

Transparency and Excellence in Annual Reporting Self-Assessment Tool

17 January 2025

Introduction

1. This self-assessment tool sets out the criteria that the Comptroller and Auditor General (C&AG) will use in 2025 for reviewing 2024 annual reports. It includes notes on how to apply the criteria. The C&AG is making the tool available to support entities in drafting their 2024 annual reports.
2. 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. The key elements of a good practice annual report are shown below.



3. For the review of 2024 annual reports, the tool has been significantly updated, including following feedback from use in previous years. It remains based on best practice observed in this and other jurisdictions and adapted for Jersey. Those who have used the self-assessment before will recognise the core criteria, but this year the focus includes the outcome (the 'so what?') of key criteria. Essentially, updates aim to probe whether someone new to your entity can tell from your Annual Report:
 - What you exist to do / deliver and how does that fit with wider States and other objectives?
 - How you operate - do you have staff / volunteers / contractors / trustees?
 - What activity you undertook and how your year went, including in comparison to what you had planned to achieve?
 - How you are funded or otherwise resourced, and how you have used those resources against your plan / budget for the year?
 - What risks and opportunities you have identified and how, in year and for the future, you are managing these?
 - What you think is important to do, what you have done and what you plan to do, to contribute towards wider goals of sustainable wellbeing?
 - How members of the public can be assured that your entity is well managed and held to account for its performance and any use of public funds?
4. The C&AG invites entities to email the completed self-assessment tool to the Jersey Audit Office at enquiries@jerseyauditoffice.je. If entities send the completed tool, the C&AG will use it to inform her review of their annual report and in providing feedback to the entity. Please only send the C&AG self-assessments of your final version of your entity's annual reports, not of draft versions.
5. In addition to the scored areas, the C&AG is encouraging entities to enhance their sustainability reporting and disclosures. The self-assessment tool contains a useful reminder of frameworks which can be used for good practice climate and sustainability reporting.

Self-assessment tool – summary scores

Area	Mark available	Mark awarded	Commentary
Overall Content and Accessibility	12		
Performance Report	28 to 32		
Accountability Report	22 to 31		
Total	62 to 75		

Overall Content and Accessibility

	Overall Content and Accessibility Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / Desired Outcomes
1.	The entity's single annual report is published in line with requirements, for example by a particular date and made available as legislation requires.	1			
2.	The single annual report contains all the elements required for the particular entity. This is typically a performance report, an accountability report and a finance report. For those entities required to produce financial statements, these should be prepared under a suitable framework and suitably assured .	1			Readers can be confident that the entity is sharing the information it is required to. Best practice annual reports are self-contained and cover the story of the entity's year in one place, but might include links to supplementary information.
3.	The entity's annual report conveys openness and transparency through: <ul style="list-style-type: none"> • frank and honest analysis • realistic consideration of challenges and opportunities • appropriate use of data, metrics and quality indicators; and • routinely using comparators (internal and external) to demonstrate the entity's relative position and over time. 	4			Readers are able to conclude that they have been provided with a clear and trustworthy picture of the entity's year.

	Overall Content and Accessibility Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / Desired Outcomes
4.	<p>The entity's annual report is designed and set out to be accessible and to meet the needs of its stakeholders through:</p> <ul style="list-style-type: none"> • use of plain language, including to explain complex concepts • infographics and diagrams to communicate important messages; and • a clearly integrated report structure to help users navigate it effectively. 	3			<p>Readers will learn more from annual reports that are well set out and easy to read.</p> <p>At the same time, the entity should seek to optimise the value for money and the sustainability aspects of producing and publishing annual reports.</p>
5.	<p>The entity goes one or more steps further to actively consider and address the needs of particularly relevant groups.</p> <p>For example, annual reports might link to:</p> <ul style="list-style-type: none"> • information designed to meet the needs of relevant audiences, for example children or young people or those whose first language is not English; and / or • multi-media presentations of key messages for easy access. 	3			<p>Scoring will be based on an evaluation of the effort the entity has made to identify and to meet the diverse needs of its stakeholders.</p> <p>Highest scores would be for entity's which have clearly sought feedback from specific groups on how they can best be engaged with and responded appropriately.</p>
	Total: Content and Accessibility	12			

