

Notes to the accounts

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Notes to the Accounts

4.1 Basis of financial statements preparation

a. Introduction

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not been disclosed in the other notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

b. Purpose

The purpose of this note is to outline the basis on which the consolidated financial statements for the SOJ Group have been prepared.

Significant accounting policies that are relevant to understanding the consolidated financial statements are provided throughout the notes to the consolidated financial statements. Except as otherwise noted, the accounting policies detailed in this note and throughout the consolidated financial statements are applicable to all entities consolidated within the Group.

c. Basis of preparation

Compliance with the 2023 JFReM

These consolidated accounts have been prepared in accordance with the 2023 States of Jersey Financial Reporting Manual (JFReM) issued by the Minister for Treasury and Resources to meet the requirements of the Public Finances (Jersey) Law 2019. The accounting policies contained in the JFReM apply UK adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2023 as adapted or interpreted for the Public Sector in Jersey. These accounts are prepared on a going concern basis. The JFReM includes details of all material interpretations and adaptations of IFRS applied by the States of Jersey. It can be found in full on the States Assembly website.

The JFReM applicable to the 2023 financial year (including comparators) is based on the UK Financial Reporting Manual (FReM) for the UK financial year ending 31 March 2023 which is prepared by HM Treasury following consultation with the Financial Reporting Advisory Board (FRAB).

Where the JFReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the circumstances of the States of Jersey for the purpose of giving a true and fair view has been selected. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

In adopting the going concern basis for preparing the financial statements, the Treasurer has considered the government's power to set tax rates to meet its funding requirements, as well as controls over public spending, which ensure that the government will continue to exercise its functions.

Accounting convention

These accounts have been prepared under the historical cost convention, modified where appropriate to account for the revaluation of certain assets and liabilities as set out in these accounting policies.

Accounting standards in issue but not yet effective in the JFReM

The following new standards and amendments to standards have been issued but not yet effective:

Accounting standard	Key dates	Summary and impact
IFRS 16 'Leases'	<ul style="list-style-type: none"> IASB effective date 1 Jan 2018 EU effective date 1 Jan 2019 FReM 2022-23 Expected in JFReM 2024 	<p>Largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This is a significant change in lessee accounting and will bring assets and corresponding liabilities formerly not recognised on the statement of financial position on to the statement of financial position.</p> <p>Impact: The impact is expected to be as follows for the year ended 31 December 2023:</p> <ul style="list-style-type: none"> - Input of Right of Use Asset: £21 million - Input of Right of Use Liability: £20 million - Averaged expected SOCNE impact: £(1) million

There are no other IFRS or International Financial Reporting Interpretations Committee (IFRIC) interpretations not yet effective that would be expected to have a material impact on these accounts.

d. Basis of consolidation

These accounts consolidate all material entities within the States of Jersey consolidation boundary (the 'accounting boundary') as set out in the JFReM. Entities that fall within the accounting boundary, but which are immaterial to the accounts, as a whole, have not been consolidated. Entities that fall within the accounting boundary but not consolidated are listed as Minor Entities in Note 4.25.

Subsidiaries are all entities (including structured entities) over which the group has control. In accordance with the interpretation of direct control applied in the JFReM which is based on the States, Council of Ministers or a Minister exercising in year control over operating practices, four entities are not consolidated in these accounts and are held as strategic investments.

The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Where this principle is not met and an entity within the accounting boundary has an investment in an entity outside the accounting boundary, this holding is treated as an investment in the group accounts.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The Statement of Comprehensive Net Expenditure (SOCNE) has been split to show results for Core Entities (excluding subsidiary companies) and the Group (note 4.25).

e. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds (GBP), which is the States' functional and presentation currency.

Transactions and balances

Foreign currency transactions undertaken in a foreign currency are translated into GBP at the rate ruling at the date of each transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income (FVOCI).

f. Taxpayers' equity

Taxpayers' Equity represents the taxpayers' interest in the States of Jersey, which equates to both the total value of Net Assets held by the States, and an accumulation of Net Income

and other gains and losses over the years. Reserves are split based on how the interest has arisen (as explained below).

Accumulated Revenue and Other Reserves

The Accumulated Revenue and Other Reserves represent the cumulative balances of surpluses and deficits recorded by the States of Jersey.

Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of cumulative revaluation adjustments to Property, Plant and Equipment and Intangible Non-Current Assets. When an asset is disposed any balance in the revaluation reserve is transferred to the Accumulated Revenue and Other Reserves.

Investment Reserve

The Investment Reserve reflects the cumulative balance of unrealised gains and losses on financial instruments classed as Fair Value through Other Comprehensive Income (FVTOCI). Gains and losses on FVTOCI instruments are only recognised as income within Net Revenue Expenditure when the instruments are disposed.

4.2 Critical accounting judgements

Judgements and estimates are subject to periodic review, including through the receipt of actuarial advice. Judgements and estimates are based on historical experience, various other assumptions believed to be reasonable under the circumstances and, where appropriate, practices adopted by other entities.

Judgements and estimates made by States of Jersey Group entities that have the most significant impact on the amounts recorded in these financial statements include:

Significant accounting judgements/estimates	Notes
Taxation revenue - Personal Tax Forecast	4.6
Revenue recognition - whether revenue from contracts with customers is recognised over time or at a point in time	4.6
Impairment - key assumptions and methodologies used to estimate the recoverability of accounts receivable, statutory debts and the value of inventory and fixed assets	4.10, 4.11, 4.12, 4.13
Fair value - assumptions used in valuation techniques for the fair value of financial assets and liabilities, including derivatives	4.11

a. Recognition of pension schemes:

Public Employees Pension Fund (PEPF) and Jersey Teachers Superannuation Fund (JTJSF)

The PEPF is a combination of the final-salary section known as the Public Employees Contributory Retirement Scheme (PECRS) and the career average section known as the Public Employees' Pension Scheme (PEPS). The schemes are recognised as defined contribution schemes in accordance with IAS 19 on the following basis:

The employer contributions rate to the PEPS is 16% with a legal cap of 16.5% so the States of Jersey cannot legally be required to make additional contributions. Whilst the employer contribution rate is not currently at the cap set in legislation, there is only scope for a 0.5% increase and it is considered to be fixed at the current rate of 16% on the basis that:

- Scheme contribution rates have never been increased;
- Scheme member communication materials clearly inform scheme members that a pension increase in line with Jersey RPI is not guaranteed and is dependent on the performance of the funds; and
- Precedent has demonstrated that employee/scheme member benefits were reduced in 2010, 2011 and 2012 to address actuarial deficits in the scheme.

The Jersey Teacher Superannuation Fund shares many attributes with the PECRS and has been recognised as a defined contribution scheme accordingly. The employer contribution into JTJSF is fixed at 16.4% and defined in the Teachers' Superannuation (New Members) (Jersey) Order 2007 which was introduced at the point in time the Pension Increase Debt was established. There is no facility in Regulations for employers to pay a different amount other than to fund ill-health or early retirement of scheme members.

This judgement has been written in to the JFRm as an interpretation of IAS 19.

4.3 Key sources of estimation uncertainty

Preparing financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year-end and the amounts reported for income and expenditure during the year. Estimates and assumptions are made taking into account historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual results could differ from the assumptions and estimates.

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
Valuation of Social Housing	Social Housing is valued using an Existing Use Value for Social Housing (EUV-SH) method via a discounted cash flow of future rental streams. A discount rate of 5.75% (6.0% for high rise properties) has been applied by the external valuers Jones Lang LaSalle to reflect their judgement of the risk associated with the long term income.	While the impact has not been quantified, any variation in the discount rate will have a significant impact on the valuation.	1,038,682
Valuation of drainage within networked assets	Due to the age and nature of the Island's drainage network, the records held do not include details of all pipe depths and infrastructure characteristics which can have a significant bearing on replacement cost of these assets. A judgement has been made to apportion the lengths of the drainage network where no depth or pipe characteristic data is held using information available for drains that do have this data on record. The value of drainage assets uses an estimated base cost factor for Jersey. This factor is based on UK replacement costs but inflated to the higher costs of tender prices and professional fees in Jersey.	Drainage assets are valued at £220m (2022: £220m). If drainage pipes were 5% larger than estimated this would increase the value of drainage assets by £11m (2022: £11m). Conversely a 5% reduction in estimated pipe diameter would reduce the value of drainage assets by £11m (2022: £11m). An increase/(decrease) to the base cost factor by +/- 5% would increase/ (decrease) the value of this asset class by £11m (2022: £11m).	219,510
Valuation of Property, Plant and Equipment - General	Valuations require a number of judgements around key inputs on: <ul style="list-style-type: none"> • Unit material costs for modern equivalent depreciated replacement cost valuations; • Location factors to determine the local prices based on build cost indices; • Useful economic lives; • Condition of assets; and • Dimensions of the networked assets where historical records do not exist. 	While the impact has not been quantified, any variation in these inputs will have a significant impact on the valuation.	4,063,675
Personal Income Taxation	In recognising personal income taxation (PIT) based on forecasts for the year, there is a degree of uncertainty involved as the actual outcome could differ from the estimate used. The main uncertainty relates to the impact to the Jersey economy of high inflation and tightening monetary policy. This is partially mitigated by using Revenue Jersey data on earnings	Several sensitivity analyses have been carried out. <ol style="list-style-type: none"> 1. Statistical analysis indicates that there is a 2/3 likelihood that the impact of any variation in earned income will be within a range of +/- £5.4m around the central forecast (0.9%). 2. There is a 2/3 likelihood that the impact of any variation in pension income will be within a range of +/- £1.0m (0.2%). 	628,661

Item	Uncertainties	Effect if actual results differ from assumptions	Carrying amount (£'000)
	<p>reported by employers through the Income Tax Instalment System (ITIS). And by using the latest (July) economic forecasts from the Fiscal Policy Panel (FPP) and any available outturn data since then.</p>	<p>3. There is a 2/3 likelihood that the impact of any variation in investment income will be within a range of +/- £2.8m (0.4%).</p> <p>4. Faster or slower growth in allowances, for example the aggregate value of basic exemption thresholds varying by +/-1.5%, that leads to a variation in the average effective rate of 0.1pp would result in a variation in the PIT estimate of +/-£2.7m (0.4%).</p>	
Our Hospital Impairment	<p>A decision on the revised solution for the replacement hospital facility has not yet been made. Various options exist that would make differing use of the work already done on the single-site solution at Overdale.</p> <p>The impairment recognised in the accounts in 2022 was an estimate of the costs incurred to date on the previous scheme that would not be re-usable for a future solution. It was based on a range of scenarios and assumptions but there remains significant uncertainty until the revised solution is known.</p> <p>This judgement has been revisited in 2023, and based on the additional information now available a further impairment has been recognised.</p> <p>The next likely decision milestone will be in the Government Plan 2025 which should inform an updated disclosure in the 2024 Annual Report and Accounts.</p>	<p>The impairment of £2 million relates to any costs spent on the single site solution.</p> <p>This leaves a total value of £31 million of costs relating to the Our Hospital not written down.</p>	31,018
Strategic Investments	<p>The fair value of investments that are not traded in an active market is determined using valuation techniques. These company valuations apply judgement in the selection of comparable companies and use company outturn versus forecasts and market multiples. Differences in geographical area, markets, regulatory environments and organisation structure make direct comparisons for valuation uncertain.</p>	<p>See sensitivity analysis in Note 4.11d. Any valuation movement is recognised through the OCI and does not affect the operating net revenue expenditure/income.</p>	314,605
Valuation of level 3 Other Financial Instruments	<p>The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The investment managers use their judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.</p>	<p>For details of the key assumptions used and the impact of changes to these assumptions see note 4.11d / 4.11e</p>	1,380,073

4.4 Segmental analysis

The Segmental analysis is presented to be consistent with the elements of the group set out within note 4.25. Further breakdowns of expenditure approved by the States Assembly are also included in the Statement of Outturn against Approval.

Reporting Segments	Operational Activity
Consolidated Fund	This segment provides a range of services which include educational tuition, planning control, healthcare, police, firefighters, the States' legal system as well as the States Assembly. Taxation revenue is the main source of funding collected by Revenue Jersey within the Treasury and Exchequer department.
Social Security Funds	Collected by Revenue Jersey, social contributions are disaggregated. This is due to the substance of the receipts not being for the purpose of the departments and instead being due back to the public in the form of benefits. Due to the length of time between initial contributions receipts and benefits paid (support and retirement) the surplus contribution receipts are invested, primarily in the Social Security (Reserve) Fund, to grow in order to maintain the initial value when given against inflation and other factors that affect the time value of money.
Trading Operations	Income consists of fees for the provision of parking services by members of the public that use the service and maintaining a central fleet of vehicles that are leased/hired out to other SOJ departments to gain efficiencies.
Other States Funds	This segment holds amounts which are allocated for specific purposes as decided by the States Assembly. The primary revenue source is from investment income.
States of Jersey Development Company	Purpose is to purchase land and buildings for development to sell. The primary revenue source is from property development.
Andium Homes Limited	Holding and development of property for the purposes of providing Islanders sufficient and affordable housing. Income consists of rental income, capital appreciation and development to sell (in combination with housing bonds).
Ports of Jersey Limited	Providing necessary infrastructure to allow Jersey Airport and Harbours' operations to take place. Income sources consist of airport and harbour charges as well as concession fees on retail sales.

The tables below illustrates the disaggregated information presented in the Consolidated Primary Statements.

a. Segmental Analysis - Statement of Comprehensive Net Expenditure for the year ended 31 December 2023

States of Jersey Comprehensive Net Expenditure 2023	Consolidated Fund	Social Security Funds	Trading Operations	Other States Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue									
Levied by the States of Jersey	(1,021,958)	(349,945)	(720)	(5)	(1,372,628)	-	-	(24)	(1,372,652)
Earned through Operations	(169,821)	(2,027)	(13,517)	(35,118)	(220,483)	(14,107)	(66,589)	(51,108)	(352,287)
Less: Internal Core Revenue	31,860	59,968	5,352	1,718	98,898	-	-	-	98,898
Less: Internal Subsidiary Revenue	-	-	-	-	-	-	-	-	44,015
Total Revenue	(1,159,919)	(292,004)	(8,885)	(33,405)	(1,494,213)	(14,107)	(66,589)	(51,132)	(1,582,026)
Expenditure									
Social Benefit Payments	130,924	416,737	-	-	547,661	-	-	-	547,661
Staff Costs	589,133	-	2,250	1,016	592,399	1,436	5,785	24,536	624,156
Other Operating Expenses	345,712	11,621	5,098	28,198	390,629	4,452	16,102	17,699	428,882
Grants and Subsidies Payments	71,516	-	1,775	3,747	77,038	-	1	42	77,081
Depreciation and Amortisation	59,658	749	3,368	3	63,778	44	18,369	17,296	99,487
Impairments	4,388	(264)	-	(20)	4,104	66	30,845	(16,416)	18,599
Finance Costs	19,106	2	129	9,491	28,728	504	10,921	1,098	41,251
Net Foreign-Exchange Losses/(Gain)	69	-	-	55	124	-	-	80	204
Less: Internal Core Expenditure	(83,483)	(8,830)	(2,925)	(754)	(95,992)	-	-	-	(95,992)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(14,955)
Total Expenditure	1,137,023	420,015	9,695	41,736	1,608,469	6,502	82,023	44,335	1,726,374
Operating Net Revenue Expenditure/(Income)	(22,896)	128,011	810	8,331	114,256	(7,605)	15,434	(6,797)	144,348
Other Non-Operating Revenue/Expenditure									
(Gains) / Loss on Disposal of Non-Current Assets	(5)	-	(135)	-	(140)	-	5	-	(135)
Fair value Loss / (Gains) on Financial Assets	-	(242,831)	-	(104,416)	(347,247)	-	30,144	(24)	(317,127)
Movement in Past Service Liability	-	-	-	-	-	-	-	-	-
Less: Internal Core Expenditure	-	-	-	(3,003)	(3,003)	-	-	-	(3,003)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(29,061)
Net Revenue Expenditure/(Income)	(22,901)	(114,820)	675	(99,088)	(236,134)	(7,605)	45,583	(6,821)	(204,978)
Other Comprehensive Income									
Revaluation of Property, Plant and Equipment	(34,364)	-	-	-	(34,364)	-	(7,897)	-	(42,261)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	799	-	-	-	799	-	-	-	799
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	20,616	-	-	-	20,616	-	-	-	20,616
Other Comprehensive Income	(12,949)	-	-	-	(12,949)	-	(7,897)	-	(20,846)
Total Comprehensive Expenditure/(Income)	(35,850)	(114,820)	675	(99,088)	(249,083)	(7,605)	37,686	(6,821)	(225,824)

b. Segmental Analysis - Statement of Comprehensive Net Expenditure for the year ended 31 December 2022

