



## Annex to Financial Report & Accounts – 2009

# States of Jersey Treasury and Resources Department

## ANNEX TO FINANCIAL REPORT AND ACCOUNTS 2009

### **Treasury and Resources Department**

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# Introduction to the Annex

This year two accounts documents have been produced.

The principal document is the Financial Report and Accounts, which includes high level financial summaries and the Minister's and Treasurer's reports. The aim has been to produce a concise annual report which will appeal to the majority of users of the accounts.

For those who require the detailed accounts, these have been set out in this supplementary document, which should be read in conjunction with the Financial Report and Accounts.

The remainder of the Annex is divided as follows:

- Summary information pages;
- Department and Trading Operations;
- Reserves accounts;
- Separately Constituted Funds accounts;
- A Glossary of Terms;
- Detailed information on GAAP accounting; and
- A list of grants made by the States of Jersey in 2009

The detailed information also includes narrative information on the key financial results in a format that is comparable between Departments / Funds. The Treasury and Resources Department thanks all departments for their cooperation in providing this information.

The Treasury and Resources Department hopes that readers will find the information in this annex of benefit and would encourage any queries in relation to the annex to be addressed to the relevant Department.

A copy of the 2009 Financial Report and Accounts can be found on the States of Jersey website [www.gov.je](http://www.gov.je); alternatively a hard copy can be obtained from the States Book shop at the following address:

Morier House  
St. Helier  
Jersey  
JE1 1DD



# The transition to GAAP accounting

## **Background**

The States has a strategic aim to deliver public services that are recognised as efficiently and effectively meeting people's needs. A key objective in order to achieve this is the implementation of GAAP (Generally Accepted Accounting Principles) compliant accounts.

In preparation for the move to GAAP the pages in this annex reflect some changes.

## **Transfers between Capital and Revenue budgets**

In order to follow GAAP definitions for capital and revenue elements of the capital programme have been reclassified and transferred to revenue, thus increasing revenue expenditure and reducing capital expenditure by an equivalent amount. These have been effected by means of public ministerial decisions in year, and as a result these transfers are included in the results shown in the department accounts. Where such transfers have taken place these are shown clearly in both the overall reconciliation of departmental cash limits, and also in a reconciliation in each department.

## **Introduction of a standardised Operating Cost Statement**

A standardised income and expenditure account (now referred to as an Operating Cost Statement) has been introduced. This significantly improves transparency as all departments are now presenting information on the same basis, and on a basis consistent with presentation of the aggregated information in the main body of the accounts. It is therefore possible to take the results for individual departments and see how they flow through to the main accounts (see note 6 – Segmental Analysis) for details.

Some headings in the Operating Cost Statement appear similar to headings which were used by departments in prior years. However there are no direct links although of course there are many similarities. A comprehensive review of the income and expenditure of the States of Jersey was undertaken in 2008/2009 during which each item was allocated to the most appropriate heading. There is therefore increased consistency between departments and department accounts are now in line with the main accounts, in preparation for full GAAP accounts in 2010.

## **Changes in classification of income and expenditure**

Standard definitions of income and expenditure have been adopted and implemented. This has been applied to the 2009 figures, which may in some areas show variations in comparison to 2008 as a result.



# Department Analyses

The following pages provide analyses of the budgeted and actual net expenditure of each States of Jersey Department.

Each set of departmental accounts provides an analysis by type of income and expenditure as well as the services provided by that department.

In each analysis the 2009 net expenditure is shown compared to the 2009 budget and 2008 net expenditure. Although information is provided at a detailed level, it is only the total departmental budget that is voted to that department by the States.

A reconciliation between the 2009 final approved budget, which includes any budget allocations approved in-year, and the 2009 original budget as per the 2009 Annual Business plan, is provided by each department. A summary is set out below:

Department	Original 2009 Business Plan £' million	Carry Forward from 2008 £' million	Additional Funding Voted by the States* £' million	Transfers between capital and revenue £' million	Other Transfers between departments £' million	Total 2009 Final Approved Budget £' million
<b>Ministerial Departments</b>						
Chief Minister	15.85	1.02	(0.16)	5.46	0.22	22.39
- Grant to the Overseas Aid Commission	7.73	0.03	-	-	-	7.76
Economic Development	16.42	0.81	0.46	1.01	(0.30)	18.40
Education, Sport and Culture	98.51	1.73	(0.34)	(0.39)	0.21	99.72
Health and Social Services	153.60	0.02	3.58	2.86	(0.68)	159.38
Home Affairs	45.59	0.00	1.89	(0.14)	2.15	49.49
Housing	(22.36)	-	0.04	1.97	(0.20)	(20.55)
Planning and Environment	7.14	-	0.55	0.42	0.04	8.15
Social Security	157.07	0.34	5.80	(0.44)	(3.20)	159.57
Transport and Technical Services	23.71	0.21	(0.23)	0.65	-	24.34
Treasury and Resources	61.07	0.97	0.11	0.70	(0.05)	62.80
<b>Non Ministerial States Funded Bodies</b>						
- Bailiff's Chamber	1.25	0.01	(0.01)	-	0.28	1.53
- Law Officers' Department	5.91	0.05	1.09	-	(0.88)	6.17
- Judicial Greffe	3.97	0.04	(0.03)	-	2.39	6.37
- Viscount's Department	1.43	0.01	(0.01)	(0.04)	0.05	1.44
- Official Analyst	0.60	-	(0.00)	(0.03)	(0.02)	0.55
- Office of the Lieutenant Governor	0.74	0.01	(0.01)	-	0.01	0.75
- Office of the Dean of Jersey	0.02	-	-	-	0.00	0.02
- Data Protection Commission	0.22	0.02	(0.00)	-	(0.01)	0.23
- Probation Department	1.54	0.01	(0.02)	0.04	(0.01)	1.56
- Comptroller and Auditor General	0.73	0.17	(0.00)	-	-	0.90
States Assembly and its services	5.20	-	(0.02)	(0.01)	-	5.17
<b>Total</b>	<b>585.94</b>	<b>5.45</b>	<b>12.69</b>	<b>12.06</b>	<b>0.00</b>	<b>616.14</b>
<b>Total less Capital Servicing</b>	<b>542.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>572.42</b>

\* Further details of these amounts can be found on the next page

# Additional Budget Approvals by the States of Jersey

The Public Finances Law allows the States Assembly to approve budgets in addition to those approved in the Annual Business Plan, under specific circumstances. These are:

Article 11(8) allows the States to amend an expenditure approval on a proposition lodged by the Minister for Treasury and Resources on the grounds that there is an urgent need for expenditure and no expenditure approval is available.

Article 16 allows the Minister for Treasury and Resources to approve an expenditure approval where a state of emergency has been declared or where the Minister is satisfied that there otherwise exists an immediate threat to the safety of all or any of the inhabitants of Jersey. In this case the Minister must lodge a proposition seeking expenditure approval.

The approvals under which monies have been drawn down in 2009 are set out below.

## States approvals in 2008 under Article 11(8) of the Public Finances (Jersey) Law 2005

Proposition	Purpose	Amount approved (£)	Amount drawn down in 2009 (£)	Department
P67/2008	Flu Pandemic Preparations	1,230,000	566,000	Health and Social Services
P163/2008	Income Support and GST food costs bonus	3,400,000	3,400,000	Social Security

## States approvals in 2009 under Article 11(8) of the Public Finances (Jersey) Law 2005

Proposition	Purpose	Amount approved (£)	Amount drawn down in 2009 (£)	Department
P17/2009	Williamson Report - Implementation Plan	1,300,000	315,710	Health and Social Services
P55/2009	Economic Stimulus*	44,000,000	1,318,619	Various
P78/2009	Pay Freeze	-3,501,593	(3,500,897)	Various
P83/2009	Historic Child Abuse Enquiry	4,250,000	1,119,082	Law Officers'
			2,305,515	Home Affairs
			540,070	Health and Social Services
			135,000	Education, Sport and Culture
			25,266	Jersey Property Holdings (T&R)
P83/2009	Reciprocal Health Agreement Cessation	2,900,000	2,598,540	Health and Social Services
P83/2009	Additional Social Security Costs	3,100,000	2,411,000	Social Security
P174/2009	H1N1 Influenza Pandemic	3,822,000	-	Health and Social Services

## States approvals in 2009 under Article 16(3) of the Public Finances (Jersey) Law 2005

Proposition	Purpose	Amount approved (£)	Amount drawn down in 2009 (£)	Department
P174/2009	H1N1 Influenza Pandemic	1,725,000	826,000	Health and Social Services
			7,000	Home Affairs

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Total                      12,066,905\*\*

\*In total, £2,713,619 was transferred to departments in 2009 for Economic Stimulus projects of which £1,395,000 was for capital projects and £1,318,619 for revenue projects.

\*\* In addition to the amounts above £625,619 was transferred to Planning and Environment from an allocation in the contingency fund made in 2006.



Departments  
and  
Trading Operations



# Chief Minister's Department

## Department

- Net spend of £21,495,668, representing a like-for-like increase of 8.3% on 2008.

## Highlights:

- Underspend of £896,467 (4.0%) against Final Approved Budget.

## Actual v prior year

The increase in revenue spend from 2008 to 2009 was £2,996,563. However, £1,465,175 of this related to an increase in transfers between capital and revenue, compared to 2008. This resulted in an increase of £1,531,388 (8.3%), excluding the increase in the value of capital transfers.

This 8.3% increase was mainly due to the following:

- £720,838 related to initiatives funded by budget carried forward from 2008
- £488,314 related to new posts granted in the amendment to the lodged Business Plan
- £161,100 as detailed in the 2009 Business Plan related to departmental transfers, non-staff inflation and provision for annual pay awards (reduced by the effect of the June pay freeze)

## Actual v Final Approved Budget

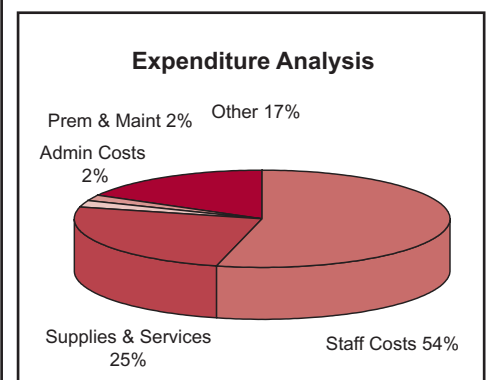
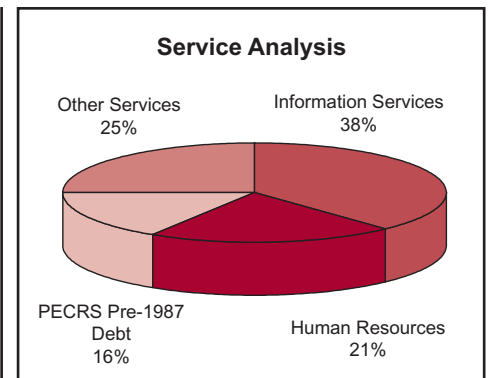
Overall the department had an underspend against budget of 4.0% (£896,467). The majority of this was planned, to enable the necessary funds to be carried forward to meet the cost pressures of 2010 projects, such as the Developing Countries Conference and the Comprehensive Spending Review.

## Additional budget allocation

In 2009 an additional £6,548,435 (net) was voted to the Chief Minister's Department in excess of the original budget agreed in the business plan.

£5,463,843 related to budget transfers from capital to revenue to match expenditure which should be classified as revenue under GAAP (see Introduction included in Annex to the Accounts for details). The majority of this was a transfer from the capital vote to reflect the full and proper cost of running the corporate Information Technology (IT) function. These costs related to day to day items such as salaries and software licences, but also included project costs which could not be classified as capital under GAAP. This has resulted in some large variations between the Business Plan and Final Approved Budgets.

Capital	Total £000
Total value of approved capital schemes	7,749
Spent in the Year	478
Spent to Date	3,327



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£000
<b>Original Budget</b>	<b>15,844</b>
Carry Forward	1,020
Salary funding from Home Affairs	42
Transfer from Economic Development	75
Transfer from Housing	48
Salary funding from Education	55
2009 Pay Freeze	(155)
ISD Capital Transfer	5,007
HR Capital Transfer	377
Chief Executive's Office Capital Transfer	79
<b>Final Budget</b>	<b>22,392</b>



# Chief Minister's Department

The above capital to revenue transfers, however, did not change the total amount of expenditure approved by the States.

Similar transfers took place in 2008 and are reflected in the Accounts for that year.

£1,020,000 was a result of budget carried forward from 2008.

(See Reconciliation table for details)

## 2009 capital vote

In the 2009 Business Plan, an additional £5m was voted for the Information Services Department (ISD) capital schemes. This was mainly to cover:

- Corporate IT Capital vote funding
- Capital projects
- Annual Licences
- Hardware Renewal

Additional details on revenue expenditure results and in year capital spend are explained below.

## The results for the department's top 4 service areas (by net expenditure) were:

### Information Services Department (ISD) • Net spend of £8,103,621, an underspend of £226,752 (2.7%) against Final Approved Budget

The budget has increased by £4,984,173 since the Business Plan due to:

- £5,007,309 transfer from capital to comply with GAAP (see Introduction for details);
- £42,000 transfer in of staff from Home Affairs;
- £65,136 transfer out, relating to returned funds for the 2009 pay freeze.

£137,764 of the underspend related to a reallocation of budget to the Customer Service Centre, not reflected in the final approved budget. The remainder of the underspend was predominantly because of a slow down in approved projects, which resulted in less costs being incurred on feasibility studies.

### Human Resources Department (HR) • Net spend of £4,458,190, an underspend of £124,448 (2.7%) against Final Approved Budget

The budget has increased by £389,738 since the Business Plan due to:

- £377,496 transfer from capital to Learning and Development, relating to training courses supporting the Organisational Development Programme (see introduction for details);
- £55,100 transfer in of staff from Education, Sport and Culture;
- £42,850 transfer out, relating to returned funds for the 2009 pay freeze.

The majority of the £124,448 underspend related to Learning and Development, where the capital to revenue transfer was greater than actual spend due to the planned timing of some training programmes continuing into 2010.

# Chief Minister's Department

## **External Affairs, Economics and International Finance** • **Net spend of £1,665,193, an underspend of £389,125 (18.9%) against Final Approved Budget**

The budget has increased by £719,018 since the Business Plan due to:

- £250,000 from carry forward bid to host the British Irish Council (BIC) Summit;
- £400,000 from carry forward bid to fund work to protect Jersey's finance sector;
- £75,000 from Economic Development to fund the Financial Services Advisory Board (FSAB) Risk Review Monitoring Team;
- £5,982 transfer out, relating to returned funds for the 2009 pay freeze.

The £389,125 underspend was mainly due to the BIC Summit costing £144,188 less than budget and planned phasing of start dates to the new posts (granted in the amendment to the lodged Business Plan), saving £186,036.

## **Chief Executive's Office** • **Net spend of £1,298,036, an underspend of £64,205 (4.7%) against Final Approved Budget**

The budget has increased by £216,841 since the Business Plan due to:

- £79,038 transfer from capital to fund various projects now classified as revenue (see Introduction for details);
- £150,000 from carry forward bid to fund the review of unelected members;
- £12,197 transfer out, relating to returned funds for the 2009 pay freeze.

Slippage in the start date of the review of unelected members resulted in an underspend of £140,792 and during 2009 funding was reallocated from other service areas within the Chief Minister's Department to support planned accommodation improvements.

## **Key Financial Results by Operating Cost Statement**

**The results for the 2 highest income lines are as follows:**

## **Sales of Services** • **Income of £1,014,761, a surplus of £963,793 (1,891%) against Final Approved Budget**

The Department incurs staff costs that are subsequently recharged to both capital schemes and other States' Departments. The capital to revenue transfer for ISD reduced the recharge income budget since the Business Plan by £1,010,363.

Budget reallocations took place in year, which accounted for £369,324 of the surplus against final approved budget.

The remaining surplus of £645,437 against final approved budget related to staff costs recharged to other States' Departments, for example Communications, Human Resources and Economics advice and support.

# Chief Minister's Department

## **Duties, Fees, Fines and Penalties • Income of £167,583, a shortfall of £29,186 (14.8%) against Final Approved Budget**

This income related to the issue of housing consents and lodging house registration and inspection fees collected by the Population Office.

The downturn in the local housing market has continued to impact on the issue of housing consents, a shortfall of £36,310 against final approved budget; however, a surplus of £7,124 against budget for registration and inspection fees reduced the overall shortfall to £29,186.

## **The results for the 3 highest expenditure lines are as follows:**

### **Staff Costs • Spend of £12,252,473, an overspend of £465,766 (3.9%) against Final Approved Budget**

The budget has increased by £803,007 since the Business Plan due to:

- £40,000 from carry forward bid to meet the cost of the Household Expenditure Survey, which started in 2009;
- £733,531 transfer in for manpower related to the ISD capital to revenue transfer;
- £87,824 transfer in for manpower related to the HR capital to revenue transfer;
- £42,000 transfer in of staff from Home Affairs to ISD;
- £55,100 transfer in of staff from Education, Sport and Culture to HR;
- £155,400 transfer out, relating to returned funds for the 2009 pay freeze.

The increase in staff costs was partly off-set by recharge income from other States' Departments, as detailed above. In addition, staff costs included costs previously recorded as supplies and services, which have been reclassified as non-States staff expenditure (see Introduction for details).

### **Supplies and Services • Spend of £5,746,321, an underspend of £701,470 (10.9%) against Final Approved Budget**

The budget has increased by £3,945,621 since the Business Plan due to:

- £150,000 from carry forward bid to fund the review of unelected members;
- £250,000 from carry forward bid to host the BIC Summit;
- £400,000 from carry forward bid to fund work to protect Jersey's finance sector;
- £75,000 from Economic Development to fund the FSAB Risk Review Monitoring Team;
- £281,125 related to the HR capital to revenue transfer (see Introduction for details);
- £2,789,492 related to the ISD capital to revenue transfer (see Introduction for details).
- £284,980 related to the combined underspend in the BIC Summit costs and the review of unelected members.

The majority of the remaining underspend related to the HR capital to revenue budget transfer being greater than actual spend (£107,000) as detailed above and a slow down in ISD projects (£213,440).

# Chief Minister's Department

## **Premises and Maintenance** • **Spend of £558,635, an overspend of £102,206 (22.4%) against Final Approved Budget**

The budget has increased by £100,929 since the Business Plan due to:

- £79,038 transfer from capital to fund various projects by the Chief Executive's Office, now classified as revenue (see Introduction for details);
- £41,200 from Housing to the Population Office in relation to the costs of occupying Jubilee Wharf;
- £19,310 transfer out in relation to the ISD capital to revenue transfer.

The overspend of £102,206 against final approved budget was to fund the electrical upgrade and accommodation changes in Cyril Le Marquand House, both from budget reallocations within other areas of the Chief Minister's Department.

## **Capital Schemes**

Total Capital Expenditure during the year was £478,000 which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amount voted in excess of £500,000 is contained in the table below:

<b>Scheme</b>	<b>Amount Voted £000</b>	<b>Spent in the Year £000</b>	<b>Spent to Date £000</b>
Information Services Dept (ISD)	7,749	478	3,327
<b>TOTAL</b>	<b>7,749</b>	<b>478</b>	<b>3,327</b>

The balance of £7,749,000 relates to budgets for projects, which are in progress and working towards completion. Work on some of these projects began in prior years and the remaining balances will be used to complete them as necessary.

Also included within the £7,749,000 is the remainder of the CMD capital vote, which has not yet been allocated or committed to a specific project or scheme.

There was other expenditure against these projects during 2009 which, in order to comply with GAAP, was accounted for as revenue expenditure and matched with equivalent budget transfers between capital and revenue. This amounted to:

- £5,007,309 Information Services Department (ISD)
- £377,496 Organisational Development (HR related)

# Chief Minister's Department

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Policy Division</b>		
		<b>Policy Unit</b>		
1,145,400	1,362,241	Chief Executive's Office	1,298,036	1,073,350
208,800	205,071	Communications Unit	200,649	171,770
283,700	325,455	Population Office	331,062	253,261
<b>1,637,900</b>	<b>1,892,767</b>		<b>1,829,747</b>	<b>1,498,381</b>
		<b>Statistics</b>		
450,100	485,831	Statistics Unit	452,962	386,969
		<b>External Affairs, Economics &amp; International Finance</b>		
1,335,300	2,054,318	External Affairs, Economics & International Finance	1,665,193	928,336
		<b>Law Drafting</b>		
861,200	852,286	Law Drafting	822,885	818,342
		<b>Legislation Advisory Panel</b>		
45,000	45,000	Legislation Advisory Panel	3,929	6,931
		<b>Emergency Planning Office</b>		
208,200	208,200	Emergency Planning Office	134,018	131,718
<b>4,537,700</b>	<b>5,538,402</b>	<b>Sub-total: Policy Division</b>	<b>4,908,734</b>	<b>3,770,677</b>
		<b>Resources Division</b>		
		<b>Information Services</b>		
461,300	2,031,949	Corporate Projects	1,952,281	1,343,982
1,243,900	2,660,751	Infrastructure	3,084,022	3,274,816
1,641,000	3,637,673	Business Support Groups	3,067,318	1,991,184
–	–	Organisational Development	–	83,647
<b>3,346,200</b>	<b>8,330,373</b>		<b>8,103,621</b>	<b>6,693,629</b>
		<b>Human Resources</b>		
2,226,800	2,279,269	HR Business Partnering	2,278,859	2,120,116
626,400	726,593	HR Business Support	618,123	545,334
533,600	763,832	Learning & Development	629,856	810,486
346,500	353,344	HR Employee Relations	407,829	325,678
459,600	459,600	Pensions	523,523	537,678
<b>4,192,900</b>	<b>4,582,638</b>		<b>4,458,190</b>	<b>4,339,293</b>
		<b>Customer Service Centre</b>		
447,300	441,122	Customer Service Centre	539,706	407,314
<b>7,986,400</b>	<b>13,354,133</b>	<b>Sub-total: Resources Division</b>	<b>13,101,517</b>	<b>11,440,235</b>
<b>12,524,100</b>	<b>18,892,535</b>		<b>18,010,251</b>	<b>15,210,912</b>
3,319,600	3,499,600	PECRS Pre-1987 Debt	3,485,418	3,288,193
<b>15,843,700</b>	<b>22,392,135</b>	<b>Net Revenue Expenditure</b>	<b>21,495,669</b>	<b>18,499,106</b>

# Chief Minister's Department

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
196,800	196,769	Duties, Fees, Fines & Penalties	167,583	182,056
1,061,300	50,968	Sales of Services	1,014,761	803,436
–	–	Commission	122,516	–
–	–	Other Revenue	18,152	55,164
<b>1,258,100</b>	<b>247,737</b>	<b>Total Revenue</b>	<b>1,323,012</b>	<b>1,040,657</b>
10,983,700	11,786,707	Staff Costs	12,252,473	10,920,066
2,502,170	6,447,791	Supplies and Services	5,746,321	4,633,309
(71,270)	437,203	Admin Expenses	545,642	348,074
355,500	456,429	Premises & Maintenance	558,635	324,784
–	–	Other Operating Expenditure	218,190	13,337
12,100	12,142	Grants and Subsidies Payments	12,000	12,000
<b>13,782,200</b>	<b>19,140,272</b>		<b>19,333,261</b>	<b>16,251,570</b>
3,319,600	3,499,600	PECRS Pre-1987 Debt	3,485,418	3,288,193
<b>17,101,800</b>	<b>22,639,872</b>	<b>Total Expenditure</b>	<b>22,818,679</b>	<b>19,539,763</b>
<b>15,843,700</b>	<b>22,392,135</b>	<b>Net Revenue Expenditure</b>	<b>21,495,667</b>	<b>18,499,106</b>



# Overseas Aid Commission

The objectives of the Commission are to manage and administer the monies voted by the States of Jersey for overseas aid. The Commission stands as an independent body, following Jersey's move to ministerial government, consisting of three States members and three non - States members, all of whom are appointed by the States of Jersey. The Commission's strategy is driven by a clear mission; it is committed to joining with others in reducing poverty in poorer countries by making a sustained contribution, which is proportional to Jersey's means.

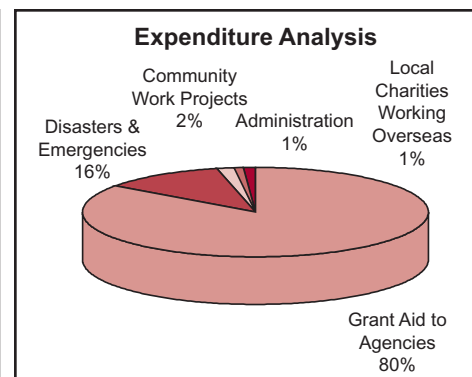
80% of expenditure was by way of direct grants to 60 agencies both large and small, with all grants based on the individual merits of projects covering clean water, health, sanitation, education, agriculture, livestock, and revolving credit schemes for small businesses. The Commission received applications which totalled in excess of £11.8m and had to reject many worthy projects due to its budget limits. The Commission also received additional funding enquiries from over 49 other agencies.

Following the previous year's demand for the funding of individual disasters and emergencies, the Commission increased its budget allocation to £1,250,000. During the course of the year the entire budget was allocated, compared with £837,739 in the previous year.

Community Work Projects were organised for Mongolia, Uganda, and Kenya, involving 33 volunteers at a net cost inclusive of materials and equipment of £167,223.

Nineteen applications were approved for grants made to local organisations which raise funds for aid projects overseas. All met the established criteria and were awarded matching £ for £ funding based on monies raised by the organisation itself.

Administration costs still remained low at £78,633, representing 1.0% of the total grant.



	£000
Original Budget	7,731
Carry Forward	25
<b>Final Budget</b>	<b>7,756</b>

Original Budget 2009	Amounts Voted 2009		Actual 2009	Actual 2008
£	£		£	£
77,200	77,200	Overseas Aid General	78,633	72,818
6,454,000	6,178,959	Grant Aid	6,082,878	6,247,659
50,000	100,000	Local Charities	100,131	51,243
1,000,000	1,250,000	Disaster Fund	1,250,000	837,739
150,000	150,000	Work Projects	167,223	146,227
<b>7,731,200</b>	<b>7,756,159</b>		<b>7,678,865</b>	<b>7,282,868</b>

# Economic Development Department

**Department Highlights:**

- Net spend of £17,505,731, an increase of 8.2% on 2008
- Underspend of £895,417 (4.9%) against Final Approved Budget

**Actual v prior year**

The increase in net spend from 2008 to 2009 was 8.2% from £16,174,703 to £17,505,731. The increase mainly relates to investor compensation claims amounting to £554,132 and an increase of £652,427 to support the Finance Sector.

**Actual v Final Approved Budget**

Overall the Department had an underspend against budget of 4.9% (spend of £17,505,731 against an adjusted budget of £18,401,148).

**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs.

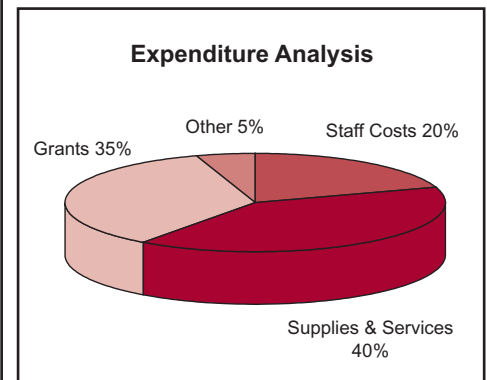
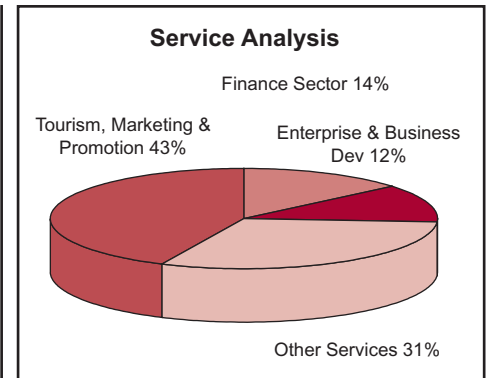
For details of States staff costs and FTEs, please refer to Note 3 in the Accounts.

**Additional budget allocation**

In 2009 an additional £1,978,548 (net) was voted to the Economic Development Department, in excess of the original budget agreed in the Business Plan.

The States voted investor compensation payments totalling £554,132, and £509,280 was received as part of the Fiscal Stimulus programme. Funding of £255,000 for the maintenance fund for La Collette Fuel Farm was brought forward from 2008 and will be carried forward into future years. The Department's economic growth fund balance of £922,381 was transferred from capital to revenue and £44,800 was returned for the 2009 pay freeze.

£454,135 was transferred to other States Departments including £200,000 to Home Affairs for Court & Case Costs and £127,140 to Education, Sport & Culture to supplement costs of the new Information Advice & Guidance Centre. The Chief Minister's Department received £75,000 to fund a review of the risks facing the Jersey Finance industry and the Treasury Department received £42,000 to fund the costs of a Tax Policy Advisor.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£000
<b>Original Budget</b>	<b>16,422</b>
La Collette Sinking Fund	255
Investor Compensation	554
2009 Pay Award return	(44)
Skills Executive to ESC	(127)
Risk review to CMD	(75)
Tax Researcher to Treasury	(42)
Court and Case Costs to HA	(200)
Vehicle funding to P & E	(10)
Rent from Housing	147
EGF Capital to Revenue	922
Crabbe capital to Rev	97
Vehicle purchase to capital	(7)
EDD Stimulus Funding	460
EDD Stimulus re Harbours	49
<b>Final Budget</b>	<b>18,401</b>

# Economic Development Department

The Department received £460,050 funding from the Fiscal Stimulus programme to initiate and/or expand activities to support local businesses through the economic downturn. Also £49,230 was received in respect of a grant made to Harbours to fund St Aubins Pier capital project.

## **2009 capital vote**

There have been no capital votes for 2009.

## **Key Financial Results by Service Analysis**

In 2008, the Department moved to a zero-based budget which ensured that investment was directed to the most appropriate place. Significant developments in the global economic climate continue and in order to respond to current and future challenges to Jersey's economy, fundamental reprioritisation of EDD budget allocation continued throughout the year by way of Budget Virements (transfers) between service areas. Internal transfers are not reflected in the approved budget figures.

## **The results for the Department's top 4 service areas (by net expenditure) were:**

### **Tourism, Marketing & Promotion • Net spend of £7,581,833, an increase of £769,374 (11.3%) against Final Approved Budget**

Due to difficult trading conditions that the Island is experiencing a decision was taken to fund additional marketing spend (£800,000) on the autumn campaign.

Tourism, Marketing & Promotion received an additional budget of £200,000 from the Economic Growth Fund.

£50,000 was received from the Jersey Hospitality Association, a £250,000 grant from the Tourism Development Fund together with budget transfers of £250,000 from other service areas within EDD.

Additional customer enquiries following the additional marketing spend, resulted in increased publication and mailing costs (c. £160,000) and Internet advertising (c. £250,000), funded from internal transfers from other service areas within EDD.

### **Finance Sector • Net spend of £2,453,555, an increase of £426,025 (21.0%) against Final Approved Budget**

The overspend mainly relates to supplementary funding awarded to Jersey Finance Limited (£292,025), developing new legislation on behalf of the Finance Sector and the establishment of the Depositors Compensation Scheme (c.£130,000), funded from other areas within EDD.

### **Enterprise & Business Development Marketing • Net spend of £2,125,515, a decrease of £958,944 (31.1%) against Final Approved Budget**

Enterprise & Business Development Marketing received an additional budget from capital of £722,381 due to a transfer from the Economic Growth Fund and this was transferred to other service areas within EDD. Their actual underspend was therefore £236,722.

# Economic Development Department

The underspend mainly relates to the Enterprise & Business Development Fiscal Stimulus programme spend of £43,895 against the budget of £362,750 due to a late start to the programme.

The Business Incubator project has been unavoidably postponed resulting in an underspend of £60,000.

Reallocation of the underspends allowed for the funding of one-off grants to Highlands College (£55,000) for set-up costs of an IT Foundation Degree and to HMP La Moye (£30,000) to support training investment.

**Dairy Service Support** • **Net spend of £1,058,477, an increase of £186,033 (21.3%) against Final Approved Budget**

The overspend mainly relates to payments made to dairy farmers exiting the industry (£137,545) and an increase on the grant paid to the Royal Jersey Agricultural & Horticultural Society for services supporting the dairy industry (£43,715).

## Key Financial Results by Operating Cost Statement

**The results for the 2 highest income lines are as follows:**

**Other Revenue** • **Income of £781,142, a surplus of £368,590 (89.3%) against Final Approved Budget**

The surplus relates to windfall income of £360,527 received from Ofcom in relation to wireless telegraphy licence fees which the UK collects on behalf of Jersey. This is paid to the Regulatory Services Department every five years.

The timing and amount of payment was not known when the 2009 Business Plan budget was agreed.

**Sales of Services** • **Income of £728,937, a surplus of £290,807 (66.4%) against Final Approved Budget**

The surplus is due to advertising income of £171,350 not included at the time of the Business Plan. There was also additional income of £97,500 in relation to the new Jersey Pass scheme.

**The results for the 3 highest expenditure lines are as follows:**

**Supplies and Services** • **Spend of £8,068,575, an decrease of £137,788 (1.7%) against Final Approved Budget**

The underspend was mainly due to the late start of the Fiscal Stimulus programme.

**Grants and Subsidy Payments** • **Spend of £7,022,978, an increase of £690,546 (10.9%) against Final Approved Budget**

The overspend was mainly due to grants not included in the Business Plan which include:

- £404,519 - Air Route Development
- £137,545 – Increase in Quality Milk Payments
- £120,000 - Institute of Law for set up costs and Study Guide development
- £55,000 - Highlands College for set up costs of an IT Foundation Degree

# Economic Development Department

## **Staff Costs**

- **Spend of £4,036,988, an increase of £48,735 (1.2%) against Final Approved Budget**

The increase in staff costs is due to additional contract staff employed for the establishment of the Depositors Compensation Scheme, and maternity cover.

## **Capital Schemes**

There has been no Capital Expenditure during the year.

# Economic Development Department

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
2,013,700	3,084,459	<b>Enterprise &amp; Business Development Marketing</b>	2,125,515	1,970,048
6,462,200	6,812,459	<b>Tourism, Marketing &amp; Promotion</b>	7,581,833	7,228,080
		<b>Policy &amp; Regulation</b>		
594,600	639,965	Competition Law	341,115	611,934
564,700	610,045	Consumer Affairs/Trading Standards	593,561	526,484
1,992,600	2,027,530	Finance Sector	2,453,555	1,801,102
335,500	335,610	Gambling Legislation and Control	286,155	236,861
380,600	453,138	Regulation of Undertakings	445,319	426,628
290,700	408,233	Rural Sector- Policy and Regulation	466,580	248,571
597,400	632,988	Policy Development	134,527	(7,301)
		<b>Rural Support</b>		
1,091,100	1,094,671	Single Area Payment	1,001,656	979,867
872,500	872,444	Dairy Service Support	1,058,477	1,035,323
237,100	238,728	General Support- Rural Economy	135,591	149,370
515,000	520,356	Rural Initiative- Rural Economy	432,645	563,127
		<b>Skills</b>		
474,900	621,292	Training & Workforce Devoping Skills	399,972	404,609
-	49,230	Harbours Stimulus Grant	49,230	-
<b>16,422,600</b>	<b>18,401,148</b>	<b>Net Revenue Expenditure</b>	<b>17,505,731</b>	<b>16,174,703</b>

Note: Finance Industry Development moved to Policy Development (Finance Sector amended to reflect the 2010 Business Plan).



# Economic Development Department

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
477,800	477,742	Duties, Fees, Fines & Penalties	495,838	516,321
102,500	102,500	Sales of Goods	137,565	100,791
438,100	438,130	Sales of Services	728,937	137,460
2,500	2,485	Commission	3,152	3,635
222,500	222,518	Hire and Rentals	228,292	497,194
52,000	412,552	Other Revenue	781,142	478,790
<b>1,295,400</b>	<b>1,655,927</b>	<b>Total Revenue</b>	<b>2,374,926</b>	<b>1,734,191</b>
3,933,400	3,988,253	Staff Costs	4,036,988	3,742,007
6,930,100	8,206,363	Supplies and Services	8,068,575	7,521,809
132,500	132,448	Admin Expenses	284,242	207,518
442,700	697,720	Premises and Maintenance	434,764	304,508
–	699,859	Other Operating Expenditure	37,258	121
6,279,300	6,332,432	Grants and Subsidy Payments	7,022,978	6,132,771
–	–	Finance Costs	352	160
–	–	Asset Disposal (Gain)/Loss	(4,500)	–
<b>17,718,000</b>	<b>20,057,075</b>	<b>Total Expenditure</b>	<b>19,880,657</b>	<b>17,908,894</b>
<b>16,422,600</b>	<b>18,401,148</b>	<b>Net Revenue Expenditure</b>	<b>17,505,731</b>	<b>16,174,703</b>

# Education, Sport and Culture

**Department Highlights:**

- Net spend of £98,988,264, an increase of 5% on 2008
- Underspend of £728,676 (0.7%) against Final Approved Budget

## Actual v prior year

The increase in spend from 2008 to 2009 was 5%. The variance is due to a number of factors: the impact of pay awards and non-staff inflation; the allocation of permanent funding in respect of the introduction of a banded funding methodology for Mont a l'Abbe school based on level of need and the cost associated with the transfer of administrative responsibility for the Aquasplash Leisure Pool; the introduction of Early Years Education; and additional resources required to support the arts and heritage organisations. Following the formation of the Skills Executive, resources available for skills development, primarily the creation of an all-age careers service within the town area, were consolidated within the Department. Additional spend also reflects initiatives introduced as part of the economic stimulus package.

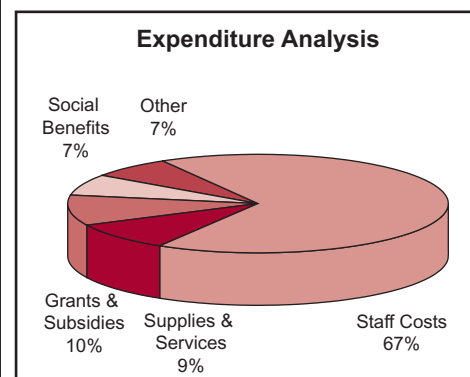
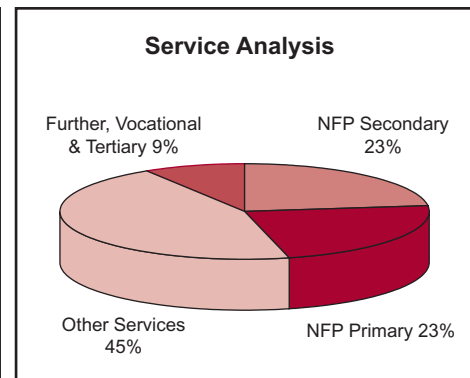
## Actual v Final Approved Budget

Overall the Department had an underspend against budget of 0.7%. The underspend primarily reflects the arrangements for Delegated Financial Management which allows schools to carry forward funds within defined financial parameters to accommodate the difference between the academic and financial year. In particular the fee paying provided schools have set aside funds for the ongoing maintenance of the schools and to maintain future fee increases at a reasonable level.

## Additional budget allocation

In 2009 an additional £1.2 million (net) was voted to Education, Sport and Culture in excess of the original budget agreed in the Business Plan. This amount includes carry forwards of £1.7 million from 2008, primarily in respect of Delegated Financial Management in schools, net transfers of £191,000 to and from other States departments in respect of service transfers, and net transfers of £15,067 in respect of transfers to and from capital as a result of revised arrangements following the introduction of GAAP. Resources were also allocated for the Historic Child Abuse Enquiry (£135,000) and from the Economic Stimulus Stabilisation Fund (£497,000). Due to the pay freeze for 2009, the Department transferred the sum of £976,913 back to Treasury and Resources.

Capital	Total £000
Total value of approved capital schemes	51,794
Spent in the Year	123
Spent to Date	48,912



**Staff Costs**  
 Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs  
 For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£000
<b>Original Budget</b>	<b>98,513</b>
Pay Award Funding	(977)
Carry Forwards	1,725
Transfer to Other Dept	(521)
Transfer from Other Dept	330
Transfer to Capital	(136)
Transfer from Capital	151
Additional Funding	632
<b>Final Budget</b>	<b>99,717</b>

# Education, Sport and Culture

## 2009 capital vote

An annual sum of £100,000 is voted for the Department's capital schemes, being the 'minor capital' funds that are allocated to the Sport Division. The funds are used primarily for equipment replacement and minor refurbishment works, to ensure that facilities can be maintained at a standard which ensures that membership numbers are achieved through the Active card scheme.

The Department has retained responsibility for a small number of capital projects that are nearing completion and which have not been transferred to the Treasury and Resources Property Holdings function.

Additional details on revenue expenditure results and in year capital spend are explained below.

## Key Financial Results by Service Analysis

The results for the department's top 4 service areas (by net expenditure) were:

**Non Fee-Paying Provided Schools Secondary Education** • **Net spend of £23,425,246 an overspend of £195,986 (0.8%) against Final Approved Budget**

The current arrangements for Delegated Financial Management enable schools and colleges to carry forward both surpluses and deficits within defined limits between financial years in order to plan for the academic year. A minimal overall increase against budget, due to an overspend at two secondary schools, reflects the challenge in responding to a significant decline in pupil numbers. Whilst such a decline may be anticipated, it is difficult to respond to in the short term.

**Non-Fee-Paying Provided Schools Primary Education** • **Net spend of £22,887,447, an underspend of £333,703 (1.4%) against Final Approved Budget**

All schools are formula funded on the basis of pupil numbers. Whilst a review is being carried out of the method of funding the Island's primary schools, in the interim a small number of schools are supported beyond the level dictated by the formula in order to maintain the level of educational provision. The Department reviews demographic trends on an ongoing basis and also considers whether current policies relating to catchment areas and the process of appeals are still relevant and whether there is an opportunity to reduce forms of entry and amalgamate schools. The nature of the changes required however makes it very difficult for them to be implemented in the short term.

Of the twenty two primary schools, three are in deficit at the end of the financial year. These deficits will be carried forward to the next year.

**Further, Vocational and tertiary Education (including Highlands College)** • **Net spend of £9,055,763, an overspend of £111,973 (1.3%) against Final Approved Budget**

A newly established funding arrangement, based on forecast pupil numbers and a 'unit of resource' has been used to calculate the Highlands College budget. The 'unit' is weighted on the basis of the cost of materials for specific courses and includes an allowance for age and additional support required to access learning programmes whether through a learning difficulty or disability. The budget was supplemented by income of approximately £2.4 million from part time and full time courses, higher education, rentals and retail sales. The College received additional fiscal stimulus funding of £313,333 to be able to accommodate additional student in-take.

# Education, Sport and Culture

The College management team is carrying out a programmed review of key procedures and controls including the provision of financial information, support and training which will enhance management decision making. Tighter controls on the management of academic staff timetables has reduced visiting lecturer spend by 13%, and the College is currently developing a Fees Policy that will provide a consistent framework for future fee proposals. The College will carry forward the overspend to the next financial year.

## **Higher Education** • **Net spend of £8,521,827, an underspend of £1.03 million (10.8%) against Final Approved Budget**

The Minister for Education, Sport and Culture is committed to ensuring that the respective contributions made by students, parents and the States, to the funding of higher education is fair to all participants. Expenditure is subject to some uncertainty, being based on student preference for courses and family income. Due to this uncertainty, maintenance thresholds have been maintained, thereby reducing total States expenditure due to increases in family income. The underspend reflects the transfer in 2008 of £1 million to the Higher Education budget originally allocated to the Department for vocational and occupational skills, in order to provide sufficient funding over the period of transition following the introduction of student loans and uncertainty over future fee increases. A review is currently being undertaken in order to ensure that the current system is fair for all.