Performance Report

	Performance Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
6.	<p>The performance report is clearly set out and links purpose, strategy, risk management and performance to tell the story of the entity's year.</p> <p>It is 'owned' at an appropriately senior level – for example through a signed statement by the Chief Executive (or equivalent).</p>	2			Readers should be able to have confidence that performance reporting is trustworthy and transparent through senior leaders' endorsement of the entire performance report (or the Annual Report as a whole).
7.	<p>The performance report makes clear to any reader:</p> <ul style="list-style-type: none"> • what the entity is constituted to do (its purpose and goals), including strategic objectives • how the entity supports wider States (and other) objectives; and • how the entity operates (delivery model). 	3			<p>Readers new to the entity can understand what can be expected of it.</p> <p>The entity should describe how it delivers its activities (for example through in-house teams, contractors, volunteers).</p>
8.	<p>The story of the entity's year includes:</p> <ul style="list-style-type: none"> • a balanced view of overall progress in achieving its purpose and goals • a statement from the lead Minister, Accountable Officer, Chief Executive or equivalent setting out their perspective on how the entity has performed • analysis using key performance indicators (KPIs) aligned to strategic objectives; and • interpretation of performance implications, including actions to manage shortfalls / build on success. 	4			<p>Readers should easily see how the entity performed against its plans for the year.</p> <p>The performance report should be quantifiable, understandable, fair and balanced, including both positive and negative aspects of how the entity has performed, compared with what was intended.</p>

	Performance Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
9.	<p>The performance narrative is set in the context of:</p> <ul style="list-style-type: none"> an analysis of key in year risks to meeting strategic objectives financing / other resourcing; and the overall operating environment (including external factors). 	3			The reader should be able to understand the risks and opportunities the entity has faced in year and how these have affected performance.
10.	<p>Financial performance is set out so that it is:</p> <ul style="list-style-type: none"> consistent with the underlying financial statements; and clear how the entity actually performed against finance plans / budgets. 	0 to 2			<p>Readers should be able to easily understand the entity's spend against how it set out its budget for the year.</p> <p>This is not marked for entities with no income or expenditure.</p>
11.	<p>The entity demonstrates a focus on risk management, by:</p> <ul style="list-style-type: none"> clearly setting out its risk identification and management processes quantifying risks establishing risk treatment criteria (for example, tolerance or mitigation) reflecting the external environment in risk consideration (also see ESG below) ensuring the narrative makes clear how risks and opportunities are taken into account in setting strategic objectives; and consideration of how the risk profile has changed or might change over time. 	6			

	Performance Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
12.	<p>Where relevant, the operating model sets out:</p> <ul style="list-style-type: none"> for significant contracted-out services, how contracts are awarded and how the entity manages the ongoing contract; and consideration of capital investment and how it achieves value for money. 	0 to 2			<p>Where there are no significant contracted out services, the mark available for this section should be reduced by one.</p> <p>Where there is no capital investment (or any capital investment is not material) the mark available for this section should be reduced by one.</p>

	Performance Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
13.	<p>The entity considers Environmental, Social and Governance (ESG) sustainability (its non-financial risks and opportunities), including external factors by:</p> <ul style="list-style-type: none"> identifying relevant ESG objectives setting metrics and targets to assess and manage its ESG sustainability ambitions adopting a recognisable and relevant sustainability framework to evaluate its contribution - for example the Jersey Performance Framework, UN Sustainable Development Goals evaluating and reporting, in a balanced way, its sustainability performance; and establishing action plans to improve performance and to manage future risks and opportunities. <p>Scoring: two marks are available for each area, awarded to reflect the extent to which entities have reasonably considered and addressed ESG sustainability given their purpose, structure, delivery model and resourcing.</p>	10			<p>Readers should be able to understand the extent to which the entity considers its impact on the environment, how it can benefit communities and the need for openness. It should also be made clear how the entity integrates ESG goals within its strategic objectives and its operating model.</p> <p>Environmental: for example greenhouse gas emissions, stewardship of natural resources.</p> <p>Social: ethical practices and relationships, such as impact on communities, staff metrics (fair wages, diversity, inclusion) and driving a healthy culture.</p> <p>Governance: including how leadership incentives align with stakeholder needs, how risks and opportunities are identified and good accountability promoted.</p> <p>See Appendix for further guidance.</p>
Total: Performance Report		28 to 32			

