2001**

	Note		2000
<b>INCOME</b>	2		
States Block Grant		1,619,035	1,573,782
Fees receivable		1,140,086	985,550
Sundry income		72,594	68,031
		<hr/>	<hr/>
		2,831,715	2,627,363
<b>EXPENDITURE</b>			
School and departmental expenses	2,025,789	1,910,275	
Youth training expenses	11,229	15,687	
Administrative expenses	537,830	475,357	
Maintenance of buildings and grounds	248,293	241,535	
	<hr/>	<hr/>	<hr/>
		(2,823,141)	(2,642,854)
<b>OPERATING SURPLUS/(DEFICIT)</b>	2	8,574	(15,491)
Interest receivable		20,046	31,656
Interest payable		-	(4,813)
<b>REVENUE SURPLUS FOR THE FINANCIAL YEAR TRANSFERRED TO CAPITAL ACCOUNT</b>	6	<hr/>	<hr/>
		£ 28,620	£ 11,352
		<hr/>	<hr/>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains or losses other than the revenue surplus for the financial year.

A statement of movements on reserves is included in note 6 to the financial statements.

The notes on pages 281 to 284 form an integral part of these financial statements.



**ELIZABETH COLLEGE – GUERNSEY**

**BALANCE SHEET**

**31 AUGUST 2001**

	Note		2000
<b>FIXED ASSETS</b>			
Tangible assets	3	2,383,291	2,383,291
<b>CURRENT ASSETS</b>			
Stock		5,913	5,945
Debtors	4	454,552	252,148
Cash at bank and in hand		84,563	198,128
		<hr/>	<hr/>
		545,028	456,221
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Sundry creditors	5	(314,262)	(254,075)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		230,766	202,146
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		£ 2,614,057	£ 2,585,437
		<hr/>	<hr/>
<b>REPRESENTED BY:-</b>			
<b>RESERVES</b>	6		
Capital account		2,339,057	2,310,437
Maintenance reserve		275,000	275,000
		<hr/>	<hr/>
		£ 2,614,057	£ 2,585,437
		<hr/>	<hr/>

**APPROVED BY THE BOARD OF DIRECTORS**

*The Very Rev. F M Trickey*

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Chairman

*27 November 2001*

The notes on pages 281 to 284 form an integral part of these financial statements.

**ELIZABETH COLLEGE – GUERNSEY****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 AUGUST 2001**

	Note		2000
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	8	78,793	(506,166)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received	17,721		35,570
Interest paid	-		(7,808)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		17,721	27,762
<b>INVESTING ACTIVITIES</b>			
Loan advanced to non grant-aided sector	(210,079)		(173,691)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		(210,079)	(173,691)
<b>NET CASH OUTFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING</b>		(113,565)	(652,095)
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
Cash withdrawn from bank fixed deposit account		-	373,800
<b>FINANCING</b>			
Bank loan repaid		-	(106,424)
<b>DECREASE IN CASH FOR THE YEAR</b>		£ (113,565)	£ (384,719)
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</b>	9		
Decrease in cash for the year		(113,565)	(384,719)
Cash outflow from decrease in liquid resources		-	(373,800)
Movement in net funds for the year		(113,565)	(758,519)
Net funds at 1 September 2000		198,128	956,647
Net funds at 31 August 2001		£ 84,563	£ 198,128

The notes on pages 281 to 284 form an integral part of these financial statements.

## **ELIZABETH COLLEGE – GUERNSEY**

### **NOTES TO THE FINANCIAL STATEMENTS**

**31 AUGUST 2001**

#### **1. ACCOUNTING POLICIES**

##### **(a) CONVENTION**

These financial statements have been prepared in accordance with the historical cost convention. The principal accounting policies which the Board of Directors have adopted within that convention are set out below.

##### **(b) TANGIBLE FIXED ASSETS AND DEPRECIATION**

As referred to in note 3, the historic main College buildings and playing fields are not included in fixed assets. No depreciation is provided on other freehold properties as it is the College's policy to maintain the properties in such a state of repair that the estimated residual values are at least equal to the properties' book values.

Maintenance expenditure and the costs of minor improvements to all buildings and grounds are written off through the revenue account when incurred. Expenditure on furniture and equipment is also written off through the revenue account when incurred.

##### **(c) PRIZE FUNDS AND BEQUESTS**

Prize funds and other charitable bequests are not included in these financial statements as they do not constitute part of the day-to-day activities of the College.

#### **2. INCOME AND OPERATING SURPLUS**

The College's income and operating surplus derive wholly from continuing activities.

#### **3. TANGIBLE FIXED ASSETS**

The historic College buildings, being those situated at the College's original site situated in the Grange and in College Street, and the College Field playing fields and pavilion at Kings Road, were gifted to the College at no cost. No value is attributed to these assets within the total value of tangible fixed assets included in the balance sheet.

In choosing to exclude these assets, the Board of Directors has taken advantage of the exemptions available within Statement of Recommended Practice No. 2 – Accounting by Charities, as the assets are considered to be inalienable (in other words assets which the College is prohibited by virtue of its statutes from disposing of) and it would not be possible to determine a current market valuation without incurring significant expenditure.

Other College buildings are included in the financial statements at cost. These buildings comprise the modern buildings on the main College site off the Grange and the modern changing room and groundsmen's buildings at the College Field.

**ELIZABETH COLLEGE – GUERNSEY****NOTES TO THE FINANCIAL STATEMENTS****31 AUGUST 2001****3. TANGIBLE FIXED ASSETS (continued)**

The policy of the Board of Directors is that all College properties should be maintained to the highest standards, such that the useful economic life of all properties is considered to be in excess of 50 years. The Board also considers that the aggregate residual value of those College properties which are included within the financial statements at cost is in excess of their aggregate cost, and therefore no depreciation has been provided on freehold property. In accordance with the requirements of Financial Reporting Standard No. 15 - Tangible Fixed Assets, the Board will carry out annual impairment reviews to ensure that the carrying value of the College's freehold properties is not greater than their value in use or net realisable value.

As an indication of the relative value of the College's freehold property assets, and the values at which they are included within the financial statements, the following table sets out (a) the cost values at which the properties are included within the accounts and (b) their current insurance values, updated from January 1998 when the properties were last valued for insurance purposes by a qualified Quantity Surveyor. All figures exclude land.

	<i>Cost</i>	<i>Insurance Valuation</i>
Main College site		
- Historic buildings	-	8,437,500
- Modern buildings	2,318,451	10,800,000
College Playing Fields		
- Old pavilion	-	247,500
- Modern buildings	64,840	320,625
	<hr/>	<hr/>
	£ 2,383,291	£ 19,805,625
	<hr/>	<hr/>

**4. DEBTORS****2000**

Fee debtors	10,676	14,632
Accrued income	13,692	11,367
Current account – College non-grant aided sector	382,811	172,732
Other debtors	47,373	53,417
	<hr/>	<hr/>
	£ 454,552	£ 252,148
	<hr/>	<hr/>

The current account is interest free, unsecured and repayable upon demand.

**5. SUNDRY CREDITORS****2000**

Trade creditors	217,054	157,238
Other creditors and accruals	97,208	96,837
	<hr/>	<hr/>
	£ 314,262	£ 254,075
	<hr/>	<hr/>

# ELIZABETH COLLEGE - GUERNSEY

## NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2001

6. RESERVES	Capital Account	Maintenance Reserve	Total
Balance at 1 September 2000	2,310,437	275,000	2,585,437
Transfer from revenue account	28,620	-	28,620
	<hr/>	<hr/>	<hr/>
Balance at 31 August 2001	£ 2,339,057	£ 275,000	£ 2,614,057
	<hr/>	<hr/>	<hr/>

## 7. PENSION COSTS

The employees of Elizabeth College are members of the States of Guernsey Superannuation Scheme. This is a defined benefit pension scheme, funded by contributions from both employer and employee, at rates which are determined on the basis of actuarial advice and which are calculated to spread the expected costs of benefits to employees over the period of those employees' expected working lives.

