

ANNEX TO
FINANCIAL REPORT AND ACCOUNTS 2011



States of Jersey

ANNEX TO FINANCIAL REPORT AND ACCOUNTS 2011

Treasury and Resources Department

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1 Introduction to the Annex

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

This supplementary accounts document sets out more details about figures in the accounts, which should be read in conjunction with the Financial Report and Accounts.

The Annex is divided as follows:

- Changes from the Original 2011 Business Plan;
- The Consolidated Fund, including Ministerial and Non-Ministerial Department pages, General Revenue Income and other items;
- Trading Operations;
- Reserves;
- Separately Constituted Funds;
- Glossary of Terms;
- Grants made by the States of Jersey in 2011.

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 2011 Financial Report and Accounts can be found on the States of Jersey website (www.gov.je); alternatively a hard copy can be obtained from the States Assembly Information Centre at the following address:

Morier House
St. Helier
Jersey
JE1 1DD

The Treasury and Resources Department thanks all departments for their co-operation in providing the information to allow this annex to be produced.

1.1 Explanation of the contents of Department/Fund Pages

The detailed information also includes narrative information on the key financial results in a format that is comparable between Departments/Funds. However, some variation is necessary due to the differing nature of the entities. The table below shows which sections apply to each type of entity.

	Department	Trading Operation	Reserve	Separately Constituted Fund
Key Results	✓	✓	✓	✓
Service Analysis	✓	✓ / x	x	x
Staff FTE	✓	✓	x	x
OCS, STRGL and BS	✓	✓	✓	✓
Trading Fund Balance	x	✓	x	x

Key Results

This section examines the highlights for the Entity's performance. For Departments and Trading Operations this will normally consider performance against the Business Plan approved by the States, and changes from 2010.

Separately Constituted Funds and Reserves may focus instead on the financial position at the end of the year and will also consider the performance of investments held in the Common Investment Fund (CIF).

Service Analysis

This section looks at where the expenditure in a department/trading operation was spent (and income received), and what the key variances from budget and changes from 2010 were. To make sure that numbers are comparable to those approved in the Business Plan, items that were not included in the approvals process are shown separately.

Staff Full Time Equivalent Employees

This considers how many Full Time Equivalent (FTE) employees the department/trading operation had at the end of the year. It also compares this to the position at the previous year end.

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

These statements are similar to those included for the whole States of Jersey in the main accounts for individual entities, but are shown gross of internal charges to allow a proper comparison against budget. Again, items that were not included in the approvals process are shown separately.

Trading Fund Balance

Under the Public Finances (Jersey) Law 2005, Trading Operations must maintain a Trading Fund that does not form part of the Consolidated Fund. The Fund balance for each operation is calculated on the same basis as the Consolidated Fund (see the Treasurer's Report Section 2.7.1 for details), and shown in this section.

1.2 Note on the performance of Investments held in the Common Investment Fund

During 2010 a Common Investment Fund was created to allow funds (both inside and outside of the States accounting boundary) to pool funds for investment purposes, and 2011 is the first full year that the CIF has been in operation. The CIF is an administrative arrangement, not a separate fund. The aim of the CIF is to provide greater investment opportunities and economies of scale and to minimise fees and costs.

In operation, participant funds buy "units" in various CIF pools. Each pool will then buy individual investments in line with agreed strategies. This means that individual participants do not own investments, but rather units in the relevant CIF pool. As a result, participants recognise income or gains in their Operating Cost Statement based on the units held rather than the underlying investments.

With the adoption of the revised financial instrument standards (as set out in Section 6 of the Accounts), both realised and unrealised gains and losses on CIF units are now recognised in the OCS of the participants. As comparative amounts have not been restated, gains and losses should be compared to the combination of both realised (in the OCS) and unrealised gains and losses (in the STRGL) for 2010.

The amount of income, expenditure, realised and unrealised gains incurred in the CIF attributable to each participant is tracked, and the results included in the participants' pages in the Annex. These amounts are equivalent to those that would have been included in the financial statements of the participant if they held the investments directly, and it is important to consider these results in conjunction with those in the OCS.

Final Approved Budgets

Revenue Approvals

Whilst the following departmental pages compare actual results against budget at a detailed level, the States approve only the total departmental budget.

The final approved budget for each department may vary from that approved in the business plan for several reasons including; additional budget allocations approved by the States during the year, transfers between revenue and capital heads of expenditure and other transfers between departments (which are approved by formal Ministerial Decisions).

A summary is set out in the table overleaf:

Final Approved Budgets

Department	Original 2011 Business Plan	Carry Forward from 2010 ¹	Allocation of Contingency	Allocation of Additional Funding ²	Transfers between revenue and capital ³	Departmental Transfers ³	Total 2011 Final Approved Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ministerial Departments							
Chief Minister	5,094	960	78	487	395	19,393	26,407
- Grant to the Overseas Aid Commission	8,458	5	-	-	-	-	8,463
Economic Development	16,079	1,504	450	1,288	-	(19)	19,302
Education, Sport and Culture	100,157	2,628	1,117	2,610	275	-	106,787
Department of the Environment	6,749	433	85	(224)	(122)	-	6,921
Health and Social Services	167,639	3,527	852	(259)	474	(778)	171,455
Home Affairs	48,333	765	83	67	98	(122)	49,224
Housing	(20,928)	1,708	-	(448)	(415)	9	(20,074)
Social Security	175,068	-	-	16	-	(168)	174,916
Transport and Technical Services	28,432	372	135	(244)	(860)	-	27,835
Treasury and Resources	40,040	2,414	3,411	1,101	(938)	(18,572)	27,456
- Contingency	14,862	-	(6,238)	5,000	-	-	13,624
Non Ministerial States Funded Bodies							
- Bailiff's Chamber	1,443	125	-	-	-	6	1,574
- Law Officers' Department	7,589	1,194	-	-	(75)	(172)	8,536
- Judicial Greffe	6,150	-	-	-	-	325	6,475
- Viscount's Department	1,502	329	-	-	-	(44)	1,787
- Official Analyst	602	-	-	-	(25)	-	577
- Office of the Lieutenant Governor	726	8	27	-	-	28	789
- Office of the Dean of Jersey	25	-	-	-	-	-	25
- Data Protection Commission	222	-	-	-	-	25	247
- Probation Department	1,610	-	-	-	-	89	1,699
- Comptroller and Auditor General	747	202	-	-	-	-	949
States Assembly and its services	5,203	-	-	(113)	-	-	5,090
Net Revenue Expenditure - Business Plan Basis	615,802	16,174	-	9,281	(1,193)	-	640,064
Amounts not approved for Departments							
Depreciation	37,073	-	-	-	-	-	37,073
Net Revenue Expenditure - GAAP Basis	652,875	16,174	-	9,281	(1,193)	-	677,137

Final Approved Budgets

Notes:

1. Carry Forwards from 2010

Carry Forwards from 2010 into 2011 were approved by two Ministerial Decisions:

MD-TR-2011-0040: “Year End Carry Forwards: 2010 - Fiscal Stimulus and P.64/2010 Article 11(8)” Approved the carry forward of £2,811,703 of underspends against Fiscal Stimulus approvals, and £232,100 approval under Article 11(8) by P64/2010, but not spent by the end of 2010.

MD-TR-2011-0042: “2010 Year End Carry Forwards”

Approved the carry forward of £13,129,867 of underspends from 2010 to 2011.

2. Additional Funding Approved in Year

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 subsequently lodge a proposition seeking expenditure approval.

In addition, amounts previously approved may be reallocated by the Treasury Minister under Article 15(1).

The approvals under which monies have been drawn down in 2011 are set out below.

Final Approved Budgets

	Flu P67/2008 P174/2009	Economic Stimulus P55/2009	Williamson P17/2009	HCAE P91/2008 P83/2009	Economic Downturn P83/2009	Other Approvals	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Approval	6,777	44,000	1,300	11,250	3,100	-	66,427
Unallocated - 1 Jan 2011 Additional Allocation	3,858	13,268	984	150	689	7,885	26,834
	-	-	-	-	-	5,000	5,000
Allocations 2011:							
Ministerial Departments							
Chief Minister	-	-	-	-	-	487	487
- Grant to the Overseas Aid Commission	-	-	-	-	-	-	-
Economic Development	-	1,278	-	-	-	10	1,288
Education, Sport and Culture	-	2,717	-	(2)	-	(105)	2,610
Department of the Environment	-	-	-	-	-	(224)	(224)
Health and Social Services	53	96	421	-	-	(829)	(259)
Home Affairs	-	-	-	122	-	(55)	67
Housing	-	(227)	-	-	-	(221)	(448)
Social Security	-	16	-	-	-	-	16
Transport and Technical Services	-	-	-	-	-	(244)	(244)
Treasury and Resources	-	1,278	-	-	-	(177)	1,101
- Contingency	-	-	-	-	-	5,000	5,000
Non Ministerial States Funded Bodies							
- Bailiff's Chamber	-	-	-	-	-	-	-
- 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 Department	-	-	-	-	-	-	-
- Comptroller and Auditor General	-	-	-	-	-	-	-
States Assembly and its services	-	-	-	-	-	(113)	(113)
Total Allocations to Revenue	53	5,158	421	120	-	3,529	9,281
Allocations to Capital	-	1,741	-	-	-	4,166	5,907
Returns to Consolidated Fund	3,805	4,046	563	30	689	-	9,133
Remaining Unallocated Balance 31 Dec 2011	-	2,323	-	-	-	5,190	7,513

Final Approved Budgets

3. Transfers between Revenue and Capital and Departmental Transfers

From 2010, every effort has been made to prepare Business Plans to accurately estimate the split of Capital and Revenue budgets according to GAAP. However, where variations to these estimates occur in year, adjustments may still be required. Capital approvals in previous years were not necessarily fully GAAP compliant, and where these included approvals for revenue expenditure in 2011, budget adjustments have been required to bring the budget into line with accounting definitions.

These are approved by Departmental Ministerial Decision and a Treasurer's Delegated Decision, and reported to the States as part of the "Budget Management Report".

Capital Approvals

The table below shows how total Capital Approvals within the Consolidated Fund have changed during 2011.

	£'000
Previous Approvals	106,460
2011 Approval	22,149
Revenue to Capital Transfers	1,193
Other Transfers	5,907
Disposal Receipts Applied	4,584
2011 Capital Expenditure	(63,763)
Payment of BGW Grant to Jersey Airport	(4,750)
Amounts Returned to Consolidated Fund	(8)
Other Adjustments	(221)
Unspent Capital Approvals Carried Forwards	71,551

The
Consolidated
Fund

Consolidated Fund

The Consolidated Fund was created by the Public Finances (Jersey) Law 2005 (PFL). The majority of income and expenditure of the States flows through this fund, including taxes and other revenues approved in the budget statement and Ministerial and Non-Ministerial departments' net revenue and capital expenditure as approved in the Business Plan.