## **Key Financial Results by Operating Cost Statement**

**The results for the 2 highest income lines are as follows:**

### **Sale of Services** • **Income of £15,151,781, a surplus of £2,665,993 (21.4%) against Final Approved Budget**

The primary components consist of fee paying provided school fees (£8.3 million), Highlands College charges (£2.4 million) and income from Sports Centres (£2.5 million).

Additional income was achieved through the Sport Active card scheme, annual membership of which was 4,970 in 2009, supplemented by 4,350 monthly passes. The original budget in respect of the Department's fee-paying provided schools is calculated according to a funding formula which assumes a contribution towards operating costs from fees. The actual contribution exceeds that budgeted. Income from Sport Division shows and events has traditionally been budgeted for net so that financial statements only reflect the 'profit/loss'. The activities have correctly been accounted for gross in 2009 thereby inflating income, by approximately £940,000, and consequently increasing expenditure in relation to payments to show promoters. Whilst it can be difficult to forecast the scheduling of specific events and the timing of income streams, this has been rectified in the 2010 budget.

### **Hire and Rentals** • **Income of £828,882, a surplus of £347,177 (72%) against Final Approved Budget**

The variance primarily reflects the success of primary and secondary schools in generating income by making premises available for community use and supplementing their budget for the benefit of pupils. Clubs and associations continued to increase use of the rooms and other facilities within Fort Regent Leisure Centre, Springfield Stadium and Les Quennevais Sport Centre and other facilities within the Sport Division. The balance of the surplus represents actual income achieved from overhead areas which are netted off against expenditure in the Business Plan.

# Education, Sport and Culture

The results for the 3 highest expenditure lines are as follows:

**Staff Costs** • **Spend of £77,562,810, an overspend of £43,120 (0.05%) against Final Approved Budget**

Staff costs represent 66.7% of the total expenditure of the Department. Of this amount £62.6 million (81%) of staff are employed within the Department's provided schools and £4.3 million (5.5%) within the Sport Division. The minimal variance against budget is indicative of the careful management of this material element of expenditure. Overall, there was less call on the central reserve maintained to meet the cost of long term teacher sickness and recharge supply teacher costs to schools. This was offset by an overspend in staff expenditure at the fee-paying provided schools, matched by a planned surplus of income, compared to the formula based funding allocation.

**Grants and Subsidies** • **Spend of £11,591,186, an overspend of £2,054,704 (21.5%) against Final Approved Budget**

The overspend is due primarily to additional support required by the Jersey Heritage Trust amounting to £888,000, explained in more detail in Other developments, which has provided short-term financial stability to the Trust and given the Department and the States the time to agree on the services to be funded and consider the resources that should be made available in the longer term. In addition: clarification was sought from States Internal Audit and it was agreed that payments in respect of Early Years Education should be reclassified as Grants; hardship and other grants paid by the fee-paying provided schools exceeded that budgeted; and actual pupil numbers in the grant funded schools were higher than that originally anticipated and budgeted.

**Supplies and Services** • **Spend of £10,589,972, an overspend of £997,364 (10.4%) against Final Approved Budget**

The overspend against budget is due largely to payments to show and event promoters. Referring to the comment above in "Sale of Services", shows and events have traditionally been budgeted and accounted for net. With the introduction of GAAP accounting, income from ticket sales and expenditure relating to payments to promoters are now shown gross. The budget for Early Years Education referred to in Grants and Subsidies, was originally budgeted within Supplies and Services but is now accounted for as grants. The balance of the variance represents an overspend in the Department's secondary schools and an underspend in primary schools that will be carried forward to the next financial year.

**Capital Schemes**

Total Capital Expenditure during the year was £123,000 which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amount voted in excess of £500,000 are contained in the table below:

# Education, Sport and Culture

Scheme	Amount Voted £000	Spent in the Year £000	Spent to Date £000
Hautlieu School	24,973	0	24,232
Le Rocquier School	22,750	0	22,444
ESC ICT Strategy	3,765	0	2,088
Total schemes under £500,000	306	123	148
<b>TOTAL</b>	<b>51,794</b>	<b>123</b>	<b>48,912</b>

The underspend on the Hautlieu School and Le Rocquier School projects will be used to fund the Department's ICT Strategy.

## Other developments

In 2009, in the light of concern over financial arrangements of the Jersey Heritage Trust, the Minister responded by requesting the Comptroller and Auditor General to carry out a review of the financial condition, governance structure and financial management of the Trust. This was supplemented by an independent financial and business review to be able to assess more fully the operating and financial opportunities and risks to which the Trust is exposed. The Department was able to utilise the forecast underspend in Higher Education in 2009 to support the Jersey Heritage Trust until the review is complete and a full assessment can be made of the services supported by the Trust and the resources that may be required, which the Minister is committed to reporting to the States.

The major components of grants to students in Higher Education are university fees and maintenance. Expenditure on University fees in 2009 was £5.7 million and on maintenance £2 million which is approximately the same as 2008. It is significant that the profile of student intake for the 2009/10 academic year, reflected in the cost of courses undertaken and family income, increased expenditure beyond that originally forecast for the Autumn Term 2009/10. A likely further reduction in family income due to the economic recession will also have implications for increased spend in 2010.

A total of £497,000 was allocated to the Department from the Economic Stimulus Stabilisation Fund which was used to fund a number of initiatives associated with the economic downturn: the Advance to Work Scheme, established to provide young people with work placements and relevant on-the-job and vocational training (£123,000); strengthening of the Careers Team to support individuals by developing skills and re-training to meet local industry needs (£61,000); to meet additional students enrolled on courses at Highlands College (£313,000).

A Procurement Board has been established to act as the primary communication channel between the Department and the Corporate Procurement Department. The Board comprises key stakeholders and supports a federated approach to procurement across the service and a means of reporting performance against objectives to the Senior Management Team. This will enhance the Department's relationship with Corporate Procurement and act as a forum to disseminate policy, procedures and best practice and drive through savings initiatives.



# Education, Sport and Culture

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Schools and Colleges</b>		
		Non Fee-Paying Provided Schools		
2,643,000	2,675,140	Pre-School Education	2,549,207	1,940,090
23,070,100	23,221,150	Primary Education	22,887,447	22,410,024
23,371,400	23,229,260	Secondary Education	23,425,246	22,785,877
		Fee-Paying Schools		
5,633,400	5,710,410	Provided Schools	5,406,416	5,366,623
4,717,800	4,712,280	Non-Provided Schools	4,888,121	4,549,593
8,040,400	7,940,270	Special Educational Needs and Special Schools	7,555,951	7,476,949
721,700	714,280	Instrumental Music Service	707,289	700,602
		<b>Culture and Life Long Learning</b>		
8,848,100	8,943,790	Further, Vocational and Tertiary Education (including Highlands College)	9,055,763	8,847,356
1,677,000	1,660,270	Public Libraries	1,585,787	1,598,172
1,484,600	1,464,970	Youth Service	1,441,334	1,436,660
9,450,100	9,559,220	Higher Education	8,521,827	8,525,237
305,300	875,290	Careers Jersey *	780,469	-
		<b>Child Care Support</b>		
194,600	195,800	Day Care Services	188,970	171,507
171,100	172,620	Jersey Child Care Trust	175,871	171,476
2,074,500	2,300,570	Heritage (Grant to the JHT)	3,199,601	2,029,623
1,709,600	1,760,940	Arts (including the Grant to the JAT)	1,955,667	1,588,389
		<b>Sport and Leisure</b>		
2,086,800	2,084,360	Sports Centres	2,025,860	2,115,684
1,267,700	1,442,350	Playing Fields and Schools Sports	1,534,756	1,214,913
553,100	558,190	Sport Development	510,307	466,201
250,000	252,880	Grants and Advisory Council	390,168	367,007
242,300	242,900	Playschemes and Outdoor Education	202,207	214,217
-	-	Community Fund		18,064
<b>98,512,600</b>	<b>99,716,940</b>	<b>Net Revenue Expenditure</b>	<b>98,988,264</b>	<b>93,994,264</b>

\* Note: Careers Jersey reported in 2008 as an overhead across the department

# Education, Sport and Culture

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Income</b>		
22,000	22,000	Duties, Fees, Fines & Penalties	22,917	15,079
154,528	154,528	Sale of Goods	468,489	531,759
12,870,167	12,485,788	Sale of Services	15,151,781	13,735,336
24,200	24,200	Commission	42,416	40,466
481,705	481,705	Hire and Rentals	828,882	731,557
100,400	487,885	Other Revenue	620,970	1,149,559
<b>13,653,000</b>	<b>13,656,106</b>	<b>Total Revenue</b>	<b>17,135,455</b>	<b>16,203,756</b>
		<b>Expenditure</b>		
9,097,000	9,095,914	Social Benefit Payments	8,077,494	8,153,863
78,035,500	77,519,690	Staff Costs	77,562,810	75,862,620
8,457,100	9,592,608	Supplies and Services	10,589,972	8,929,432
492,710	479,610	Administrative Costs	861,942	622,112
6,768,155	7,062,907	Premises and Maintenance	7,300,863	7,194,247
68,135	68,135	Other Operating Expenditure	119,026	56,801
9,229,300	9,536,482	Grants and Subsidies Payments	11,591,186	9,357,003
17,700	17,700	Finance Costs	23,926	21,942
-	-	Asset Disposal (Gain) / Loss	(3,500)	-
<b>112,165,600</b>	<b>113,373,046</b>	<b>Total Expenditure</b>	<b>116,123,719</b>	<b>110,198,020</b>
<b>98,512,600</b>	<b>99,716,940</b>	<b>Net Revenue Expenditure</b>	<b>98,988,264</b>	<b>93,994,264</b>

# Health and Social Services

**Department Highlights:**

- **Net spend of £157,545,640, an increase of 6.1% on 2008**
- **Underspend of £1,837,724 (1.2%) against Final Approved Budget**

## Actual v prior year

The net increase in departmental expenditure from 2008 to 2009 was 6.1% (£9.03m). The main reasons for this increase are:

- A 3.7% increase in staff costs (£4.03m), primarily as a result of the department filling vacancies across the service.
- A 5.7% increase in the spend on supplies and services (£2.25m), mainly associated with the containment and preparation programme for the H1N1 Pandemic Flu outbreak which was declared by the World Health Organisation in April 2009.
- A 12.9% fall in sales of services (£1.95m) as a result of the Department of Health in the UK terminating the Reciprocal Health Agreement (RHA) with Jersey on 1st April 2009.
- A net change of £0.8m in other lines of income and expenditure.

Further details of the other categories of income and expenditure are presented under key financial results by operating cost statement.

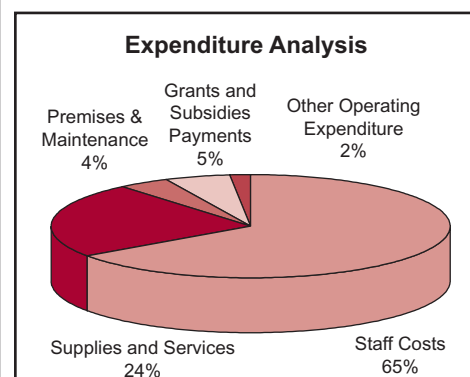
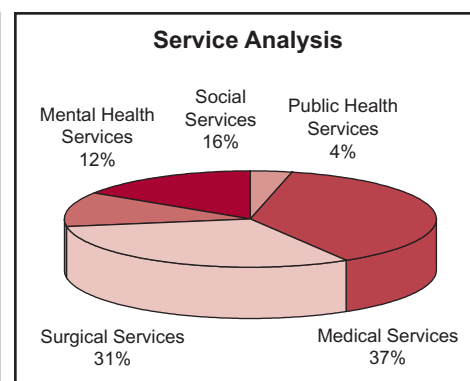
## Actual v Final Approved Budget

Overall the department had an underspend against budget of 1.2% as a result of delays experienced on revenue elements of specific projects.

Following the decision of the States of Jersey to change to GAAP accounting, Health & Social Services (H&SS) transferred the estimated revenue expenditure of the Integrated Care Record (ICR) project and minor equipment replacement from capital to revenue. During the year the department experienced delays in the negotiation of the ICR project contract and the procurement of minor equipment which both contributed to the reported underspend.

The department has requested that the underspend be carried forward to enable the completion of the ICR project and the necessary purchase of medical equipment in 2010.

Capital	Total £000
<b>Total value of approved capital schemes</b>	<b>19,157</b>
<b>Spent in the Year £000</b>	<b>5,840</b>
<b>Spent to Date £000</b>	<b>11,725</b>



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£000
<b>Original Budget</b>	<b>153,600</b>
2008 Carry forward	22
Minor revenue equipment	1,621
ICR revenue allocation	1,424
DoH termination UK RHA	2,599
Pandemic Flu	1,392
HCAI funding	540
Family X	316
2009 pay freeze	(1,269)
Trf Soc Sec boarding	(681)
Capital deficits 2008	(181)
<b>Final Budget</b>	<b>159,383</b>

# Health and Social Services

## Additional budget allocation

In 2009 an additional £5.78m (net) was voted to H&SS in excess of the original budget agreed in the business plan (see Reconciliation of Original budget to Final Budget table for details).

The department carried forward £0.02m revenue budget from 2008 into 2009 as permitted under States financial directions. As a part of the move to UK GAAP accounting, H&SS transferred £3.05m from capital to revenue for the ICR project and minor equipment purchases (as described above).

The department also received an additional £2.6m to fund the net budget shortfall associated with the UK's termination of the RHA (as described above). In addition the department received £1.39m to fund the costs of the H1N1 pandemic flu containment and preparation (as described above) and an amount of £0.54m was voted to fund continued costs following the Historic Child Abuse Inquiry in 2008. Finally, £0.32m was voted to the department to fund the costs of specialist, therapeutic and accommodation services of placing 3 vulnerable children in the UK.

During the year the department returned £1.27m budget associated with the pay freeze and transferred £0.7m to Social Security Department (SSD) due to the change in financial arrangements for managing residential care under income support. Finally, the department transferred £0.2m from revenue to capital in order to fund overspends on capital projects disclosed in the financial pages of the department in the year ended 2008.

## 2009 capital vote

In the 2009 business plan, an additional £4.8m was voted for the department's capital schemes taking the total value of approved schemes in progress to £19.16m. The additional capital vote for 2009 was to fund:

- Replacement Health IT System £3m – representing the third and final allocation of funding for the ICR programme over a three year period, totalling £12m.
- Minor capital equipment £1.8m – to fund medical and other equipment replacement across H&SS.

Additional details on revenue expenditure results and in year capital spend are explained below.

## Key Financial Results by Service Analysis

The service analysis is arrived at after allocating indirect service costs to the direct cost of running and delivering the service in the operational department. Additionally, the overhead expenditure of non operational departments is apportioned to operational departments using appropriate overhead apportionment bases. The results of the four largest operational areas, by net budgeted expenditure, have been analysed into direct, indirect and overhead analyses in the narrative in order to provide meaningful and transparent management information.

### Medical Services

- **Net spend of £57,748,292, an overspend of £84,052 (0.1%) against Final Approved Budget**

The direct service cost performance of Medical Services was an overspend of £1.083m (2.9%). The operational overspend has arisen as a result of the use of medical locums and bank/agency nursing staff to cover vacancies and absence. The pay overspend has been reduced by holding vacancies in pharmacy, occupational therapy and services for older people, resulting in an overspend of £0.644m on pay.

Medical Services also overspent by £0.37m on non pay budgets due to the increased cost and usage of laboratory and renal supplies.

# Health and Social Services

An under recovery of income from clinical investigations, holiday dialysis patients and the removal of prescription charges in pharmacy has been reduced by an over recovery of income from elderly patients in continuing care beds. The net effects of this are an under recovery of £0.07m on income for Medical Services.

The indirect service costs include £5.9m for community services, delivered under the FNHC service level agreement, and £2.6mm for UK specialist treatments in addition to the cost of running and managing both the directorate and the general hospital, which make up the balance of the budget of £10.9m. Actual spend was in line with budget.

The overheads allocation budget comprises £3.6m hotel services for domestics, porters, security and laundry, £2.5m property management and maintenance, and £2.7m other services including catering, IT, finance, HR, medical records, and clinical governance. An underspend on overheads of £0.75m arose mainly within other services as a result of the generation of more income through overseas visitors than had been budgeted, and the delays on the implementation of the ICR project resulting in the carry forward of budget into 2011.

The balance of budget variance arises from changes in service priorities and cost allocation not reflected at budget setting.

## **Surgical Services**

- **Net spend of £47,520,116, an underspend of £995,774 (2.1%) against Final Approved Budget**

The direct service cost performance of Surgical Services was an overspend of £0.646m (1.9%). The increased cost of medical locums in general surgery and obstetrics and gynaecology has created significant overspends against budget but the overspend has been reduced by nursing vacancies in main theatres, maternity and surgical wards. The effect of these operational challenges has resulted in a final overspend of £0.242m on pay.

Non-pay budgets have also overspent due to the costs and usage of surgical supplies in main theatres, Critical Care Unit and prostheses in trauma and orthopaedics. The overspend is reduced by savings that have been achieved on x-ray supplies in radiology, resulting in a net overspend of £0.414m.

During 2009, Surgical Services achieved an over recovery on private radiology income as a result of continued increased patient activity. This activity contributed towards the net over recovery of income of £0.01m.

The indirect service costs include £2.4m for UK specialist treatments in addition to the cost of running and managing both the directorate and the general hospital, which make up the balance of the budget of £5.4m. Actual expenditure was in line with budget.

The overheads allocation budget comprises £3.7m hotel services for domestics, porters, security and laundry, £2.6m property management and maintenance, £1.2m for catering and £3m other services including IT, finance, HR, medical records, and clinical governance. An underspend on overheads of £0.7m arose mainly within other services as a result of the generation of more income through overseas visitors than had been budgeted, and the delays on the implementation of the ICR project resulting in the carry forward of budget into 2011.

The balance of budget variance arises from changes in service priorities and cost allocation not reflected at budget setting.

# Health and Social Services

## Social Services

- **Net spend of £24,133,318, an overspend of £369,483 (1.6%) against Final Approved Budget**

The direct service cost performance of Social Services was a total overspend of £0.66m (3.6%). The costs of supporting clients within both special needs group homes and children with specialist therapeutic needs has created considerable pay overspends, although this has been reduced by underspends in adult services associated with vacancies in social worker posts. The final overspend on pay amounted to £0.24m.

Social Services have overspent on their non-pay budget by £0.42m due to the increased costs of providing respite services, a high cost off-island client placement, and the opening of a specialist therapeutic centre for vulnerable children in care. During 2009 H&SS have been working with respite service providers to enable a more efficient service delivery which will result in cost efficiencies in 2010. In addition, the special needs services have put together a 3 year plan to provide client group home facilities within the resources available. Finally, the specialist children's therapeutic centre is expected to be fully funded by the Williamson implementation plan in 2010.

The indirect service costs of £0.9m comprise the cost of managing the directorate and a minor proportion of the community services provided to adults under the FNHC service level agreement. Actual expenditure was in line with budget.

The overheads allocation budget comprises £1.4m property management and maintenance, and £1.6m other services including catering, IT, finance, HR, medical records, and clinical governance. The underspend on overheads of £0.48m arose mainly within other services as a result of the generation of more income through overseas visitors than had been budgeted, and the delays on the implementation of the ICR project resulting in the carry forward of budget into 2011.

The balance of budget variance arises from changes in service priorities and cost allocation not reflected at budget setting.

## Mental Health Services

- **Net spend of £17,815,062, an underspend of £908,320 (4.9%) against Final Approved Budget**

The direct service cost performance of Mental Health Services was a total underspend of £0.117m (0.9%). This has arisen due to vacancies in inpatient adult and support services. Considerable overspends in older peoples mental health, as a result of use of medical locums and increased use of agency nursing staff to cover vacancies and absence, creates a total net underspend on pay budget of £0.093m.

The service has overspent on non-pay budgets by £0.019m as a result of the increased need for specialist UK placements.

The indirect service costs comprise £2m for the cost of managing the directorate and St Saviour's hospital and £0.7m for UK specialist treatments. Actual expenditure was in line with budget

The overheads allocation budget comprises £1.1m property management and maintenance, and £1.2m other services including catering, IT, finance, HR, medical records, and clinical governance. The underspend on overheads of £0.4m arose mainly within other services as a result of the generation of more income through overseas visitors than had been budgeted, and the delays on the implementation of the ICR project resulting in the carry forward of budget into 2011.

The balance of budget variance arises from changes in service priorities and cost allocation not reflected at budget setting.

# Health and Social Services

## Key Financial Results by Operating Cost Statement

The results for the two highest budgeted income lines are as follows:

**Sales of Services** • **Net income of £13,144,594, an over achievement of £686,794 (5.5%) against Final Approved Budget**

Termination of the RHA by the Department of Health in the UK on 1st April 2009 has decreased sales of services income by £2.75m during the financial period, which is partly offset by £0.4m income received from UK and overseas visitors.

The net change has been reflected in the final approved budget and therefore is only relevant to the change in receipt of actual income between 2008 and 2009. The transfer of the residential care or “boarding out” budget to SSD, to be managed under the income support scheme, has decreased income received from the elderly by £0.8m, which has been reflected in the final approved budget.

During the year the department has experienced growth in the private provision of continuing care for the elderly of £0.4m, in line with the demographic changes in the Island. Additionally the department has experienced growth in private patient income for endoscopy, oncology, and radiology of £0.8m. This growth explains the overachievement of income by the department against its final approved budget of £12.5m for 2009, although it is matched with an associated increase in pay and non-pay costs.

**Hire & Rentals** • **Net income of £1,204,590, an under achievement of £74,163 (5.8%) against Final Approved Budget**

The majority of the income recorded under hire & rentals relates to income received on property rented to members of H&SS staff. Whilst income from property rentals appears to have remained fairly static from 2008, the nature of this income can be erratic and the department can experience considerable variation on property receipts year on year.

The reason for the underachievement of the income from budget is largely due to the non receipt of income support on special needs clients in rented group home properties which was accrued and budgeted for in 2008 and 2009. Negotiations over the transitional arrangements from rent rebates to income support have been protracted, however it has now been agreed between H&SS and SSD that H&SS's special needs clients rent rebates will be appropriately funded by income support in 2010.

The results for the three highest budgeted expenditure lines are as follows:

**Staff Costs** • **Spend of £113,381,202, an under spend of £7,007,422 (5.8%) against Final Approved Budget**

Staff costs represent 65% of the expenditure of H&SS (see expenditure analysis chart). The department faces difficulty in recruiting some permanent clinical staff and balancing the increasing service demand driven by demographics and advances in treatment. The effect of these factors means that H&SS often has to depend on agency staff and locums to deliver core services.



# Health and Social Services

The department constantly strives to fill these vacancies, which is demonstrated by the increase in current spend of £4.03m (3.7%) from 2008, and the drop in the nurse vacancy rate from 7.5% in January 2009 to the December 2009 rate of 4.3%. With the exception of medical staff, costs of staffing were held at 2008 rates of pay as a result of the pay freeze implemented across the States of Jersey in 2009.

As a result of the H&SS business plan allocating growth monies on the 2009 budget totally to pay budgets, where they were held until they were appropriately allocated out across the department, the operating cost statement shows a £7m under spend against final approved budget in 2009.

During the year the department has appropriately reallocated this budget to fund cost pressures and service priorities in accordance with Senior Management Team decisions to ensure service areas receive budget to fund pay and non-pay changes to their expenditure plans. In the 2010 business planning process, more comprehensive work has been undertaken to assign growth monies to appropriate expenditure lines, meaning that this presentation anomaly should not occur in the future.

## **Supplies and Services** • **Spend of £41,508,779, an over spend of £6,152,169 (17.4%) against Final Approved Budget**

The actual expenditure on supplies and services has increased in 2009 as a result of a number of factors outside of the control of the department. An example of this is the declaration of an H1N1 Pandemic Flu outbreak by the WHO in April 2009, resulting in the department putting together a containment programme and preparation for pandemic flu of £1.2m which was less severe than expected. Other factors include the costs of legal fees for defence of claims against the States of Jersey/H&SS in connection with the Historic Child Abuse Inquiry (£0.2m) and the independent investigations into clinical practice and governance in the department (£0.6m).

Other increases in spend on supplies and services include an increase in the purchase of healthcare (£1.08m), of which £0.3m has been incurred with respect to specialist, therapeutic and accommodation services for 3 vulnerable children in the UK. Spend on high cost drugs (£0.6m) has grown as a result of development of new drugs, changes in demographics and advances in treatments. During the year the department concluded an agreement with GPs for the delivery of childhood immunisations to pre-school children which will significantly improve the coverage and immunity of the Island's community.

The overspend of £6.2m against final approved budget has been funded by 2009 allocations, which were notionally allocated against pay, via approved budget virements as per the narrative in staff costs above.

## **Grants and Subsidies** • **Spend of £9,208,254, a decrease of £12,845 (0.1%) against Final Approved Budget**

Where it is more efficient to outsource services into the private sector, H&SS establish service level agreements for appropriate third party organisations to provide these services. During 2009 established service level agreements were uplifted by 2.5% in accordance with the centrally set limits for non-pay inflation within the States of Jersey.

As a part of a drive to deliver efficiency savings across H&SS in 2009 the department terminated its service level agreements with Aids Care and Education Trust (ACET) giving rise to the reduction in spend on grants and subsidies in 2009.

# Health and Social Services

The department is currently working with a number of service providers to define the services that are required, the quality standards of those services, how they are to be monitored and finally how payment is made to the third party provider. The effect of this is that as each service is managed through this process they will be appropriately re-categorised into contracts for services rather than grants. These service and management changes, to all third party service providers, are expected to be concluded by 31st December 2011.

## Capital Schemes

Total capital expenditure during the year was £5.84 million (see capital table above) which reflects the progress made on a wide variety of individual schemes. A summary of the largest current capital schemes with total amount voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted £000</b>	<b>Spent in the Year £000</b>	<b>Spent to Date £000</b>
ICR Project	7,861	2,634	4,005
A&E/Radiology extension (phase 2)	3,820	1,809	2,318
Equipment maintenance & minor capital	2,433	682	1,134
<b>TOTAL</b>	<b>14,114</b>	<b>5,125</b>	<b>7,457</b>

Whilst the ICR project experienced delays during 2009 due to the finalisation of supplier contracts, the scheduled completion date in 2010 remains unaffected.

The A&E/Radiology extension has progressed in accordance with plans during 2009 and is also expected to be completed in 2010.

## Other developments

It has been an extremely challenging year for H&SS due to the increased service demands associated with changing demographics and enhancing the health and social care of the community. Some of the 2009 challenges were planned and understood at the start of the year, but unplanned events e.g. pandemic flu have been responded to and managed successfully within existing capacity. It is important to note that these challenges are not diminishing and in many areas will present themselves more acutely during 2010.

The department has also been updating and expanding its information technology capacity through the ICR project and changing the structure of its financial reporting through GAAP accounting. Further challenges are already presenting themselves with regard to the development of overarching governance arrangements and the progression of plans to enhance the internal control structure of the department.

During 2010 the department will be implementing the substantial efficiency savings identified in the 2010 business plan and will also be conducting the comprehensive spending review (CSR). The department fully embraces the concept of the CSR, seizing it as an opportunity to redesign services in a safe, efficient and effective manner whilst also reducing the overall cost base of the department. Associated with this is the procurement project which will improve the internal control framework of the department whilst reducing non-pay costs and allowing clinical staff to concentrate on clinical rather than administration duties.

# Health and Social Services

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Public Health Services</b>		
691,686	2,100,794	Public Health Medicine	2,165,402	713,486
872,106	891,414	Clinical Public Health Services	1,054,677	1,145,341
1,144,424	1,153,544	Health Protection	1,158,817	1,233,661
1,169,152	1,182,706	Health Improvement	1,071,082	987,100
		<b>Medical Services</b>		
9,029,132	9,265,132	Medical Specialties	9,692,542	7,376,378
3,467,619	3,547,543	Paediatrics	3,917,564	3,182,768
1,525,267	1,559,711	Renal Services	1,791,024	1,723,918
1,600,058	1,658,640	Outpatient Services	1,552,873	1,582,239
7,180,962	7,695,208	Medical Wards	7,401,028	6,495,981
3,021,804	3,393,180	Accident and Emergency	3,422,907	3,411,917
3,229,077	3,244,542	Assessment and Rehabilitation for Older People	3,113,851	3,849,786
12,798,198	12,175,450	Continuing Care for Older People	10,995,326	12,051,458
8,404,490	8,619,288	Pathology	8,931,507	8,532,942
2,006,625	2,043,741	Pharmacy	2,167,554	2,267,355
4,411,821	4,461,805	Therapy Services	4,762,116	4,298,267
		<b>Surgical Services</b>		
16,980,253	17,278,086	Surgical Specialties	17,831,912	14,881,513
6,442,592	6,490,206	Obstetrics and Gynaecology	6,481,401	5,644,198
7,129,746	7,362,576	Theatres	7,038,102	7,131,067
8,880,075	9,792,369	Surgical Wards	9,096,906	9,961,483
493,665	512,887	Private Patients Wards	311,484	354,702
3,384,127	3,479,055	Physiotherapy	3,417,098	3,328,363
3,038,441	3,600,711	Radiology and Diagnostic Imaging	3,343,213	3,416,447
		<b>Mental Health Services</b>		
1,200,558	1,209,481	Alcohol and Drugs Service	1,224,561	1,284,902
10,222,579	10,392,837	Adult Mental Health Service	9,663,930	8,645,349
942,173	1,016,832	Child and Adolescent Mental Health Services	918,169	872,647
6,019,172	6,104,232	Elderly Mental Illness Services	6,008,402	6,329,985
		<b>Social Services</b>		
8,897,954	9,454,584	Children's Services	9,250,335	8,191,415
4,024,932	4,051,486	Adult Social Services	4,088,270	3,758,210
10,069,534	10,257,765	Special Needs Services	10,794,713	10,640,386
		<b>Ambulance Services</b>		
4,583,624	4,636,064	Ambulance	4,090,306	4,472,226
738,053	751,494	Patient Transport	788,568	750,185
<b>153,599,900</b>	<b>159,383,364</b>	<b>Net Revenue Expenditure</b>	<b>157,545,640</b>	<b>148,515,677</b>

# Health and Social Services

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
3,770	3,770	Duties, Fees, Fines & Penalties	4,954	4,673
243,721	243,721	Sales of Goods	619,236	673,123
15,056,340	12,457,800	Sales of Services	13,144,594	15,094,281
1,278,753	1,278,753	Hire & Rentals	1,204,590	1,254,028
603,416	603,416	Other Revenue	1,499,850	1,285,825
<b>17,186,000</b>	<b>14,587,460</b>	<b>Total Revenue</b>	<b>16,473,224</b>	<b>18,311,930</b>
1,226,955	1,226,955	Social Benefit Payments	1,112,130	1,163,191
121,657,124	120,388,624	Staff Costs	113,381,202	109,352,669
30,903,186	35,356,610	Supplies and Services	41,508,779	39,258,989
1,213,322	1,213,322	Admin Expenses	1,170,393	1,220,186
6,562,014	6,456,484	Premises & Maintenance	7,065,791	6,841,473
–	105,530	Other Operating Expenditure	521,183	(89,195)
9,221,099	9,221,099	Grants and Subsidies Payments	9,208,254	8,865,620
2,200	2,200	Finance Costs	69,757	214,672
	–	Asset Disposal (Gain)/Loss	(18,625)	–
<b>170,785,900</b>	<b>173,970,824</b>	<b>Total Expenditure</b>	<b>174,018,864</b>	<b>166,827,605</b>
<b>153,599,900</b>	<b>159,383,364</b>	<b>Net Revenue Expenditure</b>	<b>157,545,640</b>	<b>148,515,675</b>

# Home Affairs

## Department Highlights:

- **Net spend of £49,490,412, an increase of 1.2% on 2008**
- **Breakeven against Final Approved Budget**

## Actual v prior year

The increase in net spend from 2008 to 2009 was 1.2%. Expenditure rose by £477,184 (0.9%) and income reduced by £127,257 (5.3%).

## Actual v Final Approved Budget

Overall the Department had a net break even position at the end of 2009. However, if all the overspends on Court and Case Costs had been transferred to the Department (as in previous years) the Department would have finished 2009 with an underspend of £311,951, 0.6% of the enhanced final approved budget.

## Additional budget allocation

In 2009 an additional net amount of £3,903,713 was voted to the Home Affairs Department in excess of the original budget agreed in the 2009 States Annual Business Plan (ABP). This amount mainly represents:

- the costs relating to the Historical Child Abuse Enquiry (HCAE) which were approved in principle by the States in P83/2009;
- the costs relating to the investigations undertaken by the Wiltshire Constabulary concerning the Chief Officer of the States of Jersey Police;
- part funding of the overspend on Court and Case Costs;
- a budget reduction due to the pay freeze from June 2009.

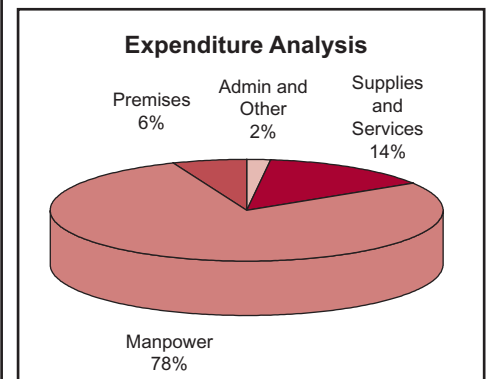
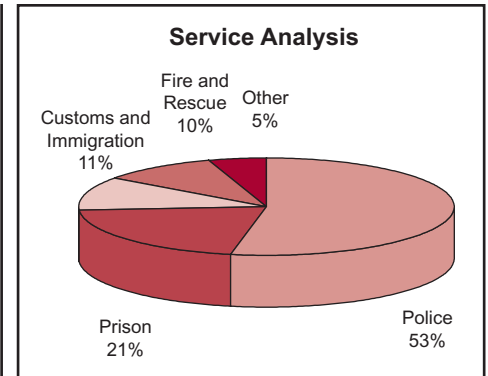
(see Reconciliation Table for full details).

## 2009 capital

In the 2009 States ABP an amount of £200,000 was voted to the Department for minor capital. This was allocated by the Minister to the States of Jersey Police, Jersey Prison Service and the Fire and Rescue Service.

An amount of £4,254,000 was agreed for the relocation of the Police Headquarters which is being managed by Jersey Property Holdings. This amount represents the third of four tranches of funding, to the sinking fund.

Additional details on revenue expenditure results and in year capital spend are explained below.



**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£
<b>Original Budget</b>	<b>45,586,700</b>
Additional Funding:	
Carry Forward from 2008	2,560
HCAE (P83/2009)	2,305,515
Wiltshire Constabulary Investigations	723,397
Court and Case Costs	1,360,840
Pandemic Flu	7,000
Pay Award Reversal	(418,400)
Transfers (to) / from other Departments:	
Chief Ministers - IT Support	(42,000)
ESC - Prison Education	63,300
Treasury and Resources - CAESAR maintenance	42,500
Treasury and Resources - CAESAR software support	16,101
RAB Revenue/Capital Transfers	(157,100)
<b>Final Budget</b>	<b>49,490,413</b>

**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

Capital	Total £000
<b>Total value of approved capital schemes</b>	<b>15,361</b>
<b>Spent in the Year</b>	<b>463</b>
<b>Spent to Date</b>	<b>14,643</b>

# Home Affairs

## Key Financial Results by Service Analysis

The results for the Department's top four highest spending areas (by net expenditure) were:

**Response and Reassurance Policing (States of Jersey Police)** • **Net spend of £11,020,432, an underspend of £24,174 (0.2%) against Final Approved Budget**

Response and reassurance policing is about helping people feel safe at home, at work, on the roads, at public events or just when they are out and about. The public also expects the Police to provide an effective incident response service if required. These are key elements of building public confidence in the Police.

The 2009 Jersey Annual Social Survey showed that 89% of the public believe their neighbourhood is at least fairly safe, with the proportion who believe their neighbourhood is very safe increasing. 83% of respondents who expressed an opinion were confident that they would receive a good service from the Police if they needed their assistance. 93% of respondents to quality of service surveys were satisfied with the service received at crime scenes with nearly 75% being 'very' or 'totally' satisfied.

Funds of £2,305,515 were transferred to the Department from the Consolidated Fund to meet the costs relating to the HCAE in 2009 in accordance with P83/2009. The forecast of 2009 costs was £2,500,500, no provision has been made for costs relating to the HCAE in the Department's 2010 cash limit.

**Emergency Response (Fire and Rescue Service)** • **Net spend of £4,170,756, an overspend of £149,578 (3.7%) against Final Approved Budget**

Emergency Response refers to the operational preparedness and capability to respond to fires and other emergency incidents quickly, safely and effectively.

The fires at Mont Huelin, Les Landes and Val de la Mare cost in excess of £20,000 and their timing gave little time for financial recovery. Funding for essential 'Hot Fire' training was provided from savings in another Service Area.

**Enforcement (Customs and Immigration Service)** • **Net spend of £4,530,235, an overspend of £55,589 (1.2%) against Final Approved Budget**

The Enforcement function within the Customs and Immigration Service seeks to: detect, deter and investigate the smuggling of prohibited, restricted and dutiable goods and maintain effective immigration controls on behalf of the Island and the UK.

The value of drugs seized by officers in the Service increased by nearly 100% compared to 2008. This was an increase of just over 18% on the previous 5 year average of £2.2 million. Heroin and cannabis continue to be the most commonly seized drugs, though there was a significant increase in the quantity of cocaine seized.

Net costs of £50,900 for additional works to the CAESAR system (used for the collection of GST) accounted for this service area's overspend. With regard to the collection of GST and impôt duties the Service reports to the Minister for Treasury and Resources, who has responsibility for the setting and receipt of duties and import GST.

# Home Affairs

## **Residential Accommodation (HM Prison)** • **Net spend of £7,165,190, an overspend of £351,036 (5.1%) against Final Approved Budget**

This service area includes the provision of accommodation, facilities and care for prisoners at HM Prison La Moye. Following a full review of the Prison budget in 2007 additional funds of £1,000,000 were agreed in the 2009 Annual Business Plan to increase the base budget. This increase, matched with the ability to recruit the appropriate staff, allowed the Prison to operate with an appropriate budget during 2009.

Revenue costs to erect fences to create exercise areas for K and L wings (the new houseblock) associated with the Prison redevelopment capital project contributed to this service area's overspend.

## **Key Financial Results by Operating Cost Statement**

**The results for the two highest income lines are as follows:**

## **Duties, Fees, Fines and Penalties** • **Income of £959,692, a surplus of £280,192 (41.2%) against Final Approved Budget**

Income from the issuing of passports constitutes the main part of this income line. The fee for issuing a normal adult British passport increased by 7.6% in September 2009 to reflect the amount charged in the UK. In 2007 the Minister for Treasury and Resources approved the use of a formula for passport fees to be increased in line with those in the UK. Historically it has been the practice in Jersey to set passport fees at the same level as the UK given that passports are issued on behalf of the UK. During 2009, additional expenditure was agreed for the Customs and Immigration Service which was financed by additional income.

## **Other Revenue** • **Income of £634,067, a surplus of £433,233 (216%) against Final Approved Budget**

The Department received income of £275,000 from the Criminal Offences Confiscation Fund (COCF) for costs relating to the Criminal Injuries Compensation Scheme following a recommendation from the COCF Steering Group in February 2009 which is not reflected in the final approved budget.

The accounts reflect income of £282,664 from the Drug Trafficking Confiscation Fund during 2009 for projects within the States of Jersey Police, Prison, Customs and Immigration Service and Building a Safer Society. Changes in accounting arrangements mean that the 2009 Annual Business Plan did not reflect original budgets for this income.



# Home Affairs

The results for the three highest expenditure lines are as follows:

**Staff Costs** • **Spend of £40,393,568, an overspend of £146,036 (0.4%) against Final Approved Budget**

Staff costs account for 78% of the Department's total expenditure or 82% of net expenditure. The essential services provided by the Home Affairs Department mean that changes in priorities are not always controllable as staff are required to respond to service changes almost immediately.

**Supplies and Services** • **Net spend of £7,169,848, an overspend of £359,517 (5.3%) against Final Approved Budget**

The Customs and Immigration Service and the Fire and Rescue Service had the highest overspends on this expenditure line due to the purchase of equipment and computer software. Part of the overspends were funded by underspends in other expenditure lines.

**Premises and Maintenance** • **Net spend of £2,832,236, an overspend of £379,086 (15.5%) against Final Approved Budget**

The States of Jersey Police and HM Prison had the highest overspends on this expenditure line. The States of Jersey Police incurred additional costs due to the maintenance requirements of the current Police Headquarters as a result of delays to the relocation capital project while the Prison was required to contribute to the costs of premises expenditure associated with the Prison redevelopment capital project.

In addition there was an overspend of £142,300 on utility costs across the Department.

## Capital Schemes

Total capital expenditure during the year was £463,227 which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with a total amount voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted £000</b>	<b>Spent in the Year £000</b>	<b>Spent to Date £000</b>
HM Prison – Control Room	1,668	157	1,660
HM Prison – Security Measures	943	54	854
<b>TOTAL</b>	<b>2,611</b>	<b>211</b>	<b>2,514</b>

Both management and budgets for the Department's property related projects (the relocation of the Police Headquarters and redevelopment of the Prison) are the responsibility of Jersey Property Holdings.



# Home Affairs

## Other developments

### Memorandum of Understanding

The Home Affairs accounting officer has no management responsibility for the States of Jersey Police. Following issues highlighted by the HCAE, discussions were held with the Treasurer of the States on how to improve the level of assurance the accounting officer is able to give relating to the States of Jersey Police expenditure. No formal solution has been agreed. However, as a result of discussions with the Acting Chief Officer of Police, there is now in place a Memorandum of Understanding (MOU) between the two Chief Officers in relation to the 'Management of Finance and Exceptional Areas of Expenditure'.

### Criminal Injuries Compensation Scheme

Costs of £275,000 relating to the CICS were met from the Criminal Offences Confiscation Fund (COCF) following a recommendation from the COCF Steering Group in February 2009. Further costs of £93,644 were met from underspends within the Home Affairs Department. Following agreement of the 2010 Annual Business Plan no provision has been made for costs relating to the CICS in the Department's 2010 cash limit as the Treasurer has advised that these will be met from the COCF.

### Court and Case Costs

The Department's budget has for many years been insufficient to fund the Department's expenditure on Court and Case Costs. The Treasury and Resources Department's system for managing Court and Case Cost expenditure across the States of Jersey is complex. In previous years, at the end of each financial year all expenditure in excess of the budget amount of £500,000 has been met from the General Reserve (pre 2006), the COCF or by budget transfer from other Departments. However, in 2009 the full amount of expenditure in excess of the budget was not transferred to the Department.

This situation is not sustainable as there is no assurance for the accounting officer during the year. A full review of the controls, management and funding of Court and Case Costs is planned as part of the Comprehensive Spending Review. This is welcomed by the Department.