States of Jersey Comprehensive Net Expenditure 2022 - Restated	Consolidated Fund	Social Security Funds	Trading Operations	Other States Funds	Total States of Jersey Core Entities	States Of Jersey Development Company	Andium Homes Limited	Ports of Jersey Limited	Total States Of Jersey Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue									
Levied by the States of Jersey	(985,688)	(325,848)	(886)	-	(1,312,422)	-	-	(22)	(1,312,444)
Earned through Operations	(92,815)	(723)	(13,216)	4,908	(101,846)	(3,668)	(59,551)	(45,939)	(211,004)
Less: Internal Core Revenue	(42,231)	55,698	5,660	(32,492)	(13,365)	-	-	-	(13,365)
Less: Internal Subsidiary Revenue	-	-	-	-	-	-	-	-	43,614
Total Revenue	(1,120,734)	(270,873)	(8,442)	(27,584)	(1,427,633)	(3,668)	(59,551)	(45,961)	(1,493,199)
Expenditure									
Social Benefit Payments	126,897	376,050	-	-	502,947	-	-	-	502,947
Staff Costs	515,785	-	2,073	339	518,197	1,611	4,723	23,824	548,355
Other Operating Expenses	296,860	10,509	4,466	(12,133)	299,702	3,186	13,185	18,431	334,504
Grants and Subsidies Payments	68,568	-	1,275	13,860	83,703	-	1	182	83,886
Depreciation and Amortisation	51,413	591	2,849	3	54,856	32	17,155	17,097	89,140
Impairments	14,460	252	(174)	-	14,538	-	498	2,606	17,642
Finance Costs	38,941	1	153	(17)	39,078	357	8,003	571	48,009
Net Foreign-Exchange Losses/(Gain)	31	-	-	(797)	(766)	-	-	25	(741)
Less: Internal Core Expenditure	(81,915)	(8,209)	(2,463)	29,392	(63,195)	-	-	-	(63,195)
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(11,291)
Total Expenditure	1,031,040	379,194	8,179	30,647	1,449,060	5,186	43,565	62,736	1,549,256
Operating Net Revenue Expenditure/(Income)	(89,694)	108,321	(263)	3,063	21,427	1,518	(15,986)	16,775	56,057
Other Non-Operating Revenue/Expenditure									
(Gains) / Loss on Disposal of Non-Current Assets	34	-	(130)	-	(96)	-	(11)	49	(58)
Fair value Loss / (Gains) on Financial Assets	(97,902)	161,628	-	84,128	147,854	1,230	23,836	549	173,469
Movement in Past Service Liability	(8,110)	-	-	-	(8,110)	-	-	-	(8,110)
Less: Internal Core Expenditure	86,049	(161,582)	-	152,093	76,560	-	-	-	76,560
Less: Internal Subsidiary Expenditure	-	-	-	-	-	-	-	-	(29,813)
Net Revenue Expenditure/(Income)	(109,623)	108,367	(393)	239,284	237,635	2,748	7,839	17,373	268,105
Other Comprehensive Income									
Revaluation of Property, Plant and Equipment	(73,372)	(639)	(5,873)	-	(79,884)	-	(70,731)	(34,720)	(185,335)
Remeasurements of the Net Defined Benefit Pension Scheme Liability	(1,580)	-	-	-	(1,580)	-	-	-	(1,580)
(Gain)/Loss on Revaluation of Financial Instruments held at FVTOCI	87,485	-	-	-	87,485	-	-	-	87,485
Other Comprehensive Income	12,533	(639)	(5,873)	-	6,021	-	(70,731)	(34,720)	(99,430)
Total Comprehensive Expenditure/(Income)	(97,090)	107,728	(6,266)	239,284	243,656	2,748	(62,892)	(17,347)	168,675

4.5 Prior period adjustment for Accounting Policy changes and Correction of Error

Accounting Policy

Prior period adjustment

Under IAS 8 a change in an accounting policy and correction of error has been employed. Changes in accounting policy and correction of error should be applied retrospectively.

Retrospective application is applying a new accounting policy to transactions or correction of error, other events and conditions as if that policy had always been applied.

The Common Investment Fund (CIF) is the States arrangement to pool Fund assets for investment purposes. This includes Funds which are not consolidated in the States accounts and instead produce their own Financial Statements, most materially the Jersey Teachers Superannuation Fund.

After reviews of the JFReM 2022, it is evident that the accounting policy, consistent with historic practice, pertaining to the CIF is not sufficiently detailed within the JFReM 2022, and therefore the previously used approach of Proportionate Consolidation Approach is considered an error.

Proportionate Consolidation Approach is an accounting method where an entity includes its proportional share of assets, liabilities, revenues, and expenses, on a line-by-line basis, reflecting the extent of its ownership or control. This has been re-assessed in 2023 to holding the CIF at Fair Value through Profit or Loss (FVTPL).

Neither the Proportionate Consolidation approach nor the new accounting policy modify the net asset position or net return of investments consolidated into the accounts. However they are presentationally different.

Under the new policy:

- Investment Income (e.g. interest income) and Expenses (e.g. investment manager fees) will be shown as part of the Fair Value Gain/Loss on CIF Investments – which now represents the net return on assets under investments.
- All relevant assets and liabilities will be shown as part of Investment in the CIF. For example, this means the cash or debtors held as part of the investment portfolio will be included within the total value of investments.
- Amounts invested on behalf of entities outside of the group boundary will be netted off the asset, so that the value of the asset shown in the accounts is the value attributable to the SOJ Group.
- More detail will still be included for disclosure purposes.

This new accounting policy has been applied for the following reasons:

- The CIF does not qualify to be accounted for under a Proportionate Consolidation Approach and therefore should not be recognised as such.
- The CIF is an administrative arrangement used for investment purposes which fits the criteria of IFRS 9.

- The reporting of the CIF in this way will provide more understandable and relevant information.

Given the nature of the CIF the Net Asset Value has been used as the basis for fair value. Consequently, there is no impact on Taxpayers' Equity or on Other Comprehensive Income.

Restatement of Statement of Comprehensive Net Expenditure:

States of Jersey Comprehensive Net Expenditure	Originally Stated	Restatement	Restated
	2022 £'000	2022 £'000	2022 £'000
Revenue			
Levied by the States of Jersey	(1,255,461)	-	(1,255,461)
Earned through Operations	(272,075)	34,337	(237,738)
Total Revenue	(1,527,536)	34,337	(1,493,199)
Expenditure			
Social Benefit Payments	471,137	-	471,137
Staff Costs	520,316	-	520,316
Other Operating Expenses	387,379	(40,662)	346,717
Grants and Subsidies Payments	70,247	-	70,247
Depreciation and Amortisation	89,140	-	89,140
Impairments	17,643	-	17,643
Finance Costs	34,193	(30)	34,163
Net Foreign-Exchange Losses/(Gain)	526	(633)	(107)
Total Expenditure	1,590,581	(41,325)	1,549,256
Operating Net Revenue Expenditure/(Income)	63,045	(6,988)	56,057
Other Non-Operating Revenue/Expenditure			
Gains on Disposal of Non-Current Assets	(58)	-	(58)
Fair value Loss/(Gains) on Financial Assets	213,228	6,988	220,216
Movement in Past Service Liability	(8,110)	-	(8,110)
Net Revenue Expenditure/(Income)	268,105	-	268,105

Restatement of Consolidated Statement of Financial Position at 31 December 2022 and 31 December 2021:

Consolidated Statement of Financial Position at 1 January 2022	31 December 2022	increase / (decrease)	31 December 2022 Restated	31 December 2021	increase / (decrease)	31 December 2021 Restated
	2022	2022	2022	2021	2021	2021
	£'000	£'000	£'000	£'000	£'000	£'000
Non-Current Assets						
Property, Plant and Equipment	4,469,822	-	4,469,822	4,229,174	-	4,229,174
Investment Property	-	-	-	17,900	-	17,900
Intangible Assets	67,096	-	67,096	37,872	-	37,872
Other Financial Assets > 1 year	3,383,677	230,701	3,614,378	3,856,160	149,938	4,006,098
Derivative Financial Instruments Expiring > 1 year	6,068	-	6,068	-	-	-
Interest in Joint Venture	5,883	-	5,883	6,882	-	6,882
Trade and Other Receivables > 1 year	327,935	-	327,935	342,930	-	342,930
Total Non-Current Assets	8,260,481	230,701	8,491,182	8,490,918	149,938	8,640,856
Current Assets						
Other Non-Current Assets Classified as Held for Sale	6,120	-	6,120	3,262	-	3,262
Inventories	73,706	-	73,706	38,171	-	38,171
Other Financial Assets < 1 year	165,410	(96,588)	68,822	202,984	(91,926)	111,058
Derivative Financial Instruments Expiring < 1 year	11,281	(11,204)	77	804	(178)	626
Trade and Other Receivables < 1 year	498,235	(4,479)	493,756	452,586	(15,814)	436,772
Cash and Cash Equivalents	228,737	(120,282)	108,455	195,376	(43,427)	151,949
Total Current Assets	983,489	(232,553)	750,936	893,183	(151,345)	741,838
Total Assets	9,243,970	(1,852)	9,242,118	9,384,101	(1,407)	9,382,694
Current Liabilities						
Trade and Other Payables < 1 year	261,605	(1,852)	259,753	228,889	(1,407)	227,482
External Borrowings < 1 year	21,000	-	21,000	96,518	-	96,518
Currency in Circulation	104,682	-	104,682	116,935	-	116,935
Provisions < 1 year	924	-	924	4,758	-	4,758
Past Service Pension Provision < 1 year	-	-	-	9,003	-	9,003
Total Current Liabilities	388,211	(1,852)	386,359	456,103	(1,407)	454,696
Non-Current Liabilities						
External Borrowing > 1 year	857,707	-	857,707	296,052	-	296,052
Provisions > 1 year	49,247	-	49,247	34,638	-	34,638
Defined Benefit Pension Schemes Net Liability > 1 year	1,417	-	1,417	3,269	-	3,269
Past Service Pension Provision > 1 year	-	-	-	466,112	-	466,112
Total Current Liabilities	908,371	-	908,371	800,071	-	800,071
Assets Less Liabilities	7,947,388	-	7,947,388	8,127,927	-	8,127,927
Taxpayers' Equity						
Accumulated Revenue and Other Reserves	5,848,458	-	5,848,458	6,108,724	-	6,108,724
Revaluation Reserve	1,832,491	-	1,832,491	1,665,758	-	1,665,758
Investment Reserve	266,439	-	266,439	353,445	-	353,445
Total Taxpayers' Equity	7,947,388	-	7,947,388	8,127,927	-	8,127,927

Notes supporting the Consolidated Statement of Comprehensive Net Expenditure

4.6 Revenue

Accounting Policy

Revenue recognition

Revenue from transactions arise from interactions between the States of Jersey and other entities, including households, private corporations, the not-for-profit sector and other governments. It excludes gains and losses on financial assets, which are disclosed separately in Note 4.11b.

Whilst IFRS 15 does not cover non-exchange transactions that are “Levied by the States of Jersey” such as taxation, fines and penalties, the JFRoM extends the standard to this type of expenditure. Non-exchange income is therefore accounted for on an accruals basis, provided that a reasonable estimate of that income can be determined. Recognition points for non-exchange income are:

Revenue type	Recognition point
Social Security Contributions, Long-term Care Contributions and Personal income tax	Accrued for in the year the assessable income is earned.
Corporation tax	Accrued for in the year company tax returns are due unless no return was submitted and it is impracticable to make an estimate of tax due, i.e. year after assessable income is earned based on company returns.
Goods and Services Tax (GST)	Accrued for in the year the taxable activity occurs.
Impôts Duties	When the goods are landed in Jersey.
Island rates	Accrued in the year the Island Rates are charged for on a calendar year basis. Income is recognised in the period for which the rates are charged.
Fines and penalties	Accrued for when the fines and penalties are imposed. Generally, subsequent remissions and write-offs of such penalties and interest are treated as an expense. Penalties and interest that are imposed by law and immediately cancelled are not recognised as revenue or expense.

Taxpayers are entitled to dispute amounts assessed by the States of Jersey. Where the States considers that the probable outcome will be a reduction in the amount of tax owed by a taxpayer, an allowance for credit amendment (if the disputed debt is unpaid) or a provision for refund (if the disputed debt has been paid) will be created and there will be a corresponding reduction in revenue.

Earned through operations

Goods, services and rental income under “Earned through Operations” do meet IFRS 15’s application criteria.

Revenue from sale of goods and services is measured based on the fair value of the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

In general, income is recognised in the period when good or services are provided. Non-refundable fees and other income are treated as income on receipt.

GST charged/paid is fully recoverable, and so income and expenditure is shown net of GST.



Accounting Policy

Investment income

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents and from financial assets at fair value through profit or loss (FVTPL).

Dividend income is recognised when the right to receive a dividend payment is established. Any amount not received by the end of the reporting period is recognised as a current receivable.

Revenue	2023	Restated
	£'000	2022
		£'000
Levied by the States of Jersey		
Taxation Revenue		
Personal Income Tax	623,535	599,426
Corporation Tax	142,245	121,669
Goods and Services Tax (GST)	115,706	117,976
Total Taxation Revenue	881,486	839,071
Total Social Security Contributions	288,453	268,741
Island rates, duties, fees, fines and penalties		
Impôts Duty	71,394	66,726
Stamp Duty and Land Transfer Tax	39,537	54,304
Island Wide Rates	16,429	14,578
Fines and Penalties	13,859	12,041
Total Island rates, duties, fees, fines and penalties	141,219	147,649
Total Levied by the States of Jersey	1,311,158	1,255,461
Earned through operations		
Revenue from Contracts with Customers		
Sale of Goods	10,600	10,578
Sale of Services	107,521	102,929
Other Fees and Charges	14,731	11,452
Total Revenue from Contracts with Customers	132,852	124,959
Investment Income		
Interest Income	6,577	1,337
Dividend Income	16,964	9,405
Total Investment Income	23,541	10,742
Other Revenue		
Hire & Rentals	87,885	80,256
Other Income ⁱ	26,590	21,781
Total Other Revenue	114,475	102,037
Total Earned through operations	270,868	237,738
Net Revenue Expenditure/(Income)	1,582,026	1,493,199



Highlights

Analysis providing an explanation of the key year on year movements in revenue can be found in the Financial Review within the Performance Report.

ⁱ Other income includes: Financial Services returns, recovered costs, coverage payments and other income that does not fall into any other category.

4.7 Social Benefit Payments



Accounting Policy

Social benefits payments are accounted for as expenditure in the period to which they relate.

Social benefits payments include income support, which are recognised over the period for which the claim assessed is due. Where under or overpayments are identified, either during the award year or subsequently, adjustments are made to expenditure.

2023 - Department	2023	2022
Social Benefits	£'000	£'000
Pensions	239,898	227,706
Income Support	79,152	73,154
Incapacity Allowance, Pensions and Survivors' Benefits	57,101	53,176
Long Term Care Benefits	75,609	61,057
Health Benefits	45,424	33,490
Covid-19 Related Benefit Payments ⁱ	-	5,301
Education and Other: Allowances and Student Grants	17,061	17,253
Total Social Benefits	514,245	471,137



Highlights

Whilst most benefit lines saw increases due to changes in volumes and the uprating of payment amounts, the most significant change in 2023 is the increase in Health Benefits. This followed action by the Social Security Minister to provide extra support for Islanders, including the provision of a £20 reduction in individual's cost of GP surgery appointments, and free access to surgery consultations for children under the age of 18.

ⁱ Covid-19 benefit payments relate to the co-funded payroll scheme, emergency support payments, stimulus payments and vouchers.

4.8 Staff costs

Accounting Policy

Staff costs include salaries and wages, the costs of pensions and other employee benefits. Staff costs that can be attributed directly to the construction of an asset have been capitalised. Average staff numbers reported in the Staff Report include staff engaged on capital projects.

	Notes	2023	Salaries and Wages	Pension Contributions	Social Security	Total
			£'000	£'000	£'000	£'000
Departments & Trading Operations			458,506	63,313	26,861	548,680
Subsidiary Companies	i		28,327	3,267	1,527	33,121
Non-States Staff Costs	ii		47,586	-	-	47,586
States Members Remuneration			2,820	-	-	2,820
Other Staff Costs	iii		1,369	-	-	1,369
Capitalised Staff Costs			(12,409)	-	-	(12,409)
Elimination of Social Security Contributions	iv		-	-	(28,388)	(28,388)
Total			526,199	66,580	-	592,779

	Notes	2022	Salaries and Wages	Pension Contributions	Social Security	Total
			£'000	£'000	£'000	£'000
Departments & Trading Operations			405,078	55,379	23,910	484,367
Subsidiary Companies	i		25,186	3,038	1,410	29,634
Non-States Staff Costs	i		31,601	-	-	31,601
States Members Remuneration			2,638	-	-	2,638
Other Staff Costs	i		1,873	-	-	1,873
Capitalised Staff Costs			(4,477)	-	-	(4,477)
Elimination of Social Security Contributions	i		-	-	(25,320)	(25,320)
Total			461,899	58,417	-	520,316

Highlights

There has been an increase in staff numbers and costs in 2023. The increase in costs includes the impact of pay awards in 2023. Staff numbers have increased across a number of departments, and the total cost of Non-States staff, including contingent workers, have also increased in the year.

More information on the number of staff and what pay awards were given in 2023 is provided in the Staff and Remuneration Report.

ⁱ Further details can be found in the separately published Jersey Development Company / Andium Homes/ Ports of Jersey accounts.

ⁱⁱ Non-States staff costs includes the costs of individuals who do not hold an employment contract with the States, but who are acting as States Employees.

ⁱⁱⁱ Other staff costs include redundancy, voluntary redundancy, severance payments and adjustments for the cost of accumulated compensated absences.

^{iv} Social Security Contributions paid by States Entities to the Social Security Fund and Health Insurance Fund are internal to the States Accounts, and so eliminated on consolidation. This note has been drafted to show the full staff costs as well as the consolidated position.

4.9 Grants



Accounting Policy

Grants made are recognised as Grants and Subsidies Payments within the Consolidated Statement of Comprehensive Net Expenditure (SOCNE) to match the underlying event or activity that gives rise to a liability.