Accountability Report

	Accountability Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
14.	<p>The entity's accountability report is identifiable within the Annual Report.</p> <p>It is 'owned' at an appropriately senior level - for example through a signed director's (or equivalent) report by an accountable individual.</p>	2			Readers should be able to be confident that information is accurate and that senior leaders' endorse the accountability report / the Annual Report as a whole.
15.	<p>The entity's accountability report explains its corporate governance arrangements by setting out:</p> <ul style="list-style-type: none"> its corporate governance structure the names of accountable individuals - in most cases the Chair and Chief Executive a statement of responsibilities of accountable individuals the composition of the board of directors (or equivalent) how the entity assures its governance arrangements - for example by committing to / implementing relevant best practice principles / standards; and information on personal data related incidents that have been formally reported to the Jersey Office of the Information Commissioner, or confirmation that no incidents have been reported. 	6			<p>Readers new to the entity should be able to understand how the entity is managed and held to account.</p> <p>Enough information and evidence should be provided to assure members of the public that the entity's resources are governed effectively to meet the entity's objectives.</p>

	Accountability Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
16.	<p>Entities required to publish audited financial statements include declarations from an accountable individual to confirm that:</p> <ul style="list-style-type: none"> as far as they are aware, there is no relevant audit information of which the entity's auditors are unaware, and that the accountable individual has 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 the annual report and accounts as a whole is fair, balanced, understandable and that they take personal responsibility for the annual report and accounts document and the judgements required for determining that it is fair, balanced and understandable; and where relevant, an explanation of the adoption of the going concern basis. 	2 to 3			<p>A going concern statement is only required where there are reasons for going concern to be called into doubt. This means that for most entities this section should be marked out of two.</p>
17.	<p>The accountability report of the board of directors (or equivalent) includes adequate information about:</p> <ul style="list-style-type: none"> the board's (or equivalent) performance, for example through an assessment of its effectiveness or where relevant against corporate governance codes the board (or equivalent) committee structure and the responsibilities of each committee (or a statement that there are no committees) 	5			<p>Readers should be able to assess how well the governance structure operates to support delivery of the entity's purpose and objectives.</p> <p>The board (or equivalent) may include advisory and / or non-executive members, comprising those who have had authority or responsibility for directing or controlling the</p>

	Accountability Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
	<ul style="list-style-type: none"> attendance records for board (or equivalent) meetings and, where relevant, committee meetings details of directorships and other significant interests held by members of the board (or equivalent) which may (or may be perceived to) conflict with their management responsibilities, or a statement that there are none; and highlights of key board committee (or equivalent) activities in year, for example audit, risk and remuneration committees. 				<p>major activities of the entity during the year.</p> <p>Entities may prefer to provide a link to an online register of interests instead of detailed disclosures in the annual report.</p>
18.	<p>The remuneration information for the board of directors (or equivalent) includes:</p> <ul style="list-style-type: none"> the level of remuneration of board members (or equivalent) the level of remuneration of senior (for example board level) staff the policy on the remuneration of directors (or equivalent) for the current and future years components and the overall single total remuneration figure for each director (or equivalent); and an explanation for any significant changes from previous years, or a statement that there have not been any. 	5			<p>Board remuneration can include:</p> <ul style="list-style-type: none"> salary and allowances performance pay or bonuses non-cash benefits pension benefits; and compensation for loss of office / severance payments. <p>For some entities remuneration disclosures might be included in the financial statements.</p>

	Accountability Report Criteria / Description	Mark available	Mark awarded	Self-assessment commentary	Notes / desired outcome
19.	<p>For entities with paid staff, the staff report includes:</p> <ul style="list-style-type: none"> • number of staff (all entities) • number of staff by grade • overall staff costs • relevant fair pay data such as: <ul style="list-style-type: none"> ○ highest paid director's remuneration compared to average, lower quartile, mid-point, upper quartile staff remuneration; and ○ the range of staff remuneration • a gender analysis of directors, senior and other staff • sickness absence data • staff policies applied during the year, for example in respect of disabled persons, diversity, equality of opportunities • other significant in year employee matters such as employee consultation • exit packages - summary data on the use of exit packages agreed in year (all entities). 	0 to 10			<p>Recognising the need to ensure compliance with the Data Protection (Jersey) Law 2018 (the DPJL), entities with small numbers of staff can be awarded marks for setting out acceptable reasons for not publishing specific information.</p> <p>Further details on personal information is provided by the Jersey Office of the Information Commissioner (JOIC) personal data checklist.</p> <p>The entity should set out what it is doing to further fairness, equity and sustainability in staffing resources, regardless of small numbers of staff.</p> <p>It should be stated if there have been no exit packages in year.</p>
20.	<p>For entities that do not employ any staff, the annual report sets out clearly:</p> <ul style="list-style-type: none"> • that it does not employ any staff; and • how activities are delivered - for example, by board members, staff provided by the Government, contractors, affiliates, volunteers. 	2 to 0			<p>This section applies only to entities that do not employ any staff.</p>
Total: Accountability Report		22 - 31			