# Home Affairs

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Home Affairs</b>		
71,700	71,700	Explosives Officer/Explosives Licensing	70,603	67,918
-	-	Criminal Injuries Compensation Scheme	93,644	343,877
266,500	443,500	Statutory and Legislative Provisions	29,644	20,915
98,000	98,000	Vetting and Barring Office	38,244	-
150,000	150,000	Communications Data (Police/Customs)	40,862	-
-	723,397	Wiltshire Constabulary Investigation	723,397	-
		<b>Police</b>		
11,154,100	11,044,606	Response and Reassurance Policing	11,020,432	11,375,992
4,423,000	6,645,857	Specialist Crime Investigation	6,556,537	8,339,795
928,200	1,433,606	Manage Offenders through Custody	1,479,560	917,590
1,653,600	1,975,759	Supporting the Criminal Justice System	2,037,032	1,645,634
1,986,400	1,678,210	Manage Intelligence	1,736,701	1,928,683
1,440,100	1,699,934	Financial Crime Investigation	1,746,582	1,501,481
1,429,000	1,604,115	National Security Policing	1,649,204	1,315,531
		<b>Fire and Rescue</b>		
4,106,200	4,021,178	Emergency Response	4,170,756	4,031,676
422,000	409,079	Fire Protection	417,160	416,603
255,500	257,552	Community Protection	216,619	251,144
		<b>Customs and Immigration</b>		
894,200	880,921	Revenue Collection	905,337	875,150
4,216,000	4,474,646	Enforcement	4,530,235	4,234,255
225,500	147,754	External Obligations	131,109	134,442
		<b>HM Prison</b>		
7,343,800	6,814,154	Residential Accommodation	7,165,190	7,161,236
930,700	997,300	Prisoner Activity	1,025,519	875,357
1,895,300	2,258,020	Operations and Administration	2,131,939	1,999,052
346,100	334,466	<b>Building a Safer Society</b>	369,364	330,844
		<b>Jersey Field Squadron</b>		
1,140,200	1,127,922	UK Defence	1,004,262	913,726
30,000	30,000	Uniformed Youth Organisations	30,000	30,000
48,200	43,965	IMLO and Careers Office	36,720	41,248
132,400	124,772	<b>Superintendent Registrar</b>	133,760	133,822
<b>45,586,700</b>	<b>49,490,413</b>	<b>Net Revenue Expenditure</b>	<b>49,490,412</b>	<b>48,885,971</b>

# Home Affairs

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
894,500	679,500	Duties, Fees, Fines & Penalties	959,692	976,794
85,500	85,500	Sales of Goods	94,136	89,845
272,000	497,000	Sales of Services	469,111	587,881
109,966	109,966	Hire and Rentals	113,211	114,625
200,834	200,834	Other Revenue	634,067	628,329
<b>1,562,800</b>	<b>1,572,800</b>	<b>Total Revenue</b>	<b>2,270,217</b>	<b>2,397,474</b>
37,960,185	40,247,532	Staff Costs	40,393,568	37,644,748
5,255,225	6,810,331	Supplies and Services	7,169,848	9,125,987
1,433,094	1,458,354	Admin Expenses	879,112	1,110,079
2,407,150	2,453,150	Premises and Maintenance	2,832,236	2,799,708
8,060	8,060	Operating Expenses	350,049	332,948
82,786	82,786	Grants and Subsidies Payments	152,500	265,354
3,000	3,000	Finance Costs	7,364	4,621
-	-	Asset Disposal (Gain)/Loss	(24,048)	-
<b>47,149,500</b>	<b>51,063,213</b>	<b>Total Expenditure</b>	<b>51,760,629</b>	<b>51,283,445</b>
<b>45,586,700</b>	<b>49,490,413</b>	<b>Net Revenue Expenditure</b>	<b>49,490,412</b>	<b>48,885,971</b>

# Housing

**Department Highlights:**

- Net income of £21,482,491, a decrease of 1.5% on 2008
- Underspend of £931,707 (4.5%) against Final Approved Budget

**Actual v prior year**

The decrease in net income from 2008 to 2009 was 1.5%. This is largely due to the capital to revenue transfer of the backlog maintenance programme.

Total gross income increased by £1.4m (3.9%) predominantly as a result of increases in rental yield. This increase was driven by the full year effect of the rental increase in 2008 of 3.7%, fewer than anticipated sales, acquisition of new units and an increase in overall occupancy levels.

Expenditure for the year increased on 2008 by £1.75m (12.4%). This rise is largely attributable to the delivery of the backlog maintenance programme, (£1.2m) and increases in general maintenance spend by the use of additional income.

**Actual v Final Approved Budget**

Overall the department had an under spend against budget of £0.9m (4.5%).

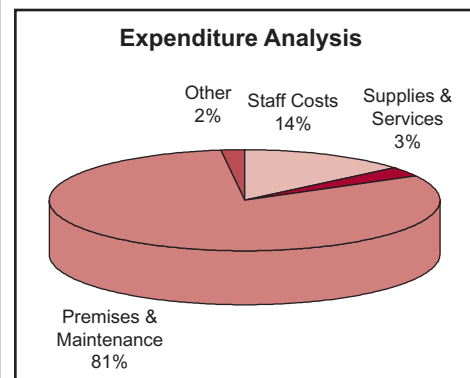
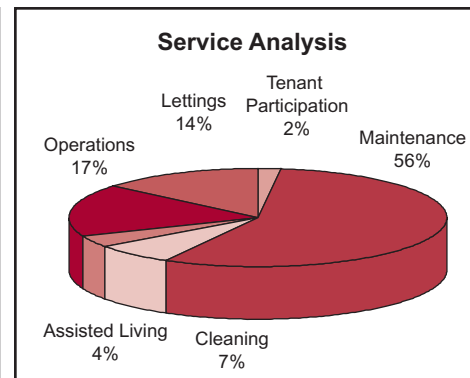
Total income was £1.4m (3.9%) greater than budgeted, £1.34m of which was due to greater than anticipated Social Housing rental income. The balance was due to other income lines such as recovered costs, recharges to tenants and insurance claims.

Total expenditure was £0.5m (3.2%) greater than budgeted. This was mainly due to an increase in premises and maintenance spend (£0.8m), which was partially offset by savings in staff costs.

**Additional budget allocation**

In 2009 an additional £1.8m (net) was voted to Housing in excess of the original budget agreed in the business plan. This amount represents:

- The return of the staff pay award budget for 2009.
- A transfer of budget to Chief Minister's Department and Economic Development Department in relation to the apportionment of rental and service charges for Jubilee Wharf.
- Additional budget allocated under the Fiscal Stimulus programme.
- A transfer of capital budget to revenue under GAAP.



**Staff Costs**  
 Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs  
 For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£000
<b>Original Budget</b>	<b>(22,362)</b>
Return of Staff Pay Award	(32)
Transfer to CMD & EDD	(195)
Fiscal Stimulus Transfer	71
Capital to Revenue Transfer	1,967
<b>Final Budget</b>	<b>(20,551)</b>

Capital	Total £000
<b>Total value of approved capital schemes</b>	<b>31,318</b>
<b>Capital spent in the Year</b>	<b>8,179</b>
<b>Capital spent to Date</b>	<b>20,728</b>

# Housing

## 2009 capital vote

In the 2009 Business Plan, an additional £5m was voted for the department's capital schemes. During the year, the department generated an additional £5.3m from cash received from the sales of properties under P6/2007 – The Social Housing Property Plan. In addition to the cash received the department retains an interest in a further £1.24m of deferred payment bonds relating to sales in 2009.

Additional details on revenue expenditure results and in year capital spend are explained below.

## Key Financial Results by Service Analysis

The results for the department's 3 service areas (by net expenditure) were:

### Estate Services

- **Net spend of £9,989,365, an overspend of £18,029 (0.2%) against Final Approved Budget**

Estates Services are responsible for the maintenance and management of the department's property portfolio. Spend for 2009 was largely in line with budget for the year. 2009 saw a substantial increase in spend on maintenance compared to the previous year. This was as a result of the move to GAAP accounting and a capital to revenue budget transfer of £1.97m.

### Tenant Services

- **Net spend of £2,362,856, an overspend of £133,057 (6.0%) against Final Approved Budget**

Tenant Services are responsible for refurbishment and re-letting of void properties, Tenant Participation and Assisted Living services. The primary variance in Tenant Services for 2009 was caused by a large increase in the demand for medical adaptations for clients with specific needs.

### Finance Services

- **Net income of £33,834,712, a surplus of £1,082,793 (3.3%) against Final Approved Budget**

Finance Services are responsible for the collection of rent and other income and the associated costs of income collection.

Net income was greater than budget for the year as a result of the full year effect of the rent review in October 2008 of 3.7%. In addition slower than anticipated sale of properties under the Social Housing Property Plan (P6/2007), the retention within the stock of new build properties at Les Hinguettes and shorter void turn around times have contributed to increased occupancy rates.

# Housing

## Key Financial Results by Operating Cost Statement

The results for the 2 highest income lines are as follows:

**Hire & Rentals** • **Income of £34,637,924, a surplus of £1,338,225 (4.0%) against Final Approved Budget**

The key driver for the variance against budget for Hire and Rentals is the rental income from Social Housing. In October 2008 the department increased rental levels in line with increases in Income Support by 3.7%. The Business Plan anticipated an increase of 2.5%. Thus 2009 saw the full impact of the additional increase of 1.2%. In addition, the department retained a number of newly built units at Les Hinguettes which it had originally intended to sell. This, in conjunction with slower than anticipated sales of properties to States tenants and higher occupancy rates, increased rental income during the year.

**Sales of Services** • **Income of £2,510,113 a shortfall of £95,687 (3.7%) against Final Approved Budget**

In 2009 the department withdrew the weekly charge to tenants which contributed to the analogue TV aerial support service. In addition, changes to the charges made to tenants for heating and hot water service, driven by the migration of tenants to direct supply and changes in market prices, resulted in the shortfall in income against the budget for Sales of Services.

The results for the 3 highest expenditure lines are as follows:

**Staff Costs** • **Spend of £2,211,978 a decrease of £554,911 (20.1%) against Final Approved Budget**

There was a reduction in spend on staff costs due to the move from Housing to TTS of the estates cleaning and grounds maintenance teams. These costs were included in the 2009 Business Plan as staff costs however on the teams' move to TTS in September 2008 a service contract between the departments was put in place. As a result the costs in 2009 associated with these services were charged to Premises and Maintenance.

**Premises & Maintenance** • **Spend of £12,790,997 an increase of £844,289 (7.1%) against Final Approved Budget**

A number of factors have influenced the increase in spend against budget in maintenance. As mentioned under Staff Costs, in September 2008 the department's cleaning and grounds maintenance teams were transferred to TTS. This cost was originally budgeted against Staff Costs and Supplies and Services in the 2009 Business Plan submission however the cost is now charged to maintenance. Demand for medical conversions in the year were higher than 2008, driving cost to exceed the amount originally budgeted by 100%.

Conversely lower than anticipated costs in utility supplies, (e.g as a result of stabilisation of global oil prices) and a reduction in demand following migration of properties to direct supply, has reduced cost against budget.

In addition the department took the opportunity to direct surplus income from rentals to extend the maintenance programme.

# Housing

## Supplies & Services

- Spend of £539,487 an increase of £39,922 (8.0%) against Final Approved Budget

There are a number of small variances in this area. A key variance however is the cost of surveyors' fees in relation to the preparation of a planned maintenance programme for the department's stock.

## Capital Schemes

Total Capital Expenditure during the year was £8.18 million which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amount voted in excess of £500,000 are contained in the table below:

Schemes	Amounts Voted £'000	Spent in Year £'000	Spent to Date £'000
The Cedars*	6,094	2,443	5,905
Le Geyt Flats Phase 7*	1,060	652	696
Clos de Quennevais	856	631	678
Le Marais Low Rise – Phase 2*	6,965	1,057	6,900
Le Squez Phase 2*	1,393	440	1,133
Clos de Roncier Renovation	2,970	725	2,528
Salisbury Crescent*	6,948	983	1,330
Journeaux Street 1-3	650	35	391
La Carriere Estate Refurbishment	654	437	444
Ann Court Demolition	500	359	359
Total schemes under £500,000	3,228	417	364
<b>TOTAL</b>	<b>31,318</b>	<b>8,179</b>	<b>20,728</b>

See explanation below.

### The Cedars

This project to significantly refurbish 74 homes has reached practical completion stage and is currently in the 12 months defects period.

### Le Geyt Flats Phase 7 (1-21)

This refurbishment completes the regeneration of the Le Geyt area. The project to refurbish 21 flats started in June 2009 and will be complete by the end of February 2010.

### Le Marais Phase 2

This project reached practical completion during 2009 and is currently in the 12 months defects period. This site has provided the department with 28 three and four bedroom houses and 19 one and two bedroom flats. A number of the dwellings have been specially adapted for disabled occupation.

# Housing

## **Le Squez Phase 2**

Le Squez Phase 2 has been split into 2 phases (A & B) in order to tender the work by the end of January 2010. This was done to give the local construction industry a boost during the current economic climate. The first phase will be funded from fiscal stimulus.

## **Salisbury Crescent**

This project will provide 38 units including life-long and family homes. The works to the basement car park commenced in September 2009 and the second phase of the work will start in February 2010. Completion is expected May 2011.



# Housing

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
<b>8,069,300</b>	<b>9,971,336</b>	<b>Estate Services</b>	<b>9,989,365</b>	<b>8,264,758</b>
5,105,500	7,030,135	Maintenance	7,005,125	5,405,701
1,967,100	1,944,492	Operations	2,140,119	1,781,988
996,700	996,709	Cleaning	844,121	1,077,069
<b>2,297,700</b>	<b>2,229,799</b>	<b>Tenant Services</b>	<b>2,362,856</b>	<b>2,542,578</b>
361,800	339,157	Assisted Living	454,199	404,495
246,000	223,366	Tenant Participation	217,508	244,129
1,689,900	1,667,276	Lettings	1,691,149	1,893,954
<b>(32,729,200)</b>	<b>(32,751,919)</b>	<b>Finance Services</b>	<b>(33,834,712)</b>	<b>(32,622,533)</b>
(32,729,200)	(32,751,919)	Rent and Fee Collection	(33,833,518)	(32,612,680)
–	–	Rent Subsidy	(1,195)	(9,853)
<b>(22,362,200)</b>	<b>(20,550,784)</b>	<b>Net Surplus</b>	<b>(21,482,491)</b>	<b>(21,815,197)</b>

# Housing

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
2,605,800	2,605,800	Sales of Services	2,510,113	2,552,233
33,299,699	33,299,699	Hire & Rentals	34,637,924	33,222,089
10,001	10,001	Other Revenue	199,879	154,955
<b>35,915,500</b>	<b>35,915,500</b>	<b>Total Revenue</b>	<b>37,347,915</b>	<b>35,929,277</b>
–	–	Social Benefit Payments	(1,195)	(9,854)
2,766,889	2,766,889	Staff Costs	2,211,978	2,406,336
634,449	499,565	Supplies and Services	539,487	723,517
77,265	70,565	Admin Expenses	74,627	84,282
9,993,708	11,946,708	Premises & Maintenance	12,790,997	10,877,646
59,833	59,833	Other Operating Expenditure	164,476	15,201
20,399	20,399	Grants and Subsidies Payments	15,400	16,195
757	757	Finance Costs	69,655	757
<b>13,553,300</b>	<b>15,364,716</b>	<b>Total Expenditure</b>	<b>15,865,425</b>	<b>14,114,080</b>
<b>(22,362,200)</b>	<b>(20,550,784)</b>	<b>Net Surplus</b>	<b>(21,482,491)</b>	<b>(21,815,197)</b>

# Planning and Environment

**Department Highlights:**

- Net spend of £7,752,349, an increase of 27.8% on 2008
- Underspend of £396,970 (4.9%) against Final Approved Budget

**Actual v prior year**

The increase in spend from 2008 to 2009 was 27.8%; 32.6% of this expenditure was incurred by the Planning and Building Division, 58.9 % by the Environment Division, and 8.5% by the Met Office. Expenditure rose by £1,992,645 (21.7%), due to the receipt of environmental monies for energy grants, transfers from capital in accordance with GAAP, and settlement of a planning appeal claim. This was partially offset by an increase of income £308,309 (9.9%).

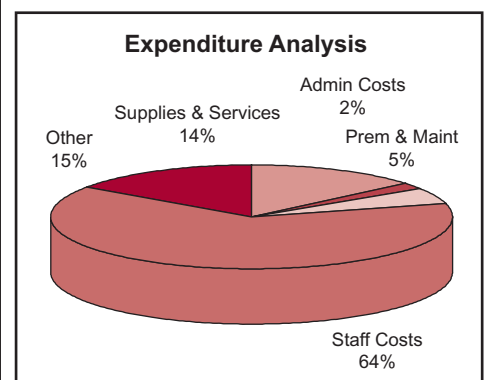
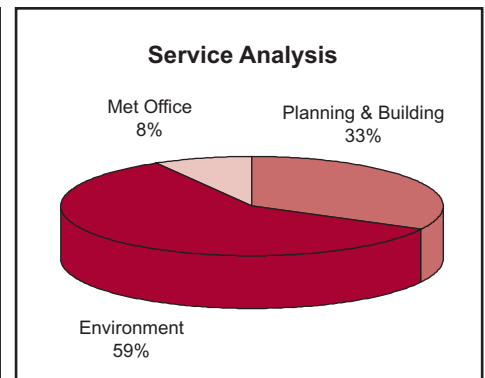
**Actual v Final Approved Budget**

The department had an underspend against budget of 4.9%. This is made up of requested carry forwards of which 80% relates to energy grants, 17% to the Island Plan and 3% to urban renewal. The latter two have arisen due to a change in reclassification of certain types of capital project in accordance with Generally Accepted Accounting Principles (GAAP).

**Additional budget allocation**

In 2008 an additional £1,008,218 (net) was voted to Planning and Environment in excess of the original budget agreed in the Business Plan. This amount represents a transfer from the contingency vote totalling £625,618, to settle a claim, transfers from capital to revenue of £420,737 to meet the GAAP definition of capital and revenue expenditure, a transfer of property budgets totalling £29,268 from Jersey Property Holdings, and additional funding of £9,995 from Economic Development Department to purchase equipment. Offsetting this was a transfer of budget to Treasury and Resources in respect of the pay freeze.

Capital	Total £'000
Total value of approved capital schemes	1,745
Spent in the Year	346
Spent to Date	944



**Staff Costs**  
 Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs  
 For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£'000
<b>Original Budget</b>	<b>7,141</b>
Transfer from Contingency Vote	626
Pay freeze	(77)
Transfer to Jersey Property Holdings	29
Funding from EDD	9
RAB capital/revenue transfers	417
Transfer to minor capital	(30)
Transfer capital to revenue - tidal power	34
<b>Final Budget</b>	<b>8,149</b>

# Planning and Environment

## 2009 capital vote

In the 2009 Business Plan, an additional £0.584 million was voted for the department's capital schemes. This was to cover:

- £0.15 million for replacement and upgrade of the weather radar
- £0.334 million for the fisheries vessel mid-life refit
- £0.10 million for minor capital

Total Capital Expenditure during the year was £0.346 million which reflects the progress made on a variety of individual schemes. All current capital schemes have a total amount voted of less than £500,000.

## Key Financial Results by Service Analysis

The results for the department's top 4 service areas (by net expenditure) were:

### **Environmental Management and Rural Economy** • **Net spend of £1,693,377, an underspend of £33,219 (1.9%) against Final Approved Budget**

Overall, the service activities which include Research and Development, Laboratories, Data information and Mapping, Monitoring and Reporting, Ecology, Land Management and Access, the Countryside Renewal Grant Scheme and the Implementation of Biodiversity Action Plans were broadly in line with their budget.

In 2009 the grant scheme made 38 grants to people managing land which includes practising farmers both as tenants or owner occupiers, and landowners who are not actively involved in farming. It includes natural areas of land that lie outside any actively farmed land.

### **Environmental Protection** • **Net spend of £1,124,988, an overspend of £117,327 (11.6%) against Final Approved Budget**

Net expenditure in Environmental Protection was overspent against approved budget due to a delay in granting waste licences, causing a reduction in income of £0.1 million.

During 2009 a request was issued for households and businesses that take water from boreholes, wells, streams or reservoirs to register or license their abstraction as part of the Water Resources (Jersey) Law 2007. The licences will come into force on 1st January 2010.

### **Development Control** • **Net spend of £1,289,049, an underspend of £74,012 (5.4%) against Final Approved Budget**

Overall, net expenditure in Development Control was underspent against the approved budget of £1.36 million by 5.4%. The net expenditure rose by 43% when compared to 2008, mostly due to a large claim that was settled, together with the legal fees incurred. A decrease in manpower costs against budget was due to the non recruitment to user pays posts, offset by a reduction in planning income against budget.

# Planning and Environment

## **Policy and Projects**

- **Net spend of £943,307, an underspend of £47,696 (4.8%) against Final Approved Budget**

The policy and projects team provide guidance and policy on planning and building. The main project for the year was the development of the Island Plan. The decrease against Final Approved budget is due to an underspend on the Island Plan due to the extension of the consultation period. The increase on 2008 is due to the Island Plan Capital vote being reclassified from capital to revenue costs in 2009.

## **Key Financial Results by Operating Cost Statement**

**The results for the 2 highest income lines are as follows:**

- ### **Duties, Fees, Fines and Penalties**
- **Income of £2,353,233, a decrease of £475,530 (16.8%) against Final Approved Budget**

The decrease in income compared to budget arose from lower than estimated levels of income, particularly from Planning Application Fees (£0.235 million), Building Application Fees (£0.06 million) and Legal Searches (£0.069 million).

It is noted that this downward trend which began during the last quarter of 2008 began to improve during the last quarter of 2009.

### **Sale of Services**

- **Income of £743,348, a decrease of £9,252 (1.2%) against Final Approved Budget. Overall the income was in line with the budget.**

The decrease in income compared to 2008 is attributable to a decrease in telephone income received by the Meteorology Department, as this service is now accessible on line.

**The results for the 3 highest expenditure lines are as follows:**

### **Staff Costs**

- **Spend of £7,117,459, a decrease of £98,248 (1.4%) against Final Approved Budget**

Staff Cost underspends have arisen from staff vacancies and allowed the department to assist with the short term staff funding pressures in Development Control, and the funding of the North of St Helier Masterplan.

The expenditure rise in 2009 over 2008 was due to the temporary recruitment of a fast track application planner and additional contract staff.

### **Supplies and Services**

- **Spend of £1,536,041, a decrease of £287,132 (15.7%) against Final Approved Budget**

The underspend against approved budget primarily relates to the budget for contract and temporary staff being set against supplies and services which should have been manpower (£0.188 million), and work carried out in-house creating a saving on consultants' fees.

The net expenditure increased by 6.4% from 2008 due to monies being spent on consultants in respect of tidal power consultation and the energy grants.

# Planning and Environment

## Grants and Subsidies

- **Spend of £1,108,085, a decrease of £642,415 (36.7%) against Final Approved Budget**

The Department manages three grant schemes the Historic Building Grant Scheme, the Countryside Renewal Grant Scheme and the Energy Grant Scheme.

The Historic Building Grant Scheme was approved by the States in 1995 in recognition of the additional responsibilities which the owners of registered buildings carry, because repair works to an old building can be more costly than repairs to a modern property. It had a budget of £60,000 allocated and the spend was £17,885.

The Countryside Renewal Grant Scheme budget allocated to grants totalled £522,000 and the spend was £525,168.

The Energy Grant Scheme had allocated budget of £857,000 and the spend was £536,717, with a carry forward request of £320,274.

# Planning and Environment

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Planning and Building Division</b>		
758,600	1,363,061	Development Control	1,289,049	901,084
166,200	153,159	Building Control	138,114	220,509
631,200	991,003	Policy and Projects	943,307	490,923
166,700	165,796	Historic Buildings	129,636	145,550
22,200	22,105	Mapping	31,094	(5,258)
		<b>Environmental Division</b>		
1,723,800	1,726,596	Environmental Management and Rural Economy	1,693,377	1,662,177
1,294,000	1,333,017	Environmental Policy and Awareness	1,009,249	208,896
1,003,600	1,007,661	Environmental Protection	1,124,988	992,365
443,200	453,288	Fisheries and Marine Resources	495,548	446,806
258,700	260,914	States Veterinary Officer	243,059	281,411
672,900	672,718	Meteorology	654,928	723,550
<b>7,141,100</b>	<b>8,149,318</b>	<b>Net Revenue Expenditure</b>	<b>7,752,349</b>	<b>6,068,013</b>

# Planning and Environment

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
2,828,763	2,828,763	Duties, Fees, Fines & Penalties	2,353,233	2,053,647
32,550	32,550	Sales of Goods	23,762	31,664
761,825	752,600	Sales of Services	743,348	771,913
38,775	-	Hire & Rentals	17,414	15,375
150	150	Investment Income	316	378
145,937	145,937	Other Revenue	275,137	231,924
<b>3,808,000</b>	<b>3,760,000</b>	<b>Total Revenue</b>	<b>3,413,210</b>	<b>3,104,901</b>
7,217,038	7,215,707	Staff Costs	7,117,459	6,560,746
1,572,892	1,823,173	Supplies and Services	1,536,041	1,442,327
188,852	186,084	Admin Expenses	230,745	181,985
369,468	353,504	Premises & Maintenance	574,687	413,057
-	580,000	Other Operating Expenditure	600,508	7,425
1,600,500	1,750,500	Grants and Subsidies Payments	1,108,085	567,107
350	350	Finance Costs	255	267
-	-	Asset Disposal (Gain)/Loss	(2,221)	-
<b>10,949,100</b>	<b>11,909,318</b>	<b>Total Expenditure</b>	<b>11,165,559</b>	<b>9,172,914</b>
<b>7,141,100</b>	<b>8,149,318</b>	<b>Net Revenue Expenditure</b>	<b>7,752,349</b>	<b>6,068,013</b>



# Social Security

**Department Highlights:**

- Net spend of £159,532,685, an increase of 9.6% on 2008
- Underspend of £32,062 (0.02%) against Final Approved Budget

## Actual v prior year

The increase in spend from 2008 to 2009 was £14.0million (9.6%).

This was mainly due to an increase in Social Benefit Payments of £13.1million, which included £9.6million on Income Support and £3.1million on Supplementation – the States contribution to the Social Security Fund. The balance of expenditure amounting to £0.9million related to increases in Grant and Subsidy payments (£0.2m), Manpower (£0.4m) and Supplies, Services and Other costs (£0.3m).

## Actual v Final Approved Budget

Overall the department had an under spend against budget of £32,062 (0.02%). This was primarily as a result of an underspend in Social Benefit Payments of £0.8million; offset by small overspends in Manpower and Operating Costs.

## Social Security Fund, Social Security (Reserve) Fund and Health Insurance Fund

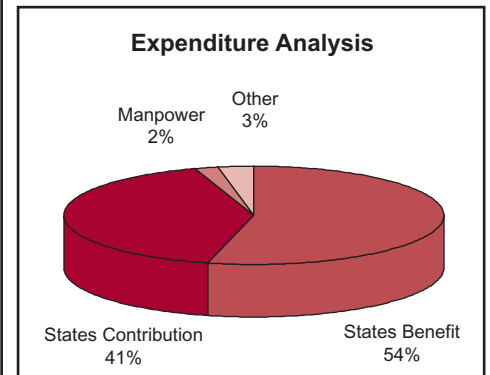
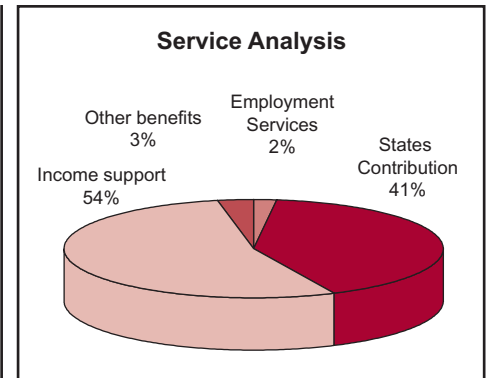
The assets and costs associated with the Social Security Fund, Social Security (Reserve) Fund and Health Insurance Fund (“the Funds”) are not consolidated within the States of Jersey Financial Statements. A separate statement is included as part of the financial tables that summarise the Social Security Department and Funds income and expenditure.

## Staff Costs

Staff Costs include staff who are employed by the States and those recharged to the Funds (Social Security Fund and Health Insurance Fund).

## Additional budget allocation

During the year a net increase of £2.5million was approved to the Social Security budget against the 2009 original Business Plan. Additional budget allocations of £6.84million were received from the Treasury and Resources Department as a result of funding for Income Support (including resources to support additional costs as a result of the economic downturn), GST benefit and the Insolvency Compensation scheme. The boarding-out residential care budget was also transferred from Health and Social Services.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£000
<b>Original Budget</b>	<b>157,066</b>
Transfer to Non- Ministerial Departments	(1,794)
Transfer to Jersey Property Holdings	(438)
Transfer to Home Affairs	(1,884)
Transfer to Education Sport and Culture	(203)
Annual Pay Award (pay freeze)	(24)
Transfer from Health and Social Services	681
Insolvency Compensation	340
Income Support	3,000
Fiscal Stimulus - CAB	10
Economic Stimulus	2,411
GST Benefit	400
<b>Final Approved Budget</b>	<b>159,565</b>

# Social Security

Against these additional funds, transfers were made to other States Departments totalling £4.34million. These included transfers to Education, Sport and Culture following the creation of the Skills Executive and Jersey Property Holdings, to support a new facility at Acorn Industries. Transfers were also made to support Court and Case costs in Home Affairs and Non Ministerial Departments, (see reconciliation table for details).

## **2009 capital vote**

There were no amounts voted to the Department during 2009 in respect of capital schemes.

Additional details on revenue expenditure results are explained below

## **Key Financial Results by Service Analysis**

**The results for the Department's top 4 service areas (by net expenditure) were:**

**Income Support** • **Net spend of £85,960,612, an overspend of £581,878 (0.7%) against Final Approved Budget**

During 2009 the Department received additional funding for income support totalling £6.1million.

The impact of the recession upon benefit spend during 2009 resulted in the Treasury & Resources Minister submitting a request under Article 11(8) for additional funding of £2.4 million to support the predicted cost increase in Income Support benefit. In addition, further allocations of £3.7 million were received, including £3 million approved by the States Assembly under P.163/2008 to protect Income Support households from increases in food and fuel costs and £0.7 million from Health and Social Services, following the transfer of the residential care element of the boarding-out budget.

Overall expenditure on Income Support exceeded budget by £0.6million (0.7%). Whilst the daily benefit (excluding residential care and transition) was as predicted, overspending by £0.2million, residential care costs exceeded budget by £1.2million. This was largely offset by an underspend on transition payments totalling £1million. The residual balance consisted of temporary staff costs associated with the additional workload administering this benefit as a consequence of the economic downturn.

**Supplementation (States Contribution to the Social Security Fund)** • **Net spend of £64,995,170, an underspend of £6,630 (0.01%) against Final Approved Budget**

Supplementation is used to top up Social Security Contributions for those who earn between the lower earnings threshold and the earnings limit to protect pension and benefit entitlement. This amounted to £65 million for the year. The drivers that influence this cost include the number of employees in the Island, the distribution of their pay and the current earnings ceiling.

It is evident that the economic downturn has affected both the number of people in employment and their respective levels of employment income, with the average number of persons employed in the Island requiring supplementation amounting to 33,522 in 2009 - a reduction of 220 against 2008. However Island wide pay restraints, combined with the annual incremental rise in the supplementation ceiling, have resulted in an increase in the total supplementation cost for the year of £3.2m. This was still less than originally forecast and, as a consequence, the budget was reduced by £3.1 million to £65 million, and subsequently an equivalent amount was transferred to meet exceptional Court and Case costs in other States Departments. This net impact of the above was a small underspend against the final approved budget.

# Social Security

As a consequence the budget was reduced by £3.1million and the equivalent amount transferred to meet exceptional Court and Case costs in other States Departments. This left a small underspend against the Final Approved Budget.

**Invalid Care Allowance** • **Net spend of £2,645,029, an underspend of £42,671 (1.6%) against Final Approved Budget**

Those of working age who choose to stay at home to provide care to someone with severe disability are paid Invalid Care Allowance. The cost is driven by the number of beneficiaries which rose during the year but then fell back to 2008 levels in the final quarter. Though expenditure was higher than 2008, the total annual spend was still less than the final approved budget.

**Employment Services** • **Net spend of £2,107,690 an underspend of £70,760 (3.2%) against Final Approved Budget**

These costs consist of the grant awarded to Jersey Employment Trust (JET) and the Public Sector Scheme Subsidy. Costs were as planned but were greater than 2008, as a result of the additional statutory notice and redundancy payments incurred.

## Key Financial Results by Operating Cost Statement

The result for the highest income line is as follows:

**Sales of Goods and Services** • **Income of £3,154,013, a surplus of £3,148,013 against Final Approved Budget**

Following the States move to UK GAAP reporting, staff costs are now shown inclusive of staff employed on the Funds (Social Security Fund and Health Insurance Fund). A recharge, equivalent to the cost incurred, is then made to the Funds. As a consequence of this accounting treatment, the percentage movement against the final approved budget for 2009 has not been reflected.

The income received from the Funds in 2009 relating to staff costs amounted to £3.1 million. In addition fee income of £5,375 was received from employment agency and employment relations registration.

**The results for the 3 highest expenditure lines (with the exception of Supplementation and Income Support Benefit that are explained above) are as follows:**

**Manpower Services – States Staff Costs** • **Spend of £3,172,939 (after adjusting for costs recharged to the Funds), an increase of £190,285 (6.3%) against Final Approved Budget**

As reported above, expenditure on staff costs now includes those employed by the States but who work on the Funds. Staff costs, net of income received, amounted to £3.2 million which was an increase of £190,285 against the approved budget and £453,185 higher than 2008. This reflects the transfer of the boarding-out budget from Health and Social Services which included staff costs.

Temporary staff were also taken on during the year to support the processing of Income Support benefit and in Workzone due to additional demand as a consequence of the economic downturn.

# Social Security

## Grants & Subsidies

- **Spend of £1,566,958, an increase of £13,558 (0.9%) against Final Approved Budget**

During 2009 the Department made grants totalling £1,566,958. The increase in spend against 2008 of £208,991(15.4%) reflects both inflation and additional grant payments to provide employment opportunities for those with learning difficulties or on the autistic spectrum.

## Supplies and Services

- **Spend of £1,006,124, an increase £316,000 (45.8%) against Final Approved Budget**

The Department incurred additional costs during the year as a result of further enhancements to the Income Support element of the Department's bespoke software package (NESSIE). A significant element related to the development of the control environment around Income Support and automated audit for residential care, which is being transferred to NESSIE in 2010.

## Capital Schemes

The Department incurred no States funded Capital Expenditure.

## Other developments

The impact of the global recession during 2009 created increased demand for existing services. A temporary insolvency scheme was implemented to support workers made redundant through the insolvency of their employer. The number of registered unemployed remained at an historically high level and temporary staff were taken on to meet the demand.

The introduction of Income Support in 2008 was a major project for the Department and work continued in 2009 on refining the administrative and operational issues. Additional funding was received from the Economic Stimulus scheme to support transitional payments and funding was also received from the Automatic Stabiliser scheme to meet the additional costs of Income Support claims. The budget held by Health and Social Services in respect of residential care costs was transferred to the Department during the year and is now part of Income Support.

In 2009 progress was made on the proposals for a long-term care scheme to meet the needs of an ageing population, with the result that a green paper on future funding was presented in early 2010.

# Social Security

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
68,101,800	65,001,800	States Contribution to the Social Security Fund	64,995,170	61,842,397
467,500	467,500	Health and Safety at Work	412,685	390,244
2,446,300	2,178,450	Employment Services	2,107,690	1,730,733
552,400	552,400	Employment Relations	575,644	556,897
2,687,700	2,687,700	Invalid Care Allowance	2,645,029	2,232,333
223,500	145,263	Child Care Support	3,566	5,315
131,100	131,100	Dental Benefit Scheme	115,205	123,133
107,800	107,800	Social Fund	24,052	101,665
534,600	534,600	Jersey 65+ Health Scheme	341,471	305,323
18,000	18,000	Non Contributory Death Grants	16,094	16,752
1,803,200	1,803,200	Christmas Bonus	1,791,563	1,684,193
248,200	248,200	TV Licence 75+	245,926	206,775
410,000	310,000	GST Benefit	297,978	131,158
79,334,000	85,378,734	Income Support - Benefit	85,960,612	73,056,494
-	-	States Contribution to Health Insurance	-	-
-	-	Exceptions	-	124,718
-	-	Non Native Welfare and Residential Care	-	609,765
-	-	Native Welfare and Residential Care	-	1,010,708
-	-	Family Allowance	-	409,053
-	-	Attendance Allowance	-	358,100
-	-	Disability Allowance	-	105,178
-	-	Childcare Allowance	-	(86,606)
-	-	Disability Transport Allowance	-	567,528
-	-	Milk at a Reduced Rate	-	16,311
<b>157,066,100</b>	<b>159,564,747</b>	<b>Net Revenue Expenditure</b>	<b>159,532,685</b>	<b>145,498,167</b>

# Social Security

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Income</b>		
6,000	6,000	Sales of Goods and Services	3,154,013	5,750
4,000	4,000	Other Revenue	790	1,040
<b>10,000</b>	<b>10,000</b>	<b>Total Income</b>	<b>3,154,803</b>	<b>6,790</b>
		<b>Expenditure</b>		
151,176,700	154,126,647	Social Benefit Payments	153,411,933	140,360,832
2,899,600	2,876,000	Staff Costs *	6,328,169	2,708,984
684,514	690,124	Supplies and Services	1,006,124	761,537
142,549	137,434	Administrative Costs	136,389	115,644
189,937	191,142	Premises and Maintenance	234,872	199,702
1,982,800	1,553,400	Grants & Subsidies	1,566,958	1,357,967
-	-	Operating Expenses	2,822	59
-	-	Finance Costs	221	232
<b>157,076,100</b>	<b>159,574,747</b>	<b>Total Expenditure</b>	<b>162,687,488</b>	<b>145,504,957</b>
<b>157,066,100</b>	<b>159,564,747</b>	<b>Net Revenue Expenditure</b>	<b>159,532,685</b>	<b>145,498,167</b>

\* Note: In 2008 staff costs were reported net of those staff who worked in the Social Security and Health Insurance Funds. In order to comply more effectively with UK GAAP requirements, staff costs are now reflected gross with a charge made to the funds for costs incurred.

# Social Security

## Service Analysis Summary of Income and Expenditure by Provider

	Social Security Department £000	Social Security Fund £000	Social Security Reserve £000	Health Insurance Fund £000	Inter-Departmental Transfers** £000	Total 2009 £000	Total 2008 £000
<b>INCOME</b>							
Contributions	-	(151,787)	-	(28,912)	-	(180,699)	(172,183)
States Contributions	-	(64,995)	-	-	64,995	-	-
Hire and Rentals	-	(170)	-	-	100	(70)	(20)
Sales of Services	(3,154)	-	-	(38)	3,154	(38)	28
Net Gains/(Losses) on Investments	-	-	(107,294)	-	-	(107,294)	109,743
Investment Income	-	(158)	-	(341)	-	(499)	(5,817)
Other Revenue	(1)	(22)	-	-	-	(23)	(8)
<b>Total Income</b>	<b>(3,155)</b>	<b>(217,132)</b>	<b>(107,294)</b>	<b>(29,291)</b>	<b>68,249</b>	<b>(288,623)</b>	<b>(68,257)</b>
<b>EXPENDITURE</b>							
Social Benefit Payments	153,412	172,091	-	22,424	(64,995)	282,932	263,877
Staff Costs	6,328	-	-	-	-	6,328	5,892
Supplies and Services*	1,006	4,595	499	1,299	(3,154)	4,245	4,107
Admin Expenses	136	210	38	112	-	496	478
Premises and Maintenance	235	217	-	32	(100)	384	293
Other Operating Expenditure	3	153	-	24	-	180	85
Grants and Subsidies Payments	1,567	-	-	22	-	1,589	1,390
Depreciation/Capital Charges	-	1,906	-	-	-	1,906	1,905
Finance Costs	-	69	-	-	-	69	48
Reserve Fund Appropriation	-	537	(537)	-	-	-	-
<b>Total Expenditure</b>	<b>162,687</b>	<b>179,778</b>	<b>-</b>	<b>23,913</b>	<b>(68,249)</b>	<b>298,129</b>	<b>278,075</b>
<b>(SURPLUS)/DEFICIT FOR YEAR</b>	<b>159,532</b>	<b>(37,354)</b>	<b>(107,294)</b>	<b>(5,378)</b>	<b>-</b>	<b>9,506</b>	<b>209,818</b>

\* Staff Costs are reflected gross with a charge made to the Social Security Fund and Health Insurance Fund ('the Funds') for work done. These costs amounted to £2,571,849 for the Social Security Fund and £564,549 for the Health Insurance Fund and are included within Supplies and Services costs of the respective Funds.

\*\* Inter-departmental transfers are in respect of internal fund movements between the Social Security Department, Social Security Fund and Health Insurance Fund. These relate to Supplementation and the rent of premises.

# Transport and Technical Services

**Department Highlights:**

- Net spend of £24,099,616, an increase of 12.3% on 2008
- Underspend of £229,884 (0.9%) against Final Approved Budget

## Actual v prior year

The increase in spend from 2008 to 2009 was 12.3%. Expenditure rose by £2,249,919 and income decreased by £383,922.

The main reason for the increase in expenditure relates to the reclassification of certain types of capital project as revenue spend in accordance with Generally Accepted Accounting Principles. Other reasons include increases in the cost of materials both in terms of price and volume to meet the increase in unplanned recharged work for other States Departments, primarily Jersey Harbours.

The decline in income is due to the fall in tipping fee income by £632,862 which was partly offset by an increase in recharges to other States Departments.

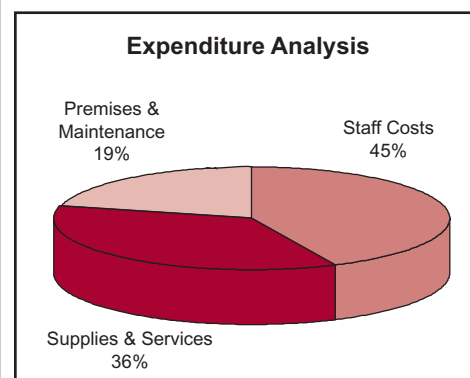
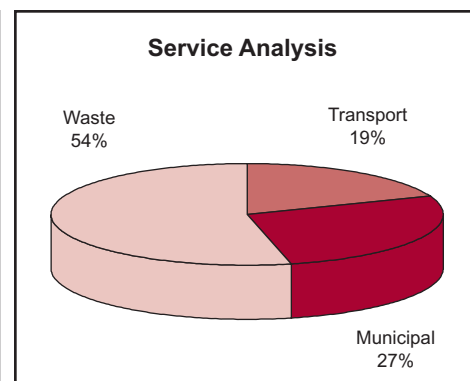
## Actual v Final Approved Budget

Overall, the department had an underspend against budget of 0.9%. This was largely due to an underspend on the Community Safety Grants Fund of £46,871 and an underspend on transport initiatives of £180,000 due to delays in obtaining planning permissions.

## Additional Budget Allocation

In 2009 an additional £624,600 (net) was voted to Transport and Technical Services in excess of the original budget agreed in the Business Plan. This amount represents a transfer between revenue and capital (£450,000) which related to a capital loan repayment from Jersey Harbours, a transfer of the budget to Central funds in respect of the pay freeze, offset by carry forward balances from 2008 and a transfer from capital to revenue to reclassify certain types of capital spend in order to align with Generally Accepted Accounting Principles. (see Reconciliation table for details).

Capital	Total £'000
Total value of approved capital schemes	175,373
Spent in the Year	72,476
Spent to Date	119,082



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£'000
<b>Original Budget</b>	<b>23,705</b>
Carry forward from 2008	208
<b>Transfer to Capital</b>	
To align budgeting with Generally Accepted Accounting Principles (GAAP)	1,096
<b>Transfer to/from other Departments</b>	
2009 June Pay Freeze	(230)
Capital Transfer - Repayment of Capital Loan	(450)
<b>Final Budget</b>	<b>24,329</b>



# Transport and Technical Services

## 2009 Capital Vote

In the 2009 Business Plan, an additional £5.18 million was voted for the Department's capital schemes. This was to cover:

- £4.50 million for infrastructure maintenance
- £0.33 million for Bellozanne Energy from Waste enhanced maintenance
- £0.35 million for minor capital

Additional details on revenue expenditure results and in year capital spend are explained below.

