

Annual Reporting Good Practice Guide

09 November 2022

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Introduction

Annual reports are a key means by which an entity tells the story of its year. Public annual reporting, done well, enables stakeholders to understand – with trust and confidence – an entity's strategy and the risks it faces, how much money has been spent and on what, and what has been achieved as a result. It enables stakeholders to hold the entity to account effectively.

In this third *Good Practice Guide* published by the Office of the Comptroller and Auditor General, I set out some good practice principles for excellence in annual reporting by public bodies. I also provide some illustrative examples drawn from my review of the annual reports which underpinned my report *Annual Reporting* published on 7 November 2022.

My reviews of the annual reports and accounts of Jersey entities for 2019, 2020 and 2021 identified that most entities have made improvements to their annual reports, some significantly. However, progress in respect of accountability and sustainability reporting has been slower. In particular, remuneration and staff reporting (including disclosure of directors' pay and directors' interests) often falls below best practice.

The extracts within this Guide have been taken from various annual reports and links to the full reports are included for information.

The key elements I consider to be good practice in a single annual report are summarised below.

Single Annual Report



Supporting accountability



Accessible



Transparent



Understandable

Performance Report



Strategy



Risks



Operations



Performance analysis



Financial performance



External factors

Accountability Report



Directors' or equivalent report



A statement of responsibilities



A governance report



A remuneration and staff report

Financial Statements



Prepared under a suitable framework



Suitably assured

I hope that organisations will find this Guide to be useful as they start to consider their public annual reporting for 2022 and beyond.

Lynn Pamment

Comptroller and Auditor General

Overarching principles

Supporting accountability

The best reports:

- tell the story of the organisation in a fair and balanced way
- comply with relevant reporting requirements; and
- include clear action points to take forward.

Accessibility

The best reports:

- highlight key trends in the financial statements
- include concise summaries of key points; and
- consider how the organisation engages with key stakeholders and meets their needs.

Transparent

The best reports include:

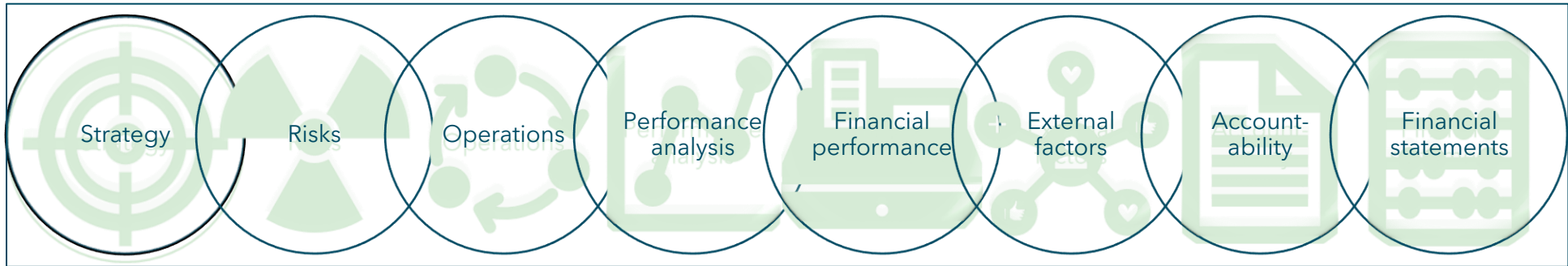
- frank and honest analysis
- consideration of the challenges an organisation is facing
- appropriate use of data; and
- quantification of risks and performance measures.

Understandable

The best reports use:

- plain English to explain difficult concepts
- infographics and diagrams to communicate important messages; and
- a clearly integrated structure to help users navigate it effectively.

These principles should be evident across all parts of the Annual Report.



This Guide draws on examples of good practice from within each of the sections of an annual report. Each section includes examples where entities have made their annual reports more understandable to the reader through use of graphics, clear language, aids to make reports easier to navigate and signposting. In considering which examples to use, I reviewed Annual Reports of 38 Jersey entities which were available publicly at 31 July 2022.

The examples will not be an exhaustive list of good practice but are presented to provide ideas for all entities to think about as they plan their annual reporting for 2022 and are those that I think best portray the principles of good annual reporting.



Strategy

The best reports include:

- a statement of the purpose and activities of the entity, including:
 - a brief description of the business model and environment
 - organisational structure and priorities; and
 - any other organisational strategic objectives and goals
- clarity around purpose, strategic objectives and key programmes/projects
- balanced view of progress against objectives
- details of plans to implement priorities; and
- strategy clearly linked to performance measures and risks.

Jersey Water sets out its purpose, what it does (including some basic statistics), its values and its four customer outcomes in a clear graphic on a double page spread.

Our Business

Our Purpose

Supplying the water for our Island to thrive today and every day

What We Do

We collect, treat and supply 19.4 million litres of clean water every day to more than 42,000 households and businesses in our community.

Our Values

We Care

We care internally for colleagues, externally for our customers and more widely for the environment we serve.

We act thoughtfully and with kindness at all times.

We Are Ambitious

Good is not enough and we are constantly seeking to improve, tackle challenges and demonstrate excellence.

We are not afraid to innovate and take bold decisions that will benefit Jersey today and tomorrow.

We Work Together

We recognise the power, strength and solutions that come from teamwork, internally and externally.

We work with our colleagues, our customers and our stakeholders and are proud to be a partner for positive change.

Customer Outcomes

In 2020 we developed four customer outcomes on which to focus the activities of the Company over the five years to 2025. The outcomes ensure that our customers are at the heart of everything we do.



High Quality Water Supply

We aim to deliver a reliable supply of safe, high quality water to our customers, now and in the future.



Great Customer Experience

We prioritise high standards of service, always. Our customers are unable to choose their water supplier but if they could, we want it to be us.



Fair & Affordable Bills

Every customer should feel we offer good value for money and keep charges for water fair and affordable.



Environment & Community Benefit

We have a wider responsibility to future generations for the decisions we make today. We strive to have a positive impact on the environment and Island community we serve.