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
Significant Grants (£75,000 and over)				
CLS	Jersey Employment Trust (JET)	1,629	1,105	Grant to support employment for people with a Disability and / or Long-Term Health Conditions - employment and employability skills training, a range of paid, unpaid and voluntary employment opportunities, assistance in their induction period and through to sustained employment.
CLS	Jersey Employment Trust (JET) - Workforce Solutions Ltd (VDS)	800	800	Grant to support a program offering life and social pre-employment skills for people with a learning disability, those on the Autistic Spectrum or others with a disability or long-term health condition who require support to move them towards entering the employment market.
CLS	Shelter Trust	1,501	1,444	Grant to continue providing accommodation and support as well as outreach for the homeless and those without income or housing on the island.
CLS	Jersey Women's Refuge	300	215	Grant to support the charity to protect and empower women and children who have experienced domestic abuse
CLS	Jersey Citizens Advice Bureau	282	271	Grant to support championing the rights of individuals and promote equality and justice for all citizens by providing free advice and maintaining the Jersey online Directory including upgrading its development.
CLS	Home Call	107	103	Grant to support providing services to elderly and vulnerable Islanders. Services include organising home grocery and prescription deliveries, arranging transport to appointments at the hospital, organizing social events.
CYPES	Beaulieu Convent School	2,367	2,389	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	De La Salle College	1,889	1,945	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	FCJ Primary School	270	322	Grant to support the operation of the schools in delivering the Jersey Curriculum to its students.
CYPES	Jersey Child Care Trust	134	134	To support the operation of Jersey Child Care Trust who promote high quality, affordable childcare for families in Jersey
CYPES	Digital Jersey (Geek Talent)	435	217	To provide financial support for the running costs of the Digital Jersey Academy
CYPES	Best Start Partnership	-	116	Early years best start initiative
CYPES	Brighter Futures	332	-	To support the operation of Brighter Futures who supports parents, carers, children and young people in Jersey
CYPES	Jersey Cares	500	-	To support the operation of Jersey Cares
IHE	Serco (Jersey) Limited	307	436	To provide financial support for the running costs of the Waterfront Pool
JOA	Overseas Aid Grants (Grant Aid)	9,731	7,707	To provide life-changing assistance to people in developing countries since 1968

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
JOA	Overseas Aid Grants (Local Charities)	2,835	1,658	To support local community work project initiatives.
JOA	Overseas Aid Grants (Disaster Fund)	4,441	3,995	To provide disaster and emergency relief.
JOA	Overseas Aid Grants	203	600	To provide humanitarian aid for Ukraine residents.
MER	Government of Jersey London Office	646	621	To provide financial support for the running costs of the Jersey Government's London Office.
MER	Bureau de Jersey Ltd	125	100	To provide financial support for operating costs for the representation of the Governments of Jersey in France
MER	Channel Islands Brussels Office	359	264	To provide financial support for operating costs for the representation of the Governments of Jersey in Belgium
ECON	Jersey Finance Ltd	6,354	5,747	Grant to support the operation of the business which promotes the finance sector and provides technical support to Government.
ECON	Digital Jersey Ltd	2,325	2,225	Grant to support the operation of the business which promotes the digital sector and provides technical support to Government.
ECON	Jersey Competition Regulatory Authority	747	897	Grant towards cost of organisation that seeks to create a more competitive commercial environment
ECON	Jersey Island Genetics Ltd	188	185	Cattle testing.
ECON	Jersey National Park Ltd	250	200	Grant towards costs of safeguarding and developing the Jersey National Park.
ECON	Jersey Arts Centre Association	850	640	To provide financial support for the operating costs.
ECON	Jersey Opera House	511	366	To provide financial support for the operating costs.
ECON	Jersey Heritage	5,500	5,529	Grant to protect and promote Jersey's unique culture and heritage
ECON	Jersey Heritage	2,547	-	Grant for the refurbishment of Elizabeth Castle's Hospital and Officers' block
ECON	Jersey Rugby Football Club	370	50	Grants provided for the maintenance of the Rugby Club
ECON	Jersey Battle of Flowers (Events) Ltd	150	177	Grant to provide financial support for costs of the event.
ECON	Art House Jersey	1,130	915	Grant to support artists in the creation of ambitious work that has a positive impact on our Island community and international audiences
ECON	Jersey Business Limited	1,650	860	Grant to support delivery of the objectives contained within the JBL's business plan
ECON	Jersey Sport Limited	2,142	1,962	Grant helping to drive sport and physical activity forward in Jersey
ECON	Jersey Consumer Council	137	112	To continue the operation of the JCC
ECON	Visit Jersey Limited	5,650	5,750	Grant to promote the Island's unique history, culture and community
ECON	Ballet d'Jèrri Limited	330	-	New grant provided for the Jersey Ballet to encourage culture on Jersey
ECON	Jersey Products Promotion 2017 Limited	189	222	To continue the support of Genuine Jersey products.
ECON	Jersey Office of the Information Commissioner	70	250	Grant to provide financial support to an organisation that enforces data protection legislation
ECON Funds	Technology Accelerator Fund	325	230	Grant to accelerate the use of technology which supports economic, environmental and social priorities
ECON Funds	Jersey Reclaim Fund	1,000	-	Grant to support distribution of funds transferred under the Dormant Bank Accounts (Jersey) Law 2017 for charitable purposes
SPPP	Jersey Advisory and Conciliation Service (JACS)	455	355	To continue the operations of the employment relations service
T&E Funds	Dormant Bank Accounts	-	560	Provided charitable donations from bank accounts considered dormant. These were only provided in 2022.

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
T&E Funds	Association of Jersey Charities	-	1,524	The distribution of funds for charitable purposes made through the Channel Islands Lottery in 2022.
ECON	Ports of Jersey Ltd	-	685	Paid in 2022, and no longer paid in 2023
Total Significant Grants		62,063	53,883	

Economic Support Grants (2022)

CLS	Jersey Employment Trust (JET) - Acorn	-	256	Fiscal stimulus grants in 2022
CLS	Unemployment Support Scheme	-	167	Fiscal stimulus grants in 2022
CYPES	Trinity Youth Centre	-	208	Fiscal stimulus grants in 2022
CYPES	Jersey Scouts	-	367	Fiscal stimulus grants in 2022
CYPES	Beaulieu Convent School (FSF)	-	445	Fiscal stimulus grants in 2022
CYPES	Local Church - Ebenezer	-	11	Fiscal stimulus grants in 2022
IHE	Jersey Cricket Limited	-	300	Fiscal stimulus grants in 2022
IHE	Padel for All Limited	-	425	Fiscal stimulus grants in 2022
IHE	Durell Wildlife Conservation Trust	-	980	Fiscal stimulus grants in 2022
IHE	Jersey Baptist Church	-	7	Fiscal stimulus grants in 2022
IHE	The Jersey Race Club	-	15	Fiscal stimulus grants in 2022
IHE	Healing Waves Ocean Therapy	-	392	Fiscal stimulus grants in 2022
IHE	The Jersey Biodiversity Centre	-	22	Fiscal stimulus grants in 2022
JHA	Jersey Air Cadets (FS)	-	204	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (La Hougue Bie)	-	237	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (Hamptonne)	-	869	Fiscal stimulus grants in 2022
ECON	Jersey Heritage (Systems)	-	101	Fiscal stimulus grants in 2022
ECON	Royal Jersey Agricultural & Horticultural Society	-	298	Fiscal stimulus grants in 2022
ECON	National Trust for Jersey	-	1,639	Fiscal stimulus grants in 2022
ECON	Jersey Consumer Council (confidence)	-	19	Fiscal stimulus grants in 2022
ECON	Tantivy Blue Coach Tours Ltd	-	75	Economic Recovery grants in 2022
ECON	Jersey Business Ltd (Covid)	-	1,460	Economic Recovery grants in 2022
ECON	Digital Jersey Ltd (Covid)	-	251	Economic Recovery grants in 2022
ECON	Jersey Bus Tours	-	12	Economic Recovery grants in 2022
ECON	St Brelades College	-	31	Economic Recovery grants in 2022
ECON	Jersey Lavender Ltd	-	16	Economic Recovery grants in 2022

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
ECON	La Mare Vineyards Ltd	-	14	Economic Recovery grants in 2022
ECON	Waverley Coaches	-	41	Economic Recovery grants in 2022
ECON	Jersey Finance Ltd (covid)	-	299	Economic Recovery grants in 2022
ECON	Airline Services (CI) Ltd	-	47	Economic Recovery grants in 2022
ECON	CRES Reallocation	-	1	Economic Recovery grants in 2022
ECON	C I Travel Group	-	-	Economic Recovery grants in 2022
ECON	Individual - Sayers Martin Mr	-	-	Economic Recovery grants in 2022
ECON	Polar Cars Ltd	-	30	Economic Recovery grants in 2022
ECON	Europcar Jersey	-	-213	Economic Recovery grants in 2022
ECON	Spellbound Holdings Ltd	-	30	Economic Recovery grants in 2022
ECON	Visitor Accommodation Support Scheme (VASS) - Various	-	1,225	Economic Recovery grants in 2022
ECON	Fixed Cost Support Scheme (FCSS) - Various	-	150	Economic Recovery grants in 2022
Total Economic Support Grants		-	10,431	
Significant Grant Schemes (individual grants less than £75,000, but in total over £75,000)				
ECON	Rural Initiative Scheme	1,026	1,499	Grant to support businesses adapt to meet future challenges in the marketplace by supporting diversification, enterprise and innovation
ECON	Rural Support Scheme	3,046	913	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme.
ECON	Marine Support Scheme	321	-	Grant to support the fishing and associated industries manage rising costs while encouraging businesses to become more environmentally friendly and efficient
ECON	Arts Grant	95	-	Grant to support the development of a new project or artistic skills on island
OCE	Provision For Pilot Scheme	497	-	A one-off grant to a third party to support with set up costs
IHE	Covid Social recovery for Country access	142	-	Grant to support an environmental improvement scheme which offers financial incentives to support and reward initiatives designed to look after Jersey's countryside
SPPP Funds	Electric Vehicles Grant	814	-	The purchase incentive aims to speed up Jersey's transition to electric vehicles by bringing down the cost of electric vehicles to be closer to petrol or diesel alternatives
SPPP Funds	Low carbon heating systems Grant	630	-	Grant to support Islanders to move to low carbon heating systems (greenhouse gas emissions)
SPPP Funds	Energy Performance Certificate Grant	227	-	Grant supporting homeowners with the cost of Home Energy Audits which includes both a carbon dioxide emissions rating and an energy costs rating
CYPES	Nursery Education Fund (NEF)	3,379	2,869	Grant for a funded nursery place at a Government of Jersey primary school or a NEF registered provider
CYPES	Other Subsidies	156	-	Grants regarding school functionalities and focus on assistance to needs.
CYPES	Private School Bursaries	424	-	Grant to assist students in the payment of fees - bursaries are awarded based on means testing criteria
CLS	Ukraine Support	172	-	Subsidy payments provided as part of the Ukraine framework agreement

Issuing Department	Grantee	2023 £'000	2022 £'000	Reason for Grant
CLS	Post-Covid Culture & Physical Activity projects	485	250	Grant to support projects that promote mental or physical health for Islanders that may have been affected by the pandemic.
CLS	Various Back to Work	179	140	Grant to support a range of measures to encourage additional employment opportunities for the unemployed, including employment incentives, Community Jobs Fund and industry specific training
Total Significant Grant Schemes		11,593	5,671	
Other amounts including Grants under £75k, adjustments and eliminations		447	262	
Total Grants and Subsidies expense recorded		74,103	70,247	



Highlights

In 2023 there were no further grants to support economic recovery following the pandemic, but this was offset by increases in other grants made leading to an overall increase. This included significant increases in grants relating to overseas aid, rural support and heritage as well as new schemes introduced through the climate emergency fund.

Notes supporting the Consolidated Statement of Financial Position

4.10 Property, plant and equipment

Accounting Policy

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the States and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Property, Plant and Equipment is recognised where the initial cost or value exceeds £10,000. There is no threshold for the capitalisation of subsequent expenditure on an asset. On completion, Assets Under Course of Construction are transferred into the appropriate asset category.

Measurement

Assets are initially measured at cost, comprising:

- The purchase price;
- Any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;
- The cost of dismantling and removing the item and restoring the site on which it is located.

Property, plant and equipment is subsequently measured as follows:

Asset category	Measurement basis
Non-specialised operational assets	Existing Use Value (EUV)
Social housing	Existing Use Value – Social Housing (EUV-SH)
Specialised assets and networked assets	Depreciated Replacement Cost (DRC)
Surplus assets with access to the market	Fair value
Surplus assets with restrictions preventing access to the market	Existing Use Value (EUV)
Assets under Construction	Cost
Short life and low value assets	Depreciated historical cost (DHC) ⁱ

Non-specialised assets are valued in accordance with the RICS Valuation Global Standards 2017, as updated for the UK, on a 5-yearly cycle with a 3-year revaluation for higher value assets. The value of assets not revalued in the current year is indexed to the year-end using available appropriate indices. Assets are independently valued by RICS registered valuers, the Valuation Office Agency.

Social housing stock is valued annually at EUV-SH in line with the UK Housing Statement of Recommended Practice (SoRP) using the discounted cashflow approach. The stock is independently valued by RICS registered valuers, Jones Lang LaSalle.

Specialised assets and networked assets are valued in accordance with the RICS Valuation Global Standards 2017, as updated for the UK, on a 5-yearly cycle with a 3-year revaluation for higher value assets using the modern equivalent basis of DRC

ⁱ The States has elected to use DHC as a proxy for fair value for assets with a short useful life or a low value.

valuation. Cyclical valuations are supplemented by annual desktop valuations by the external valuer.

Subsequent expenditure on assets is capitalised where it enhances or replaces the service potential. Spending that does not replace or enhance service potential is expensed.

Revaluation

Revaluation gains are recorded in the revaluation reserve and presented in Other Comprehensive Income.

Downward revaluations are recorded in the revaluation reserve to the extent that they reverse previous upward revaluations. Downward revaluations below the historic cost of the asset are recorded as an impairment in Net Revenue Expenditure/Income.

Depreciation

Depreciation for Property, Plant and Equipment, other than for networked assets, is calculated by amortising the carrying value of the asset less its estimated residual value over its useful economic life on a straight-line basis. Depreciation is recognised in the Statement of Comprehensive Net Expenditure. The principal asset categories and their range of useful economic lives are outlined below:

Asset category	Life
Land	Not depreciated
Buildings	Up to 75 years
Social housing	Up to 80 years
Other structures	Up to 100 years
Plant, machinery, furniture & fittings	3 to 50 years
Transport equipment	2 to 20 years
Information Technology Equipment	3 to 10 years
Antiques and Works of Art	Depreciation is not required on heritage assets which have indefinite lives
Networked assets (Road networks, sewer systems and sea defences)	The annual depreciation charge for networked assets is the value of the service potential replaced through the maintenance programme, adjusted for any change in condition as identified by a condition survey. The value of the maintenance work undertaken is used as an indication of the value of the replaced part.

Residual Values and Useful Economic Lives of Property, Plant and Equipment are reviewed annually and, if appropriate, amended at the end of each reporting period.

Where an asset consists of several components which are significant in relation to the overall cost of the asset and with different useful economic lives, these will be componentised.

Disposal

On disposal of Property, Plant and Equipment, gains or losses on disposal are measured by deducting the carrying value of the asset and any directly attributable transaction costs from the sale proceeds and are reported in Net Revenue Expenditure/Income.

2023	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost											
At 1 January 2023	452,354	1,015,549	1,068,801	1,477,296	473,612	18,943	279,958	7,383	5,073	385,906	5,184,875
Additions	-	1,630	6,903	-	-	36	31	53	-	182,778	191,431
Disposals	(250)	-	-	-	-	(601)	(256)	-	-	-	(1,107)
Transfers	355	2,252	94,112	13,389	39,604	59	47,634	81	-	(197,486)	-
Revaluations/Revaluation Reversal	(7,189)	(1,129)	(2,102)	20,794	-	-	-	-	-	-	10,374
Assets reclassified (to)/from Non-Current Assets Held For Sale and Other Adjustments	1,025	25,685	(24,948)	42,965	(41,218)	618	538	161	-	-	4,826
At 31 December 2023	446,295	1,043,987	1,142,766	1,554,444	471,998	19,055	327,905	7,678	5,073	371,198	5,390,399
Accumulated Depreciation and Impairment											
At 1 January 2023	(62,841)	(258,710)	(62,990)	(18,775)	(102,676)	(10,470)	(184,998)	(5,156)	(61)	(8,376)	(715,053)
Depreciation charge	-	(36,427)	(17,840)	(10,000)	(12,837)	(1,814)	(12,163)	(875)	-	-	(91,956)
Disposals	-	-	31	-	-	525	251	-	-	-	807
Transfers	-	-	-	-	-	-	-	-	-	-	-
Revaluations/Revaluation Reversals	-	13,908	9,764	8,214	-	-	-	-	-	-	31,886
Impairment/Impairment Reversals	(1,621)	6,140	(33,049)	688	11,598	-	-	-	-	324	(15,920)
Assets reclassified (to)/from Non-Current Assets Held For Sale and Other Adjustments	(2,315)	(24,393)	-	(1,677)	(8)	(611)	(360)	(241)	-	-	(29,605)
At 31 December 2023	(66,777)	(299,482)	(104,084)	(21,550)	(103,923)	(12,370)	(197,270)	(6,272)	(61)	(8,052)	(819,841)
Net Book Value: 31 December 2023	379,518	744,505	1,038,682	1,532,894	368,075	6,685	130,635	1,406	5,012	363,146	4,570,558
Net Book Value: 1 January 2022	389,513	756,839	1,005,811	1,458,521	370,936	8,473	94,960	2,227	5,012	377,530	4,469,822
Asset Financing											
Purchased	337,939	736,172	1,036,505	1,532,894	368,075	6,635	130,435	1,406	4,290	363,146	4,517,497
Donated	34,527	-	-	-	-	50	200	-	722	-	35,499
Leased	7,052	8,333	2,177	-	-	-	-	-	-	-	17,562
Net Book Value: 31 December 2023	379,518	744,505	1,038,682	1,532,894	368,075	6,685	130,635	1,406	5,012	363,146	4,570,558