## Key Financial Results by Service Analysis

**The results for the Department's top 4 service areas (by net expenditure) were:**

**Liquid Waste** • **Net Spend of £5,181,334, an overspend of £132,734 (2.6%) against Final Approved Budget**

Liquid Waste is responsible for the maintenance of the sewers network and safe disposal of liquid waste.

The small increase against Final Approved Budget is due to the additional spend on the shipment of hazardous waste and a small increase in electrical services maintenance which have been offset by savings in ground maintenance.

The increase of 16.6% over 2008 is due to the reclassification of previously capital spend into revenue which includes work on process optimization, cavern, asset management and preliminary studies on the liquid waste strategy. This is consistent with the movement between the 2009 Business Plan and the Final Approved Business Plan.

**Transport Policy and Buses** • **Net Spend of £4,688,886, an underspend of £530,114 (10.2%) against Final Approved Budget**

In 2009, Connex Transport (Jersey) Ltd generated £2,927,300 in fare revenue for the States, a 1% increase on 2008. The primary reason for the decrease against Final Approved Budget is due to one off negotiated contract reductions (£370,000).

Transport Policy were also allocated £500,000 of environmental monies for one off transport initiatives. At the end of the year there was £180,000 unspent due to projects such as the Eastern Cycle route spanning the year end. This accounts for the remainder of the difference against Final Approved Budget.

**Solid Waste** • **Net Spend of £3,777,123, an overspend of £197,723 (5.5%) against Final Approved Budget**

Solid Waste comprises the management and disposal of solid waste including green waste, recycling, abattoir, and related services.

The increase in net expenditure compared to Final Approved Budget is due to a decline in tipping fee income (£313,044) partly offset by more efficient working practices. The decline is significant compared to 2008 (£623,862). One of the reasons for the decline is the increase in alternative free tipping provision. Decrease on 2008 is also due to the reclassification of previously voted capital works on the ash pits as revenue spend.

# Transport and Technical Services

**Energy from Waste** • **Net spend of £2,818,906, an underspend of £67,594 (2.3%) against Final Approved Budget**

Energy from Waste is the operation of the incinerator to burn solid waste and produce electricity for use within the department. Any excess electricity is sold on to the Jersey Electricity Company.

The decrease in net expenditure for the Energy from Waste Plant compared to Final Approved Budget is due to the increase in the price for the sale of generated electricity to the Jersey Electricity Company from 2.9p per unit to 4p (£106,729). This has been partly offset by additional maintenance necessary on an ageing plant.

The increase in spend on 2008 is due to reclassification of capital allocations to fund the additional maintenance needed as the plant nears the end of its life and will be replaced in 2011 by the new Energy from Waste Plant.

## Key Financial Results by Operating Cost Statement

**The results for the 2 highest income lines are as follows:**

**Sales of Services** • **Income of £12,836,111, a surplus of £1,532,911 (13.6%) against Final Approved Budget**

The increase in income over the Final Approved Budget is due to a higher than budgeted income from Driver and Vehicle Standard registrations (£240,864), an increase in unplanned recharges to other departments (£768,559), and smaller increases in income in other areas including cleaning, bus income and septic tanker and clinical waste income.

The recharge income arises when Transport and Technical Services undertakes work for other States Departments. A significant proportion of the increase was attributable to the Department undertaking unplanned rechargeable work on behalf of Jersey Harbours.

**Hire and Rentals** • **Income of £2,080,622, a shortfall of £24,978 (1.2%) against Final Approved Budget**

Hire and Rentals income arises from the rental of commercial parking spaces at La Collette, external property rental, room hire and rental and overhead recharges to the Trading Funds.

The small decrease in income from hire and rentals over the Final Approved Budget is due to the reduction in parking spaces available for rental following reorganisation of the La Collette area.

**The results for the 3 highest expenditure lines are as follows:**

**Staff Costs** • **Spend of £18,876,674, a decrease of £826,326 (4.2%) against Final Approved Budget**

Staff Costs have decreased against Final Approved Budget due to a number of vacancies, unplanned sickness, and a change in the classification of staff recharges to capital projects.

# Transport and Technical Services

In 2008, there was no reduction in staff costs where employees worked on capital projects. However, there has been a change in accounting treatment whereby from 2009, the revenue staff costs are reduced by the amount of labour charged to capital projects from a reduction in other operating expenses to a reduction in manpower costs.

**Supplies and Services** • **Net spend of £15,192,860, an increase of £806,660 (5.6%) against Final Approved Budget**

Supplies and Services expenditure increased by 5.6% on Final Approved Budget and 4.6% on 2008.

The increase in expenditure relates to an increase in the costs of materials in order to undertake the increase in unplanned recharge work highlighted above (£591,841), an increase in the cost of chemicals for sludge treatment (£288,590) and increases in professional fees, hired services and consultants. These were offset by a reduction in the main bus contract costs (£370,000).

**Premises and Maintenance** • **Net spend of £7,884,174, a decrease of £18,726 (0.2%) against Final Approved Budget**

Premises and Maintenance costs relate to all operating costs associated with the premises, infrastructure and associated equipment.

The expenditure was broadly in line with the Final Approved Budget. The increase on 2008 was due to the reclassification of some capital projects as revenue expenditure, for example ash pits, highways patching works and boiler works on the existing energy from waste incinerator.

# Transport and Technical Services

## Capital Schemes

Total Capital Expenditure during the year was £72.476 million which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amounts voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted £'000</b>	<b>Spent in the Year £'000</b>	<b>Spent to Date £'000</b>
EFW Plant La Collette	104,910	66,639	69,175
South La Collette Reclamation	26,600	1	26,510
Infrastructure Maintenance	5,918	979	3,779
In-Vessel Composting	4,549	106	433
Fire Fighting System	4,371	673	849
Sludge Thickner Phase II	2,974	–	–
Sewage Treatment Works	2,932	81	2,082
Infrastructure Maintenance	2,913	805	1,130
Sludge Thickner Phase 1	2,074	511	631
Town Park	2,072	472	960
La Collette Roads and Services	1,455	105	1,295
Economic Stimulus Bids	1,395	779	779
Solid Waste Incinerator 2008	1,300	197	739
La Collette 11 Infrastructure and Landscaping	1,000	909	1,000
Waste - Minor Capital	819	52	771
Infrastructure Maintenance	740	–	–
Odour Control	607	98	495
Solid Waste Treatment La Collette	607	–	381
Other schemes	1,473	69	1,409
<b>Total</b>	<b>168,709</b>	<b>72,476</b>	<b>112,418</b>

The biggest single capital project is the new Energy from Waste Plant at La Collette which commenced towards the end of 2008 and is due to complete in 2011. Other large projects include the replacement of the sludge thickener, which is shown above in two phases again spanning over several years.

The 2009 spend reflected the progress made on a variety of individual schemes. These included the Energy from Waste Plant, drainage and pumping station maintenance, highways resurfacing, replacement of the fire fighting system at La Collette and preparatory work for the new Town Park.

New in 2009 is the allocation of the economic stimulus monies which have been used to stimulate the civil construction industry through schemes such as the resurfacing of Victoria Avenue.

# Transport and Technical Services

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Waste</b>		
4,407,600	5,048,600	Liquid Waste	5,181,334	4,442,657
2,356,500	2,886,500	Energy from Waste	2,818,906	2,352,609
3,196,100	3,579,400	Solid Waste	3,777,123	2,676,918
1,604,300	1,576,500	Drainage	1,588,737	1,473,693
-	(469,300)	Jersey Harbours (Note 1)	(469,263)	(416,438)
		<b>Municipal Services</b>		
3,202,400	2,367,200	Highways and Infrastructure Maintenance	2,610,052	3,225,588
(1,655,400)	(1,655,400)	Buildings (Note 2)	(1,655,375)	(1,614,890)
942,800	1,314,300	Coastal and Footpath Maintenance	1,290,292	867,145
2,058,600	2,011,700	Cleaning	1,993,566	1,842,785
2,397,700	2,366,700	Parks and Gardens	2,267,894	2,347,638
		<b>Transport</b>		
5,292,300	5,219,000	Transport Policy and Buses	4,688,886	4,465,867
(98,000)	84,300	Driver and Vehicle Standards	7,464	(197,797)
<b>23,704,900</b>	<b>24,329,500</b>	<b>Net Revenue Expenditure</b>	<b>24,099,616</b>	<b>21,465,775</b>

Note 1:

The Jersey Harbours net revenue income totalling £0.469 (2008: £0.416) million represented a capital repayment made by Jersey Harbours in respect of building works that were undertaken to facilitate the transfer of the Jersey Harbours Engineering Section to the Transport and Technical Services Department.

Note 2:

The Buildings net revenue income totalling £1.655 (2008: £1.615) million represented a payment made by Jersey Car Parking in respect of rent for the multi-storey car parks. This arrangement for reimbursing the Department for the lost income caused by the transfer of the Car Parks Section to a Trading Account was agreed with the former Finance and Economics Committee when the Trading Fund was established.

# Transport and Technical Services

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
840,368	840,400	Duties, Fees, Fines & Penalties	575,993	617,449
1,282,000	1,282,000	Sales of Goods	1,392,137	1,162,455
11,238,515	11,303,200	Sales of Services	12,836,111	13,461,243
2,270,300	2,105,600	Hire & Rentals	2,080,622	2,041,086
2,000	2,000	Investment Income	1,997	2,118
416,017	866,000	Other Revenue	717,966	704,397
<b>16,049,200</b>	<b>16,399,200</b>	<b>Total Revenue</b>	<b>17,604,826</b>	<b>17,988,748</b>
20,199,630	19,703,000	Staff Costs	18,876,674	19,256,419
14,685,374	14,386,200	Supplies and Services	15,192,860	14,522,024
292,800	292,800	Admin Expenses	247,838	293,916
6,582,500	7,902,900	Premises & Maintenance	7,884,174	7,031,841
(2,031,800)	(1,781,800)	Other Operating Expenditure	(726,744)	(1,755,615)
(30,604)	169,400	Grants and Subsidies Payments	185,974	55,629
56,200	56,200	Finance Costs	19,445	50,309
-	-	Pension Finance Costs	25,335	-
-	-	Asset Disposal (Gain)/Loss	(1,114)	-
<b>39,754,100</b>	<b>40,728,700</b>	<b>Total Expenditure</b>	<b>41,704,442</b>	<b>39,454,523</b>
<b>23,704,900</b>	<b>24,329,500</b>	<b>Net Revenue Expenditure</b>	<b>24,099,616</b>	<b>21,465,775</b>

# Treasury and Resources

## Department Highlights:

- Net spend of £17,840,131, an increase of 4.6% on 2008
- Underspend of £1,256,736 (6.6%) against Final Approved Budget

## Actual v prior year

The increase in spend from 2008 to 2009 was £781,136 (4.6%) and was largely non-recurring in nature. It related to work on fiscal policy, investments and improving financial management. Income also increased to bring recharges for financial services in line with costs.

## Actual v Final Approved Budget

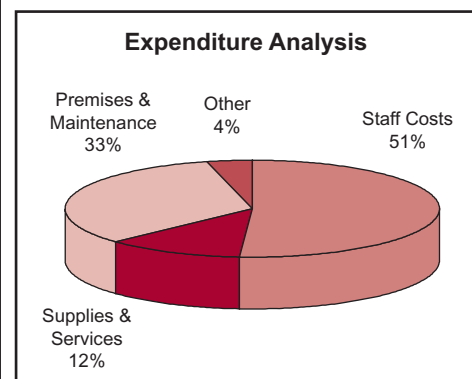
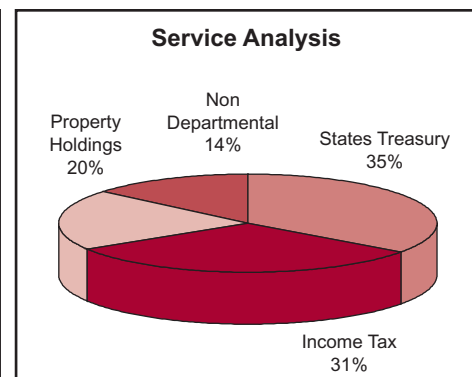
Overall the Department had an underspend against budget of £1,256,736 (6.6%). Treasury was underspent by £576,778 and Property Holdings was underspent by £520,195.

The Treasury underspend was due to a combination of phasing project work over 2009 and 2010 and an increase in recharge income.

The Property Holdings underspend was due to unexpected rental income from sites which became available during the year, an underspend on the reactive maintenance programme, and the late release of additional monies into the planned maintenance budget.

## Additional budget allocation

In 2009 an additional £1,744,000 was voted to the Treasury & Resources Department in excess of the original budget agreed in the Business Plan. This additional budget allocation was for non-recurring items such as the completion of phased projects, and transfers between capital and revenue under GAAP. There were also budget transfers between Departments and between capital and revenue (unrelated to GAAP) which do not affect the overall expenditure of the States.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
<b>Original Budget (excluding Non Cash Items)</b>	<b>17,353</b>
Carryforwards	
Treasury - Project work	822
Property Holdings - Maintenance	150
Transfers between Capital and Revenue (GAAP)	
JDE accounting system	286
Income Tax system (GST)	(266)
Property Holdings - Office Strategy Programme	330
Property Holdings system	45
Budget Transfers	
Treasury - Pay Freeze	(103)
Property Holdings - Pay Freeze	(38)
Property Holdings - Fiscal Stimulus	139
Property Holdings - Asset disposal costs	500
Property Holdings - Market income transfer	(212)
Net Other transfers	91
<b>Final Budget</b>	<b>19,097</b>

# Treasury and Resources

The main budget movements in Treasury and Income Tax resulted in a net budget increase of £833,000 in respect of the following:

- Non-recurring projects in respect of fiscal policy, investments and improving financial management, funded from sums carried forward from 2008  
£822,000
- Transfer from capital to revenue in respect of the reclassification of the staff costs of implementing the JDE Accounting System under GAAP  
£286,000
- Transfer from revenue to capital in respect of the completion of GST system under GAAP  
£266,000
- Transfer from Income Tax to Customs of the operating budget of the Customs computer system  
£43,000
- Net other transfers  
£34,000

The main budget movements in Property Holdings resulted in a net budget increase of £911,000 in respect of the following:

- Non-recurring sum carried forward from 2008 to increase the compliance and maintenance programme  
£150,000
- Transfer from capital to revenue in respect of the reclassification of the staff costs of the Office Strategy Programme under GAAP  
£330,000
- Transfer from capital to revenue in respect of the reclassification of costs of the Property Management computer system under GAAP  
£45,000
- Fiscal Stimulus monies to increase the Property Holdings' maintenance programme  
£139,000
- Preparation for disposal of the former Jersey College for Girls  
£500,000
- Transfer of surplus income from the operation of the Central and Beresford Markets to the Markets Capital Fund as per the agreement of the former Finance and Economics Committee (Act B7, 18/6/2003)  
£212,000
- Net other transfers  
£41,000

## 2009 capital vote

The table below provides a summary of the total value of capital schemes that were live in 2009, together the total spend to date.

Capital	Total £000
<b>Total value of approved capital schemes</b>	<b>74,387</b>
<b>Spent in the Year</b>	<b>9,236</b>
<b>Spent to Date</b>	<b>46,366</b>



# Treasury and Resources

An additional £16.2m was voted in the 2009 Business Plan for the Department's capital schemes. This related to the following:

- Treasury: Increase to risk reserve in respect of capital projects £7,000,000
- Treasury: JDE development & upgrade £750,000
- JPH: Replacement Police Station and HQ (Sinking Fund 3rd Tranche) £4,254,000
- JPH: Mont A L'Abbe School – Phase 2 £4,212,000

## Key Financial Results by Service Analysis

The results for the Department's service areas (by net expenditure) were:

**States Treasury** • **Net spend of £6,246,647, an underspend of £576,778 (8.5%) against Final Approved Budget**

The underspend was as a result of the following:

- Financial Services: The underspend of £304,482 was mainly due to an increase in recovery of costs in respect of work undertaken on Separately Constituted Funds and other States' Departments, net of the non-recurring costs of project work within this section.
- Corporate Financial Strategy: The underspend of £143,556 was due to lower than expected expenditure on investment strategy and corporate finance advice.
- Procurement: The underspend of £89,551 was mainly due to an unfilled vacancy.
- Systems: The underspend of £50,596 was mainly due to a delay in recruitment.

**Income Tax** • **Net spend of £5,452,246, an overspend of £35,237 (0.7%) against Final Approved Budget**

The overspend of £35,237 was due to higher than expected costs in relation to GST and the new Tax Information Exchange Agreements, offset by savings in the costs of personal tax assessing. This additional expenditure was agreed in advance and met by internal budget transfers from other sections of Treasury & Resources.

**Jersey Property Holdings** • **Net spend of £3,611,738, an underspend of £520,195 (12.6%) against Final Approved Budget**

The underspend was mainly as a result of the following:

- Project Management: the underspend of £368,472 was mainly due to the deferral of planned work on the Office Strategy.
- Property Services & Maintenance: the total underspend of £209,241 was the net result of a number of compensating variances within this heading. The key variances were:
  1. surplus income against target from sites earmarked for development;
  2. an underspend due to a lower demand for reactive maintenance than expected;
  3. an underspend due to a late budget transfer for planned maintenance which was not spent;
  4. an overspend resulting from the additional costs of rechargeable works, and
  5. an exceptional payment to prepare the former Jersey College for Girls site for disposal.

# Treasury and Resources

## **Non Departmental - Insurance** • **Net spend of £2,529,500, an underspend of £195,000 (7.2%) against Final Approved Budget**

The underspend of £195,000 above was due to lower than budgeted insurance costs.

## **Key Financial Results by Operating Cost Statement**

### **The results for the 2 highest income lines are as follows:**

## **Sales of Services** • **Total income of £5,215,923, a surplus of £1,948,942 (59.7%) against Final Approved Budget**

The surplus income was mainly due to the following:

- £1,284,692 surplus income in Jersey Property Holdings was mainly due to increased rental income from existing sites and unbudgeted income from those sites identified for disposal. A significant proportion of the surplus income is offset by additional expenditure which was rechargeable.
- £582,250 surplus income in States' Treasury, mainly due to recovery of costs in respect of work undertaken on Separately Constituted Funds and other States' Departments.

## **Hire & Rentals** • **Net income of £2,371,434, a surplus of £50,498 (2.2%) against Final Approved Budget**

The surplus income was due to higher than budgeted income in Jersey Property Holdings, resulting from increased occupancy levels.

### **The results for the 3 highest expenditure lines are as follows:**

## **Staff Costs** • **Total spend of £13,026,589, an overspend of £75,097 (0.6%) against Final Approved Budget**

This overspend resulted from a reclassification of project staff expenditure from capital to revenue under GAAP.

## **Premises & Maintenance** • **Total spend of £8,416,867, an overspend of £627,195 (8.1%) against Final Approved Budget**

The overspend of £627,195 was mainly due to under budgeted expenditure of £772,799 in Jersey Property Holdings which was more than offset by increased Sales of Services above. This relates to unbudgeted rechargeable works of £300k together with additional urgent maintenance works which were funded by internal budget transfers from elsewhere in Property Holdings budgets. States Treasury had an underspend of £162,625 mainly due to savings on insurance costs of £195,000.

## **Supplies & Services** • **Total spend of £2,982,042, an underspend of £293,899 (9.0%) against Final Approved Budget**

The underspend of £293,899 was mainly due to lower than expected expenditure on investment strategy and corporate finance advice in States' Treasury and lower than expected expenditure on the Office Strategy and property disposals in Jersey Property Holdings.

# Treasury and Resources

## Capital Schemes

Total Capital Expenditure during the year was £9.2 million which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amounts voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted £'000</b>	<b>Spent in the Year £'000</b>	<b>Spent to Date £'000</b>
<b>Income Tax</b>			
GST Implementation	1,503	57	1,503
<b>States' Treasury</b>			
JDE System	9,811	90	9,272
<b>Jersey Property Holdings</b>			
Police Relocation Phase I	17,789	20	612
Prison Cell Block Reconstruction Phase III	11,319	3,737	10,785
Highlands (A Block)	6,073	3,151	4,841
St. Peter's School	5,123	379	4,941
Grainville School Phase III	4,593	48	4,545
Mont-à-l'Abbé School Phase II	4,290	204	663
Public Markets Maintenance	2,768	890	1,567
Haut de la Garenne	2,598	39	2,522
Grouville School	2,177	4	2,069
Mont-à-l'Abbé School Phase I	2,108	19	2,096
Grainville School Phase IV	701	155	185
JCG Drama Extension	643	0	45
Relocation of Sea Cadets	600	0	193
Victoria College Extension	563	0	3
Youth Service Works - Various	528	14	15
Total schemes under £500,000	1,200	429	509
<b>TOTAL</b>	<b>74,387</b>	<b>9,236</b>	<b>46,366</b>

2009 saw the practical completion of a number of major building works projects, including HM Prison Phase III, St Peter's Primary School and the refurbishment of Highlands 'A' Block (Turner Building). Phase I of improvement works on the Indoor Market commenced in 2009, with phase II due to commence in 2010.

## Repayments and Interest on Capital Debt

The budget of £43,720,000 was based on an estimate in early 2008 of which capital projects would be complete by the end of 2009.

At the end of 2009 fewer capital projects were completed than the estimate, giving rise to an underspend of £5,416,000.

# Treasury and Resources

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>States' Treasury</b>		
1,173,800	1,805,685	Corporate Financial Strategy	1,662,129	1,203,340
390,000	411,094	Decision Support	390,841	379,189
177,600	196,663	Investments	186,806	152,889
1,353,100	1,459,728	Financial Services	1,155,246	1,277,857
1,366,300	1,720,368	Systems	1,669,772	1,333,565
628,600	651,539	Internal Audit	693,055	570,050
563,600	578,349	Procurement	488,798	485,894
<b>5,653,000</b>	<b>6,823,426</b>		<b>6,246,647</b>	<b>5,402,784</b>
		<b>Income Tax Department</b>		
3,273,100	3,081,116	Personal Tax Assessing	3,002,284	3,139,854
908,300	859,962	Company Assessing	850,473	857,787
297,600	264,183	Policy Development	259,162	282,887
203,200	192,804	Investigations & Compliance	190,767	195,761
338,600	333,773	Tax Collection & Arrears	335,274	406,856
734,300	685,172	Goods & Services Tax	778,887	708,415
-	-	TIEA	35,401	-
<b>5,755,100</b>	<b>5,417,010</b>		<b>5,452,248</b>	<b>5,591,560</b>
		<b>Property Holdings</b>		
59,600	104,687	Architectural Services	162,205	234,764
337,100	710,646	Project Management	342,174	426,747
2,824,200	3,316,600	Property Services & Maintenance	3,107,359	3,021,395
<b>3,220,900</b>	<b>4,131,933</b>		<b>3,611,738</b>	<b>3,682,906</b>
		<b>Non Departmental</b>		
<b>2,724,500</b>	<b>2,724,500</b>	Insurance	<b>2,529,500</b>	<b>2,381,745</b>
<b>17,353,500</b>	<b>19,096,869</b>	<b>Net Revenue Expenditure</b>	<b>17,840,133</b>	<b>17,058,995</b>
		<b>Non Cash Limit Items</b>		
43,720,000	43,720,000	Repayments and Interest on Capital Debt	37,862,732	39,024,467

# Treasury and Resources

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
3,266,982	3,266,981	Sales of Services	5,215,923	4,356,943
1,836	1,836	Commission	1,228	1,352
2,207,982	2,320,936	Hire & Rentals	2,371,434	2,214,473
338,100	338,101	Other Revenue	203,287	502,652
<b>5,814,900</b>	<b>5,927,854</b>	<b>Total Revenue</b>	<b>7,791,872</b>	<b>7,075,420</b>
12,553,100	12,951,492	Staff Costs	13,026,589	12,348,195
2,264,588	3,275,941	Supplies and Services	2,982,042	2,918,165
432,909	939,909	Admin Expenses	459,538	399,380
7,875,375	7,789,672	Premises & Maintenance	8,416,867	8,140,643
1,728	26,994	Other Operating Expenditure	726,831	296,315
-	-	Grants and Subsidies Payments	-	6,482
40,700	40,713	Finance Costs	20,136	25,235
<b>23,168,400</b>	<b>25,024,721</b>	<b>Total Expenditure</b>	<b>25,632,003</b>	<b>24,134,415</b>
<b>17,353,500</b>	<b>19,096,867</b>	<b>Net Revenue Expenditure</b>	<b>17,840,131</b>	<b>17,058,995</b>
		<b>Non-Cash Limit Items</b>		
43,720,000	43,720,000	Repayments and Interest Capital Debt	37,862,732	39,024,467

# Non Ministerial States Funded Bodies

- Department Highlights:**
- Net spend of £19,350,720, an increase of 20.5% on 2008
  - Underspend of £173,853 (0.9%) against Final Approved Budget

## Financial Overview

The Non Ministerial Departments are presented here in a consolidated presentation; however, these departments are established under the Public Finance (Jersey) Law 2005 as separate States funded Departments for which no Minister is directly responsible.

## Actual v prior year

The increase in spend from 2008 to 2009 was £3,295,183 (20.5%). This related mainly to significant increases in Court and Case Costs (see Note), together with increases in other costs, see below:

- Court & Case Costs £2.5m
- Criminal Prosecutions - Law Officers Department £387k
- Court Services - Judicial Greffe £228k

## Actual v Final Approved Budget

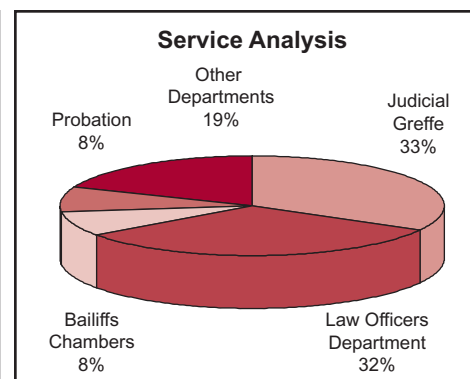
The consolidated Non Ministerial Departments' position shows an underspend of £173,853, mainly due to underspends in the Comptroller and Auditor General and Law Officers' Department.

## Additional budget allocation

In 2009 an additional £3,106,000 (net) was voted to the Non Ministerial Departments in excess of the original budget agreed in the Business Plan. This amount represents a total of £1,794,000 in additional budgets for Court and Case Costs for Law Officers Department, Judicial Greffe, Bailiff's Chambers and Viscounts Department.

£1,119,000 was transferred to the Law Officers Department in respect of the Historic Child Abuse Enquiry.

An additional budget of £60,000 was voted in respect of a Probation Welfare post.



**Staff Costs**

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
<b>Original Budget</b>	<b>16,419</b>
Court & Case Costs	1,794
Historic Child Abuse Enquiry - Law Officers Department	1,119
Probation - Family Court	
Welfare post	60
Pay Freeze	(110)
Revenue to Capital Transfers (GAAP)	(30)
Carry Forwards:	
Comptroller & Auditor General - GAAP review & other projects	175
Law Officers Department - reorganisation costs	53
Other carry forwards	96
Net other transfers	(51)
<b>Final Budget</b>	<b>19,525</b>

Capital	Total £'000
<b>Total value of approved capital schemes</b>	<b>9,701</b>
<b>Spent in the Year</b>	<b>(133)</b>
<b>Spent to Date</b>	<b>9,555</b>

# Non Ministerial States Funded Bodies

There were also various transfers between revenue and capital budgets due to GAAP and a decrease in staff budgets due to the pay freeze. Carry forwards included £175,000 for the Comptroller and Auditor General, in respect of additional work surrounding GAAP reviews and other projects, and £53,000 for the Law Officers Department for reorganisation costs. Other smaller carry forwards amounted to £96,000 and other net transfers amounted to £34,000.

## 2009 capital vote

There were no new capital schemes during 2009.

## Key Financial Results by Service Analysis

### **Bailiffs Chambers** • **Net spend of £1,527,091, break-even against Final Approved Budget**

During 2009, the Bailiff's Chambers managed its operations within its net revenue budget of £1,527,092. This was despite pressures arising during the year from the unpredictable nature of costs relating to the number and size of cases heard before the Courts and the cost of official visits.

### **Law Officers' Department** • **Net spend of £6,119,215, an underspend of £54,406 (0.9%) against Final Approved Budget**

Overall the Law Officers Department had an underspend against budget of 0.9%. This was largely due to delays in timing of the recruitment of staff and other associated costs, offset by a lower than budgeted recovery of costs (recharges) from the Criminal Offences Confiscation Fund. The Department incurred £1,119,000 additional costs related to the Historic Child Abuse Enquiry for which additional budget was made available.

## **Judicial Greffe & Viscounts**

### **Judicial Greffe** • **Net spend of £6,369,873, break-even against Final Approved Budget**

### **Viscounts Department** • **Net spend of £1,438,373, break-even against Final Approved Budget**

As part of the programme of integration, the Judicial Greffe and Viscounts Departments are now generically referred to as the Court Service. Considerable operational activity was experienced throughout the Court Service during the year.

During 2009, the Court Service was able to manage its operations within the allocated budget set for the year. The workload of the Court Service continues to increase, and in spite of this, high standards of performance are being maintained out of the operational allocation. Extraordinary Court & Case Costs have been met through the COCF (see note below).

### **Official Analyst** • **Net spend of £544,630, break-even against Final Approved Budget**

The Official Analyst's Department continues to meet the forensic, environmental, consumer and health protection analysis needs of States Departments, local business and members of the public whilst maintaining the breadth of experience and equipment necessary to deal with novel problems.

Manpower costs represent 66% of the Department's gross expenditure.

# Non Ministerial States Funded Bodies

## **Office of the Lieutenant Governor**

- **Net spend of £744,283, an underspend of £8,217 (1.1%) against Final Approved Budget**

Total net expenditure was slightly less than budget. The budget is reliant on income from naturalisations to fund a major part of the Department's operational costs. Government House has no control over the number of naturalisations and thus the income from them.

A major part of expenditure was used to provide support for the Lieutenant-Governor's wide-ranging responsibilities and duties and to fund the running costs of Government House and the Office of the Lieutenant-Governor. The programme of repairs and modernisation around the estate continued with work on external lighting and security systems.

## **Office of the Dean of Jersey**

- **Net spend of £23,695, break-even against Final Approved Budget**

Office of the Dean of Jersey managed its budget within the cash limit set for 2009. All spend for this department is staff-related.

## **Data Protection Commission**

- **Net spend of £230,271, break-even against Final Approved Budget**

The Data Protection Commission managed its budget within the cash limit set for 2009.

Of the Department's gross expenditure, 75% related to staff costs. The Commission is heavily reliant on registration income to cover other committed costs.

## **Probation**

- **Net spend of £1,562,018, break-even against Final Approved Budget**

The Jersey Probation and After-Care Service (JPACS) managed its budget within the cash limit set for 2009. The largest single area of expenditure was staff costs, which amounted to £1,538,584 for 2009. It follows therefore that the Service is particularly vulnerable to pressures in this area.

During 2009, overall workload in all areas increased despite a decline in reported crime. The biggest increase was seen in the Community Service Department where 218 Community Service Orders were made compared to 156 in 2008. The number of hours ordered by the courts during 2009 equates to 23,642 compared to 14,862 in 2008 and 17,937 in 2007. The Community Service Scheme is calculated to have saved £3 million in imprisonment costs during 2009 at a cost of £288,000 approx.

## **Comptroller and Auditor General**

- **Net spend of £791,271, an underspend of £111,229 (12.3%) against Final Approved Budget**

The Comptroller and Auditor General (C&AG) examines how public bodies manage spending and looks at how best to achieve value for money by managing their finances to the highest standards.

The majority of the £111,229 underspend relates to outstanding pieces of work which will be carried out in 2010. Funds will be carried forward to support this.



# Non Ministerial States Funded Bodies

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Bailiff's Chambers</b>		
849,300	703,879	Royal Court	688,224	672,992
117,300	115,706	States Assembly	113,133	109,665
29,000	9,642	Licensing	9,600	9,429
127,400	134,990	Civic Head	131,816	127,266
19,700	22,500	Jurats Expenses	16,367	15,000
87,300	10,000	Distinguished Visitors	36,107	21,921
22,900	50,000	Commemorative Functions	60,435	54,990
–	480,375	Court and Case Costs	658,409	283,788
–	–	Court and Case Costs - see note below	(187,000)	(96,083)
<b>1,252,900</b>	<b>1,527,092</b>		<b>1,527,091</b>	<b>1,198,968</b>
		<b>Law Officers' Department</b>		
1,301,080	1,353,900	Criminal Prosecutions	1,400,026	1,013,432
1,782,038	1,686,966	Legal Advice	1,346,270	1,281,118
376,868	392,168	Conveyancing	363,418	358,786
379,925	395,349	Civil Proceedings	386,123	326,181
807,767	840,560	Interjurisdictional Assistance	567,888	619,396
33,397	34,753	Duties of the Attorney General	34,193	33,670
2,325,725	2,598,196	Court and Case Costs	3,885,585	3,420,154
–	–	Court and Case Costs - see note below	(1,288,000)	(1,319,746)
(1,095,000)	(1,128,271)	COCF Recharges	(576,288)	(745,273)
<b>5,911,800</b>	<b>6,173,621</b>		<b>6,119,215</b>	<b>4,987,718</b>
		<b>Judicial Greffe</b>		
774,100	1,019,968	Samedi, Family, Appellate and Interlocutory Service	1,019,966	792,100
1,056,200	729,678	Magistrates Court	729,678	1,003,900
382,000	440,000	Maintenance of Registries	440,000	316,360
1,755,500	4,180,227	Court and Case Costs	5,125,229	3,416,476
–	–	Court and Case Costs - see note below	(945,000)	(552,766)
<b>3,967,800</b>	<b>6,369,873</b>		<b>6,369,873</b>	<b>4,976,070</b>

# Non Ministerial States Funded Bodies

## Net Expenditure - Service Analysis (continued)

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
		<b>Viscount's Department</b>		
117,550	140,730	Coroner	140,730	123,772
350,400	211,560	Desastre	211,560	51,274
430,840	478,766	Enforcement	478,766	583,076
121,870	131,813	Assize Jury Functions	131,813	218,312
100,140	97,092	Curatorships	97,092	80,095
304,000	378,412	Court and Case Costs	408,412	134,523
–	–	Court and Case Costs - see note below	(30,000)	(86,335)
<b>1,424,800</b>	<b>1,438,373</b>		<b>1,438,373</b>	<b>1,104,717</b>
		<b>Official Analyst</b>		
599,100	544,630	Forensic, Environmental Analysis	544,630	554,003
<b>599,100</b>	<b>544,630</b>		<b>544,630</b>	<b>554,003</b>
		<b>Office of the Lieutenant Governor</b>		
743,000	752,500	Duties of the Lieutenant Governor	744,283	710,865
<b>743,000</b>	<b>752,500</b>		<b>744,283</b>	<b>710,865</b>
		<b>Office of the Dean of Jersey</b>		
22,200	23,695	Office of the Dean of Jersey	23,695	22,987
<b>22,200</b>	<b>23,695</b>		<b>23,695</b>	<b>22,987</b>
		<b>Data Protection Commission</b>		
224,500	230,271	Data Protection Commission	230,271	219,814
<b>224,500</b>	<b>230,271</b>		<b>230,271</b>	<b>219,814</b>
		<b>Probation</b>		
241,250	142,078	Community Service by Offenders	288,125	180,728
1,302,750	1,419,940	Information and Supervision Service	1,273,893	1,319,889
<b>1,544,000</b>	<b>1,562,018</b>		<b>1,562,018</b>	<b>1,500,617</b>
		<b>Comptroller and Auditor General</b>		
728,600	902,500	Comptroller and Auditor General	791,271	779,778
<b>728,600</b>	<b>902,500</b>		<b>791,271</b>	<b>779,778</b>
<b>16,418,700</b>	<b>19,524,573</b>	<b>Net Revenue Expenditure</b>	<b>19,350,720</b>	<b>16,055,537</b>

# Non Ministerial States Funded Bodies

## Note on Court and Case Costs

Court and Case Costs are demand-led and exceptionally volatile in a way that cannot be controlled by the States' Court Service Departments. In addition, the expenditure associated with a small number of high-profile cases can be so large that Departments are not expected to absorb the effects of the volatility. Such Court and Case Costs exceeded budget by approximately £4.2m in the Court Service Departments in 2009. In order to fund these costs funds were transferred from Social Security (£1.8m) and from the Criminal Offences Confiscation Fund ("COCF") (£2.5m). Under the Proceeds of Crime (Jersey) Law 1999, there are restrictions on the use of COCF monies, which means that only non-drug and non-terrorism related cases can be funded from it. The Minister, by way of Ministerial Decision dated 3rd February 2010, approved the following transfers from the COCF:

- Bailiff's Chambers: £187,000
- Law Officers' Department: £1,288,000
- Judicial Greffe: £945,000
- Viscount's Department: £30,000

# States Assembly and its services

**Department Highlights:**

- Net spend of £5,020,809, an increase of (6.3%) on 2008
- Underspend of £149,600 (2.9%) against Final Approved Budget

**Actual v prior year**

The increase in spend from 2008 to 2009 was 6.3%, mainly due to an increase in Scrutiny spending and an increase in the level and take-up of States members' remuneration.

**Actual v Final Approved Budget**

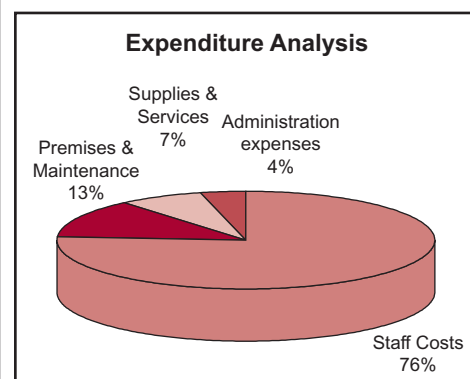
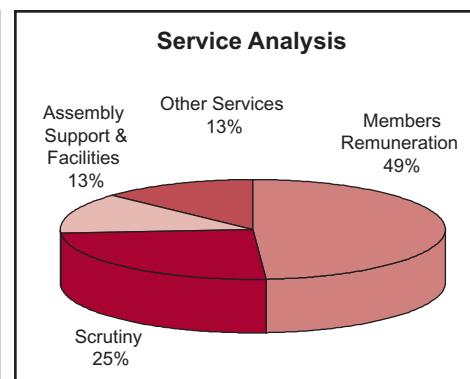
Overall the Department had an underspend against budget of 2.9%. Despite the overall increase in Scrutiny spending compared to 2008, there was nevertheless still a significant underspend by the Scrutiny section. The underspend was offset by unbudgeted increases in States Assembly support arising from the unexpected record number of States sittings. This resulted in an increase in Hansard costs, printing costs, meals and staff costs. There was also a one-off expenditure on improving the fabric of the Public Gallery.

**Additional budget allocation**

In 2009, there was a reduction to the original budget of £33,091. This related to the removal of the pay award of £18,301, and also to a transfer of £14,790 from revenue to capital in respect of an item of equipment.

**2009 capital vote**

There were no significant capital projects in this department in 2009.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

	£'000
Original Budget	5,203
Revenue to capital transfer	(15)
Removal of pay award	(18)
<b>Final Approved Budget</b>	<b>5,170</b>

# States Assembly and its services

## Key Financial Results by Service Analysis

The results for the department's top 2 service areas (by net expenditure) were:

**Members' Remuneration** • **Net spend of £2,435,321, an underspend of £15,325 (0.6%) against Final Approved Budget**

Members' remuneration increased by £1,000 p.a. from 1st January 2009, although it has been frozen for 2010. Actual spend was marginally less than approved budget due to not all members taking up the full remuneration available.

**Scrutiny** • **Net spend of £1,238,570, an underspend of £244,318 (16.5%) against Final Approved Budget**

As in previous years actual spend was less than approved budget as the total cost of reviews undertaken was less than initially anticipated by the Scrutiny panels. This was partly due to the fact that 2009 was the first year of the 3 years States' cycle and the panels were newly established at the beginning of the year.

## Financial Results by Operating Cost Statement

The result for total revenue is as follows:

**Total Revenue** • **Income received £206,053, an increase of £186,053 against Final Approved Budget**

Total revenue included £195,956 in respect of sale of services, representing the recharge of costs shown net in the approved budget.

The results for the highest expenditure line are as follows:

**Staff Costs** • **Net spend of £3,972,625, an overspend of £198,572 (5.3%) against Final Approved Budget**

Staff costs represent the combined total of States Members' remuneration and staff costs in the States Greffe; Members' remuneration represents 61% of the total and staff costs represent 39%. The primary reason for the excess of actual staff costs compared to budget (£198,572), is that as for revenue above, the budget figures are shown net of recharged costs, whereas the actual figures are shown gross.

## Capital Schemes

There were no capital projects in this department in 2009.

# States' Assembly and its services

## Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
1,498,600	1,482,888	Scrutiny	1,238,570	1,133,121
47,500	46,814	States Messenger	49,964	44,851
127,400	127,053	Inter-Parliamentary Relations	138,471	93,072
138,500	135,867	Bookshop	159,382	134,172
15,300	15,075	Complaints Panel	16,355	13,791
330,400	325,063	Clerks Secretariat	317,720	329,540
595,200	587,003	Assembly Support & Facilities	665,026	631,967
2,450,600	2,450,646	Members Remuneration	2,435,321	2,343,685
<b>5,203,500</b>	<b>5,170,409</b>	<b>Net Revenue Expenditure</b>	<b>5,020,809</b>	<b>4,724,199</b>

## Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
20,000	20,000	Sale of Goods	10,097	16,593
-	-	Sale of Services	195,956	178,848
<b>20,000</b>	<b>20,000</b>	<b>Total Revenue</b>	<b>206,053</b>	<b>195,441</b>
3,792,400	3,774,053	Staff Costs	3,972,625	3,810,056
520,398	505,684	Supplies and Services	388,441	358,007
197,508	197,508	Admin Expenses	199,179	143,119
582,994	582,994	Premises & Maintenance	665,011	595,020
48,000	48,000	Other Operating Expenditure	1,606	13,438
82,200	82,170	Grants and Subsidies Payments	-	-
<b>5,223,500</b>	<b>5,190,409</b>	<b>Total Expenditure</b>	<b>5,226,862</b>	<b>4,919,640</b>
<b>5,203,500</b>	<b>5,170,409</b>	<b>Net Revenue Expenditure</b>	<b>5,020,809</b>	<b>4,724,199</b>

# Economic Development

## Jersey Airport

### Department

### Highlights:

- Transfer to Trading Fund of £7,493,436
- Surplus for the year of £11,478,122 - an increase of £1,439,242 (14.3%) on 2008 and £1,353,510 (13.4%) higher than Final Approved Budget

### Actual v prior year

The 2009 surplus transferred to the Trading Fund was £7.4 million after deducting depreciation of £4.0million. The surplus before depreciation was £11.4 million compared with £10.0 million in 2008. The increase on 2008 income reflected the States decision to increase the annual grant payment for Below Ground Works to £5.0million from £2.8million and an increase in Channel Islands Control Zone income in line with a new financial protocol agreed between the UK and France and signed in 2008.