Aggregated Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Taxation revenue	477,056	443,685
Duties, Fees, Fines and Penalties	92,431	87,610
Sales of Goods and Services	106,413	104,877
Investment Income	17,523	15,173
Other Revenue	28,114	21,783
Total Revenue	721,537	673,128
Social Benefit Payments	166,287	165,649
Staff Expenditure	330,250	328,066
Other Operating Expenditure	187,580	183,362
Grants and Subsidies Payments	38,432	24,053
Depreciation	34,067	37,210
Impairments of Fixed Assets	8,245	130,152
Finance Costs	1,253	1,412
Pension Finance Costs	3,668	3,553
Foreign Exchange (Gain)/Loss	288	306
Movement in Pension Liability	5,640	39,900
Asset Disposal (Gain)/Loss	(1,674)	(81)
Total Expenditure	774,036	913,582
Net Revenue Expenditure	52,499	240,452

Aggregated Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	52,499	240,452
Revaluation of Fixed Assets	(138,757)	(169,041)
Unrealised (Gain)/Loss on Investments	-	(101)
Unrealised (Gain)/Loss on Strategic Investments	(72,400)	3,500
Unrealised (Gain)/Loss on Other Available for sale Investments	458	-
Actuarial (Gain)/Loss on Defined Benefit Schemes	92	(1,445)
Total Recognised (Gain)/Loss	(158,108)	73,366

Consolidated Fund

Aggregated Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	2,633,491	2,476,597
Financial Assets		
Loans & Advances	3,209	4,627
Strategic Investments	346,400	274,000
Other Available-for-Sale investments	14,335	14,457
Investments held at Fair Value through OCS	226,481	208,262
Derivative Financial Instruments	201	-
Total Fixed Assets	3,224,117	2,977,943
Current Assets		
Loans & Advances	1,474	987
Derivative Financial Instruments	98	-
Stock and Work in Progress	5,314	4,305
Debtors	102,942	98,966
Cash at Bank and in Hand	3,674	42,430
Total Current Assets	113,502	146,688
Current Liabilities		
Creditors	(117,758)	(114,511)
Balance due to other States Funds	(50,641)	(48,065)
Provisions for liabilities and charges	(100)	(4,448)
Total Current Liabilities	(168,499)	(167,024)
Net Current Liabilities	(54,997)	(20,336)
Total Assets Less Current Liabilities	3,169,120	2,957,607
Long Term Liabilities		
Finance Lease Obligations	(7,528)	(8,271)
PECRS Pre-1987 Past Service Liability	(229,998)	(246,317)
Provision for JTSF Past Service Liability	(135,100)	(114,000)
Defined Benefit Pension Schemes Net Liability	(11,493)	(11,152)
Provisions for liabilities and charges	(6,308)	(4,387)
Total Long Term Liabilities	(390,427)	(384,127)
Net Assets	2,778,693	2,573,480
Reserves		
Accumulated Revenue Reserves	2,163,620	2,165,538
Revaluation Reserve	338,914	202,661
Donated Asset Reserve	39,053	39,084
Capital Grant Reserve	227	261
Investment Reserve	236,879	165,936
Total Reserves	2,778,693	2,573,480

Consolidated Fund

Consolidated Fund Balance

Consolidated Fund Balance

The Consolidated Fund balance is calculated in a way to represent funds available to be spent in future years, and therefore includes:

- Financial Assets (Advances and Other Investments).
- Net Current Assets or Liabilities (adjusted for elements of Pension, Finance Lease and other obligations which will be included in future expenditure approvals).
- Provisions for liabilities and charges.

The Consolidated Fund excludes:

- Assets which can not be easily converted into cash (Fixed Assets and Strategic Investments).
- Other Long Term Liabilities – which will be settled from future expenditure approvals.

Available Consolidated Fund Balance

The balance calculated does not take into account withdrawals from the Consolidated Fund that have already been approved (and so are not available to spend). The balance must be adjusted for these to give the balance available.

Capital projects are approved on an allocation basis and so unspent amounts are removed. Similarly, amounts approved for specific purposes (e.g. through requests under Article 11(8) of the Public Finances (Jersey) Law 2005), but that have not yet been allocated to departments, and property receipts that will be used to purchase assets under Article 15(3) of the Law must be adjusted for. The States also approves expenditure each year to provide a suitable insurance provision. Finally, an adjustment must be made for amounts that will be included in a future revenue head of expenditure through the carry forward process.

	2011 Actual £'000	2010 Actual £'000
Available Financial Assets	229,891	212,888
Net Current Liabilities	(54,998)	(20,336)
Provisions	(6,308)	(4,387)
Add Back: Gov Grants Payable <1yr	-	4,750
Add Back: Current Finance Lease Liabilities	742	667
Add back: Current Pension Liabilities	3,894	3,774
Consolidated Fund Balance	173,221	197,356
Unspent Capital	(71,551)	(106,460)
Voted amounts to be allocated	(7,513)	(26,834)
Provision for Decommissioning ¹	2,080	2,080
Insurance Provision	(7,615)	(9,317)
Departmental Carry forwards	(27,822)	(16,200)
Carry forward of Contingency	(13,624)	-
Available Consolidated Fund Balance	47,176	40,625

¹ The budget for the new EFW plant included an amount relating to decommissioning, for which a provision is created under accounting standards. To avoid double counting an adjustment is made to the total unspent capital amount in 2010. This amount has been adjusted in the approval in 2011. In 2011 an additional provision for the decommissioning of the new plant at the end of its life has been created in line with accounting standards. Approval for this expenditure will not be sought until closer to the end of the EFW plant's useful life, and so the amount of this provision has been added back to the available consolidated fund balance.

Consolidated Fund

Reconciliation of movement in Available Consolidated Fund Balance

	£'000
Opening Balance	40,625
Net General Revenue Income	586,919
Net Revenue Expenditure of Departments	(598,608)
Add Back: Carry Forwards 2010	16,200
Add Back: Additional Allocations	9,281
Remove: Capital to Revenue Transfers	(1,193)
Approvals Carried Forward:	
Departmental Carry forwards	(27,822)
Carry forward of Contingency	(13,624)
Capital Approval in the Year	(22,149)
Jersey Property Holdings Receipts Applied	1,148
Transfer from Stabilisation Fund	46,000
Returns to the Consolidated Fund	9,141
Other Movements	1,258
Fund Movement	(6,551)
Closing Balance	47,176

Chief Minister's Department

Highlights:

Underspend of £1,074,933 (4.1%) against Final Approved Budget

Net Revenue Expenditure of £26,101,319 a decrease of 0.9% on 2010

Key Results

Key Variances from Budget

	£'000
Human Resources	289
PECRS	195
Statistics - Census	186
Other Variances	405
Net Underspend	1,075

Performance against Final Approved Budget

The results for the Department's performance against Final Approved Budget were:

Human Resources were under budget by £289,305. This was mainly due to over-achievement of income; training programmes spanning two financial years and delays in CSR related projects, as explained in the Service Analysis section below.

The £194,755 under spend in relation to the PECRS Pre-1987 Debt was planned and will be used to build a reserve for future payments on the debt.

Due to the timing of the Census and the planning of the Household Expenditure Survey, the Statistics Unit under spent by £185,861. The Census and the Household Expenditure Survey are conducted periodically and budgets are planned to be carried across years to meet this expenditure on a cyclical basis.

Other variances included staff vacancies of £169,967. Also, the Economics Department has reduced expenditure on consultancy by undertaking more of its analytical work internally, saving £101,494.

Key Variances from 2010

	£'000
2010 NRE	26,341
International Affairs	(776)
Corporate Procurement	(771)
Human Resources	570
Other Variances	737
2011 NRE	26,101

Performance compared to 2010

International Affairs expenditure reduced by £776,485 compared to 2010 comprising the conclusion of Fiscal Stimulus projects (£581,483) and the transfers of International Finance function to the Economic Development Department (EDD) and Tax Policy Unit to Treasury and Resources (£100,082). The Developing Countries Conference also took place in 2010, which cost £79,178.

During 2011, the Procurement function was transferred to Treasury and Resources, resulting in a decrease in expenditure of £771,450 compared to 2010.

Expenditure within Human Resources increased by £570,276. This is due to the start of CSR related projects such as the Terms and Conditions review, and an increase in support for the reform of Health and Social Services.

Other variances compared to 2010 include the costs of the 2011 Census and the transfer from EDD of Regulation of Undertakings. Also, vacancies in the Policy Unit were held to create an under spend with the intention of funding cost pressures in International Affairs in 2012.

Chief Minister's Department

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	5,094
Carry Forwards	960
Additional Funding	565
Transfer from Capital	395
Transfer of Resources from T&R	
- Business Plan 2011	17,387
- Carry forwards	738
- Additional and Reallocated Funding	1,542
- Transfer from Capital	154
Other Departmental Transfers	(428)
Final Approved Budget	26,407

Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan totalling £21.31 million were made.

The most notable budget movement was the transfer of the Resources Directorate from Treasury and Resources, totalling £19.82 million including carry forwards of £737,583, additional and reallocated funding in the year of £1,541,965 and a transfer from capital of £154,000. These amounts are included in the analysis below.

The Department carried forward from 2010 a total of £1.70 million to continue initiatives such as staff learning and developments needs (£209,672); funding of the 2011 Census (£168,627) and Fiscal Stimulus projects (£657,112). The Fiscal Stimulus Programme in the Department included a Business Tax review, a project to respond to the EU Directive on Alternative Investment Fund Managers (AIFM) and the marketing and promotion of the finance industry.

During the year, the Department received additional budget of £2.1 million. This was transfers from the CSR Restructuring Provision to fund the central CSR project team (£410,000), and to augment the Human Resources Department to conduct the Terms and Conditions Review, Organisational Development and support the reform of Health and Social Services (£893,000). VR payments were also part of this additional funding (£347,000).

Transfers to the value of £548,778 were made between capital and revenue. The majority of these related to IS projects, which were originally funded from the capital budget but were defined as revenue expenditure under UK GAAP.

Departmental transfers out totalled net £428,073 in the year. The most notable transfers were the transfers of Tax Policy Unit to Treasury and Resources (£525,705) and International Finance to EDD (£140,700), offset by the transfer of Regulation of Undertakings from EDD (£160,200).

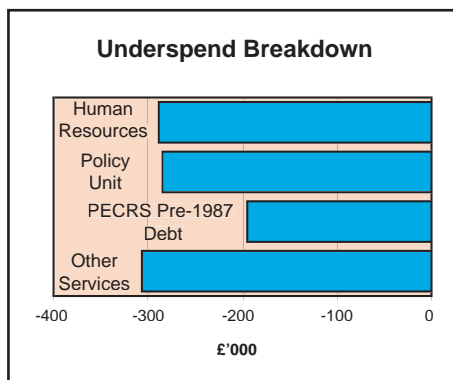
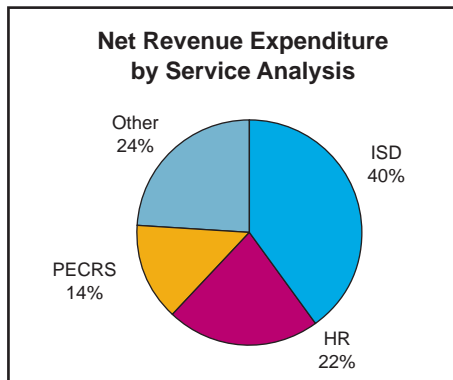
Other developments

From 1 January 2012, the accountability for the PECRS Pre-1987 Debt and PECRS Pre-1967 pension scheme was transferred to Treasury and Resources. This equated to a total budget transfer out of £4,328,700.

Chief Minister's Department

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Information Services

£2,012 (0%) Under budget

▲£142,759 (1.4%) more than 2010

This area provides business support and corporate infrastructure requirements across all departments. Expenditure was in line with budget.

The increased spend compared to 2010, was due to additional work to bring the PC estate up to date, additional data storage, and also upgrades to the network.

Human Resources

£289,305 (5%) Under budget

▲£570,276 (11.6%) more than 2010

The Human Resources function provides HR advice and support to all States departments as well as setting central HR policies.

The Department incurred an under spend of £289,305. £63,111 (before the apportionment of overheads) related to Learning and Development initiatives, such as the Modern Manager Programme which spans multiple years. Also, there was an over-achievement of income due to rechargeable services provided during the year.

Planned work on the Terms and Conditions and Actuarial Reviews was delayed, resulting in an under spend of £73,316. These reviews were funded from the CSR Restructuring Provision and will continue into 2012.

The Department has spent £570,276 more than in 2010 due to CSR work streams such as those mentioned above.

Policy Unit

£285,166 (9.2%) Under budget

▲£193,383 (7.3%) more than 2010

The Policy Unit is made up of the Chief Executive's Office, Emergency Planning, Communications Unit, Population Office and Economics.

The under spend against budget was primarily due to staff vacancies of £169,967. Also, the Economics Department has reduced expenditure on consultancy by undertaking more of its analytical work internally, saving £101,494.

