



**OFFICE OF THE COMPTROLLER AND AUDITOR
GENERAL**

**ANNUAL REPORTING
AUGUST 2020**

Contents

Summary.....	3
Introduction.....	3
Key findings.....	4
Conclusions.....	5
Objectives and scope of the review.....	6
Detailed findings.....	8
Minimum requirements.....	8
The States of Jersey.....	10
States controlled companies (unlisted).....	11
States controlled listed companies.....	14
Other States controlled entities.....	14
Other entities established by the States Assembly.....	23
Content of annual reports.....	31
Performance reports.....	31
Accountability reports.....	37
Best practice principles.....	44
Accountability.....	45
Transparency.....	45
Accessibility.....	45
Understandable.....	46
Appendix One.....	47
Audit Approach.....	47
Appendix Two.....	50
Summary of recommendations and areas for consideration.....	50

Summary

Introduction

1. 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.
2. I have reviewed the annual reports and, where available publicly, the annual accounts produced by the States of Jersey and 37 Jersey entities that are either:
 - identified by the States of Jersey in its annual report as controlled by the States; or
 - established by the States Assembly and required to prepare an annual report and/or accounts.
3. I have considered the content of all the annual reports and accounts reviewed against a set of good practice criteria I have developed that encompass:
 - minimum content that I consider to be best practice for accountability to public stakeholders;
 - essential elements of a good annual report; and
 - over-arching principles for good public reporting.
4. The annual reports and accounts of the entities I have considered are detailed in Appendix One to this report.

5. I note that the Government has undertaken recently a review of its relationship with arm's-length entities and other entities established by the States Assembly. A new partnership function has been developed within the Chief Executive's Department.
6. A dedicated post, Head of Partnerships, has been approved by the States Employment Board, to improve alignment with and co-ordination of the arm's-length entities and other entities established by the States Assembly. I further understand that a States Owned Entities and larger Arm's Length Bodies Oversight Board (ALBOB) is also in the process of being established.

Key findings

7. The States of Jersey have implemented an inconsistent set of requirements in respect of content, timely submission and public availability of entities' annual reports and accounts.
8. For a significant number of entities, annual accounts could not be located on the entities' websites and limited financial information is reported publicly.
9. Public accountability for the content of annual reports could be enhanced by chief executives or their equivalents signing and dating performance and accountability elements of public annual reports.
10. There are key areas where annual public reporting could be enhanced, in particular:
 - inclusion of more comprehensive governance and accountability reports;
 - reporting on workforce and staff related matters;
 - remuneration reporting;

- reporting on risks;
- reporting on operations (including structures and delivery models); and
- more comprehensive reporting on measures of success.

Conclusions

11. High quality annual reports are fundamental to effective accountability. The best reports demonstrate and communicate impact and value for money in an open, balanced and engaging way.
12. There is value in developing a coherent framework for annual reports of public sector and publicly funded entities. Appropriate financial information should be available publicly alongside or with the annual report of the entity.
13. All entities should aspire to improve the content and accessibility of their public annual reports. Strategic objectives should be reported transparently, should be assessed against risks and should be measured against relevant, quantifiable key performance indicators on a consistent basis.
14. To assist entities in improving their performance I have published a Good Practice Guide that draws out examples from the better performing entities.

Objectives and scope of the review

15. The review has evaluated the content of the most recent annual reports and, where available, annual accounts of 38 Jersey entities published up to 30 June 2020.
16. I firstly considered the statutory requirements for the content, publication and submission of annual reports.
17. I then also considered:
 - whether the reports included the overarching content I would expect in terms of best practice in public reporting, namely:
 - a commentary on performance;
 - relevant accountability reports and statements (including remuneration and workforce reporting); and
 - relevant financial performance data;
 - whether the reports encompassed a commentary on the following good practice elements:
 - strategy;
 - risks;
 - operations;
 - governance; and
 - measures of success; and

- whether the reports met best practice in terms of:
 - accountability;
 - transparency;
 - accessibility; and
 - understandability.

Detailed findings

Minimum requirements

18. The content of annual reports varies across all of the entities I reviewed. The prescription as to what such reports should contain is minimal. This prescription derives from the requirements based on the nature of the entity (for example, a company), the nature of an external investment of debt (for example, stock exchange listing) or the States exercising legislative power to prescribe the content.
19. In only a few cases (for example, Gambling Commission, Jersey Overseas Aid Commission) is there power to prescribe the content of the annual accounts other than by amendment of primary legislation.
20. I have considered practices adopted in other jurisdictions regarding the minimum content for annual reports. In particular, I have considered the requirements of the UK Financial Reporting Manual published by HM Treasury and considered the elements that would represent best practice for application to relevant entities in Jersey. I have chosen the UK requirements as a basis for comparison as the Jersey Financial Reporting Manual (JFREM), published by the Minister for Treasury and Resources and used for the preparation of the States' Annual Report and Accounts, is based on its UK equivalent.
21. Exhibit 1 summarises the minimum expected content of an annual report based on public sector practices adopted in the UK and provides a commentary on the findings from my review.

Exhibit 1: Minimum expected content of an annual report

Minimum content requirements	Commentary
<p>A single report comprising:</p> <ul style="list-style-type: none"> • a performance report • an accountability report; and • the financial statements. 	<p>This requirement is not in place for entities other than the States of Jersey.</p> <p>Similar requirements exist for listed companies (Jersey Electricity).</p> <p>Many entities do not produce a single report. Those entities that do produce a single report include the Ports of Jersey, Jersey Post, Jersey Competition Regulation Authority and Jersey Financial Services Commission.</p>
<p>Performance report</p>	
<p>The performance report should be a fair, balanced and understandable report analysing the entity's performance and signed and dated by the Chief Executive or equivalent.</p>	<p>The requirement for a specific performance report is not in place for entities other than the States of Jersey.</p> <p>Similar requirements exist for listed companies (Jersey Electricity).</p> <p>Most entities' reports include a commentary on performance, although there is no consistent framework as to what should be included and most reports were not signed by the Chief Executive or equivalent.</p>
<p>Accountability report</p>	
<p>An accountability report should explain the composition and organisation of the entity's governance structures, remuneration and staff policies and how they support the achievement of the entity's objectives.</p> <p>It should include a directors' (or equivalent) report, a statement of responsibilities, a governance statement and a remuneration and staff report.</p>	<p>This requirement is not in place for entities other than the States of Jersey. Similar requirements exist for listed companies (Jersey Electricity).</p> <p>Most reports reviewed included a limited commentary on governance in the form of a directors' (or equivalent) report. Not all reports reviewed included a statement of responsibilities and not all included a governance statement. Reporting on remuneration and staff was generally weak.</p>

Minimum content requirements	Commentary
It should be signed and dated by the Chief Executive or equivalent.	
Financial statements	
Where possible, financial statements across similar entities should be prepared to a consistent accounting framework to enable cross-entity comparison.	There is no consistency in the accounting framework that the entities reviewed are required to adopt.