2022	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost											
At 1 January 2022	415,711	986,656	989,691	1,400,861	443,202	17,634	284,530	7,149	5,073	304,734	4,855,241
Additions	270	1,092	23,930	-	-	158	152	-	-	177,012	202,614
Disposals	-	-	(19,025)	-	(57)	(1,297)	(9,905)	(18)	-	-	(30,302)
Transfers	4,954	15,195	47,275	13,182	6,511	2,448	5,181	252	-	(94,998)	-
Revaluations/Revaluation Reversals	36,006	45,427	45,553	79,278	26,895	-	-	-	-	-	233,159
Impairments/Impairment Reversals	(4,587)	(32,821)	14,627	(16,025)	(2,939)	-	-	-	-	-	(41,745)
Assets reclassified (to)/from Non-Current Assets Held For Sale	-	-	(33,250)	-	-	-	-	-	-	(842)	(34,092)
At 31 December 2022	452,354	1,015,549	1,068,801	1,477,296	473,612	18,943	279,958	7,383	5,073	385,906	5,184,875
Accumulated Depreciation											
At 1 January 2022	(64,207)	(231,985)	(77,032)	18,019	(84,483)	(10,048)	(171,999)	(4,276)	(58)	-	(626,069)
Depreciation charge	-	(32,387)	(16,694)	(11,314)	(12,784)	(1,558)	(11,772)	(898)	(3)	-	(87,410)
Disposals	-	-	19,025	-	-	1,136	(1,227)	18	-	-	18,952
Transfers	-	(279)	279	-	-	-	-	-	-	-	-
Revaluations/Revaluation Reversals	(3,318)	13,837	14,030	(23,969)	(5,409)	-	-	-	-	-	(4,828)
Impairment/Impairment Reversals	4,684	(7,896)	(2,599)	(1,511)	-	-	-	-	-	(8,376)	(15,698)
At 31 December 2022	(62,841)	(258,710)	(62,991)	(18,775)	(102,676)	(10,470)	(184,998)	(5,156)	(61)	(8,376)	(715,053)
Net Book Value: 31 December 2022	389,513	756,839	1,005,811	1,458,521	370,936	8,473	94,960	2,227	5,012	377,530	4,469,822
Net Book Value: 1 January 2022	351,504	754,671	912,659	1,418,880	358,719	7,586	112,531	2,873	5,015	304,734	4,229,172
Asset Financing											
Purchased	344,697	747,734	1,003,771	1,458,521	370,936	8,440	94,615	2,227	4,288	377,530	4,412,759
Donated	35,406	30	-	-	-	33	345	-	724	-	36,538
Leased	9,410	9,075	2,040	-	-	-	-	-	-	-	20,525
Net Book Value: 31 December 2022	389,513	756,839	1,005,811	1,458,521	370,936	8,473	94,960	2,227	5,012	377,530	4,469,822

The table below includes valuation details of assets measured using the valuation model and the amount at which assets stated at revalued amounts would have been stated at had those assets been carried under the cost model:

	Land	Buildings	Social Housing (inc Land)	Networked Assets (inc Land)	Other Structures	Transport Equipment	Plant and Machinery, Furniture and Fittings	Information Technology Equipment	Antiques and Works of Art	Assets Under Course of Construction
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revaluation or Cost Model	Revaluation	Revaluation	Revaluation	Revaluation	Revaluation			Cost		
Independent Valuer	Valuation Office Agency	Valuation Office Agency	Jones Lang LaSalle	Valuation Office Agency	Valuation Office Agency & Buckley					
Valuation Methodology	Market Value	Market Value and Depreciated Replacement Cost	Existing Use Value	Depreciated Replacement Cost	Depreciated Replacement Cost			N/A		
Frequency of Full Valuation	Quinquennial	Quinquennial	Quinquennial	Quinquennial	Quinquennial					
Date of last full valuation	December 2022	December 2022	December 2022	December 2023	December 2022					
Effective Date of Valuation	December 2023	December 2023	December 2023	December 2023	December 2023					
Carrying Amount at Cost	314,292	410,635	767,990	987,994	132,627	6,685	130,634	1,403	5,015	371,198
Revaluation Surplus / Deficit	65,228	333,870	270,690	554,899	235,449	-	-	-	-	(8,052)
Revaluation /Impairment Movement in Year	(8,810)	18,919	(25,386)	29,697	11,598	-	-	-	-	324

 Highlights

The increase in the overall net book value of property, plant and equipment assets is largely driven by the net revaluation increases during 2023 as well as additional expenditure recognised as 'Assets under course of construction' during the year. These increases are partly offset by depreciation and disposals.

The Valuation Office Agency performed a full infrastructure valuation as at 31 December 2023 increasing the value of assets by £30.4m, including:

- Revaluation of the Road Network by £25.2m
- Revaluation of Sea Defences by £21m
- Impairment of the land associated with Infrastructure Assets by £15.7m
- Impairment of the Drainage Network by £0.16m

Valuation movements are largely driven by build costs where depreciated replacement cost is used. The significant increase in the cost of building materials and the sales and rental values of residential and commercial properties over recent years has led to an overall increase in the value of land, buildings and infrastructure assets. Following from the full land and buildings valuations completed as at 31 December 2022, an indexation for the year has been applied for the valuations as at 31 December 2023, resulting in a reduced increase.

Social Housing had a net increase in value due to transfers of £94.1m of new social housing offsetting a net impairment of £25.4m, driven by the impact of rents and economic factors in the valuation method, and not the quality of the stock.

During the year, the Sewage Treatment Works was completed and became operational, with £66.8m transferred from AUCC to operational assets as a result. Other transfers include £13.3m for Infrastructure Assets and £8.5m for the Energy recovery facility.

Capital Commitments

This amount includes the following amounts which are committed via a contractual arrangement, but not yet incurred/provided for.

Capital Commitments	2023	2022
	£'000	£'000
Tangible		
Andium: Ann Street Brewery	64,185	-
Andium: Northern Quarter	36,130	-
Andium: The Mayfair	29,601	46,319
CABO: Replacement Assets	11,336	451
HCS: Health Service Improvements	5,496	1,908
I&E: DVS Registration Systems	5,430	-
Andium: The Limes	4,705	23,951
HCS: Healthcare Facilities	4,452	-
JFM: Vehicle and Plant Replacement	2,697	3,347
I&E: Liquid Waste Strategy	1,757	3,001
SOJDC: International Finance Centre 2	1,550	-
CABO: MS Foundation	1,485	19
I&E: Countryside Infrastructure	1,371	-
POL: Police Firearms Range	1,227	10
JCP: Carpark Maintenance and Refurbishment	1,132	3
CABO: Cyber Security	986	398
Andium: Cyril Le Marquand Court	963	-
CABO: Service Digitisation	910	5
I&E: Inspiring Active Places	890	59
Andium: Edinburgh House	822	-
I&E: Replacement Assets	715	-
Other Tangible ⁱ	6,604	66,273
Total Tangible	184,444	145,744
Intangible		
CABO: Integrated Technology Solution	796	4,454
SSF: Benefits System Replacement	119	201
SSF: LTC Support System	101	-
Other Intangible	83	4,040
Total Intangible	1,099	8,695
Total Capital Commitments	185,543	154,439

ⁱ The table above is based on the 2023 projects. Within Other Tangibles the 2022 comparable includes the spend during 2023. The breakdown of the 2022 commitments is set out in the Annual Report and Accounts for the States of Jersey 2022, which is available on the gov.je website.

4.11 Financial Instruments



Accounting Policy

Classification

The group classifies its financial assets at amortised cost or fair value either through profit or loss (FVTPL) or through other comprehensive income (FVTOCI). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Category	Criteria for classification	Financial Assets
Amortised Cost	Amortised cost for financial assets whose cash flows are solely payments of principal and interest and the business model of which is to hold those financial assets in order to collect contractual cash flows. They are initially recognised at fair value and thereafter at amortised cost using the effective interest method less any impairment. The effective interest rate method is a method of calculating the amortised cost of a financial asset and of recognising and allocating interest income over the relevant period.	Loans and advances, contractual trade receivables and cash and cash equivalents
FVTPL	Fair value through profit or loss (FVTPL) for any financial assets that are not measured at amortised cost or FVTOCI. This category includes derivatives and investments in equity instruments, unless an irrevocable election is made on initial recognition to classify as FVTOCI. The election is only available to equity instruments that are not held for trading. Transactions costs and any subsequent movements in the valuation of assets held at FVTPL are recognised in the Statement of Comprehensive Net Expenditure.	Investments units in the Common Investment Fund, housing property bonds and derivatives
FVTOCI	FVTOCI includes debt instruments whose cash flows are the sole payments of principal and interest and held within the business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets. The GoJ accounts do not hold any debt instruments at fair value through other comprehensive income. FVTOCI also includes equity instruments where an irrevocable election has been made to fair value through other comprehensive income. The group has made the irrevocable election to present the Strategic Investments (as defined in note 11(a)) as fair value through other comprehensive income.	Strategic investments

The group classifies its financial liabilities at either amortised cost or fair value through profit or loss (FVTPL)

Category	Criteria for classification	Financial Liabilities
Amortised Cost	Most of the government's financial liabilities are classified at amortised cost.	Bank borrowings, bond, credit facility and contractual trade payables
FVTPL	Meets the IFRS 9 definition of a financial guarantee contract, contingent consideration or financial liability at fair value through profit or loss. Financial liabilities that arise where a transfer of a financial asset does not qualify for derecognition. Commitments to provide a loan at a below-market interest rate.	Derivatives

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. Differences between derecognised financial instruments' carrying value and cashflows received to transfer ownership are recognised as realised gains/losses in Consolidated Statement of Comprehensive Net Expenditure (SOCNE).

Financial assets are derecognised when the rights to receive future cash flows have expired or are transferred and the risks and rewards of ownership have been substantially transferred.

Measurement

At initial recognition, an entity shall measure FVTPL financial instruments at their fair value. Amortised cost and FVTOCI financial instruments shall be measured at their fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instrument. Except for contractual trade receivables which are initially measured at IFRS 15's transaction price.

Subsequent measurement of Financial Assets is as follows:

Category	Subsequent measurement
Amortised Cost	Interest income is calculated using the effective interest rate method. Any gain/(loss) arising on derecognition is presented in finance income or cost.
FVTPL	Changes in fair value movements are recognised through the profit and loss under (Gains)/Losses on Financial Assets.
FVTOCI	Changes in fair value movements are recognised through Other Comprehensive Income (OCI). Impairment losses or reversals, interest income (using the effective interest rate method) and foreign exchange gains and losses, are recognised in profit or loss. On derecognition, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss.

Subsequent measurement of Financial Liabilities is as follows:

Category	Subsequent measurement
Amortised Cost	Interest expenses are included in finance costs using the effective interest rate method. Fees paid to establish loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Any gain/(loss) arising on derecognition or remeasurement is presented in finance income or cost.
FVTPL	Fair value movements are recognised through the profit and loss.

Derivative contracts within the Common Investment Fund (CIF) have the legal right of set-off and thus can be settled net.

Impairment of Financial Assets

Financial assets other than equity instruments and those at FVTPL are assessed for impairment at each reporting date using the expected credit loss model as introduced by IFRS 9, and impairments are recognised in the Statement of Comprehensive Net Expenditure.

The group assesses on a forward-looking basis the expected credit losses, and annual assessments for impairment are carried out. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

IFRS 9 impairment requirements for financial assets apply to:

- Debt instruments – loans, trade receivables and debt securities measured at amortised cost or fair value through other comprehensive income (FVTOCI)
- Lease receivables
- Contract assets within the scope of IFRS 15
- Certain financial guarantees and loan commitments.

Trade receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2020 or 1 January 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

a. Financial Instruments by Category

Financial Instruments by Category	2023		2022 - Restated	
	Long term £'000	Short Term £'000	Long term £'000	Short Term £'000
Financial Assets				
Amortised Cost				
Cash and cash equivalents (Note 4.14)	-	75,636	-	108,455
Trade and other receivables (Note 4.13)	6,946	91,465	11,744	61,116
Loans and advances	17,524	2,779	14,896	2,434
Liquid Investments	-	33,531	17	66,387
Preference shares	7,400	-	7,400	-
Total Amortised Cost	31,870	203,411	34,057	238,392
Fair value through OCI				
Strategic investments	307,205	-	327,821	-
Total Fair value through OCI	307,205	-	327,821	-
Fair value through profit and loss assets				
Housing Bonds	49,820	-	46,423	-
Investment Units in the CIF	3,487,716	-	3,217,822	-
Derivatives	-	1,404	6,068	77
Total Fair value through profit and loss assets	3,537,536	1,404	3,270,313	77
Total financial assetsⁱ	3,876,611	204,815	3,632,191	238,469
Financial Liabilities				
Amortised Cost				
Trade and other payables (Note 15)	(39)	(64,905)	-	(55,261)
External borrowing (Note 16)	(880,195)	(108,313)	(857,707)	(21,000)
Total Amortised Cost	(880,234)	(173,218)	(857,707)	(76,261)
Total financial liabilities	(880,234)	(173,218)	(857,707)	(76,261)

Loans and advances

Loans and advances include a loan to Blue Islands furthering the continuity of a business which was critical to the economic recovery following the restrictions placed on islanders as a result of the COVID 19 pandemic, loans to assist first time house buyers from the Dwelling Houses Loan Fund, loans to housing associations from the Housing Development Fund and other smaller loans from specific Funds.

ⁱ Other Financial Assets excludes Cash and cash equivalents and Trade and Other Receivables which are already presented on the Statement of Financial Position and disclosed separately as referenced above.

Strategic Investments

Strategic Investments are the investment holdings in utility companies (JT Group, Jersey Electricity and Jersey Water) and a logistic company (Jersey Post) summarised below. The irredeemable preference shares are a separate holding in Jersey Water and JT Group.

Strategic Investments			
Company Name	Shareholding	2023 £'000	2022 £'000
Jersey Electricity PLC	62% (19,000,000 Ordinary Shares of 5p)	81,700	96,900
JT Group Limited	100% (20,000,000 £1 Ordinary shares)	157,497	182,900
Jersey Waterworks Company Limited	74% (4,620,000 (100%) "A" Ordinary Shares, 2,520,000 (50%) Ordinary Shares ⁱ)	44,015	35,900
Jersey Post International Limited	100% (5,000,000 £1 Ordinary shares)	23,993	12,121
Total Jersey Strategic Investments		307,205	327,821

Investment Units in the Common Investment Fund ("CIF")

As disclosed in note 4.5, the accounting policy has been changed. The breakdown of the CIF is as follows:

Value of Investment Units held by the States of Jersey		
CIF Unit Name	2023 £'000	2022 £'000
Equity Pool CIF Units	1,692,886	1,512,363
Government Bond CIF Units	127,504	122,655
Corporate Bond CIF Units	7	125
Absolute Return Bond CIF Units	115	286,275
Absolute Return CIF Units	531,176	496,088
Property CIF Units	92,629	100,086
Opportunities CIF Units	503,519	472,158
Alternative Risk CIF Units	152,114	153,818
Cash Investments CIF Units	90,444	74,254
Risk Seeking Credit CIF Units	297,321	-
	3,487,715	3,217,822

Investment Units in the CIF are those held across various investment managers and asset classes. Within the Financial Review there is a detailed description of the performance of the CIF during 2024.

ⁱ 900,000 (100%) 10% Cumulative Fifth Preference shares are also held

Total CIF Balance Sheet Breakdown

	2023 £'000	2022 £'000
Non-Current Assets		
Equity Class	1,972,716	1,731,935
Corporate Bond Class	-	731
Property Class	159,745	186,517
Absolute Return Class	681,046	607,383
Absolute Return Bond Class	-	338,371
Opportunities Class	611,841	535,849
Alternative Risk Premia Class	228,832	235,065
Risk Seeking Credit	351,850	-
Liquid Investments and gilts	104,250	192,109
Total Non-Current Assets	4,110,280	3,827,960
Current Assets		
Trade and other receivables	3,715	2,205
Cash, cash equivalents and Liquid Investments	178,882	139,678
Derivatives ⁱ	17,848	16,865
Total Current Assets	200,445	158,748
Current Liabilities		
Trade and other payables	(6,357)	(2,148)
Total Current Liabilities	(6,357)	(2,148)
Net Assets	4,304,368	3,984,559
Effective percentage of CIF units held within the accounting boundary	81%	81%
States of Jersey Share of net assets	3,487,715	3,217,822

Interest Rate Swap Derivatives

The Group has two subsidiaries that have entered into interest rate swap agreements.

Andium Homes limited entered into three interest rate swaps in July and August 2023 to mitigate their interest rate risk on their Revolving Credit Facility, in addition to the swap entered into in July 2022. The swaps have a notional value of £100m as at 31 December 2023 (2022: £50m) with a weighted average interest rate of 3.51% (2022: 2.58%) and maturities of 27 February 2027 and 27 February 2029, in line with the RCF. The carrying value of this swap is a liability of £1.2m (2022: asset £2.9m) as at 31 December 2023.

Jersey Development Company has an interest rate swaps agreement in place with a notional amount of £22m (2022: £22m) whereby they receive a fixed rate of interest of 1.21% (2022:1.21%) and pays interest at a variable rate equal to Compounded SONIA on the notional amount. The swap is being used to hedge the exposure to changes in the fair value of its floating rate secured loan. The carrying value of this swap is £2.6 million as at 31 December 2023 (2022: £3.2 million).

ⁱ The balances stated above are recorded as a net derivative basis. The gross derivative asset value is £1,046,176,00 and the gross liability value is £1,028,328,000.

Financial guarantee contracts

Jersey Business Disruption Loan Guarantee Scheme

The Jersey Business Disruption Loan Guarantee Scheme was introduced in response to fears that the COVID-19 might result in temporary shortages in funding to otherwise viable local businesses causing avoidable longer term damage to the economy. The method of the scheme is to guarantee qualifying bank lending by 80% for a limited period of time, enabling £50 million of new lending capacity by local banks. The scheme became live on 1 April 2020 with 30 September 2020 being the initial pre-defined closing date for applications.