The States of Guernsey Superannuation Scheme is a multi-employer scheme and the level of contributions made to the scheme by each employer will be affected by actuarial risks relating to the employees of other employers. It is also not possible for the underlying pension assets and liabilities within the Scheme relating to the employees of Elizabeth College to be determined on a reasonable and consistent basis. The Board of Directors have therefore taken advantage of the exemption available under paragraph 9(b) of Financial Reporting Standard No. 17 – Retirement Benefits from the requirement to make the full disclosures that would normally apply to an employer operating a defined benefits scheme on behalf of its employees.

The total amount of superannuation contributions payable for the year ended 31 August 2001 was £319,725 (2000 : £285,431). At 31 August 2001 the amount of outstanding contributions not paid over to the Scheme was £149,324 (2000 : £93,142).

The last actuarial valuation of the Scheme was conducted at 31 December 1998. At that date the actuarial value of the assets relating to the “Teachers pool” within the overall Scheme represented 98.8% of the actuarial valuation of the liabilities relating to that group. The balance of liabilities amounted to £1.38m and is being met by additional contributions from employers over the remaining working lifetimes of the current members of the group. The current rate of the employer’s contributions in respect of teachers is 14.7% of pensionable salary.

At 31 December 1998 the actuarial value of the assets relating to the “Public servants pool” within the overall Scheme, to which the College’s administration and teaching ancillary staff belong, represented 116.2% of the actuarial valuation of the liabilities relating to that group. The current rate of the employer’s contributions in respect of administration and teaching ancillary staff is 6.25% of pensionable salary.

Further details relating to the funding of the superannuation scheme are provided in the Superannuation Fund section of the accounts of the States of Guernsey.

## ELIZABETH COLLEGE – GUERNSEY

### NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2001

<b>8.</b>	<b>RECONCILIATION OF OPERATING DEFICIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	<b>2000</b>
	Operating surplus/(deficit)	8,574 (15,491)
	Decrease/(increase) in stock	32 (1,544)
	Decrease in operating debtors	10,000 8,291
	Increase/(decrease) in operating creditors	60,187 (497,422)
	Net cash inflow/(outflow) from operating activities	£ 78,793 £ (506,166)

<b>9.</b>	<b>ANALYSIS OF CHANGES IN NET FUNDS</b>	<b>At 1 September 2000</b>	<b>Cash Flows</b>	<b>At 31 August 2001</b>
	Cash at bank and in hand	£ 198,128	£ (113,565)	£ 84,563

### 10. CONTROLLING PARTY

Throughout the year the College was under the control of the Board of Directors acting in concert. In the opinion of the Board of Directors there is no controlling party as defined by Financial Reporting Standard No. 8 - Related Party Disclosures, as no party has the ability to direct the financial and operating policies of the College with a view to gaining economic benefits from their direction.

### 11. RELATED PARTY TRANSACTIONS

The College operates a central accounting system administered by the Bursar which covers both the grant-aided and non grant-aided sectors of the College's activities. All operating receipts and all operating expenditure related to the College's activities, whether related to the grant-aided sector or otherwise, passes through common bank accounts, all of which are included in the balance sheet within these financial statements. The net movement arising from cash transactions relating to non-grant aided activities is disclosed in the cash flow statement as a movement on a notional current account operated between the two sectors. At each year end the account balances within the central accounting system, including individual debtor and creditor account balances, are allocated as appropriate into the financial statements of the different sectors.

During the year ended 31 August 2001 an amount of £25,000 (2000: £25,000) has been charged from the grant-aided sector of the College to the non grant-aided sector in relation to the employment expenses of administrative and accounting staff, a proportion of whose duties relate solely to the non grant-aided sector of the College's activities.

**ELIZABETH COLLEGE – GUERNSEY**

**DETAILED REVENUE ACCOUNT**

**FOR THE YEAR ENDED 31 AUGUST 2001**

		<b>2000</b>
<b>INCOME</b>		
States Block Grant	1,619,035	1,573,782
Fees receivable	1,140,086	985,550
Hire of facilities	53,633	47,935
Other income	18,961	20,096
	<hr/>	<hr/>
	2,831,715	2,627,363
	<hr/>	<hr/>
<b>EXPENDITURE</b>		
<b>SCHOOL AND DEPARTMENTAL EXPENSES</b>		
Teachers' salaries	1,488,157	1,397,821
Teachers' superannuation	193,915	174,575
Teaching ancillary salaries and superannuation	94,986	88,635
Departmental expenses	199,468	202,908
Other school expenses	25,993	21,036
Examination fees	23,270	25,300
	<hr/>	<hr/>
	2,025,789	1,910,275
	<hr/>	<hr/>
<b>YOUTH TRAINING EXPENSES</b>	11,229	15,687
	<hr/>	<hr/>
<b>ADMINISTRATIVE EXPENSES</b>		
Services	160,289	151,263
Administration salaries and superannuation	159,492	158,238
School administration	38,790	44,502
General expenses	82,601	69,335
Rates, insurance and taxes	45,526	40,696
Discounts given	33,210	27,942
Inspection costs	18,504	-
Appointment of Principal	13,054	-
Audit and accountancy	5,890	5,000
Bad debts	5,474	3,381
Recharge to non grant-aided sector	(25,000)	(25,000)
	<hr/>	<hr/>
	537,830	475,357
	<hr/>	<hr/>
<b>MAINTENANCE OF BUILDINGS AND GROUNDS</b>		
Maintenance of playing fields	73,507	67,899
Maintenance of other areas	174,786	173,636
	<hr/>	<hr/>
	248,293	241,535
	<hr/>	<hr/>
<b>OPERATING SURPLUS/(DEFICIT)</b>	£ 8,574	£ (15,491)
	<hr/>	<hr/>

## **AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF THE LADIES' COLLEGE - GUERNSEY**

We have audited the financial statements on pages 287 to 290 which have been prepared in accordance with the accounting policies set out on page 289.

### **Respective responsibilities of the Board and auditors**

The Board are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the results of the College for that year. In preparing those financial statements the Board are required to :

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

The Board are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed. In this matter we draw attention to note 1(b) to the financial statements. This note states that all capital expenditure is written off through the profit and loss account when incurred. We concur with this accounting policy.

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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the College's affairs as at 31 August 2001, and of its results for the year then ended.

*BDO GUERNSEY LIMITED*

CHARTERED ACCOUNTANTS

Commerce House

Guernsey

*24 May 2002*



**THE LADIES' COLLEGE - GUERNSEY**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 AUGUST 2001**

	Note		2000
<b>INCOME</b>	2		
States grant		581,434	575,866
States contribution to staff superannuation		164,990	160,363
Fees receivable :			
- special place holders	411,800		384,260
- fee payers	1,047,988		945,685
		<hr/>	<hr/>
		1,459,788	1,329,945
Lunchtime supervision		2,878	1,566
Bank interest received		14,383	13,248
Student registration fees		11,912	6,509
		<hr/>	<hr/>
		2,235,385	2,087,497
<b>EXPENDITURE</b>			
School expenditure		(2,234,931)	(2,056,078)
		<hr/>	<hr/>
<b>OPERATING SURPLUS</b>			
<b>FOR THE YEAR</b>	2	£ 454	£ 31,419
		<hr/>	<hr/>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains or losses other than the operating surplus for the year.

The notes on page 289 form an integral part of these financial statements.

# THE LADIES' COLLEGE - GUERNSEY

## BALANCE SHEET

31 AUGUST 2001

	Note		2000
<b>CURRENT ASSETS</b>			
Debtors	3	89,895	36,382
Bank balances		272,073	251,277
Cash in hand		98	728
		<hr/>	<hr/>
		362,066	288,387
<b>CURRENT LIABILITIES</b>			
Creditors	4	22,533	13,019
Fees re Autumn Term received in advance		113,235	49,524
		<hr/>	<hr/>
		(135,768)	(62,543)
<b>NET CURRENT ASSETS</b>		<hr/>	<hr/>
		£ 226,298	£ 225,844
		<hr/>	<hr/>
<b>REPRESENTED BY:-</b>			
<b>CAPITAL ACCOUNT</b>			
At 1 September 2000		225,844	194,425
Operating surplus for the year		454	31,419
		<hr/>	<hr/>
		£ 226,298	£ 225,844
		<hr/>	<hr/>

Chairman of the Board of Governors W.M. Bell

Date 24 May 2002

The notes on page 289 form an integral part of these financial statements.

