STATES OF JERSEY



CHANNEL ISLANDS LOTTERY: ALLOCATION OF PROFITS FOR 2005/2006

Lodged au Greffe on 11th April 2006 by the Minister for Economic Development

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

to agree that the total Jersey portion of the profits of the Channel Islands Lottery from 2005 should be paid to the Association of Jersey Charities for the benefit of the community and the charitable needs of the Island, with 20% of profits from 2006 being transferred to the Lottery Accumulated Fund and the balance of 80% to the Association of Jersey Charities.

MINISTER FOR ECONOMIC DEVELOPMENT

REPORT

The Minister for Economic Development requests the support of the States to award the Jersey allocation of Lottery profits from 2005 to the Association of Jersey Charities. This was clearly the intension of the former Committee and not to do so would impact severely upon the Association's revenues.

2005 produced profits of £412,805 which can, with States support, be given to the Association of Jersey Charities. The Association now represents over 200 member charities and undertakes a valuable function by considering and allocating funding to the best prepared and worthy projects put forward by its members. In doing so, the Association continues to fulfil a vital social need.

Sales of tickets for the C.I. Lottery scratch-cards have stabilised after a long-running decline and while the Department is optimistic that the present level of sales will continue this cannot be taken for granted. The profits from Draws in 2006, therefore, require some further thought. Clearly the Association of Jersey Charities should not have its funding withdrawn, but with the extension of the National Lottery to the Island (possibly in 2008/9), it seems prudent to retain funds into the Accumulated Fund as a reserve and buffer during the transition period.

To that end, it is proposed that under authority of Article 4(5) of the Gambling (Channel Island Lottery) (Jersey) Regulations 1975, up to 20% of the Jersey profits from 2006 may be transferred into the Accumulated Fund to be used at the Assistant Minister's discretion after advice from the Public Lotteries Board.

There are no other financial or manpower implications for the States arising from this proposition.