The States of Jersey

22. The Public Finances Manual sets out the accounting standards to be adopted in preparation of the States of Jersey's financial statements and annual report. The JFREM is published by the Minister for Treasury and Resources and presented to the States Assembly each year. The Minister's policy is to require the States' accounting records to be maintained and accounts prepared in accordance with International Financial Reporting Standards (IFRS) Generally Accepted Accounting Principles (GAAP), modified for the Jersey public sector.
23. The JFREM requires the annual report to include three sections:
- the performance report;
 - the accountability report; and
 - the primary financial statements and notes.
24. The audited annual report and accounts is required to be submitted to the States Assembly by 31 May following the 31 December year end.

25. Following an amendment to the JFREM in 2019, there is no requirement for the performance report to be signed by the Chief Executive.

Recommendation for the States of Jersey

- R1** Reintroduce the requirement for the Chief Executive to sign the performance report.

States controlled companies (unlisted)

26. Companies controlled by the States but not listed on a stock exchange are required to prepare accounts in accordance with 'any generally accepted accounting principles' under Article 105 of the Companies (Jersey) Law 1991. Annual accounts must be produced within seven months of the year end of the company for public companies and within ten months of the year end of the company for private companies. There is inconsistent practice as to whether these accounts are submitted to the States Assembly. There are no prescribed statutory requirements for the content of the annual reports that accompany the financial statements.
27. The States, in its annual report, identify a number of companies that it considers are controlled by the States. I have not undertaken an assessment of whether such control exists as part of my review. The companies identified by the States as controlled are outlined in Exhibit 2 below together with the accounting framework adopted (where the information is publicly available) and the date of the publicly available annual report considered in my review.

**Exhibit 2: Companies identified by the States as controlled (unlisted):
accounting frameworks and annual report dates**

Company name	Year end	Accounting framework adopted	Publication date of annual report considered
Andium Homes	31 December	Financial Reporting Standard 102 as issued by the UK Financial Reporting Council (FRS102) and the Statement of Recommended Practice for Registered Social Housing Providers	March 2019
Bureau des Iles Anglo-Normandes*	Not published	Not published	Not published
Channel Islands Brussels Office*	Not published	Not published	Not published
Digital Jersey*	31 December	Not published	Not published**
Government of Jersey London Office	31 December	FRS102	July 2019
Jersey Business	31 December	FRS102	May 2020
Jersey Finance*	31 December	Not published	Not published
Jersey Post International	31 December	FRS102	May 2019
Jersey Sport*	31 December	Not published	February 2019
JT Group	31 December	FRS102	April 2020
Ports of Jersey	31 December	FRS102	May 2020
The States of Jersey Development Company	31 December	IFRS as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC)	April 2019
Visit Jersey	31 December	FRS102	May 2020
The Jersey New Waterworks Company Limited	30 September	FRS102	September 2019

- * Financial statements not publicly available on the company website and no obligation placed on the company to publish its financial statements.
 - ** I have been informed that the Board of Digital Jersey have made a decision recently to publish their annual report and accounts in future years.
28. Of the 14 companies above, six publish full financial statements and an annual report in a single document on the company website. One simply produces an annual report on its website with no accompanying financial statements and two publish separately an annual report and financial statements.
29. Only six out of 14 companies publish a document containing performance reporting, accountability reporting and financial statements on their website. Four companies publish no annual report at all.

Recommendations for the States of Jersey

- R2** Introduce a consistent requirement for all States controlled unlisted companies to make their financial statements publicly available.
- R3** Introduce a consistent set of requirements for the accounting framework to be adopted by States controlled unlisted companies.
- R4** Introduce a consistent set of minimum requirements for the annual reports of States controlled unlisted companies. These minimum requirements should include information regarding performance and accountability of the companies as well as minimum requirements for financial information disclosure.

States controlled listed companies

30. Jersey Electricity is the only company controlled by the States listed on the UK Stock Exchange. The States own 62% of the ordinary share capital which is unlisted.
31. Accounts are required to be produced within seven months of the company's year end. In practice, the accounts to the 30 September 2019 were produced within three months of the year end.
32. Accounts are prepared under IFRS as adopted by the European Union. The content of the annual report is required to comply with the UK listing rules and the UK corporate governance code. It therefore contains a commentary on performance and governance as well as full financial statements.

Other States controlled entities

33. There are other entities that are controlled by the States¹ but are not incorporated as companies². Examples of such entities are shown in Exhibit 3 below together with the accounting framework adopted (where the information is publicly available) and the date of the publicly available annual report considered in my review.

¹ Entities are treated as controlled by the States where their results are consolidated in the accounts of the States of Jersey, they are treated as 'strategic investments' in the accounts of the States of Jersey or they are disclosed as controlled in the accounts of the States of Jersey.

² The analysis excludes Non-Ministerial Departments as defined in Article 1 and Schedule 1 of the Public Finances (Jersey) Law 2019 other than where there is a statutory duty to prepare an Annual Report or separate financial statements.