# THE LADIES' COLLEGE - GUERNSEY

## NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2001

### 1. ACCOUNTING POLICIES

#### (a) CONVENTION

These financial statements are prepared in accordance with the historical cost convention. The principal accounting policies which the Board have adopted within that convention are set out below.

#### (b) CAPITAL EXPENDITURE

All capital expenditure is written off in the year in which it is incurred, thus the balance sheet of the College does not disclose fixed assets.

#### (c) BANK INTEREST AND INVESTMENT INCOME

Bank interest and investment income is accounted for on a received basis.

### 2. INCOME AND OPERATING SURPLUS FOR THE YEAR

Income and operating surplus for the year derive wholly from continuing activities.

### 3. DEBTORS

2000

Fees receivable	3,654	10,409
Deposit paid re portacabins	60,801	-
Other debtors	25,440	25,973
	<hr/>	<hr/>
	£ 89,895	£ 36,382
	<hr/>	<hr/>

### 4. CREDITORS

School and administrative expenses	£ 22,533	£ 13,019
	<hr/>	<hr/>

### 5. CONTROLLING PARTIES

Throughout the year the College was under the control of the Board of Governors acting in concert. In the opinion of the Board of Governors there is no controlling party as defined by Financial Reporting Standard No. 8 - Related Party Disclosures as no party has the ability to direct the financial and operating policies of the College with a view to gaining economic benefit from their direction.

### 6. RELATED PARTY TRANSACTIONS

There were no material related party transactions.

### 7. POST BALANCE SHEET EVENT

In September 2001, the college incurred expenditure of £60,801 on pre-fabricated classroom units.

# THE LADIES' COLLEGE - GUERNSEY

## DETAILED PROFIT AND LOSS ACCOUNT

### FOR THE YEAR ENDED 31 AUGUST 2001

	Upper <u>School</u>	Lower <u>School</u>	<u>Total</u>	<b>2000</b> <u>Total</u>
<b>INCOME</b>				
States grant	581,434	-	581,434	575,866
States contribution to staff superannuation	131,556	33,434	164,990	160,363
Fees receivable	1,047,988	411,800	1,459,788	1,329,945
Lunchtime supervision	-	2,878	2,878	1,566
Student registration fees	11,912	-	11,912	6,509
Bank interest received	9,589	4,794	14,383	13,248
	<hr/>	<hr/>	<hr/>	<hr/>
	1,782,479	452,906	2,235,385	2,087,497
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE</b>				
Teachers' salaries	1,111,965	258,269	1,370,234	1,228,761
Maintenance wages	90,594	32,795	123,389	115,595
Office and administration salaries	59,794	30,803	90,597	85,850
Staff Superannuation	131,556	33,434	164,990	160,363
Books, stationery and materials	68,373	17,092	85,465	76,979
Examination fees	22,249	-	22,249	16,991
Sports, conference, expedition and laboratory expenditure	41,883	2,000	43,883	45,322
Electricity, oil, gas, water and telephone	23,603	8,899	32,502	28,955
Rates, taxes and insurance	12,692	4,694	17,386	16,152
Routine maintenance of buildings and grounds	62,013	11,209	73,222	33,272
Routine maintenance of equipment	29,900	7,066	36,966	29,017
Major repairs	68,300	-	68,300	45,730
Fixed asset acquisition costs	60,846	3,512	64,358	52,344
Laboratory/Art Block conversion	7,060	-	7,060	73,696
Professional fees	-	-	-	3,950
General administrative expenses	22,586	9,699	32,285	40,441
Audit fee	2,045	-	2,045	1,850
Bad debt	-	-	-	810
	<hr/>	<hr/>	<hr/>	<hr/>
	1,815,459	419,472	2,234,931	2,056,078
	<hr/>	<hr/>	<hr/>	<hr/>
	£ (32,980)	£ 33,434	£ 454	£ 31,419
	<hr/>	<hr/>	<hr/>	<hr/>

## **STATES OF ALDERNEY**

### **STATEMENT OF RESPONSIBILITIES OF THE POLICY AND FINANCE COMMITTEE AND THE STATES TREASURER**

The States Treasurer is responsible for preparing accounts for each financial year which present fairly, in all material respects, the transactions of the States of Alderney for that period and are in accordance with the applicable law. In preparing those accounts he is required to:

select suitable accounting policies and apply them consistently and

make judgements and estimates that are reasonable and prudent.

The Policy and Finance Committee acknowledges that it is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the States of Alderney and to enable them to ensure that the accounts comply with The Government of Alderney Law 1987. They are also responsible for safeguarding the assets of the States of Alderney and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS REPORT TO THE POLICY AND FINANCE COMMITTEE**

We have audited the accounts on pages 294 to 308.

### **Respective duties of the States Treasurer and the auditors**

As described on page 291, the States Treasurer is responsible for the preparation of accounts for each financial year which fairly summarise the transactions made during that year and for selecting suitable accounting policies. Our responsibilities, as independent auditors, are established by the UK Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the accounting policies set out in page 293. We also report to you if, in our opinion, the Treasurer has not kept proper accounting records, or if we have not yet received all the information and explanations we require for our audit.

### **Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the 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 in the preparation of the accounts, and whether the accounting policies are appropriate to the States of Alderney'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 as to whether 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 fairly summarise the transactions made during the year ended 31 December 2001 and have been properly prepared in accordance with the accounting policies set out on page 293.

BLACK, GEOGHEGAN & TILL

CHARTERED ACCOUNTANTS

Guernsey.

30<sup>th</sup> April 2002

## STATES OF ALDERNEY

### NOTES TO THE ACCOUNTS

#### 1 PRINCIPAL ACCOUNTING POLICIES

- a. General revenue account receipts and payments arising in the month following the year end are brought into account in the accounting year to which they relate.
- b. Capital expenditure from general revenue account votes is written off in the year in which it is incurred. Depreciation is therefore not provided.

#### 2 PENSION COSTS

The States provide pension arrangements to the majority of full time employees through a defined benefit scheme and the related costs are assessed in accordance with the advice of actuaries. The assets of this scheme are held separately from those of the States in an independently administered fund.

Details of the most recent actuarial valuation of the scheme which was conducted on 21<sup>st</sup> July 2000, using the projected unit credit method, are as follows:

Main assumptions:

Rate of increase in salaries	-	6%
Pension increase	-	4%
Investment return	-	8%

This scheme is adequately funded, and a contribution rate of 9.6% has been agreed with the Actuary. The pension cost charge for the year was £133,644. (2000 £111,100).

#### 3 RELATED PARTY TRANSACTIONS

The States has a majority share-holding in Alderney Electricity Ltd and purchases electricity, oil and specialist electrical services from the Company. In 2001 the value of these purchases was £58,456.

## STATES OF ALDERNEY

### SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE

#### INCOME

Committees	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£            £	£            £	£            £	£            £
<b>INCOME ON REVENUE ACCOUNT</b>				
Building & Development Control Committee	5,632	10,000	10,000	9,820
General Services Committee	484,509	487,500	476,800	445,620
Policy and Finance Committee	1,086,093	1,000,020	970,750	962,212
<b>Total Income on Revenue Account</b>	<b>1,576,234</b>	<b>1,497,520</b>	<b>1,457,550</b>	<b>1,417,652</b>
Net revenue cash allocation from States of Guernsey	834,111	892,200	831,000	861,859
	<b>2,410,345</b>	<b>2,389,720</b>	<b>2,288,550</b>	<b>2,279,511</b>

#### EXPENDITURE

Committees	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£            £	£            £	£            £	£            £
<b>EXPENDITURE ON REVENUE ACCOUNT</b>				
Building & Development Control Committee	46,915	46,100	9,700	27,244
General Services Committee	1,462,305	1,488,965	1,491,360	1,429,076
Policy and Finance Committee	901,125	926,010	860,165	823,191
<b>Total Expenditure on Revenue Account</b>	<b>2,410,345</b>	<b>2,461,075</b>	<b>2,361,225</b>	<b>2,279,511</b>
<b>Less Use of Accumulated Unspent Balances</b>	<b>-</b>	<b>(71,355)</b>	<b>(72,675)</b>	<b>-</b>
	<b>2,410,345</b>	<b>2,389,720</b>	<b>2,288,550</b>	<b>2,279,511</b>