Appendix

The approach to developing an ESG plan might include the elements as set out in the graphic below. The pages following this provide examples of each stage.



An analysis of your entity's ESG characteristics and ambitions

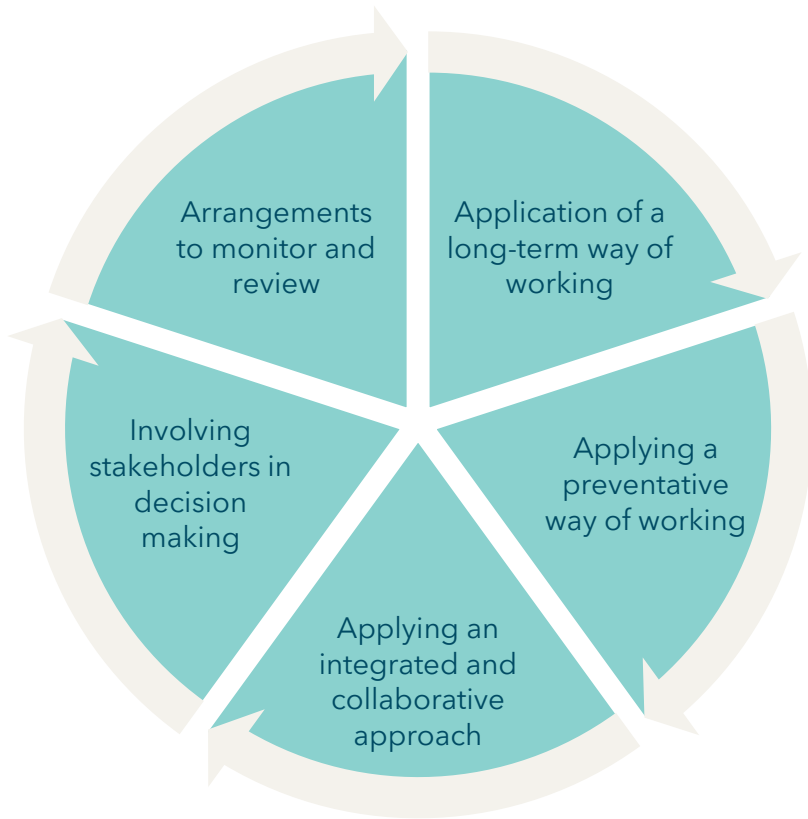
How an annual report can reflect your entity's ESG journey: a process for developing an ESG plan

- By setting out how you developed your ESG ambitions. This might include how you:
 - considered ESG elements in the context of your objectives, mission and vision, values and operating model
 - engaged with key stakeholders, including customers, volunteers, employees, funders and the local community, to understand their expectations and priorities when it comes to ESG issues.
- By stating what ESG sustainability means to your entity and its stakeholders, what your ambitions are and why.
- By communicating your baseline / current position, targets or tolerances and roadmap to meet your ambitions (using appropriate ESG frameworks).
- By reporting your continuing progress (benchmarked if possible), actions to manage shortfalls or to build on successes, any new risks or opportunities and how your entity's ambitions are developing.