Statistics

88

Jersey Water employees



6

Raw Water Storage Reservoirs

2

Water Treatment Works

119.7

Litres used per person per day



19.4m

Litres supplied per day to the Island



10.8m

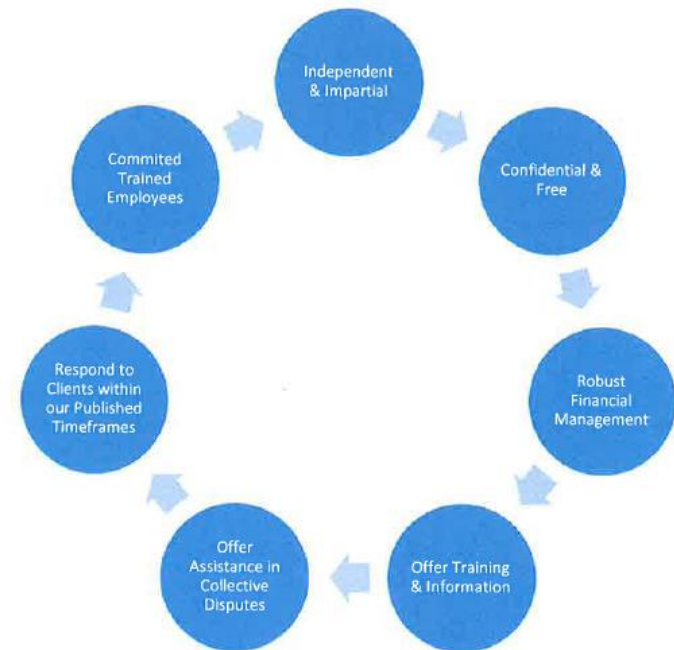
Litres of water per day can be produced by our desalination plant



2021 Annual Report and Financial Statements The Jersey New Waterworks Company Limited
[Jersey-Water-Annual-Report-2021.pdf \(jerseywater.je\)](https://www.jerseywater.je)

The **Jersey Advisory and Conciliation Service**, one of the smallest States established or States controlled entities, sets out its purpose, what it does and its strategic aims. This is accompanied by a simple graphic showing how it seeks to achieve its strategic aims.

How we achieve our strategic aims:



Our Purpose:

As the employment relations service in Jersey, JACS was established to assist employers, employees and trade unions to work together for the prosperity of Jersey business and the benefit of employees.

What We Do:

JACS assists in the building of harmonious relationships between employers and employees, both collectively and individually and thereby help improve the performance and effectiveness of organisations.

Strategic Aims for JACS (as set out in the annual SLA and Business Plan) are:

- resolve individual disputes;
- provide impartial information/advice on employment matters;
- provide impartial information/advice on discrimination;
- provide impartial information/advice in respect of employee relations
- improve the understanding of industrial relations;
- provide an Outreach Service;
- offer training on legislation and relevant topics

Jersey Advisory and Conciliation Service 2021 Annual Report
[2021-jacs-annual-report-accounts.pdf](#)

Jersey Finance sets out its four strategic objectives, how it categorises its activities to support delivery of the strategic objectives and how successful it has been in delivering each of the activity categories.

In order to deliver our objectives, set out on the previous page, our ongoing activities are categorised into:

 <p>Jersey to be a digitally enabled, client-driven and innovative cross-border financial centre</p> <p>Jersey Finance is proud of its role in spearheading the breakthrough ideas and technologies that can be transformative and secure the Island's standing as a global hub for financial services. From working with leading consultancy firms and producing ground-breaking research, to advocating for industry on legal and regulatory developments, Jersey Finance uses a number of channels to keep the Island at the forefront of the financial world.</p>	 <p>Protect and strengthen Jersey's global reputation as a trusted IFC that positively impacts both local and global economies and communities</p> <p>Our main purpose as the promotional body of the IFC is to increase favourability, familiarity and advocacy of our industry in both local and global networks. With more focus on the integrity and reputation of IFCs, we work hard to dispel the myths around Jersey's purpose as an IFC, to differentiate ourselves from other jurisdictions and promote the high-quality standards and positive impact on both local and global economies.</p>
 <p>Demonstrate and utilise Jersey's global network, expertise and connections to support Members' international business flows and opportunities</p> <p>With representation in all of our global key markets, we are able to broaden and deepen our relationships with Jersey's existing and potential clients. Comprehensive marketing programmes and initiatives support our Business Development teams in making the right connections between the intermediaries we work with and our membership base.</p>	 <p>Promote Jersey as an IFC of choice for sustainability amongst global key influencers, decision-makers and audiences</p> <p>Jersey has already been active in this area for some time but, with a new sustainable finance strategy to catalyse action, we are well placed to support the embedding of sustainable finance across all the different sectors of our financial services offering. Jersey Finance believes the Island, as a leading IFC, has a responsibility to leverage its expertise and capital to support the transition to a more environmentally and socially sustainable global economy.</p>

- A** facilitate an environment in local and international markets which allows Members of Jersey Finance and Jersey's finance industry as a whole to prosper
- B** through various communications and marketing, promote the Jersey finance industry in both local and international markets
- C** use a range of appropriate tactics to facilitate and encourage financial services inward investment to Jersey
- D** provide technical services to Members by informing them of legislative and regulatory developments
- E** perform a coordinating role by organising working groups of industry, Government and the JFSC to develop Jersey's financial legislation and regulation

A

Facilitate an environment in local and international markets which allows Members of Jersey Finance and Jersey's finance industry as a whole to prosper



Target number of activities: 30

Met: 28

Partially Met: 1

Not Met: 1

A critical strand of this objective is to demonstrate the value added to Jersey's economy and to government revenues by attracting new business and supporting inward investment.

Thanks to alignment and collaboration across the Business Development team, the target of Economic Value Added (EVA) was exceeded. This was made possible by successfully building valuable relationships with on and off-Island contacts, through Member and gatekeeper event activity and by delivering evidence-based advocacy, in particular the publication of the 'Jersey's Contribution to Global Value Chains' report. The successful launch of the sustainable finance strategy and progress in bringing together the fintech community were also fundamental in delivering on this objective.