The increase in spend compared to 2010 is primarily due to the transfer of Regulation of Undertakings from EDD (£160,200).

Chief Minister's Department

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Policy Unit		
1,413	2,028	Chief Executive's Office	1,859	1,731
180	180	Communications Unit	168	199
320	480	Population Office	483	331
425	425	Economics	318	374
2,338	3,113		2,828	2,635
		Statistics		
731	900	Statistics	714	455
		International Affairs		
1,154	1,229	International Affairs	1,236	2,012
		Law Drafting Department		
861	940	Law Drafting	841	855
		Legislation Advisory Panel		
10	10	Legislation Advisory Panel	9	5
		Information Services		
-	1,338	Corporate Projects	1,094	1,186
-	4,239	Infrastructure	4,310	4,070
-	3,067	Business Support Groups	3,273	3,143
-	1,213	Enterprise Support Group (Systems)	1,221	1,296
-	284	Customer Service Centre	241	301
-	10,141		10,139	9,996
		Human Resources		
-	3,013	HR Business Partnering	3,170	2,723
-	1,048	HR Business Support	835	745
-	522	HR Learning and Development	518	482
-	570	Employee Relations	458	453
-	605	Pensions (Other)	488	496
-	5,758		5,469	4,899
		PECRS Pre-1987 debt		
-	3,836	PECRS Pre-1987 debt	3,641	3,527
		Corporate Procurement		
-	-	Corporate Procurement	-	830
		Corporate Resources		
-	480	Corporate Resources	455	572
5,094	26,407	Net Revenue Expenditure: BP Basis	25,332	25,786
537	519	Depreciation	769	555
5,631	26,926	Net Revenue Expenditure: GAAP Basis	26,101	26,341

The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

The former Resources Directorate, made up of Information Services, Human Resources, PECRS Pre-1987 Debt and Corporate Resources, was transferred in from Treasury and Resources during the year.

Following the transfer of the International Finance Function to Economic Development and Economics to the Policy Unit, External Affairs, Economics and International Finance has been renamed as International Affairs.

Staff FTE

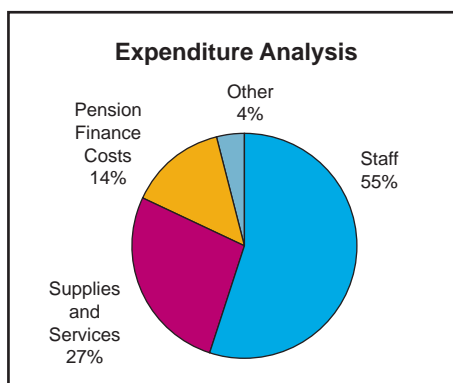
At the year end the Department employed the equivalent of 192 full time employees. This is a decrease of 17 (8.1%) from 2010, and is due to the transfer of the Procurement and Tax Policy functions to Treasury and Resources, and voluntary redundancies across the Department.

Chief Minister's Department

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
HR/IS support to Departments	907
Housing consent/Reg fees	186
Aerodrome licence fee	130
Other	452
Total	1,675



Income

£413,639 (32.8%) Surplus on budget **▲£105,586 (6.7%) more than 2010**

The largest income stream relates to recharges to other departments from the Information Services Department (ISD) (£690,351) and Human Resources (£216,963). The ISD recharges are accountable for the recovery of costs from other departments in relation to application support and software licences.

The Population Office also receives income in respect of Registration and Inspection fees (£75,967) and Housing Consent fees (£110,478).

The Directorate of Civil Aviation is administered through the Department and a fee of £130,000 was charged to the Jersey Airport in 2011 to cover these costs.

Other sources of income in 2011 include cost sharing with the States of Guernsey in relation to the marketing and promotion of the finance industry Fiscal Stimulus project (£77,940); Economic consultancy recharges to Economic Development (£60,000) and recharges to other departments for Communications and CSR related work (£94,713).

Income has increased since 2010 primarily due to the over-achievement of income in HR.

Staff Expenditure

£35,951 (0.2%) Over budget **▼£1,312,974 (8.1%) less than 2010**

The minor variance on staff costs is mainly due to internal re-classification of budgets in Statistics to reflect spending patterns more accurately in relation to the Census. These intra-departmental budget movements are not shown in the Service Analysis. This is offset by staff vacancies throughout the year, as mentioned in previous sections.

The decrease in expenditure on 2010 was primarily due to the transfer of Procurement to Treasury and Resources and vacancies within the Chief Executive's Office.

Supplies and Services

£485,522 (6.2%) Under budget **▲£615,498 (9.2%) more than 2010**

The main under spends against budget relate to the planned spending across years for the 2011 Census (£382,201) and also reduced consultancy costs in the Economics Department as more analytical work was conducted in-house (£101,494).

The increase in expenditure on 2010 is mainly due to the purchase of hardware within ISD totalling £751,725 as part of a planned PC refreshment programme.

Other Recognised Gains and Losses

The Department had no Other Recognised Gains and Losses in 2011.

Balance Sheet

The value of creditors has decreased by £636,744, due to more proactive handling of debts by the finance function.

Chief Minister's Department

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
219	223	Duties, Fees, Fines and Penalties	188	172
278	889	Sales of Services	1,270	1,272
-	123	Commission	124	123
-	26	Other Revenue	93	2
497	1,261	Total Revenue	1,675	1,569
3,874	14,829	Staff Expenditure	14,866	16,178
1,393	7,811	Supplies and Services	7,325	6,710
172	534	Administrative Expenses	516	469
140	643	Premises and Maintenance	600	424
-	3	Other Operating Expenditure	17	5
12	12	Grants and Subsidies Payments	42	42
-	3,836	Pension Finance Costs	3,641	3,527
5,591	27,668	Total Expenditure	27,007	27,355
5,094	26,407	Net Revenue Expenditure: BP Basis	25,332	25,786
537	519	Depreciation	769	555
5,631	26,926	Net Revenue Expenditure: GAAP Basis	26,101	26,341

No other gains or losses were recognised in the year.

Chief Minister's Department

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	1,911	2,315
Total Fixed Assets	1,911	2,315
Current Assets		
Debtors	341	422
Total Current Assets	341	422
Current Liabilities		
Creditors	(1,438)	(2,075)
Provisions for liabilities and charges	-	(779)
Total Current Liabilities	(1,438)	(2,854)
Net Current Assets / (Liabilities)	(1,097)	(2,432)
Total Assets Less Current Liabilities	814	(117)
Net Assets / (Liabilities)	814	(117)
Reserves		
Accumulated Revenue Reserves	814	(117)
Total Reserves	814	(117)

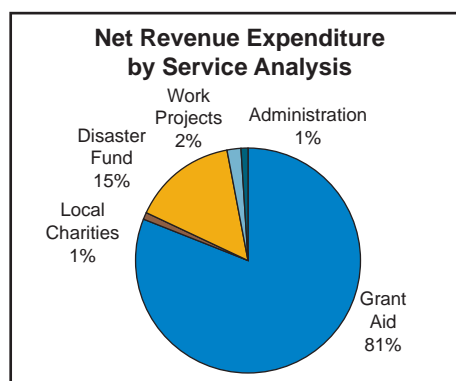
Overseas Aid Commission

Highlights:

Underspend of £4,200 (0.05%) against Final Approved Budget

Net Revenue Expenditure of £8,458,500, an increase of 4.1% on 2010

Key Results



Most of the expenditure in 2011 was by way of direct grants to 64 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 £10m and had to reject many worthy projects due to its budget limits. The Commission also received additional funding enquiries from over 50 other agencies.

Requests for emergency funding of disasters throughout the year remained constant. The Commission allocated slightly less than its budget to this area allocating the remaining funding to grant relief projects. As for previous years the majority of funding allocated was in respect of natural disasters with £270,000 allocated to IDP (Internally Displaced People) response.

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	8,458
Carry Forwards	5
Final Approved Budget	8,463

Community Work Projects were organised for Nepal, Mongolia and Ghana involving 33 volunteers at a net cost inclusive of materials and equipment of £206,421.

A total of 12 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 remained low at £91,720 representing just over 1.0% of the total grant.

Breakdown of Aid Given

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
6,876	6,881	Grant Aid	6,866	6,511
100	100	Local Charities	69	58
1,250	1,250	Disaster Fund	1,226	1,262
150	150	Work Projects	206	208
8,376	8,381	Total Aid Given	8,367	8,039

Overseas Aid Commission

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
68	68	Staff Expenditure	74	71
4	4	Supplies and Services	11	9
10	10	Administrative Expenses	7	8
8,376	8,381	Grants and Subsidies Payments	8,367	8,039
8,458	8,463	Total Expenditure	8,459	8,127
8,458	8,463	Net Revenue Expenditure: BP Basis	8,459	8,127

No other gains or losses were recognised during the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Liabilities		
Creditors	(102)	(276)
Total Current Liabilities	(102)	(276)
Net Current Liabilities	(102)	(276)
Total Assets Less Current Liabilities	(102)	(276)
Net Liabilities	(102)	(276)
Reserves		
Accumulated Revenue Reserves	(102)	(276)
Total Reserves	(102)	(276)

Economic Development

Highlights:

Underspend of £1,049,227 (5.4%) against Final Approved Budget

Net Revenue Expenditure of £18,266,373, an increase of 2.5% on 2010

Key Results

Key Variances from Budget

	£'000
Policy and Regulation	801
Enterprise and Business Development	258
Other Variances	(10)
Net Underspend	1,049

Key Variances from 2010

	£'000
2010 NRE	17,814
Policy and Regulation	163
Rural Support	(182)
Skills	(96)
Durrell and Harbours Stimulus	647
Other Variances	(80)
2011 NRE	18,266

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	16,079
Carry Forwards	1,504
Additional Funding	450
Fiscal Stimulus	1,288
Other Transfers	(19)
Final Approved Budget	19,302

Performance against Final Approved Budget

Overall the Department had an underspend against budget of £1,049,227 (5.4%). Unexpected income received from Ofcom and the Digital Switchover (£714,984) and a delay in Finance Industry initiatives (£77,477) contributed to the underspend in the Policy and Regulation area.

The reported underspend in Enterprise and Business Development was mainly due to slippage of diversification projects (£111,292) together with staff transfers between service areas and vacancies (£151,474).

Performance compared to 2010

Including Fiscal Stimulus funding, the increase in Net Revenue Expenditure (NRE) from 2010 to 2011 (GAAP Basis) was £452,516.

Policy and Regulation had a net increase of £163,123 mainly due to an increase in Finance Sector Fiscal Stimulus funding (£529,478) as per the Service Analysis discussed later. There was also a reduction of Intellectual Property costs due to delays (£167,938) and a reduction of £100,000 in the grant paid to the Jersey Competition Regulatory Authority (JCRA).

The reduction in Rural Support is mainly due to the cessation of free school milk in 2011 (£170,092) and the reduction in Skills was primarily due to reduced grant payments in 2011 (£84,822).

There was an increase of Fiscal Stimulus funding for Durrell (£748,132) and a decrease in Fiscal Stimulus funding for Harbours (£100,770).

Changes from Budget Voted in the Business Plan

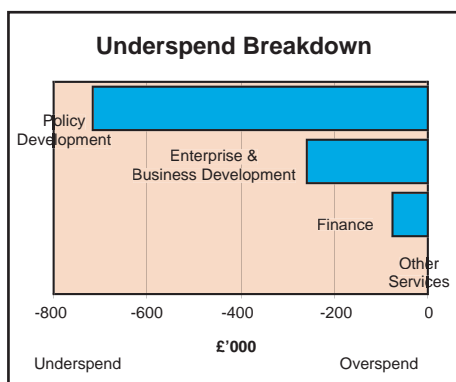
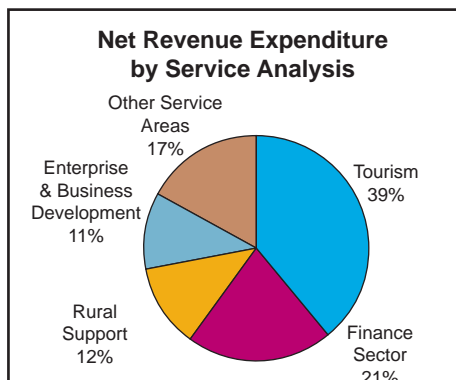
In 2011 adjustments to the original budget voted in the Business Plan totalling £3,222,951 were made. This amount represents additional budget allocation of £450,000 from the Central Reserve for the purpose of a grant to the Tourism Development Fund (TDF) with £2,069,955 Fiscal Stimulus funding (including £791,517 carried forward from 2010) and £712,200 of other carry forwards approved.