### Actual v Final Approved Budget

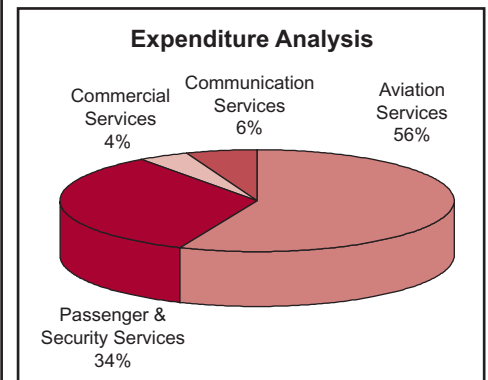
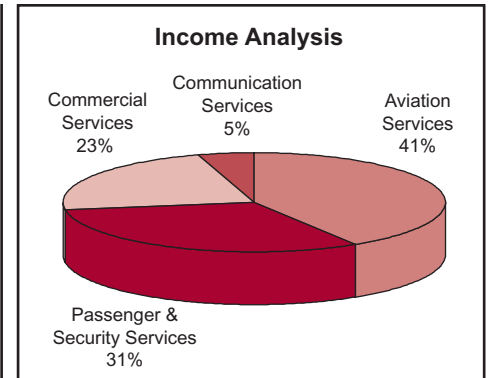
The surplus, excluding depreciation, was £1.3million more than budgeted. This relates principally to Channel Islands Control Zone income. When the 2009 budget was produced, negotiations relating to the financial protocol were ongoing with the French and UK Governments and a conservative estimate of Control Zone income was included in the budget. Following the completion of negotiations and with the strengthening of the Euro against Sterling, an increase against budget of £1.5million was achieved. This helped to offset the impact of an 8.2% reduction in passenger numbers on aeronautical income.

### Additional budget allocation

In 2009, adjustments were made to the budget for reporting purposes, as well as reflecting the decision to maintain pay levels at 2008 rates. These changes are shown in the budget reconciliation.

### 2009 capital vote

In the 2009 business plan, £5.1m was approved to be used from the Trading Fund for the department's 2009 capital schemes. This was to cover:



Capital	Total £'000
Total value of approved capital schemes	77,042
Spent in the Year	17,010
Spent to Date from project inception	53,310

**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
<b>Original Budget</b>	<b>(2,535)</b>
<b>Reporting adjustments</b>	
Below Ground Works Grant	(5,000)
Capital Element of Loan	(2,017)
Notional Interest	(507)
Duties, Fees, Fines & Penalties	(2)
<b>Re: Shadow Business Plan</b>	
Capital Manpower recharge	(59)
Revenue Elements of Capital projects	159
<b>Business Decisions made in year</b>	
Pay award adjustment	(353)
Net effect of Capital / Revenue budget Transfers	189
<b>Final Budget</b>	<b>(10,125)</b>

# Economic Development

## Jersey Airport

- *Air Traffic Control Centre (ATCC) Equipment Phase 2* – the replacement of some equipment as part of the ATCC project led to a reduction in overall capital programme cost.
- *Regulatory Compliance and Safeguarding* – the removal of obstacles infringing the airspace.
- *Common User Terminal Equipment* – the installation of infrastructure to enable business partners to run their check-in systems on the same platform.
- *Public Address and Fire Alarm system* – replacement of the existing system within the Terminal Buildings.
- *Access Control System* – increasing secure access to restricted areas within the Terminals.
- *Minor Capital asset purchases*

**All capital projects are funded from trading fund balances (with the exception of certain “Below Ground” Works which are funded by a grant from the Consolidated Fund).**

Additional details on revenue expenditure results and in year capital spend are explained below.

### Key Financial Results by Service Analysis

**The results for the department’s top 4 service areas (by net income/expenditure) were as follows. All Service Analysis results are reported gross (before depreciation).**

**Aviation Services** • **Net income of £8,697, an increase of £1,496,593 (100.6%) against Final Approved Budget**

Air Transport movements (the volume of commercial air traffic) declined by 14.1%. Changes in the type and size of aircraft meant that whilst numbers were down, the impact on Aircraft Dues was less. Furthermore, any reduction in income was partly offset by better performance on Extension charges, Parking, Freight, Mail and Paper charges. Aircraft Dues income in 2009 was £3.6million.

As mentioned in the introduction to this report, income from the Channel Islands Control Zone (CICZ) was higher than budget by £1.5million. This is the primary contributor to the increase against budget in this service area.

CICZ income received in 2009 was reflected in the Airport’s accounts at £5.8million. The Euros are paid into a Treasury managed Euro account and converted at a fixed rate agreed with the Treasury Minister part way through 2009.

**Passenger and Security Services** • **Net income of £1,802,920, a decrease of £394,172 (17.9%) against Final Approved Budget**

Passenger & Security charges in 2009 were 3.3% less than those recovered in 2008. This compares favourably with an 8.2% reduction in passenger numbers. The reduced impact on income results from the full year effect of the increase in security charges in September 2008. Furthermore, a significant element of the reduction in passenger numbers related to routes where “new route” discounts were in place. Passenger & Security Charge income in 2009 was £7.9 million.

Aviation Security costs increased in 2009 with a new contract starting in April 2009. The contract was awarded after a tendering process, carried out with the support of the Central procurement unit.



# Economic Development

## Jersey Airport

The increase in electricity prices at the beginning of 2009 and an increase in usage impacted on the costs of running the Passenger Terminals. Electricity costs (Passenger Services) for 2009 were £0.5million.

### **Commercial Services**

- **Net income of £4,999,038, an increase of £541,271 (12.1%) against Final Approved Budget**

The Airport received some outstanding monies due from key ground handling concessions where there were disputes over the calculation of the income due. Backdated concession income relating to the previous year was also received from a retailer whose contract had not been ratified at the end of 2008 and therefore no provision was made for this income in the accounts. Concession income received in 2009 was £3.3million. Of this amount £0.3million related to 2008.

There was a reduction in retail concession income in real terms of just over 2%. This was against the backdrop of falling passenger numbers and significant works being undertaken during peak periods to develop the retail offer. Additional revenues from the retail development are not expected to have an impact until the second quarter of 2010.

### **Communications Services**

- **Net income of £128,250, an increase of £28,601 (28.7%) against Final Approved Budget**

Communications Services provides radio communications goods and services to other States Departments and to external customers. The 2009 surplus exceeded 2008's by £17,985 (16.3%). Cost savings year on year were due to staff changes and additional income from new contracts was received contributing to the overall net favourable position.

## **Key Financial Results by Operating Cost Statement**

**The results for the 2 highest income lines are as follows:**

### **Sales of Services**

- **Income of £19,585,697, a surplus of £1,362,797 (7.5%) against Final Approved Budget**

This section includes, amongst other things, Aeronautical, Passenger and Security Charges, extension, freight and mail charges and Channel Island Control Zone income (CICZ). The variance is due primarily to the CICZ income received being £1.5million more than budgeted.

### **Hire & Rentals**

- **Income of £5,632,380, a surplus of £579,280 (11.5%) against Final Approved Budget**

This section includes Aircraft Parking charges, Concessions, Rentals, Licences and Car Park fees. The variance is due primarily to the receipt in 2009 of concession income relating to 2008, the addition of rental income from new tenants and also a rental increase at the beginning of 2009 in line with the December 2008 Retail Price Index increase.

# Economic Development

## Jersey Airport

The results for the 3 highest expenditure lines are as follows:

**Staff Costs** • **Expenditure of £10,742,230, a decrease of £124,308 (1.2%) against Final Approved Budget**

The decrease against budget is partly due to the inclusion in the 2009 budget of an amount to recruit fully trained Air Traffic Control (ATC) staff to support the existing staff in the move to the new control centre. The ATC Department has not been able to fill these roles fully. Other areas of note include the creation of the Strategic Planning Manager role and the secondment of a Strategic Change Manager to the organisation for a two year period. These posts were funded from the Organisational Development budget.

**Supplies & Services** • **Net spend of £4,666,037, a decrease of £37,113 (0.8%) against Final Approved Budget**

A key feature of 2009 activity was strategic planning. This was facilitated by numerous reviews including the following:-

- Financial Viability
- Master Planning
- Strategic Business Planning

The associated costs were met from within the Organisational Development budget which was included under Staff costs in the Original 2009 budget.

**Premises & Maintenance** • **Net spend of £3,243,334, a decrease of £256,366 (7.3%) against Final Approved Budget**

Electricity costs were £79,303 more than budget. This resulted from an increase in usage over and above budget which continued from the previous year. A group was set up during the year to review electricity usage including representatives from Engineering and Terminal Services.

Equipment maintenance was £115,577 more than budgeted. This was mainly because an anticipated reduction in baggage system maintenance costs, as a result of its planned replacement, was not achieved. The replacement, originally programmed for mid 2009, was deferred and the budgeted cost reduction did not materialise.

# Economic Development

## Jersey Airport

### Capital Schemes

Total capital expenditure during the year was £17,010 million which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amount voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted<sup>(1)</sup> £000</b>	<b>Spent in the Year<sup>(2)</sup> £000</b>	<b>Spent to Date<sup>(3)</sup> £000</b>
Runway	19,144	3,131	15,706
South Apron	9,200	792	8,967
Air Traffic Control Centre	8,396	6,181	7,898
Air Traffic Control Equipment	3,626	1,255	1,828
Arrivals/Pier/Forecourt	7,180	469	475
Aviation Services Building	4,211	119	123
Freight Taxiway	2,313	585	1,619
Airside Retail Development	1,623	1,537	1,537
Telebag System	1,640	35	35
Out of Gauge X-Ray and Hold Baggage System ( <i>runs concurrently with Telebag project</i> )	970	-	-
Common User Terminal Equipment	901	610	610
Arrivals building demolition (Top 2 floors)	888	21	21
Replacement Fire Tender	596	566	567
Perimeter Security Fencing	520	439	439
Delayed Projects over £500,000	1,070	-	-
Completed works (retentions paid in 2009)	12,142	(49)	11,706
Total schemes under £500,000	2,622	1,319	1,779
<b>TOTAL</b>	<b>77,042</b>	<b>17,010</b>	<b>53,310</b>

Note 1: This is the Final budget after transfers have been made to or from revenue

Note 2: Total expenditure during 2009. These amounts include capital creditors raised at the end of the year.

Note 3: Total expenditure from inception to the end of 2009 on live projects.

A negative amount shown against Completed works relates to a retention payment which came in below the capital creditor amount raised in 2008 and the removal of an item from another project's scope which was also previously included in capital creditors in 2008.

# Economic Development

## Jersey Airport

### Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
1,507,000	1,487,896	Aviation Services (Note 1)	(8,697)	425,469
(2,161,000)	(2,197,092)	Passenger & Security Services	(1,802,920)	(2,391,035)
(4,469,000)	(4,457,767)	Commercial Services	(4,999,038)	(4,648,725)
(78,000)	(99,649)	Communications Services	(128,250)	(110,265)
(5,000,000)	(5,000,000)	Below Ground Works Grant	(5,000,000)	(2,841,000)
-	(507,000)	Notional interest on cash balances	(227,435)	(1,281,818)
2,666,000	649,000	Loan Repayments (Note 2)	688,218	808,494
<b>(7,535,000)</b>	<b>(10,124,612)</b>	<b>(Surplus) for the year</b>	<b>(11,478,122)</b>	<b>(10,038,880)</b>
-	-	Depreciation (Note 3)	3,984,686	3,435,740
<b>(7,535,000)</b>	<b>(10,124,612)</b>	<b>Transfer to Trading Fund</b>	<b>(7,493,436)</b>	<b>(6,603,140)</b>

Note 1: Aviation services contains CI Control Zone Income.

Note 2: In the final approved budget, Loan repayments reflect the interest element only.

Note 3: Depreciation has been excluded from the Surplus for the year to enable a like for like comparison to be made with the budget. Historically, depreciation has not been reported.

# Economic Development

## Jersey Airport

### Operating Cost Statement

2009 Business Plan* £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
-	2,000	Duties, Fees, Fines & Penalties	-	7,092
18,222,900	18,222,900	Sales of Services	19,585,697	19,220,151
5,053,100	5,053,100	Hire & Rentals	5,632,380	5,262,179
-	507,000	Investment Income	227,435	1,281,818
5,128,000	5,128,000	Other Revenue	5,117,380	2,961,767
<b>28,404,000</b>	<b>28,913,000</b>	<b>Total Revenue</b>	<b>30,562,892</b>	<b>28,733,007</b>
11,292,000	10,866,538	Staff Costs	10,742,230	10,654,690
4,527,700	4,703,150	Supplies and Services	4,666,037	4,560,404
242,300	242,300	Admin Expenses	214,383	259,352
3,266,400	3,499,700	Premises & Maintenance	3,243,334	2,975,546
(1,521,100)	(1,371,100)	Other Operating Expenditure	(670,304)	(762,570)
2,865,000	651,000	Finance Costs	689,693	810,369
196,700	196,800	Pension Finance Costs	205,257	196,336
-	-	Asset Disposal (Gain)/Loss	(5,860)	-
<b>20,869,000</b>	<b>18,788,388</b>	<b>Total Expenditure</b>	<b>19,084,770</b>	<b>18,694,127</b>
<b>(7,535,000)</b>	<b>(10,124,612)</b>	<b>(Surplus) for the Year</b>	<b>(11,478,122)</b>	<b>(10,038,880)</b>
	-	Depreciation/Capital Charges	3,984,686	3,435,740
<b>(7,535,000)</b>	<b>(10,124,612)</b>	<b>Transfer to Trading Fund</b>	<b>(7,493,436)</b>	<b>(6,603,140)</b>

\* These are the 2009 comparative figures taken from the 2010 Annual Business Plan.

# Economic Development

## Jersey Airport

### Trading Fund

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
15,628,550	15,628,550	<b>Balance brought forward 1 January</b>	15,628,550	26,379,395
		<b>Add:</b>		
7,535,000	10,124,612	Surplus/(Deficit) for the year	7,493,436	6,603,138
		Add back: Depreciation	3,984,686	3,435,740
7,535,000	10,124,612	<b>Total Additions</b>	11,478,122	10,038,878
		<b>Less:</b>		
(17,165,900)	(11,009,421)	Capital Expenditure - Above Ground Works	(12,532,253)	(1,398,018)
(8,461,800)	(4,140,315)	Capital Expenditure - Below Ground Works	(4,477,743)	(17,534,189)
(2,017,216)	(2,017,216)	Capital element of Loan Repayment	(1,977,793)	(1,857,516)
(27,644,916)	(17,166,952)	<b>Total Expenditure</b>	(18,987,788)	(20,789,723)
<b>(4,481,366)</b>	<b>8,586,210</b>	<b>Balance carried forward 31 December</b>	<b>8,118,884</b>	<b>15,628,550</b>

# Economic Development

## Jersey Harbours

- Department**
- Net Revenue of £1,804,660, a decrease of 19% on 2008
- Highlights:**
- Net Revenue £274,820 (18%) in excess of Final Approved Budget

### Actual v prior year

At an operating level (Port of Jersey, Jersey Marinas and Jersey Coastguard) there was an increase in Net Revenue of £61,214 or approximately 2%. The decrease in overall Net Revenue from 2008 to 2009 was £419,329 or 19%, primarily due to non-operational items.

### Actual v Final Approved Budget

Overall the department had an under spend against budget of £274,820 or 18.0%. At an operating level the Net Revenue performance against budget was a surplus of £1,190,082 or 47%. This was driven by better than anticipated income performance in the Port of Jersey (including improved UK passenger numbers) with proactive management resulting in increased income for Jersey Marinas (through for example the release of additional contract berths at the Jersey Boat Show) combined with concerted efforts to minimise budgeted operating costs (for example reducing number of seasonal staff and deferring other recruitment and projects).

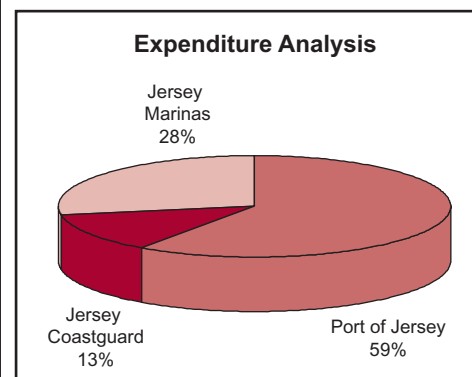
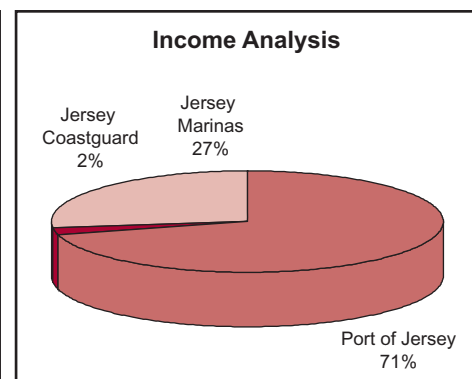
### Additional budget allocation

In 2009 a budget amount of £169,795 was re-designated as revenue expenditure in excess of the original Jersey Harbours budget agreed in the Business Plan. This amount represents the transfer of a capital budget that included non capital expenditure (see Reconciliation table for details) and does not therefore constitute an overall budget increase. The budget allocation was not spent and the funds have been retained in the Trading Fund.

### 2009 capital vote

In the 2009 Business Plan, an additional £2.013m was voted for the department's capital schemes. This was to cover:

- Marina Electricity System
- Elizabeth Pontoon Fingers
- CCTV
- Elizabeth Terminal (Phase II)
- Minor Remediation Projects (M&E)
- Minor Remediation Projects (Civils)
- Minor capital allocation (2009)



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
Original Budget	(1,700)
Move non capital budget to revenue	170
<b>Final Approved Budget</b>	<b>(1,530)</b>

Capital	Total £'000
Total value of approved capital schemes	7,626
Spent in the Year	1,025
Spent to Date	1,225

# Economic Development

## Jersey Harbours

All capital projects are funded from revenues received from trading, maintained as trading fund balances.

Additional details on revenue expenditure results and in year capital spend are explained below.

### Key Financial Results by Service Analysis

The results for the department's top 3 service areas (by net revenue expenditure) were:

**Port of Jersey** • **Net income of £3,814,550, a surplus of £842,403 (28%) against Final Approved Budget**

The Port of Jersey generated a surplus against budget of approximately £180,000 (2%). This primarily resulted from stronger than anticipated performance with regard to facilities and services provided to tenants. In terms of direct expenditure the Port of Jersey came in 9% under budget. This was due to aggressive savings made in the year in response to forecasts of disappointing passenger and freight volumes, for example, a reduction in the number of seasonal staff employed along with delays in recruitment schedules and vacancies not being filled.

**Jersey Marinas** • **Net income of £938,980, a surplus of £213,133 (29%) against Final Approved Budget**

Income generated by Jersey Marinas increased by 8% against budget. This was due to increased contract berths being released to the local market after marina reconfiguration, with strong sales for the industry at the Jersey Boat Show and higher charges levied against larger vessels. Similarly to the Port of Jersey, a positive contribution resulted from stronger than anticipated performance with regard to facilities and services provided to tenants.

In terms of direct expenditure Jersey Marinas was 2% under budget. This was in part due to provisions that were made in the budget, for example storm damage, but were not required in 2009. Year on year maintenance costs were down 31% due to cyclical costs incurred in 2008 (for example refurbishment of marina gates) and delays imposed where possible.

**Jersey Coastguard** • **Net spend of £1,023,743, a surplus of £134,546 (12%) against Final Approved Budget**

Jersey Coastguard generated income in line with budget, the majority of which relates to a grant from the Economic Development Department to fund the Beach Lifeguards. Jersey Coastguard made efficiencies including staff costs with no reduction in service.



# Economic Development

## Jersey Harbours

### Key Financial Results by Operating Cost Statement

The results for the 2 highest income lines are as follows:

**Sale of Services** • **Net income of £8,682,908, a surplus of £68,408 (1%) against Final Approved Budget**

Sales of Services (predominantly Harbour Dues income) were broadly in line with expectation resulting in a marginal variance compared to Final Approved Budget.

**Hire and Rentals** • **Net income of £5,371,697, a surplus of £354,197 (7%) against Final Approved Budget**

During 2009 the surplus income compared to budget was a result of gains in marina income and property rental income. As referred to above, Marina income exceeded budget by 8% this is a result of income resulting from the reconfiguration of berths to provide more contract space for local boats (supported by the Jersey Boat Show) and higher yields from larger vessels. A surplus on property related income has resulted from stronger than anticipated performance with regard to facilities and services provided to tenants.

The results for the 3 highest expenditure lines are as follows:

**Premises & Maintenance** • **Net spend of £4,336,833, an increase of £73,567 (2%) against Final Approved Budget**

Premises and Maintenance costs were broadly in line with expectation resulting in a marginal variance compared to Final Approved Budget.

**Staff costs** • **Net spend of £3,797,721, an increase of £435,279 (10%) against Final Approved Budget**

During 2009 savings have been made in staff costs resulting in the 10% decrease in costs against budget. These savings have included delays in recruitment of posts; reduction in seasonal recruitments and no annual pay awards being provided in June 2009 due to the States wide pay freeze.

**Supplies & Services** • **Net spend of £1,944,259, an increase of £273,036 (12%) against Final Approved Budget**

During 2009 a non capital budget of £170K was transferred as an additional expenditure budget to supplies and services, this was unspent at the year end. Further general savings have been made across supplies and services in response to the current economic climate.

# Economic Development

## Jersey Harbours

### Capital Schemes

Total Capital Expenditure during the year was £1.2 million which reflects the progress made on a wide variety of individual schemes. A summary of current capital schemes with total amount voted in excess of £500,000 are contained in the table below:

<b>Scheme</b>	<b>Amount Voted £000</b>	<b>Spent in the Year £000</b>	<b>Spent to Date £000</b>
West Berth Ro-Ro Ramp	1,900	-	-
Total schemes under £500,000	5,726	1,025	1,225
<b>TOTAL</b>	<b>7,626</b>	<b>1,025</b>	<b>1,225</b>

# Economic Development

## Jersey Harbours

### Net Expenditure - Service Analysis

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
(3,087,442)	(2,972,147)	Port of Jersey	(3,814,550)	(3,967,240)
1,138,789	1,158,289	Jersey Coastguard	1,023,743	936,322
(760,847)	(725,847)	Jersey Marinas	(938,980)	(637,655)
<b>(2,709,500)</b>	<b>(2,539,705)</b>	<b>Net Operating Revenue (Surplus)</b>	<b>(3,729,787)</b>	<b>(3,668,573)</b>
977,425	977,425	Capital Return	977,425	1,287,131
232,440	232,440	Revenue Return	232,440	452,400
(200,000)	(200,000)	Notional Interest	(225,949)	(1,196,849)
-	-	Depreciation	941,211	901,902
<b>(1,699,635)</b>	<b>(1,529,840)</b>	<b>Net Revenue (Surplus)</b>	<b>(1,804,660)</b>	<b>(2,223,989)</b>

Please note, depreciation was never budgeted for previously as it had a net nil effect on the trading fund. From 2010 onwards depreciation charges will be budgeted for to ensure completeness.

# Economic Development

## Jersey Harbours

### Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
11,000	11,000	Duties, Fees, Fines & Penalties	10,975	12,815
8,614,500	8,614,500	Sales of Services	8,682,908	8,498,040
5,017,500	5,017,500	Hire & Rentals	5,371,697	4,957,715
200,000	200,000	Investment Income	225,949	1,196,849
-	-	Other Revenue	77,651	174,810
<b>13,843,000</b>	<b>13,843,000</b>	<b>Total Revenue</b>	<b>14,369,180</b>	<b>14,840,229</b>
4,233,000	4,233,000	Staff Costs	3,797,721	3,789,870
2,040,000	2,217,295	Supplies and Services	1,944,259	1,400,330
73,000	73,000	Admin Expenses	102,462	103,736
4,410,400	4,410,400	Premises & Maintenance	4,336,833	4,526,725
40,300	32,800	Other Operating Expenditure	136,585	83,796
59,100	59,100	Grants and Subsidies Payments	36,130	13,636
768,071	768,071	Depreciation/Capital Charges	1,709,282	1,911,529
218,054	218,054	Finance Costs	221,075	334,218
232,440	232,440	Financial Returns	232,440	452,400
69,000	69,000	Pension Finance Costs	47,734	-
<b>12,143,365</b>	<b>12,313,160</b>	<b>Total Expenditure</b>	<b>12,564,520</b>	<b>12,616,240</b>
<b>(1,699,635)</b>	<b>(1,529,840)</b>	<b>(Surplus) for the Year</b>	<b>(1,804,660)</b>	<b>(2,223,989)</b>
<b>1,699,635</b>	<b>1,529,840</b>	<b>Transfer to Trading Fund</b>	<b>1,804,660</b>	<b>2,223,989</b>

# Economic Development

## Jersey Harbours

### Trading Fund

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
6,792,386	6,792,386	<b>Balance brought forward 1 January</b>	8,242,011	6,952,917
		<b>Add:</b>		
1,699,635	1,529,840	Transfer of Surplus	1,804,660	2,223,989
		Add back: Depreciation	941,211	901,902
1,699,635	1,529,840	<b>Total Additions</b>	2,745,871	3,125,891
		<b>Less:</b>		
3,738,000	3,738,000	Capital Expenditure	1,025,807	1,836,797
3,738,000	3,738,000	<b>Total Expenditure</b>	1,025,807	1,836,797
<b>4,754,021</b>	<b>4,584,226</b>	<b>Balance carried forward 31 December</b>	<b>9,962,075</b>	<b>8,242,011</b>

# Transport and Technical Services

## Jersey Car Parks

### Department

- Transfer to the Trading Fund of £1,486,102

### Highlights:

- Surplus for the year of £1,832,648, a decrease of £89,161 (4.6%) on 2008 and £448,048 (32.4%) higher than Final Approved Budget

### Actual v Prior Year

The 2009 surplus transferred to the Trading Fund was £1,486,102 after deducting capital charges of £346,100.

The decrease in net operating surplus from 2008 to 2009, excluding capital charges was 4.6%.

Income decreased by £333,496 primarily as a result of less investment income (£355,868) following the global decline in interest rates. This was offset by a small increase in parking fine income (£89,050). Expenditure decreased by £244,335 due to a decrease in staff costs (£55,077) and a reduction in the purchase of new equipment and professional fees in 2009 (£133,006).

### Actual v Final Approved Budget

Overall the Department had an underspend against budget excluding capital charges of 32.4%.

This consists of a surplus in income against budget of £98,881 (1.7%) together with an underspend on expenditure of £349,167 (7.7%). Income was higher due to an increase in both scratch card income and fines partly offset by decline in investment income. The underspend on expenditure was a result of a delay in maintenance expenditure together with the extension in the life of ticketing machines thereby replacement was not needed as budgeted.

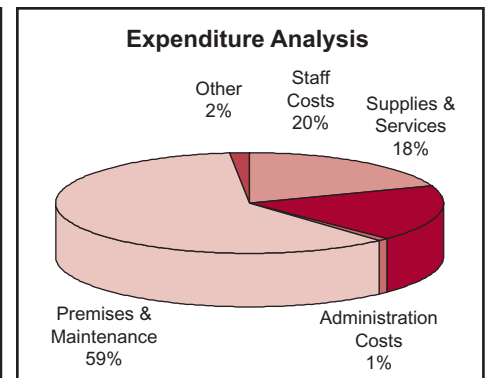
### Additional Budget Allocation

In 2009 a reduction of £9,700 was voted to Jersey Car Parks on the original budget agreed in the Business Plan. This amount represents the reduction in the manpower budget following the States decision to freeze pay rates in 2009.

### 2009 Capital Vote

In the 2009 Business Plan, £9 million was included for the Department's capital schemes. This was to cover:

The initial costs of the development of a new multi-storey car park at Ann court.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
Original Budget	(1,374)
Pay freeze	(10)
<b>Final Approved Budget</b>	<b>(1,384)</b>

Capital	Total £'000
Total value of approved capital schemes	12,730
Spent in the Year	62
<b>Spent to Date</b>	<b>1,726</b>

# Transport and Technical Services

## Jersey Car Parks

Expenditure on this scheme has been delayed pending the outcome of the consultations on the St Helier Masterplan and Town Park.

Capital expenditure in 2009 totalled £61,610 and comprised completion of the concrete degradation works at Patriotic Street (£25,842) and the boarding and site clearance works at Ann Court (£35,768).

### All capital projects are funded from trading fund balances

Additional details on revenue expenditure results are explained below.

### Key Financial Results by Operating Cost Statement

#### The results for the 2 highest income lines are as follows:

**Sale of Goods** • **Net income of £4,946,549, a surplus of £120,104 (2.5%) against Final Approved Budget**

Sales of Goods comprises the sales of scratch cards and season tickets for the car parks. The surplus against budget represents an increase in scratch card sales (£193,944) offset by a decline in season ticket sales (£76,600). In addition, there was £2,760 from the sale of ecofriendly scratchcards and season tickets. This represents about 0.1% of ticket sales and showed a small increase on 2008. We would expect this trend to continue as people become more environmentally aware.

**Duties, Fees, Fines and Penalties** • **Net income of £586,267, a surplus of £86,267 (17.3%) against Final Approved Budget**

This income is from the fines levied for parking without a valid ticket. The increase in income is a result of the introduction of hand held ticketing machines making the issuing of tickets easier together with increased policing of the car parks. This income cannot be guaranteed as it is dependant on the users of the car parks and therefore variations to budget are to be expected. The level of parking fines represents 11.9% of scratch card and season ticket income.

Other income is received from the annual charge of parking spaces to third parties and income from masts.

#### The results for the 3 highest expenditure lines are as follows:

**Premises and Maintenance** • **Net spend of £2,501,177, a decrease of £160,323 (6.0%) against Final Approved Budget**

Premises and Maintenance expenditure includes grounds and building maintenance, cleaning, lift and electrical maintenance, resurfacing, fire precautions, utility costs and insurance.

The decrease in premises and maintenance spend against Final Approved Budget is due to less reactive maintenance needed together with a delay in the Green Street Car Park refurbishment which will be completed in 2010. The decrease from 2008 is due to the additional costs last year for the refurbishment of the Green Street lift.

# Transport and Technical Services

## Jersey Car Parks

### Staff Costs

- **Net spend of £812,627, a decrease of £23,973 (2.9%) against Final Approved Budget**

The underspend in staff costs against both 2008 and budget relates to vacancies and sickness payments that had not been budgeted for.

### Supplies and Services

- **Net spend of £750,421, a decrease of £132,479 (15.0%) against Final Approved Budget**

Supplies and Services expenditure comprises the costs of printing and selling scratch cards, software costs, equipment purchases and other sundry costs incurred in the operation of the car parks.

The decrease in expenditure against budget relates to the non replacement of ticket machines as the lives are longer than anticipated, together with a reduction in professional fees due to the delay in the review of the parking charging mechanism and update of the 25 year model pending the outcome of the St Helier Masterplan and Town Park propositions. The decrease on 2008 is due to the additional CCTV Camera installations undertaken in 2008.

### Other Developments

The Sustainable Transport Policy incorporates a number of initiatives that will impact on the Jersey Car Parking Fund including new car parks and an automated charging mechanism which will facilitate differential charging. Discounts for low emission vehicles have been introduced and it would be expected that this will increase.

The creation of a Town Park requires the Gas Place car park to be replaced. The replacement strategy for this, and the ageing Minden Place car park will be dependent on the outcome of the St Helier Masterplan. Funding for this will utilise the balance in the Trading Fund in 2011. It is not known whether this will be sufficient or whether additional funds will be required to be raised by way of loans. If this is the case, car park charges may need to be increased.

Once the Sustainable Transport Policy, Town Park plans and the St Helier Masterplan have been approved by the States; a revised capital programme will be proposed and incorporated within an updated 25 year financial plan.



# Transport and Technical Services

## Jersey Car Parks

### Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
500,000	500,000	Duties, Fees, Fines and Penalties	586,267	497,217
4,826,445	4,826,445	Sale of Goods	4,946,549	5,039,439
-	-	Sale of Services	35	-
163,390	163,390	Hire & Rentals	202,707	195,568
400,000	400,000	Investment Income	209,197	565,065
4,665	4,665	Other Revenue	48,626	29,588
<b>5,894,500</b>	<b>5,894,500</b>	<b>Total Revenue</b>	<b>5,993,381</b>	<b>6,326,877</b>
846,300	836,600	Staff Costs	812,627	867,704
882,900	882,900	Supplies and Services	750,421	883,427
29,400	29,400	Admin Expenses	27,984	24,136
2,661,500	2,661,500	Premises and Maintenance	2,501,177	2,573,509
93,000	93,000	Other Operating Expenditure	44,171	45,400
-	-	Grants and Subsidies Payments	-	3,400
6,500	6,500	Finance Costs	8,703	7,492
-	-	Pension Finance Costs	15,650	-
<b>4,519,600</b>	<b>4,509,900</b>	<b>Total Expenditure</b>	<b>4,160,733</b>	<b>4,405,068</b>
<b>(1,374,900)</b>	<b>(1,384,600)</b>	<b>(Surplus)/Deficit for the Year</b>	<b>(1,832,648)</b>	<b>(1,921,809)</b>
-	-	<b>Capital Charges (Note 1)</b>	<b>346,546</b>	<b>1,220,317</b>
<b>1,374,900</b>	<b>1,384,600</b>	<b>Net Operating Surplus and Transfer to Trading Fund</b>	<b>1,486,102</b>	<b>701,492</b>

Note 1: Capital Charges have been excluded from the surplus for the year to enable a like for like comparison to be made with the budget and prior year accounts. Under GAAP in 2011 this will be replaced with a depreciation charge.

# Transport and Technical Services

## Jersey Car Parks

### Trading Fund

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
9,885,603	10,359,659	<b>Balance brought forward 1 January</b>	10,359,659	9,943,103
		<b>Add:</b>		
1,374,900	1,384,600	Transfer of Operating Surplus	1,486,102	701,493
-	-	Add back capital charges	346,546	1,220,316
1,374,900	1,384,600	<b>Total Additions</b>	1,832,648	1,921,809
		<b>Less:</b>		
-	-	Concrete degradation repair work and structural work on Multi-Storey Car parks	25,842	1,220,317
9,000,000	9,000,000	Feasibility Study - Anne Court Car park	35,768	284,936
9,000,000	9,000,000	<b>Total Expenditure</b>	61,610	1,505,253
<b>2,260,503</b>	<b>2,744,259</b>	<b>Balance carried forward 31st December</b>	<b>12,130,697</b>	<b>10,359,659</b>

# Transport and Technical Services

## Jersey Fleet Management

- Department Highlights:**
- **Transfer to the Trading Fund of £344,815, an increase of 3,894.2% on 2008**
  - **Increase of £185,104 (115.9%) against Final Approved Budget**

### Actual v Prior Year

The large net operating surplus achieved in 2009, an increase of 3,894.2% was due to a price increase of 10.0% to internal departments. This was following a review of the charging mechanism after the volatile fuel prices experienced in 2008 and the ageing profile of their assets to ensure that Jersey Fleet Management are able to retain sufficient surplus in its trading fund to replace fixed assets.

The increase consisted of an increase in income of £104,936 (3.4%), together with a decrease in expenditure of £231,246 (7.5%).

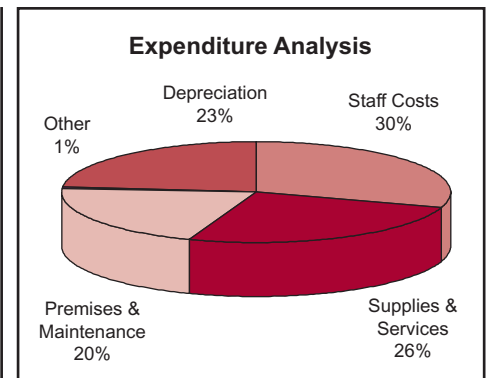
The increase in income consisted of increases in fuel sales of £126,989 (50.9%), due to Jersey Fleet Management now charging Transport and Technical Services separately for fuel as opposed to being part of the monthly lease charge. This has been implemented in order to minimise risk regarding fuel price volatility. Offsetting this is a reduction in investment income of £37,065 (78.5%) due to the lowering of interest rates and a lower net asset balance being held.

The decrease in expenditure consisted of a reduction in fuel costs of £143,584 (29.5%) as a result of lower world prices in 2009. In addition to this, depreciation charges were £103,197 (12.9%) lower, due to many assets having reached the end of their estimated useful economic life.

### Actual v Final Approved Budget

Overall the Department had an over achievement against budget of £185,105 (115.9%). This consisted of an increase in income of £106,719, and a decrease in expenditure of £78,386.

The increase in income over the approved budget was due to increased fuel sales (£171,500) due to the change in the charging mechanism outlined above. This was partly offset by a reduction in investment income (£64,836). The decrease in expenditure was due to less depreciation being charged (£114,299), as many assets had reached the end of their estimated useful economic life, offset by additional costs incurred in premises and maintenance, due to an increase of work in the workshop from the Blue Light vehicles.



**Staff Costs**

Total staff costs in the Operating Cost Statement include States, Non-States and Other Staff Costs

For details of States staff costs and FTEs, please refer to Note 3 in the Accounts

**2009 Budget Reconciliation of Original Budget to Final Approved Budget**

	£'000
<b>Original Budget</b>	<b>(149)</b>
Pay freeze	(11)
<b>Final Approved Budget</b>	<b>(160)</b>

**Service Analysis**

2009 Budget £	Service Area	2009 Actual £	2008 Actual £
(898,430)	Fleet Management	(1,268,656)	(713,617)
325,418	Workshop Services	738,460	332,959
341,931	Fuel Services	27,979	269,604
71,371	Administration	157,402	102,421
<b>(159,710)</b>	<b>Total</b>	<b>(344,815)</b>	<b>(8,633)</b>

# Transport and Technical Services

## Jersey Fleet Management

### Additional Budget Allocation

In 2009 a reduction of £10,900 was voted to Jersey Fleet Management on the original budget agreed in the Business Plan. The amount represents the reduction in the manpower budget following the States decision to freeze pay in 2009.

### Other Developments

Jersey Fleet Management provides comprehensive vehicle leasing packages to States Departments that offer all the financial and efficiency benefits of corporate fleet management. In addition, Jersey Fleet Management run a workshop to provide servicing and repairs for Departments on both owned plant and machinery, and that leased from Jersey Fleet Management. This covers the complete range from cars, light and heavy commercial vehicles, heavy mobile plant to agricultural and horticultural machinery.

### Key Financial Results by Operating Cost Statement

The results for the 2 highest income lines are as follows:

**Hire and Rentals** • **Net income of £2,448,945, a shortfall of £47,535 (1.9%) against Final Approved Budget**

Hire and Rentals consists of annual and short term leasing of fleet vehicles and plant, and annual leasing of vehicles which are leased from an external supplier. The shortfall is due to the change in the charging mechanism, whereby for Transport and Technical Services, fuel is now charged separately (£250,000). Offsetting this is a 10% price increase on annual leasing which was implemented in 2009, which has resulted in the small increase from 2008.

**Sale of Goods** • **Net income of £375,988, a surplus of £217,652 (137.5%) against Final Approved Budget**

Sale of Goods consists mostly of fuel sales. The surplus against both budget and 2008 is due to fuel now being charged to Transport and Technical Services, offset by a world price reduction in the cost of fuel.

The purchase of fuel £343,007 was offset by income of £366,923. The mark-up of 7.0% is to cover the maintenance of the pumps, and the administration costs of delivery and processing fuel sales.

The results for the 3 highest expenditure lines (excluding depreciation) are as follows:

**Staff Costs** • **Net spend of £882,991, a decrease of £44,265 (4.8%) against Final Approved Budget**

The underspend in staff costs against both 2008 and budget relates to vacancies and sickness payments that had not been budgeted for.

**Supplies and Services** • **Net spend of £768,749, a decrease of £30,051 (3.8%) against Final Approved Budget**

Supplies and Services expenditure consists mostly of the purchase of fuel, the cost of annual leasing of vehicles from the supplier, minor equipment purchases, overhead charges, and other sundry costs.

# Transport and Technical Services

## Jersey Fleet Management

The decrease against Final Approved Budget mostly relates to reduced fuel prices (£132,000), offset by increased expenditure on minor equipment purchases (£56,000), due to the re-classification of fixed and equipment assets, in accordance with GAAP, and various other sundry increases.

**Premises and Maintenance** • **Net spend of £613,130, an increase of £145,930 (31.2%) against Final Approved Budget**

The overspend relates to additional costs for vehicle spares, tyres and tubes, and mechanical repairs and maintenance of £114,594, due to increasing work undertaken in the workshop on Blue Light vehicles, additional ad-hoc work and various other sundry increases.

Premises and Maintenance expenditure also includes the annual cost of insurance, and the cost of electricity.

### Review of Assets

The increase in the net book value of assets from 2008 to 2009 was £677,274.

<b>Fixed Assets</b>	<b>Net Book Value 2009 £'000</b>	<b>Net Book Value 2008 £'000</b>	<b>Increase/ (Decrease) £'000</b>
Motor Vehicles	3,004	2,381	623
Fixtures and Fittings	17	17	–
Plant	555	501	54
<b>Net Book Value</b>	<b>3,576</b>	<b>2,899</b>	<b>677</b>

# Transport and Technical Services

## Jersey Fleet Management

### Operating Cost Statement

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
158,336	158,336	Sales of Goods	375,988	249,000
358,620	358,620	Sales of Services	361,134	361,282
2,496,480	2,496,480	Hire & Rentals	2,448,945	2,434,732
75,000	75,000	Investment Income	10,164	47,229
2,500	2,500	Other Revenue	1,424	476
<b>3,090,936</b>	<b>3,090,936</b>	<b>Total Revenue</b>	<b>3,197,655</b>	<b>3,092,719</b>
938,156	927,256	Staff Costs	882,991	886,842
798,800	798,800	Supplies and Services	768,749	905,896
5,670	5,670	Admin Expenses	4,441	4,887
467,200	467,200	Premises & Maintenance	613,130	526,530
-	-	Other Operating Expenditure	15,772	23,082
812,300	812,300	Depreciation/Capital Charges	698,001	801,198
-	-	Pension Finance Costs	11,708	-
(80,000)	(80,000)	Asset Disposal (Gain)/Loss	(141,952)	(64,349)
<b>2,942,126</b>	<b>2,931,226</b>	<b>Total Expenditure</b>	<b>2,852,840</b>	<b>3,084,086</b>
<b>(148,810)</b>	<b>(159,710)</b>	<b>(Surplus) for the Year</b>	<b>(344,815)</b>	<b>(8,633)</b>
<b>148,810</b>	<b>159,710</b>	<b>Transfer to Trading Fund</b>	<b>344,815</b>	<b>8,633</b>

# Transport and Technical Services

## Jersey Fleet Management

### Trading Fund

2009 Business Plan £	2009 Final Approved Budget £		2009 Actual £	2008 Actual £
992,009	992,009	<b>Balance brought forward 1 January</b>	756,741	992,009
		<b>Add:</b>		
148,810	159,710	Transfer of Operating Surplus	344,815	8,633
148,810	159,710	<b>Total Additions</b>	344,815	8,633
		<b>Less:</b>		
150,000	150,000	Increase to the net book value of fixed assets	677,274	243,901
150,000	150,000	<b>Total Expenditure</b>	677,274	243,901
<b>990,819</b>	<b>1,001,719</b>	<b>Balance carried forward 31 December</b>	<b>424,282</b>	<b>756,741</b>





Reserves



# Strategic Reserve

- Fund/Reserve** • **Surplus for the year of £627,493**  
**Highlights:** • **Investments regained their value and increased by £59.7m**

## Purpose of Fund

The Strategic Reserve is a permanent reserve, where the capital value is to be used in exceptional circumstances to insulate the Island's economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.

In order to meet the purpose of this fund the Minister has set a long term strategic aim of investing 60% in return seeking assets (equities and property) and 40% in risk reducing assets as detailed below. During 2009 the Fund did not invest in any property.