In terms of initiatives not entirely met, a re-design of a gatekeeper survey was delayed due to resource constraints, with a new timeframe now in place and a provider engaged for early 2022. In addition, the original intention to produce easy-access sustainable finance collateral has since been folded into core sustainable finance workflow, with a focus now on delivering an online hub in 2022.

Jersey Finance Annual Report 2021
<https://www.jerseyfinance.je/who-we-are/annual-report-2021/>

The best reports include:

- clear articulation of the entity's risk management process
- the key issues and risks that could affect the entity in delivering its objectives, how they have changed, how they have been mitigated and any emerging risks that may affect future performance
- risks reflect the external environment and implications for the entity (for example, the COVID-19 pandemic)
- clear links between risks, strategic objectives and the annual report narrative
- quantified risks and realistic planned and implemented mitigations; and
- discussion about how the dynamic of the risk profile has changed over time, including developments in relation to specific risks disclosed.

Jersey Telecom (JT) sets out its approach to risk management and links its principal risks to its four areas of focus for 2022-23.

JT Annual Report for the year ended 31 December 2021
<https://www.jtglobal.com/global/jt-together/>

Our Approach to Risk Management

JT Group has an embedded enterprise risk management function which governs and implements risk management using the three lines of defence model. This framework enables a consistent approach to how we identify, assess, manage and monitor the risks and uncertainties to the successful delivery of our strategic objectives.

The business provides the first line of defence, identifying the risks to objectives and undertaking control activities. Business lines are supported by a network of risk champions and the second line.

The second line, risk oversight, is provided by the risk management function, supporting risk owners and risk champions to undertake their risk management activities by setting policy, providing guidance and support to the business, undertaking detailed risk reviews and by reporting quarterly to the Risk Committee. The Risk Committee is comprised of senior management representation from across the business, who are responsible for monitoring the exposure and nature of the risk, agreeing how it should be managed and taking the necessary action to achieve the desired level of risk.

Assurance is the third line of defence. Here the internal audit function provides objective and independent assurance, reporting to the Audit Committee and Board on how effectively risks are being managed.

Reporting and 3 lines of defence



"JT continues to invest in the quality, resilience, security and monitoring of its networks, which includes the formation of a new Network Operations Centre (NOC) providing 24/7 monitoring, alerting and incident capabilities."

John Diamond, Interim CEO



How we identify our principal risks

The principal risks draw upon the significant corporate risks recorded in each business line and the ongoing input from our senior leaders and respective oversight committees. The principal risks are reviewed by the Audit and Risk Committee, before being approved by the Board.

The principal risk areas in focus for 2022-23 are detailed to the right and each one aligns to one of our 4 key strategic priorities covered on p4.

Key for risk table (p9)

- 1 Delight our customers
- 2 Grow the business
- 3 Build a sustainable future
- 4 Be a great place to work

Principal risk	Areas of focus for 2022-23	Key controls and mitigating factors*
Network stability and reliability Risk: that we are unable to maintain a stable and secure network that meets the expectations of our stakeholders.	1 Significant investment in JT's infrastructure and systems. Implementation of a Security Operations Centre and collaboration with CI utilities to ensure the resiliency of the CI sub-sea cable infrastructure.	JT continues to invest in the quality, resilience, security and monitoring of its networks, which includes the formation of a new Network Operations Centre (NOC) providing 24/7 monitoring, alerting and incident response capabilities.
Regulatory framework: increased complexity Risk: that the evolving regulatory landscape on security will increase complexity across both islands.	1 Manage the programme needed to deliver the Telecom Security Requirements, including removal of High-Risk Vendors (HRV) from JT's network. Enhance compliance and reporting to provide assurance to the Regulators and Shareholder.	Proactive engagement with JT's Regulators ensures that we can act quickly to any changes in the regulatory landscape. A governance framework and mechanisms are in place for timely escalation and action.
Events impacting on customer experience (CX) Risk: that our customers have a poor experience when using our products and services.	1 Continue to develop and enhance solutions that improve our customer experience.	Addressing customer feedback, proactive monitoring of SLAs and KPIs, both operationally and through weekly Quality of Experience meetings.
Ability to achieve growth within the Channel Islands' marketplace Risk: that JT does not invest in new products and is unable to respond quickly to new sources of demand.	2 Continue to provide customers with choice that meet their needs; whilst identifying new opportunities and trends.	Product and development teams identify opportunities, presenting business cases to the Commercial Committee for scrutiny and approval.
Change delivery Risk: that JT does not implement the digital transformation strategy within the required time frame, in order to remain competitive.	2 Manage the programme of activities to prioritise those that improve efficiency, simplification and digitalisation.	The Portfolio Progress Group manage the application of the change management framework. JT's new Operations function oversees the delivery of operational change.
Ability to develop material new business lines for International Risk: associated with developing new products and services to respond to opportunities and requirements in the marketplace.	2 Development of services to customers outside of the Channel Islands by creating a portfolio of products at various stages of the product life cycle, whilst growing margins at an appropriate risk level.	Launch of JT Venture – a new JT 'incubator' investment approach, coupled with horizon scanning and other activities to identify opportunities. Business cases are presented at NeVCo (New Venture Committee) for scrutiny and approval.
JT's ability to attract and retain talent Risk: that JT is unable to attract or retain sufficient people with the skills needed to deliver on its longer-term ambitions.	3 4 Implement a talent Strategy that enables us to attract global talent, ensuring we have the right people in the right job and can build a diverse and engaged people culture.	JT undertakes demand and capacity assessments to identify and manage resource and change requirements. "Smart Ways of Working" allows us to expand our talent reach through our flexible location working. Monthly employee engagement surveys provide feedback to management for rapid action.
Environmental Social and Governance (ESG) Risks Risk: JT must ensure it effectively manages Environmental, Social and Governance (ESG) Risks.	3 4 JT has set an ambition of carbon neutrality on scope 1 and 2 (verification to ISO 14064-3) by 2030 and has an ambition to sign up to science-based targets in 2022 with reporting via a best practice framework.	10-year Sustainability Strategy and roadmap in place, overseen by JT's Sustainability Committee, ExCo and the Board** Pro-active engagement with the Government of Jersey, suppliers and partners. External audit and verification provided for Scope 1, 2 and 3 emissions and supply chain activity, through independent consultants.
Enterprise-wide process governance and control framework Risk: JT must ensure it has effective and efficient processes and controls.	3 Enhance controls and processes, such as the Enterprise Resource Platform (ERP) solution and continue to develop the enterprise-wide process governance and control framework.	JT has implemented industry best practice process framework aligning this to IML and utilising a central process repository. Internal Audit and Compliance checks of controls and assurance reporting to Audit Committee.