During 2011 the International Finance budget of £140,700 was transferred from the Chief Minister's Department (CMD) and the Regulation of Undertakings budget of £160,200 was transferred to CMD.

Economic Development

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Policy Development

£742,805 (184.1%) Under budget

↘£309,593 less than 2010

The underspend and the reduction on 2010 are mainly due to additional income of £714,984 received from Ofcom in respect of Wireless Telegraphy Licence fees and the BBC for refund of Digital Switchover fees which were not in the Business Plan.

Delays in development of Intellectual Property legislation contributed to a reduction of costs compared with 2010 (£167,938) and there was a reduction of staff costs due to the delay in recruitment (£89,664).

Enterprise and Business Development

£258,404 (11.7%) Under budget

↘£32,065 (1.6%) less than 2010

The reported underspend in Enterprise and Business Development was mainly due to the slippage of diversification projects in Intellectual Property and Renewable Energy (£111,292) together with staff transfer between service areas and vacancies (£151,474).

Finance Sector

£77,477 (2.0%) Under budget

↗£760,894 (25.2%) more than 2010

The underspend is mainly due to the delay of the delivery of the Single European Payments Area Fiscal Stimulus project (£90,000) which will continue in 2012.

The transfer of International Finance from CMD contributed to the increased spend on 2010 (£138,556). There was also an increase in the grant to Jersey Finance Ltd (£502,500) and funding for the Depositor Compensation Scheme (£84,124).

Tourism (Marketing and TDF)

£19,022 (0.3%) Over budget

↘£44,924 (0.6%) less than 2010

The TDF received additional funding in 2011 (£650,000): additional budget allocation of £450,000 was received from the Central Reserve and £200,000 was from existing approvals.

The decrease in spend for the Tourism, Marketing and Promotion section (£694,924) was primarily due to extra funding received in 2010 from Fiscal Stimulus (£500,000) and the Jersey Hospitality Association (£50,000). There was also a saving in the Visitor service area due to CSR related voluntary redundancy (£101,478).

Economic Development

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
1,924	2,199	Enterprise and Business Development	1,941	1,973
		Tourism		
6,036	6,523	Tourism, Marketing and Promotion ¹	6,542	7,237
-	650	Tourism Development Fund	650	-
		Policy and Regulation		
300	300	Competition Law	300	413
557	531	Consumer Affairs/Trading Standards	534	549
3,014	3,861	Finance Sector	3,784	3,023
119	119	Gambling Legislation and Control	119	201
452	269	Regulation of Undertakings	265	421
361	432	Rural Sector - Policy and Regulatory	452	375
648	404	Policy Development	(339)	(30)
		Rural Support		
968	965	Single Area Payment	965	1,000
778	777	Dairy Service Support ²	764	916
144	65	General Support - Rural Economy	59	162
349	422	Rural Initiative - Rural Economy	439	331
		Skills		
429	663	Training and Workforce Development Skills	656	753
-	-	Harbours Stimulus Grant	-	101
	1,122	Durrell Stimulus Grant	1,122	374
16,079	19,302	Net Revenue Expenditure: BP Basis³	18,253	17,799
14	14	Depreciation	13	15
16,093	19,316	Net Revenue Expenditure: GAAP Basis	18,266	17,814

1. Tourism Marketing, Events, Research and Visitor Services have been combined.

2. Dairy Services Support and Quality Milk Payments have been combined.

3. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

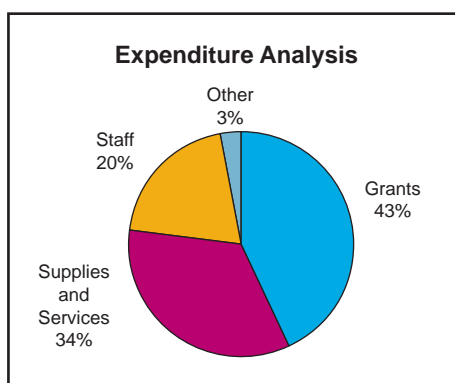
At the year end the department employed the equivalent of 59 full time employees. This is a decrease of 22 (27.2%) from 2010 and is due to the Fiscal Stimulus contracts ending in 2011 (10), the net transfer of staff to the Chief Minister's Department (6) and the transfer of 3 staff to the Gambling Commission. There was also a voluntary redundancy in 2010 and there are 3 vacancies at the end of 2011.

Economic Development

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Ofcom/ Digital Switchover	715
Marketing and Advertising	467
Licence Fees	359
Other	562
Total	2,103



Income

£82,637 (3.8%) Shortfall on budget **↘£434,983 (17.1%) less than 2010**

The shortfall on budget is mainly due to lower Tourism advertising Income (£37,147) and a reduction in the rental received in the Business Incubator (£38,483).

The reduction of Income is mainly due to the transfer of licence fees to the Gambling Commission (£234,756) and a reduction of Tourism advertising and sponsorship Income (£158,427).

Staff Expenditure

£259,516 (6.1%) Under budget **↘£516,001 (11.4%) less than 2010**

The underspend was mainly due to vacancies in the Policy Development and Jersey Enterprise sections during the year (£281,436).

There was a reduction of staff expenditure from 2010 which is due to the transfer of staff to the Gambling Commission (£288,283) and a reduction of contract staff employed for the Fiscal Stimulus projects (£113,348). There were also vacancies during the year.

Grants

£290,250 (3.4%) Over budget **↗£1,228,420 (16.3%) more than 2010**

The overspend is mainly due to an additional grant to Jersey Finance Ltd (£102,500), and increase in grants for the Rural Initiative Scheme (£94,162) and Air Route Development (£72,173).

The increase on 2010 is mainly due to additional grants made to Durrell (£748,132) as part of the Fiscal Stimulus and an increase in the grant to Jersey Finance Ltd (£502,500). There was also an increase in Jersey Enterprise grants (£106,427) offset by a reduction in the grant to the JCRA.

Other Operating Expenses

£619,565 (100%) Under budget **↘£264,978 (100%) less than 2010**

This budget is the Department's strategic budget and was transferred to various service areas in the EDD due to reprioritisation during the year including:

- £200,000 for extra funding to the TDF,
- £243,375 for the provision made for the likely realisation of guarantees provided to two companies as part of the Small Firms Loan Guarantee Scheme (SFLGS),
- £70,000 extra funding to Tourism for the Christmas TV campaign, and
- £80,000 to Tourism for Air Route Development.

The reduction on 2010 is due to a provision made for a doubtful debt in Tourism (£264,978).

Balance Sheet

The long term liability provision (£243,375) relates to a provision for the SFLGS.

The reduction in creditors (£4,452,195) is mainly due to the final payment of the

Economic Development

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
391	387	Duties, Fees, Fines and Penalties	359	604
170	170	Sales of Goods	129	97
694	694	Sales of Services	628	809
3	3	Commission	5	3
65	65	Hire and Rentals	23	14
152	867	Other Revenue	959	1,011
1,475	2,186	Total Revenue	2,103	2,538
4,107	4,287	Staff Expenditure	4,027	4,543
5,846	7,377	Supplies and Services	6,904	7,258
234	231	Administrative Expenses	293	307
546	520	Premises and Maintenance	387	446
407	619	Other Operating Expenditure	-	265
6,414	8,454	Grants and Subsidies Payments	8,744	7,516
-	-	Finance Costs	1	2
17,554	21,488	Total Expenditure	20,356	20,337
16,079	19,302	Net Revenue Expenditure: BP Basis	18,253	17,799
14	14	Depreciation	13	15
16,093	19,316	Net Revenue Expenditure: GAAP Basis	18,266	17,814

No other gains or losses were recognised during the year.

Economic Development

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	10	23
Total Fixed Assets	10	23
Current Assets		
Stock and work in progress	113	102
Debtors	155	93
Cash at bank and in hand	4	3
Total Current Assets	272	198
Current Liabilities		
Creditors	(2,107)	(6,559)
Total Current Liabilities	(2,107)	(6,559)
Net Current Assets / (Liabilities)	(1,835)	(6,361)
Total Assets Less Current Liabilities	(1,825)	(6,338)
Long Term Liabilities		
Provisions for liabilities and charges	(243)	-
Total Long Term Liabilities	(243)	-
Net Liabilities	(2,068)	(6,338)
Accumulated Reserves	(2,068)	(6,338)
Total Reserves	(2,068)	(6,338)

Education, Sport and Culture

Highlights:

Underspend of £3,353,661 (3.1%) against Final Approved Budget

Net Revenue Expenditure of £103,561,235, an increase of 1.5% on 2010

Key Results

Key Variances from Budget

	£'000
Schools	
Non Fee Paying	723
Fee Paying Provided	802
Higher Education	978
Special Education	442
Other Variances	408
Net Underspend	3,353

Performance against Final Approved Budget

The underspend, amounting to 3.1% of Final Approved Budget, reflects the arrangement for Delegated Financial Management that allows schools to carry forward funds within defined financial parameters to accommodate the difference between the academic and financial years. As annual school funding is determined largely by the number of pupils at the census date in the previous September, variations in the numbers leaving and joining each new academic year can have a significant effect on the budget. Allowing schools to carry forward surpluses and deficits enables them to manage these changes over a longer period.

Budgeting for Higher Education is dependent on many variables including university applications, course choices, parental income, fee levels and income thresholds (which were last updated in 2001). Given the current uncertainty over UK fees the Department has been prudent in establishing a contingency as a buffer against future fluctuations. This service area has traditionally been treated as ring-fenced and the Department will recommend that the underspend this year be carried forward for this purpose in 2012.

Special Education encompasses special schools, the Department's central and devolved provisions for pupils with special educational needs in mainstream schools and specialist educational placements off-Island. Expenditure in this area can change significantly from year to year depending on the needs of the students and the provision being made.

Miscellaneous underspends mainly relate to funds set aside to meet the uncertain cost of teachers' maternity leave and sickness absence and savings that have been accrued in order to meet the future funding pressures that the Department is facing, including the impact of the changes to teachers' terms and conditions and temporary reductions in the funding allocated to the ICT strategy in the 2012 Annual Business Plan.

Key Variances from 2010

	£'000
2010 NRE	102,079
Pay Increases	640
Additional income	(531)
Premises costs	330
Grants and Subsidies (including Fiscal Stimulus)	1,169
Other Variances	(126)
2011 NRE	103,561

Performance compared to 2010

The increase in spend from 2010 to 2011 was 1.5%. The variance is due to a number of factors: the impact of pay awards and non-staff inflation; the impact of CSR savings not subject to P72/2011; funding allocated from Fiscal Stimulus and Restructuring funds to provide grants to two Non Provided Schools for premises related expenditure; school and other fee increases resulted in an increase in income of just over £0.5 million; additional funding provided to the Jersey Heritage Trust to facilitate improvements to amenities and displays at the various sites maintained by the Trust.

Education, Sport and Culture

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	100,157
Carry Forwards	2,628
Additional Funding from	
Central Reserves	500
CSR – Invest to Save	616
Fiscal Stimulus	2,717
CSR – Early Savings	(104)
Other Transfers	(2)
Transfer from Capital	739
Transfer to Capital (GAAP)	(464)
Final Approved Budget	106,787

Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan totalling £6.63 million were made. £2.6 million was carried forward from 2010 and an additional sum of £0.5 million was transferred to the Department in accordance with the revised teachers' terms and conditions agreed as part of the 2010/11 pay negotiations. Fiscal Stimulus funding totalling £2.7 million was transferred to support the Advance to Work and Advance Plus schemes, Careers Team strengthening, additional student numbers at Highlands College and a new Special Needs unit at Beaulieu School. Transfers from capital to revenue totalling £739,300 were made to comply with GAAP accounting rules on the treatment of expenditure on the Department's ICT and Healthy Eating in Schools strategies.