## Actual vs prior year

The decrease in the surplus from 2008 to 2009 was 97.7%. This was mainly caused by the crystallisation of investments during the year realising losses previously reported in 2008. The realised loss was partially offset by the Fund's market values increasing during the year achieving an unrealised gain on revaluation of investments of £41.6m for the year and reflected in the 'Statement of Recognised Gains and Losses'.

## Key financial results of the Operating Cost Statement

- Investment Income** • **Income of £18,153,292, a decrease of 21.1% on 2008**

Whilst investment values have increased by £59.7m during 2009, investment income has decreased by £4.8m mainly as a consequence of declining UK interest rates.

- Loan, Bank and Notional Interest** • **Interest of £514,891, a decrease of 72.1% on 2008**

Due to declining UK interest rates, bank and notional interest received by the Reserve has decreased by £1.3m.

- Total Operating Expenditure** • **Total spend of £1,892,979, a decrease of 28.1% on 2008**

Total operating expenditure decreased by 28.1% mainly due to a decrease in the appropriation to Jersey Currency Notes of £1.09m to £24,039 as a result of a reduction in investment income received in relation to Jersey Currency Notes' investment in the Fund. This decrease was reduced by an increase in finance costs during the year when the Reserve borrowed from the Consolidated Fund, an increase in management fees by the Reserve's Fund Managers and an increase in internal administration recharges due to more robust investment management within the Treasury and Resources Department. Management fees have increased as the value of the portfolio has increased on which they base their charges.

## Key financial results of the Balance Sheet

- Other Investments** • **Investments of £565,817,464, an increase of 11.8% on 2008**

During the year an additional £10m was transferred to the Reserve's Fund Managers to invest in the markets. Equities performed well during the year; their market values increased by 72.2% on 2008.

# Strategic Reserve

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
<b>Earned through operations</b>		
Sales of Goods and Services <sup>1</sup>	-	188
Investment Income <sup>1</sup>	18,153,292	22,997,649
Loan, Bank and Notional Interest	514,891	1,846,355
<b>Total Revenue</b>	<b>18,668,183</b>	<b>24,844,192</b>
<b>Operating Expenditure</b>		
Other Expenses:		
Supplies and Services <sup>2</sup>	1,596,384	1,162,206
Administration Expenses <sup>2</sup>	166	102,472
Other Operating Expenses:		
Appropriation to Jersey Currency Notes	24,039	1,123,716
Withholding Tax	246,754	243,736
Finance Costs	25,636	-
<b>Total Operating Expenditure</b>	<b>1,892,979</b>	<b>2,632,130</b>
<b>Non Operating Expenditure</b>		
(Gain)/Loss on Disposal of Investments <sup>3</sup>	16,038,857	(5,190,143)
(Gain)/Loss on Foreign Exchange <sup>3</sup>	108,854	(328,186)
<b>Total Non Operating Expenditure/(Income)</b>	<b>16,147,711</b>	<b>(5,518,329)</b>
<b>Total Expenditure/(Income)</b>	<b>18,040,690</b>	<b>(2,886,199)</b>
<b>Surplus for the Year</b>	<b>627,493</b>	<b>27,730,391</b>

### Notes:

1. In 2008 'Investment Income' for 2008 included 'Sales of Goods and Services' commission recapture.
2. 'Administrative Costs' for 2008 are shown split between 'Supplies and Services' and 'Administration Expenses'.
3. 'Profit on Disposal of Investments' in 2008 is shown as 'Non operating Expenditure' split between '(Gain)/Loss on Disposal of Investments' and '(Gain)/Loss on Foreign Exchange'.

# Strategic Reserve

## Statement of Total Recognised Gains and Losses for the Year ended 31 December 2009

	2009 Actual £	2008 Actual £
Surplus for the Year	627,493	27,730,391
Unrealised Gain/(Loss) on Revaluation of Investments	41,639,460	(30,166,916)
<b>Total Recognised Gain/(Loss) Relating to the Year</b>	<b>42,266,953</b>	<b>(2,436,525)</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
<b>Financial Assets</b>		
Other Investments	565,817,464	506,130,400
<b>Total Fixed Assets</b>	<b>565,817,464</b>	<b>506,130,400</b>
<b>Current Assets</b>		
Debtors	8,116,440	7,994,534
Cash advanced to the Consolidated Fund	-	567,168
Cash at Bank and in Hand	2,998,399	13,834,273
<b>Total Current Assets</b>	<b>11,114,839</b>	<b>22,395,975</b>
<b>Current Liabilities</b>		
Cash advanced by the Consolidated Fund	2,106,164	-
Creditors - Investment by Jersey Currency Notes	21,066,869	20,571,367
Other Creditors	3,844,312	307,003
<b>Total Current Liabilities</b>	<b>27,017,345</b>	<b>20,878,370</b>
<b>Net Current Assets / (Liabilities)</b>	<b>(15,902,506)</b>	<b>1,517,605</b>
<b>Net Assets</b>	<b>549,914,958</b>	<b>507,648,005</b>
Accumulated Reserve	524,606,916	523,904,539
Revaluation Reserve	25,308,042	(16,256,534)
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>549,914,958</b>	<b>507,648,005</b>

# Stabilisation Fund

- Fund/Reserve**
- **Surplus for the year of £1,928,287**
- Highlights:**
- **Investments have maintained their value during difficult market conditions**

## Purpose of Reserve

The purpose of this Fund is to provide a reserve which can be used to make Jersey's fiscal policy more countercyclical in order to create a more stable economic environment. The Fund receives cash allocations in more buoyant economic conditions and makes payments at times of anticipated economic downturn.

The investment strategy is to hold highly liquid assets until such time as the value of Fund increases to much higher levels. The long term strategic aim for the fund is to hold 20% in cash and cash equivalents, 50% in government bonds and 30% in corporate bonds.

The States approved the transfer of £63m to the Fund from the Consolidated Fund as part of the 2009 Budget. During the year the States approved a proposition to transfer £18m from Dwelling Houses Loans Fund to the Stabilisation Fund. It also approved a transfer of £44m from the Stabilisation Fund to the Consolidated Fund to fund the Discretionary Fiscal Stimulus programme.

## Actual vs prior year

The decrease in the surplus from 2008 to 2009 was 32.9%. This was primarily due to a reduction in investment income, although in 2009 the associated costs of managing investments are now being born by the Fund rather than the Consolidated Fund.

## Key financial results of the Operating Cost Statement

- Investment Income**
- **Income of £2,022,939, a decrease of 29.6% on 2008**

The Reserve primarily invests in short term deposits. Whilst the value of the Fund increased by £1.95m during the year (excluding transfers), as a consequence of declining UK interest rates the Fund was impacted by lower investment income yields.

- Supplies and Services**
- **Spend of £94,652, compared to nil in 2008**

Supplies and services relate to investment management fees. In 2008 these fees were paid by the Consolidated Fund.

## Key financial results of the Balance Sheet

- Other Investments**
- **Investments of £112,593,345, an increase of £39,576,653 (54.2%) on 2008**

Investments within the Reserve have increased by £39.6m from 2008 to 2009, an increase of 54.2% (an increase of £2.6m, or 3.5% excluding transfers to and from the Fund).

# Stabilisation Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
Earned through operations		
Investment Income	2,022,939	2,871,947
<b>Total Revenue</b>	<b>2,022,939</b>	<b>2,871,947</b>
<b>Operating Expenditure</b>		
Supplies and Services	94,652	-
<b>Total Expenditure</b>	<b>94,652</b>	<b>-</b>
<b>Surplus for the Year</b>	<b>1,928,287</b>	<b>2,871,947</b>

## Statement of Total Recognised Gains and Losses for the Year ended 31 December 2009

	2009 Actual £	2008 Actual £
Surplus for the year	1,928,287	2,871,947
Unrecognised gain on revaluation of investments	26,654	16,692
<b>Total Recognised Gain Relating to the Year</b>	<b>1,954,941</b>	<b>2,888,639</b>

# Stabilisation Fund

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
Financial Assets		
Other Investments	112,593,345	73,016,692
<b>Total Fixed Assets</b>	<b>112,593,345</b>	<b>73,016,692</b>
<b>Current Assets</b>		
Debtors	327,702	1,178,778
Cash at Bank and in Hand	787,128	548,152
<b>Total Current Assets</b>	<b>1,114,830</b>	<b>1,726,930</b>
<b>Current Liabilities</b>		
Creditors	7,218	-
Cash advanced from the Consolidated Fund	2,394	-
<b>Total Current Liabilities</b>	<b>9,612</b>	<b>-</b>
<b>Net Current Assets</b>	<b>1,105,218</b>	<b>1,726,930</b>
<b>Net Assets</b>	<b>113,698,563</b>	<b>74,743,622</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>113,698,563</b>	<b>74,743,622</b>



# Consolidated Fund

**Fund Highlights:**

- **Surplus for the Year of £62.5 million, an increase of 188% on 2008**

## Purpose of Fund

The majority of the States income and expenditure is managed through the Consolidated Fund. General Revenue Income and Departments' expenditure on public services is all accounted for through this fund.

## Actual vs prior year

The increase in surplus from 2008 to 2009 was 166%. The main cause for the increase in the surplus is the smaller increase in the pension liability in 2009 than in 2008. Excluding the movement on pension liability there is a decrease of 24% on 2008. This reflects an increase in Operating Expenditure caused by:

- Increased Social Benefit Payments;
- Transfers from the capital vote to revenue, which does not increase overall States spending;
- Staff Costs (see below); and
- One off expenditure such as the Historic Child Abuse Enquiry, Pandemic Flu and the cessation of the Reciprocal Health agreement.

## Key financial results: Operating Cost Statement

**Taxation Revenue**

- **Income of £558.5 million, an increase of £23.5 million, (4.4%) on 2008**

A full year of Goods and Services Taxation (as opposed to 8 months of Goods and Services Taxation in 2008) is the main cause of an increase in taxation revenue in 2009.

**Staff Costs**

- **Spend of £310.1 million, an increase of £15 million (5.1%) on 2008**

The increase in staff costs in excess of standard pay increases is as a result of a review undertaken as part of the change to GAAP. As a result standard definitions of income and expenditure have been adopted and implemented. This has resulted in a movement in staff costs

## Key financial results: Balance Sheet

**Fixed Assets**

- **Net increase of £64.8 million (9%) on 2008**

The States of Jersey has continued to spend on Fixed Assets in 2009. The biggest single project is the Energy from Waste Plant, on which £66.6 million has been spent in 2009. For further details of the States of Jersey capital expenditure please see the Treasurer's Report.

# Consolidated Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 £' 000	2008 £' 000
<b>Revenue</b>		
<b>Levied by the States of Jersey:</b>		
Taxation revenue	558,474	534,960
Island rates, duties, fees, fines and penalties	92,247	90,779
<b>Total Revenue Levied by the States of Jersey</b>	<b>650,721</b>	<b>625,739</b>
<b>Earned through Operations</b>		
Sales of goods and services	101,803	95,121
Investment income	19,595	24,020
Other revenue	25,315	28,277
<b>Total Revenue Earned through Operations</b>	<b>146,713</b>	<b>147,418</b>
<b>Total Revenue</b>	<b>797,434</b>	<b>773,157</b>
<b>Operating Expenditure</b>		
Social Benefit Payments	162,600	149,577
Staff costs	310,083	295,039
Other Operating expenses	168,070	151,001
Grants and Subsidies payments	38,664	34,111
Capital Charge/Depreciation	37,863	39,302
Finance costs	1,988	4,359
<b>Total Operating Expenditure</b>	<b>719,268</b>	<b>673,389</b>
<b>Non-Operating expenditure</b>		
Net foreign-exchange (gains)/losses	447	(1,029)
Movement in pension liability	25,433	88,483
(Gains)/Losses on disposal of assets	(10,211)	(9,401)
<b>Total Non-Operating Expenditure</b>	<b>15,669</b>	<b>78,053</b>
<b>Total Expenditure</b>	<b>734,937</b>	<b>751,442</b>
<b>Surplus for the Year</b>	<b>62,497</b>	<b>21,715</b>

## Statement of Total Recognised Gains and Losses for the Year ended 31 December 2009

	2009 £' 000	2008 £' 000
Surplus for the Year	62,497	21,715
Transfer to / from other Funds	(38,927)	(21,613)
Unrealised Gain/(Loss) on Revaluation of Investments	(1,084)	964
Unrealised Loss on Foreign Exchange	(184)	-
Actuarial Gain in respect of Defined Benefit Pension Schemes	(1,153)	467
<b>Total Recognised Gain Relating to the Year</b>	<b>21,149</b>	<b>1,533</b>

# Consolidated Fund

## Aggregated Balance Sheet as at 31 December 2009

	2009 £' 000	2008 £' 000
<b>Tangible and Intangible Fixed Assets</b>	786,235	721,433
<b>Financial Assets</b>		
Advances	5,566	8,427
Strategic Investments	108,563	108,563
Other investments	254,205	225,905
Debtors: amounts falling due after more than one year	13,986	4,492
<b>Total Fixed Assets</b>	1,168,555	1,068,820
<b>Current Assets</b>		
Stock and Work in Progress	4,758	4,837
Debtors	96,937	97,444
Cash at Bank and in Hand	30,153	31,298
<b>Total Current Assets</b>	131,848	133,579
<b>Current Liabilities</b>		
Inter-Fund balance (note 1)	(37,122)	(33,478)
Bank overdrafts	(33,242)	(20,364)
Creditors	(77,140)	(51,466)
<b>Total Current Liabilities</b>	(147,504)	(105,308)
<b>Net Current Assets / (Liabilities)</b>	(15,656)	28,271
<b>Total Assets Less Current Liabilities</b>	1,152,899	1,097,091
<b>Long Term Liabilities</b>		
Finance Lease Obligations	(8,938)	(9,559)
PECRS Pre-1987 Past Service Liability	(228,883)	(206,280)
Provision for JTSF Past Service Liability	(103,100)	(103,100)
Defined Benefit Pension Schemes Net Liability	(1,542)	795
Provisions for liabilities and charges	(4,089)	(2,100)
Other Long Term Liabilities	(8,351)	-
<b>Total Long Term Liabilities</b>	(354,903)	(320,244)
<b>Net Assets</b>	<b>797,996</b>	<b>776,847</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>797,996</b>	<b>776,847</b>

Note 1: The Inter-Fund balance consists of balances between the Consolidated Fund and the Separately Constituted Funds, Trading Funds and Reserves.



Separately  
Constituted  
Funds



# Dwelling Houses Loans Fund

- Fund/Reserve Highlights:**
- **Surplus for the year of £1,157,983 a decrease of 39% on 2008**
  - **During the year £18m was transferred to the Stabilisation Fund to fund the Discretionary Fiscal Stimulus programme**

## **Purpose of Fund**

In 1950 the States established a building loans scheme to enable residentially qualified first-time buyers who have never owned residential freehold property in Jersey to purchase a Jersey home. At that time, financial institutions had not become involved in lending for house purchases. The Fund was incorporated under the Building Loans (Jersey) Law.

States loans were granted by the former Housing Committee to residentially qualified first-time buyers who were able to demonstrate that they had a deposit and could meet the repayments of the loan.

Loans are secured by a simple conventional hypothec charged over the property in relation to which the loan is made, and bears interest at a minimum of 3% for a flat and 5% for a house, and a maximum of 7.5%. The current maximum loan available to first-time buyers is £120,000. Historically loans have been issued at 10%.

No loans were advanced during the year. A loan was approved before the year end for £120,000, and this is expected to be advanced in 2010.

During the year the States approved a transfer of £18m to the Stabilisation Fund as part of the Discretionary Fiscal Stimulus programme.

## **Actual vs prior year**

The decrease in surplus from 2008 to 2009 was 39%. This is due to a decrease in loan interest received due to the repayment of loans during the year and a reduction in notional interest received from the Consolidated Fund.

## **Key financial results of the Operating Cost Statement**

- Investment Income**
- **Income of £1,208,796, a decrease of £731,367 (37.7%) on 2008**

Investment income has decreased primarily due to a reduction in notional interest received from the Consolidated Fund as a result of declining UK interest rates. In addition, loan interest received has decreased due to the repayment of advances during the year.

## **Key financial results of the Balance Sheet**

- Advances**
- **Advances of £6,304,856, a decrease of £2,053,381 (24.6%) on 2008**

Advances have decreased by 24.6% on 2008 due to capital repayments by borrowers and by £557,238 advances repayable within one year which are included within debtors in current assets in 2009.

# Dwelling Houses Loans Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue:</b>		
Earned through Operations		
Investment Income	1,208,796	1,940,163
<b>Total Revenue</b>	<b>1,208,796</b>	<b>1,940,163</b>
<b>Operating Expenditure:</b>		
Other Expenses:		
Supplies and Services	48,416	42,076
Other Operating Expenses	2,397	-
Finance Costs	-	889
<b>Total Expenditure</b>	<b>50,813</b>	<b>42,965</b>
<b>Surplus for the Year</b>	<b>1,157,983</b>	<b>1,897,198</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
Financial Assets		
Advances	6,304,856	8,358,237
<b>Total Fixed Assets</b>	<b>6,304,856</b>	<b>8,358,237</b>
<b>Current Assets</b>		
Debtors	563,546	4,850
Cash advanced to the Consolidated Fund	3,658,628	19,025,602
<b>Total Current Assets</b>	<b>4,222,174</b>	<b>19,030,452</b>
<b>Current Liabilities</b>		
Creditors	113	19,755
<b>Total Current Liabilities</b>	<b>113</b>	<b>19,755</b>
<b>Net Current Assets</b>	<b>4,222,061</b>	<b>19,010,697</b>
<b>Net Assets</b>	<b>10,526,917</b>	<b>27,368,934</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>10,526,917</b>	<b>27,368,934</b>



# Assisted House Purchase Scheme

**Fund/Reserve Highlights:** • **Surplus for the year of £41,588, a decrease of 74.7% on 2008**

## Purpose of Fund

The Assisted House Purchase Scheme was established by the States of Jersey in 1977 to aid the recruitment of staff from the UK. The Scheme facilitated the purchase of suitable properties by the States on behalf of the employee. A property was purchased using funds from the Scheme which was held in the name of the States until such time as the employee attained their residential qualifications. The employees' right to occupy the property was in the form of a lease with the option to purchase the freehold at the end of the period.

The Scheme ceased to purchase properties on behalf of employees in 2005. Employees who would have been eligible for the Scheme must now arrange their own finance through financial institutions.

## Actual vs prior year

The decrease in surplus from 2008 to 2009 was 74.7%. This was due to a reversal of £89k interest received reported in 2008 which has been capitalised in advances in 2009 and a decrease in loan interest received due to the repayment of loans during the year.

## Key financial results of the Operating Cost Statement

**Sales of Goods and Services** • **Income of £3,778 an increase of £3,778 on 2008**

Parish rates paid by the Fund are recharged to the employee. In 2008 these were netted in the accounts, however, in 2009 they are shown separately as a recharge in Sales of Goods and Services and an expense in Premises and Maintenance.

**Investment Income** • **Income of £120,380 a decrease of £301,345 (71.5%) on 2008**

Investment income has decreased due to a reversal of £89k interest received reported in 2008 which has been capitalised in advances in 2009 and a decrease in loan interest received due to the repayment of loans during the year. In real terms investment income has decreased by 36.9%.

**Finance Costs** • **Spend of £65,630 a decrease of £183,722 (73.7%) on 2008**

Finance costs relate to notional interest charged by the Consolidated Fund for cash advanced to the Fund. Borrowing from the Consolidated Fund remained fairly static during 2009, however, finance costs decreased as a consequence of declining UK interest rates.

## Key financial results of the Balance Sheet

**Advances** • **Advances of £4,644,913, a decrease of £863,079 (15.7%) on 2008**

Advances have decreased due to capital repayments by employees during the year and by £299,867 advances repayable within one year which are included within debtors in current assets in 2009.

# Assisted House Purchase Scheme

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue:</b>		
Earned through Operations		
Sale of Goods and Services	3,778	-
Investment Income	120,380	421,725
<b>Total Revenue</b>	<b>124,158</b>	<b>421,725</b>
<b>Operating Expenditure:</b>		
Other Expenses:		
Supplies and Services	12,989	-
Premises and Maintenance	3,778	-
Other Operating Expenditure	173	7,889
Finance Costs	65,630	249,352
<b>Total Expenditure</b>	<b>82,570</b>	<b>257,241</b>
<b>Surplus for the Year</b>	<b>41,588</b>	<b>164,484</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
Financial Assets		
Advances	4,644,913	5,507,992
<b>Total Fixed Assets</b>	<b>4,644,913</b>	<b>5,507,992</b>
<b>Current Assets</b>		
Debtors	300,828	89,646
<b>Total Current Assets</b>	<b>300,828</b>	<b>89,646</b>
<b>Current Liabilities</b>		
Cash advanced from the Consolidated Fund	2,930,881	3,624,366
<b>Total Current Liabilities</b>	<b>2,930,881</b>	<b>3,624,366</b>
<b>Net Current Liabilities</b>	<b>(2,630,053)</b>	<b>(3,534,720)</b>
<b>Net Assets</b>	<b>2,014,860</b>	<b>1,973,272</b>
<b>Accumulated Revenue and Reserve Balances</b>	<b>2,014,860</b>	<b>1,973,272</b>

# 99 Year Leases

## **Fund/Reserve Highlights:**

- **A surplus of £34,989, a decrease of 30%, was transferred to Jersey Property Holdings at the end of the year**
- **Advances of £80,266 have been repaid during the year**

## **Purpose of Fund**

The Fund was established by the former Housing Committee under the general powers of the Building Loans (Jersey) Law 1950 via contractual agreement to allow the former Housing Committee to lend to individuals offering leasehold property as security as the building loan legislation of the day only allowed the committee to lend on freehold properties. At that time there was no share transfer of flying freehold legislation; the Loi (1996) sur l'hypothèque des biens-fonds incorporels (1.34/1996) later gave powers to issue loans for share transfer properties.

Although the scheme has not been formally suspended, it is not anticipated that any further loans will be approved from the Fund.

## **Actual vs prior year**

The decrease in the surplus from 2008 to 2009 was 30%. The surplus is transferred to Jersey Property Holdings' cash limit at the end of each year and is presented as 'Financial Returns'.

## **Key financial results of the Operating Cost Statement**

### **Investment Income**

- **Income of £41,674, a decrease of 22.1% on 2008**

Investment income decreased by 22.1% due to the reduction in notional interest received on cash advanced to the Consolidated Fund. This was due to declining interest rates during the year.

## **Key financial results of the Balance Sheet**

### **Advances**

- **Advances of £174,177, a decrease 32.2% on 2008**

Advances have decreased due to capital repayments by borrowers during the year and by £2,300 advances repayable within one year which are included within debtors in current assets in 2009.

# 99 Year Leases

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue:</b>		
Earned through Operations		
Investment Income	41,674	53,481
Other Revenue	118	-
<b>Total Revenue</b>	<b>41,792</b>	<b>53,481</b>
<b>Operating Expenditure:</b>		
Other Expenses	6,803	2,805
Financial Returns	34,989	50,676
<b>Total Expenditure</b>	<b>41,792</b>	<b>53,481</b>
<b>Surplus for the Year</b>	<b>-</b>	<b>-</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
Financial Assets		
Advances	174,177	256,743
<b>Total Fixed Assets</b>	<b>174,177</b>	<b>256,743</b>
<b>Current Assets</b>		
Debtors	2,300	53
Cash advanced to the Consolidated Fund	660,265	578,437
<b>Total Current Assets</b>	<b>662,565</b>	<b>578,490</b>
<b>Current Liabilities</b>		
Creditors	6,370	4,861
<b>Total Current Liabilities</b>	<b>6,370</b>	<b>4,861</b>
<b>Net Current Assets</b>	<b>656,195</b>	<b>573,629</b>
<b>Net Assets</b>	<b>830,372</b>	<b>830,372</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>830,372</b>	<b>830,372</b>

# Agricultural Loans Fund

<b>Fund/Reserve</b>	• <b>Surplus for the year of £86,728</b>
<b>Highlights:</b>	• <b>In 2009 a surplus was achieved and so a subsidy was not required from Economic Development</b>

## Purpose of Fund

In September 1974 the States approved the Agriculture (Loans and Guarantees) (Jersey) Law 1974 and issued Agriculture (Loans) (Jersey) Regulations 1974. Under Regulation 2 this Fund was established, with the purpose to authorise lending to bona fide inhabitants of Jersey who are wholly or mainly in work of an agricultural nature in Jersey, to:

- Assist or enable them to acquire agricultural land to be occupied and farmed by them;
- Construct or convert their house or farm;
- Purchase agricultural machinery, vehicles and equipment;
- Carry out improvements for more efficient and economic farming;
- Purchase livestock;
- Purchase shares in an agricultural company which has a direct interest in agricultural land occupied and farmed or to be occupied and farmed; and
- Purchase flower bulbs, seed potatoes or seed potato boxes to be used on agricultural land that they occupy or plan to occupy and farm.

As from 2005 the approval of new loans to farmers has been suspended.

## Actual vs prior year

A reduction in finance costs, due to both a reduction in borrowing from the Consolidated Fund and lower interest rates on the borrowing, resulted in a surplus for 2009 of £86,728 compared to a deficit subsidised by the Economic Development Department of £45,874 in 2008.

## Key financial results of the Operating Cost Statement

**Investment income** • **Income of £148,584, a decrease of £68,192 (31.5%) on 2008**

Investment income has reduced due to repayments of advances by farmers. Interest is charged on the loans at 6.5% as per Regulation 5(2). The loans shall not exceed 90% of the principal.

## Key financial results of the Balance Sheet

**Advances** • **Advances of £1,858,948, a decrease of £903,528 (32.7%) on 2008**

During the year a total of £701,788 of the capital advanced to farmers was repaid. The remaining £201,740 has been reflected in the accounts as a short term debtor.

**Debtors** • **Debtors of £276,958, compared to £1,816 in 2008**

The increase in debtors is due to £201,740 advances payable within one year being reflected in debtors rather than fixed assets. A further £73,347 relates to accrued interest for 2009. In previous years accrued interest was included in advances.

# Agricultural Loans Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
Earned through Operations		
Grants and subsidies	-	45,874
Investment income	148,584	216,776
<b>Total Revenue</b>	<b>148,584</b>	<b>262,650</b>
<b>Operating Expenditure</b>		
Other expenses		
Supplies and services	11,697	12,971
Other operating expenditure	3,319	50,000
Finance costs	46,840	199,679
<b>Total Operating Expenditure</b>	<b>61,856</b>	<b>262,650</b>
<b>Surplus for the year</b>	<b>86,728</b>	<b>-</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
Financial Assets		
Advances	1,858,948	2,762,476
<b>Total Fixed Assets</b>	<b>1,858,948</b>	<b>2,762,476</b>
<b>Current Assets</b>		
Debtors	276,958	1,816
<b>Total Current Assets</b>	<b>276,958</b>	<b>1,816</b>
<b>Current Liabilities</b>		
Cash advanced from the Consolidated Fund	2,049,178	2,764,292
<b>Total Current Liabilities</b>	<b>2,049,178</b>	<b>2,764,292</b>
<b>Net Current Liabilities</b>	<b>(1,772,220)</b>	<b>(2,762,476)</b>
<b>Net Assets</b>	<b>86,728</b>	<b>-</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>86,728</b>	<b>-</b>

# Fishfarmer Loans Scheme

## **Fund/Reserve**

### **Highlights:**

- **There were no new loans made during the year**

## **Purpose of Fund**

The Fishfarmer Loans Scheme was introduced by the States in 1995 to facilitate the provision of loans for persons engaged in fish farming for:

- the purchase of fish farming machinery and equipment;
- the construction of buildings to house fish farming equipment; and
- the purchase of land on which to carry out the activities directly involved in fish farming.

As from 2004 the approval of new loans has been suspended and therefore the Scheme did not advance any new loans in 2008 or 2009.

The final loans outstanding were repaid during 2007. Although the scheme has not been wound up it remains inactive.

# Jersey Currency Notes

- Fund/Reserve**
- **Surplus for the year of £306,114, a decrease of 91.8% on 2008**
- Highlights:**
- **The value of investments within the Fund has remained stable**

## Purpose of Fund

The Jersey Currency Fund is provided for under the Public Finances (Jersey) Law 2005 and the Currency Notes (Jersey) Law 1959. The principal purpose of the Fund is to hold assets that match the value of Jersey currency notes in circulation, such that the holder of Jersey currency notes could on request be repaid.

In order to meet the purpose of the Fund the investment strategy is based mainly on the requirement to invest in low-risk cash-based assets to protect and maintain the capital value of the investments and to ensure that currency in circulation is matched and that investments can be liquidated fairly quickly should a need arise.

In order to maximise the potential return in line with the investment strategy, an element of the Fund (£21 million) is invested in the Strategic Reserve thereby providing a limited exposure to equity and bond markets whilst the remainder is invested in cash or near cash equivalents.

Jersey currency notes themselves are accounted for, at cost, as stock until they are formally made available for circulation by the Treasury and Resources Department when they are accounted for at face value. At the end of their useful life they are removed from circulation and destroyed. Currency available for circulation is either held by the Treasury or in circulation via retail banks.

## Actual vs. prior year

The decrease in surplus from 2008 to 2009 was 91.8%. This was largely due to a decrease in investment income and an increase in operating expenditure as described below. The surplus is transferred to the Consolidated Fund.

## Key financial results of the Operating Cost Statement

- Investment income**
- **Income of £924,519 (£882,780 and £41,739) a decrease of £3,303,279 (78.1%) on 2008**

At the end of 2009 the Fund's investments were split 3.6% in government bonds, 63.3% in short term cash deposits and 33.2% in Strategic Reserve.

Investment income from government bonds remained fairly constant. However, whilst the value of the Fund's investments (including Strategic Reserve) increased by £7.25m during the year, the Fund suffered a decline in income from its short term cash deposits of £1.3m (64.1%), from bank interest of £0.9m (95.4%) as a consequence of declining UK interest rates and lower investment income yields, and from its investment in Strategic Reserve of £1.1m (97.9%), largely due to the crystallisation of some investments during the year realising losses previously reported as unrealised losses in the Statement of Recognised Gains and Losses in 2008. However, the returns on its short term cash deposits during 2009 exceeded UK base rates and the benchmark of 3 month LIBID (London Interbank Bid rate).



# Jersey Currency Notes

## **Operating Expenditure** • **Spend of £620,185 an increase of £120,624 (24.1%) on 2008**

Operating expenditure has increased by 24.1%. This is primarily due to finance costs of £40,853 due to the Fund borrowing from the Consolidated Fund (whereas in 2008 notional bank interest of £634,567 was received from the Consolidated Fund and reported in investment income) and a redesign of the new currency notes.

## **Key financial results of the Balance Sheet**

### **Stock and Work in Progress** • **Stock of £1,006,190 an increase of £664,185 (194.2%) on 2008**

Stock levels of currency notes reduced to £341,005 (at cost) in 2008. The States have taken the opportunity to redesign the notes and incorporate up to date security features prior to reordering more stock. The increase of £664,185 is due to the net effect of notes being issued during 2009 and the receipt into stock of paper for the new family of currency notes launched in February 2010.

### **Cash at Bank and in Hand** • **Cash of £21,654,137 a decrease of £6,594,115 (23.3%) on 2008**

Cash at bank and in hand has decreased due to funds being invested in short term cash deposits and a reduction in borrowing from the Consolidated Fund.

# Jersey Currency Notes

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
<b>Earned through Operations</b>		
Sale of goods and services	6,047	4,623
Investment income	882,780	3,321,086
Loan bank and notional interest	41,739	906,711
Other Income	-	236
<b>Total Revenue</b>	<b>930,566</b>	<b>4,232,656</b>
<b>Operating Expenditure</b>		
Staff costs <sup>1</sup>	-	27,913
Other expenses:		
Supplies and services <sup>2</sup>	490,653	386,301
Administrative expenses	3,607	62,324
Premises and maintenance	31,530	23,023
Other operating expenditure	53,542	-
Finance costs	40,853	-
<b>Total Operating Expenditure</b>	<b>620,185</b>	<b>499,561</b>
<b>Non Operating Expenditure</b>		
Loss/(gain) on disposal of investments <sup>3</sup>	4,267	(4,267)
<b>Total Non Operating Expenditure</b>	<b>4,267</b>	<b>(4,267)</b>
<b>Total Expenditure</b>	<b>624,452</b>	<b>495,294</b>
<b>Surplus for the year transferred to Consolidated Fund</b>	<b>306,114</b>	<b>3,737,362</b>

Notes:

- 1 In 2009 staff costs were recharged to the fund and shown in 'Supplies and services'.
- 2 In 2009 'Cost of notes issued' and 'Carriage and sundry expenses' are shown in 'Supplies and services'.
- 3 In 2009 the gain on investments of £4,267 from 2008 was amended to 'Investment income'.

# Jersey Currency Notes

## Statement of Total Recognised Gains and Losses for the Year ended 31 December 2009

	2009 Actual £	2008 Actual £
Unrecognised gain/(loss) on revaluation of investments	1,444,946	(1,039,453)
<b>Total recognised gain relating to the year</b>	<b>1,444,946</b>	<b>(1,039,453)</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
<b>Financial Assets</b>		
Other investments	42,454,923	40,159,423
<b>Total Fixed Assets</b>	<b>42,454,923</b>	<b>40,159,423</b>
<b>Current Assets</b>		
Stock and work in progress	1,006,190	342,005
Debtors	894,274	847,184
Debtor - Investment held by Strategic Reserve	21,066,869	20,571,367
Cash at bank and in hand	21,654,137	28,248,252
<b>Total Current Assets</b>	<b>44,621,470</b>	<b>50,008,808</b>
<b>Current Liabilities</b>		
Creditors	25,130	77,644
Cash advanced from the Consolidated Fund	319,490	3,626,941
Currency in circulation	83,350,187	84,527,006
<b>Total Current Liabilities</b>	<b>83,694,807</b>	<b>88,231,591</b>
<b>Net Current Liabilities</b>	<b>(39,073,337)</b>	<b>(38,222,783)</b>
<b>Net Assets</b>	<b>3,381,586</b>	<b>1,936,640</b>
Circulation Reserve	1,400,000	1,400,000
Investment Revaluation Reserve	1,981,586	536,640
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>3,381,586</b>	<b>1,936,640</b>

# Jersey Coinage

- Fund/Reserve**                      • **Surplus for the year of £25,288, a decrease of 95.5% on 2008**  
**Highlights:**                      • **Investments regained their value during difficult market conditions**

## Purpose of Fund

The Jersey Coinage Fund is provided for under the Public Finances (Jersey) Law 2005 and the Decimal Currency (Jersey) Law 1971. The principal purpose of the Fund is to hold assets that match the value of Jersey coinage in circulation, such that the holder of Jersey coinage could on request be repaid.

In order to meet the purpose of the Fund the investment strategy is based mainly on the requirement to invest in low-risk cash-based assets to protect and maintain the capital value of the investments and to ensure that coinage in circulation is matched and that investments can be liquidated fairly quickly should a need arise.

The coins themselves are accounted for, at cost, as stock, until they are formally made available for circulation by the Treasury and Resources Department when they are accounted for at face value. At the end of their useful life they are removed from circulation and destroyed.

## Actual vs. prior year

The decrease in surplus from 2008 to 2009 was 95.5%. This was largely due to the decrease in investment income and the increase in other operating expenditure. The surplus is transferred to the Consolidated Fund.

## Key financial results of the Operating Cost Statement

- Investment Income**                      • **Income of £139,102, a decrease of £500,494 (78.3%) on 2008**

The Fund primarily invests in short term cash deposits. As a consequence of declining UK interest rates the Fund was impacted by lower investment income yields. However, the returns during 2009 exceeded UK base rates and the benchmark of 3 month LIBID (London Interbank Bid rate).

- Other Revenue**                      • **Other revenue of £86,633 a decrease of £9,045 (9.5%) on 2008**

Other revenue in 2009 relates to royalties received by the Fund from the sale of commemorative coin to collectors. In 2008 the Fund benefited from the popularity of the Poppy coin. Although income from royalties has reduced slightly in 2009 there remains a demand for commemorative coin. The 'Poppy' coin continued to be popular in early 2009; other popular coins in 2009 were 'History of the RAF', 'St George and the Dragon', 'Henry VIII 500th Anniversary' and 'Great Battles'.

- Total Operating Expenditure**                      • **Spend of £198,629, an increase of £22,070 (12.5%) on 2008**

The increase in total operating expenditure is primarily due to the write off of soiled circulation coin and commemorative coins in 'used' condition that are unfit for resale.

# Jersey Coinage

## Key financial results of the Balance Sheet

### **Stock and Work in Progress** • **Stock of £282,444 an increase of £94,463 (50.3%) on 2008**

Stock increased during 2009 as the Treasury received additional stock of coin from the Royal Mint to meet demand.

### **Coinage in Circulation** • **Coinage in circulation of £7,314,028 an increase of £291,922 (4.2%) on 2008**

Coinage in circulation has increased due to a higher demand for coin by the general public.

# Jersey Coinage

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
<b>Earned through Operations</b>		
Investment income:		
Investment income	139,069	376,429
Loan, bank and notional interest	34	263,167
Other revenue <sup>1</sup>	86,633	95,676
<b>Total Revenue</b>	<b>225,736</b>	<b>735,272</b>
<b>Operating Expenditure</b>		
Other expenses:		
Supplies and services <sup>2</sup>	165,668	172,601
Administrative expenses	2,231	-
Premises and maintenance	1,376	-
Other operating expenditure	25,009	3,958
Finance costs	4,345	-
<b>Total Operating Expenditure</b>	<b>198,629</b>	<b>176,559</b>
<b>Non Operating Expenditure</b>		
(Gain)/loss on disposal of investments	1,819	(1,819)
<b>Total Non Operating Expenditure</b>	<b>1,819</b>	<b>(1,819)</b>
<b>Total Expenditure</b>	<b>200,448</b>	<b>174,740</b>
<b>Surplus for the year transferred to Consolidated Fund</b>	<b>25,288</b>	<b>560,532</b>

Notes:

- 1 'Other revenue' includes royalties and miscellaneous income.
- 2 In 2009 'Cost of notes issued' and 'Administrative costs' are shown in 'Supplies and services'.

## Statement of Total Recognised Gains and Losses for the Year ended 31 December 2009

	2009 Actual £	2008 Actual £
Unrecognised gain/(loss) on revaluation of investments	(30,125)	27,290
<b>Total recognised gain relating to the year</b>	<b>(30,125)</b>	<b>27,290</b>

# Jersey Coinage

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Tangible and Intangible Fixed Assets</b>		
<b>Financial Assets</b>		
Other investments	7,398,129	7,430,073
<b>Total Fixed Assets</b>	<b>7,398,129</b>	<b>7,430,073</b>
<b>Current Assets</b>		
Stock and work in progress	282,444	187,981
Debtors	53,380	137,478
Cash at bank and in hand	22,601	175,400
<b>Total Current Assets</b>	<b>358,425</b>	<b>500,859</b>
<b>Current Liabilities</b>		
Cash advanced from the Consolidated Fund	82,383	530,090
Creditors	12,014	482
Coinage in circulation	7,314,028	7,022,106
<b>Total Current Liabilities</b>	<b>7,408,425</b>	<b>7,552,678</b>
<b>Net Current Liabilities</b>	<b>(7,050,000)</b>	<b>(7,051,819)</b>
<b>Net Assets</b>	<b>348,129</b>	<b>378,254</b>
Circulation Reserve	350,000	350,000
Investment Revaluation Reserve	(1,871)	28,254
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>348,129</b>	<b>378,254</b>

# Tourism Development Fund

## **Fund**

- **Deficit for the Year of £398,164, a decrease of 32.2% on 2008**

## **Highlights:**

### **Purpose of Fund**

The Tourism Development Fund was established by the States in December 2001. The aim of the Fund is to stimulate investment in the tourism industry and infrastructure in order to improve Jersey's competitiveness and sustain the industry as a second pillar of the economy.

There are two distinct elements of the Fund's investment strategy:

- to support public and voluntary sector projects and infrastructure projects that make a crucial contribution to the attractiveness and appeal of Jersey as a tourist destination; and
- to stimulate investment in technology and marketing initiatives. This element is the smaller of the two, but is designed to support small scale commercial initiatives and events.

### **Actual vs prior year**

The decrease in deficit from 2008 to 2009 was 32.2%.

### **Key financial results of the Operating Cost Statement**

#### **Interest**

- **Income of £22,668, a decrease of £65,503 (74.3%) on 2008**

Interest received has reduced due to lower bank balances and the decrease in interest rates.

#### **Grants**

- **Spend of £416,360, a decrease of £257,012 (38.2%) on 2008**

Grants from the Fund are considered and approved by a committee of business leaders and senior officers from the Economic Development Department. The amount is dependent on the amount of applications and the amount approved by the Committee.



# Tourism Development Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
Interest Received	22,668	88,171
<b>Total Revenue</b>	<b>22,668</b>	<b>88,171</b>
Grants	416,360	673,372
Treasury Recharges	4,472	2,142
<b>Total Expenditure</b>	<b>420,832</b>	<b>675,514</b>
<b>Surplus/ (Deficit) for the Year</b>	<b>(398,164)</b>	<b>(587,343)</b>

## Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Current Assets</b>		
Debtors	708,933	1,261,157
<b>Total Current Assets</b>	<b>708,933</b>	<b>1,261,157</b>
<b>Current Liabilities</b>		
Creditors	-	154,060
<b>Total Current Liabilities</b>	<b>-</b>	<b>154,060</b>
<b>Net Current Assets</b>	<b>708,933</b>	<b>1,107,097</b>
<b>Net Assets</b>	<b>708,933</b>	<b>1,107,097</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>708,933</b>	<b>1,107,097</b>

# Channel Islands Lottery (Jersey) Fund

- Fund/Reserve**                      • **Surplus for the year of £33,978 a decrease of 69.5% on 2008**  
**Highlights:**                        • **Jersey ticket sales increased by 4.8%**

## Purpose of Fund

The Channel Island Lottery is administered and governed by the Public Lotteries Board, which is constituted in accordance with the Gambling (Channel Islands Lottery) (Jersey) Regulations 1975.

The States of Guernsey contribute 60% of their gross sales to the prize fund each year. The remaining 40% is retained by Guernsey to cover their costs of administering the Fund. Unclaimed time expired prizes are shared between Guernsey and Jersey in accordance with sales ratio.

In 2008 a grant of 80% of the total profits was made to the Association of Jersey Charities. In 2009 a decision was made by the States to increase the grant to 90% of the total profits for the benefit of the community and the charitable needs of the island.

## Actual vs prior year

The decrease in surplus from 2008 to 2009 was 69.5%. This was due to an increase in prizes in 2009 compared to 2008 and an increase in the percentage due to be paid to the Association of Jersey Charities from 80% (2008) to 90% (2009) of the Fund's profits.

## Key financial results of the Operating Cost Statement

- Sales of tickets**    • **Ticket sales of £2,980,213 a decrease of £376,587 (11.2%) on 2008**

In 2008 Guernsey ticket sales were shown gross, however, in 2009 they are shown as Guernsey's contribution to the prize fund and hence are net of 40% of sales retained by Guernsey to meet their administration costs. Ticket sales by Guernsey and Jersey increased in real terms by 4.8% and 7.8% respectively.

- Other revenue**    • **Other revenue of £540, a decrease of £118,679 (99.5%) on 2008**

In 2008 other revenue included time expired prizes but in 2009 they are reported as a reduction in the prizes paid within other operating expenditure.

- Supplies and Services**    • **Supplies and Services of £480,404, a decrease of £433,752 (47.4%) on 2008**

The expenditure for supplies and services has decreased due to the net effect of Guernsey administration costs no longer being reported in 2009, staff costs now being recharged as part of supplies and services and commission due to agents now being accrued for in the accounts. In real terms supplies and services have increased by 12.6% due to increases in printing and advertising costs and a recharge in 2009 for the central administration of the Fund during 2008 and 2009.