## BUILDING AND DEVELOPMENT CONTROL COMMITTEE

### INCOME

Heads of Credit	Accounts 2001		Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£	£	£	£	£
<b>INCOME ON REVENUE ACCOUNT</b>					
Planning Fees		5,632	10,000	10,000	9,820
		5,632	10,000	10,000	9,820

### EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT</b>					
<b>Administration</b>					
Staff, Supplies and Services	26,163		24,500	5,000	13,049
Conservation	14,154		16,500	-	14,195
Planning Records System	6,598		4,500	4,700	-
Planning Enquiry	-		600	-	-
	—————	<b>46,915</b>	—————	<b>9,700</b>	—————
		<b>46,915</b>	<b>46,100</b>	<b>9,700</b>	<b>27,244</b>

## GENERAL SERVICES COMMITTEE

### INCOME

Heads of Credit	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>INCOME ON REVENUE ACCOUNT</b>								
<b>Agriculture</b>								
Rents	3,739		3,600		3,600		3,627	
Fees and charges	868		1,500		1,500		1,252	
Slaughterhouse fees	1,175		1,000		1,000		1,057	
		<b>5,782</b>		<b>6,100</b>		<b>6,100</b>		<b>5,936</b>
<b>Gardens, Cemetery and Church</b>								
Burial plots		<b>627</b>		<b>800</b>		<b>700</b>		<b>911</b>
<b>Health And Welfare</b>								
<b>Jubilee Home</b>								
Residents fees, etc.		<b>53,724</b>		<b>65,000</b>		<b>65,000</b>		<b>53,391</b>
<b>Public Services</b>								
<b>Administration</b>								
Hire vehicle fees	2,310		2,200		3,000		2,130	
<b>Properties - General</b>								
Rent	13,192		12,500		12,000		12,039	
<b>Properties - Housing</b>								
Rent	188,443		190,000		175,500		177,985	
<b>Sewage, Sanitation and Refuse</b>								
Cesspit emptying fees	8,646		9,000		9,000		8,307	
		<b>212,591</b>		<b>213,700</b>		<b>199,500</b>		<b>200,461</b>
<b>Recreation</b>								
Campsite fees (net)	2,247		2,500		3,200		2,349	
Rent of showers	100		200		100		228	
	2,347		2,700		3,300		2,577	
<b>Island Hall</b>								
Island Hall rents	8,005		9,500		9,000		9,318	
		<b>10,352</b>		<b>12,200</b>		<b>12,300</b>		<b>11,895</b>
<b>Harbour</b>								
<b>Administration</b>								
Facilities charges	29,829		32,000		37,000		28,279	
Sundries	5,823		7,000		8,000		5,817	
Less : Concessions on charges	(767)		(1,000)		(2,000)		-	
Provision for bad debt	-		-		-		(11,864)	
	34,885		38,000		43,000		22,232	
<b>Cranes</b>								
Dues	52,299		47,500		47,500		46,568	
<b>Moorings and Navigation</b>								
Fees	91,342		83,000		80,500		81,943	
Pilotage fees	22,787		19,000		19,000		19,388	
	114,129		102,000		99,500		101,331	
Less: Pilots remuneration	(5,703)		(6,000)		(6,000)		(6,958)	
Concessions on charges	(4,629)		(2,500)		(1,500)		-	
	103,797		93,500		92,000		94,373	
<b>Quays and Buildings</b>								
Rent	10,452		10,700		10,700		9,853	
		<b>201,433</b>		<b>189,700</b>		<b>193,200</b>		<b>173,026</b>
<b>TOTAL REVENUE INCOME CARRIED TO SUMMARY ACCOUNT</b>		<b>484,509</b>		<b>487,500</b>		<b>476,800</b>		<b>445,620</b>

## GENERAL SERVICES COMMITTEE

### EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT</b>								
<b>Agriculture</b>								
Staff	78,285		74,000		58,000		60,176	
Supplies and services	16,874		23,000		19,000		21,593	
Bovine Spongiform Encephalopathy - Compensation	1,050		1,450		6,000		1,350	
Disposal costs	445		2,500		5,000		2,093	
Dairy & land management compensation	29,368		65,000		300		-	
Foot and mouth insurance	805		750		750		731	
Slaughterhouse	2,316		3,000		3,000		2,168	
Veterinary services	1,088		2,000		2,000		1,493	
		<b>130,231</b>		<b>171,700</b>		<b>94,050</b>		<b>89,604</b>
<b>Gardens, Cemetery and Church</b>								
Staff	17,128		20,000		31,320		22,702	
Supplies and services	1,569		4,000		4,000		3,731	
Less recoveries	18,697		24,000		35,320		26,433	
	(960)		(1,200)		(1,200)		(1,955)	
		<b>17,737</b>		<b>22,800</b>		<b>34,120</b>		<b>24,478</b>
<b>Fieldwork Scheme</b>								
Staff	15		8,000		12,500		8,806	
Supplies and services	72		1,000		1,500		99	
		<b>87</b>		<b>9,000</b>		<b>14,000</b>		<b>8,905</b>
<b>Sea Fisheries</b>								
Staff	13,275		13,275		13,275		6,400	
Supplies and services	2,247		3,500		3,500		4,220	
		<b>15,522</b>		<b>16,775</b>		<b>16,775</b>		<b>10,620</b>
<b>Civil Emergency</b>								
Premises	2,285		3,000		3,000		3,232	
Supplies and services	7,039		8,000		3,000		4,015	
Environmental monitoring	13,348		13,500		13,500		5,599	
Responses to major incidents	37,562		14,000		-		25,417	
		<b>60,234</b>		<b>38,500</b>		<b>19,500</b>		<b>38,263</b>
<b>Health and Welfare</b>								
<b>Administration</b>								
Supplies and services	207		2,500		1,500		2,466	
<b>Welfare Services</b>								
Out-relief and welfare support	16,403		18,000		25,000		16,086	
Shortfall on Jubilee resident's fees	5,383		7,000		8,000		5,651	
Less recoveries	21,786		25,000		33,000		21,737	
	(599)		(3,000)		(3,000)		(2,193)	
	21,187		22,000		30,000		19,544	
<b>Home Carers Service</b>								
Staff	1,336		1,500		3,500		1,210	
Less recoveries	1,336		1,500		3,500		1,210	
	(685)		(750)		(2,200)		(429)	
	651		750		1,300		781	
<b>Jubilee Home</b>								
Premises	11,113		12,000		14,500		11,138	
Staff	83,301		90,000		92,675		114,769	
Supplies and services	13,923		15,500		15,500		14,173	
Less recoveries	108,337		117,500		122,675		140,080	
	(4,144)		(2,500)		(2,500)		(3,885)	
	104,193		115,000		120,175		136,195	
<b>Education and Health</b>								
Grant to Alderney playschools	350		500		500		350	
Mignot Memorial Hospital - Insure buildings	1,234		1,250		1,250		1,121	
School bus subsidy	8,469		7,800		7,800		7,720	
Youth employment scheme	2,006		3,200		3,200		649	
	12,059		12,750		12,750		9,840	
		<b>138,297</b>		<b>153,000</b>		<b>165,725</b>		<b>168,826</b>