Exhibit 3: Other States controlled entities: accounting frameworks and annual report dates

Entity name	Year end	Accounting framework adopted	Publication date of annual report considered
Care Commission	31 December	All transactions are made through the States Treasury, and the figures reported in the annual report come from the States Accounting System	June 2020
Charity Commissioner*	31 December	Not applicable	May 2020
Commissioner for Children and Young People	31 December	All transactions are made through the States Treasury	June 2020
Criminal Injuries Compensation Board	31 December	Not specified	June 2019
Director of Civil Aviation*	31 December	Not applicable	May 2019
Independent Prison Monitoring Board*	31 December	Not applicable	March 2019
Jersey Appointments Commission*	31 December	Not applicable	March 2020
Jersey Employment and Discrimination Tribunal*	31 December	Not applicable	May 2020
Jersey Overseas Aid Commission	31 December	All transactions are made through the States Treasury, and the figures reported in the annual report come from the States Accounting System	October 2019
Jersey Legal Information Board	31 December	FRS102	May 2020
Office of the Comptroller and Auditor General	31 December	International Public Sector Accounting Standards (IPSAS)	May 2020
Police Complaints Authority*	31 December	Not applicable	April 2020

Entity name	Year end	Accounting framework adopted	Publication date of annual report considered
States Assembly*	31 December	Not applicable	September 2019
States Employment Board*	31 December	Not applicable	May 2020
States of Jersey Police*	31 December	Not applicable	May 2019
Statistics Jersey*	31 December	Not applicable	Not applicable

* These entities are established by statute. However there is no statutory requirement to prepare accounts. Most are required to prepare annual reports for submission to the States Assembly.

34. The requirements for these entities to produce annual reports and accounts vary. Exhibit 4 contains further details.

Exhibit 4: Legislative requirements for annual reporting by States controlled entities

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Care Commission	Article 43, Regulation of Care (Jersey) Law 2014	A report 'providing information regarding the discharge of the Commission's functions during the year'. Submission to the Chief Minister who has a duty to lay before the States Assembly.	Duty to include accounts in annual report. Submission to the Chief Minister who has a duty to lay before the States Assembly.	30 June
Charity Commissioner	Paragraph 4, Schedule 1, Charities (Jersey) Law 2014	A report on 'the activities of the Commissioner in each calendar year.' The Chief Minister	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not	30 April



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
		<p>may, by giving written notice to the Commissioner and publishing that notice, give directions to the Commissioner as to the content and form of the report. No such directions have been issued to the Commissioner.</p> <p>Submission to the States Assembly.</p>	<p>identified separately.</p>	
<p>Commissioner for Children and Young People</p>	<p>Article 23 and Paragraph 13, Schedule, Commissioner for Children and Young People (Jersey) Law 2019</p>	<p>A report on the discharge of the Commissioner's functions' Including:</p> <ul style="list-style-type: none"> (a) a review of issues identified by the Commissioner in the financial year as being relevant to children and young people; (b) a review of the functions discharged by the Commissioner in the financial year; (c) any recommendations made by the Commissioner arising out of the functions discharged; (d) an overview of work to be undertaken by the Commissioner in the next financial year, including the strategy for involving children and young people in the work of the 	<p>Duty to 'prepare accounts'.</p>	<p>30 June</p>



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
		<p>Commissioner; and</p> <p>(e) the accounts of the office for the financial year.'</p> <p>Submission to the Greffier of the States who has a duty to lay before the States Assembly.</p>		
Criminal Injuries Compensation Board	Article 9, Act of the States Assembly dated 4 December 1990	<p>A report on 'the operation of the Scheme'.</p> <p>Submission to the States Assembly.</p>	<p>A 'statement of accounts'.</p> <p>Submission to the States Assembly.</p>	None specified
Director of Civil Aviation	Article 9, Civil Aviation (Jersey) Law 2008	<p>A report on 'the discharge of the Director's function'.</p> <p>The report must contain such information as the Minister may specify.</p> <p>Submission to the Minister for External Relations who has a duty to lay before the States Assembly.</p>	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	31 March
Independent Prison Monitoring Board	Regulation 9, Prison (Independent Prison Monitoring Board) (Jersey) Regulations 2017	<p>A report 'with regard to the matters referred to in [these] Regulations or in prison rules, with [the Board's] advice and suggestions upon any such matter'.</p> <p>Submission to the Minister for Home Affairs who has a duty to lay before the States Assembly.</p>	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	31 March
Jersey Appointments Commission	Article 28(4), Employment of States of Jersey Employees (Jersey) Law	<p>A report on:</p> <p>(a) the Commission's activities during that calendar year;</p>	Not applicable – financial performance included in the States' Annual Accounts laid before the States	31 March



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
	2005	<p>(b) any matter in relation to which the Commission has issued a statutory report during the year;</p> <p>(c) any matter specified in a direction made by the States Assembly; and</p> <p>(d) other matters the Commission thinks fit.</p> <p>Submission to the States Employment Board. The Chief Minister has a duty to lay before the States Assembly.</p>	Assembly but not identified separately.	
Jersey Employment and Discrimination Tribunal	Regulation 11, Employment and Discrimination Tribunal (Jersey) Regulations 2014	<p>A report on 'the activities of the Tribunal'.</p> <p>Submission to the Minister for Social Security who has a duty to lay before the States Assembly.</p>	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	30 April
Jersey Overseas Aid Commission	Paragraphs 11 and 12 of Schedule 1 of the Jersey Overseas Aid Commission (Jersey) Law 2005	<p>A report on 'the activities of the Commission'</p> <p>Submission to the States Assembly by the Chairman of the Commission.</p>	<p>Accounts in a form that is acceptable to the Minister for Treasury and Resources or another person, or a body, designated from time to time by the States Assembly.</p> <p>Submission to the States Assembly by the Chairman of the Commission.</p>	None specified
Jersey Legal Information Board	Article 5(4) of the Jersey Legal Information (Incorporation) Law 2004	<p>A report on the Board's activities.</p> <p>Submission to the Minister for Treasury and Resources.</p>	<p>Duty to 'present accounts'.</p> <p>Submission to the Minister for Treasury and Resources.</p>	As soon as practicable after the year end



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Office of the Comptroller and Auditor General	Article 19, Comptroller and Auditor General (Jersey) Law 2014	A report on 'the activities of the office of Comptroller and Auditor General'. Submission to the Greffier of the States who has a duty to lay before the States Assembly.	Duty to 'prepare accounts'. Submission to the Greffier of the States who has a duty to lay before the States Assembly.	None
Police Complaints Authority	Article 29(4), Police (Complaints and Discipline) (Jersey) Law 1999	A report on 'the discharge of the Authority's functions during the year.' Submission to the Minister for Home Affairs who has a duty to lay before the States Assembly.	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	As soon as practicable after the year end
States Assembly*	Standing Order 128, Para (i), Standing Orders of the States of Jersey	A report on 'the work of the States and of committees and panels established by standing orders'. Submission to the States Assembly.	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	None specified
States Employment Board	Article 11, Employment of States of Jersey Employees (Jersey) Law 2005	A report on 'the Board's activities under [the Employment of States of Jersey Employees (Jersey) Law 2005] during the year.' Submission to the States Assembly.	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	31 March
States of Jersey Police**	Article 20, the States of Jersey Police (Jersey) Law 2012	A report 'which must provide a review of – (a) the manner in which the provisions of the Annual Policing Plan, for the financial year have been	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	31 March