The scheme was thereafter extended a number of times until finally closing to new applications on 31 December 2021. Whereas the guarantees issued up to and including 30 September 2020 were issued under emergency legislation, subsequent approvals to extend the scheme were issued under Ministerial orders.

There are five banks participating in the Scheme: RBSI; HSBC; Lloyds; Barclays; and Santander. Each bank has a £5 million limit on the amount of loans they can issue under the scheme (with the exception of Santander which agrees amounts per customer as required).

As 31 December 2023, 31 (2022: 40) of the facilities that had been granted by banks remained active. These facilities had a total facility value of £1.6 million (2022: £2.9 million) at their respective dates of award. At 31 December 2023, reflecting repayments made in the period to the year's end, the remaining value of guarantee exposure from these facilities (including accrued interest) is £0.7 million (2022: £1.7 million). Loan repayments will continue to diminish this guarantee exposure over time, notwithstanding that balances continue to accrue interest until full repayment.

There were two confirmed claims in 2023 (2022: one claims). No other liability provision was recorded in the accounts as at 31 December 2023 based on the fact that default rates in equivalent non-pandemic Business & Commercial loans have been historically very low (1%) and that the terms of the Scheme ensure banks conclude equivalent lending processes prior to issuing guaranteed loans.

Students Loans Scheme

The States of Jersey has provided financial guarantees to four banks in respect of student loans under its Students' Loans scheme. The loan scheme provided loans of up to £1,500 per year towards tuition fees. The scheme was stopped in the academic year 2018/19 to new students but remains in place for students who were already in the scheme. The total value of loans guaranteed is £0.3 million (2022: £0.54 million). There has been insignificant default on the Jersey scheme. The equivalent scheme in the UK experiences default of around 1% per annum on the balance.

Other Financial Liabilities

Housing Trusts Letters of Comfort

The States of Jersey has provided 22 letters (2022: 23 letters) of comfort to four Housing Trusts covering loans totalling £59.78 million (2022: £67.45 million). The letters of comfort provide that the States will provide a subsidy (through the Housing Development Fund) to the housing trusts if interest rates exceed an agreed threshold. The subsidy payable would be equal to the excess interest payable. The letters of comfort cover a range of periods up to 2034. No subsidies have been paid since 2009, but changes in financial market conditions and interest rates during 2023 have exceeded the threshold for triggering subsidy payments

towards the end of the year, the potential liability for the year ended 31 December 2023 is expected to be £581,000. Forecasts for future interest rates suggest that subsidies will be payable in future years, but it is expected to continue being insignificant in value for the foreseeable future.

b. Amounts Recognised in the SOCNE

2023	Financial Assets		Financial Liability		Total
	Amortised Cost	Fair value Through OCI	Fair value through profit and loss	Amortised cost	
	£'000	£'000	£'000	£'000	£'000
Interest income	(4,474)	-	(2,103)	-	(6,577)
Dividend income	-	(16,964)	-	-	(16,964)
Total Investment Income	(4,474)	(16,964)	(2,103)	-	(23,541)
Net Realised Financial Asset loss / (Gain)	-	-	(45,752)	-	(45,752)
Net Unrealised Financial Asset loss / (Gain)	-	-	(303,439)	-	(303,439)
Total (Gains)/Losses on Financial Asset	-	-	(349,191)	-	(349,191)
Interest expense	-	-	-	28,889	28,889
Fee expense	-	-	-	1,722	1,722
Total Finance Costs relating to Financial Instruments	-	-	-	30,611	30,611
Impairment loss	2,669	-	-	-	2,669
Total Impairment relating to Financial Instruments	2,669	-	-	-	2,669
Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments	(1,805)	(16,964)	(351,294)	30,611	(339,452)
Loss / (Gains) on Other Financial Assets	-	20,616	-	-	20,616
Surplus/deficit on revaluation of assets in Other Comprehensive	-	20,616	-	-	20,616
Net (Gain)/Loss for the year	(1,805)	3,652	(351,294)	30,611	(318,836)

Investment Management and other Fees relating to the CIF of £39 million are included as part of the Gain/Losses on CIF investments (2022: £45.8 million).

2022 - Restated	Financial Assets		Financial Liability		Total £'000
	Amortised Cost	Fair value Through OCI	Fair value through profit and loss	Amortised cost	
	£'000	£'000	£'000	£'000	
Interest income	(1,522)	-	(366)	-	(1,888)
Dividend income/distributions	-	(6,989)	(36,202)	-	(43,191)
Total Investment Income	(1,522)	(6,989)	(36,568)	-	(45,079)
Net Realised Financial Asset loss / (Gain)	-	-	(37,801)	-	(37,801)
Net Unrealised Financial Asset loss / (Gain)	-	-	258,017	-	258,017
Total (Gains)/Losses on Financial Asset	-	-	220,216	-	220,216
Interest expense	-	-	-	22,864	22,864
Fee expense	-	-	-	1,629	1,629
Total Finance Costs relating to Financial Instruments	-	-	-	24,493	24,493
Impairment loss	3,196	-	-	-	3,196
Total Impairment relating to Financial Instruments	3,196	-	-	-	3,196
Total Income/Expenditure in Net Revenue Expenditure relating to Financial Instruments	1,674	(6,989)	183,648	24,493	202,826
Loss / (Gains) on Other Financial Assets	-	87,485	-	-	87,485
Surplus/deficit on revaluation of assets in Other Comprehensive	-	87,485	-	-	87,485
Net (Gain)/Loss for the year	1,674	80,496	183,648	24,493	290,311

Reconciliation to SoCNE Finance Costs

Expenses Breakdown	2023 £'000	2022 £'000
Interest Expense	28,889	22,864
Fee Expense	1,723	1,629
Pension Past Service Liabilities Interest	-	9,700
Finance Costs	30,612	34,193

Reconciliation to SoCNE Impairments

Expenses Breakdown	2023 £'000	2022 £'000
Impairment Loss / (Reversals)	2,669	3,196
Impairment of PPE	15,930	14,447
Impairments	18,599	17,643



Highlights

A summary of the performance of the States investments is included as part of the Financial Review.

Strategic Investments

The downwards movement in the valuation of the strategic investments is largely the result of a reduction in the value of JT Global following a decrease in the cash balance held due to special dividends paid the States and capital investment.

The Jersey Post valuation has increased due to improved performance in 2023 as the business, and industry multiples used in valuation, begin to recover. Jersey Electricity decreased in value (based on share price), and Jersey Water increased – mostly driven by more buoyant multiples in the industry.

These valuation estimates are based on a single investment valuation methodology and represent an estimate based on those calculations as at the balance sheet date for the purposes of compiling these accounts.

c. Fair Value Hierarchy

Fair values of financial and non-financial assets and financial liabilities

The following table combines information about:

- a) classes of financial instruments and non-financial assets based on their nature and characteristics;
- b) the carrying amounts of financial instruments and non-financial assets;
- c) fair values of financial instruments and non-financial assets; and
- d) fair value hierarchy levels of financial instruments and non-financial assets for which fair value is disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels

The States' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

31 December 2023	Carrying Value	Fair Value Level			Total Fair Value
		1	2	3	
	£'000	£'000	£'000	£'000	£'000
Financial Assets					
Amortised Costⁱ					
Cash and cash equivalents	75,636	75,636	-	-	75,636
Trade and other receivables	98,411	98,411	-	-	98,411
Loans and advances	20,303	-	15,829	-	15,829
Short-term liquid investments	33,531	33,531	-	-	33,531
Preference shares	7,400	-	7,400	-	7,400
Fair value through OCI					
Strategic investments ⁱⁱ	307,205	81,700	-	225,505	307,205
Fair value through profit and loss					
Housing Bonds	49,820	-	-	49,820	49,820
Investment Units in the CIF	3,487,716	1,418,210	972,158	1,097,348	3,487,716
Derivatives	1,404	-	1,404	-	1,404
Total financial assets	4,081,426	1,707,488	996,791	1,372,673	4,076,952
Financial Liabilities					
Amortised costⁱⁱⁱ					
Trade and other payables	(64,944)	(64,944)	-	-	(64,944)
External Borrowings	(988,508)	(221,284)	(573,883)	-	(795,167)
Total financial Liabilities	(1,053,452)	(286,228)	(573,883)	-	(860,111)

ⁱ There is a difference between amortized cost and fair value due to the differing measurement objectives and methodologies. Amortized cost focuses on the historical cost adjusted for specific factors, while fair value captures the current market value of the asset.

ⁱⁱ The States' Strategic Investments are held through instruments that are unlisted. Therefore, they are all classified as Level 3 instruments following the fair value basis of "Unquoted Strategic Investments" described in 4.12 (d) except for Jersey Electricity PLC which has been valued using unheld quoted ordinary share price therefore being deemed as level 1.

31 December 2022 Restated	Carrying Value £'000	Fair Value Level			Total Fair Value £'000
		1 £'000	2 £'000	3 £'000	
Financial Assets					
Amortised Cost					
Cash and cash equivalents	108,455	108,455	-	-	108,455
Trade and other receivables	72,860	72,860	-	-	72,860
Loans and advances	17,330	-	15,629	-	15,629
Short-term liquid investments	66,404	66,404	-	-	66,404
Preference shares	7,400	-	7,400	-	7,400
Fair value through OCI					
Strategic investments	327,821	96,900	-	230,921	327,821
Fair value through profit and loss					
Housing Bonds	46,423	-	-	46,423	46,423
Investment Units in the CIF	3,217,822	1,293,608	933,983	990,231	3,217,822
Derivatives	6,145	77	6,068	-	6,145
Total financial assets	3,870,660	1,638,304	963,080	1,267,575	3,868,959
Financial Liabilities					
Liabilities at amortised cost					
Trade and other payables	(55,261)	(55,261)	-	-	(55,261)
External Borrowings	(878,707)	(147,357)	(563,485)	-	(710,842)
Total financial and non-financial Liabilities	(933,968)	(202,618)	(563,485)	-	(766,103)

Valuation processes

The Treasury and Investments Team of the Treasury & Exchequer Department is responsible for obtaining valuations of financial instruments used for financial reporting, including level 3 fair values.

Discussions of valuation processes and results for financial instruments are subject to internal review within the Treasury and Investment Team and their advisor, Aon, with oversight provided by the Treasury Advisory Panel.

Valuation of pooled investments at level 3 are based on the latest manager valuation reports adjusted for any capital calls and distributions since the valuation report. Valuations are subject to a layered assurance process comprising:

- e) independent review of valuations applied by the custodian, Northern Trust;
- f) review of the valuation process by the independent investment advisor, Aon;
- g) where they are available, review of the SOC1 internal controls reports for fund managers, custodian and administrators; and
- h) back testing to validate manager valuations to compare published audited outturn results against the valuations.

The valuation of Strategic Investments is subject to internal review and sign off within the Treasury and Investment Team, including the selection of appropriate comparable companies in similar sectors and the calculation of the income multiples. The valuation for

Jersey Post International Ltd, JT Global Ltd and Jersey New Waterworks Ltd is based on a “market pricing” approach using the comparable companies technique. The valuation of Jersey Electricity plc is based on the quoted share price.

d. Sensitivity of assets valued at Level 3

Having analysed historical data and current market trends, and consulted with independent investment advisors, the States has determined that the valuation methods described above are likely to be accurate to within the following ranges, and has set out opposite the consequent potential impact on the closing value of investments held at 31 December 2023.

Description of asset 2023	Assessed valuation range		Value at 31 December 2023	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'000
Property Class	10.0%	-10.0%	92,408	101,649	83,167
Absolute Return Class	10.0%	-10.0%	528,763	581,639	475,887
Opportunities Class	12.5%	-12.5%	476,178	535,700	416,656
Housing Bonds	6.2%	-6.2%	49,820	52,902	46,738
Total			1,147,169	1,271,890	1,022,448

Please refer to Note 4.11(e) for sensitivity analysis of unquoted strategic investments.

2023	Opening balance	Transfers in/(out) of Level 3	Net Purchases/ (Sales)	Unrealised gains/(losses)	Closing balance
	£'000	£'000	£'000	£'000	£'000
Common Investment Fund					
Property CIF Pool	100,086	-	(3,900)	(3,557)	92,629
Absolute Return CIF Pool	647,686	-	(11,000)	47,468	684,154
Opportunities CIF Pool	585,834	-	24,800	41,233	651,867
Total Investment in the CIF	1,333,606	-	9,900	85,144	1,428,650
SOJ's proportion of level 3 CIF units					
Property CIF Units	99,675				92,408
Absolute Return CIF Units	465,218				528,763
Opportunities CIF Units	425,039				476,178
Total SOJ's proportion of level 3 CIF units	989,932				1,097,349
Unquoted Strategic Investments	230,921	-	-	(5,416)	225,505
Housing bonds	46,423	-	4,483	(1,086)	49,820
Total SOJ Level 3 financial assets	1,267,276	-	4,483	(6,502)	1,372,674

Description of asset 2022	Assessed valuation range		Value at 31 December 2023	Value on increase	Value on decrease
	+%	-%	£'000	£'000	£'000
Property Class	10.0%	-10.0%	99,974	109,971	89,977
Absolute Return Class	10.0%	-10.0%	465,218	511,740	418,696
Opportunities Class	12.5%	-12.5%	425,039	478,169	371,909
Housing Bonds	9.1%	-9.1%	46,423	50,667	42,179
Total			1,036,654	1,150,547	922,761

2022	Opening balance	Reclassification from/(to) Inventories	Net Purchases/ (Sales)	Unrealised gains/(losses)	Closing balance
	£'000	£'000	£'000	£'000	£'000
Common Investment Fund					
Property CIF Pool	118,332	-	(1,210)	(17,036)	100,086
Absolute Return CIF Pool	593,995	-	50,500	3,191	647,686
Opportunities CIF Pool	367,290	-	186,000	32,544	585,834
Total Investment in the CIF	1,079,617	-	235,290	18,699	1,333,606
SOJ's proportion of level 3 CIF units					
Property CIF Units	116,646				99,974
Absolute Return CIF Units	492,355				465,218
Opportunities CIF Units	287,190				425,039
Total SOJ's proportion of level 3 CIF units	896,191				990,231
Unquoted Strategic Investments	297,506	-	-	(66,585)	230,921
Housing bonds	37,438	-	5,017	3,968	46,423
Investment Property	17,900	(17,900)	-	-	-
Total SOJ Level 3 financial assets	1,249,035	(17,900)	5,017	(62,617)	1,267,575

e. Fair value - Basis of valuation

The basis of the valuation of each class of asset and liability measured at fair value is set out below. There has been no change in the valuation techniques used during the year. All assets and liability have been valued using fair value techniques based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

The value of Units in the Common Investment Fund equals the underlying net assets value of the holdings within each specific pool. The basis of valuation of these underlying assets is set out below.

Description of asset or liability	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities
Cash and cash equivalents, trade and other receivables, and trade and other payables	1	Carrying value is deemed to be fair value, because of the short- term nature of the instruments.	Not required.	Not required.
Quoted bonds and equity	1	Quoted price.	Not required.	Not required.
Quoted strategic investments	1	Share price.	Not required.	Not required.
Forward Foreign Exchange derivatives	1	Market forward exchange rates at the year-end.	Exchange rates.	Not required.
Interest Rate Swaps	2	The present value of the estimated future cash flows based on observable yield curves.	Interest rates.	Not required.
Loans and advances, finance leases and external borrowing	2	Fair values have been estimated by discounting the remaining cashflows of the instruments using the rates from the Public Works Loans Board as a proxy for the rates at which the States might lend and borrow.	Observable inputs: rates vary depending on the remaining period of the financial instrument. Unobservable inputs: remaining period of the financial instruments varies from 1 to 34 years.	Not required.
Pooled equity	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Corporate bonds	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Emerging market pooled fund	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Special equity pooled fund	2	Closing price where bid and offer prices are published.	NAV based pricing though pricing underlying listed equity	Not required.
Alternative Risk Premia	2	Closing bid price where bid and offer price are published.	NAV based on third party valuation of underlying assets, all of which are level 1/2.	Not required.

Absolute Return bond	2	Closing bid price where bid and offer price are published.	NAV based on third party valuation of underlying assets, all of which are level 1/2.	Not required.
Pooled property fund	3	Valuations are calculated monthly by the manager on the basis of the open market value as defined in the 'Appraisal and Valuation Manual' of the Royal Institution of Chartered Surveyors.	NAV based on unaudited quarterly valuation statement, which is valued by the Manager.	The Fund holds a diversified portfolio of UK property, but is exposed to the material events impacting the UK property market. Valuations will be impacted by factors such as occupancy rates, lease terms, covenant terms, transactional activity in sector.
Absolute Return Pool	3	Valued monthly at NAV based on manager valuation models.	Investment valuations are determined by the Manager. Hedge Funds apply proprietary models to value assets, using a variety of sources. The manager will utilise mark to model values which are derived from a variety of asset specific models.	Valuation models apply numerous subjective judgments by the Investment Manager. These are subject to assumptions around factors such as Liquidity discounts, EBITDA multiples etc.
Opportunities Fund	3	Valued quarterly at NAV based on manager valuation models. Valuations are adjusted to capital calls / distributions in the quarter.	Investment valuations are determined by the Manager. Managers apply proprietary models to value assets, using a variety of sources. The manager will utilise mark to model values which are derived from a variety of asset specific models.	Valuation models apply numerous subjective judgments by the Investment Manager. These are subject to assumptions around recent arm's length transactions, referring to other instruments that are substantially the same and/or discounted cash flow analysis.
Housing bonds	3	Fair value of the bonds is initially calculated as the proportionate difference between the fair market price of the property and the agreed cash price. Subsequently, fair value is obtained at each year end by applying the latest published Jersey Housing Price Index (HPI) to the bonds initial fair value.	Fair market or agreed cash price of the property (at purchase)	Fair value of the bonds is initially calculated as the proportionate difference between the fair market price of the property and the agreed cash price. Subsequently, fair value is obtained at each year end by applying the latest published Jersey Housing Price Index (HPI) to the bonds initial fair value.
Unquoted strategic investments	3	Priced using income multiples based on similar companies.	Forecast EBITDA of the companies. Industry valuation multiples. Financial results of the comparable companies.	Valuations are primarily influenced by the income multiple and the discount factor. An increase / (decrease) in the income multiple of 1 would increase / (decrease) the value by £18.712m 5% increase / (decrease) in discount rate (decreases) / increases the value by £7.376m

f. Financial Risks

Risk and Risk Management

The primary long-term risk to the States is that it fails to meet its investment objectives. The States recognises that risk is inherent in any investment activity. The objective of risk management is to identify, manage and control risk exposure within acceptable parameters, whilst optimising the return on that risk. The States has an active risk management programme in place and the measures it uses to control key risks are set out in the States of Jersey Investment Strategies Document (ISD).