## GENERAL SERVICES COMMITTEE

### EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT (continued)</b>								
<b>Public Services</b>								
<b>Administration</b>								
Staff	71,295		74,000		71,460		65,433	
Supplies and services	14,362		14,500		7,500		16,122	
	<u>85,657</u>		<u>88,500</u>		<u>78,960</u>		<u>81,555</u>	
<b>Properties - General</b>								
Staff	115,185		116,000		131,115		89,909	
Supplies and services	80,588		51,000		51,000		90,423	
	<u>195,773</u>		<u>167,000</u>		<u>182,115</u>		<u>180,332</u>	
<i>Less recoveries</i>	<u>(15,772)</u>		<u>(30,000)</u>		<u>(30,000)</u>		<u>(59,496)</u>	
	<u>180,001</u>		<u>137,000</u>		<u>152,115</u>		<u>120,836</u>	
<b>Properties - Housing</b>								
Staff	58,784		60,000		110,360		80,039	
Supplies and services	42,977		38,000		38,000		57,056	
	<u>101,761</u>		<u>98,000</u>		<u>148,360</u>		<u>137,095</u>	
<b>Roads, Coasts and Beaches</b>								
Staff	79,623		96,800		102,525		59,536	
Supplies and services	140,569		130,000		130,000		183,086	
	<u>220,192</u>		<u>226,800</u>		<u>232,525</u>		<u>242,622</u>	
<i>Less recoveries</i>	<u>(6,154)</u>		<u>(6,000)</u>		<u>(6,000)</u>		<u>(1,655)</u>	
	<u>214,038</u>		<u>220,800</u>		<u>226,525</u>		<u>240,967</u>	
<b>Sewage, Sanitation and Refuse</b>								
Staff	156,017		156,000		152,610		134,782	
Supplies and services	45,067		28,000		28,000		36,032	
Refuse separation / recycling	9,803		15,000		20,000		12,309	
	<u>210,887</u>		<u>199,000</u>		<u>200,610</u>		<u>183,123</u>	
<i>Less recoveries</i>	<u>(6,827)</u>		<u>(2,000)</u>		<u>(2,000)</u>		<u>(525)</u>	
	<u>204,060</u>		<u>197,000</u>		<u>198,610</u>		<u>182,598</u>	
<b>Vehicle Fleet</b>								
Staff	11,005		12,500		14,500		22,188	
Supplies and services	21,788		25,000		30,000		25,830	
	<u>32,793</u>		<u>37,500</u>		<u>44,500</u>		<u>48,018</u>	
<i>Less recoveries</i>	<u>(2,874)</u>		<u>(2,500)</u>		<u>(2,500)</u>		<u>(4,300)</u>	
	<u>29,919</u>		<u>35,000</u>		<u>42,000</u>		<u>43,718</u>	
<b>Fire Brigade and Cliff Rescue</b>								
Staff	20,085		19,500		21,500		17,246	
Supplies and services	16,253		17,500		17,500		7,711	
	<u>36,338</u>		<u>37,000</u>		<u>39,000</u>		<u>24,957</u>	
		<b>851,774</b>		<b>813,300</b>		<b>885,570</b>		<b>831,726</b>

# GENERAL SERVICES COMMITTEE

## EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT (continued)</b>								
<b>Recreation</b>								
<b>Administration</b>								
Official entertainments and presentations	5,078		6,800		5,500		8,325	
Grants - sporting and cultural activities	6,280		3,200		3,200		2,125	
	11,358		10,000		8,700		10,450	
<b>Campsite</b>								
Camp site expenses	2,118		3,000		4,000		954	
	2,118		3,000		4,000		954	
<b>Children's Playground</b>								
Supplies and services	250		1,550		2,000		929	
	250		1,550		2,000		929	
<b>Island Hall</b>								
Premises	8,561		7,500		7,500		7,609	
Staff	18,371		18,020		18,020		17,805	
Supplies and services	10,060		4,000		4,000		2,501	
	36,992		29,520		29,520		27,915	
		50,718		44,070		44,220		40,248
<b>Harbour -</b>								
<b>Administration</b>								
Staff	143,903		144,245		144,245		131,097	
Supplies and services	20,825		22,300		22,300		21,862	
Insurance	5,112		5,000		5,000		5,148	
	169,840		171,545		171,545		158,107	
<i>Less recoveries(o/time &amp; non-core services)</i>	(60,886)		(51,125)		(51,125)		(48,032)	
	108,954		120,420		120,420		110,075	
<b>Cranes</b>								
Staff	38,948		41,000		43,080		40,267	
Supplies and services	11,162		13,400		13,400		17,276	
	50,110		54,400		56,480		57,543	
<i>Less recoveries</i>	(2,812)		(3,000)		(3,000)		(3,038)	
	47,298		51,400		53,480		54,505	
<b>Moorings and Navigation</b>								
Supplies and services	23,172		25,000		20,500		30,366	
Wrecks and salvage	2,000		2,000		2,000		1,500	
	25,172		27,000		22,500		31,866	
<b>Quays and Buildings</b>								
Premises	16,281		21,000		21,000		19,960	
		197,705		219,820		217,400		216,406
<b>TOTAL REVENUE EXPENDITURE CARRIED TO SUMMARY ACCOUNT</b>		1,462,305		1,488,965		1,491,360		1,429,076

## POLICY AND FINANCE COMMITTEE

### INCOME

Heads of Credit	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>INCOME ON REVENUE ACCOUNT</b>								
<b>Administration</b>								
Company registrations	14,865		16,000		8,000		12,070	
Conge	535,108		400,000		400,000		362,663	
Court receipts	29,645		21,000		21,000		21,324	
Duty free concession	24,000		24,000		25,000		24,000	
Housing loan interest	3,426		5,000		12,000		10,562	
Interest receivable	11,084		13,500		14,000		15,743	
Leasehold duty	27,383		30,000		30,000		40,595	
Permits and licences	9,355		8,000		8,000		8,362	
Philatelic contribution	31,750		46,750		45,000		54,250	
Numismatic revenues	82,355		40,000		40,000		25,567	
Occupiers rates	178,051		176,500		175,000		150,878	
Rents	24,444		24,400		24,400		24,444	
Royalties and fees	3,162		4,300		4,300		6,169	
Sundry sales and charges	8,062		4,500		4,500		6,182	
Television tender payments	648		2,000		2,000		1,958	
Transfer duty	4,263		4,500		-		27,183	
	987,601		820,450		813,200		791,950	
<i>Less: Transfer to Currency Reserve</i>	(26,972)		(20,000)		(20,000)		(9,242)	
		<b>960,629</b>		<b>800,450</b>		<b>793,200</b>		<b>782,708</b>
<b>Gambling Licencing and Control</b>								
Licences and application Fees	105,650		180,650		150,650		155,650	
		<b>105,650</b>		<b>180,650</b>		<b>150,650</b>		<b>155,650</b>
<b>Grants</b>								
Lottery profits		<b>4,022</b>		<b>4,020</b>		<b>4,500</b>		<b>4,498</b>
<b>Promotion and Marketing</b>								
Accommodation permits	2,125		1,900		1,900		2,222	
Hire of marquee (net)	612		500		500		(2,495)	
Sale of advertising space	13,055		12,500		20,000		19,629	
		<b>15,792</b>		<b>14,900</b>		<b>22,400</b>		<b>19,356</b>
<b>TOTAL REVENUE INCOME CARRIED TO SUMMARY ACCOUNT</b>		<b>1,086,093</b>		<b>1,000,020</b>		<b>970,750</b>		<b>962,212</b>