Transfers from revenue to capital (£39,725) and Jersey Property Holdings (£424,100) were also made to comply with GAAP rules on capital expenditure for projects at Highlands College, Victoria College and St Clement's School. Further funding was provided for CSR support and a grant to enable St George's school to purchase its buildings and deliver a CSR saving from 2012. Savings identified for 2012 in the 2011 Annual Business Plan were delivered earlier than expected and were relinquished.

Other developments

Funding for Higher Education grants to students is an area of the budget that is extremely difficult to predict due to a number of factors including the number of students applying for university places, parental incomes, course choice, university fee charges and course duration. UK Government changes to university funding and fees have added further uncertainty to the already volatile nature of this area of the budget and a working group has been established to formulate proposals for future grant and loan schemes.

Fiscal Stimulus funding is currently provided to the Department to maintain a number of projects such as Advance to Work, Advance Plus, an enhanced careers advice and guidance service and to fund additional student numbers at Highlands College. A funding request has been made for the 2012/13 academic year and requests will be submitted for a long term solution to ensure the future viability of these successful schemes.

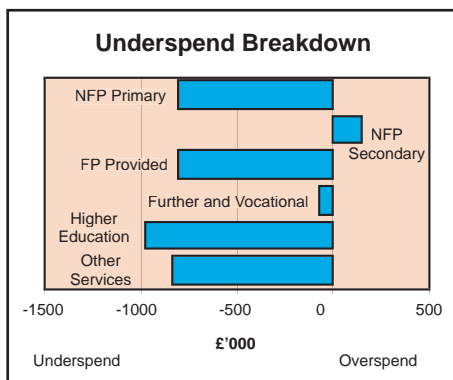
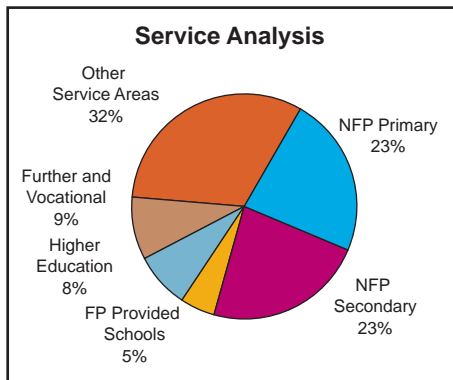
The Department continues to work on establishing CSR savings in the light of P72/2011, however there are significant challenges in meeting the full savings of £11.1 million by 2013.

The consultation on the Future of Education – "Learning for Tomorrow's World" - closed in early December 2011 and the outcome from the consultation exercise as well as other research will form the basis of future reporting to the States in 2012 and beyond.

Education, Sport and Culture

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Non Fee Paying Primary Education

£801,691 (3.3%) Under budget

▲£506,557 (2.2%) more than 2010

All schools are formula funded for a financial year on the basis of pupil numbers, with a fixed element applied to meet other costs. Schools operate under the Delegated Financial Management scheme which allows some year end flexibility to manage the differences in the academic and financial years and the uncertainty over pupil numbers and future funding. Additional funding was provided to Primary Schools in 2011 as a result of increased non-contact time negotiated as part of the 2010/11 pay deal for teaching staff.

Non Fee Paying Secondary Education

£144,471 (0.6%) Over budget

▲£90,323 (0.4%) more than 2010

The same funding and Delegated Financial Management scheme applies to Secondary Schools and they are able to carry forward negative as well as positive amounts to future years in order to manage the financial pressures that are experienced as pupil numbers change. 3 of the 5 secondary schools were overspent at the end of 2011, and have made changes in the Autumn term 2011 to reduce expenditure as pupil numbers fall.

Fee Paying Provided Schools

£801,577 (12.9%) Under budget

▲£154,375 (2.9%) more than 2010

The budget allocation to Fee Paying Schools is also established on the same basis as Non Fee Paying Schools although at a lower rate to reflect the contribution made by fees to the running of the school. Underspends have occurred through prudent financial management in order to both enable capital schemes to be progressed and provide some flexibility into the future.

Further, Vocational and Tertiary Education

£75,816 (0.8%) Under budget

▲£189,587 (2.0%) more than 2010

Highlands College received additional funding of £948,700 (approx 10% of final expenditure) during the year from Fiscal Stimulus to enable additional students to participate in vocational courses. A small underspend relates to timing differences on materials expenditure.

Higher Education

£977,181 (10.4%) Under budget

▼£266,164 (3.0%) less than 2010

The Department carried forward £661,000 from 2010 to supplement the budget in this area. However, a renegotiation of fees from Autumn 2011 and slight changes in the student profile resulted in an increased underspend compared to 2010. The Department proposes to carry this forward again to mitigate against increased pressures in the budget following changes to the UK university fee structure and the likelihood of increased expenditure as a result of parental incomes being reduced by the recent economic situation.

Education, Sport and Culture

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Schools and Colleges		
		Non Fee Paying Provided Schools		
3,683	3,676	Pre-School Education	3,610	3,462
23,468	24,654	Primary Education	23,852	23,346
24,067	23,776	Secondary Education	23,921	23,830
		Fee Paying Schools		
5,686	6,229	Provided Schools	5,427	5,273
5,133	6,140	Non Provided Schools	6,132	5,076
8,063	8,147	Special Educational Needs and Special Schools	7,707	7,850
758	766	Instrumental Music Service	757	742
		Culture and Lifelong Learning		
8,827	9,733	Further, Vocational and Tertiary Education	9,657	9,468
1,717	1,710	Public Libraries	1,606	1,634
1,477	1,464	Youth Service	1,442	1,516
8,676	9,380	Higher Education (Student Finance)	8,402	8,669
689	1,859	Careers Jersey	1,853	1,492
		Child Care Support		
199	199	Child Care Registration	201	191
176	177	Jersey Child Care Trust	180	177
2,496	2,507	Heritage (Grant to the JHT)	2,504	2,731
1,798	1,814	Culture (including Grant to the JAT)	1,772	1,795
		Sport and Leisure		
1,928	1,864	Sports Centres	1,795	2,026
1,365	1,419	Playing Fields and Schools Sports	1,290	1,411
609	633	Sport Development	576	704
329	332	Grants and Advisory Council	358	353
208	208	Activity Clubs and Outdoor Education	177	208
100	100	Minor Capital Expenditure	215	-
		Less : Savings to be identified following outcome of major reviews		
(1,295)	-		-	-
100,157	106,787	Net Revenue Expenditure: BP Basis¹	103,434	101,954
176	177	Depreciation	125	120
-	-	Asset Disposal Loss	2	5
100,333	106,964	Net Revenue Expenditure: GAAP Basis	103,561	102,079

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

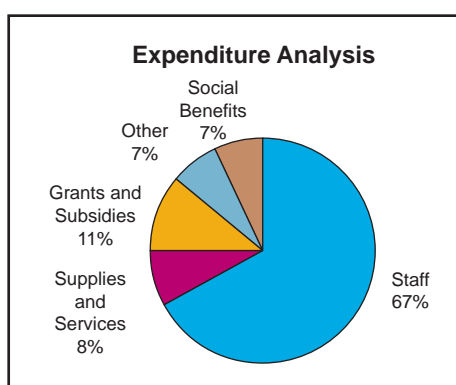
At the year end the department employed the equivalent of 1,533 full time employees. This is an increase of 12 (0.8%) from 2010, and is due to additional staff delivering Primary and Pre School Education as a result of the increased non- contact time for teachers agreed as part of the 2010/11 pay negotiations.

Education, Sport and Culture

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Fee Paying Provided Schools	8,996
Highlands College	3,022
Sport Division	4,154
Other	1,603
Total	17,775



Income

£706,626 (4.1%) Surplus on budget **▲£531,408 (3.1%) more than 2010**

Additional income compared to 2010 was generated primarily through Fee Paying Provided Schools (up 3.7%) and Highlands College student, employer and adult education fee income (up 11%) partly as a result of increased students and partly as a result of fee increases and reviews.

Sport Division income was slightly down on 2010 as a result of a revised method of accounting for agency income on shows and events (now excluded).

Income budgets in the Fee Paying Provided Schools were reduced (funded from carry forwards) to reflect the effect of P72/2011 and the proposed CSR changes to funding, as shown by the change between the Business Plan figures (shown after allocating the £1,295,000 savings not identified in the 2011 Annual Business Plan) and the Final Approved Budget.

Staff Expenditure

£1,136,124 (1.4%) Under budget **▲£639,855 (0.8%) more than 2010**

Primary Schools carried forward funds to 2011 to meet unforeseen staff absence costs and a proposed CSR saving by reducing the hours delivered in States nurseries was changed in scope. As a result, this area ended the year with a £475,000 underspend on staff budget. Other underspends included the remaining schools and colleges with a £136,500 underspend on staff due to timing of recruitments and an underspend on the budget for staff maternity leave and long-term sickness absence of £299,000.

Grants and Subsidies

£74,474 (0.6%) Under budget **▲£1,168,745 (9.9%) more than 2010**

Additional Grants were provided to Non Provided Schools in relation to Fiscal Stimulus projects (£510,500) and Invest to Save CSR initiatives (£500,000).

Supplies and Services

£778,473 (7.5%) Under budget **▼£108,503 (1.1%) less than 2010**

As a result of a change to the method of accounting for Shows and Events agency income and expenditure, payments to the promoters of shows are now reflected as reduced income rather than expenditure. School underspends from 2010 are generally included within this area and amounts remaining unspent at the end of 2011 may be carried forward to 2012.

Other Recognised Gains and Losses

The Department had no other recognised gains and losses in 2011.

Balance Sheet

The Debtors shown in the Balance Sheet mainly represent increased levels of prepayments at the end of 2011 in relation to Non Provided Schools and other grant funded organisations

Education, Sport and Culture

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
21	21	Duties, Fees, Fines and Penalties	23	24
339	239	Sales of Goods	476	457
15,888	15,633	Sales of Services	15,949	15,518
19	19	Commission	58	22
832	832	Hire and Rentals	893	861
326	326	Other Revenue	376	362
17,425	17,070	Total Revenue	17,775	17,244
8,300	8,961	Social Benefit Payments	8,022	8,201
81,323	82,906	Staff Expenditure	81,769	81,129
8,414	10,329	Supplies and Services	9,550	9,659
756	1,182	Administrative Expenses	1,212	1,029
7,118	7,262	Premises and Maintenance	7,538	7,208
94	94	Other Operating Expenditure	62	86
11,561	13,107	Grants and Subsidies Payments	13,032	11,863
16	16	Finance Costs	24	23
117,582	123,857	Total Expenditure	121,209	119,198
100,157	106,787	Net Revenue Expenditure: BP Basis	103,434	101,954
176	176	Depreciation	125	120
-	-	Asset Disposal Loss	2	5
100,333	106,964	Net Revenue Expenditure: GAAP Basis	103,561	102,079

No other gains or losses were recognised during the year.