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
		<p>addressed; and</p> <p>(b) the performance of the States Police Force generally.</p> <p>Submission to the Minister for Home Affairs who has a duty to lay before the States Assembly.</p>		
Statistics Jersey	Statistics and Census (Jersey) Law 2018	No requirement to produce an annual report.	Not applicable – financial performance included in the States' Annual Accounts laid before the States Assembly but not identified separately.	Not applicable

* The States Assembly's Privileges and Procedures Committee has the statutory duty to prepare the Annual Report.

** The Police Authority has the statutory duty to prepare the Annual Report.

35. With the exception of Statistics Jersey, all entities in Exhibit 4 have a duty to prepare an annual report. There is no consistent set of minimum requirements for these annual reports.

36. There is no duty to prepare accounts placed on 10 of the 16 entities in Exhibit 4. For all of these 10 entities, financial transactions are recorded in the States' financial systems but there is no separate identification of financial information in respect of these entities in the States' Annual Accounts. In addition, the annual reports of 9 of these 10 entities contain no financial information. The States Assembly Annual Report presented by the Privileges and Procedures Committee is the only report from these 10 entities to contain financial information in the form of expenditure information and discloses expenditure of £5.3 million in 2019.

37. The remaining six entities all have a specific duty to prepare or present accounts. In the case of the Jersey Overseas Aid Commission, the accounts must be in a form acceptable to the Minister for Treasury and Resources.
38. The Care Commission's annual report contains financial information extracted from the States' financial system. The total gross expenditure of the Care Commission in 2019 was £592,942. The Care Commission notes in its 2019 annual report that 'The Commission's accounts for 2019 have been audited as part of the whole of Government accounts'.
39. The Commissioner for Children and Young People produced her first annual report in May 2020. In this report she notes that the production of accounts has been delayed due to the Covid-19 pandemic.
40. The Criminal Injuries Compensation Board annual report discloses limited financial information in respect of the value of the claims awarded.
41. The Jersey Overseas Aid Commission publishes an annual report that contains financial information extracted from the States' financial system. No separate audit opinion is provided on this financial information and no stand-alone set of full financial statements is prepared. The expenditure of the Jersey Overseas Aid Commission in 2018 was £10.3 million.
42. The Legal Information Board publishes a stand-alone set of audited financial statements prepared under FRS102. The expenditure of the Legal Information Board in 2019 was £310,000. There is no statutory requirement for the Legal Information Board to have an audit. However it elected to do so voluntarily. The audit fee for 2019 was £5,706.
43. The Office of the Comptroller and Auditor General publishes an audited annual report and accounts prepared under IPSAS. The expenditure of the

Office of the Comptroller and Auditor General in 2019 was £847,000.

The audit fee for 2019 was £4,200.

Recommendations for the States of Jersey

- R5** Introduce a consistent set of minimum requirements for the annual reports of other States controlled entities. These minimum requirements should include information regarding performance and accountability of the entities as well as minimum requirements for financial information disclosure.
- R6** Introduce a requirement for Statistics Jersey to produce an annual report.

Area for consideration by the States of Jersey

- A1** Consider whether to introduce a requirement for States controlled entities above a consistent size threshold, to produce stand-alone audited financial statements prepared under a suitable accounting framework such as FRS102.

Other entities established by the States Assembly

44. There are other entities established by the States Assembly for whom reporting requirements vary. Exhibit 5 contains more detailed examples of such entities, together with the accounting framework adopted (where the information is publicly available) and the date of the publicly available annual report considered in my review.

Exhibit 5: Other entities established by the States Assembly

Entity name	Year end	Accounting framework adopted	Publication date of annual report considered
Data Protection Authority	31 December	Not applicable as not yet published	April 2020 (excluding audited accounts)
Jersey Financial Services Commission	31 December	FRS102	June 2020
Gambling Commission	31 December	FRS102	June 2019
Jersey Advisory and Conciliation Service	31 December	FRS102	March 2020
Jersey Bank Depositors' Compensation Board	31 January	FRS 102	June 2019
Jersey Competition Regulatory Authority (JCRA)*	31 December	FRS102	April 2020
Jersey Consumer Council	31 December	Accounts not published or laid before the States Assembly	December 2019
Jersey Safety Council	31 December	Not specified	June 2019
Jersey Teachers' Superannuation Fund	31 December	FRS102 and the Pensions Statement of Recommended Practice	June 2020
Office of the Financial Services Ombudsman**	31 December	FRS102	April 2020
Public Employees' Pension Fund	31 December	FRS102 and the Pensions Statement of Recommended Practice	May 2020

* Until 30 June 2020 the JCRA and the Guernsey Competition and Regulatory Authority (GCRA) operated under the umbrella of the Channel Islands Competition and Regulatory Authorities (CICRA). CICRA produced one Annual Report and Accounts document but that includes separate accounts for the JCRA and GCRA.

** The Jersey Office of the Financial Services Ombudsman and the Guernsey Office of the Financial Services Ombudsman operate as the Channel Islands Financial Ombudsman. Up to and including 2019, the Channel Islands Financial Ombudsman produced one Annual Report document that included separate accounts for the Jersey and Guernsey statutory entities. From 2020, following legislative changes in 2019, the reporting of the two entities will be on a combined basis.