# POLICY AND FINANCE COMMITTEE

## EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON REVENUE ACCOUNT</b>								
<b>Administration</b>								
Premises	13,336		10,800		10,800		10,966	
Staff	372,202		370,000		371,105		354,062	
Supplies and services	92,729		87,000		72,000		89,908	
Audit fees and expenses	10,256		8,500		8,200		8,465	
Breakwater / harbour investigations	10,877		2,000		2,000		7,910	
Breakwater maintenance contribution	15,000		15,000		15,000		15,000	
Census expenses	827		10,750		10,000		-	
Health and safety regulation	-		-		11,000		-	
Insurance	9,552		9,600		9,000		8,729	
Marketing costs - Forts	-		2,000		5,000		-	
Meteorological station	-		200		200		-	
States members expenses (Vote 2.10.96)	2,210		6,000		6,000		3,076	
Supplementary pensions	1,342		1,200		1,200		821	
Unforeseen expenditure	-		19,500		19,500		-	
	528,331		542,550		541,005		498,937	
<i>Less recoveries</i>	(13,905)		(11,000)		(11,000)		(13,282)	
		<b>514,426</b>		<b>531,550</b>		<b>530,005</b>		<b>485,655</b>
<b>Administration of Justice</b>								
Supplies and services	13,054		15,000		15,000		19,453	
		<b>13,054</b>		<b>15,000</b>		<b>15,000</b>		<b>19,453</b>
<b>Gambling Licencing and Control</b>								
Cost of regulation	211,019		187,500		122,500		130,984	
		<b>211,019</b>		<b>187,500</b>		<b>122,500</b>		<b>130,984</b>
<b>Grants</b>								
Alderney Library (Vote 4.3.81)	1,000		1,000		1,000		1,000	
Alderney week	2,000		2,000		2,000		2,000	
Butes Centre Trust	-		1,000		1,000		1,000	
Minor grants	2,088		10,000		10,000		820	
St. John Ambulance Brigade(Vote 13.11.91)	10,000		10,000		10,000		10,000	
	15,088		24,000		24,000		14,820	
		<b>15,088</b>		<b>24,000</b>		<b>24,000</b>		<b>14,820</b>
<b>Promotion and Marketing</b>								
<b>Administration</b>								
Premises	5,345		4,500		4,500		4,962	
Staff	31,019		32,660		32,660		29,011	
Supplies and services	6,779		15,800		16,500		13,275	
	43,143		52,960		53,660		47,248	
		<b>43,143</b>		<b>52,960</b>		<b>53,660</b>		<b>47,248</b>
<b>Promotions</b>								
Supplies and services	79,477		83,000		83,000		116,678	
Events services	13,678		12,000		12,000		960	
Promotion of local Trade and Industry	11,240		20,000		20,000		7,393	
	104,395		115,000		115,000		125,031	
		<b>104,395</b>		<b>115,000</b>		<b>115,000</b>		<b>125,031</b>
<b>TOTAL REVENUE EXPENDITURE CARRIED TO SUMMARY ACCOUNT</b>		<b>901,125</b>		<b>926,010</b>		<b>860,165</b>		<b>823,191</b>

## STATES OF ALDERNEY

### STATES OF ALDERNEY CAPITAL ACCOUNT SUMMARY

#### INCOME

Committees	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
<b>INCOME ON CAPITAL ACCOUNT</b>	£      £	£      £	£      £	
General Services Committee	9,614	2,500	3,000	12,280
Policy and Finance Committee	494,564	460,415	475,415	69,242
<b>Total Income on Capital Account</b>	504,178	462,915	478,415	81,522
Excess of Expenditure over Income on Capital Account recovered from the States of Guernsey	12,111	509,605	933,585	38,546
	516,289	972,520	1,412,000	120,068

#### EXPENDITURE

Committees	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
<b>EXPENDITURE ON CAPITAL ACCOUNT</b>	£      £	£      £	£      £	£      £
General Services Committee	516,289	902,520	1,412,000	113,753
Policy and Finance Committee	-	70,000	-	6,315
<b>Total Expenditure on Capital Account</b>	516,289	972,520	1,412,000	120,068
	516,289	972,520	1,412,000	120,068



**GENERAL SERVICES COMMITTEE****INCOME**

<b>Heads of Credit</b>	<b>Accounts 2001</b>		<b>Probable Outturn 2001</b>		<b>Budget Estimate 2001</b>		<b>Accounts 2000</b>	
	£	£	£	£	£	£	£	£
<b>INCOME ON CAPITAL ACCOUNT</b>								
Sale of old pilot boat		-		-		-		6,580
Sale of vehicles		-		-		-		650
Sewerage Law contributions		9,614		2,500		3,000		5,050
<b>TOTAL CAPITAL INCOME CARRIED TO SUMMARY ACCOUNT</b>		9,614		2,500		3,000		12,280

**EXPENDITURE**

<b>Heads of Charge</b>	<b>Accounts 2001</b>		<b>Probable Outturn 2001</b>		<b>Budget Estimate 2001</b>		<b>Accounts 2000</b>	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON CAPITAL ACCOUNT</b>								
Per published accounts 2000		-		-		-		44,721
<b>Harbour -</b>								
Corbet Rock navigation beacon (S of A 19.8.98)		-		1,500		-		-
Crawler crane - replacement (S of A 19.9.01, S of G 19.9.01)		245,211		275,000		250,000		-
Marine radio transceiver - upgrade		-		5,000		-		-
Navigation lights		-		8,000		-		-
New fishermans shed (S of A 26.6.01, S of G 24.10.01)		-		5,000		-		-
Outboard motor replacement (S of A 26.6.01 S of G 17.7.01)		3,328		3,533		-		-
Trellex fendering (S of A 16.12.93)		-		-		20,000		-
<b>Health and Welfare</b>								
<b>Jubilee Home -</b>								
Convert to sheltered accommodation (S of A 18.7.01, S of G 27.6.01)		51,469		163,712		-		1,576
<b>Royal Connaught Nursing Home -</b>								
Purchase and renovations (S of G 19.10.99, S of A 10.11.99)		21,408		38,973		-		7,227
<b>Public Services</b>								
Management information system (S of A 11.2.97, S of G 11.4.97)		-		3,266		-		-
<b>Land and Property</b>								
<b>Airport -</b>								
Acquisition and preparation of land (S of A 3.4.01, S of G 24.4.01)		24,755		30,000		-		-

## GENERAL SERVICES COMMITTEE

### EXPENDITURE

Heads of Charge	Accounts 2001		Probable Outturn 2001		Budget Estimate 2001		Accounts 2000	
	£	£	£	£	£	£	£	£
<b>EXPENDITURE ON CAPITAL ACCOUNT (continued)</b>								
<b>Public Services (continued)</b>								
<b>Land and Property (continued)</b>								
Crusher site infrastructure		-	95,000		-		-	
Island Hall								
Annexe - reconstruction		-	-		120,000		-	
Renovations - survey costs (S of A 24.8.00, S of G 19.10.00)		16,869	17,069		-		931	
Repairs		-	-		330,000		-	
Le Banquage - extension to site Phase II (S of A 31.1.01, S of G 29.8.01)		11,160	11,160		10,000		-	
States Housing -								
Central heating conversion (S of A 3.11.99, S of G 19.1.00)		9,696	45,528		-		5,472	
Coastguards upgrading (S of A 5.5.99, S of G 27.4.99 & 19.9.01)		11,857	11,857		-		51,713	
New States houses - (Initial plans £5000, S of A 7.3.00, S of G 10.5.00)		5,968	3,887		-		1,113	
States Offices -								
Fire alarm system (S of A 17.6.98, S of G 23.9.98)		3,492	4,280		-		-	
St Anne's House - repairs		-	-		65,000		-	
Vicarage - replacement - sketch plans (S of A 26.6.01, S of G 24.7.01)		1,236	7,000		-		-	
<b>Roads, Coasts and Beaches-</b>								
Coast erosion repairs (S of A 7.11.90)		-	10,485		-		-	
<b>Sewage, Sanitation and Refuse-</b>								
Refuse disposal - incinerator		-	-		500,000		-	
Mouriaux to Platte Saline - sewer investigations		-	25,000		-		-	
Sewer pump replacements - Banquage / Braye (S of A 5.11.97, S of G 7.10.97)		-	24,940		-		-	
Valongis sewer - Phase II (S of A 13.10.97 S of G 5.11.97)		5,530	5,530		-		1,000	
Waste Strategy Review (S of A 14.8.01, S of G 19.9.01)		12,102	-		-		-	
<b>Vehicles and Plant -</b>								
Dust cart - replacement (S of A 18.4.01, S of G 4.4.01)		63,072	63,100		54,000		-	
Excavator - replacement (net) (S of A 7.3.01, S of G 23.5.01)		12,314	13,000		18,000		-	
Fire Brigade - Land Rover replacement (S of A 13.3.01, S of G 27.3.01)		9,802	10,000		-		-	
Mowing Equipment (S of A 15.5.01, S of G 23.5.01)		7,020	7,200		-		-	
Nissan 30cwt truck - replacement		-	13,500		-		-	
Sewerage cart - replacement		-	-		45,000		-	
<b>TOTAL CAPITAL EXPENDITURE CARRIED TO SUMMARY ACCOUNT</b>		516,289	902,520		1,412,000		113,753	

## POLICY AND FINANCE COMMITTEE

### INCOME

Heads of Credit	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£            £	£            £	£            £	£            £
<b>INCOME ON CAPITAL ACCOUNT</b>				
Loan repayments - Alderney Football Association	416	415	415	416
St Annes School PTA	-	-	-	500
Premium on grant of lease - Fort Tourgis	-	-	375,000	-
Premium on grant of lease - Old Vicarage	305,025	310,000	-	-
Sale of Freeholds - Le Banquage	189,123	150,000	100,000	68,326
<b>TOTAL CAPITAL INCOME CARRIED TO SUMMARY ACCOUNT</b>	494,564	460,415	475,415	69,242