Education, Sport and Culture

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	1,729	1,690
Total Fixed Assets	1,729	1,690
Current Assets		
Debtors and Prepayments	5,025	3,600
Cash at Bank and in Hand	55	50
Total Current Assets	5,080	3,650
Current Liabilities		
Creditors	(4,970)	(4,487)
Provisions for liabilities and charges	-	(204)
Total Current Liabilities	(4,970)	(4,691)
Net Current Assets / (Liabilities)	110	(1,041)
Net Assets	1,839	649
Reserves		
Accumulated Revenue Reserves	1070	(128)
Donated Asset Reserve	769	777
Total Reserves	1,839	649

Department of the Environment

Highlights:

Underspend of £280,608 (4.1%) against Final Approved Budget

Net Revenue Expenditure of £6,738,751, a decrease of 9.4% on 2010

Key Results

Key Variances from Budget

	£'000
Net planning fee income	248
Staff savings	77
Restructuring project delays	74
Planning appeals	(187)
Other income	43
Other variances	26
Net Underspend	281

Key Variances from 2010

	£'000
2010 NRE	7,440
Planning and building fees	(360)
VR payments 2010	(502)
VR payments 2011	224
Depreciation	(84)
Other Variances	20
2011 NRE	6,738

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	6,749
Carry Forwards	433
CSR Invest to Save	85
CSR Savings - VR	(224)
Transfer to Capital	(122)
Final Approved Budget	6,921

Other Developments

2011 has seen continued provision of Energy Efficiency grants, the establishment of the Eco-Active brand, and adoption of the Island Plan and the North of Town Masterplan. Work has already started and will continue on planning improvements, including an online application facility to streamline the planning process, making it faster and easier for the Department's customers. The Department's role as a Waste Regulator has been developing, with the issue of 3 waste management licenses, 9 notifications for transfrontier shipments of waste and 7 registrations for hazardous waste carriers.

In addition, the Department has exceeded its 2011 target of £208,000 of savings by bringing forward VR savings of £223,947 and is committed to further savings of £577,000 over the next 2 years as part of the CSR and an additional £300,000 in fees for User Pays.

2012 will see the implementation of the Rural Economy Strategy; increased concentration on supplementary planning guidance and masterplanning with the continued expansion of Eco-Active across the States. There is a continued risk that development and building control income may be affected as a result of the downturn in the construction industry.

Performance against Final Approved Budget

Overall the Department had an underspend against budget of £280,608 (4.1%). This was made up of net additional planning fee income, including £247,730 from some large applications, offset by increased costs relating to temporary planning officers.

The rest of the underspend is due to additional income of £42,639, staff savings due to unplanned sickness and other variances (£77,302), planning appeal costs of £187,495 and delays in restructuring projects under the CSR (£74,000).

Performance compared to 2010

The decrease in Net Revenue Expenditure (NRE) from 2010 to 2011 was £701,973 (9.4%); £310,156 related to additional planning fee income, and £50,275 to additional building fee income as a result of the 2.5% fee increase. There was also a reduction in staff expenditure due to VR payments made in 2010 of £501,881, as part of the CSR which also produced staff savings in 2011. £223,947 relates to 2012 CSR savings taken early during 2011.

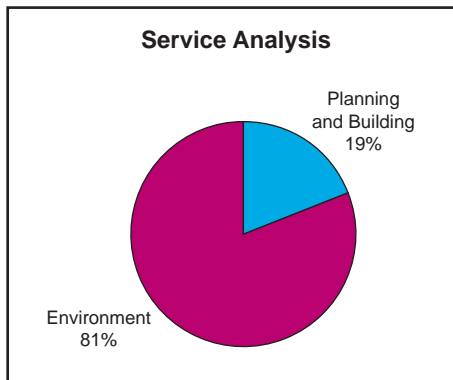
Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan included CSR savings for 2012 taken early (£223,947), less restructuring monies (£85,000) for projects within Planning and the Meteorological Office. Carry forwards from 2010 included £181,772 for Energy Efficiency grants and £251,568 for the Process Improvement Programme (PIP), of which £122,750 related to asset purchase, so was transferred from revenue to capital, in accordance with UK GAAP.

Department of the Environment

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Planning and Building Division

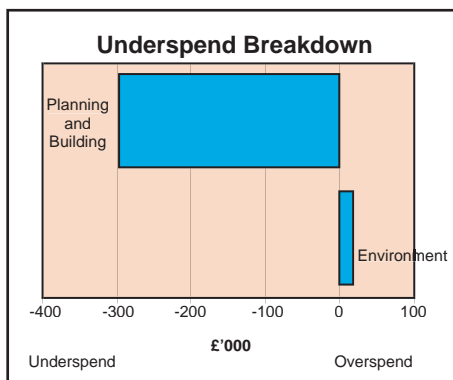
£297,310 (18.9%) Under budget

↘£599,148 (32.0%) less than 2010

The majority of the underspend from budget and reduction from 2010 is due to additional planning fee income. There have also been delays in restructuring projects to 2012.

In addition, there were lower staff costs than 2010 due to VR payments made in 2010, and smaller appeal payments made in 2011, £91,875 less than 2010.

Development control continues to focus on implementing service improvements and has commenced projects on online applications which will be available in 2012.



Environment Division

£16,686 (0.3%) Over budget

↘£21,773 (0.4%) less than 2010

The additional spend over budget relates to additional grant allocations for the Countryside Renewal Scheme during the year (£116,395) offset in part by savings on administrative functions and lower consultancy spend within the Division.

The reduction over 2010 relates to further staff savings in the Environment Division and VRs taken in 2010. These were partly offset by an increase in grant expenditure.

Department of the Environment

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
1,481	1,572	Planning and Building Division	1,275	1,874
5,268	5,349	Environment Division	5,365	5,387
6,749	6,921	Net Revenue Expenditure: BP Basis¹	6,640	7,261
135	135	Depreciation	98	182
-	-	Asset Disposal (Gain)/Loss	-	(3)
6,884	7,056	Net Revenue Expenditure: GAAP Basis	6,738	7,440

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

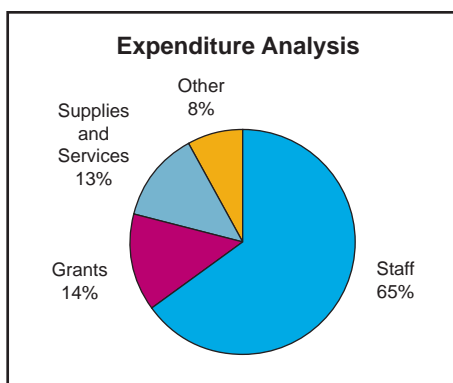
At the year end the department employed the equivalent of 108.3 full time employees. This is a decrease of 2.7 (2.4%) from 2010, and is due to vacancies at year end for 2 new trainee forecasters in the Meteorological Department and other parts of posts.

Department of the Environment

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Duties, Fees, Fines and Penalties	3,058
Sales of Services	742
Other	297
Total	4,097



Income

£453,792 (12.5%) Surplus on budget **▲£359,712 (9.6%) more than 2010**

Duties, Fees, Fines and Penalties includes additional planning application fees of £310,156 and additional building application fees of £50,275 from 2010. This was due to large fees during 2011 from larger than usual applications. Receipt of income is subject to fluctuations based on market conditions.

Staff Expenditure

£21,336 (0.3%) Over budget **▼£423,236 (5.7%) less than 2010**

Decreased staff expenditure year on year relates to VR payments being paid out during 2010 and VR savings during 2011. This has been offset in part by additional contract staff employed to assist with planning application work, hence the excess spend on budgets.

Supplies and Services

£251,471 (15.4%) Under budget **▼£257,911 (15.7%) less than 2010**

The reduction in spend on supplies and services relates to one off expenditure in Policy and Projects during 2010 when the revised Island Plan was presented to the States and reduced consultancy spend in several areas of the Environment Division due to reallocation of funding to grants. Additional underspend against budgets is due to a reduction in other areas of expenditure to cover appeals.

Other Operating Expenditure

£196,985 unbudgeted **▼£82,825 (29.6%) less than 2010**

This includes planning appeal claims, ex-gratia payments and resultant legal fees. Budget is not allocated for these claims as they cannot be predicted. In 2011 there were smaller settlements in comparison to 2010.

Grants and Subsidies Payments

£102,277 (7.4%) Over budget **▲£452,410 (43.6%) more than in 2010**

In 2011, the Countryside Renewal Scheme focused on the completion of the slurry storage construction program, with 18 stores completed to date. Longer term components (hedgerows, organic production) also received grant monies. Total CRS spend during 2011 was £486,387.

The Energy Efficiency Service has received 1,238 applications for assistance from low income and vulnerable islanders to date. Also, the Community Buildings Programme is working on projects with 21 local charities and not-for-profit organisations. The service paid out a total of £978,110 in grants during 2011.

Balance Sheet

The provision made in 2011 relates to a planning appeal against the department for an estimated £100,000. Creditors include income which has been deferred to match work completed on planning and building applications. Debtors have decreased substantially from 2010 primarily due to additional applications as a result of building by-law changes in 2010.

Department of the Environment

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
2,730	2,730	Duties, Fees, Fines and Penalties ¹	3,058	2,693
28	28	Sales of Goods	25	17
743	743	Sales of Services	742	746
143	143	Other Revenue	272	282
3,644	3,644	Total Revenue	4,097	3,738
7,258	7,034	Staff Expenditure	7,055	7,478
1,419	1,633	Supplies and Services	1,382	1,640
144	144	Administrative Expenses	121	121
367	367	Premises and Maintenance	493	443
-	-	Other Operating Expenditure	197	280
1,205	1,387	Grants and Subsidies Payments	1,489	1,037
10,393	10,565	Total Expenditure	10,737	10,999
6,749	6,921	Net Revenue Expenditure: BP Basis	6,640	7,261
135	135	Depreciation	98	182
-	-	Asset Disposal (Gain) / Loss	-	(3)
6,884	7,056	Net Revenue Expenditure: GAAP Basis	6,738	7,440

1. Included within Duties, Fees, Fines and Penalties are Water License fees, previously treated as Hire and Rentals in both 2011 budget and 2010 actuals.

No other gains or losses were recognised in the year

Department of the Environment

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	1,025	894
Total Fixed Assets	1,025	894
Current Assets		
Debtors	143	705
Total Current Assets	143	705
Current Liabilities		
Creditors	(4,392)	(4,241)
Provisions for liabilities and charges	(100)	(502)
Total Current Liabilities	(4,492)	(4,743)
Net Current Liabilities	(4,349)	(4,038)
Total Assets less Current Liabilities	(3,324)	(3,144)
Net Liabilities	(3,324)	(3,144)
Reserves		
Accumulated Revenue Reserves	(3,324)	(3,144)
Total Reserves	(3,324)	(3,144)

Health and Social Services

Highlights:

Underspend of £1,318,492 (0.8%) against Final Approved Budget

Net Revenue Expenditure of £172,268,117, an increase of 1.0% on 2010

Key Results

Key Variances from Budget

	£'000
Operational services	350
Equipment purchases	157
Stock write back	521
PMO team	290
Net Underspend	1,318

Performance against Final Approved Budget

The out-turn against budget for 2011 is a £1.3 million underspend. This comprises four main elements.

The net operational underspend against service budgets is less than £0.4 million representing 0.2% of the Department's net revenue budget. In addition, a small underspend of less than £0.2 million has been recorded against equipment purchase budgets relating entirely to the timing of equipment delivery dates over year end. This spend is fully committed and the equipment is due to be received in early 2012.

The majority of the £1.3 million underspend was generated by non operational issues. As a result of the life of Tamiflu drugs being extended by the manufacturer, stocks previously written off were reinstated. This resulted in a net £0.5 million credit to the financial position.

The Department's CSR target of £2.8m for the year was achieved. This was successfully managed through a dedicated Project Management Office (PMO). Funding for this was provided centrally from restructuring funds. The phased implementation of the PMO has resulted in an underspend in 2011 of £0.3 million.

Whilst the Department achieved a net underspend for the year, this was largely driven by non operational reasons. The operational underspend equating to just one fifth of one percent of the overall budget demonstrates that these services continue to face significant financial pressures.

Key Variances from 2010

	£'000
2010 NRE	170,507
2011 Business Plan	8,247
2010 Carry Forward	3,527
CSR Savings	(2,770)
Increased income	(6,675)
2011 Underspend	(1,319)
Other variances	751
2011 NRE	172,268

Performance compared to 2010

Net Revenue Expenditure (NRE) has increased by £1.8 million in 2011 from 2010. The main drivers being increased funding provided in the 2011 Business Plan and a non-recurrent carry forward from 2010, offset by the delivery of CSR savings and income from the Health Insurance Fund (HIF).