For each of its principal risks Jersey Electricity provides a description of the risk, risk owner, risk trend, risk appetite and mitigating actions.

Risk Category: Operational Risks

Reliable and secure supply of energy	Climate change and protecting the environment	Health and safety
<p>Description: Unable to maintain operations and continuity of electricity supply, leading to frequent disruption to supply, including an island wide power outage.</p> <p>Risk Owner: Operations Director</p> <p>Movement: ↔ Stable</p> <p>Risk Appetite: Cautious</p> <p>Key mitigating actions</p> <ul style="list-style-type: none"> • Robust processes and procedures in place to prevent unplanned outages and interruptions to services. • Three subsea cables to France provide resiliency with regards supply importation cables. • Contingent additional supply provisions put in place this year. • Strong relationship with our suppliers and engage in ongoing dialogue to understand any developments that might impact security of supply. • On-Island generation capability to limit over-reliance on any single fuel source or technology. • Repair and maintenance programme in place to optimise the life of all assets. • Comprehensive business continuity plans which are periodically tested under various scenario exercises. • The completion of Smart Switch project has enhanced metering data, enabling improved analytic insights to better manage load and provide smarter metering solution to our customers. 	<p>Description: Failure to take appropriate measures to protect our environment and respond to climate change, could result in regulatory, financial and reputation repercussions.</p> <p>Risk Owner: Operations Director</p> <p>Movement: ↗ Increasing</p> <p>Risk Appetite: Cautious</p> <p>Key mitigating actions</p> <ul style="list-style-type: none"> • Participation and involvement in the development and implementation of the Government's Energy Plan. • Committed to government environmental objectives by providing renewable energy and charging outlets for EVs. • Integrating the climate concerns into processes, resulting in reviews / rethinks of our supply chain, purchases and the way we conduct our business activities. • Environmental framework, policies and procedures are in place across the Group, with compliance monitored by the Health, Safety and Environment team. 	<p>Description: Failure to ensure safe ways of working across the Group could result in a health and safety incident, leading to serious injury, illness or loss of life.</p> <p>Risk Owner: Operations Director</p> <p>Movement: ↔ Stable</p> <p>Risk Appetite: Averse</p> <p>Key mitigating actions</p> <ul style="list-style-type: none"> • A proactive safety culture has been nurtured throughout the organisation which is supported by a safety management structure, Safety Representatives, programmes of site inspections and regular training. • Performance measures are explicitly presented as a separate agenda item at each Board meeting. • A Health, Safety and Environment team sets standards and monitors performance against those standards. • Accident, incidents and near misses are reported and recorded, with analysis performed on trends and root causes.

Jersey Electricity Annual Report and Accounts 2021
<https://www.jec.co.uk/investors/figures-reports/>

Operations

The best reports include:

- discussion of the different delivery models, the reasons for using these models and how they achieve value for money
- narrative around how business operations support wider Government (or other) objectives
- for significant contracted-out services, discussion of how these contracts are awarded and how the entity manages the ongoing contract; and
- consideration of capital investment and how it achieves value for money.

The States of Jersey Development Company (JDC) provides:

- a summary of ownership and lines of reporting flowchart that summarises JDC’s operating model and how this adds value; and
- a stakeholder graphic, that sets out how JDC’s activities have supported the States of Jersey and other stakeholders.



States of Jersey Development Company 2021 Annual Report and Consolidated Financial Statements [2021-annual-report-accounts.pdf \(jerseydevelopment.je\)](https://www.jerseydevelopment.je/2021-annual-report-accounts.pdf)

Performance analysis

The best reports include:

- a statement from the entity's lead Minister or chief executive, accountable officer or equivalent providing their perspective on the performance of the entity over the period
- a performance analysis showing how the organisation has performed against priorities (or any other organisational strategic objectives and goals) using qualitative and quantitative information and prior year trend information where possible. Performance data against each of the indicators used to monitor performance against priority outcomes should be provided. Any financial information provided should link to the financial review
- non-financial information including on environmental protection, social responsibility, respect for human rights, anti-corruption and anti-bribery matters and diversity
- information on environmental matters including the impact of the entity's business on the environment and identifying where its performance contributes towards the delivery of United Nations Sustainable Development Goals (SDGs)
- quantified Key Performance Indicators (KPIs) aligned to strategic objectives and making appropriate use of financial and non-financial data
- balanced assessment of goals achieved and performance against targets; and
- graphics used to illustrate performance.

Jersey Business provides a one-page performance analysis in the form of a narrative table. For each of the Jersey Business 2021 objectives, the table sets out what was planned, what was delivered, and the difference made.

