

Report Name: Report on Capital/Revenue Budget Transfers

Support for Ministerial Decision: MD-TR-2009-0032

Date: 5 March 2009

Purpose of the report

To detail the individual Departmental transfers requiring approval from the Minister for Treasury and Resources in accordance with Article 15 (1) of the Public Finances (Jersey) Law 2005, which requires that the Minister approves transfers between capital and revenue heads of expenditure, following approval by the Minister of the relevant departments.

Background

The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that expenditure should be accounted for as capital only if it meets the GAAP accounting definition of capital expenditure, and revenue otherwise. Previously, 'capital' budgets have represented whatever the States Assembly voted as capital. The States have already approved capital allocations for 2009 in the 2009 Business Plan under the old basis, therefore a transfer of budgets is required. These budget transfers move budgets between capital and revenue so as to align the budgeting treatment of 2009 expenditure with the GAAP accounting treatment.

These transfers only affect expenditure that is expected to be incurred in 2009. Revenue budgets held in capital that relate to future years will remain on department's capital budget ledgers, i.e. this transfer from revenue to capital only relates to 2009 expenditure. There will continue to be 'capital' budgets held against capital projects that relate to expected revenue spend in years 2010+, which will be transferred to revenue in the relevant year.

These transfers do not change the total amount of expenditure approved by the States.

Several Departments have now submitted their budget transfer requests, and these are included in this report (with the exception of Property Holdings, which is being approved by the Minister at the same meeting). Some departments have not yet submitted their budget transfer requests. Once these have been received, they will be submitted to the Minister for Treasury and Resources for consideration.

Departmental Budget transfer requests included in report to approve:

MD Reference	Department	Net Increase/(Decrease) in Revenue Budget (£)	Net Increase/(Decrease) in Capital Budget (£)
To be approved by Minister	Jersey Property Holdings	375,437	(375,437)
MD-E-2009-0026	Jersey Harbours	169,795	(169,795)
MD-HSS-2009-0016	Health and Social Services	3,044,619	(3,044,619)
MD-HA-2009-0017	Home Affairs	(87,000)	87,000
Delegated Approval	Treasury and Resources	20,000	(20,000)
MD-T-2009-0024	Transport and Technical Services	882,845	(882,845)
MD-PE-2009-0052	Planning & Environment	416,737	(416,737)
MD-E-2009-0039	Economic Development	1,019,566	(1,019,566)
	Total	5,841,999	(5,841,999)

Decision Summary

Economic Development Department

Jersey Harbours

Ministerial Decision

Decision Reference: MD-E-2009-0026			
Decision Summary Title:	DS-Capital/Revenue Budget Transfer – Economic Development Department – Jersey Harbours	Date of Decision Summary:	13/02/2009
Decision Summary Author:	Finance and Information Manager- Jersey Harbours	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	N/A
Written Report Title:	WR-Transfer of budgets	Date of Written Report:	13/02/2009
Written Report Author:	Finance and Information Manager- Jersey Harbours	Written Report : Public or Exempt?	Public
Subject: 2009 Budget Transfer between Capital and Revenue Heads of Expenditure as a result of moving to GAAP accounting			
Decision(s): The Minister approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £169,795 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. This budget transfer is the movement in budget between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: None.			
Action required: Departmental Finance Director to seek Treasury and Resources Ministerial Approval for the transfer. Once approval obtained, Departmental Finance Director to action budget transfers.			
Signature:		Position: Assistant Minister – Economic Development	
Date Signed:		Date of Decision:	

Decision Summary

Treasury & Resources Department
Ministerial Decision

Decision Reference: MD-HSS-2009-0016			
Decision Summary Title:	Capital/Revenue Budget Transfer – Health & Social Services	Date of Decision Summary:	17 th February, 2009
Decision Summary Author:	Russell Pearson Director of Finance	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?		Person Giving Oral Report:	N/A
Written Report Title:	Transfer of budgets	Date of Written Report:	17/02/2009
Written Report Author:	Russell Pearson Director of Finance	Written Report : Public or Exempt?	Public
Subject: 2009 Budget Transfers between Capital and Revenue heads of expenditure as a result of moving to GAAP accounting			
Decision(s): The Minister approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £3,044,619 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. These budget transfers are the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: None.			
Action required: Departmental Finance Director to seek Treasury and Resources Ministerial approval for the transfer. Once approval obtained, Departmental Finance Director to action budget transfers.			
Signature:		Position: Minister for Health and Social Services	
Date Signed:		Date of Decision:	

Decision Summary

Home Affairs Department


Ministerial Decision

Decision Reference: MD-HA-2009-0017			
Decision Summary Title:	Transfer of Budgets	Date of Decision Summary:	23 February 2009
Decision Summary Author:	Liz Middleton Finance Director	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	
Written Report Title :	Budget Transfers – GAAP Accounting	Date of Written Report:	23 February 2009
Written Report Author:	Liz Middleton Finance Director	Written Report : Public or Exempt?	Public
Subject: 2009 Budget Transfers between Revenue and Capital Heads of Expenditure as a result of moving to GAAP accounting.			
Decision(s): The Minister approved net budget transfers of £87,000 for 2009 from revenue budgets to capital budgets.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. These budget transfers are the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: None			
Action required: Finance Director to seek Treasury and Resources Ministerial Approval for the transfer. Once approval has been obtained Treasury and Resources Department to action budget transfers.			
Signature:		Position: Minister for Home Affairs	
Date Signed:		Date of Decision <i>(If different from Date Signed):</i>	