The 2011 Business Plan provided funding for a number of issues, notably investment in endoscopy services, the Integrated Care Record (ICR) programme, medical staffing and the hospital wards. This funding is reflected in the increased level of spend in 2011 compared to 2010.

The carry forward funded the provision of hospital, community and social services, additional equipment in the Hospital, the establishment of the PMO and strategic planning for the delivery of health and social care in Jersey.

The Department successfully delivered its CSR target of £2.8 million for 2011; this has been removed from operational budgets.

Health and Social Services

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	167,639
2010 Carry Forward	3,527
Additional Funding	497
Fiscal Stimulus Funding	96
Transfer from Capital	474
Other Transfers	(778)
Final Approved Budget	171,455

Changes from Budget Voted in the Business Plan

The Department's net budget has increased by £3.8 million compared to the 2011 Business Plan. The main increase was the non-recurring carry forward from 2010, described above. The remainder of the changes are described below.

Additional funding Voted by the States under P17/2009 (Williamson Funding) totalling £0.5 million relates to the refurbishment of Brig-Y-Don which was re-opened in the summer of 2011 providing accommodation for children.

Fiscal Stimulus money of £0.1 million was made available to the Department for the refurbishment of Rosewood House providing elderly dementia services.

The Department went live with the ICR project in August 2011. A budget transfer of £0.5 million from capital to revenue was required to ensure compliance with UK GAAP accounting standards.

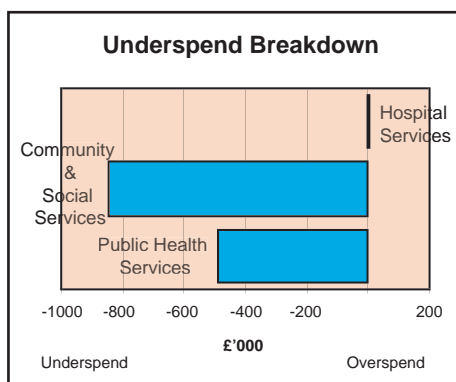
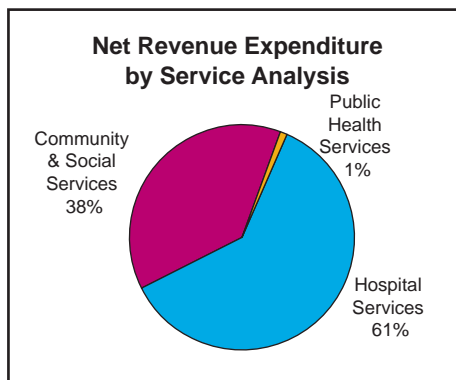
Departmental transfers of £0.8 million are made up of a number of transfers to and from other departments. The largest of these was a transfer of legal fees budget to Treasury and Resources Contingency.

Other developments

In May 2011 the Minister published a public consultation green paper entitled "Caring for each other, Caring for ourselves" considering how services should be provided through the challenging demographic changes over the next 30 years. The outcome of the public response was overwhelmingly in favour of a new model for health and social care in Jersey where people get the right care at the right time by the right staff.

The Minister, in consultation with the Council of Ministers, intends to bring reforms forward as a white paper during 2012.

Health and Social Services



Hospital Services

£1,111 (0.0%) Over budget

▲£3,293,460(3.3%) more than 2010

Hospital Services net expenditure has increased by £3.3 million and was in line with budget.

The 2011 Business Plan provided for significant investment in key areas, particularly in endoscopy services, middle grade doctor contracts, medical staffing and nursing. In addition, spend on the provision of specialist and emergency care in UK hospitals and drugs also increased significantly. These increases are in part offset by increased income from radiology services, the stock write back, referred to above and the impact of 2010 voluntary redundancies.

The increased spend in Theatres and Ambulatory care in 2011 reflects the investments that were anticipated in the business planning process.

The overall out turn was in line with the original budget. The out turn included significant growth in the volume and cost of UK specialist treatments which is expected to continue into 2012; offset by the timing of equipment purchases and stock write back referred to above.

The financial pressures surrounding the provision of hospital services are well documented in the Department's Green Paper and are reflected in the 2012 Business Plan.

Community and Social Services

£833,276 (1.3%) Under budget

▲£225,084 (0.3%) more than 2010

Community and Social Services net expenditure has increased by £0.2 million and was £0.8 million under the original budget.

There has been significant investment in Children's and Therapy services following the Williamson recommendations. In addition to inflationary pressures, Adult services' budgets have been subject to significant pressure during 2011 as a result of a dramatic increase in high cost placements, often in the UK. The cost of specialist UK placements for clients with special needs and mental health issues has increased by 17% in 2011 alone. This will be a major financial pressure for these services in 2012.

The increase in expenditure compared to 2010 was offset, in part, by income from the HIF relating to the provision of primary care services provided by the Department.

The variance against budget reflects the phasing of investment in services for children, reflected in Children's and Therapy Services. This is offset by the increased level of spend on Adult Services, particularly relating to the increasing number of individual care packages and mental health placements.

Public Health

£486,365 (16.4%) Under budget

▼£2,482,276 (50.0%) less than 2010

Public Health net expenditure has decreased by £2.5 million in 2011, largely arising from primary care clinical services being funded through the HIF income for the first time in 2011. A further £0.5 million decrease in actual expenditure reflects the impact of VRs in 2010.

The variance against the original budget reflects VRs in 2010 and vacancies in established posts not planned at budget setting.

Health and Social Services

Net Expenditure – Service Analysis

2011 Business Plan (Restated) ¹ £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual (Restated) ¹ £'000
		Public Health Services		
2,207	1,194	Public Health Clinical Services	1,007	3,037
1,710	1,778	Public Health Strategies	1,479	1,931
3,917	2,972		2,486	4,968
		Hospital Services		
25,701	26,186	Inpatients	25,984	25,551
13,794	14,668	Theatres	15,371	13,915
11,045	10,983	Women & Children	11,234	11,421
5,014	6,203	Unscheduled Care	6,357	5,833
18,772	19,925	Ambulatory Care	20,388	18,727
19,371	20,833	Clinical Support	19,145	19,906
4,019	4,207	Ambulance Emergency Services	4,527	4,360
97,716	103,005		103,006	99,713
		Community & Social Services		
18,231	16,487	Older Peoples Services	16,401	18,847
25,584	26,677	Adults Services	27,354	25,844
15,885	15,389	Children's Services	14,266	13,446
6,306	6,925	Therapy Services	6,624	6,283
66,006	65,478		64,645	64,420
167,639	171,455	Net Revenue Expenditure: BP Basis²	170,137	169,101
2,392	2,392	Depreciation	2,113	1,404
		Asset Disposal (Gain)/Loss	19	2
		Capital Grant Amortisation		
170,031	173,847	Net Revenue Expenditure: GAAP Basis	172,268	170,507

1. The service analysis was restated in the 2012 Business Plan to reflect the new organisation structure following the appointment of a new Chief Officer in 2010. Figures for 2010 have been restated on a comparable basis.

2. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

2011 net revenue expenditure includes £6.1million of income from the HIF; this is the first year that this income has been reflected in the accounts.

Staff FTE

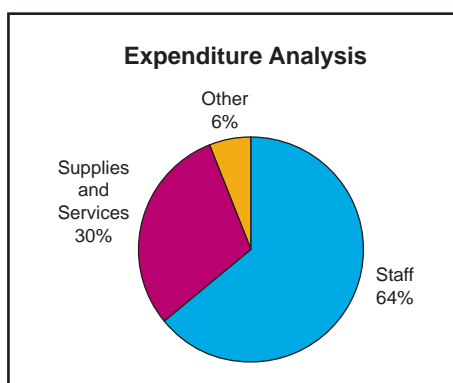
At the year end the department employed the equivalent of 2,310 full time employees. This is an increase of 13 (0.6%) compared to 2010.

Health and Social Services

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Sale of Services	13,016
HIF Income	6,131
Hire & Rentals	1,562
Other Revenue	1,910
Total	22,619



Income

£1,570,440 (7.5%) Surplus on budget **▲£6,674,584(41.9%) more than 2010**

Total income received in 2011 has increased by £6.7 million compared to 2010 largely as a result of the department receiving income for the first time from the HIF for primary care services delivered by the department.

The department has received £1.6 million more income than originally budgeted in 2011 largely as a result of increased private patient, elderly long stay and accommodation income, offset by a reduction in overseas patient income following the reintroduction of the UK Reciprocal Health Agreement in April 2011.

Staff Expenditure

£129,689 (0.1%) Under budget **▲£4,605,992 (3.9%) more than 2010**

Total staff costs have increased by £4.6 million in 2011 as a result of pay awards, and investment in medical and nursing staff in line with the Business Plan. This is in part offset by a drop in salary costs following VRs.

Supplies and Services

£932,164 (1.7%) Over budget **▲£10,189,952 (21.8%) more than 2010**

Expenditure in this category increased by £10.2 million compared to 2010. This reflects the commissioning of services from Family Nursing and Homecare (£5.9 million) which is now classified as the purchase of a service rather than a grant. Spend on specialist treatments in NHS hospitals and UK mental health placements and IT maintenance contracts supporting the ICR programme also contributed to the overall increase in expenditure against this heading compared to budget and last year.

Other Expenditure Headings

£550,697 (4.5%) Under budget **▼£7,086,093 (37.7%) less than 2010**

The majority of other expenditure headings were broadly in line with expectation, with Grants and Subsidies showing a reduction corresponding to the increase in Supplies and Services expenditure relating to services provided by Family Nursing and Homecare.

Other operating expenditure shows a negative spend of £0.4 million. This reflects the stock write back referred to previously. Expenditure excluding the stock write back would be £173,207

Other Recognised Gains and Losses

The Department had no Other Recognised Gains and Losses in 2011.

Balance Sheet

The net value of fixed assets has remained broadly constant. This reflects approximately £2 million of capital expenditure on the ICR and other equipment assets together with a depreciation charge of £2.1 million.

Stock holdings have increased by £0.9 million in year, largely as a result of a write back of drugs stock as described above.

In 2010 a provision was made for liabilities and charges amounting to £1.7 million for voluntary redundancy payments which were incurred in 2011.

Health and Social Services

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
4	4	Duties, Fees, Fines and Penalties	4	4
465	465	Sales of Goods	802	527
12,383	12,383	Sales of Services	13,016	12,985
1,251	1,251	Hire & Rentals	1,562	1,491
6,945	6,945	Other Revenue	7,235	937
21,048	21,048	Total Revenue	22,619	15,944
1,077	1,077	Social Benefit Payments	984	1,057
126,464	124,238	Staff Expenditure	124,108	119,502
49,965	56,007	Supplies and Services	56,940	46,750
998	998	Administrative Expenses	1,175	1,091
7,812	7,812	Premises and Maintenance	7,470	7,695
12	12	Other Operating Expenditure	(364)	257
2,357	2,357	Grants and Subsidies Payments	2,407	8,660
2	2	Finance Costs	36	33
188,687	192,503	Total Expenditure	192,756	185,045
167,639	171,455	Net Revenue Expenditure: BP Basis	170,137	169,101
2,392	2,392	Depreciation	2,113	1,404
		Capital Grant Amortisation		
		Asset Disposal (Gain)/Loss	18	2
170,031	173,847	Net Revenue Expenditure: GAAP Basis	172,268	170,507

No other gains or losses were recognised during the year.