	2021 Objectives	What we planned	What we delivered	The difference that we made
People	To support 20 leaders to improve their leadership skills to grow their business.	1 Leading Growth Programme.	17 business leaders from 12 organisations were given leadership development.	Over 85% of participants had started to implement their leadership growth plans or were committed to implementing the plans within the next 6 months. 92% of participants reported an increase in leadership skills. 92% of participants reported an increase in confidence and self belief.
Productivity	To support 5 businesses to implement business process changes that will improve their efficiency.	1 Business Improvement programme.	5 businesses supported to improve processes and increase efficiency. 10 people involved in learning business improvement techniques.	80% of business had started to make changes to improve their efficiency during the programme. 100% of participants said their organisation would go on to facilitate further business efficiency projects.
	To support 40 entrepreneurs to improve their social media outcomes.	4 Social Media & Marketing programmes.	47 entrepreneurs helped to improve their social media presence.	Participants said the course was 'extremely' or 'very' relevant to their role and that they would recommend it to others.
Innovation	To support new innovative business opportunities that will diversify the economy in Jersey.	2 new on-island investment projects supported.	2 projects supported bringing new investment into Jersey.	Our help & support assisted the owner of Millbrook House Hotel to develop a business case to obtain planning permission for the development of a new boutique hotel. Our networks and support helped Grovida make a business case that secured a Government of Jersey Growing and Processing License that will enable them to establish their business in Jersey.
Financial Resilience	To support 4 businesses to access new investment to take their business to the next stage.	All businesses expressing an interest in the Productivity Support Scheme given advice and support.	9 businesses supported to make applications to the Productivity Support Scheme.	4 projects approved for the productivity support scheme resulting in £331,512 (£100,144 grant £231,168 company) investment into new improvement projects.
	To support our clients to implement plans and resources for long term resilience and growth.	Client businesses receive one-to-one business and financial planning support.	156 businesses supported with bespoke advice and support.	88.5% customer satisfaction score shows that 9 out of 10 clients are satisfied after getting our support.
Information sharing & foresighting	To provide businesses in Jersey with the advice, support and information they need.	All enquiries received via phone, email and website successfully answered. Website engagement increased year-on-year.	514 enquiries handled through our information service. 65,822 website sessions. 8,308 website documents downloads. 46 individual online & inperson events held. 488 event attendees on topics ranging from import procedures to tools for self maintenance.	88.5% customer satisfaction score shows that 9 out of 10 clients are satisfied after getting our support.
	To support Government's policy and strategy development through provision of real time data and insights.	Considered responses submitted to all relevant Government consultations.	6 submissions to Government consultations on topics ranging from Brexit to migration policy and the ban on single use plastic bags. Insights provided to influence the structure of 5 government support schemes (Visitor Attractions & Events; Fixed Cost Support; Visitor Care Hire; Productivity Support; Fisheries Support)	As a result of our influence in shaping Jersey's migration policy, the hospitality industry can retain staff for 18 months in 2022. Retailers can use up existing carrier bags minimising waste and costs of implementing the new regulations because of the evidence we provided to policy makers. We worked with Jersey Customs to make the post-Brexit process of import declarations faster and easier for local businesses. An additional 327 hire cars were available in 2021 as a result of the visitor car hire scheme designed by us.

Jersey Business Annual Report and Accounts 2021 <https://www.jerseybusiness.je/wp-content/uploads/2022/05/Annual-Review-Accounts-2021.pdf>

Digital Jersey also summarises its performance in a single page table by setting out each KPI outcome and rating performance as red, amber or green. This is supported by a balanced commentary.

KEY PERFORMANCE INDICATORS

Each year a set of Key Performance Indicators (KPIs) is agreed by the Board and then with the Government of Jersey under our Partnership Agreement. In 2021:

- 16 targets were met or exceeded
- 2 targets were only partially achieved
- 2 targets were not achieved

HIGHLIGHTS

Business and entrepreneur relocations were better than target with a total of 22 relocations confirmed in 2021 and 7 in the pipeline.

28 work permissions were endorsed (out of annual target of 25).

CHALLENGES

Hub and DJX utilisation targets improved but the continuing impact of COVID at the end of 2021 led to some events and activities being cancelled.

Public procurement workshops were not delivered as the ongoing impact of COVID prevented the Government scheduling these (target of 3).



Jersey Research Foundation has not yet launched as they are awaiting charitable status – this is still subject to ongoing discussions with the Charity Commissioner.

While significant numbers of members and other businesses were supported in 2021, the target of 100 was not reached (78).

		KPI	OUTCOME	RAG RATING
1	Attract 10 business relocations	10	12	●
2	Support 30 non-digital businesses in their efforts to digitally transform	30	30	●
3	Create introductions for 5 digital businesses with the investor community	5	8	●
4	Support the raising of £50,000 for the Jersey Research Foundation	£50,000	£0	●
5	Support 5 businesses in prototyping and deploying new smart technologies	5	5	●
6	Include 5 new data sets within the Digital Twin	5	6	●
7	Connect 10 local businesses to international markets	10	15+	●
8	Maintain 70% occupancy of our Hub facilities	70%	>70% (once restrictions lifted)	●
9	Occupancy of DJX to be increased to 70%	70%	Improving	●
10	25 Digital Leadership Programme students	25	28	●
11	Train 100 students at 15 courses/events	100	870	●
12	300 attendees at 15 Academy courses/events	300	351	●
13	Endorse 25 working permissions	25	28	●
14	Relocate 10 digital entrepreneurs and freelancers	10	10	●
15	Run 6 member and stakeholder events that attract over 500 virtual / physical attendees	500	1,904	●
16	Attract 100 submissions to our Tech Awards	100	103	●
17	Support over 100 members through our business initiatives	100	78	●
18	Submit proposals to Government to fund new initiatives	N/A	3	●
19	At least 3 public procurement workshops	3	0	●
20	Publish a Data / AI strategy	Workshops and report	Workshops complete, report in draft	●

Digital Jersey Limited Annual report and financial statements 31 December 2021
<https://www.digital.je/wp-content/uploads/2022/05/DJ-Annual-Report-2021-PROOF1262-1.pdf>

Andium Homes analyses its performance for each of its five Key Strategies by publishing the 2021 target and actual performance for the relevant KPIs and providing a short commentary.

