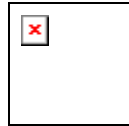


**AGRICULTURAL LOANS: ANNUAL REPORT**

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**Presented to the States on 13th March 2001  
by the Agriculture and Fisheries Committee**

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**STATES OF JERSEY**

**STATES GREFFE**

150

2001

R.C.13

Price code: B

## REPORT

Agricultural loans totalling £170,670 were granted in 2000, as a result of four applications. Three loans were granted to three applicants. This is a decrease in the number of loans, number of applicants and in the value of loans granted in 1999. Amounts loaned under the Agricultural Loans Scheme in recent years have been as follows -

<i>Year</i>	<i>Total borrowed £000</i>
1990	1,673
1991	1,512
1992	1,103
1993	1,705
1994	1,629
1995	1,858
1996	1,778
1997	1,121
1998	729
1999	1,185
2000	170

Since the commencement of the scheme in 1968, a total of 906 loans have been granted, and of this number 665 have been repaid and 241 remain outstanding. The total loaned since 1968 is in excess of £20 million. The balance on loans outstanding as at 31st December 2000 was £13,102,728. The level of arrears as at 31st December 2000 was £838,135.58 (6.4 per cent).

The table on the next page summarises the details of the loans granted to three applicants in 2000.

**Summary of loans granted in 2000**

<i>No. of loans</i>	<i>Total cost</i>	<i>Loans granted</i>	<i>Average length of loan years</i>
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<i>Purpose of loans</i>				
Constructing cattle housing	1	120,000	108,000	16
Dairy unit refurbishment	1	28,000	25,000	5
Purchase chicken sheds	1	41,885	37,670	5
TOTAL:	3	189,885	170,670	8.66

One application for £277,200 was rejected.

During the year 11 deferments were granted, resulting in repayments totalling £86,454.70 being deferred for one year.

One of the applications also required the consent of the Finance and Economics Committee as the granting of the loan would have taken the applicant's capital indebtedness to the States in excess of £150,000.

### **Administration**

The Agricultural Loans and Guarantees Advisory Board met on seven occasions, and its recommendations were considered by the Agriculture and Fisheries Committee at its bi-monthly meetings. The Board membership during 2000 was as follows -

Mr. D. Le Marquand - Chairman  
 Mr. D. Picot - Vice-Chairman  
 Mr. W. Labey  
 Mr. R. Perchard  
 Mr. M. Touzel  
 Mr. D. Vautier

The Committee would wish to record its appreciation of the unsparing efforts of all the members of the Board in undertaking this demanding task, which requires considerable understanding and judgement.

## Agricultural Loans and Guarantees Fund

### Income and Expenditure Account for the year ended 31st December 2000

INCOME	£	<b>2000</b>	£	£	<b>1999</b>	£
Interest charged to borrowers (Note 1)			862,711			876,460
<b>EXPENDITURE</b>						
Interest on temporary advance from Capital fund (Note 2)						
Administration expenses	801,783			734,640		
	<u>106,387</u>		908,170		<u>111,506</u>	846,146
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b> (Charged to Vote 4142)			<b><u>(45,459)</u></b>			<b><u>30,314</u></b>

### Balance Sheet as at 31st December 2000

<b>FUNDS EMPLOYED</b>						
Temporary advance from Capital fund			<u>13,102,728</u>			<u>13,854,477</u>
<b>REPRESENTED BY</b>						
Loans and interest outstanding (Note 3)			13,102,728			13,854,477
Current assets						
Debtors	-			-		
Current liabilities						
Creditors	-			-		
			<b><u>13,102,728</u></b>			<b><u>13,854,477</u></b>

#### Notes:

1. Interest is charged to borrowers at a fixed rate of 6.5 per cent per annum.
2. The average rate of interest charged to the fund in 2000 was six per cent compared to 5.42 per cent in 1999.
3. No guarantees have been given in respect of bank loans by 31st December 2000.
- 4.\* Administration expenses: £66,760 - Agriculture and Fisheries; £32,700 - States Treasury; £6,927 - Hamlet System.

### **Fishermen's loans**

### Income and Expenditure Account for the year ended 31st December 2000

INCOME	£	<b>2000</b>	£	£	<b>1999</b>	£
Interest charged to borrowers (Note 1)			15,892			14,918
<b>EXPENDITURE</b>						
Interest on temporary advance from Capital fund (Note 2)						
Administration expenses	14,729			12,370		
Bad debt	400			400		
	<u>0</u>		(15,129)		<u>30,648</u>	(43,418)
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b> (Charged to Vote 4142)			<b><u>763</u></b>			<b><u>(28,500)</u></b>

### Balance Sheet as at 31st December 2000

#### FUNDS EMPLOYED

Temporary advance from Capital fund	<u>254,133</u>	<u>253,437</u>
REPRESENTED BY		
Loans and interest outstanding (Note 3)	<u>254,133</u>	<u>253,437</u>

Notes:

1. Interest is charged to borrowers at a fixed rate of 6.5 per cent per annum.
2. The average rate of interest charged to the fund in 2000 was six per cent compared to 5.42 per cent in 1999.
3. No guarantees have been given in respect of bank loans by 31st December 2000.