### EXPENDITURE

Heads of Charge	Accounts 2001	Probable Outturn 2001	Budget Estimate 2001	Accounts 2000
	£            £	£            £	£            £	£            £
<b>EXPENDITURE ON CAPITAL ACCOUNT</b>				
Per published accounts 2000	-	-	-	6,315
Fort Tourgis - consultancy and marketing costs	-	40,000	-	-
Loan to Alderney Snooker Club (S of A 18.7.01, S of G 22.8.01)	-	30,000	-	-
<b>TOTAL CAPITAL EXPENDITURE CARRIED TO SUMMARY ACCOUNT</b>	-	70,000	-	6,315

## SUMMARY OF BALANCES AT 31 DECEMBER 2001

<u>Loans made and not repaid</u>	Balance of Loans 01.01.01	Repayments 2001	Balance 31.12.01
	£	£	£
Alderney Football Association (vote 05.06.91)	<u>2,518</u>	<u>416</u>	<u>2,102</u>
<u>LE BANQUAGE HOUSING LOANS SCHEME</u>			<b>2001</b>
CAPITAL ACCOUNT			£
Balance of Funds at 01.01.01 and at 31.12.01			<u>299,099</u>
			<u>299,099</u>
<u>BORROWERS ACCOUNT</u>			
Balance with borrowers at 01.01.01			150,653
Instalment of loans repaid during 2001			<u>110,871</u>
Balance with borrowers at 31.12.01			39,782
Balance not lent at 31.12.01			<u>259,317</u>
			<u>299,099</u>
<u>COINS IN CIRCULATION ACCOUNT</u>			
Value of coins in circulation at 01.01.01			691,949
Value of coins issued in 2001			<u>136,843</u>
Value of coins in circulation at 31.12.01			<u>828,792</u>
<u>CURRENCY RESERVE FUND</u>			
Balance at 01.01.01			365,026
Transfer from General Revenue of face value of base metal coins issued in 2001			<u>26,972</u>
Balance at 31.12.01			<u>391,998</u>
INVESTMENTS			
<b>2000</b>			<b>2001</b>
SHARES £	<u>Alderney Electricity Ltd.</u>	SHARES £	
	Ordinary Shares at £1 each fully paid at cost		
<u>34,730</u> <u>39,860</u>	Balance at 01.01.01 and 31.12.01	<u>34,730</u> <u>39,860</u>	
	Alderney Electricity Ltd.		
	7% Cumulative Preference Shares		
	at £1 each fully paid at cost		
<u>10,950</u> <u>5,499</u>	Balance at 01.01.01 and 31.12.01	<u>10,950</u> <u>5,499</u>	
<b>2000</b>			<b>2001</b>
SHARES £	<u>Alderney Golf Club</u>	SHARES £	
	Shares at £1 each fully paid at cost		
<u>650</u> <u>650</u>	Balance at 01.01.01 and 31.12.01	<u>650</u> <u>650</u>	
<b>2000</b>			<b>2001</b>
SHARES £	<u>Royal Connaught Residential Home Ltd</u>	SHARES £	
	Shares at £1 each fully paid at cost		
<u>2</u> <u>2</u>	Balance at 01.01.01 and 31.12.01	<u>2</u> <u>2</u>	

## SUMMARY OF BALANCES AT 31 DECEMBER 2001

<u>2000</u>	<b>Bank accounts</b>	<u>2001</u>
£	<u>Daisy Hansen St Anne's School Trust</u>	£
951	Balance at 01.01.01	989
38	Interest received	34
<u>989</u>	Balance at 31.12.01	<u>1,023</u>
	<u>States of Alderney Queens Silver Jubilee Fund</u>	
605	Balance at 01.01.01	580
24	Interest received	20
<u>629</u>		<u>600</u>
49	Grant - Tree Planting	-
<u>580</u>	Balance at 31.12.01	<u>600</u>
	<u>The Anne French Hospital Annexe Fund</u>	
9,762	Balance at 01.01.01	10,152
390	Interest received	346
<u>10,152</u>	Balance at 31.12.01	<u>10,498</u>
	<u>The Anne French Room Fund</u>	
1,028	Balance at 01.01.01	1,069
41	Interest received	36
<u>1,069</u>	Balance at 31.12.01	<u>1,105</u>
	<u>States of Alderney Education Committee</u> <u>(ex- Tostevin Trust)</u>	
13,190	Balance at 01.01.01	13,718
528	Interest received	487
<u>13,718</u>		<u>14,205</u>
-	Educational grants	186
<u>13,718</u>	Balance at 31.12.01	<u>14,019</u>
	<u>Alderney Education Committee CAYOC Account</u>	
4,604	Balance at 01.01.01	2,848
6,000	Grant from Guernsey Education Council	6,000
219	Interest received	142
<u>10,823</u>		<u>8,990</u>
7,975	Grants to Youth Organisations	8,750
<u>2,848</u>	Balance at 31.12.01	<u>240</u>
	<u>States of Alderney Interest on Investments Account</u> <u>(Educational Bequests)</u>	
11,427	Balance at 01.01.01	11,884
457	Interest received	425
<u>11,884</u>	Balance at 31.12.01	<u>12,309</u>

## SUMMARY OF BALANCES AT 31 DECEMBER 2001

<u>2000</u>	<b>Bank accounts</b>	<u>2001</u>
	<u>The Packe History Trust</u>	
1,491	Balance at 01.01.01	1,525
59	Interest received	52
<u>1,550</u>		<u>1,577</u>
25	History prize	25
<u>1,525</u>	Balance at 31.12.01	<u>1,552</u>
	<u>Alderney Pilotage Board</u>	
246	Balance at 01.01.01	255
9	Interest received	9
<u>255</u>	Balance at 31.12.01	<u>264</u>
	<u>The Mary Roylance Jubilee Home Fund</u>	
13,723	Balance at 01.01.01	13,953
677	Interest received	582
<u>14,400</u>		<u>14,535</u>
447	Residents amenities	115
<u>13,953</u>	Balance at 31.12.01	<u>14,420</u>
	<u>The Mary Roylance Mignot Memorial Hospital Fund</u>	
-	Balance at 01.01.01	14,885
14,476	Transfer of funds from Board of Health	-
409	Interest received	703
<u>14,885</u>	Balance at 31.12.01	<u>15,588</u>
	<u>Mignot Memorial Hospital Equipment Fund</u>	
7,895	Balance at 01.01.01	2,422
453	Transfer of funds from Board of Health	-
112	Interest received	74
<u>8,460</u>		<u>2,496</u>
6,038	Purchase of Equipment	1,632
<u>2,422</u>	Balance at 31.12.01	<u>864</u>
	<u>St Anne's Trust</u>	
29,187	Balance at 01.01.01	31,124
700	Proceeds from sale of snooker table	-
1,237	Interest received	1,453
<u>31,124</u>	Balance at 31.12.01	<u>32,577</u>

## **STATES OF ALDERNEY WATER BOARD**

### **STATEMENT OF THE BOARD'S RESPONSIBILITIES**

The States of Alderney Water Board ('the Board') acknowledges that it is responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Board and of the profit or loss of the Board for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Board will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board. They are also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

### **INDEPENDENT AUDITORS' REPORT TO THE BOARD**

We have audited the financial statements on pages 310 to 313.

#### **Respective duties of the Board and the auditors**

As described above the Board is responsible for the preparation of financial statements for each financial year which fairly summarise the transactions made during that year and for selecting suitable accounting policies. Our responsibilities, as independent auditors, are established by the UK Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting policies set out in page 312. We also report to you if, in our opinion, the Board has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

#### **Basis of opinion**

We conducted our audit in accordance with UK Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board'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 financial statements 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 financial statements.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the States of Alderney Water Board's affairs at 31st December 2001 and of its surplus for the year then ended.

**BLACK, GEOGHEGAN & TILL**

**CHARTERED ACCOUNTANTS**

Guernsey.