	2021 Actual	2021 Target
 Client Excellence		
Overall client satisfaction	98%	≥ 90%
Rent collect as a % of rent charged	101.2%	≥ 100.0%
Arrears as a % of rent charged	0.79%	≤ 1.00%
Average re-let time in days	25	≤ 25
<p>Arrears have reduced following a process redesign, capitalising on more of the benefits of our housing technology system, to notify clients of missed payments at the earliest opportunity. This early intervention enables clients to better manage their finances, preventing rent arrears occurring in the first place.</p>		
 Great Homes		
Major Refurbishments completed	69	≥ 56
New supply delivered - social housing units	151	≥ 195
Ratio of planned maintenance to response repairs	69%	± 70%
% of homes meeting the Decent Homes Standard	100%	100%
% of homes meeting the New Modern Facilities Standard	95%	≥ 97%
<p>The Le Marais refurbishment project is ahead of programme, completing 13 more homes than expected. Whilst new homes delivered is fewer than target, 44 new homes at Le Clos Mourant (Le Squez Phase 4) were delivered at the beginning of 2022.</p>		

Andium Homes Annual Report 2021 [Andium-Homes-Annual-Report-2021.pdf \(andiumhomes.je\)](#)

Financial performance

The best reports include:

- a financial review detailing financial performance
- a fair and balanced reflection of financial performance which is consistent with the underlying financial statements
- an explanation of the adoption of the going concern basis where this might be called into doubt, for example where there are significant net liabilities that will be financed from resources voted by the States Assembly in the future; and
- discussion of actual performance against expected/budgeted performance.

In addition to publishing audited financial statements, **Digital Jersey** summarises its financial performance for the year in the form of narrative overview, a table comparing actual expenditure with budget and a simple graph.

FINANCIAL PERFORMANCE

The company's activities are primarily funded by a core grant from the Government of Jersey. The 2021 core grant was £2,025,000 (2020: £1,725,000).

Total income was 15% higher than budgeted (18% higher than 2020) and expenditure was 8% higher than budgeted (17% higher than 2020). For 2021, an additional £375,000 of grant funding was provided through the Fiscal Stimulus programme for the provision of a range of free short courses and this was fully spent on commissioning courses in 2021.

Membership income increased by over 14% in 2021 to £162,500. Although COVID restrictions remained in place for significant portions of the year, the introduction of a membership

and stakeholder team improved both engagement with existing members and attraction of new members.

Expenditure for 2021 was in line with expectations. Additional expenditure related to course costs funded by the fiscal stimulus grant. A significant proportion of costs for the organisation are fixed (rental and salary costs). There was an underspend of £258,000 (as shown overleaf) which primarily related to areas impacted by COVID-19 restrictions (travel, events etc) as well as a small underspend relating to role vacancies.

Furthermore a number of new initiatives were launched in the second half of 2021, which were not complete at year end.

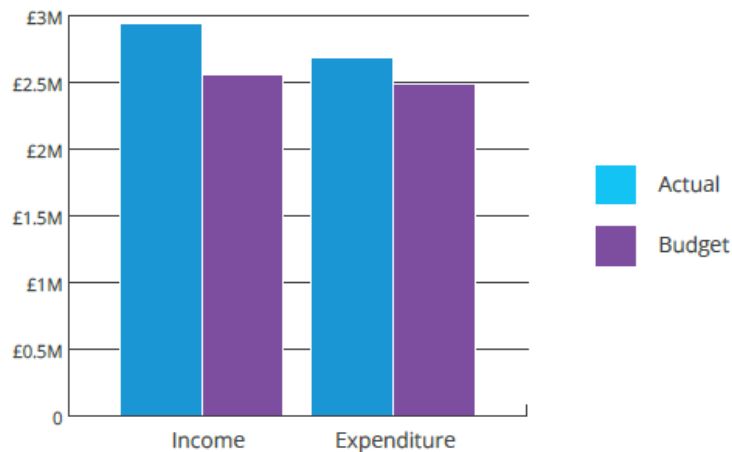
In particular the smart island project, data stewardship project and digital matchmaking tool project were all ongoing at the year end and therefore allocated budgets are carried forward for completion into 2022.

SUMMARY OF PERFORMANCE AGAINST BUDGET

	ACTUAL £'000	BUDGET £'000	VARIANCE £'000
Government grant core	2,025	2,025	0
Fiscal stimulus funding	375	0	375
CYPES funding for the Digital Jersey Academy	366	366	0
Other income (predominantly membership income)	176	163	13
Staff and Board costs	(1,211)	(1,217)	6
Other expenditure	(1,098)	(1,276)	178
Fiscal Stimulus courses	(375)	0	(375)
NET OPERATING SURPLUS BEFORE DEPRECIATION*	258	61	197

*Results are shown before depreciation and exclude the facilities grant which was received and spent in 2019 but is being recognised over the useful life of the facilities improvements

ACTUAL V BUDGET TO 31 DECEMBER 2021



Digital Jersey Limited Annual report and financial statements 31 December 2021
<https://www.digital.je/wp-content/uploads/2022/05/DJ-Annual-Report-2021-PROOF1262-1.pdf>

External factors

The best reports include:

- consideration of the external drivers that influence and impact on current objectives (including factors such as the COVID-19 pandemic and the UK's EU Exit); and
- innovative reporting on sustainability and climate change.

The States of Jersey Development Company's (JDC) annual report has a detailed section on Environmental, Social and Governance (ESG) issues and reports. In presenting ESG the annual report sets out:

- 15 reporting areas (five each for environmental, social and governance) showing how these contribute to relevant UN SDGs; and
- JDC's activities in each of the reporting areas.



Built Environment



As a local industry leader in environmentally considered design, our commercial constructions to date on the International Finance Centre are all 'BREEAM Excellent' rated, the world's leading sustainability standard, for which certification reflects the buildings' environmental, social and economic sustainability performance assessment.

JDC is committed to continual improvement, with the ambition that all future commercial buildings will be designed to 'BREEAM Outstanding' standards and that our residential buildings will be built to 'PASSIVHAUS' standards, world leading energy efficiency and thermal performance standards.