45. Exhibit 6 summarises the legislative requirements for each of these entities.

Exhibit 6: Legislative requirements for annual reporting by other entities established by the States Assembly

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Data Protection Authority	Articles 43 and 44, Data Protection Authority (Jersey) Law 2018	A report 'on its activities'. Submission to the Chief Minister who has a duty to lay before the States Assembly.	Duty to prepare accounts 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the Authority for the period to which they relate and of the state of the Authority's affairs at the end of the period'. Submission to the Chief Minister who has a duty to lay before the States Assembly.	30 April
Jersey Financial Services Commission	Article 21, Financial Services Commission (Jersey) Law 1998	A report on 'its operations during the year'. Submission to the Chief Minister who has a duty to lay before the States Assembly.	Duty to prepare 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the Commission for the period and of the state of the Commission's affairs at the end of the period'. Submission to the Chief Minister who has a duty to lay before the States Assembly.	31 July



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Gambling Commission	Article 18, Gambling Commission (Jersey) Law 2010	<p>A 'report on its operations'.</p> <p>Submission to the Minister for Economic Development, Tourism, Sport and Culture who has a duty to lay before the States Assembly.</p>	<p>Duty to prepare accounts 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the Commission for the period and of the state of the Commission's affairs at the end of the period'.</p> <p>Must include separate accounts for the Social Responsibility Fund.</p> <p>Minister may by Order make additional provision about accounts. No such Order has been made.</p> <p>Submission to the Minister for Economic Development, Tourism, Sport and Culture who has a duty to lay before the States Assembly.</p>	31 July
Jersey Advisory and Conciliation Service	Paragraph 10, Schedule, Jersey Advisory and Conciliation (Jersey) Law 2003	<p>A 'report on its activities'.</p> <p>Submission to the Minister for Social Security who has a duty to lay before the States Assembly.</p>	<p>Duty to prepare accounts 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of JACS for the period to which they relate and of the state of JACS' affairs at the end of the period'.</p> <p>Submission to the Minister for Social Security who has a duty to lay before the States Assembly.</p>	30 April



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Jersey Bank Depositors' Compensation Board	Regulation 14, Banking Business (Depositors Compensation) (Jersey) Regulations 2009	<p>A report containing:</p> <ul style="list-style-type: none"> (a) details of the Board's activities during the financial year; and (b) such other information as the Minister may direct the Board to provide. <p>Submission to the Chief Minister who has a duty to lay before the States Assembly.</p>	<p>Duty to prepare accounts.</p> <p>Submission to the Chief Minister who has a duty to lay before the States Assembly.</p>	30 June
Jersey Competition Regulatory Authority	Articles 17 and 18, Competition Regulatory Authority (Jersey) Law 2001	<p>A 'report on its activities'.</p> <p>Submission to the Chief Minister who has a duty to lay before the States Assembly.</p>	<p>Duty to prepare accounts 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the Authority for the period to which they relate and of the state of the Authority's affairs at the end of the period'.</p> <p>Submission to the Chief Minister who has a duty to lay before the States Assembly.</p>	30 April
Jersey Consumer Council	Act of the States Assembly dated 25 April 1995 Article 23, Jersey Consumer Council Constitution	<p>An 'annual report'.</p> <p>Submission to the Minister for Economic Development to lay before the States Assembly.</p>	<p>Duty to prepare 'annual statements of accounts' 'in accordance with generally accepted accounting practices'.</p> <p>Submission to the Minister for Economic Development to lay before the States Assembly.</p>	None specified



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
Jersey Safety Council	Paragraph (e), P.102/1991	A report providing 'full details' of the Council's activities during the year. Submission to Minister for Social Security who has a duty to lay before the States Assembly.	Duty to prepare accounts. Submission to Minister for Social Security who has a duty to lay before the States Assembly.	None specified
Jersey Teachers' Superannuation Fund*	Article 22, Teachers' Superannuation (Jersey) Order 2007	None	Duty to prepare 'annual accounts of the Fund and the Teachers' Superannuation Schemes'.	None specified
Office of the Financial Services Ombudsman (OFSO) **	Paragraph 1, Schedule 2, Financial Services Ombudsman (Jersey) Law 2014	A report on 'its operations'. Submission to the Minister for Economic Development who has a duty to lay before the States Assembly.	Duty to prepare accounts 'in accordance with generally accepted accounting principles and show a true and fair view of the profit or loss of the OFSO for the period and of the state of the OFSO's affairs at the end of the period'. Submission to the Minister for Economic Development who has a duty to lay before the States Assembly.	30 April
Public Employees' Pension Fund***	Regulation 21, Public Employees (Pension Scheme) (Administration) (Jersey) Regulations 2015	A report including: (a) a statement [...] about the management and financial performance of the fund during the year; (b) a statement [...] explaining the investment policy in respect of the fund and reviewing	Duty to prepare accounts including a 'balance sheet and profit and loss account with supporting notes and disclosures prepared in accordance with generally accepted accounting practices'. Duty to include in the published annual report.	31 May



JERSEY AUDIT OFFICE

Entity name	Relevant legislation	Annual report requirement	Accounts requirement	Deadline
		investment performance during the year; (c) a statement of the Actuary of the assets and liabilities of the fund and the level of valuation disclosed at the last valuation of the fund [...]; (d) a report dealing with the extent to which the Administrator and employers have met administration performance standards set out in the published pension administration strategy [...] Duty to publish the report.		

* The Treasurer of the States has the statutory duty to prepare the accounts of the Jersey Teachers' Superannuation Fund.

** The Jersey Office of the Financial Services Ombudsman and the Guernsey Office of the Financial Services Ombudsman operate as Channel Islands Financial Ombudsman. Up to and including 2019, the Channel Islands Financial Ombudsman produced one Annual Report document that included separate accounts for the Jersey and Guernsey statutory entities. From 2020, following legislative changes in 2019, the reporting of the two entities will be on a combined basis.

*** The Committee of Management of the Public Employees' Pension Fund has the statutory duty to prepare the Annual Report including accounts prepared by the Treasurer of the States.

46. In the main, these entities are required to submit a form of annual report to the States Assembly. There is no consistency however as to the deadline by

which this must happen and no consistency as to the content of the annual report or the accounts. Where deadlines have been set, they are:

- generally for one of four different dates ranging from end of April to end of July; and
- expressed inconsistently in terms of dates of reporting to the Minister, the States Assembly and publication.

46. All of these entities have a duty to prepare accounts. In most instances, these accounts are required to be prepared under generally accepted accounting practices. The accounts of all of these entities are audited.

Recommendation for the States of Jersey

R7 Introduce a consistent set of minimum requirements for the annual reports of all entities established by the States Assembly. These minimum requirements should include information regarding performance and accountability of the entities as well as minimum requirements for financial information disclosure.