# Channel Islands Lottery (Jersey) Fund

**Grants and subsidy payments** • **The grant due to be paid to the Association of Charities of £305,791, a decrease of £139,623 (31.3%) on 2008**

The grant due to be made to the Association of Jersey Charities for the year is £305,791, 90% of the profits prior to calculating the grant, compared to 80% in 2008. The 2008 surplus included an estimate for uncollected prizes paid which was lower than the actual prizes paid in 2008. The Association therefore benefited from a higher surplus in 2008 and a lower surplus in 2009.

# Channel Islands Lottery (Jersey) Fund

## Operating Cost Statement for the year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Revenue</b>		
<b>Earned through operations</b>		
Sales of goods and services		
Sale of tickets in Jersey	2,112,433	2,016,000
Sale of tickets in Guernsey	-	1,340,800
Guernsey contribution to prize fund	867,780	-
Other Lottery income	4,300	1,580
Investment income	18,720	15,021
Other revenue	540	119,219
<b>Total Revenue</b>	<b>3,003,773</b>	<b>3,492,620</b>
<b>Expenditure</b>		
Operating expenditure		
Staff costs <sup>1</sup>	-	27,985
Supplies and services <sup>2</sup>	480,404	914,156
Other operating expenditure <sup>3</sup>	2,183,600	1,993,711
Grants and subsidy payments	305,791	445,414
<b>Total Expenditure</b>	<b>2,969,795</b>	<b>3,381,266</b>
<b>Surplus for the year</b>	<b>33,978</b>	<b>111,354</b>

### Notes:

- 1 Staff costs are now recharged to the fund and are shown in 'Supplies and Services' as the cost is recharged by the States.
- 2 Supplies and services includes 'administrative costs', 'Guernsey's discount on ticket price', 'agents' commission on winning tickets', 'previous year's unclaimed prize money' and 'supplies and services' which were presented separately in 2008.
- 3 Other operating expenditure includes 'prize money paid and accrued' and 'administration recharges' which were presented in 'administrative costs in 2008.
- 4 Guernsey sales of tickets were shown gross in 2008, however, in 2009 they are shown as a contribution to the prize fund.

# Channel Islands Lottery (Jersey) Fund

Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Current Assets</b>		
Debtors	241,620	951,054
Cash advanced to the Consolidated Fund	830,231	796,943
<b>Total Current Assets</b>	<b>1,071,851</b>	<b>1,747,997</b>
<b>Current Liabilities</b>		
Creditors		
Uncollected prizes	285,306	788,688
Balance held for the Association of Charities	305,791	445,414
Other creditors	683	67,802
<b>Total Current Liabilities</b>	<b>591,780</b>	<b>1,301,904</b>
<b>Net Assets</b>	<b>480,071</b>	<b>446,093</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>480,071</b>	<b>446,093</b>

# Housing Development Fund

## **The aim of the fund:-**

“To help meet the requirements for the development of social rented and first time buyer homes as identified in the ‘Planning for Homes’ report (RC10/99), which was updated in December 2006 (RC 94/2006) and subsequent strategic reports, primarily in the urban area, to a good standard and specification at a reasonable cost”

## **The scope of the scheme**

- The HDF does not fund the whole cost of a housing scheme, but provides the Housing Committee with bridging finance to develop properties for onward sale. The scheme bears the cost of land acquisition and development which is then recovered on the disposal of completed sites.
- The HDF provides a mechanism for funding housing developments undertaken by the States, as well as providing subsidies (where necessary) for developments undertaken by other providers of social rented housing (such as Housing Associations) and, if necessary, for certain private sector ‘first time buyer schemes.’ In the case of first time buyer properties it provides an interest subsidy to enable the cost of the scheme to be repaid from its rental stream or sale receipts. The States approved P74/99 and P84/99 on 7 July 1999 and thereby the creation of the Housing Development Fund to be administered by the former Finance and Economics Committee.

The Housing Development Fund provides interest subsidy for those Housing Trust properties acquired under the former Housing Development Schemes Account and supports the development of social rented housing on rezoned sites by capping the interest liability of Housing Trusts to a maximum of 6%.

The historically low interest rates from the third quarter 2008 and throughout 2009 have resulted in the fund paying minimal interest subsidy in 2009. Adjustment for overpayments based on estimates for the fourth quarter 2008 has resulted in a net interest subsidy credit for 2009.

# Housing Development Fund

Income and Expenditure Account for the Year ended 31 December 2009

	2009 Actual £	2008 Actual £
<b>Income</b>		
Hire & Rentals	43,372	348,693
Fees & Fines	0	30,891
Interest Charged on Advances to the Consolidated Fund	96,363	327,436
Sale of Sites	1,482,953	1,162,303
	1,622,688	1,869,323
<b>Expenditure</b>		
Administrative Costs	3,692	13,327
Premises & Maintenance	0	39,980
Grants & Subsidies	(47,056)	3,234,267
Depreciation	0	199,498
Write off of assets	0	1,385,991
	(43,364)	4,873,063
<b>Surplus/(Deficit) for Year</b>	<b>1,666,052</b>	<b>(3,003,740)</b>

Balance Sheet as at 31 December 2009

	2009 Actual £	2008 Actual £
<b>Fixed Assets</b>		
Land and Buildings	-	-
<b>Current Assets</b>		
Debtors	1,042,438	494
Cash Advance to the Consolidated Fund	5,396,182	4,867,588
	<b>6,438,620</b>	<b>4,868,082</b>
<b>Current Liabilities</b>		
Creditors (amount due within one year)	3,680	99,194
<b>Net Current Assets</b>	6,434,940	4,768,888
<b>Net Assets</b>	<b>6,434,940</b>	<b>4,768,888</b>
<b>Funds Employed:</b>		
Accumulated Reserves and Balances		
Reserves Brought Forward	4,768,888	24,160,035
Surplus/(Deficit) for the year	1,666,052	(3,003,740)
Transfer of assets to Consolidated Fund	-	(16,387,407)
<b>Reserves Carried Forward</b>	<b>6,434,940</b>	<b>4,768,888</b>





Glossary  
of  
Terms



### **Accounting Officer**

The Accounting Officer is the person responsible for the proper financial management of a States' funded body in accordance with the law. In general, the Chief Officer is also the Accounting Officer.

### **Accounting Period**

This is the length of time covered by the accounts. For the States of Jersey this is a period of twelve months commencing on 1 January. The end of the accounting period is the balance sheet date, 31 December.

### **Accruals Basis**

This is one of the main accounting concepts. Income and expenditure are shown in the accounting period that they are earned or incurred, not as money is received or paid.

### **Annual Budget**

The States' Annual Budget sets out the taxation measures and the expected level of States income.

### **Annual Business Plan**

An annual plan detailing the resources to be allocated to each States department together with the objectives of each department. It is through the Annual Business Plan debate, that the States Assembly allocates funding to Departments' Net Expenditure Cash Limits (budgets) from the Consolidated Fund.

### **Asset**

An asset is something that the States of Jersey owns; assets are sub-divided into fixed assets, financial assets and current assets.

- Fixed assets are assets which the States of Jersey has bought or constructed to provide services over a period of time. Fixed assets will have a life of more than one year, for example a school building;
- Financial assets are investments such as bonds or equities, loans made to third parties, or strategic investments. These assets are expected to be held for longer than one year and typically provide a return for the States;
- Current assets are assets typically sold or otherwise used within one year of the end of the accounting period (e.g. stock and debtors).

### **Audit of Accounts**

An audit is an evaluation of the accounts by an independent expert. Please refer to the Auditor's Report for details of the work carried out.

### **Balance Sheet**

A primary accounting statement that shows the assets, liabilities and reserves of the States of Jersey at the end of the accounting period.

### **Budget**

A budget is a financial statement that expresses the States of Jersey's service delivery plans and capital programmes in monetary terms. These accounts report two budget figures:

- 2008 Business Plan: This is the original budget set and approved by the States Assembly;
- Final Approved Budget: This is the final budget after taking account of authorised changes during the year.

### **Capital Expenditure**

Expenditure on the acquisition or construction of fixed assets that will be used to provide services beyond the current accounting period or expenditure that adds value to an existing fixed asset.

**Cash Flow Risk**

The risk that the States' available cash will not be sufficient to meet its financial obligations.

**Cash Flow Statement**

A primary accounting statement that explains the difference between the movement in cash and the reported surplus or deficit for the year. This contrasts to the Operating Cost Statement which reports accrued income and expenditure.

**Cash Instruments**

Cash instruments are financial instruments whose value is determined directly by markets. They can be divided into securities, which are readily transferable, and other cash instruments such as loans and deposits, where both borrower and lender have to agree on a transfer.

**Cash Limit**

A cash limit is a budget voted by the States Assembly to a States Non Trading Department.

**Consolidated Fund**

This is the fund through which the majority of the States' income and expenditure is managed. General Revenue Income and Department's expenditure on public services is accounted for through this fund.

**Contingent Liability**

A contingent liability is not recognised on the balance sheet, they are referred to in a note to the accounts, a contingent liability can arise in one of two ways:

- A possible future obligation arising from a past event, or
- A present obligation arising from a past event where it is either not probable that a payment will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

**Corporate Bonds**

Corporate bonds are issued by companies to raise capital. They are an alternative to issuing new shares on the stock market (equity finance) and are a form of debt finance.

**Credit Risk**

The risk (also known as counter party risk) that an issuer might default on a payment or go into liquidation.

**Creditor**

A creditor is a party who the States of Jersey owe money to at the end of the accounting period for goods or services provided within the accounting period.

**Debtor**

A debtor is a party who owes the States of Jersey money at the end of the accounting period for goods or services provided by the States of Jersey within the accounting period.

**Departmental Income**

Departmental Income is income derived from charges made for services provided by the States' non-trading departments.

**Equities**

Equities are instruments that signify an ownership position in a corporation, and represent a claim on its proportionate share in the corporation's assets and profits.

**Financial Instruments**

A contract that gives rise to either cash, equities or a contractual right to receive either cash or another financial instrument.

**Foreign Exchange Exposure**

The risk of loss stemming from exposure to adverse foreign exchange rate movements.

**General Revenue Income**

General Revenue Income comprises taxation, duties, the island rate, and other income to the Consolidated Fund.

**Grants and Subsidies**

The States of Jersey makes grants and pays subsidies for a range of purposes to support the community.

**Gross Departmental Expenditure**

Revenue expenditure incurred by States' non-trading departments in the course of providing public services, before taking account of Departmental Income.

**Head of Expenditure**

A head of expenditure is either the annual cash limit of a States funded body, or an amount allocated for a capital project.

**Income**

This is the money that the States of Jersey receives or expects to receive in the accounting period.

**Interest Rate Risk**

This is the financial risk to which a portfolio or institution is exposed to if interest rates change

**Leases**

A financial arrangement that provides for the use of an asset without direct ownership. For accounting purposes leases can be either:

- Finance leases: A lease that transfers substantially all of the risks and rewards associated with owning the asset to the lessee (in these accounts the States of Jersey). Typically finance leases are entered into to finance large capital projects, or
- Operating Lease: A lease where the risks and rewards of ownership are not borne by the lessee. Operating leases are entered into for a range of assets such as vehicles or plant and machinery.

**Liability**

A debt or obligation owed by the States of Jersey to another party.

**Liquid assets**

Assets in the form of cash (or easily convertible into cash).

**Liquidity Risk**

The risk that an organisation may not have, or may not be able to raise cash funds when needed.

**Market Price Risk**

The risk of losses resulting from adverse changes in market prices or other market rates.

**Materiality**

This is one of the main accounting concepts. A transaction or balance is material if its omission or misstatement, would lead to a significant distortion of the financial position.

**Ministerial States' Funded Bodies**

A Ministerial States' Funded body is one for which a Minister is responsible to the States for its administration and funding.

**Net Revenue Expenditure**

The net of Gross Departmental Expenditure and Departmental Income. This is the key measure against which Accounting Officers are held to account for delivering services within an allocated cash limit.

**Non Ministerial States' Funded Bodies**

A non-Ministerial States' Funded bodies is one for which no Minister is responsible to the States for its administration or funding.

**Non Trading Department**

These are States' departments that are not designated as Trading Operations.

**Notes to the Accounts**

Detailed supporting information to the primary accounting statements.

**Operating Cost Statement**

A primary accounting statement showing the income and expenditure for the States in the current accounting period.

**Primary Accounting Statements**

The three primary accounting statements within the States of Jersey accounts are the Operating Cost Statement, the Balance Sheet and the Cash Flow Statement.

**Provision**

This is an amount set aside in the accounts (included in liabilities on the balance sheet) for probable payments due after the end of the accounting period that relate to events that have taken place in the current accounting period.

**Prudence**

This is one of the main accounting concepts. It requires that the States of Jersey accounts reflect a cautious and realistic view of the financial position of the States, for example the accounts only include income that we are confident will be realised.

**Reserves**

A reserve results from the accumulation of surpluses, deficits and appropriations over past years.

**Retail Price Index (RPI)**

Retail Price Index as compiled by the States of Jersey Statistics Unit.

**Revenue Expenditure**

The day to day expenses associated with the provision of services, including the cost of employing staff and purchasing supplies and services.

### **Revenue Levied by the States of Jersey**

Income such as taxes, duties or fines, raised by the States of Jersey where no or nominal consideration is provided in return. Whilst the States of Jersey does provide a range of services to islanders, it does not do so directly in consideration for payments received.

### **Separately Constituted Special Funds**

These are funds with a specific purpose and are usually established by legislation or a States' decision. These funds are included in the Aggregated accounts and have their own accounts, located at the back of the accounts book.

### **Stabilisation Fund**

A States' fund established to make fiscal policy more countercyclical, providing some protection from the adverse impact of economic cycles, and creating in the Island a more stable economic environment with low inflation.

### **Statement of Total Recognised Gains and Losses (STRGL)**

The STRGL is a primary statement that includes all gains and losses made in the accounting period whether realised or unrealised. For example, accounting standards currently applied by the States do not require the unrealised gains or losses on financial instruments to be included in the surplus for the year. These movements are instead recorded in the STRGL.

### **Stock and Work in Progress**

These are items that the States of Jersey has purchased, or is developing, but has not yet used in the provision of services. For example, supplies held in a store prior to being issued for use.

### **Strategic Investments**

Companies in which the States has a majority shareholding but which are not aggregated into the States' accounts. The aggregation of those Companies' accounts into the States' accounts would distort the presentation of the States' financial position.

### **Strategic Reserve**

The Strategic Reserve is a permanent reserve, where the capital value is only to be used in exceptional circumstances to insulate the Island's economy from severe structural decline such as the sudden collapse of a major island industry or from major natural disaster.

### **States Trading Operation**

These are areas of operation of the States of Jersey, designated by the States by Regulations in the Finance Law to be a States Trading Operation. At present there are four States Trading Operations: the Airport, the Harbour, Jersey Fleet Management and Jersey Car Parking.





# Appendix 1 - Additional GAAP information

## Section 1

### Transition to GAAP accounting

The States of Jersey is in the process of implementing Generally Accepted Accounting Principles (GAAP). The first set of financial statements prepared under GAAP will be produced next year, for the year ended 31 December 2010. In order to produce these accounts, comparative information (i.e. for the year ended 31 December 2009) must also be produced under GAAP principles. The States of Jersey has therefore been operating under two accounting bases in the 2009 transitional year (GAAP basis and existing basis). Although full GAAP accounts can only be published next year, the States is able to produce a Balance Sheet (with comparatives) and an Operating Cost Statement for 2009 in accordance with GAAP. The following notes have been prepared to provide information and explanations for these numbers, including reconciliations to the Balance Sheet and Operating Cost Statement for 2009 prepared under the existing basis.

The set of GAAP standards that will be adopted for the States of Jersey is UK GAAP modified for the Jersey public sector. A Jersey Financial Reporting Manual (JFRm) has been prepared which details the application of these Generally Accepted Accounting Principles to the States of Jersey.

The JFRm is based on the 2007/08 UK version of the same document. The UK version is prepared by HM Treasury and is subject to scrutiny by an independent board, the Financial Reporting and Advisory Board.

There are seven differences between the existing basis and the new GAAP basis of accounting. These are explained in the notes below. The GAAP accounting policies applied in producing GAAP financial statements have been reproduced in section 2. Reconciliations to the 2009 position on the existing basis of accounting are provided in section 3. A list of entities included within the group boundary is included in section 4.

### 1 Asset adjustments

Under the existing accounting framework, capital budgets are approved by the States of Jersey for:

- Specific projects
- Rolling capital votes for infrastructure related expenditure
- Minor Capital – a lump sum for relatively small value expenditure, allocated to some departments

The above expenditure was generally, but not always, related to asset acquisition or improvement, therefore the existing 'Fixed Asset' balance is not GAAP compliant.

Furthermore, assets created or purchased were not separately recorded and identified. Thus the States of Jersey did not have a comprehensive Fixed Asset register.

During 2007 and 2008, work was carried out to identify and value all Fixed Assets owned by the States of Jersey. A Fixed Asset register was created and the value of Fixed Assets was determined. External valuers were employed to value the vast majority of assets identified, with other valuation methods being adopted, and internal valuations conducted, where appropriate. All valuations were carried out in accordance with UK GAAP as interpreted for the States of Jersey by the JFRm.

# Appendix 1

In order to arrive at a GAAP-based Fixed Asset balance, adjustments were made to the Fixed Asset balance on the Balance Sheet. All balances, except those which related to Fixed Assets still under the course of construction at 31 December 2008, were removed from the Balance Sheet and a corresponding entry was made to reserves. The value of the balance removed in this way was £754 million. The new asset values as recorded on the asset register were then added to the Balance Sheet with a corresponding effect on reserves. The value of the assets created in this way was £2.52 billion.

Depreciation is a GAAP term for an annual accounting charge reflecting the usage, or wearing out, of assets. The States of Jersey already includes a form of depreciation in its Operating Cost Statement account, called the 'capital repayment charge', which is similar to GAAP depreciation, but based on Fixed Asset values on the existing accounting basis. Furthermore, these capital repayments are recorded centrally, within the Treasury and Resources Department. As a result of the move to GAAP, the existing capital repayment charge was removed from the Operating Cost Statement and depreciation charged on an asset by asset basis has been included.

## **2 Restatement of WEB balances**

The results of the Waterfront Enterprise Board Limited (WEB) have always been incorporated into the States of Jersey accounts, however adjustments were made from the GAAP accounts as prepared by WEB in order to bring the balances and transactions in line with the accounting policies of the States of Jersey. As the States has now adopted GAAP these adjustments have been reversed.

## **3 Change to group boundary**

The group boundary, which determines which entities are included in the consolidated accounts, was reviewed and revised in the light of the move to GAAP. As a result several new entities are now included in the consolidation: the Criminal Offences Confiscation Fund, the Drug Trafficking Confiscation Fund and the Civil Asset Recovery Fund.

## **4 Capital Grants**

Under existing accounting policies, capital grants were deducted from the cost of the asset constructed or purchased. Under the JFRm this is not permitted. A States entity making a capital grant records the grant in full as an expense. A grant receiving entity records the grant in a separate capital grants reserve. This is then credited to the Operating Cost Statement over the life of the asset. The majority of capital grants so recorded are both made and received by entities within the States of Jersey group boundary and therefore these transactions and balances are eliminated on consolidation.

## **5 Valuation of Strategic Investments**

Strategic Investments (Jersey Post International Limited, Jersey Electricity Company Limited, Jersey Telecom Group Limited and Jersey New Waterworks Company Limited) were previously carried at historic cost in the balance sheet. Under GAAP these have been recorded at fair value.

# Appendix 1

## **6 Other adjustments**

Other adjustments represent recording job-costing related transactions, which were previously recorded on a net basis on a gross basis.

## **7 Eliminations**

Under the existing accounting policies, transactions between States entities, and within a Department, were not eliminated in the preparation of the accounts. GAAP requires that transactions between entities within the group boundary are eliminated and this has been effected in the GAAP Operating Cost Statement and GAAP Balance Sheet.

# Appendix 1

## Section 2

### **Accounting Policies**

A summary of the accounting policies which have been applied in producing the GAAP Operating Cost Statement and GAAP Balance Sheet in note 24c are laid out below.

#### **1. Statement of Accounting Policies**

##### **1.1 Introduction**

**1.1.1** These accounts have been prepared in accordance with the States of Jersey Financial Reporting Manual (JFReM) issued by the Treasurer of the States in order to meet the requirements of the Public Finances (Jersey) Law 2005. The accounting policies contained in the JFReM follow UK Generally Accepted Accounting Principles for companies (UK GAAP) to the extent that it is meaningful and appropriate to the Public Sector. The JFReM applicable to the 2009 financial year (excluding comparators) is based on the UK Financial Reporting Manual for the UK financial year ending March 2008.

**1.1.2** Where the JFReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular 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.

##### **1.2 Accounting Convention**

**1.2.1** These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets and investments. A summary of the more important accounting policies is set out below.

##### **1.3 Basis of Consolidation**

**1.3.1** These accounts comprise the consolidation of all entities within the States of Jersey consolidation boundary (the 'group boundary') as set out in the JFReM. The group boundary is defined with reference to applicable accounting standards except that the inclusion or exclusion of an entity is based on direct control rather than strategic control. Direct control is normally evidenced by the States, the Council of Ministers or a Minister exercising in-year control over operating practices, income, expenditure, assets or liabilities of the entity. Therefore the principles of FRS2, FRS9 and FRS5 for the determination of whether entities are subsidiary undertakings, associated undertakings or joint ventures are restricted to the first principle of direct control. Where this principle is not met and an entity within the group boundary has an investment in an entity outside the group boundary, this holding is treated as an investment in the group accounts.

# Appendix 1

**1.3.2** For clarity, the relationships with Jersey Telecom Group Limited, Jersey Post Limited, Jersey Electricity Company Limited and Jersey New Waterworks Company Limited do not meet the first principle of direct control and therefore these are accounted for as strategic investments in these accounts.

**1.3.3** The Social Security Fund, the Social Security (Reserve) Fund and the Health Insurance Fund are outside the group boundary.

**1.3.4** Entities that fall within the group boundary, but which are immaterial to the accounts as a whole, have not been consolidated where to do so would result in excessive time or cost to the States. Entities that fall within the group boundary but which have not been consolidated are listed in note 24(f).

**1.3.5** Material transactions and balances between entities that fall within the group boundary have been eliminated as part of the consolidation process.

## **1.4 Income recognition**

**1.4.1** Income is divided into two main categories – revenue levied by the States of Jersey (non-exchange income) and revenue earned through operations. All types of income are recognised on an accruals basis.

**1.4.2** Revenue levied by the States of Jersey (non-exchange income) is measured at the value of the consideration received or receivable net of:

- Repayments; and
- Adjustments following appeals (in the case of Income Tax).

Revenue is recognised when: a taxable or other relevant event has occurred, the revenue can be measured reliably and it is probable that the economic benefits from the taxable or other event will flow to the States of Jersey.

**1.4.3** Taxable or other relevant events for the material income streams are as follows:

- **Income Tax:** when an assessment is raised by the Comptroller of Income Tax. Tax collected in the year under the Income Tax Instalment Scheme which is due for assessment in the following year (tax collected on a current year basis) is recognised as receipts in advance;
- **Goods and Services Tax (GST):** when a taxable activity is undertaken during the taxation period by the taxpayer. Fees payable by International Service Entities are recognised on an accruals basis and are included in total GST receipts in the Operating Cost Statement;
- **Impôts Duties:** when the goods are landed in Jersey;
- **Stamp Duty:** when the property is purchased;
- **Fees and Fines:** when the fee or fine is imposed;
- **Seizure of assets:** when the court order is made; and
- **Island rates:** when the assessment is raised. Island Rates are charged on a calendar year basis and assessments are raised in the second half of the calendar year. Income is recognised in the period for which the rates are charged.

# Appendix 1

## **1.5 Investments**

**1.5.1** Investments, are accounted for at fair value. If a market value cannot be readily ascertained, the investment is valued on a basis determined by the entity, in agreement with the Treasurer of the States, to be appropriate in the circumstances.

**1.5.2** Strategic Investments are companies outside the group boundary in which the States of Jersey has a controlling interest. Specifically, the investments in Jersey Telecom Group Limited, Jersey Post Limited, Jersey Electricity Company Limited and Jersey New Waterworks Company Limited are recognised as Strategic Investments. In accordance with the JFRoM these are accounted for at either:

- a) A value based on market value determined at the date of the last valuation (where available); or else
- b) A value determined on a basis which appears to be appropriate in the circumstances. As a preference, a discounted cash flow valuation methodology has been used.

## **1.6 Foreign Currencies**

**1.6.1** Transactions that are denominated in a foreign currency are translated into Sterling at the rate ruling at the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for the period is used.

**1.6.2** Monetary assets and liabilities are translated at the closing rate applicable at the Balance Sheet date and the exchange differences are reported in the Operating Cost Statement.

**1.6.3** Both the functional and presentation currency is Sterling.

## **1.7 Leases**

**1.7.1** Assets held under finance leases or sale and lease-back arrangements are capitalised as tangible fixed assets and depreciated over the shorter of the lease term or their estimated useful economic lives. Rentals paid are apportioned between reductions in the capital obligations included in creditors, and finance costs charged to the Operating Cost Statement.

**1.7.2** For other leases (operating leases) rentals are charged to the Operating Cost Statement on a straight-line basis over the term of the lease.

**1.7.3** Where the States of Jersey is the lessor under an operating lease, leased assets are recorded as fixed assets and depreciated over their useful economic lives in accordance with the accounting policy for Fixed Assets. Rental income from operating leases is recognised on a straight line basis over the period of the lease.

# Appendix 1

**1.7.4** Lease incentives are accounted for in accordance with UITF 28. The aggregated cost of incentives are treated as a reduction of rental income and allocated to the Operating Cost Statement over the lease term, or the term ending on the date from which it is expected that the prevailing market rental will be payable, whichever is the shorter. Lease incentives are allocated on a straight-line basis.

## **1.8 Provisions and Contingent Liabilities**

**1.8.1** A provision is recognised when a present obligation exists as a result of a past event, which will be settled by a transfer of economic benefit, the amount of which can be reliably estimated.

**1.8.2** No discounts are applied to provisions unless the impact is material. Where a discount is applied this is stated in the notes to the accounts together with the discount rate applied. The discount rate is set by the Treasurer of the States.

**1.8.3** Contingent liabilities are disclosed:

- where a possible obligation arises from a past event the existence of which will be confirmed only by the occurrence of one or more uncertain future events not wholly within the States of Jersey's control; or
- where a present obligation arises from past events but no provision has been recognised because the transfer of economic benefits is not probable, or the amount of the obligation cannot be reliably measured.

**1.8.4** The scope of FRS 12 includes guarantees, which are recognised as contingent liabilities unless an obligation under a guarantee arises, in which case a provision is recognised. The notes to the accounts give details of any charges on the assets of the States of Jersey and the amount secured.

## **1.9 Use of estimates**

**1.9.1** The preparation of financial statements requires the States of Jersey to make estimates and assumptions that can affect the reported amounts of assets, liabilities, revenues and expenses as well as amounts reported in the notes. Actual results could differ from these estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

## **1.10 Tangible Fixed Assets**

**1.10.1** The States of Jersey capitalisation threshold is £10,000 for an initial purchase. There is no threshold for the capitalisation of subsequent expenditure on an asset.

# Appendix 1

**1.10.2** The treatment of subsequent expenditure depends upon the previously assessed standard of performance expected from an asset and how that has been reflected in the depreciation of the asset. Expenditure that merely maintains the expected performance levels expected of the asset is written off to the Operating Cost Statement as it is incurred. Expenditure that enhances the economic benefits of an asset in excess of its expected performance is capitalised. Such expenditure:

- Increases the capacity or capability of the asset; or
- Extends the useful economic life of the asset; or
- Improves the quality of the asset's output; or
- Significantly reduces the operating costs of the asset.

**1.10.3** All tangible fixed assets are expressed at their current value through the application of the Modified Historical Cost Accounting Convention (MHCA). In accordance with the JFRm, historical cost carrying amounts are not disclosed. The valuation of all tangible fixed assets should be current value, which is the lower of replacement cost and recoverable amount, which is the higher of net realisable value and value in use. Where value in use cannot be measured in terms of income it is assumed to be at least equal to the cost of replacing the service potential provided by the asset. In certain circumstances depreciated historical cost is used as a proxy for current value.

**1.10.4** Finance costs incurred during the construction of tangible fixed assets are not capitalised.

**1.10.5** Assets under construction are valued at cost and are not depreciated. On completion, they are transferred from Assets Under Course of Construction into the appropriate asset category.

**1.10.6** Property assets are valued in accordance with FRS 15. An external valuation is performed by a RICS qualified valuer every 5 years. Interim valuations are performed after 3 years. Revaluation gains are recorded in the revaluation reserve. Downward revaluations are recorded in the revaluation reserve to the extent that they reverse previous upward revaluations. Downward revaluations below the original carrying value of the asset are recorded in the Operating Cost Statement.

**1.10.7** Depreciation is provided on a straight line basis over the anticipated useful lives of the assets. The principal asset categories and their range of useful economic lives are outlined below:

<b>Asset Category</b>	<b>Life</b>
Property held for disposal	Not depreciated
Land	Not depreciated
Buildings and Social Housing	Up to 75 years
Other Structures	Up to 250 years
Plant, Machinery and Fittings	3 to 50 years
Transport Equipment	2 to 20 years
IT equipment and software	3 to 10 years

Operational Heritage Assets are included within the principal asset category to which they relate.



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## **1.11 Infrastructure assets**

**1.11.1** Infrastructure assets represent the road network, the foul and surface water network and the Island's sea defence network. The road network consists of carriageways, including earthworks; tunnelling and road pavements; roadside communications and land within the perimeter of highways. Non-network assets include bridges and other structures. The foul and surface water network consists of foul sewers, surface water sewers, combined sewers and rising mains. Non-network assets include pumping stations and associated land and plant/machinery, and the Bellozanne and Bonne Nuit Sewage Treatment Works. The Sea Defences network consists of walls, slipways and outfalls. Non-network assets include harbours and quays. Non-network assets are accounted for under their respective fixed asset categories.

**1.11.2** Network assets, which are intended to be maintained at a specific level of service potential by continuing replacement and refurbishment, are valued at depreciated replacement cost. Annual valuations of infrastructure assets are performed by professional valuers.

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

**1.11.4** The annual depreciation charge for infrastructure 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.

## **1.12 Donated assets**

**1.12.1** Donated assets are capitalised at their current valuation on receipt and are revalued/depreciated on the same basis as purchased assets. The amount capitalised is credited to the Donated Assets Reserve.

**1.12.2** The Donated Assets Reserve represents the value of the original donation and any subsequent revaluation. Amounts equal to the donated asset depreciation charge, impairment costs and any in-year surplus/deficit on disposal are released from this reserve to the Operating Cost Statement.

## **1.13 Heritage assets**

**1.13.1** Heritage assets are those assets that are intended to be preserved in trust for future generations because of their cultural, environmental or historical associations. Non-operational assets are those held primarily for this purpose. Operational heritage assets are those that are also used for other activities or to provide other services. Heritage assets include historical buildings and works of art.

# Appendix 1

**1.13.2** Operational heritage assets are valued in the same way as other assets of that general type. Non-operational heritage assets are valued as follows:

- Where purchased within the accounting period, at cost;
- Where there is a market in assets of that type, at the lower of depreciated replacement cost and net realisable value; or
- Where there is no market, at depreciated replacement cost unless the asset could not or would not be physically reconstructed or replaced in which case at nil.

**1.13.3** There are some instances where valuation of non-operational heritage assets may not be practicable or appropriate. In these cases the asset is carried at a value of nil.

## **1.14 Impairment**

**1.14.1** Fixed assets are subject to review for impairment in accordance with FRS 11, 'Impairment of Fixed Assets and Goodwill'. Any impairment is recognised in the profit and loss account in the year in which it occurs.

## **1.15 Disposal of Fixed Assets**

**1.15.1** Property assets identified for disposal are included in the Balance Sheet at market value less provision for selling costs, with any write down in value to the net recoverable amount being charged to the Operating Cost Statement as an impairment. On subsequent sale the surplus or deficit is included in the Operating Cost Statement.

## **1.16 Grants**

**1.16.1** Revenue grants received and all grants made are recognised in the Operating Cost Statement so as to match the underlying event or activity that gives rise to a liability.

**1.16.2** Where a grant is received as a contribution towards the cost of a fixed asset the grant is credited to the capital grant reserve and released to the Operating Cost Statement as grant income over the useful economic life of the asset. On disposal of an asset financed by a grant the remaining balance on the capital grant reserve is recognised as grant income in the year of disposal.

# Appendix 1

## **1.17 Pensions**

- 1.17.1** The States of Jersey operates two principal pension schemes for certain of its employees (Public Employees' Contributory Retirement Scheme and Teachers' Superannuation Fund). In addition two further pension schemes exist, the Jersey Post Office Pension Fund (JPOPF) and the Discretionary Pension Scheme (DPS). The JPOPF, which relates to Jersey Post International Limited (a wholly owned strategic investment), is closed to new members. The DPS has only one member and is not open to new members. The assets are held in separate funds.
- 1.17.2** The JPOPF and the DPS are accounted for as conventional defined benefit schemes in accordance with FRS17.
- 1.17.3** The Public Employees' Contributory Retirement Scheme and Teachers' Superannuation Fund, whilst final salary schemes, are not conventional defined benefit schemes as the employer is not responsible for meeting any ongoing deficiency in the schemes. These schemes are therefore accounted for as defined contribution schemes.
- 1.17.4** Employer contributions to the schemes are charged to the Operating Cost Statement in the year they are incurred.
- 1.17.5** In agreeing P190/2005 the States confirmed responsibility for the past service liability which arose from restructuring of the PECRS arrangements with effect from 1 January 1988. This liability is recognised in the accounts.
- 1.17.6** The Teachers' Superannuation Scheme was restructured in April 2007. The restructured scheme mirrors the Public Employees' Contributory Retirement Scheme. As a result the FRS17 defined benefit based liability reflected in the 2006 accounts has been removed. A provision for past service liability, similar to the PECRS pre-87 past service liability, has been recognised, although this has not yet been agreed with the Scheme's board of management.
- 1.17.7** Information on the schemes is presented in the accounts, reflecting the cost of the schemes to the States as the employer. In particular, information specified in Financial Reporting Standard 17 is disclosed in a note to the accounts. As both these schemes limit the liability of the States as the employer, scheme surpluses or deficits are only recorded within the States' accounts to the extent that they belong to the States.
- 1.17.8** Where appropriate, as detailed in the preceding paragraphs, actuarial gains and losses arising in the year from the difference between the actual and expected returns on pension scheme assets, experience gains and losses on pension scheme liabilities and the effects of changes in demographics and financial assumptions are included in the statement of total recognized gains and losses only in so far as they belong to the States. This applies only to the JPOPF and DPS.

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**1.17.9** For the JPOPF and DPS pension scheme assets are measured using market values and scheme liabilities are measured using the projected unit credit method, discounted at the current rate of return on a high quality bond of equivalent term and currency to the liability.

## **1.18 Stock and Work in Progress**

**1.18.1** Stock and Work in Progress are valued at the lower of cost and net realisable value.

**1.18.2** Stock held for distribution at no/nominal charge and stock held for consumption in the production process of goods to be distributed at no/nominal charge are valued at the lower of cost and current replacement cost.

**1.18.3** Where a reduction in the carrying value of stock held is identified, the value of the stock is written down and the cost charged to the Operating Cost Statement.

**1.18.4** Currency not issued is accounted for as stock at the lower of cost and net realisable value.

**1.18.5** Stock includes development assets held by the Waterfront Enterprise Board.

## **1.19 Currency in Circulation**

**1.19.1** Under the Currency Notes (Jersey) Law 1959 the States produces and issues bank notes and coins. These are accounted for at cost, as stock until they are formally issued by the Treasury & Resources Department. They are then accounted for as issued currency at face value. Issued currency is either held at the Treasury or in circulation. At the end of its useful life, currency is removed from circulation and destroyed, at which time its value is written off.

## **1.20 Long term debtors**

**1.20.1** Long term debtors are carried at amortised cost less provision for any permanent diminution in value.

## **1.21 Third Party Assets**

**1.21.1** The States of Jersey holds certain monies and other assets on behalf of third parties. These are not recognised in the accounts since the States of Jersey does not have a direct beneficial interest in them. Where assets have been seized following a court confiscation order, these are held within the Criminal Offences Confiscation Fund, Civil Assets Recovery Fund or the Drug Trafficking Confiscation Fund which are consolidated into the group results of the States of Jersey.

# Appendix 1

## Section 3

### 24d Reconciliation of 2009 Operating Cost Statement to GAAP Operating Cost Statement for 2009

	Existing basis	1a	1b	2	3	4	5	6	7	GAAP position	
	£'000	Old Asset Treatment	New Asset Treatment	Restatement of WEB balances	Change to group boundary	Capital Grants	Valuation of Strategic Investments	Other adjustments	Gross £'000	Eliminations	£'000
<b>Revenue</b>											
<b>Levied by the States of Jersey</b>											
Taxation revenue	(558,474)	-	-	-	-	-	-	-	(558,474)	-	(558,474)
Island rates, duties, fees, fines and penalties	(92,844)	-	-	(40)	-	-	-	-	(92,884)	10	(92,874)
<b>Total Revenue Levied by the States of Jersey</b>	<b>(651,318)</b>	<b>-</b>	<b>-</b>	<b>(40)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(651,358)</b>	<b>10</b>	<b>(651,348)</b>
<b>Earned through Operations</b>											
Sales of goods and services	(153,212)	-	-	83	-	-	-	(1,952)	(155,081)	22,331	(132,750)
Investment income	(27,882)	-	-	(29)	-	-	-	-	(27,911)	1,272	(26,639)
Other revenue	(32,130)	-	-	(86)	-	4,178	-	(1,072)	(29,110)	9,159	(19,951)
<b>Total Revenue Earned through Operations</b>	<b>(213,224)</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(29)</b>	<b>4,178</b>	<b>-</b>	<b>(3,024)</b>	<b>(212,102)</b>	<b>32,762</b>	<b>(179,340)</b>
<b>Total Revenue</b>	<b>(864,542)</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>(69)</b>	<b>4,178</b>	<b>-</b>	<b>(3,024)</b>	<b>(863,460)</b>	<b>32,772</b>	<b>(830,688)</b>
<b>Operating Expenditure</b>											
Social Benefit Payments	162,600	-	-	-	-	-	-	-	162,600	(2)	162,598
Staff costs	327,149	-	-	-	-	-	-	(58)	327,091	(166)	326,925
Other Operating expenses	193,609	65	-	-	8,046	-	-	3,082	204,802	(26,107)	178,695
Grants and Subsidies payments	39,425	-	-	-	4,298	2,812	-	-	46,535	(7,299)	39,236
Capital Charge/Depreciation	45,689	(38,996)	49,809	(2,019)	-	(5,000)	-	-	49,483	-	49,483
Finance costs	6,673	-	-	-	-	-	-	-	6,673	(1,333)	5,340
<b>Total Operating Expenditure</b>	<b>775,145</b>	<b>(38,931)</b>	<b>49,809</b>	<b>(2,019)</b>	<b>12,344</b>	<b>(2,188)</b>	<b>-</b>	<b>3,024</b>	<b>797,184</b>	<b>(34,907)</b>	<b>762,277</b>
<b>Non-Operating Expenditure</b>											
Net foreign-exchange losses	556	-	-	-	-	-	-	-	556	-	556
Movement in pension liability	23,682	-	-	-	-	-	-	-	23,682	-	23,682
(Gains)/Losses on disposal of assets	(10,362)	(1,371)	9,818	3	-	-	-	-	(1,912)	-	(1,912)
<b>Total Non-Operating Expenditure</b>	<b>13,876</b>	<b>(1,371)</b>	<b>9,818</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,326</b>	<b>-</b>	<b>22,326</b>
<b>Total Expenditure</b>	<b>789,021</b>	<b>(40,302)</b>	<b>59,627</b>	<b>(2,016)</b>	<b>12,344</b>	<b>(2,188)</b>	<b>-</b>	<b>3,024</b>	<b>819,510</b>	<b>(34,907)</b>	<b>784,603</b>
<b>Revenue less Expenditure</b>	<b>(75,521)</b>	<b>(40,302)</b>	<b>59,627</b>	<b>(2,019)</b>	<b>12,275</b>	<b>1,990</b>	<b>-</b>	<b>-</b>	<b>(43,950)</b>	<b>(2,135)</b>	<b>(46,085)</b>

# Appendix 1

## Section 3

### 24e Reconciliation of 2009 Balance Sheet to GAAP Balance Sheet for 2009

	Existing basis	1a	1b	2	3	4	5	6	7	GAAP position	
	£'000	Old Asset Treatment	New Asset Treatment	Restatement of WEB balances	Change to group boundary	Capital Grants	Valuation of Strategic Investments	Other adjustments	Gross £'000	Eliminations	£'000
<b>Tangible and Intangible Fixed Assets</b>	905,073	(713,746)	2,512,884	(4,239)	-	159	-	-	2,700,131	-	- 2,700,131
<b>Financial Assets</b>											
Advances	18,549	-	-	-	-	-	-	-	18,549	-	18,549
Strategic Investments	88,563	-	20,000	-	168,937	-	-	-	277,500	(20,000)	257,500
Other investments	982,469	-	-	-	-	-	-	-	982,469	-	982,469
Debtors: amounts falling due after more than one year	13,986	-	-	-	-	20,701	-	-	34,687	(20,701)	13,986
<b>Total Fixed Assets</b>	<b>2,008,640</b>	<b>(713,746)</b>	<b>2,512,884</b>	<b>15,761</b>	<b>-</b>	<b>20,860</b>	<b>168,937</b>	<b>-</b>	<b>4,013,336</b>	<b>(40,701)</b>	<b>3,972,635</b>
<b>Current Assets</b>											
Stock and Work in Progress	8,056	-	-	20,197	-	-	-	-	28,253	-	28,253
Debtors	114,818	-	-	-	(2,379)	4,000	-	-	116,439	(6,616)	109,823
Cash at Bank and in Hand	62,573	-	-	-	16,089	-	-	-	78,662	-	78,662
<b>Total Current Assets</b>	<b>185,447</b>	<b>-</b>	<b>-</b>	<b>20,197</b>	<b>13,710</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>223,354</b>	<b>(6,616)</b>	<b>216,738</b>
<b>Current Liabilities</b>											
Bank overdrafts	(33,242)	-	-	-	-	-	-	-	(33,242)	-	(33,242)
Creditors	(89,217)	-	-	-	(1,706)	(4,000)	-	-	(94,923)	6,693	(88,230)
Currency in Circulation	(90,664)	-	-	-	-	-	-	-	(90,664)	-	(90,664)
<b>Total Current Liabilities</b>	<b>(213,123)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,706)</b>	<b>(4,000)</b>	<b>-</b>	<b>-</b>	<b>(218,829)</b>	<b>6,693</b>	<b>(212,136)</b>
<b>Net Current Assets / (Liabilities)</b>	<b>(27,676)</b>	<b>-</b>	<b>-</b>	<b>20,197</b>	<b>12,004</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,525</b>	<b>77</b>	<b>4,602</b>
<b>Total Assets Less Current Liabilities</b>	<b>1,980,964</b>	<b>(713,746)</b>	<b>2,512,884</b>	<b>35,958</b>	<b>12,004</b>	<b>20,860</b>	<b>168,937</b>	<b>-</b>	<b>4,017,861</b>	<b>(40,624)</b>	<b>3,977,237</b>
<b>Long Term Liabilities</b>											
Finance Lease Obligations	(16,924)	-	-	-	-	-	-	-	(16,924)	-	(16,924)
PECRS Pre-1987 Past Service Liability	(246,643)	-	-	-	-	-	-	-	(246,643)	-	(246,643)
Provision for JTSF Past Service Liability	(103,100)	-	-	-	-	-	-	-	(103,100)	-	(103,100)
Defined Benefit Pension Schemes Net Liability	(1,542)	-	-	-	-	-	-	-	(1,542)	-	(1,542)
Provisions for liabilities and charges	(4,090)	-	-	-	(9,825)	-	-	-	(13,915)	-	(13,915)
Other Long Term Liabilities	(8,351)	-	8,351	-	-	(20,701)	-	-	(20,701)	20,701	-
<b>Total Long Term Liabilities</b>	<b>(380,650)</b>	<b>-</b>	<b>8,351</b>	<b>-</b>	<b>(9,825)</b>	<b>(20,701)</b>	<b>-</b>	<b>-</b>	<b>(402,825)</b>	<b>20,701</b>	<b>(382,124)</b>
<b>Net Assets</b>	<b>1,600,314</b>	<b>(713,746)</b>	<b>2,521,235</b>	<b>35,958</b>	<b>2,179</b>	<b>159</b>	<b>168,937</b>	<b>-</b>	<b>3,615,036</b>	<b>(19,923)</b>	<b>3,595,113</b>
<b>Reserves: Accumulated Revenue and Reserve Balances</b>	<b>1,600,314</b>	<b>(713,746)</b>	<b>2,521,235</b>	<b>35,958</b>	<b>2,179</b>	<b>159</b>	<b>168,937</b>	<b>-</b>	<b>3,615,036</b>	<b>(19,923)</b>	<b>3,595,113</b>

# Appendix 1

## Section 4

### Entities Included within the States of Jersey Group Boundary

#### Consolidated Fund Entities

#### Ministerial Departments

- Chief Minister's Department
- Economic Development Department
- Education, Sport & Culture Department
- Health & Social Services Department
- Home Affairs Department
- Housing Department
- Planning and Environment Department
- Social Security Department
- Transport and Technical Services Department
- Treasury and Resources Department

#### Non-Ministerial Bodies

- Overseas Aid Commission
- Bailiff's Chambers
- Law Officers' Department
- Judicial Greffe
- Viscount's Department
- Official Analyst
- Office of the Lieutenant Governor
- Office of the Dean of Jersey
- Data Protection Commission
- Probation
- Comptroller and Auditor General

#### The States Assembly and its Services

[Including Assemblée Parlementaire de la Francophonie - Jersey Branch]

#### States Trading Operations

- Jersey Airport
- Jersey Harbours
- Jersey Car Parks
- Jersey Fleet Management

# Appendix 1

## **Separately Constituted Funds/Reserves (including Special Funds established under Article 3 of the Public Finances Law)**

- Strategic Reserve
- Stabilisation Fund
- Currency Fund (comprising Jersey Currency Notes and Jersey Coinage)
- Dwelling Houses Loan Fund
- Assisted House Purchase Scheme
- 99 Year Lease
- Agricultural Loans Fund
- Tourism Development Fund
- Channel Islands Lottery (Jersey) Fund
- Housing Development Fund
- Criminal Offences Confiscation Fund
- Drug Trafficking Confiscation Fund
- Civil Asset Recovery Fund
- Fishfarmer Loan Scheme (Dormant)
- ICT Fund (Dormant)

## **Subsidiary Companies**

- Waterfront Enterprise Board Limited (including subsidiary companies)
- States of Jersey Investments Limited

## **Minor Bodies**

The following entities fall within the group boundary, but are immaterial to the financial statements as a whole, and have not been consolidated (see GAAP Accounting Policy 3.1.1).