States of Jersey Development Company 2021 Annual Report and Consolidated Financial Statements [2021-annual-report-accounts.pdf\(jerseydevelopment.je\)](#)

Sustainable Resources







The Bridging Island Plan (BIP) seeks to reduce emissions by introducing policies covering 'design to deconstruction' in the construction industry, it also focuses on protecting and improving the natural environment and biodiversity.

JDC addresses both these in its designs for IFC 6, South Hill and SWSH Waterfront, with focus on longevity, flexibility and 'flora and fauna' considerations throughout the planning and design phase of these projects. The BIP also covers the sustainable transport policy which JDC seeks to support, with its focus on infrastructure for alternative modes of transport in all of its developments, as well as electric car and bike charging points.

Accountability report

The best reports include an accountability report that encompasses:

-  Directors' or equivalent report
-  A statement of responsibilities
-  A governance report
-  A remuneration and staff report

The **Ports of Jersey** annual report encompasses all the key elements of a good practice accountability report within a clearly defined section on governance. The governance section opens with a statement from the Chairman of the Board and concludes with a statement of directors' responsibilities for the accounts.



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Corporate Governance Report

Principles of Corporate Governance

As a Board, we recognise that applying sound governance principles in running the company is essential to provide a solid platform for growth and to maintain the trust of all our stakeholders.

The company has also entered into a Memorandum of Understanding with its Shareholder which embraces a 'no surprises' culture and specifies those strategic and other issues for which the agreement of the Shareholder's representative should be sought. The efficiency of that interaction and the level of support and encouragement received from the Shareholder is vital in order that we can meet the challenge of the commercial and social objectives of incorporation.

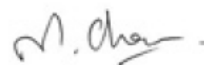
Customer engagement remains high on our agenda. We discuss service issues and costs with individual major carriers and marine traders through a combination of scheduled and ad-hoc meetings. We also inform and take the views of our many Harbour stakeholders through our Marina Development Group meetings and our participation in a range of group and club meetings. Furthermore, we are accountable to the JCRA for pricing decisions and the avoidance of anti-competitive behaviour.

The Board

The Board has arranged a schedule of meetings to consider strategy, performance and the framework of internal controls. We have a Board that has and will support and constructively challenge management to deliver the Board's objectives. We have established Audit, Remuneration, Risk, Investment, Nomination, and Harbour and Airport Authorities Committees of the Board with formally delegated duties and responsibilities.

To enable the Board and its Committees to discharge their duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings. All Directors have access to the advice and services of the company Secretary, who is responsible for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

As Chairman, I would like to reiterate my personal commitment to maintaining high standards of corporate governance and to us being transparent about our arrangements.



Mark Chown
Chairman
26 April 2022

Statement of Directors' Responsibilities

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

Jersey company law requires the Directors to prepare financial statements for each financial period in accordance with any generally accepted accounting principles. The financial statements of the company are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- specify which generally accepted accounting principles have been adopted in their preparation; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 102 ("FRS 102") the Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council.

The Directors are responsible for keeping accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements prepared by the company comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities



Andrew Boustouler
Chief Financial Officer
26 April 2022

Andium Homes provides a range of good practice staff and remuneration disclosures including on fair pay, remuneration policy, directors' pay and on the gender pay gap.

Fair pay disclosure

The following table contains details of pay multiples and illustrates the ratio between the highest-paid director and the median company remuneration level amongst all colleagues. The calculation below is based on the full-time equivalent annual salary for individuals holding contracts (permanent or fixed term) at the end of the relevant year. The table also includes data in respect of the 25th quartile and the 75th quartile, which effectively represents the median of both the upper and lower sections of the company's remuneration.

	2021	2021	2020	2020
	Amount	Ratio	Amount	Ratio
Highest paid director	192,780	1.0	192,780	1.0
Median remuneration:	51,700	3.7	50,700	3.8
25th quartile:	40,000	4.8	38,900	5.0
75th quartile:	74,500	2.6	64,300	3.0

Remuneration policy

On an ongoing basis, Executive Director salaries are reviewed annually by the Remuneration and People Committee with recommendations made to the Board, prior to seeking approval from the Guarantor in advance of changes taking effect.

The Remuneration Committee endeavours to ensure the value of remuneration packages for these roles matches the Board's policy on market position and sits appropriately against comparable organisation benchmarks. In doing so, the Remuneration Committee is responsible for ensuring Executive Directors are rewarded fairly and appropriately for the responsibility and accountability associated with the delivery and management of the Company.

Directors remuneration

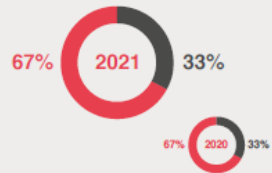
The total remuneration of the Directors for the year ended 31 December 2021 is set out below:

	Salary	Benefit*	Total 2021	Total 2020
	£	£	£	£
Executive Directors				
Ian Gallichan	192,780	980	193,760	192,780
Lindsay Wood	138,000	980	138,980	124,320
Non-executive Directors				
Richard McCarthy CBE (appointed 22 January 2021)	37,699		37,699	-
Jason Laity	20,000		20,000	20,000
Judy Beaumont	20,000		20,000	20,000
Elaine Bailey	20,000		20,000	18,333
Jonathan Day	20,000		20,000	17,500
Julian Box	20,000		20,000	17,500
Sir Mark Boleat (retired 31 December 2020)	-		-	40,000
Michael Jones (to 3 February 2020)	-		-	1,839
Colin Russell (to 30 June 2020)	-		-	10,000
Total	468,479	1,960	470,439	462,272

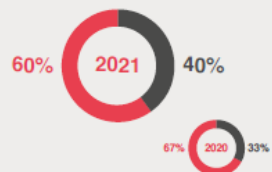
The gender balance of employees at all levels of the business at the end of 2021, were:

■ Male
■ Female

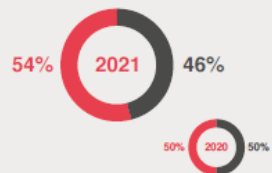
Non-executive Board members



Directors and senior staff



Delivery colleagues



Gender pay gap

The gender pay gap shows the difference in the average hourly pay (mean and median) between men and women in a workforce and is calculated as the difference between the average hourly pay of men and women as a proportion of average hourly pay of men.