Area for consideration for the States of Jersey

A2 Consider adopting consistent provisions about deadlines for the preparation, submission and publication of annual reports.

Content of annual reports

47. As part of my work I reviewed the content of annual reports against best practice identified by the UK National Audit Office and against those content requirements placed on UK public sector bodies that I consider to be best practice.

Performance reports

48. Performance reports that exhibit best practice include the following elements:

Strategy

- A statement of the purpose and activities of the entity including in respect of a brief description of the business model and environment, organisational structure, objectives and strategies.
- Clarity around purpose, strategic objectives and key programmes/projects.
- A statement from the entity's lead Minister or Chief Executive or equivalent providing their perspective on the performance of the entity over the period.
- Frank and honest view of progress against objectives.
- Clear description of plans to implement priorities.
- The key issues and risks that could affect the entity in delivering its objectives.
- Strategy clearly integrated with performance measures, risks and financial information.

Risks

- Easy to understand explanation of the entity's structure.
- Clear links between risks, strategic objectives and the performance report narrative.
- Quantified risks and mitigations.
- A description of how the dynamic of the risk profile has changed over time, including developments in relation to specific risks disclosed.
- 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 States Assembly in the future.

Operations

- Clear explanation of different delivery models used, the reasons for using these models and how they achieved value for money.
- Narrative around how business operations support wider public sector (or other) objectives.
- For significant contracted-out services: discussion of how these contracts are awarded and how the entity manages the ongoing contract.
- Consideration of capital investment and how it achieves value for money.
- Non-financial reporting included alongside financial reporting.

Measures of success

- Information on how the entity measures performance i.e. what it sees as its key performance measures, how it checks performance against those measures and narrative to explain the link between key performance indicators (KPIs), risk and uncertainty.
- Quantified KPIs aligned to strategic objectives and making appropriate use of financial and non-financial data.
- An analysis and explanation of the development and performance of the entity during the year and an explanation of the relationships and linkages between different pieces of information.
- Balanced assessment of goals achieved and performance against targets.
- Honest analysis when targets are not met.
- Non-financial information including social matters, respect for human rights, anti-corruption and anti-bribery matters.
- Information on environmental matters including the impact of the entity's business on the environment.

Financial performance

- A fair and balanced reflection of financial performance which is consistent with the underlying financial statements.
- Useful comparisons of actual performance against expected/budgeted performance.
- Linkages between financial performance, strategic objectives and key performance indicators.

49. My review of performance reporting by entities identified the following (see Exhibit 7).

Exhibit 7: Observations on performance reporting

Best practice content area	Observations
<p>Strategy</p>	<p>The reports of most entities contained clear opening statements from the chief executive or equivalent and/or the chairman or equivalent. In addition, most entities provided a narrative as to the entity’s structure.</p> <p>Many entities set out their mission and strategic objectives clearly although some notably do not. Where objectives have been set out, most entities also set out a discussion of achievements for each objective.</p> <p>Progress against each objective often reads like a list of achievements rather than an analysis of whether progress is in line with expectations.</p> <p>Areas for investment are sometimes described but are not always linked to priorities.</p> <p>Often a wide range of data is reported but it is not clear whether the outcomes reported represent success.</p> <p>There were often weak links from strategic objectives to performance measures, risks and financial information.</p> <p>Some entities provide no information on performance measures.</p>

Best practice content area	Observations
<p>Risks</p>	<p>More than half of the reports reviewed contained either no, or an extremely limited, discussion on the risks the entity faces.</p> <p>Where corporate risks were set out with mitigations, only one entity's report told the story of how risks have changed over time. Few entities provided quantification of their risks.</p> <p>Some entities provided a clear link between the risks/mitigations and the narrative set out in the annual report as a whole.</p> <p>Other than investment risks, neither the arrangements for risk management nor the key risks are described in the reports of the pension funds reviewed.</p>
<p>Operations</p>	<p>Four of the entities reviewed failed to include any information at all in their annual reports regarding their operations.</p> <p>Very few reports contained any form of commentary on delivery models, contract management and value for money. The annual report of Jersey Electricity does contain some discussion on contract and project management.</p> <p>More entities provided details of key areas of capital investment but again this included limited, if any, commentary on value for money.</p> <p>Few entities comment on how their operations contribute to wider States' objectives. Entities that did provide such a commentary included The States of Jersey Development Company and Visit Jersey.</p>

Best practice content area	Observations
	<p>Most entities combine non-financial reporting with financial reporting within their reports.</p>
<p>Measures of success</p>	<p>Some entities did not provide any information on performance measures.</p> <p>Most reports do include some data on performance. However not all entities publish data on KPIs. Where KPI data is published the data does not always cover all objectives, it is not always commented on and some analysis and commentaries are not balanced.</p> <p>For many entities it is difficult to gain an understanding of whether performance has been good, bad or indifferent based on the data and commentary provided.</p> <p>Reporting of environment impact is inconsistent and many entities do not comment on this aspect at all.</p>
<p>Financial performance</p>	<p>Some entities do not provide any financial information at all within their annual reports and do not make the financial statements available on-line either.</p> <p>Where entities do provide a commentary on financial performance it tends to reflect the financial statements and compares performance to previous years rather than to budget. It is therefore often difficult to understand whether the financial performance is in line with expectations for the year. One entity that did provide a commentary of performance against budget was Andium Homes.</p>

Recommendation for all entities

R8 Improve the public annual reporting of performance to include all of the elements of best practice identified in this report.

Accountability reports

50. Accountability reports that exhibit best practice include the following elements:

Directors' or equivalent report

- The names of the chairman and chief executive.
- The composition of the individuals or management board having authority or responsibility for directing or controlling the major activities of the entity during the year.
- Details of entity directorships and other significant interests held by members of the management board which may conflict with their management responsibilities.
- Information on personal data related incidents where these have been formally reported to the Data Protection Authority.

A statement of responsibilities

- An explanation of the responsibilities of the chief executive or equivalent.
- Where the report includes audited financial statements, a statement to confirm that, as far as they are aware, there is no relevant audit information of which the entity's auditors are unaware, and the directors (or equivalent) have taken all the steps that they ought to have taken to

make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

- A statement from the directors (or equivalent) to confirm that the annual report as a whole is fair, balanced and understandable and that they take personal responsibility for the annual report and the judgments required for determining that it is fair, balanced and understandable.