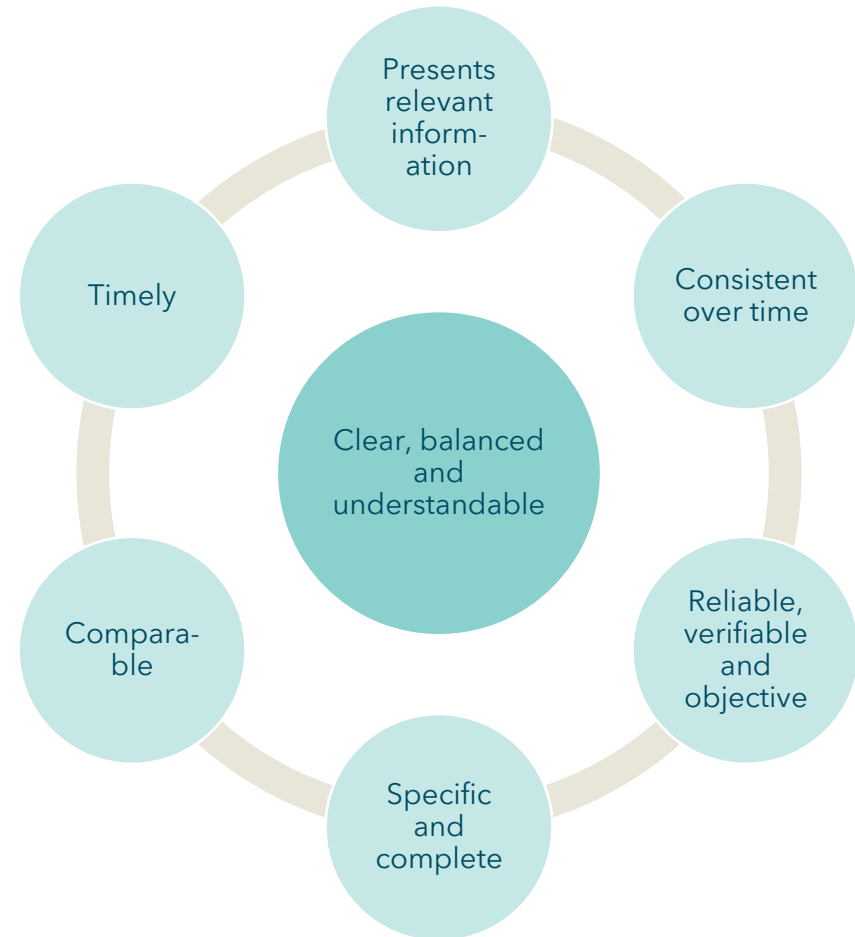
Source: JAO adaptation of [ESG Insights | UHY Hacker Young](#)