The gender pay gap reflects the distribution and relative proportions of men and women across an organisation. It does not take into consideration any differences in the role that male and female employees perform or their seniority.


The gender pay gap for employees at Andium indicates that on average men earned 35% more than women in 2020, and in 2021 the gap reduced to 27%.


We recognise that there is more work to be done and with the ongoing development of flexible working, we aim to reduce the pay gap.

Andium Homes Annual Report 2021 [Andium-Homes-Annual-Report-2021.pdf \(andiumhomes.je\)](#)

Financial statements

Where entities are required to prepare financial statements, the best reports include financial statements that are:

 Prepared under a suitable framework; and

 Suitably assured.

The **Data Protection Authority** (DPA) annual report includes the audited financial statements and independent auditor's report. The financial statements are prepared under the UK Financial Reporting Standard (FRS) 102. The DPA has applied the small entities regime under FRS 102(1A) and taken advantage of the exemption from preparing a statement of cash flows.



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→ General Information

Members of the Authority

Jacob Kohnstamm	Chair
Clarisse Girot	Voting Member
David Smith	Voting Member
Gallina Llew	Voting Member
Paul Routler MBE	Voting Member
Helen Hatton	Voting Member
Dr Jay Fedorak	Information Commissioner (non-voting member) up to 1st July 2021
Paul Vane	Information Commissioner (non-voting member) from 2nd July 2021

Registered Office

2nd Floor
5 Castle Street St Heller Jersey
JE2 3BT

Banker

HSBC
15-17 King Street St Heller
Jersey JE2 4WF

Independent Auditors

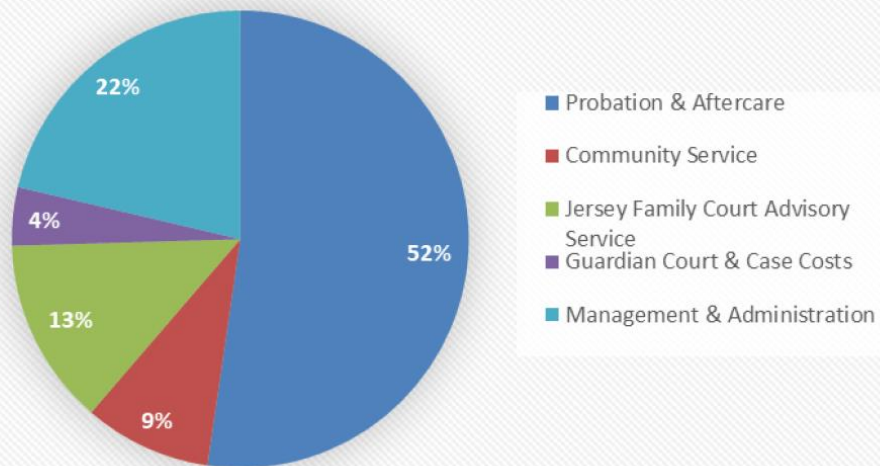
Baker Tilly Channel Islands Limited
1st Floor Kensington Chambers
46/50 Kensington Place
St Heller Jersey Jersey
JE4 0ZE

Jersey Office of the Information Commissioner Annual Report 2021 [joic-2021-annualreport_online.pdf](https://www.jerseyoic.org/joic-2021-annualreport_online.pdf) ([jerseyoic.org](https://www.jerseyoic.org))

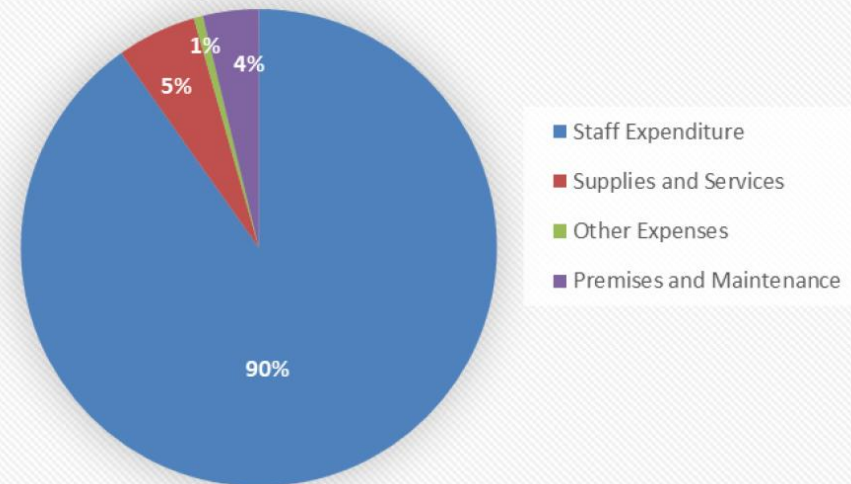
The Jersey Probation and After-Care Service publishes an annual report but is not required to publish financial statements. Instead it provides accountability by setting out summary financial information.

Probation and After-Care Service Budget & Expenditure	2021 Budget	2021 Final	2020 Final
Probation and After-Care Service	2,304,500	2,201,918	2,034,404
Court and Case Costs	99,000	74,861	66,244
Total	2,403,500	2,276,779	2,100,648

Budget by Service Area 2021



Budget by Expenditure 2021



Jersey Probation and After-Care Service Annual Report for 2021 and Strategic Priorities for 2020-2023
[ID Probation Service Annual Report 2021.pdf \(gov.je\)](#)



JERSEY AUDIT OFFICE

LYNN PAMMENT

Comptroller & Auditor General

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T: +44 1534 716800 E: enquiries@jerseyauditoffice.je W: www.jerseyauditoffice.je