A governance report

- Clear narrative statement explaining the governance framework of the entity, including information about any board committee structure, its attendance records, and the coverage of its work.
- Transparent information about how the officer holder or entity board works effectively to govern the entity including information about the quality of the data used by the office holder or board, and why the office holder or board finds it acceptable.
- Frank and honest assessment of discussions and decisions made.
- An assessment of the effectiveness of the office holder or board's performance.
- Highlights of any board committee reports.
- A risk assessment, including the entity's risk profile, and how it is managed.

A remuneration and staff report

- The policy on the remuneration of directors (or equivalent) for the current and future years.

- Each component and the overall single total remuneration figure for each director (or equivalent).
- The median remuneration of the reporting entity's staff.
- The range of staff remuneration.
- The ratio between the median staff remuneration and the mid-point of the banded remuneration of the highest paid director (or equivalent) and an explanation for any significant changes in the ratio between the current and prior year.
- Number of senior staff (or equivalent) by band.
- Staff numbers and costs.
- Staff composition.
- Sickness absence data.
- Staff policies applied during the financial year in respect of disabled persons.
- Other relevant employee matters such as: other diversity issues; employment issues including employee consultation and/or participation; health and safety at work; trade union relationships; and human capital management.
- Expenditure on consultancy.
- Off-payroll engagements – summary data on the use of off-payroll arrangements.
- Exit packages – summary data on the use of exit packages agreed in year.

51. My review of performance reporting by entities identified the following themes for consideration by entities in improving their reports (see Exhibit 8).

Exhibit 8: Observations on accountability reporting

Area	Observations
Directors' or equivalent report	<p>The States of Jersey include all of the best practice items noted in their directors' equivalent report.</p> <p>For the vast majority of entities reviewed, the names of the directors, chief executive and chairman (or their equivalents) were provided.</p> <p>Other than the States, no entity provided information regarding directors' (or equivalent) interest or data breaches. It is not clear whether this is because there were no directors' other interests and no data breaches.</p>
Statement of responsibilities	<p>Seventeen of the entities reviewed did not include any form of statement of responsibilities.</p> <p>Conversely, entities that reported statements of responsibilities containing all best practice items included the States of Jersey, Jersey Electricity, the Jersey New Waterworks Company Limited, Jersey Post and the Jersey Financial Services Commission.</p> <p>Many entities did not include specific statements to confirm that there is no relevant audit information of which the entity's auditors are unaware and/or to confirm that the annual report and accounts as a whole is fair, balanced and understandable.</p>

Area	Observations
<p>Governance report</p>	<p>Fifteen of the entities reviewed did not include any form of governance statement in their annual report.</p> <p>For those entities that did include a governance statement, the statement set out governance structures and included a discussion of risks.</p> <p>A few entities referred to reviewing the effectiveness of their board. However, only one entity went on to discuss the findings of the review and the actions being taken as a consequence.</p> <p>Whilst board and committee composition was often reported, attendance records for board and committee members at relevant meetings were not always reported.</p> <p>Some entities referred to the UK Corporate Governance Code. There was however varied transparency from entities as to which elements of the UK Corporate Governance Code they complied with. Some entities, such as Jersey Electricity and the Jersey Financial Services Commission, make clear statements as to the extent to which they comply with the UK Corporate Governance Code.</p> <p>All entities reviewed had scope to improve further their reporting of information about how the board or office holder works effectively to govern the entity. This includes information about the quality of the data used by the board, and why the board finds it acceptable as well as a frank and honest assessment of discussions and decisions made.</p>

Area	Observations
<p>Remuneration and staff report</p>	<p>The most complete remuneration and staff report was found in the States of Jersey annual report. This report would be enhanced with inclusion of sickness absence data and more information on off-payroll engagements.</p> <p>Some entities report information on directors' (or equivalent) remuneration. However, this did not include pension information consistently and did not always include information on the remuneration policy for directors. My predecessor's 2019 report <i>Remuneration of Board Members</i> made a number of recommendations to enhance the completeness and transparency of the public reporting of remuneration.</p> <p>For nineteen of the entities reviewed there was little or no reporting of staff related matters in the annual report. Where staff matters were reported it tended to be a narrative regarding policies rather than specific staff data.</p>

Recommendation for the States of Jersey

R9 Introduce a consistent requirement for all entities controlled by the States or established by the States Assembly to publish an accountability report comprising a directors' (or equivalent) report, a statement of responsibilities, a governance report and a remuneration and staff report as part of their annual report.





Recommendation for all entities

- R10** Review the contents of the annual report to include best practice accountability reports including a directors' (or equivalent) report, a statement of responsibilities, a governance report and a remuneration and staff report.

Best practice principles

52. I considered how well entities adhere to best practice principles in their corporate reporting (see Exhibit 9).

Exhibit 9: Best practice principles

 <p>Accountability</p> <p>Good reporting:</p> <ul style="list-style-type: none"> • ‘tells the story’ of the organisation in a fair and balanced way; • demonstrates compliance with relevant reporting requirements; • describes clear action points to take forward; and • incorporates non-financial reporting, such as climate change targets. 	 <p>Transparency</p> <p>Good reporting:</p> <ul style="list-style-type: none"> • includes frank and honest analysis; • does not avoid the challenges an organisation is facing; • makes appropriate use of data; • quantifies risks and performance measures; and • demonstrates an understanding of the organisation’s activities on the wider society.
 <p>Accessibility</p> <p>Good reporting:</p> <ul style="list-style-type: none"> • fully integrates key financial statement trends within the narrative; • includes concise summaries of key points; • considers how the organisation engages with key stakeholders and meets their needs; and • explores different ways that an organisation can engage and influence their stakeholders. 	 <p>Understandable</p> <p>Good reporting:</p> <ul style="list-style-type: none"> • uses plain English to explain difficult concepts; • uses infographics and diagrams to communicate important messages; and • has a clearly integrated structure to help users navigate it effectively.

Source: UK National Audit Office *Good Practice in Annual Reporting*, February 2020

Accountability

53. Whilst all entities' reports tell the story of the year, they do not always do so in a fair and balanced way. Often data is included on achievements in the year with limited commentary on areas that have not performed according to plan.
54. There is scope to improve compliance with best practice through a focus on reporting relevant non-financial data, including targets and key performance indicators in a balanced way. There is also scope to improve commentaries to include details of areas for improvement and areas that have not performed according to plan and what action is planned or is being taken in these areas.