The ISD is subject to ongoing review by the Treasury Advisory Panel (TAP) who recommend its adoption to the Minister. On approval by the Minister the strategy is presented to the States.

The ISD sets out the investment strategies for all the participant States' funds invested in the Common Investment Fund (the CIF). The CIF is a pooling arrangement allowing States' funds together with charitable funds administered by the States, to be managed as a cohesive whole to maximise investment opportunity and reduce risk, while recognising that participant Funds have different investment objectives depending on their purpose.

The overall approach is to reduce risk to a minimum where it is possible to do so without compromising returns (e.g. in operational matters), and to limit risk to prudently acceptable levels otherwise (e.g. in investment matters). The means by which the States minimises operational risk and constrains investment risk is set out in further detail in its ISD.

In addition, the States has controlling interests in seven subsidiary companies, four of which are referred to as Strategic Investments. The purpose for holding these investments is to provide security of key utility services for the Island and to assist with the delivery of Government policy.

These companies will face many of the same risks to which the States is exposed but these are managed directly by the individual Boards and Executive Management teams. Details on how these risks are managed can be found in each company's own annual report.

Market risk

Market risk is the level of volatility in returns on investments caused by changes in market expectations, interest rates, credit spreads, foreign exchange rates and other factors. Market risk is inherent in all asset classes but is considered to be higher in the more volatile asset classes such as equity.

The States seeks to limit its exposure to market risk through diversification and through active management by its underlying portfolio of managers. The level of exposure to market volatility is determined at a Fund level and controlled through the asset allocation set in individual Funds strategies.

i) Price Risk

Price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all such instruments in the market.

The States is exposed to price risk from the equity securities held by the Group.

To manage its price risk arising from investments in equity securities, the States diversifies its Equity Class portfolio. Diversification of the portfolio is done in accordance with the limits set by the Treasurer. Price risk is managed via asset allocation at the strategic level but also managed by Investment Managers at the operational level through tools such as diversification and selection of individual securities. The operational controls employed by the managers are included within their investment management agreements, scheme rules or equivalent.

In consultation with its investment advisors, the States has determined that the following movements in market price risk are reasonably possible for 2023, assuming that all other variables, in particular foreign exchange rates and interest rates, remain the same:

Asset type	Value at 31 December 2023	Potential market movements (+/-)	Value on increase	Value on decrease
	£000		£000	
Equity Pool CIF Units	1,692,886	19.3%	2,019,613	1,366,159
Strategic investments	307,205	17.4%	360,567	253,843
Total	2,000,091		2,380,180	1,620,002

Asset type	Value at 31 December 2022	Potential market movements (+/-)	Value on increase	Value on decrease
	£000		£000	£000
Equity Pool CIF Units	1,512,363	19.3%	1,804,249	1,220,477
Strategic investments	327,821	17.4%	384,764	270,878
Total	1,840,184		2,189,013	1,491,355

ii) Interest Rate Risk

Fixed interest securities and cash are subject to interest rate risks, which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The States is exposed to interest rate risk through holdings in interest bearing assets held both directly or indirectly through Fund structures such as: UK Corporate Bonds, Absolute Return Bonds and the Opportunities class.

UK Government Bonds are held directly within the Short-Term Government Bond and Index Linked Government Bond Pool of the CIF, which are passively managed and interest rate risk managed by limiting the duration of the States holdings.

Cash, UK Corporate Bond, Absolute Return Bond and Opportunities class assets are actively managed by external managers within the scope of their respective investment management agreements. Some managers may utilise derivative instruments such as futures, options and swap agreements to modify duration, subject to restrictions.

The table below illustrates a 1% change in value on the assets deemed to be affected by interest rate movements.

Assets exposed to interest rate risk	Value at 31 December 2023	Potential movement on 1% change in interest rates	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Alternative Risk CIF Units	152,114	1,521	153,635	150,593
Absolute Return CIF Units	531,176	5,312	536,488	525,864
Risk Seeking Credit CIF Units	297,321	2,973	300,294	294,348
Opportunities CIF Units	503,519	5,035	508,554	498,484
Bond CIF Units	127,626	1,276	128,902	126,350
Total change in assets available	1,611,756	16,118	1,627,873	1,595,639

Assets exposed to interest rate risk	Value at 31 December 2022	Potential movement on 1% change in interest rates	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Alternative Risk CIF Units	153,818	1,538	155,356	152,280
Absolute Return CIF Units	496,088	4,961	501,049	491,127
Opportunities CIF Units	472,158	4,722	476,880	467,436
Bond CIF Units	409,055	4,090	413,145	404,965
Total change in assets available	1,531,119	15,311	1,546,430	1,515,808

iii) Currency Risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The States is exposed to currency risk on financial instruments denominated in currencies other than sterling. Exposure to currency risk is controlled in line with the Statement on Currency Hedging included within the ISD. The ISD aims to mitigate this risk as follows:

- Exposure to currency risk is typically managed by the underlying investment managers whose performance is linked to a sterling benchmark.
- Where a non-sterling share class is utilised, a hedging decision will be made on investment under the advice of the TAP and will typically see 95% of the exposure hedged.
- Under advice of the TAP a special hedging arrangement was entered into to protect some of these gains from a sudden recovery in sterling and remains in place.

The following table demonstrates the change in value of the States investments had there been a 6% strengthening/weakening of the pound against foreign currencies.

Assets exposed to currency risk	Value at 31 December 2023	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Pool CIF Units	1,145,220	68,713	1,213,933	1,076,507
Opportunities CIF Units	149,273	8,956	158,229	140,317
Absolute Return CIF Units	33,741	2,024	35,765	31,717
Alternative Risk CIF Units	147,967	8,878	156,845	139,089
Cash and cash equivalents	237	14	251	223
Liquid Investments	3,206	192	3,398	3,014
Total change in assets available	1,479,644	88,777	1,568,421	1,390,867

Assets exposed to currency risk	Value at 31 December 2022	Potential market movement	Value on increase	Value on decrease
	£'000	£'000	£'000	£'000
Equity Pool CIF Units	1,257,720	75,463	1,333,183	1,182,257
Opportunities CIF Units	155,811	9,349	165,160	146,462
Absolute Return CIF Units	102,436	6,146	108,582	96,290
Alternative Risk CIF Units	152,083	9,125	161,208	142,958
Cash and cash equivalents	21,781	1,307	23,088	20,474
Total change in assets available	1,689,831	101,390	1,791,221	1,588,441

iv) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligation.

The main exposure to credit risk arises from investment in fixed income, loans and advances, trade and other receivables and cash class assets, which includes cash and cash equivalents held for operational purposes. Credit risk is managed as follows:

- UK Gilts are held within the Short-Term Government Bond Pool and Index Linked Gilt Pool depend on the solvency of the UK Government. The credit rating of the UK Government is AA (Moody's). Credit rating is monitored regularly by the States.sUK Corporate bonds and absolute return bonds are invested via collective investment vehicles, which indirectly expose the States to credit risk. Credit risk within the vehicles is managed through diversification and selection of securities/counterparty which is delegated to individual Investment Managers. Risk management within the collective investment vehicles is undertaken in line with the investment mandate for each Manager, which may also include use of derivatives for hedging purposes, subject to restrictions.
- Cash held for investment purposes is managed on the States' behalf by Ravenscroft Asset Management (RAM) on a daily basis. RAM operate within a mandate which manages credit risk through limits on counterparty rating, concentration and maturity.
- Housing bonds are issued to eligible purchasers of housing stock initially valued as the difference between the agreed cash price and the fair market value of the property. The bond is repaid to the Company when the property is next conveyed. Subsequently, the bond value is measured at fair value which is linked to the fair value of the underlying housing property. All housing bonds are fully backed by collateral. Following the adoption of IFRS 9 Expected credit loss (ECL) "forward-looking model", it is no longer necessary for a loss event to have occurred before credit losses are recognised. States of Jersey entities are now required to recognise either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The

ECL model applies to both debt instruments accounted for at amortised cost and at FVTOCI. Significant judgement may be involved where there is an absence of market comparisons.

v) Liquidity risk

Liquidity risk represents the risk that the States will not be able to meet its financial obligations as they fall due.

Cashflows are forecast for relevant States Funds to ensure that sufficient short-term cash is available to meet monthly cash requirements. Sufficient liquid assets are maintained in the Consolidated Fund to meet all States' short-term requirements. Liquidity requirements are monitored regularly by the TAP throughout the year.

The CIF has committed capital within the Opportunities Class. Capital call notifications are usually given with 10-20 days' notice with the purpose of acquiring investments and working capital requirements. The Treasury and Investment Management team request that Opportunity investment Managers provide estimated drawdown forecasts on a quarterly basis to ensure sufficient cash can be made available within the portfolio. The Government's proportion of the residual undrawn commitment still available to be called by the Opportunity investment Managers is as follows:

Opportunities Pool Undrawn Committed Capital		
Currency	2023 '000	2022 '000
GBP	100,992	76,242
USD	124,082	68,017
EUR	10,492	10,492
	235,566	154,751

The States' financial liabilities as at 31 December 2023 and 2022, stated at their gross, contractual and undiscounted amounts, fall due as indicated in the following table:

Financial Liabilities - 2023	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables	(64,906)	(39)	-	(64,945)
External borrowing	(276,378)	(96,247)	(1,353,712)	(1,726,337)
Total	(341,284)	(96,286)	(1,353,712)	(1,791,282)

Financial Liabilities - 2022	Less than one year	Between one to five years	Greater than 5 years	Total
	£'000	£'000	£'000	£'000
Trade and other payables	(55,261)	-	-	(55,261)
External borrowing	(31,535)	(147,961)	(1,454,566)	(1,634,062)
Total	(86,796)	(147,961)	(1,454,566)	(1,689,323)

4.12 Inventories



Accounting Policy

Inventory includes:

- Raw materials, consumables, work-in-progress and finished goods;
- Development property; and
- Currency not issued.

Inventory comprising raw materials, consumables, work-in-progress and finished goods are valued at the lower of cost and current replacement cost.

In the case of property held as inventory by the States of Jersey Development Company, costs represents the purchase price plus any directly attributable costs including professional fees and expenses incurred directly associated with the land's development since acquisition. Directly attributable costs also include salaries and related expenses. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete redevelopment and selling expenses.

Currency not issued is recognised at cost.

Type of Inventory

	2023 £'000	2022 £'000
Raw Materials, Consumables, Work in Progress and Finished Goods	13,562	12,684
Development Property Inventories	83,312	61,022
Total Inventories	96,874	73,706

During the year the following amounts relating to Inventory were recognised as expenditure:

	Raw Materials, Consumables, Work in Progress and Finished Goods		Development Property Inventories	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Inventory used during the year	38,985	34,023	-	-
Inventory written off	982	1,281	-	1,405
Total	39,967	35,304	-	1,405



Highlights

The increase in Development Property Inventories primarily reflects the progress of the third building at the International Finance Centre which is held as inventory. The anchor tenant, Aztec Group, has move into their new headquarters from February 2024. More detail is available within the Jersey Development Company Annual Report and Accounts.

4.13 Trade and Other Receivables

Accounting Policy

Tax Receivables

Tax receivables are recognised in the Consolidated Statement of Financial Position (SOFP) on an accruals basis based on individual tax assessments less payments received from the individual taxpayer.

Impairment of statutory receivables - taxes due

Impairment losses for taxes due are recognised as incurred. Impairment for large tax receivables are estimated on an individual assessment basis, with a default percentage impairment rate (based on historical collectability rates) applied to debts where the taxpayer is insolvent or has entered into a payment arrangement. The remaining tax receivables impairment loss is derived using a model which allows large debt populations to be examined and provides for statistical credibility, in conjunction with interpretive judgement.

Accrued Income

Taxation revenue is recognised as tax accrued income which is the estimated tax revenue accruing to the year of economic activity, based on economic forecasts produced by the States' Economic Unit in the case of Personal Income Tax. Other tax revenue is accrued by Revenue Jersey based on relevant taxpayer data.

Impairment of Non-Financial Assets

Non-financial assets are assessed at the year-end as to whether there is any indication that they may be impaired. Where indications exist and possible differences are estimated to be material, the recoverable amount of the asset is estimated, and where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Type of Receivable	Restated	
	2023 £'000	2022 £'000
Receivables - Income Levied by the States of Jersey - Amounts falling due within one year		
Income Tax Receivables	231,387	200,794
Income Tax Accrued Income	105,057	105,422
GST Receivables	26,180	26,844
GST Accrued Income	28,878	29,630
Social Security Receivables	36,300	40,987
Social Security Accrued Income	16,953	19,433
Island Rates, Duties, Fines and Penalties Receivables	21,600	23,531
Island Rates, Duties, Fines and Penalties Accrued Income	129	1,384
Provision for Levied by the States of Jersey Receivables	(13,568)	(15,385)
Total Levied by the States of Jersey Receivables due within one year	452,916	432,640
Receivables – Income Earned Through Operations - Amounts falling due within one year		
Trade Receivables	49,854	20,350
Prepayments and Accrued income	44,566	47,068
Other Receivables	3,584	-
Expected Credit Loss Allowance for Earned through Operations Receivables	(6,539)	(6,302)
Total Receivables – Incomes Earned Through Operations due within one year	91,465	61,116
Total Receivables due within one year	544,381	493,756

Type of Receivable	Restated	
	2023 £'000	2022 £'000
Receivables - Income Levied by the States of Jersey - Amounts falling due after more than one year		
Taxation Receivable ⁱ	303,413	316,191
Social Security Receivables	5,869	-
Total Receivables – Incomes Levied by the States of Jersey due after more than one year	309,282	316,191
Receivables – Income Earned Through Operations - Amounts falling due after more than one year		
Trade and Other Receivables	6,946	11,744
Total Earned Through Operations Receivables due after more than one year	6,946	11,744
Total Receivables due after more than one year	316,228	327,935
Total Receivables	860,609	821,691

The provision for impairment of receivables is analysed below:

Trade and Other Receivables Categories		
	2023 £'000	2022 £'000
Income Tax Receivables	9,113	9,113
GST Receivables	485	485
Social Security Receivables	3,660	4,880
Island Rates, Duties, Fines and Penalties Receivables	310	907
Trade Receivables	6,539	6,302
Total Levied by the States of Jersey Receivables	20,107	21,687

Highlights

Receivables have increased by £39 million (4.7%) in 2023 which is less than the increase in income.

Income tax receivables increased by £30.6 million (15%), much of which related to the timing of collection of Corporate Taxation. Receivables for other areas of Income levied by the States of Jersey were more stable or decreased. Receivables relating to operational income also increased across both departments and subsidy companies, including a number of debts becoming due within one year.

ⁱ On 4 November 2020 the States Assembly agreed to move all prior year taxpayers onto a current year basis of assessment. From 2021 all taxpayers became current year taxpayers and 2019 tax bills were frozen but will have to be paid in the future. This frozen tax debtor has been recognised within Taxation Receivables falling due after one year

4.14 Cash and Cash equivalents



Accounting Policy

Cash and cash equivalents include cash in hand, current balances with banks and similar institutions and amounts on deposits that are immediately available without penalty. The carrying amount of these assets approximates to their fair value. Cash equivalents are highly liquid investments that mature in no more than three months and that are readily convertible to known amounts of cash with low risk of change in value.

Cash and Cash equivalents	Restated	
	2023	2022
	£'000	£'000
Bank Deposit Accounts	5,263	21,059
Bank Current Accounts	30,396	39,296
Cash in Hand and in Transit	344	602
Cash Equivalents	39,633	47,498
Total Levied by the States of Jersey Receivables	75,636	108,455



Highlights

The cash balances above are held for operational purposes and fluctuate based on needs. There has been a decrease in the cash during the year due to the amounts spent during 2023. The Consolidated Statement of Cash Flows (SoCF) for the year ended 31 December 2023 expands on the spend during the year.

4.15 Trade and Other Payables

Accounting Policy

Tax Receipts in Advance

Tax receipts in advance are recognised where cash receipts from the taxpayer exceed the tax assessments processed to date and there are no outstanding appeals on the taxpayers' account. Tax receipts in advance are applied to future year's tax liability.

Trade and Other Payables

Trade and other payables, including accruals, are recorded when SOJ entities are required to make future payments as a result of a purchase of assets or services. Payables are initially recognised at fair value and are subsequently measured at amortised cost. Most payables are expected to be settled within 12 months.