- Commonwealth Parliamentary Association (Jersey Branch)
- Bureau de Jersey Limited
- States of Jersey Dental Scheme
- Jersey Legal Information Board
- Pilot Boat Reserve Fund

Any funding received by these bodies from a department is included as an expense in the relevant department.



# Appendix 2

## States of Jersey Grants

### Chief Minister's Department:

Grantee	Description of Grant	Amount
Alliance Française	Development of Jersey/ France relations - promoting French language and culture	12,000
<b>Total Chief Minister's Department</b>		<b>12,000</b>

### Channel Islands Lottery Fund:

Grantee	Description of Grant	Amount
Association of Jersey Charities	Various registered Jersey Charities	305,792
<b>Total Channel Islands Lottery Fund</b>		<b>305,792</b>

### Tourism Development Fund:

Grantee	Description of Grant	Amount
Jersey Tourism Department	Upgrade to network	3,993
Jersey Tourism Department	Green initiative with industry partners	7,790
Jersey Tourism Department	Assistance to the Tourism industry by way of additional marketing	250,000
Parish of St Brelade	Assistance with lighting	2,519
Jersey Heritage Trust	Creation of voice tours for facilities	15,000
Jersey Harbours	Promotion of the 2009 Boat Show	8,801
Branchage Film Festival	Year 2 of the Branchage Film Festival	30,000
Jersey Fencing Association	International Veteran fencing tournament	1,500
Durrell	Project management of new developments	50,000
Return of Funds from Completed TDF projects		(6,990)
Tourism Development Fund:grants to other States Departments		53,747
<b>Total Tourism Development Fund</b>		<b>416,360</b>

### Economic Development:

Grantee	Description	Amount
Area Payments to Individuals	Area Payments support to underpin a base level of farming activity in the countryside. Financial details supplied under conditionality.	189,957
Bizzy Lizzy Nurseries Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	491
Clamer Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	629

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La Mare Vineyards Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	788
Fauvic Nurseries Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	833
Ocean Dream Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	1,178
Bon Air Stables	Area Payments support to underpin a base level of farming activity in the countryside.	1,232
CAF Engineering Limited	Area Payments support to underpin a base level of farming activity in the countryside.	1,246
Le Rendu & Son Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	1,707
Bayview Livery Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	1,729
East Riding Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	1,936
Happy Hens Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	2,010
Person & Friere Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	2,227
La Pompe Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	2,567
Beuvelande Enterprises Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	2,752
Aigretmont Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	2,886
Rondel Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	3,119
CS Conservation	Area Payments support to underpin a base level of farming activity in the countryside.	3,552
Devon Villa (1991) Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	4,226
Vermont Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	4,411
Homefield Growers Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	4,812
Cross Cottage Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	4,925
Cross Cottage Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	8,046
Cowley Farm Ltd	Farming activity payments, support in the countryside.	17,690
Cowley Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	31,028
Rozel Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	5,260

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Les Cotils Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	5,724
Anneville Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	6,141
D A Richardson Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	6,508
Bel Val Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	6,991
D J Farming Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	7,259
D J Farming Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	5,609
Gold Leaf Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	7,324
Gold Leaf Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	15,208
La Ferme Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	7,360
La Ferme Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	49,953
Freedom Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	8,842
Freedom Farms Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	16,134
Printemps Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	8,982
Le Gresley Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	9,415
Le Gresley Farms Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	12,179
Le Gresley Farms Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	73
J & S Growers (2009) Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	9,709
Didier Hellio Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	10,158
C & A Jersey Royals Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	10,251
St Lawrence Growers Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	11,184
Trinity Manor Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	11,439
Trinity Manor Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	31,014

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Trinity Manor Farm Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	146
Meadow Vale Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	13,904
Meadow Vale Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	30,568
Labey Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	14,261
Classic Herd Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	14,527
Classic Herd Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	9,692
Chalet Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	15,948
Chalet Jersey Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	73
Chalet Jersey Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	45,334
Lodge Farm Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	16,117
Lodge Farm Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	38,272
Lodge Farm Ltd	Rural Initiative Scheme provides support for innovation and business diversification	350
Somerleigh Farms 1996 Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	26,034
Meleches 2007 Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	29,317
Master Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	30,198
Master Farms Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	16,104
Master Farms Ltd	Rural Initiative Scheme provides support for innovation and business diversification	18,621
Master Farms Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	73
Fosse Au Bois Growers Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	38,137
Woodside Farms Ltd	Area Payments support to underpin a base level of farming activity in the countryside.	41,143
Woodside Farms Ltd	Rural Initiative Scheme provides support for innovation and business diversification for Island Use	50,000

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Woodside Farms Ltd	Rural Initiative Scheme provides support for innovation and business diversification	94,888
Amal-Grow Limited	Area Payments support to underpin a base level of farming activity in the countryside.	41,273
The Jersey Royal Company	Area Payments support to underpin a base level of farming activity in the countryside.	302,799
Royal Jersey Agricultural & Horticultural Society	Sales Level Agreement in place for services to support the dairy industry (bull proving, artificial insemination etc)	227,652
R Le B Ltd	Farming activity payments, support in the countryside.	18,422
R Le B Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	41,894
R Le B Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	73
Le Hurel Farm (Trinity) Ltd	Quality Milk Payment - to support Dairy Industry Recovery Programme	24,288
Quality Milk Payments to individuals	Quality Milk Payment - transitional support to allow the industry to implement their Dairy Industry Recovery Programme	284,179
Jersey Dairy	Provision of milk to primary schools. Sales Level Agreement in place.	168,791
Jersey Products Promotion Ltd	Support for promoting Jersey products e.g. Genuine Jersey. Sales Level Agreement in place.	134,642
Brooklands Farm	Rural Initiative Scheme provides support for innovation and business diversification	8,911
Grass Roots Organic	Rural Initiative Scheme provides support for innovation and business diversification	5,751
Hamptonne Farm Hens Ltd	Rural Initiative Scheme provides support for innovation and business diversification	42,468
Jersey Fishermans Association	Rural Initiative Scheme provides support for innovation and business diversification	11,048
Jersey Honeybee Development	Rural Initiative Scheme provides support for innovation and business diversification	3,753
Magic Touch	Rural Initiative Scheme provides support for innovation and business diversification	148
Promotional Fabrics Ltd	Rural Initiative Scheme provides support for innovation and business diversification	3,632
Opex Exhibition	Rural Initiative Scheme provides support for innovation and business diversification	906
Stanco	Rural Initiative Scheme provides support for innovation and business diversification	1,627
Vegware	Rural Initiative Scheme provides support for innovation and business diversification	354
Recovery Management Services Ltd	Rural Initiative Scheme provides support for innovation and business diversification	8,000

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Southern Rocks Fisheries Ltd	Rural Initiative Scheme provides support for innovation and business diversification	32,352
Meadow Vale Farm Ltd	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	218
Institute of Law	Grant for set up costs and Study Guide development - one off grant funding	120,000
A A Rive Limited	Grants to employers in respect of Apprentices employed	1,163
A S C Builders	Grants to employers in respect of Apprentices employed	1,720
A T C & Son	Grants to employers in respect of Apprentices employed	750
Air Heating & Manufacturing	Grants to employers in respect of Apprentices employed	255
Alan Rive Builders	Grants to employers in respect of Apprentices employed	2,860
Alex Mcaulay Ltd	Grants to employers in respect of Apprentices employed	298
Amalgamated Facilities Management	Grants to employers in respect of Apprentices employed	2,478
APR Motor Repairs	Grants to employers in respect of Apprentices employed	750
Artisan Plumbers	Grants to employers in respect of Apprentices employed	25
Aston Electrical	Grants to employers in respect of Apprentices employed	2,965
Bagot Road Garage Ltd	Grants to employers in respect of Apprentices employed	650
Bel Royal Motor Work Ltd	Grants to employers in respect of Apprentices employed	4,395
Benchmark Carpenters and Joinery	Grants to employers in respect of Apprentices employed	2,215
Brady & Gallagher (1999) Ltd	Grants to employers in respect of Apprentices employed	735
Brimbyrne Ltd	Grants to employers in respect of Apprentices employed	2,965
CAF Engineering Limited	Grants to employers in respect of Apprentices employed	3,750
Cafejac Ltd	Grants to employers in respect of Apprentices employed	750
Cameron & Sons (Jersey) Ltd	Grants to employers in respect of Apprentices employed	2,965
Case Electrical Services	Grants to employers in respect of Apprentices employed	2,215
CG Lawless Electrical Contractor	Grants to employers in respect of Apprentices employed	2,318
Chapman Hugo Ltd	Grants to employers in respect of Apprentices employed	2,895
Chevron Motor Co	Grants to employers in respect of Apprentices employed	443
Chic Salon	Grants to employers in respect of Apprentices employed	4,145
Colin Queree Carpenter & Build	Grants to employers in respect of Apprentices employed	1,853
D I S Electrical Contractors	Grants to employers in respect of Apprentices employed	5,643
Dandara Jersey Ltd	Grants to employers in respect of Apprentices employed	6,233
Dean Burnouf Ltd	Grants to employers in respect of Apprentices employed	1,383
Design Dimensions Limited	Grants to employers in respect of Apprentices employed	2,965
Dodd Design & Build	Grants to employers in respect of Apprentices employed	1,500
Eastern Joinery	Grants to employers in respect of Apprentices employed	1,058
Eclipse Hair Salon	Grants to employers in respect of Apprentices employed	1,233
Elmina Lifestyle Ltd	Grants to employers in respect of Apprentices employed	5,878
F J De La Haye & Son Joinery	Grants to employers in respect of Apprentices employed	2,895
Feel Unique	Grants to employers in respect of Apprentices employed	1,075
Finn-Decor Limited	Grants to employers in respect of Apprentices employed	3,178
Fosse Construction Ltd	Grants to employers in respect of Apprentices employed	750
Fuel Supplies (CI) Ltd	Grants to employers in respect of Apprentices employed	185
G4S Security Services (Jersey)	Grants to employers in respect of Apprentices employed	2,895

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Gary Jegou Ltd	Grants to employers in respect of Apprentices employed	750
Gelaires	Grants to employers in respect of Apprentices employed	750
Gell Electrics Ltd	Grants to employers in respect of Apprentices employed	615
Hacquoil & Cook Ltd	Grants to employers in respect of Apprentices employed	680
Heritage Joinery	Grants to employers in respect of Apprentices employed	1,220
Houze Construction Limited	Grants to employers in respect of Apprentices employed	2,235
J Beamer Decorators Ltd	Grants to employers in respect of Apprentices employed	750
Jacksons (CI) Ltd	Grants to employers in respect of Apprentices employed	5,860
JD & BMc Decorators Limited	Grants to employers in respect of Apprentices employed	2,685
Jersey Gas Company Ltd	Grants to employers in respect of Apprentices employed	1,200
John McGranahan Electrical	Grants to employers in respect of Apprentices employed	750
K & D Builders (2008) Ltd	Grants to employers in respect of Apprentices employed	750
K C Engineering Ltd	Grants to employers in respect of Apprentices employed	555
Larsen Ltd	Grants to employers in respect of Apprentices employed	3,680
Leonards Electrics	Grants to employers in respect of Apprentices employed	988
Les Ormes Golf & Leisure Club	Grants to employers in respect of Apprentices employed	750
Lotheringtons Commercial Interiors	Grants to employers in respect of Apprentices employed	2,510
M Thompson Plumbing and Heating	Grants to employers in respect of Apprentices employed	750
Malzard & Le Vesconte Ltd	Grants to employers in respect of Apprentices employed	1,498
Mel Owers (Painter & Decorator)	Grants to employers in respect of Apprentices employed	1,905
Mercury Distribution Ltd	Grants to employers in respect of Apprentices employed	750
Michael Moyse Hair Fashion	Grants to employers in respect of Apprentices employed	2,685
Michelle Hairstyles Ltd	Grants to employers in respect of Apprentices employed	5,448
MITIE Engineering Services	Grants to employers in respect of Apprentices employed	1,298
Moce Limited	Grants to employers in respect of Apprentices employed	1,963
Motor Mall	Grants to employers in respect of Apprentices employed	750
Ontime Ltd	Grants to employers in respect of Apprentices employed	2,965
P Genee Building Contractor Ltd	Grants to employers in respect of Apprentices employed	213
P M B Decorators Ltd	Grants to employers in respect of Apprentices employed	750
Planet Hair	Grants to employers in respect of Apprentices employed	2,120
Pomme d' Or Hotel	Grants to employers in respect of Apprentices employed	750
Power Protection & Security	Grants to employers in respect of Apprentices employed	750
Premier Service Marine Engineering	Grants to employers in respect of Apprentices employed	645
R & D Waller Builders Ltd	Grants to employers in respect of Apprentices employed	510
R & S Bouchard Plumbing Services	Grants to employers in respect of Apprentices employed	2,930
Raffray Ltd	Grants to employers in respect of Apprentices employed	8,770
Ray Wilkinson Builders Ltd	Grants to employers in respect of Apprentices employed	1,145
Richard Herve Plumbing & Heating	Grants to employers in respect of Apprentices employed	795
Rio Hair Salon Ltd	Grants to employers in respect of Apprentices employed	6,510
Rylance Ltd	Grants to employers in respect of Apprentices employed	1,905
Salon Elmina Ltd	Grants to employers in respect of Apprentices employed	1,198
Salon Seven	Grants to employers in respect of Apprentices employed	1,500
Smail & Richards	Grants to employers in respect of Apprentices employed	4,923
Somerville Construction	Grants to employers in respect of Apprentices employed	750
Storm Hair	Grants to employers in respect of Apprentices employed	1,500



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Syvret & Turner Ltd	Grants to employers in respect of Apprentices employed	1,500
The Creative Window & Conservatories	Grants to employers in respect of Apprentices employed	715
Toni & Guy Jersey Ltd	Grants to employers in respect of Apprentices employed	3,940
Trinity Joinery (2005) Ltd	Grants to employers in respect of Apprentices employed	855
United Electrical Contractors	Grants to employers in respect of Apprentices employed	2,080
Apprenticeship Grants to individuals	Grants to employers in respect of Apprentices employed	13,535
365 Tickets	Individual graduate employed - maximum of £1000 per employee	1,000
Abbey National International	Individual graduate employed - maximum of £1000 per employee	2,250
All Pets	Individual graduate employed - maximum of £1000 per employee	250
Alter Domus Services Ltd	Individual graduate employed - maximum of £1000 per employee	625
AM Consultancy	Individual graduate employed - maximum of £1000 per employee	1,000
B D K Architects	Individual graduate employed - maximum of £1000 per employee	875
BabyBarn	Individual graduate employed - maximum of £1000 per employee	1,000
Barnes & Collie	Individual graduate employed - maximum of £1000 per employee	100
Beaumont Structural Consultancy	Individual graduate employed - maximum of £1000 per employee	1,000
C5 Alliance Ltd	Individual graduate employed - maximum of £1000 per employee	1,000
Camerons Ltd	Individual graduate employed - maximum of £1000 per employee	2,000
Careers Jersey	Individual graduate employed - maximum of £1000 per employee	1,000
CI Travel Holdings	Individual graduate employed - maximum of £1000 per employee	500
CPA Global	Individual graduate employed - maximum of £1000 per employee	3,000
Creepy Valley Ltd	Individual graduate employed - maximum of £1000 per employee	1,000
Cronus Consultancy Ltd	Individual graduate employed - maximum of £1000 per employee	2,000
D J Hartigan & Associates	Individual graduate employed - maximum of £1000 per employee	1,000
Derek Mason Architects	Individual graduate employed - maximum of £1000 per employee	1,000
Direct Input Ltd	Individual graduate employed - maximum of £1000 per employee	750
EFG Offshore Ltd	Individual graduate employed - maximum of £1000 per employee	1,500
Elmina Hair & Beauty	Individual graduate employed - maximum of £1000 per employee	500
Geomarine Ltd	Individual graduate employed - maximum of £1000 per employee	1,000
Hall TV Ltd	Individual graduate employed - maximum of £1000 per employee	1,000
Image Group Ltd	Individual graduate employed - maximum of £1000 per employee	1,000
Jersey Arts Trust	Individual graduate employed - maximum of £1000 per employee	1,000
Jersey Careleavers Association	Individual graduate employed - maximum of £1000 per employee	575
Jersey Dairy	Individual graduate employed - maximum of £1000 per employee	750
Jersey Electricity Co Ltd	Individual graduate employed - maximum of £1000 per employee	10,642
Jersey Heritage Trust	Individual graduate employed - maximum of £1000 per employee	1,000
Jersey Hospitality Association	Individual graduate employed - maximum of £1000 per employee	1,000
Jersey Oak	Individual graduate employed - maximum of £1000 per employee	2,175
La Mare Vineyards Ltd	Individual graduate employed - maximum of £1000 per employee	1,500
Mevanna Management Services Ltd	Individual graduate employed - maximum of £1000 per employee	625
Music In Action Ltd	Individual graduate employed - maximum of £1000 per employee	1,250
National Trust For Jersey	Individual graduate employed - maximum of £1000 per employee	2,000
Radisson SAS Hotel	Individual graduate employed - maximum of £1000 per employee	1,000
Sanne Group	Individual graduate employed - maximum of £1000 per employee	1,000
Grant to Individuals	Individual graduate employed - maximum of £1000 per employee	1,000



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St Helier Town Centre Management	Individual graduate employed - maximum of £1000 per employee	1,750
The Shelter Trust	Individual graduate employed - maximum of £1000 per employee	875
Voisin & Co	Individual graduate employed - maximum of £1000 per employee	875
Creative Jersey	Grants in respect of Marine Stewardship accreditation	14,028
Jersey Hospitality Association	Bienvenue training costs for the Hospitality Sector employees	50,000
Jersey Advisory and Conciliation Service (JACS)	Grant support for JACS to deliver Employment Law training to Jersey companies	10,000
Jersey Business Venture (JBV)	Grant support to JBV to cover operational costs	130,000
Jersey Finance Ltd	Grant to market and promote the Finance Industry and provide technical assistance to Government.	2,089,975
Jersey Competition Regulatory Authority (JCRA)	Work with the JCRA to create a more competitive commercial environment through the application of the Competition (Jersey) Law, in line with the States Strategic Plan (1.2.1) (1.6.1) (1.7.1)	280,000
Jersey Consumer Council (JCC)	The JCC was created by Act of the States. The grant is awarded based on an annual business plan and it funds all functions and activities.	130,000
Jersey Conference Bureau	Grant to support the operation of the Jersey Conference Bureau	235,958
Bureau de Jersey	Grant for the operation of Bureau de Jersey in Caen	75,000
Jersey Hospitality association	Grant to support the Jersey Hospitality Association	96,000
Battle of Flowers Association	Event grant for (£145,000) plus (£50,000) for Meadow bank Roof	195,000
International Air Display	Jersey International Air Display	100,000
PGA European Tour	Jersey Senior's Classic -PGA European Tour	50,000
Payment to individuals	Glasshouse Replacement. Interest subsidy scheme	216
Over Thirty Months Scheme - Compensation Payments to individuals	Compensation scheme for cows born before 1 August 1996 (Over Thirty Months Scheme) introduced as BSE compensation 1988	593
Air Route Development - Various	Grants to airlines to support new routes	404,517
Jersey Export & Trade Initiative grants -Various	Match funding grant to support and encourage local business to identify and grow export markets	91,419
Jersey Innovation Initiative grants - Various	Match Funding grant to support the investment into innovation (products and services)	56,148
Export Development -Economic Stimulus grant - various	Grant to local companies to help develop overseas exports, and international networks.	2,806
Enterprise Grants - Economic Stimulus - various	Grant to micro businesses to support the set up costs of a new enterprise.	27,869
Economic Development grants to other States Departments		153,055
<b>Total Economic Development</b>		<b>7,022,978</b>

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## Education, Sport and Culture Department:

Grantee	Description of Grant	Amount
Commonwealth Institute	To support the operations of the of the Commonwealth Institute	500
Grants to individuals (Jersey College for Girls)	To assist students in the payment of fees	38,119
Combined Cadet Force (Victoria College)	To support the operation of the Combined Cadet Force	27,500
Victoria College Foundation	To support the operation of the School Foundation	24,166
Grants to individuals (Victoria College)	To assist students in the payment of fees	30,441
Jersey Arts Trust	To support the operations of the Jersey Arts Trust	148,647
Jersey Arts Centre	To support the operations of the Jersey Arts Centre	739,408
Jersey Opera House	To support the operations of the Jersey Opera House	1,024,447
Jersey Childcare Trust	To support the operations of the Jersey Childcare Trust	170,700
Jersey Heritage Trust	To support the operations of the Jersey Heritage Trust	3,106,326
Durrell Wildlife Conservation Trust	To support the operations of the Trust	33,000
Brook Advisory Centre	To support the operation of the Brook Advisory Centre	20,000
Child Accident Prevention (Jersey)	To support the operation of Child Accident Prevention (Jersey)	3,500
Prison Me No Way (Jersey)	To support the operation of Prison Me No Way (Jersey)	15,000
Le Don Balleine	To support the operation of Le Don Balleine	133,617
Beaulieu School	To support the operation of Beaulieu School	1,828,833
De La Salle College	To support the operation of De La Salle College	1,859,951
Convent Faithful Companions of Jesus School	To support the operation of Convent FCJ School	463,267
St George's School	To support the operation of St Georges School	189,447
St Michaels School	To support the operation of St Michaels School	402,896
Grants to individuals (Student Finance)	To assist students in meeting university interview expenses	2,755
Grants to individuals (Highlands College)	To assist students in the payment of fees	53
Jersey Academy of Music	To support cultural activities in the Island	500
Jersey Sculpture Trust	To support cultural activities in the Island	8,347
Jersey Rifle Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	199
Jersey Netball Development Committee	To support sport and leisure clubs and associations in purchasing equipment and organising activities	770
Les Creux Bowls Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	8,923
Commonwealth Games Association of Jersey	To support sport and leisure clubs and associations in purchasing equipment and organising activities	162
Jersey Spartan Athletic Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Race Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	650
Jersey Primary Schools Sports Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	18,500

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Jersey Football Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Etaille Synchro Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	1,000
Jersey Astronomy Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	300
Jersey Rugby Development Committee	To support sport and leisure clubs and associations in purchasing equipment and organising activities	15,750
Jersey Squash Racquets Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Billiards & Snooker Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	190
Jersey Table Tennis Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	25,000
Velo Sport Cycling Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	1,000
Atlantic Water Babes	To support sport and leisure clubs and associations in purchasing equipment and organising activities	1,500
Jersey Crabbe Clay Target Club	To support sport and leisure clubs and associations in purchasing equipment and organising activities	2,070
Jersey Netball Association	To support sport and leisure clubs and associations in purchasing equipment and organising activities	367
Channel Island Lawn Tennis Association	To support individuals, clubs and associations in travel to participate in sports events	6,025
Jersey Gymnastics Club	To support individuals, clubs and associations in travel to participate in sports events	1,095
Island Games Association of Jersey	To support individuals, clubs and associations in travel to participate in sports events	10,832
Jersey Badminton Association	To support individuals, clubs and associations in travel to participate in sports events	3,615
Jersey Spartan Athletic Club	To support individuals, clubs and associations in travel to participate in sports events	7,930
Jersey Motor Cycle & Light Car Club	To support individuals, clubs and associations in travel to participate in sports events	4,525
Jersey Netball Association	To support individuals, clubs and associations in travel to participate in sports events	2,649
Jersey Muzzle Loader & Antique Firearms Association	To support individuals, clubs and associations in travel to participate in sports events	895
Jersey Sports Association for the Disabled	To support individuals, clubs and associations in travel to participate in sports events	5,715
Jersey Secondary School Sports Association	To support individuals, clubs and associations in travel to participate in sports events	34,000

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Royal Jersey Golf Club	To support individuals, clubs and associations in travel to participate in sports events	69
Regent Gymnastic Club	To support individuals, clubs and associations in travel to participate in sports events	4,025
Velo Sport Cycling Club	To support individuals, clubs and associations in travel to participate in sports events	40
Jersey Triathlon Club	To support individuals, clubs and associations in travel to participate in sports events	2,317
Jersey Indoor Bowling Association	To support individuals, clubs and associations in travel to participate in sports events	905
Regent Skating Club	To support individuals, clubs and associations in travel to participate in sports events	2,090
St Catherine's Sailing Club	To support individuals, clubs and associations in travel to participate in sports events	5,160
The Kennel Club Of Jersey	To support individuals, clubs and associations in travel to participate in sports events	605
Jersey Squash Racquets Association	To support individuals, clubs and associations in travel to participate in sports events	155
Jersey Horse Driving Society	To support individuals, clubs and associations in travel to participate in sports events	910
Jersey Leonis ABC	To support individuals, clubs and associations in travel to participate in sports events	1,365
Jersey Clay Target Shooting Association	To support individuals, clubs and associations in travel to participate in sports events	785
Jersey Shooting Federation	To support individuals, clubs and associations in travel to participate in sports events	2,550
Jersey Rifle Association	To support individuals, clubs and associations in travel to participate in sports events	2,865
Jersey Hockey Development Association	To support individuals, clubs and associations in travel to participate in sports events	6,240
Jersey Small-bore Shooting Association	To support individuals, clubs and associations in travel to participate in sports events	530
Royal Jersey Ladies Golf Club	To support individuals, clubs and associations in travel to participate in sports events	35
Jersey Dressage Group	To support individuals, clubs and associations in travel to participate in sports events	2,705
Caesarean Cycling Club	To support individuals, clubs and associations in travel to participate in sports events	2,280
Jersey Cricket Board	To support individuals, clubs and associations in travel to participate in sports events	5,060
St Lawrence Charity Horse Show	To support individuals, clubs and associations in travel to participate in sports events	80
Jersey Hockey Association	To support individuals, clubs and associations in travel to participate in sports events	13,430
Jersey Surf Kayak Club	To support individuals, clubs and associations in travel to participate in sports events	270

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Jersey Tenpin Bowling Assoc	To support individuals, clubs and associations in travel to participate in sports events	1,005
Jersey Fencing Club	To support individuals, clubs and associations in travel to participate in sports events	630
Jersey Softball Association	To support individuals, clubs and associations in travel to participate in sports events	2,295
Jersey Rowing Club	To support individuals, clubs and associations in travel to participate in sports events	1,215
Jersey Riding Club	To support individuals, clubs and associations in travel to participate in sports events	865
Pisces ABC	To support individuals, clubs and associations in travel to participate in sports events	180
British Show Jumping Association	To support individuals, clubs and associations in travel to participate in sports events	2,165
The Alsatian GSD Training Club	To support individuals, clubs and associations in travel to participate in sports events	60
Jersey Motor Cycle and Light Car Club	To support individuals, clubs and associations in travel to participate in sports events	120
A I B Tigers	To support individuals, clubs and associations in travel to participate in sports events	12,900
Jersey Volleyball Association	To support individuals, clubs and associations in travel to participate in sports events	2,665
Jersey Aquatic Rescue Club	To support individuals, clubs and associations in travel to participate in sports events	2,185
Jersey Island Fencing Union	To support individuals, clubs and associations in travel to participate in sports events	190
Jersey Waterpolo Association	To support individuals, clubs and associations in travel to participate in sports events	725
Jersey Squash Development Fund	To support individuals, clubs and associations in travel to participate in sports events	210
Bowls Jersey	To support individuals, clubs and associations in travel to participate in sports events	3,770
Jersey Youth Bowling Club	To support individuals, clubs and associations in travel to participate in sports events	560
Jersey Rugby Association	To support individuals, clubs and associations in travel to participate in sports events	16,850
Jersey Junior Golf Foundation	To support individuals, clubs and associations in travel to participate in sports events	420
Archers of Jersey	To support individuals, clubs and associations in travel to participate in sports events	1,395
Jersey Billiards & Snooker Association	To support individuals, clubs and associations in travel to participate in sports events	950
All Round Kenpo Martial Arts Club	To support individuals, clubs and associations in travel to participate in sports events	1,520
Jersey Table Tennis Association	To support individuals, clubs and associations in travel to participate in sports events	1,530

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C I Federation of Freshwater Anglers	To support individuals, clubs and associations in travel to participate in sports events	150
Jersey Judo Squad	To support individuals, clubs and associations in travel to participate in sports events	950
Jersey Chess Club	To support individuals, clubs and associations in travel to participate in sports events	380
Jersey Bobsleigh Club	To support individuals, clubs and associations in travel to participate in sports events	650
Jersey Capoeira Association	To support individuals, clubs and associations in travel to participate in sports events	190
Jersey Table Tennis Association	To support individuals, clubs and associations in travel to participate in sports events	880
De Mond Gymnastic Academy	To support individuals, clubs and associations in travel to participate in sports events	2,590
Regent Shooting Club	To support individuals, clubs and associations in travel to participate in sports events	190
Jersey Lifesaving Club	To support individuals, clubs and associations in travel to participate in sports events	1,425
Grants to Individuals (Sport Advisory)	To support individuals, clubs and associations in travel to participate in sports events	5,404
Jersey Netball Development Committee	To support sport and leisure clubs and associations in the organisation of on-Island events	1,908
Classic & Vintage Motor Club	To support sport and leisure clubs and associations in the organisation of on-Island events	2,000
Island Games Association of Jersey	To support sport and leisure clubs and associations in the organisation of on-Island events	1,500
International Sport & Leisure	To support sport and leisure clubs and associations in the organisation of on-Island events	276
Jersey Motor Cycle & Light Car Club	To support sport and leisure clubs and associations in the organisation of on-Island events	1,000
Jersey Cricket Coaches Association	To support sport and leisure clubs and associations in the organisation of on-Island events	1,200
Jersey Primary Schools Football Association	To support sport and leisure clubs and associations in the organisation of on-Island events	2,070
Tigers (Jersey) Swimming Club	To support sport and leisure clubs and associations in the organisation of on-Island events	400
St John Ambulance	To support sport and leisure clubs and associations in the organisation of on-Island events	4,000
Jersey Triathlon Club	To support sport and leisure clubs and associations in the organisation of on-Island events	2,500
Jersey Clay Target Shooting Association	To support sport and leisure clubs and associations in the organisation of on-Island events	2,625
Jersey Hockey Association	To support sport and leisure clubs and associations in the organisation of on-Island events	455

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St Peter's School	To support sport and leisure clubs and associations in the organisation of on-Island events	109
Jersey Surfboard Club	To support sport and leisure clubs and associations in the organisation of on-Island events	4,267
Bowls Jersey	To support sport and leisure clubs and associations in the organisation of on-Island events	1,768
Jersey Volleyball Association	To support sport and leisure clubs and associations in the organisation of on-Island events	3,500
Jersey Billiards & Snooker Association	To support sport and leisure clubs and associations in the organisation of on-Island events	500
National Nines Open Championships	To support sport and leisure clubs and associations in the organisation of on-Island events	2,500
The Art of Air	To support sport and leisure clubs and associations in the organisation of on-Island events	3,340
Victoria College	To support sport and leisure clubs and associations in the organisation of on-Island events	95
Jersey Cricket Board	To support sport and leisure clubs and associations in the organisation of on-Island events	960
Jersey Fencing Club	To support sport and leisure clubs and associations in the organisation of on-Island events	1,950
Grants to Individuals (Festivals and Events)	To support sport and leisure clubs and associations in the organisation of on-Island events	3,339
Maximum Fitness	Subsidy provided to concession	3,802
Serco (Jersey) Ltd	Subsidy in respect of the operation of the Waterfront Pool	455,866
Jersey Youth Trust	To support youth activities in the Island	3,557
Communicare Centre	To support youth activities in the Island	20,530
St Peters Youth Club	To support youth activities in the Island	7,500
Trinity Youth Club	To support youth activities in the Island	2,500
St Lawrence Youth Club	To support youth activities in the Island	2,500
St Ouens Youth Club	To support youth activities in the Island	2,500
La Motte Street Youth Centre	To support youth activities in the Island	500
Girl guiding Jersey	To support youth activities in the Island	4,500
Jersey Scout Association	To support youth activities in the Island	4,500
St Johns Youth Club	To support youth activities in the Island	2,500
St Mary's Youth Club	To support youth activities in the Island	1,500
Private Sector Nursery Providers	To provide pre-school learning through the Nursery Education Fund	444,904
<b>Total Education, Sport and Culture Department</b>		<b>11,591,186</b>

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## Health & Social Security Department:

Grantee	Description of Grant	Amount
Family Nursing Services & Home Care Grant	To deliver home care, district nursing, child & family nursing services	5,964,257
Shelter Trust	To deliver outreach, hostels, drunk & incapable unit & resettlement services	661,436
Les Amis Grant	Residential supported living and residential short breaks/respite for H&SS referred adults with a learning disability	624,559
Jersey Brook Adv. Centre Grant	To deliver contraceptive clinics, counselling, condom distribution, STI services for under 21's	275,350
Brig-Y-Don	Part funding of residential care services provided by children's home - ceased August 2009	236,782
Citizen's Advice Bureau Grant	To provide information and advice to members of the public	212,383
Women's Refuge	To provide temporary safe accommodation for women & children, helpline, guidance, support & counselling services	194,513
Alcohol Advice Centre Grant	To provide accommodation & support, residential & rehab & client support	185,327
NEMO	Contribution to the costs of provision of hostel for homeless adults	160,819
Jersey Mencap Society	To provide residential support for children with learning disabilities	141,078
Jersey Employment Trust	Staff & non-staff costs incurred in providing employment for special needs clients	134,432
Jersey Focus on Mental Health	Provision of residential home, respite bed, wardened units & flats and advocacy service.	115,044
Aids Care Education & Training Grant	To provide outreach support, parenting programme & community project - terminated October 2009	62,333
Jersey Care Leavers Association	To set up and run the administration for the JCLA	47,743
Jersey Homeless Outreach Group.	To provide an outreach service for rough sleepers	36,581
Relate Grant	Provision of counselling on relationship and sexual problems	31,456
Headway	Contribution to costs of drop in centre	26,928
Eastern Good Companions Grant	Provision of day care sessions, activities for day care clients, transport & catering	18,333
Good Companions Journeaux Street.	Provision of day care sessions, activities for day care clients, transport & catering	18,333
Age Concern Jersey	Provision of a frozen meals delivery service and transport of patients	15,759
Alzheimer's Society Grant	Provision of day care, assistance to carers, training residential homes & H&SS, carers support, and outreach	13,470
Jersey Family Mediation Service.	Provision of service to separating or divorced couples to assist in reaching agreements	11,368
Communicare Grant	Provide use of hall for daycare, volunteers for staffing, and transport for clients	8,079



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Hyperbaric Treatment Centre	Contribution towards specific costs of the hyperbaric treatment centre	7,688
Arts in Health Care Trust	To provide access to the arts for individuals with health, mobility or special needs	4,203

**Total Health & Social Security Department** **9,208,254**

## Home Affairs Department:

Grantee	Description of Grant	Amount
Community Relations Trust	Contribution to annual running costs.	27,500
ACET	Provision of HIV, HBV and HCV prevention education, training and support for staff and prisoners in the Jersey Prison Service.	50,000
Victim Support Jersey	Contribution to annual running costs.	30,000
Prison Me No Way	To support the operation of Prison Me No Way (Jersey)	15,000
Jersey Sea Cadets	Contribution to annual running costs.	10,000
Jersey Air Training Corps	Contribution to annual running costs.	10,000
Combined Cadet Force	Contribution to annual running costs.	10,000

**Total Home Affairs Department** **152,500**

## Housing Department:

Grantee	Description of Grant	Amount
Prison Me No Way	To support the operation of Prison Me No Way (Jersey)	15,000
St Helier Community in Bloom	Sponsorship of Category in 2009 Garden Competition	250
Convent Court Community Room	Grant for laptop	150

**Total Housing Department** **15,400**

## Planning & Environment Department:

Grantee	Description of Grant	Amount
Historic Building Grants to individuals	Historic Building Grants to individuals	23,173
Classic Herd Ltd	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	14,023
St Lawrence Growers Ltd	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	10,658
Master Farms Ltd	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	107,164
National Trust For Jersey	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	32,174

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Gold Leaf Farm Ltd	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	40,487
St Georges Preparatory School	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	11,518
The Jersey Royal Company	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	6,280
CS Conservation	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	18,116
Jersey Trees for Life	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	20,104
Cowley Wood Ltd	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	28,071
Countryside Renewal Grants to individuals	The Countryside Renewal Scheme provides environmental financial support to land owners for the benefit of the Island's population.	256,257
Energy Efficiency Grant to individuals	The Energy Efficiency Service is a States of Jersey initiative to assist low-income and vulnerable households reduce their energy bills and keep warmer through the winter.	516,972
Contribution to Research Fund		23,089
<b>Total Planning &amp; Environment Department</b>		<b>1,108,086</b>

## Transport & Technical Services Department:

<b>Grantee</b>	<b>Description of Grant</b>	<b>Amount</b>
C F M Electrical Contractors	DVS Community Safety Grant	809
Jersey Woman's Refuge	DVS Community Safety Grant	5,150
Mont A Labbe School	DVS Community Safety Grant	100
Parish of Trinity	DVS Community Safety Grant	92
Les Vaux Housing Trust	DVS Community Safety Grant	5,570
St John Ambulance	DVS Community Safety Grant	16,984
Child Accident Prevention Jersey	DVS Community Safety Grant	18,181
A A L Recycling Ltd	Recycling-General	31,867
A A L Recycling Ltd	Recycling-General	16,192
Traffic Technology LTD	DVS Community Safety Grant	40,552

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Transport and Technical Services grants to other States Departments	50,477
<b>Total Transport &amp; Technical Services Department</b>	<b>185,973</b>

## Social Security Department:

Grantee	Description of Grant	Amount
Jersey Employment Trust	Assisting people with disabilities by providing sheltered work and additional training and development for the most severely disabled.	891,300
Jersey Advisory and Conciliation Service	To provide a free employment relations service to help employers, employees and trade unions work together for the prosperity of Jersey business and the benefit of employees.	307,000
Jersey Council for Safety and Health at Work	Established by the States in 1973 to promote occupational health and safety in the work place.	31,200
Vocational Day Services	To provide employment opportunities for those with learning difficulties or on the Autistic Spectrum.	91,000
Citizens Advice Bureau	To provide independent financial advice on debt management to individuals and small businesses.	8,600
Adaptation of Workplace Grants	To provide specialised equipment for an individual who is encountering difficulties in their work place.	896
Housing Adaptations	To assist those people with severe disabilities to convert their property to improve mobility in the home.	20,749
Public Sector Scheme	To assist people with disabilities into employment within the Public sector where the employing department contributed to an appropriate level of the person's salary equating to the person's ability.	216,213
<b>Total Social Security Department</b>		<b>1,566,958</b>

## Non Ministerial States Departments:

Grantee	Description of Grant	Amount
Jersey Legal Information Board (JLIB)	States contribution to support the operation of the Jersey Legal Information Board	100,000
Jersey Legal Information Board (JLIB)	States contribution to support the operation of the Jersey Legal Information Board	100,000
<b>Total Non Ministerial States Departments</b>		<b>200,000</b>

<b>Overseas Aid</b>	<b>7,600,232</b>
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## Jersey Harbours:

<b>Grantee</b>	<b>Description of Grant</b>	<b>Amount</b>
Jersey Sailing school	Reduction in berth rental, in return they provide sailing courses	1,400
Royal National Lifeboat Institution	Reduction in property and berth rental towards the cost of operations	9,000
Channel Island Air Search	Monies for operation	7,000
Allez Oop promotions	Sponsorship	1,500
Jersey International Air Display	Payment for divers re airshow	1,630
Jersey Hospice Care	Registration fee for Dragon Boat Race	400
St Helier Yacht Club	Reduction in rental in return they provide sailing courses	15,000
Harbours grants to other States Departments	Enterprise game sponsorship (inter-departmental)	200
<b>Total Jersey Harbours</b>		<b>36,130</b>
<b>WEB grant to States of Jersey</b>		<b>50,000</b>
<b>Over accrual of Housing Development Fund Interest Subsidies in 2008 (adjusted in 2009)</b>		<b>(47,056)</b>
<b>Total grants and subsidies</b>		<b>39,424,793</b>

Note: Although the JFRm sets a de minimis of £100k for disclosure of individual loans, a recent amendment to the Business Plan has removed the de minimis and therefore all grants will be listed individually.

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