Principles for embedding sustainability



Principles for sustainability reporting disclosures

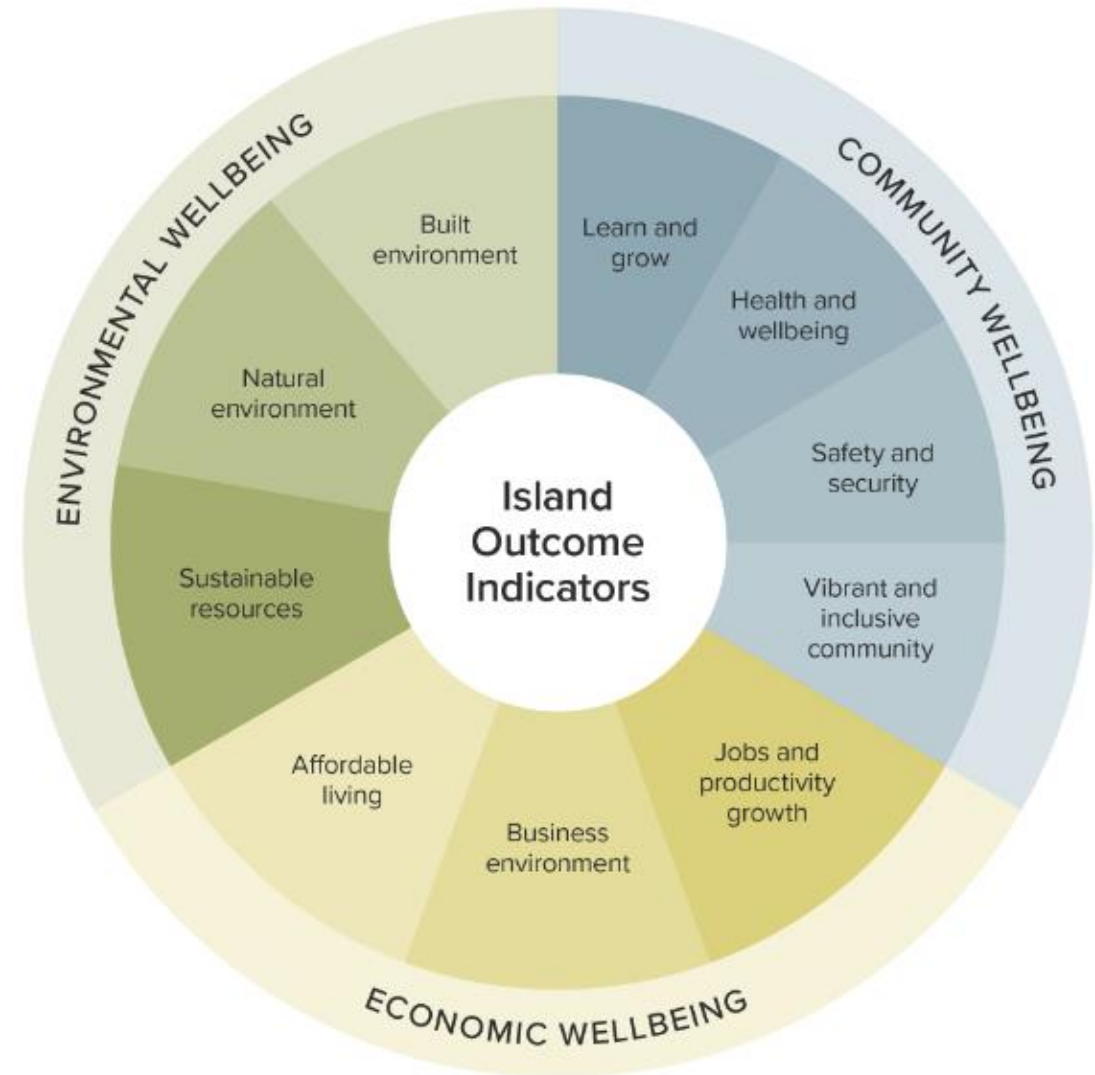


[Further details: C&AG report on the Jersey Performance Framework](#)

Frameworks and disclosures

The Jersey Performance Framework

The Jersey Performance Framework measures the progress that Jersey makes towards achieving sustainable wellbeing. Entities are encouraged to consider reporting their contribution to the Island Outcomes in their annual report.



Source: Government of Jersey

IFRS Sustainability Disclosure Standards

Two standards take effect from 1 January 2025 for entities who are required or choose to adopt them:

- **General** [IFRS S1] - Universal IFRS sustainability reporting and disclosure requirements
- **Climate-Related Disclosures** [IFRS S2] - Specific guidance on how entities should report climate-related risks, management practices and targets

Source: [IFRS - January 2025 IFRS for SMEs Accounting Standard Update](#)



Climate Related Disclosures

The Taskforce on Climate-related Financial Disclosures (TCFD) was established in December 2015 by the Financial Stability Board. Using the TCFD recommended disclosure framework is not currently mandatory but several companies across the world have begun to use this as a disclosure framework.

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organisation's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Disclose how the organisation identifies, assesses and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended disclosures			
a) Describe the Board's oversight of climate-related risks and opportunities.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	a) Describe the organisation's processes for identifying and assessing climate-related risks.	a) Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	b) Describe the organisation's processes for managing climate-related risks.	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios including a 2 degree or lower scenario.	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Source: Recommendations of the Task Force on Climate-related Financial Disclosures

IPSASB standards are designed for public sector entities that meet the following three criteria:

- a. Are responsible for the delivery of services (encompassing goods, services and policy advice, including to other public sector entities) to benefit the public and/or to redistribute income and wealth
- b. Mainly finance their activities, directly or indirectly, by means of taxes and/or transfers from other levels of government, social contributions, debt or fees; and
- c. Do not have the primary objective to make profits.

This includes a wide range of public sector entities, such as:

- National, regional, state/provincial and local governments
- Government ministries, departments, programs, boards, commissions, agencies
- Public sector social security funds, trusts and statutory authorities; and
- International governmental organisations.

The IPSASB issued proposals for its inaugural Sustainability Reporting Standard (IPSASB SRS) Exposure Draft 1, *Climate-related disclosures*. This Exposure Draft is out for public comment until February 28, 2025.

The other sustainability reporting standard setting topics that IPSASB has identified for further research and scoping work are:

- General Requirements for Disclosure of Sustainability-related Financial Information; and
- Natural Resources - Non-Financial Disclosures (to be considered following the development of the financial reporting guidance proposed in its Exposure Draft 92, *Natural Resources*).



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