



JERSEY AUDIT OFFICE

24 July 2014

## **The States as a Shareholder of JT- Time for Review**

### ***Comptroller & Auditor General issues latest report***

The Comptroller and Auditor General (C&AG), Karen McConnell, has today (24 July 2014) published a report into the States as Shareholder of Jersey Telecom (JT).

The report considers the adequacy of the States' governance arrangements to discharge their responsibilities as the sole shareholder of JT.

The review found that the States have developed the function as shareholder and, whilst there is substantial compliance with the Memorandum of Understanding between the States and JT, the Memorandum needs updating.

The review also recommended that, if the States continue to own JT:

- there should be a clearer link between the objectives as owners and the way in which the States monitors the performance of JT;
- the resources available to perform the shareholder function should be reviewed; and
- public accountability of JT should be enhanced.

#### **Comptroller & Auditor General, Karen McConnell, said:**

“JT has changed significantly since incorporation. The time is right for the States to reconsider why they own JT. If the States decide that they wish to continue to own JT, they must ensure that they have effective shareholder oversight, taking into account both the complexity of JT and the appetite of the States for taking on risks.”

**ENDS**

The report will be available on the Jersey Audit Office's website from 0930 on 24 July at: [www.jerseyauditoffice.je](http://www.jerseyauditoffice.je)

**ENDS**

#### **For further information, please contact:**

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## **Notes to Editors:**

- The Office of Comptroller & Auditor General ('C&AG') was established in 2005 under the Public Finances (Jersey) Law 2005
- The remit of the C&AG includes the audit of financial statements and wider consideration of public funds, often expressed as 'value for money'
- Karen McConnell was appointed in 2013 and the term of office was extended in 2014 to December 2019.
- Formerly of the UK Audit Commission ('the Commission'), Karen held a variety of senior positions, including leading the Audit Practice
- The Office of Comptroller & Auditor General is known as the 'Jersey Audit Office'
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## **Comptroller & Auditor General's Policy regarding issue of reports and contact with the media:**

- Press releases will be published by the Jersey Audit Office to accompany the publication of each report
- Embargo times will be set at 0001 hours on day of publication - for both press releases, reports, and all other information pertaining to the publication date
- Other press releases/ statements may be made on an occasional basis, and not necessarily dependent upon the publication of a report. They will be subject to the same embargoes
- With any report issued, the opportunity is available for members of the press to request factual clarification, by email, of points contained therein
- Any comments made additional to any reports, will be included within any press release(s) as issued by the Jersey Audit Office, in the form of a quotation by the C&AG. These comments will be available for publication; but there will not be any supplementary live or pre-recorded interviews offered or undertaken by either Karen McConnell or the employees of the Jersey Audit Office
- The C&AG is prepared, on an occasional basis, to provide articles for publication in the local media, following a specific request and consideration of the relevant topic
- All public information, including press releases and reports, are accessible on the Jersey Audit Office website at [www.jerseyauditoffice.je](http://www.jerseyauditoffice.je)

**ENDS**