Trade and other payables	Restated	
	2023	2022
	£'000	£'000
Trade and Other Payables due within one year		
Payables – Income Levied by the States of Jersey		
Income Tax Payables and Receipts in Advance	115,746	114,393
GST Payables and Receipts in Advance	17,016	21,815
Social Security Payables and Receipts in Advance	14,732	7,510
Total Payables – Income Levied by the States of Jersey falling due within one year	147,494	143,718
Payables – Income Earned Through Operations		
Trade Payables	64,905	55,261
Accruals and Deferred Income	58,668	49,773
Receipts in Advance	17,192	11,001
Total Payables – Incomes Earned Through Operations falling due within one year	140,765	116,035
Total Payables falling due within one year	288,259	259,753
Trade and Other Payables due in more than one year		
Trade Payables	39	-
Total Payables due after more than one year	39	-
Total Payables	288,298	259,753

The average credit period taken for purchases in 2023 was 32 days (2022: 25 days).

The States considers that the carrying value of trade payables approximates to their fair value.

4.16 External borrowings

Accounting Policy

All external borrowings are financial liabilities, refer to Note 4.11 which includes the accounting policy for financial instruments

External borrowings		
	2023	2022
	£'000	£'000
Amounts falling due within one year		
States of Jersey Revolving Credit Facility	52,800	11,000
Jersey Development Company (JDC) Limited Bank Borrowings	35,513	-
Ports of Jersey Bank Borrowings	20,000	10,000
Total borrowings due within one year	108,313	21,000
Amounts falling due after more than one year		
Jersey Development Company (JDC) Limited Bank Borrowings	8,197	26,003
Andium Bank Borrowing	140,287	100,354
Government of Jersey £500m Bond 2022 Issuance	487,811	487,562
Government of Jersey £250m Bond 2014 Issuance	243,900	243,788
Total borrowings due after more than one year	880,195	857,707
Total Borrowings	988,508	878,707

Movement during the year:

External borrowings movements		
	2023	2022
	£'000	£'000
Opening Balance	878,707	392,570
Proceeds of External Borrowings	143,500	597,288
Repayment of External Borrowings	(33,737)	(110,806)
Finance Cost	28,889	22,864
Bond Interest Paid	(24,705)	(19,596)
Other Finance Cost Paid	(4,146)	(3,613)
Closing Balance	988,508	878,707

States of Jersey Revolving Credit Facility: On 7 May 2020, a £500m revolving credit facility was agreed with a range of local banks. An option was exercised to extend the term to 7 May 2023.

In May 2023 the Minister for Treasury and Resources approved the replacement of the existing revolving credit facility (RCF) with a new facility for £300m, with an accordion option of £200 million, expiring in 2028. There is an option to extend the facility to 2030.

Interest is at a margin over SONIA (Sterling Overnight Index Average).

States of Jersey Bond 2022 Issuance: This Bond was issued on 6 May 2022 - the proceeds may be used for general government purposes. The unsecured Bond was issued at £489m (nominal amount of £500m but issued at a discount) with a coupon rate of 2.875%, and a term of 30 years with the final instalment due to be repaid in 2052. The effective interest rate for the year was 2.96%.

States of Jersey Bond 2014 Issuance: The Bond was issued in June 2014, and the proceeds may be used to fund affordable housing through providers such as Andium Homes Limited. The unsecured Bond was issued at £244m (nominal amount of £250m, issued at a discount) with a coupon rate of 3.75% and a term of 40 years, with the final instalment due to be repaid in 2054. The Bond's effective interest rate for the year was 3.9% (2022: 3.9%).

Jersey Development Company bank borrowings: This loan is secured on inventory and investment property and bears an average interest rate of 5.16% (2022: 3.08%).

Ports of Jersey bank borrowing: A £40m revolving credit facility was agreed on 16 October 2020 with Royal Bank of Scotland International Limited (£20m) and Lloyds Bank Corporate Markets Plc, Jersey Branch (£20m). The facility terminates on 16 October 2023, but with an option for two further 1-year extensions, the first of these options has been exercised. Interest is at a margin over SONIA.

Andium Homes Ltd Revolving Credit Facility: A revised £225m revolving credit facility was agreed on 23 December 2021 with HSBC Bank Plc (£75m), NatWest International (£75m) and Lloyds Bank Corporate Markets Plc, Jersey Branch (£75m). The facility terminates on 28 February 2027, with an option for two further 1-year extensions. The facility is subject to an asset cover and interest cover covenant. Interest is at a margin over the SONIA.



Highlights

During 2023 the States of Jersey has continued to draw down on the RCF to fund expenditure on New Healthcare facilities.

Subsidiary companies have also drawn down borrowing to fund various capital projects.

4.17 Currency in Circulation



Accounting Policy

Under the “Currency Notes (Jersey) Law 1959” the States produce and issue bank notes and coins. These are accounted for, at cost, as stock until they are formally issued by the States Treasury and Exchequer department. Once issued the liability value of the currency is recognised at its face value in Currency in Circulation in liabilities within the Statement of Financial Position (SOFP). Cash received in payment for this currency is held in the Currency Fund against this liability.

Currency in Circulation

	2023	Movement	2022
	£'000	£'000	£'000
Jersey Notes issued	116,611	(4,811)	121,422
Less: Jersey Notes held	(28,976)	(2,613)	(26,363)
Total Jersey Notes in Circulation	87,635	(7,424)	95,059
Jersey Coinage issued	10,305	-	10,305
Less: Jersey Coinage held	(681)	1	(682)
Total Jersey Coinage in Circulation	9,624	1	9,623
Total Currency in Circulation	97,259	(7,423)	104,682

4.18 Leasing

Accounting Policy

At their inception, leases are classified as operating or finance leases. Leases in which substantially all of the risks and rewards of ownership are transferred to the lessor are classified as finance leases, other leases are classified as operating leases.

Where a lease covers the right to use both land and buildings, the risks and rewards of the land and the buildings are considered separately. Land is generally assumed to be held under an operating lease unless the title transfers to the States at the end of the lease.

The States as lessee

Operating leases are charged to Net Revenue Expenditure/Income on a straight-line basis over the term of the lease. Where the arrangement includes incentives, such as rent-free periods, the value is recognised on a straight-line basis over the minimum non-cancellable period of the lease.

The States as lessor

Where the States of Jersey is the lessor under an operating lease, leased assets are recorded as assets and depreciated over their useful economic lives in accordance with the relevant accounting policy. Rental income from operating leases is recognised on a straight-line basis over the minimum non-cancellable period of the lease.

The States as lessee

Operator leases

The States of Jersey has a number of properties and equipment held under operating leases. The future minimum lease payments due under non-cancellable leases in future years are:

Operator leases: Lessee		
	2023	2022
	£'000	£'000
Within one year	6,168	5,055
Within two to five years	19,197	16,387
Later than five years	7,712	8,177
Total	33,077	29,619

The States as lessor

Operator lessor

The States leases out property and equipment under operating leases for the following purposes:

- a) for the provision of affordable housing through its subsidiary, Andium Homes Limited
- b) to utilise existing property and other assets for the direct provision of services or to supplement the funding of services.

The future minimum lease payments receivable under non-cancellable leases in future years are:

Operator leases: Lessor		
	2023	2022
	£'000	£'000
Within one year	31,632	28,366
Within two to five years	63,455	58,003
Later than five years	117,909	117,343
Total	212,996	203,712

4.19 Provisions

Accounting Policy

Provisions are recognised where the States has a legal or constructive obligation arising from a past event that will probably require settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Statement of comprehensive net expenditure (SOCNE) in the year that the States becomes aware of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account relevant risks and uncertainties.

Provisions as at 31 December 2023 and 2022 were made up of:

2023	2023 Balance b/f	Increase in provision	Used in year	Written back	2023 Balance c/f	Due within 12 months	Due after 12 months
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dormant Bank Accounts	37,726	3,634	(487)	1,510	42,383	-	42,383
Insurance Provision	8,267	-	(265)	-	8,002	-	8,002
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	3,175	6,012	(56)	(550)	8,581	1,589	6,992
Total	50,171	9,646	(808)	960	59,969	1,589	58,380

2022	2022 Balance b/f	Increase in provision	Used in year	Written back	2022 Balance c/f	Due within 12 months	Due after 12 months
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Dormant Bank Accounts	26,978	10,748	-	-	37,726	-	37,726
Insurance Provision	4,945	3,322	-	-	8,267	-	8,267
Decommissioning Provision	1,003	-	-	-	1,003	-	1,003
Other Provisions	6,470	1,077	(1,302)	(3,070)	3,175	924	2,251
Total	39,396	15,147	(1,302)	(3,070)	50,171	924	49,247

Dormant bank accounts

The Fund serves to hold money from accounts deemed dormant, where banks have been unable to trace owners for an extended period of time in line with the provisions of the Dormant Bank Accounts (Jersey) Law 2017.

The assets of the Fund are fully provided against, firstly to maintain a sufficient reserve to repay any subsequently identified account owners, with the remainder provisioned for distribution over the life of the fund for charitable purposes.

Insurance provision

A provision has been made to meet known and anticipated liabilities on claims under the States' insurance arrangements. This is assessed by a professional insurance advisor on an annual basis.

Decommissioning provision

This is a provision for the costs of de-commissioning the Energy from Waste plant at the La Collette site at the end of its useful life, which is approximately 2040.

Other provisions

Other provisions include property dilapidations, court decisions and other potential liabilities.

4.20 Defined benefit pension schemes



Accounting Policy

In addition to the two main schemes which are not included in these accounts (see Note 4.2), the States of Jersey operates three defined benefits pension schemes closed to new members which operate under the following legislation. All three schemes are final salary schemes and all current members of these schemes are receiving pension benefits.

- The Jersey Post Office Pension Fund (JPOPF) providing benefits to employees of Jersey Post International Limited. The scheme is in run-off as the last active member left in 2009;
- The Discretionary Pension Scheme (DPS) which is in run-off as it only has one member; and
- The Civil Service Scheme (CSS) which is a non-contributory scheme predating the formation of the PEPF in 1967. The scheme is governed under the Civil Service Administration (Pensions)(Jersey) Rules 1963 and there are no active members remaining in service.

The JPOPF and DPS are funded schemes with scheme assets invested in funds administered by the States of Jersey. The CSS is an unfunded scheme. All three schemes are accounted for as defined benefits schemes under IAS 19.

The liabilities of the defined benefits pensions schemes are recognised in the Statement of Financial Position (SOFP) on an actuarial basis. The basis of calculation of the defined benefit obligation is the projected unit method undertaken by Aon Hewitt, independent actuaries to the States.

The present value of the projected future liability is determined by discounting the future cashflows by reference to market yields for high quality corporate bonds at the year-end date.

The assets of the two funded schemes are included in the Statement of Financial Position (SOFP) at their fair value.

Transactions relating to post-employment benefits

The following transactions have been recognised in the Consolidated Statement of Net Expenditure:

	2023 £'000	2022 £'000
Net Revenue Expenditure		
Current service cost	-	1
Net interest expense	110	63
Total Post-Employment Benefits charged to Net Revenue Expenditure	110	64
Other Comprehensive Income		
Remeasurement of the net defined benefit liability comprising:		
The return on plan assets, excluding the amount included in the net interest expense	-	-
Actuarial gains/(losses) arising from changes in financial assumptions Other (if applicable)	799	(1,580)
Total Remeasurement of Defined Benefit Pension Scheme Liability recognised in Other Comprehensive Income	799	(1,580)
Total Earned Through Operations Payables falling due within one year	909	(1,516)

The amount included in the Statement of Financial Position (SOFP) arising from the States' obligation in respect of its defined benefits plans is as follows:

2023	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	4,374	(4,298)	76
Discretionary Pension Scheme	157	(438)	(281)
Jersey Civil Service Scheme (pre-1967)	-	(2,316)	(2,316)
Total defined benefits schemes	4,531	(7,052)	(2,521)

2022	Asset £'000	Liability £'000	Net Liability £'000
Jersey Post Office Pension Fund	5,578	(4,429)	1,149
Discretionary Pension Scheme	162	(420)	(258)
Jersey Civil Service Scheme (pre-1967)	-	(2,308)	(2,308)
Total defined benefits schemes	5,740	(7,157)	(1,417)

All scheme liabilities have been estimated by Aon Hewitt Ltd, an independent firm of actuaries, based on the latest full valuation of each scheme, which was 31 December 2023.

Liabilities have been assessed on an actuarial basis using the projected unit credit method.

Other Notes and Disclosures

4.21 Contingent assets and liabilities

Accounting Policy

Contingent liabilities and contingent assets are not recognised as liabilities or assets in the statement of financial position (SOFP), but are disclosed in the notes to the accounts.

Contingent liabilities and contingent assets are reported at the point at which the contingency is evident or when a present liability is unable to be measured with sufficient reliability to be recorded in the financial statements (unquantifiable liability). Contingent liabilities, including unquantifiable liabilities, are disclosed if the possibility that they will crystallise is more than remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Unless otherwise stated, the amount of each contingent liability cannot be determined with sufficient reliability or to quantify it would jeopardise the outcome of the legal case.

Contingent assets

There are no contingent assets as at 31 December 2023 (2022: none).

Contingent liabilities

Legal claims, potential legal claims and proceedings

In addition to the claims individually set out below, there are numerous legal actions that have been brought against the States of Jersey or expected to be brought against the States of Jersey, which relate to the following:

- COVID Vaccinations
- Failure to Remove
- Inappropriate Removal
- Medical Malpractice
- Health and Safety

However, in the majority of these actions it is considered a remote possibility that the Government would lose the case, or if the States of Jersey were to lose it would be unlikely to have greater than £5 million impact in total. Based on these factors, not all legal actions are individually disclosed.

Rheumatology Review

The States of Jersey acknowledges the existence of a contingent liability in the context of prescribing practices for immune-suppressing drugs among rheumatology patients, as highlighted in the audit conducted at Jersey's General Hospital.

The study revealed that a proportion of patients receiving immune-suppressing medications may not meet the established criteria outlined by the British Society for Rheumatology. While these patients have received prescriptions, there remains uncertainty regarding the potential risks associated with the appropriateness of such prescriptions.

The extent of contingent liabilities arising from these prescribing practices cannot be reliably quantified at present, as it depends on various factors including future medical assessments and legal considerations.

This review is further elaborated on within the Corporate Governance section of the annual report.

Uncalled capital in Common Investment Fund

As disclosed in note 4.11f v) there is capital committed to the underlying investments within the Common Investment Fund. These will become due as drawdown notices are issued.

Guarantees

Guarantee have been set out and described within the note 4.11a.

4.22 Losses and Special Payments

Accounting Policy

Special Payments are those which fall outside the normal day-to-day business of the entity.

Losses are recognised when they occur. Special Payments are recognised when there is a legal or constructive obligation for them to be paid.

Losses and Special Payments		Restated	
	2023	2022	
	£'000	£'000	
Losses			
Losses of cash			
Overpayment of Social Benefits	-	175	
Other losses of cash	8	-	
Total losses of cash	8	175	
Fruitless Payments			
Fruitless Payments	51	622	
Total Fruitless Payments	51	622	
Bad debts and claims abandoned			
Uncollectible Tax	1,985	1,280	
Other Tax Receivables written off	-	178	
Other claims abandoned	(20)	86	
Total bad debts and claims abandoned	1,965	1,544	
Damage or loss of inventory			
Write off of expired stock	195	14	
Other inventory write offs	321	954	
Total damage or loss of inventory	516	968	
Impairment of fixed assets			
Impairment of fixed assets	2,016	8,376	
Total impairment of fixed assets	2,016	8,376	
Total Losses	4,556	11,685	
Special Payments			
Total compensation payments	210	31	
Total ex gratia and extra contractual payments	647	1,331	
Total Severance Payment	220	263	
Total Regulatory Payments	119	120	
Total Special Payments	1,196	1,745	
Total Losses and Special Payments	5,752	13,430	

4.23 Related Party Transactions

Accounting Policy

A related party is a person or entity that is related to the States of Jersey.

- a) A person or a close member of that person's family is related to the States of Jersey if that person:
 - i) has control or joint control of the States;
 - ii) has significant influence over the States; or
 - iii) is a member of the key management personnel of the States.
- b) An entity is related to the States if any of the following conditions applies:
 - i) The entity and the States are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii) Both entities are joint ventures of the same third party.
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) The entity is a post-employment benefit plan for the benefit of employees of either the States or an entity related to the States.
 - vi) The entity is controlled or jointly controlled by a person identified in (a).
 - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the States.

Transactions between entities within the States of Jersey Group are eliminated on consolidation so are not disclosed in this note.

Transactions with utility companies and government departments that are a result of their role as such are excluded in line with accounting standards. This includes:

- Electricity provided by Jersey Electricity
- Water provided by Jersey Water
- Postage services provided by Jersey Post
- Telephone charges from JT

Transactions relating to salaries and statutory amounts such as taxes are excluded.

Where the party is related through a Minister or Assistant Minister, only transactions occurring whilst in office are included. Further information is available on this within the Corporate Governance section of this annual report,

Further to the transactions listed in this note, the States of Jersey acts as an agent in some cases to administer transactions with related parties. For example, there are cases where recipients of benefits instruct the States to pay their designated care provider directly rather than receive the benefit and pass it on to the provider. These transactions with the care provider do not form part of the balances included in the States of Jersey financial statements but the associated benefits expenditure does.