Transparency

55. Most entities include an array of data in their annual reports. There is scope for entities to consider further what data is presented as well as how it is presented. Data that is complete, accurate and relevant to report performance against the strategic objectives should be selected and reported in a frank and honest way.
56. All entities reviewed, by their nature, have a role to play in wider society. Reporting by entities as to the impact of their activities on the wider society was often weak or, in some cases, non-existent.
57. Many entities could improve their sustainability reporting in terms of climate change impact.

Accessibility

58. A number of the reports reviewed contained all elements of best practice in terms of accessibility. For other entities, there is scope in particular to improve the following aspects of accessibility:

- integration of financial data throughout the report consistent with the financial reporting contained in the financial statements; and
- consideration and reporting of how the entity engages with its key stakeholders and how the entity meets their needs.

59. All of the reports reviewed were available online and most were pdf versions. There is scope for entities to increase the different mechanisms by which reports are available including the use of interactive pdfs (to help users navigate the structure more effectively).

Understandable

60. Some entities use infographics to enhance the understandability of the content of the report to the lay reader. There is however scope for more entities to adopt this approach to make content more understandable.
61. Whilst all reports had a clear structure, it was not always easy to use the structure to understand where relevant content could be found.

Recommendation for all entities

- R11** Review and update the content of the next annual report to embrace the best practice principles noted in this report.

Appendix One

Audit Approach

The review encompassed a desk based review of the latest published annual reports and financial statements of the following entities against best practice criteria:

Entity	Documents reviewed
Andium Homes	Annual Report 2018
Care Commission	Annual Report 2019
Charity Commissioner	Annual Report 2019
Commissioner for Children and Young People	2018-2019 Annual Report
Commissioner for Standards	Annual Report 2018-2019
Criminal Injuries Compensation Board	Three Year Report 2016 to 2018
Data Protection Authority	Office of the Information Commissioner: 2019 Annual Report
Director of Civil Aviation	Annual Report 2018
Gambling Commission	Annual Report and Accounts 2018
Independent Prison Monitoring Board	Annual Report 2018
Jersey Advisory and Conciliation Service	2019 Annual Report Board Members' Report and Financial Statements for the year ended 31st December 2019
Jersey Appointments Commission	Annual Report 2019
Jersey Bank Depositors' Compensation Board	Annual Report and Audited Financial Statements for the year ended 31 January 2019



JERSEY AUDIT OFFICE

Entity	Documents reviewed
Jersey Business	Report and Financial Statements - 31 December 2019
Jersey Competition Regulatory Authority	Channel Islands Competition and Regulatory Authorities: Annual Report 2019
Jersey Consumer Council	2018 Annual Report
Jersey Electricity	Report and Accounts 2019
Jersey Employment and Discrimination Tribunal	Annual Report 2019
Jersey Finance	Annual Review 2019
Jersey Legal Information Board	Annual Report and Financial Statements - 31 December 2018
Jersey Financial Services Commission	Annual Report 2019
Jersey Overseas Aid Commission	2018 Annual Report
Jersey Post International	Business Review for the year ended 31 December 2018
Jersey Safety Council	Report and Audited Financial Statements for the year ended 31 December 2018
Jersey Sport	Annual Report 2018
Jersey Teachers' Superannuation Fund	Annual Report 2019
JT Group	'A Decade Together' - JT Progress Report 2019/20 Annual Report and Audited Consolidated Financial Statements 31 December 2019
Office of the Financial Services Ombudsman	Channel Islands Financial Ombudsman - Annual Report 2019
Police Complaints Authority	Annual Report 2019

Entity	Documents reviewed
Ports of Jersey	Annual Report 2019
Public Employees' Pension Fund	Annual Report 2019
States Assembly	Annual Report 2019
States Employment Board	Annual Report 2019
States of Jersey	Annual Report and Accounts 2019
The States of Jersey Development Company	Annual Report and Consolidated Financial Statements 2018
States of Jersey Police	Police Annual Report 2018
The Jersey New Waterworks Company Limited	Annual Report and Financial Statements - 30 September 2019
Visit Jersey	Financial Statements at 31 December 2019 Annual Report 2019

The fieldwork for the review was undertaken by an affiliate working alongside myself and my Deputy.

Appendix Two

Summary of recommendations and areas for consideration

Recommendations for the States of Jersey

- R1** Reintroduce the requirement for the Chief Executive to sign the performance report.
- R2** Introduce a consistent requirement for all States' controlled unlisted companies to make their financial statements publicly available.
- R3** Introduce a consistent set of requirements for the accounting framework to be adopted by States controlled unlisted companies.
- R4** Introduce a consistent set of minimum requirements for the annual reports of States controlled unlisted companies. These minimum requirements should include information regarding performance and accountability of the companies as well as minimum requirements for financial information disclosure.
- R5** Introduce a consistent set of minimum requirements for the annual reports of other States controlled entities. These minimum requirements should include information regarding performance and accountability of the entities as well as minimum requirements for financial information disclosure.
- R6** Introduce a requirement for Statistics Jersey to produce an annual report.
- R7** Introduce a consistent set of minimum requirements for the annual reports of all entities established by the States Assembly. These minimum requirements should include information regarding performance and accountability of the entities as well as minimum requirements for financial information disclosure.

- R9** Introduce a consistent requirement for all entities controlled by the States or established by the States Assembly to publish an accountability report comprising a directors' (or equivalent) report, a statement of responsibilities, a governance report and a remuneration and staff report as part of their annual report.

Recommendations for all entities

- R8** Improve the public annual reporting of performance to include all of the elements of best practice identified in this report.
- R10** Review the contents of the annual report to include best practice accountability reports including a directors' (or equivalent) report, a statement of responsibilities, a governance report and a remuneration and staff report.
- R11** Review and update the content of the next annual report to embrace the best practice principles noted in this report.

Areas for consideration by the States of Jersey

- A1** Consider whether to introduce a requirement for States controlled entities above a consistent size threshold, to produce stand-alone audited financial statements prepared under a suitable accounting framework such as FRS102.
- A2** Consider adopting consistent provisions about deadlines for the preparation, submission and publication of annual reports.



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