5<sup>th</sup> March 2002

**STATES OF ALDERNEY WATER BOARD****REVENUE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2001**

	Notes	2001		2000	
		£	£	£	£
<b>REVENUE</b>					
Unmetered Supplies		182,762		174,587	
Metered Supplies		34,329		31,993	
Service Charges		<u>1,514</u>	218,605	<u>1,596</u>	208,176
<b>EXPENSES</b>					
<b>OPERATING &amp; MAINTENANCE EXPENSES</b>					
Salaries & Wages		113,060		103,348	
Water Treatment Charges		10,297		7,589	
Fuel & Electricity		22,711		22,030	
Maintenance		11,958		11,704	
Superannuation	2	7,429		6,514	
Depreciation	1 & 5	<u>12,206</u>		<u>12,307</u>	
		<u>177,661</u>		<u>163,492</u>	
<b>ADMINISTRATION &amp; GENERAL EXPENSES</b>					
Wages and Administration Charge		10,308		9,878	
Rents, Rates & Taxes		2,300		1,968	
Insurance		1,455		1,323	
Motor Vehicle Expenses		2,837		3,852	
Postage & Telephone		1,765		1,791	
Printing & Stationery		556		611	
Accountancy & Audit		1,900		1,993	
Bank Charges		582		31	
Travelling & General Expenses		831		678	
Consultancy Fees & Expenses		1,523		727	
Bad Debts Written Off		<u>76</u>		<u>-</u>	
		<u>24,133</u>		<u>22,852</u>	
			201,794		186,344
<b>OPERATING SURPLUS</b>			16,811		21,832
<b>OTHER INCOME</b>					
Interest Receivable			<u>20,006</u>		<u>13,901</u>
<b>SURPLUS FOR THE YEAR</b>			36,817		35,733
<b>BALANCE BROUGHT FORWARD</b>			534,408		498,675
<b>BALANCE CARRIED FORWARD</b>		£	<u><u>571,225</u></u>	£	<u><u>534,408</u></u>

The Water Board has no recognised gains or losses other than the surplus for the year



**STATES OF ALDERNEY WATER BOARD**  
**BALANCE SHEET AS AT 31ST DECEMBER 2001**

	Notes	2001	2000
		£	£
ASSETS EMPLOYED			
FIXED ASSETS	1 & 5	186,314	192,083
CURRENT ASSETS			
Stock	1	13,195	15,225
Debtors		37,524	28,248
Bank balances - deposit		393,730	373,724
Bank balances - current		36,738	24,296
		<u>481,187</u>	<u>441,493</u>
LIABILITIES FALLING DUE WITHIN ONE YEAR			
Creditors		9,990	12,882
		<u>471,197</u>	<u>428,611</u>
		£ 657,511	£ 620,694
FINANCED BY			
RESERVES			
General	3	86,286	86,286
Revenue Account		571,225	534,408
		<u>£ 657,511</u>	<u>£ 620,694</u>

The financial statements on pages 310 to 313 were approved by the States of Alderney Water Board on 5th March 2002 and are signed on its behalf by:

E. W. N. Sebire  
Chairman

## STATES OF ALDERNEY WATER BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### 1 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the States of Alderney Water Board's financial statements:

##### Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

##### Fixed Assets

Fixed assets are stated at cost less depreciation.

##### Depreciation

Depreciation is calculated at the following annual rates so as to write off the cost of fixed assets over their anticipated useful lives using the straight line method

	%
Mains and services	2.50
Buildings	2.50
Machinery	6.66
Tools and equipment	10.00
Motor vehicle	33.33
Consumers' meters	10.00

Calculation of depreciation is based on capital expenditure incurred at the commencement of the accounting period.

##### Stock

Stock is valued at the lower of cost and net realisable value.

##### Cash Flow Statement

Under Financial Reporting Standard No I the States of Alderney Water Board is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

#### 2 PENSION COSTS

The employees of the States of Alderney Water Board are members of the States of Alderney pension scheme.

The States provide pension arrangements to the majority of full time employees through a defined benefit scheme and the related costs are assessed in accordance with the advice of actuaries. The assets of this scheme are held separately from those of the States in an independently administered fund.

Details of the most recent actuarial valuation of the scheme which was carried out on 21st July 2000, using the projected unit credit method, are as follows:

Main assumptions:

Rate of increase in salaries	6%
Pension increase	4%
Investment return	8%

The scheme is adequately funded, and a contribution rate of 9.6% has been agreed with the actuary. The pension cost charge to the Water Board for the year was £12,238. (2000 £11,007)

#### 3 GENERAL RESERVE

The General Reserve is an historic record of States of Alderney investment into the Water Board in the early years of operation.

## STATES OF ALDERNEY WATER BOARD

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 4 RELATED PARTY TRANSACTIONS

In 2001 Mr E.W.N.Sebire was Chairman of the General Services Committee and the Water Board. The States has a majority share-holding in Alderney Electricity Ltd and appoints annually a director to the board and this position was held by Mr J.Postlethwaite. The Water Board purchases electricity, oil and specialist electrical services from Alderney Electricity Ltd. In 2001 the value of these purchases was £24,633.

#### 5 FIXED ASSETS

	At 1st January 2001	Additions	Disposals and amounts written off	At 31st December 2001
	£	£	£	£
<b>COST</b>				
Land	10			10
Mains & Services	237,040	3,649		240,689
Buildings	10,363			10,363
Machinery	8,747	2,212		10,959
Tools & Equipment	1,540	105		1,645
Motor Vehicle	12,542		(12,542)	0
Consumer Meters	10,319	471		10,790
	<u>280,561</u>	<u>6,437</u>	<u>(12,542)</u>	<u>274,456</u>
<b>DEPRECIATION</b>				
Mains & Services	63,033	5,946		68,979
Buildings	6,812	259		7,071
Machinery	4,572	583		5,155
Tools & Equipment	587	205		792
Motor Vehicle	8,361	4,181	(12,542)	0
Consumer Meters	5,113	1,032		6,145
	<u>88,478</u>	<u>12,206</u>	<u>(12,542)</u>	<u>88,142</u>
<b>NET BOOK AMOUNT</b>	<u>£ 192,083</u>			<u>£ 186,314</u>

IN THE STATES OF THE ISLAND OF GUERNSEY

ON THE 10TH DAY OF JULY, 2002

The States resolved as follows concerning Billet d'Etat No. XVI  
dated 21st June, 2002

**ADVISORY AND FINANCE COMMITTEE**

**ACCOUNTS OF THE STATES FOR 2001**

To Approve:-

(1) the following Accounts for the year 2001:-

1. States Advisory and Finance Committee;
2. States Agriculture and Countryside Board;
3. States Arts Committee;
4. States Board of Administration;
5. States Board of Health;
6. States Board of Industry;
7. States Cadastre Committee;
8. States Children Board;
9. States Civil Defence Committee;
10. States Civil Service Board;
11. States Education Council;
12. States Gambling Control Committee;
13. Guernsey Social Security Authority;
14. States Heritage Committee;
15. States Committee for Home Affairs;
16. States Committee for Horticulture;
17. States Housing Authority;
18. States Income Tax Authority;
19. Island Development Committee;
20. Island Reception Committee;
21. States Liberation Celebrations Committee;
22. States Overseas Aid Committee;
23. States Probation Service Committee;
24. States Public Assistance Authority;
25. States Public Thoroughfares Committee;
26. States Recreation Committee;
27. States Sea Fisheries Committee;
28. States Traffic Committee;

29. States Tourist Board;
  30. Committees' Capital Income and Expenditure;
  31. Miscellaneous Accounts;
  32. States Board of Administration as respects the Ports;
  33. Alderney Airport;
  34. States Agriculture and Countryside Board – Dairy Trading Account;
  35. States Recreation Committee as respects the Beau Sejour Centre;
  36. States Water Board;
- 
- (2) The Accounts of the States Electricity Board for the ten months ended on the 31st January, 2002.
  - (3) The Accounts of the States Post Office Board and the States Telecommunications Board for the nine months ended on the 30th September, 2001.
  - (4) To appoint the firm of KPMG as auditors of all States accounts for the year ending 31st December, 2002.

K. H. TOUGH  
HER MAJESTY'S GREFFIER