2023	Income £'000	Expenditure £'000	Balances	Balances	Notes
			Due to the States £'000	Due by the States £'000	
Directly Controlled Entities - Strategic Investments					
Jersey Electricity plc	6,970	560	201	824	Income includes dividends of £4,465k.
Jersey Post International Limited	346	292	481	95	No dividend income was received in 2023.
JT Group Limited	9,917	1,834	109	39	Income includes dividends of £9,700k.
The Jersey New Waterworks Company	2,759	174	41	33	Income includes dividends of £2,571k.
Directly Controlled Entities - Other					
School funds	153	350	52	3	
Indirectly Controlled Entities - Subsidiaries of Strategic Investments					
JE Building Services	-	954	-	56	Subsidiary of JEC.
Jersey Deep Freeze Ltd	-	238	-	42	Subsidiary of JEC.
Jersey Energy	-	5	-	3	Subsidiary of JEC.
Retirement Schemes					
PECRS	531	-	-	-	Income related to services provided by the Treasury Department.
JTSF	263	-	-	-	Income related to services provided by the Treasury Department.
PEPF	407	-	-	-	Income related to services provided by the Treasury Department.
Controlled or influenced by Key Management Personnel or members of their close family					
As at 31 December 2023					
Autism Jersey	10	2,280	4	6	Helen Miles (Minister) is a trustee.
Brighter Futures	-	355	-	-	Kirsten Morel (Assistant Minister) is a director.
Bureau des Iles Anglo Normandes	-	125	-	25	Kate Halls-Nutt (Group Director for External Affairs) is co-chair.
Channel Islands Brussels Office	-	408	-	-	Kate Halls-Nutt (Group Director for External Affairs) is a director.
Clifford Wilding Design	-	18	-	4	Alec le Sueur's (Practice Director of Law Officers' Department) partner has a 50% shareholding.
De La Salle College	28	2,001	1	-	Mike Cutland (Chief Probation Officer) is a governor.
Dickinson Gleeson, Advocates	5	-	-	-	The spouse of Deputy Kristina Moore (Chief Minister) is a partner.
Ernie Le Feuvre Ltd	-	161	-	6	Rose Binet (Assistant Minister) and Tom Binet (Minister) are directors/ shareholders.
Fairway Pension Trustees Ltd	1	3	1	-	Mike Cutland's (Chief Probation Officer) spouse is an investment manager for Fairway Trust.
Focus on Mental Illness	-	2	-	-	Deputy Karen Wilson (Minster) and Deputy Tom Binet (Minister) are trustees.
FREEDA (Womens Refuge)	5	300	4	-	Lisa-Marie Hart (Greffier of the States) is the Honorary Secretary.
Institute of Law	73	197	101	12	Deputy Elaine Miller (formerly Viscount and current Minister) was a governor until March 2023.

2023	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
Island Child and Adolescent Psychotherapy	-	2	-	-	- Andy Scate's (Chief Officer of IHE) wife is 100% owner.
Jersey Association of Youth and Friendship	1	-	-	-	- Hilary Jeune (Assistant Minister) is a trustee.
Jersey Community Foundation General	13	317	-	317	Mark Harris' (Viscount from 3/11/23) spouse is a non-executive director.
Jersey Heritage	30	8,177	9	1	Steven Cartwright (Chief Officer of Bailiffs Chambers) is a trustee.
The Jersey Farmers (Trading) Union Ltd	2	94	1	4	Deputy Tom Binet (Minister) and Deputy Rose Binet (Assistant Minister) are both directors and shareholders.
National Trust for Jersey	2	18	-	-	Alec le Sueur (Practice Director of Law Officers' Department) is a council member.
NatWest Markets Plc	-	63	-	-	Andrew McLaughlin (CEO) is on Secondment from NatWest Markets Plc.
Runnymede Court Hotel (Jersey)	-	271	-	15	Marcus Troy (Assistant Minister) is the Managing Director of Trojan Leisure which operates the hotel.
Sanctuary Trust Limited	2	-	-	-	- Kristina Moore (Chief Minister) is a trustee.
Shuga Coffee Limited	-	-	1	-	- Marcus Troy (Assistant Minister) is the owner.
Troys Estate Agency Ltd	1	10	2	-	- Marcus Troy (Assistant Minister) works for the company on an ad-hoc basis as a consultant.
XRM Architects Ltd	-	14	-	-	- The spouse of Deputy Lucy Stephenson (Assistant Chief Minister and Assistant Minister) is a director.

2022	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
Directly Controlled Entities - Strategic Investments					
Jersey Electricity plc	8,082	1,658	314	-	- Income includes dividends of £4,228k.
Jersey Post International Limited	735	396	189	-	- Income includes dividends of £298k.
JT Group Limited	5,658	1,005	331	-	- Income includes dividends of £5,400k.
The Jersey New Waterworks Company	2,661	194	44	-	- Income includes dividends of £2,464k.
Directly Controlled Entities - Other					
Bel Royal School	1	-	-	-	
Grouville School Fund	-	-	-	-	
Haute Vallee School	-	52	-	-	
Hautlieu School	-	66	-	-	
Le Rocquier School	-	8	-	-	
Les Landes School Fund	3	-	-	-	
Les Quennevais School Fund	7	1	-	-	
Les Vaux Housing Trust	-	-	-	-	
Mont A L'Abbe School	-	-	-	-	
Plat Douet School Fund	1	-	-	-	
St Lukes School	1	-	-	-	
St Saviours School Fund	-	-	-	-	
Samares School Fund	1	-	-	-	
Trinity Youth Centre Trust Inc	-	208	-	-	
Victoria College	2	68	-	-	

2022	Income	Expenditure	Balances Due to the States	Balances Due by the States	Notes
	£'000	£'000	£'000	£'000	
Victoria College Prep	-	4	-	-	
Indirectly Controlled Entities - Subsidiaries of Strategic Investments					
JE Building Services	-	204	-	-	- Subsidiary of JEC
Jersey Deep Freeze Ltd	1	165	-	-	- Subsidiary of JEC
Jersey Energy	-	3	-	-	- Subsidiary of JEC
Retirement Schemes					
PECRS	399	-	-	-	- Income related to services provided by the Treasury Department.
JTSF	195	-	-	-	- Income related to services provided by the Treasury Department.
PEPF	57	-	-	-	- Income related to services provided by the Treasury Department.
Controlled or influenced by Key Management Personnel or members of their close family					
Autism Jersey	5	936	-	-	- Helen Miles (Minister) is a trustee.
Beauvoir Ltd	-	113	-	-	- Gregory Guida (former Minister) is director and shareholder.
Brighter Futures	-	1	-	-	- Kirsten Morel (Assistant Minister) is a director.
Bureau des Iles Anglo Normandes	-	163	-	-	- Kate Halls-Nutt (Group Director for External Affairs), is co-chair.
Channel Islands Brussels Office	-	325	-	-	- Kate Halls-Nutt (Group Director for External Affairs), is a director.
De La Salle College	-	2,135	-	-	- Mike Cutland (Chief Probation Officer) is a governor.
Dickinson Gleeson, Advocates	1	-	-	-	- Deputy Kristina Moore (Chief Minister) is a shareholder.
Focus on Mental Illness	-	4	-	-	- Deputy Karen Wilson (Minister) and Deputy Tom Binet (Minister) are trustees.
Government of Jersey London Office	-	1,396	-	-	- Kate Halls-Nutt (Chief Officer for External Relations) is chair-person.
Institute of Law	77	251	3	-	- Deputy Elaine Miller (formerly the Viscount and current Minister) is a governor
Jersey Cares Ltd	1	231	-	-	- Deputy Ian Gorst (Minister) is a director.
Jersey Heritage	-	7,198	52	-	- Steven Cartwright (Chief Officer of Bailiffs Chambers) is a trustee.
The Jersey Farmers (Trading) Union Ltd	1	77	-	-	- Deputy Tom Binet (Minister) and Deputy Rose Binet (Assistant Minister) are directors and shareholders.
National Trust for Jersey	3	12	-	-	- Alec le Sueur (Practice Director of Law Officers' Department) is a council member.
XRM Architects Ltd	-	18	-	-	- The spouse of Deputy Lucy Stephenson (Assistant Chief Minister and Assistant Minister) is a director.

4.24 Third Party Assets



Accounting Policy

The States of Jersey holds certain monies and other assets on behalf of third parties. These are not recognised in the accounts where the States of Jersey does not have a direct beneficial interest in them.

The States of Jersey, in the course of its normal activities, has reason to hold assets on behalf of third parties. The Viscount's Department is a non-ministerial department and, as a matter of law, third party assets held by the Viscount are not held for the States of Jersey.

The Viscount of the Royal Court undertakes a number of activities that give rise to holding assets on behalf of third parties. The largest proportion by value is held pursuant to court orders made in connection with proceeds of crime legislation. The main activities that give rise to this are:

- **Désastres:** assets gathered in by the Viscount as part of administration of bankruptcies for onward distribution to creditors under the relevant law.
- **Delegates:** funds held on behalf of those who cannot manage their own property and affairs and where the Viscount has been appointed as delegate of last resort.
- **Enforcement:** judgements and compensation monies for onward payment to creditors and beneficiaries.
- **Bail:** monies held on behalf of bailors.
- **Saisies Judiciaires /Civil Asset Recovery:** assets seized pending investigation and court cases relating to drug trafficking and proceeds of crime. Following a conviction, property adjudged to represent the benefit of proceeds of crime is liquidated and the proceeds remitted to statutory funds such as the Criminal Offences Confiscations Fund; if a third party is found not guilty or the saisie is discharged, property is returned. (Assets can also be seized pursuant to laws relating to anti- terrorism, forfeiture and civil asset recovery).

Monies held on behalf of third parties are set out below:

Liquid Assets		
	2023	2022
	£'000	£'000
Viscount's	371,825	299,992
Health and Community Services	327	328
Justice and Home Affairs	49	24
Charitable Funds	41,143	38,322
Total Liquid Assets held on behalf of third parties	413,344	338,666

In addition to the liquid assets listed above the Viscount's Department holds investments, property and contents with an approximate total value of £5.6 billion (2022: £5.5 billion). The value used for the majority of this disclosure is in accordance with a press release made by the Attorney General in respect of the associated case.

In addition to monies listed above the Health and Community Services Department holds equipment on trial and various consignment stocks, valued at £0.38 million (2022: £0.48 million)

In addition to the items listed above the Non-Ministerial Department holds various works of art, valued at £0.7 million (2022: £0.6 million).

The States arrangement to pool funds for investment purposes, is known as the 'Common Investment Fund' (CIF). Included within the CIF are monies held on behalf of entities outside of the States of Jersey group boundary, referred to as Out of Group Funds.



Highlights

During 2023 the increase in the Viscounts departments relates to further seized assets from one specific individual. In addition there have been returns on seized amounts.

4.25 Entities within the accounting boundary

The Accounting Boundary is set out in the JFReM based on direct control of entities as evidenced by the Government, Council of Ministers or a Minister exercising in year control over operating practices, income, expenditure, assets of liabilities of the entity.

Government Departments	Non-Ministerial Bodies	Consolidated Fund	Core entities	Group
Chief Operating Office	Bailiff's Chambers			
Children, Young People, Education and Skills	Judicial Greffe			
Customer and Local Services	Law Officers' Department			
Department for the Economy	Office of the Comptroller and Auditor General			
Health and Community Services	Office of the Lieutenant Governor			
Infrastructure, Housing and Environment	Official Analyst			
Justice and Home Affairs	Probation Department			
Office of the Chief Executive	Viscount's Department			
Strategic Policy, Planning and Performance				
Treasury and Exchequer				
The States Assembly and its Services	Other			
Assemblée Parlementaire de la Francophonie - Jersey Branch	Jersey Overseas Aid			
Commonwealth Parliamentary Association - Jersey Branch				
States Funds				
Dwelling Houses Loan Fund	Insurance Fund			
Assisted House Purchase Scheme	Jersey Reclaim Fund			
99 Year Leaseholders Fund	Climate Emergency Fund			
Agricultural Loans Fund	Fiscal Stimulus Fund			
Tourism Development Fund	Ecology Fund			
Channel Islands Lottery (Jersey) Fund				
Jersey Innovation Fund	Social Security Funds			
Housing Development Fund	Health Insurance Fund			
Criminal Offences Confiscation Fund	Social Security Fund			
Civil Asset Recovery Fund	Social Security (Reserve) Fund			
Technology Accelerator Fund	Long-Term Care Fund			
Strategic Reserve	Jersey Dental Scheme			
Stabilisation Fund	Trading Operations			
Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)	Jersey Car Parking			
	Jersey Fleet Management			
Consolidated Subsidiary Companies				
States of Jersey Development Company (and its subsidiaries)				
Andium Homes Limited (and its subsidiaries)				
Ports of Jersey Limited (and its subsidiaries)				
Strategic Investments (not consolidated however elected to be held at Fair Value through other Comprehensive Income)				
Jersey Electricity PLC				
JT Group Limited				
Jersey Waterworks Company Limited				
Jersey Post International Limited				

Minor Entities not consolidated but within the accounting boundary

There are a number of smaller entities which fall within the accounting boundary of the States of Jersey but which are not consolidated as they are immaterial to the financial statements as a whole. These are referred to as "Minor Entities" and comprise:

- Government of Jersey London Office
- Digital Jersey Limited
- Jersey Business limited
- Visit Jersey Limited
- Jersey Legal Information Board
- Bureau des Iles Anglo-Normandes
- Channel Islands Brussels Office

4.26 Social Security Funds

Statements of Comprehensive Net Expenditureⁱ

	2023					2022				
	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue										
Social Security Contributions	(228,352)	(51,595)	-	(36,879)	-	(214,081)	(41,111)	-	(38,854)	-
States Grants to Social Security Funds	-	-	-	(33,119)	-	-	-	-	(31,802)	-
Sales of goods and services	23	-	-	-	-	-	-	-	-	-
Investment income	(344)	(4,847)	(237,013)	(1,741)	(111)	(208)	3,178	157,935	131	(130)
Other revenue	145	-	-	(970)	-	-	-	-	-	-
Total Revenue	(228,528)	(56,442)	(237,013)	(72,709)	(111)	(214,289)	(37,933)	157,935	(70,525)	(130)
Expenditure										
Social Benefit Payments	296,329	45,046	-	75,362	-	280,379	34,615	-	61,057	-
Other Operating expenses	5,593	4,351	-	1,573	104	5,173	4,116	-	1,094	125
Grants and Subsidies payments	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortisation	749	-	-	-	-	581	-	-	10	-
Impairments	(272)	(59)	-	68	-	190	41	-	21	-
Finance costs	1	-	-	-	1	-	-	-	-	-
Total Expenditure	302,400	49,338	-	77,003	105	286,323	38,772	-	62,182	125
Net Revenue Expenditure / (Income)	73,872	(7,104)	(237,013)	4,294	(6)	72,034	839	157,935	(8,343)	(5)
Other Comprehensive Income										
Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Expenditure / (Income)	73,872	(7,104)	(237,013)	4,294	(6)	72,034	839	157,935	(8,343)	(5)

ⁱ These are the financial information of Social Security Funds and not the primary statements of States of Jersey.

Statements of Financial Positionⁱ

	2023					2022				
	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme	Social Security Fund	Health Insurance Fund	Social Security (Reserve) Fund	Long Term Care Fund	Jersey Dental Scheme
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non-Current Assets										
Property, Plant and Equipment	5,702	-	-	-	-	6,619	-	-	-	-
Intangible Assets	4,682	-	-	-	-	3,040	-	-	136	-
Investments held at Fair Value through Profit or Loss	-	96,878	2,178,719	16,904	-	-	92,031	2,030,706	16,058	-
Trade and Other Receivables	-	-	-	5,869	-	-	-	-	3,741	-
Total Non-Current Assets	10,384	96,878	2,178,719	22,773	-	9,659	92,031	2,030,706	19,935	-
Current Assets										
Trade and Other Receivables	34,188	2,445	19	12,959	-	38,193	2,314	-	15,659	-
Amounts due from the Consolidated Fund	31,926	15,938	-	-	-	-	13,087	-	9,852	-
Cash and Cash Equivalents	1,156	-	-	8,946	65	40,550	-	-	8,211	49
Investments held at Fair Value through Profit or Loss	10,974	-	-	26,667	-	-	-	-	-	-
Total Current Assets	78,244	18,383	-	48,572	65	78,743	15,401	-	33,721	49
Total Assets	88,628	115,261	2,178,738	71,345	65	88,402	107,432	2,030,706	53,656	49
Current Liabilities										
Trade and Other Payables	(3,780)	(3,462)	-	(7,465)	(26)	-	(2,736)	(26)	(4,281)	(16)
Amounts due to the Consolidated Fund	-	-	-	(18,799)	-	(18,544)	-	44	-	-
Total Current Liabilities	(3,780)	(3,462)	-	(26,264)	(26)	(18,544)	(2,736)	18	(4,281)	(16)
Assets Less Liabilities	84,848	111,799	2,178,738	45,081	39	69,858	104,696	2,030,724	49,375	33
Taxpayers' Equity										
Accumulated Revenue and Other Reserves	78,260	111,799	2,178,738	45,081	39	63,132	104,696	2,030,724	49,375	33
Revaluation Reserve	6,588	-	-	-	-	6,726	-	-	-	-
Total Taxpayers' Equity	84,848	111,799	2,178,738	45,081	39	69,858	104,696	2,030,724	49,375	33

ⁱ These are the financial information of Social Security Funds and not the primary statements of States of Jersey.

4.27 Events after the reporting period



Accounting Policy

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. The Minister for Treasury and Resources approved the Annual Report and Accounts to be presented to the States Assembly on the date in the Audit Report in section 2.4.

Non-Adjusting Events

Following a Vote of No Confidence in the Chief Minister (P.1/2024) a new Council of Ministers was formed on 30th January 2024 with Deputy Lyndon Farnham as Chief Minister. The Annual Report and Accounts for 2023 are therefore signed by the new Chief Minister and Minister for Treasury and Resources (Deputy Elaine Millar). The Ministers in post during 2023 is further expanded on in The Directors' Report. There is no impact post year end on the figures set out above.

We have identified no costs associated with these events that should be recognised by the States of Jersey Group as at the reporting date. If any costs are incurred during 2024, they will be included in the 2024 financial statements.

4.28 Publication and distribution of the annual report and accounts

In accordance with the Public Finances (Jersey) Law 2019, the Annual Report and Accounts for the year ended 31 December 2023 have been approved by the Minister for Treasury and Resources and were presented to the States for publication and distribution.