Delegated Decision Summary

Treasury & Resources Department

Treasurer's Decision

Delegated Decision Summary Title:	Capital/Revenue Budget Transfer – Treasury & Resources Department	Date of Decision Summary:	6 th March 2009
Delegated Decision Summary Author:	Loretta Outhwaite Finance Director	Name of Attached Report:	Transfer of Budgets
Power under which decision is being made:			
Delegated from Minister: Yes Ref: MD-TR-2006-0099	Finance Law Yes / No Article:	Other Specify:	
Subject: 2009 Budget Transfers between Capital and Revenue Heads of Expenditure as a result of moving to GAAP accounting			
Decision(s): The Treasurer approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £20,000 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. This budget transfer is the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: None.			
Action required: Departmental Finance Director to action budget transfers.			
Signature: 		Position: Ian Black. Treasurer of the States	
Date of delegated decision 6/3/09.			

Decision Summary

Transport and Technical Services

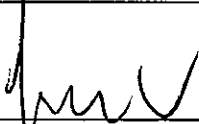
Ministerial Decision

Decision Reference: MD-T-2009-0024			
Decision Summary Title (<i>File Name</i>):	Transport and Technical Services – Capital / Revenue Budget Transfers	Date of Decision Summary:	25 February 2009
Decision Summary Author:	Finance Director	Decision Summary: Public or Exempt? (<i>State clauses from Code of Practice booklet</i>)	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	N/A
Written Report Title (<i>File Name</i>):	Transfer of Budgets	Date of Written Report:	25 February 2009
Written Report Author:	Finance Director	Written Report : Public or Exempt? (<i>State clauses from Code of Practice booklet</i>)	Public
Subject: 2009 Budget Transfers between Capital and Revenue Heads of Expenditure as a result of moving to GAAP accounting			
Decision(s): The Minister approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £882,845 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. These budget transfers are the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: N/A			
Action required: For the Finance Director to seek Treasury and Resources Ministerial approval for the transfer. Once approval obtained, the Finance Director to action budget transfers.			
Signature:		Position:	
Date Signed:		Date of Decision (<i>If different from Date Signed</i>):	

Decision Summary

Planning and Environment

Ministerial Decision

Decision Reference: MD-PE-2009-0052			
Decision Summary Title (File Name):	Planning and Environment – Capital/Revenue Budget Transfers	Date of Decision Summary:	4 th March 2009
Decision Summary Author:	Finance Director	Decision Summary: Public or Exempt? <i>(State clauses from Code of Practice booklet)</i>	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	N/A
Written Report Title (File Name):	Transfer of budgets	Date of Written Report:	4 th March 2009
Written Report Author:	Finance Director	Written Report : Public or Exempt? <i>(State clauses from Code of Practice booklet)</i>	Public
Subject: 2009 Budget Transfers between Capital and Revenue Heads of Expenditure as a result of moving to GAAP accounting.			
Decision(s): The Minister approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £416,737 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. These budget transfers are the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: N/A			
Action required: For the Finance Director to seek Treasury and Resources Ministerial approval for the transfer. Once approval obtained, the Finance Director to action budget transfers.			
Signature:		SMT Approved? El 5/3/09	Position: Minister for Planning and Environment
Date Signed:	9. March '09	Date of Decision (If different from Date Signed): 9.3.09.	

Decision Summary

Economic Development Department
Ministerial Decision

Decision Reference: MD-E-2009-0039			
Decision Summary Title:	Capital/Revenue Budget Transfer – Economic Development Department	Date of Decision Summary:	5 March 2009
Decision Summary Author:	Loretta Outhwaite Finance Director	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?	5 th March 2009	Person Giving Oral Report:	N/A
Written Report Title:	Transfer of budgets	Date of Written Report:	05/03/2009
Written Report Author:	Loretta Outhwaite Finance Director	Written Report : Public or Exempt?	Public
Subject: 2009 Budget Transfers between Capital and Revenue Heads of Expenditure as a result of moving to GAAP accounting			
Decision(s): The Minister approved 2009 budget transfers between capital and revenue, representing a net budget transfer of £1,019,566 from capital to revenue, as detailed in the attached report.			
Reason(s) for Decision: The States of Jersey is implementing Generally Accepted Accounting Principles (GAAP) in 2009. GAAP accounting requires that only expenditure meeting the GAAP definition of capital expenditure should be treated as such. All other expenditure must be accounted for as revenue. This budget transfer is the movements in budgets between capital and revenue required to align the budgeting treatment of expenditure with the GAAP accounting treatment. This does not change the total amount of expenditure approved by the States.			
Resource Implications: None.			
Action required: Departmental Finance Director to seek Treasury and Resources Ministerial Approval for the transfer. Once approval obtained, Departmental Finance Director to action budget transfers.			
Signature: Senator Alan Maclean		Position: Minister for Economic Development	
Date Signed:		Date of Decision:	