Health and Social Services

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	12,441	12,561
Financial Assets		
Loans & Advances	-	500
Total Fixed Assets	12,441	13,061
Current Assets		
Loans & Advances	500	-
Stock and Work in Progress	4,463	3,577
Debtors	4,054	3,918
Cash at Bank and in Hand	10	10
Total Current Assets	9,027	7,505
Current Liabilities		
Creditors	(8,185)	(8,218)
Provisions for liabilities and charges	-	(1,668)
Total Current Liabilities	(8,185)	(9,886)
Net Current Assets / (Liabilities)	842	(2,381)
Total Assets Less Current Liabilities	13,283	10,680
Long Term Liabilities		
Provisions for liabilities and charges	(150)	(218)
Total Long Term Liabilities	(150)	(218)
Net Assets	13,133	10,462
Reserves		
Accumulated Revenue Reserves	12,972	10,284
Donated Asset Reserve	161	178
Total Reserves	13,133	10,462

Home Affairs

Highlights:

Underspend of £1,536,535 (3.1%) against Final Approved Budget

Net Revenue Expenditure (NRE) of £48,249,353, a decrease of 1.8% on 2010

Key Results

Key Variances from Budget

	£'000
Response and Reassurance	
Policing	342
Specialist Crime Investigation	264
Residential Accommodation	573
Other Variances	357
Net Underspend	1,536

Key Variances from 2010

	£'000
2010 NRE	49,152
TETRA	1,218
Criminal Injuries Compensation Scheme (CICS)	(327)
Police	(774)
UK Defence	(298)
Other Variances	(764)
Depreciation	42
2011 NRE	48,249

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	48,333
Carry Forwards	765
Additional Funding	150
Net transfers from Capital (GAAP)	871
Transfers to Capital (additional Income)	(358)
Transfers to Capital (JPH)	(415)
Departmental Transfers	(122)
Final Approved Budget	49,224

Performance against Final Approved Budget

The 3.1% underspend against the Final Approved Budget is mainly due to:

- additional income received over the budgeted amount;
- planned staff savings - vacancies and planned recruitment delays (mostly associated with ensuring that future CSR savings could be delivered);
- no significant unplanned incidents requiring additional funding;
- slippage on projects for which funding will be required in 2012.

The planned underspend has been achieved while also delivering the Department's 2011 CSR savings of £954,000 as detailed in the Annex to the Annual Business Plan 2011.

Performance compared to 2010

The Department's Net Revenue Expenditure reduced by a net amount of £902,784 between 2010 and 2011.

Revenue costs associated with the Terrestrial Trunked Radio (TETRA) replacement project were transferred to the Department's NRE along with the associated budget in order to comply with UK GAAP requirements. The project was funded from the 2010 Capital Programme and the balance of expenditure has been charged to capital.

A reduction of awards made by the Criminal Injuries Compensation Board, delivery of the 2011 CSR savings and planned underspends contributed towards the reduction in expenditure from 2010.

Changes from Budget Voted in the Business Plan

In 2011 net adjustments to the original budget voted in the Business Plan totalling £891,423 were made. This amount represents:

- carry forward of unspent funds from 2010 to support service delivery in 2011 (£764,600);
- transfers to and from capital to properly reflect revenue and capital expenditure in accordance with UK GAAP requirements (£871,144);
- additional passport income and unbudgeted credit from the Ministry of Defence (MOD) transferred to capital (£357,875);
- net transfers from the Treasury and Resources Department for reimbursement of the costs relating to the Historical Child Abuse Enquiry (HCAE) (P83/2009), restructuring and VR costs as part of the CSR process, early delivery of 2012 CSR savings and transfer of staff (£154,954);
- transfer to the Treasury and Resources Department (Jersey Property Holdings) to support the capital development at the Prison (£415,000);
- transfer to the Probation Service and Health and Social Services for the implementation costs of the Sex Offenders (Jersey) Law, 2010 (£126,400).

Home Affairs

Other developments

Major incident (States of Jersey Police)

In August the States of Jersey Police dealt with a major incident (Operation Pollen); this was managed within existing resources during 2011.

States of Jersey Police – Appointment of Accounting Officer

After considerable time in its development, in February 2011 the States approved the Minister for Home Affairs' Proposition (P192/2010) seeking approval of certain principles that should apply to the establishment of a Police Authority. Part (a) (8) of P192/2010 states that *'The Chief Officer shall have the command, direction and control of the States of Jersey Police Force and each of its police officers and shall be the Accounting Officer in relation thereto.'*

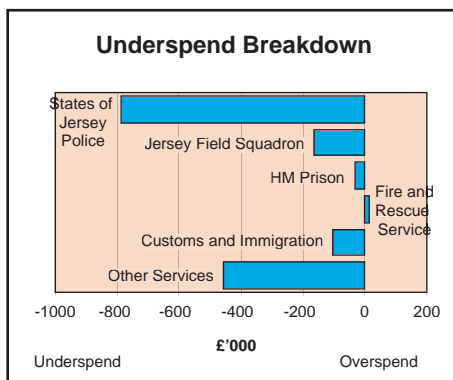
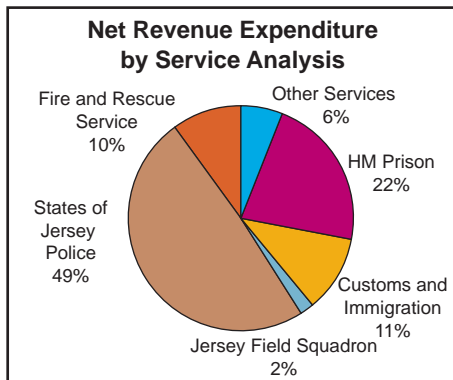
The Minister for Treasury and Resources has agreed that the Chief Officer, States of Jersey Police, is appointed as an Accounting Officer with effect from 1 January 2012. The Minister for Home Affairs has allocated the Department's 2012 net revenue between the Department's two accounting officers and a revised Memorandum of Understanding (MOU) between the Accounting Officers for 2012 reflects the new financial arrangements.

Delivery of CSR Savings

The Home Affairs Department is committed to delivering its CSR savings as agreed by the Minister. The Department established a Programme Board in 2010 in order to assist in the management and delivery of agreed savings projects. The main purpose of the Programme Board meetings is to review project programmes, assess the risks, consider risk mitigations where necessary, approve any changes to projects, sign off phases and report to the States Programme Board periodically.

In 2011 the Department delivered CSR savings of £954,000 as detailed in the Annex to the Annual Business Plan 2011, along with the early delivery of savings of £55,000 identified for delivery in 2012.

Home Affairs



Response and Reassurance Policing (Police)

£341,580 (2.9%) Under budget

↘£21,827 (0.2%) less than 2010

In 2011 costs of £122,110 relating to the HCAE were reimbursed from the Treasury and Resources Contingency Head of Expenditure; this is a reduction of £556,464 from 2010.

This reduction, coupled with planned savings during 2011, has resulted in all but one Service area within the Police finishing the year under budget and with less expenditure than 2010.

Emergency Response (Fire and Rescue)

£12,643 (0.3%) Under budget

↘£220,407 (4.8%) less than 2010

The underspend, and reduction since 2010, is mainly due to firefighter and retained firefighter vacancies and savings due to a reduced number of emergency call outs attended by retained firefighters.

Enforcement (Customs and Immigration)

£106,371 (2.3%) Under budget

↘£18,440 (0.4%) less than 2010

The underspend is mainly due to staff vacancies, slippage on projects due for completion in 2011 and Court and Case Costs.

Residential Accommodation (HM Prison)

£573,355 (7.6%) Under budget

↘£274,585 (3.8%) less than 2010

The underspend is mainly due to a delay in the planned recruitment of Prison Officers and a reduction in the number of prisoners transferred to UK prisons.

In addition, following approval of the 2011 Annual Business Plan, budgets within the Prison were restructured to meet operational needs.

Other Services

£502,585 (2.4%) Under budget

↘£410,509 (2%) less than 2010

The delivery of 2011 CSR savings has contributed to the performance against budget and reduction in expenditure between 2010 and 2011.

Home Affairs

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Home Affairs		
75	75	Explosives Officer / Explosives Licensing	73	76
88	59	Statutory and Legislative Provisions	17	15
100	100	Vetting and Barring Office	44	72
125	125	Communications Data (Police and Customs)	136	56
300	300	Criminal Injuries Compensation Scheme	256	583
-	-	Wiltshire Constabulary Investigation	-	146
-	1,218	TETRA	1,218	-
		Police		
11,282	11,709	Response and Reassurance Policing	11,367	11,389
4,466	4,621	Specialist Crime Investigation	4,357	4,623
1,352	1,407	Manage Offenders through Custody	1,336	1,442
1,929	1,881	Supporting the Criminal Justice System	1,754	1,982
1,624	1,595	Managing Intelligence	1,548	1,625
2,131	1,673	Financial Crime Investigation	1,688	1,678
1,524	1,578	National Security Policing	1,501	1,586
		Fire and Rescue		
4,400	4,382	Emergency Response	4,370	4,590
373	373	Fire Protection	374	411
222	222	Community Prevention	219	245
		Customs and Immigration		
981	1,004	Revenue Collection	990	925
4,513	4,559	Enforcement	4,452	4,470
124	20	External Obligations	4	133
		HM Prison		
7,665	7,508	Residential Accommodation	6,935	7,210
1,137	1,122	Prisoner Activity	1,221	1,260
2,147	2,185	Operational and Administration	2,550	2,326
477	447	Building a Safer Society	412	609
		Jersey Field Squadron		
1,054	812	UK Defence	665	963
40	40	Uniformed Youth Organisation	40	40
48	48	IMLO and Careers Office	10	36
156	161	Superintendent Registrar	151	142
48,333	49,224	Net Revenue Expenditure : BP Basis ¹	47,688	48,633
643	643	Depreciation	593	551
-	-	Asset Disposal (Gain)/Loss	2	2
-	-	Capital Grant Amortisation	(34)	(34)
48,976	49,867	Net Revenue Expenditure : GAAP Basis	48,249	49,152

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

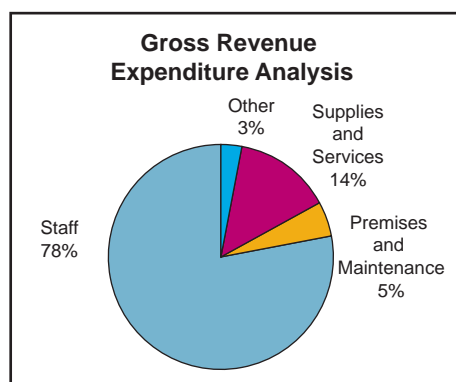
At the year end, the Home Affairs Department employed the equivalent of 642 full time employees. This is a decrease of 12 FTE (1.8%) from 2010, and is due to staff vacancies.

Home Affairs

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Passport Fees	763
Grant from the COCF	404
Legalisation of Documents	176
MOD Equipment Refund	258
Prisoner Canteen	229
Other	978
Total	2,808



Income

£743,849 (36%) Surplus on budget **▲£735,708 (35.5%) more than 2010**

Unbudgeted income totalling £761,875 was received from the Criminal Offences Confiscation Fund (COCF) for the Police to fund expenditure on Police operations in 2011 (as part of the 2010 carry forward arrangements) and from the MOD for returned Jersey Field Squadron equipment. The income received from the MOD has been transferred to capital to fund future equipment purchases.

Staff Expenditure

£1,254,376 (3.1%) Underbudget **▼£1,113,764 (2.8%) less than 2010**

Planned recruitment delays and not filling staff vacancies during 2011 has resulted in staff savings of 3.1% against the Final Approved Budget and a reduction in 12 filled posts at the end of 2011.

These savings are mostly associated with ensuring that future CSR savings can be delivered.

Supplies and Services

£734,124 (11.8%) Overbudget **▲£809,991 (13.2%) more than 2010**

Equipment, IT and vehicle purchases in 2010 were more than the original budgeted amounts. The additional expenditure is offset by planned savings in other areas.

The increase from 2010 in respect of the TETRA project is £1,133,937, resulting in a net reduction of £323,946 from 2010 for all other Service Areas.

Premises and Maintenance

£59 (0%) Overbudget **▲£238,681 (9.3%) more than 2010**

£84,165 of the increase from 2010 is in respect of the TETRA project. The balance of the increase is due to increased expenditure on building, equipment and vehicle maintenance.

Other Expenditure

£272,492 (15.7%) Underbudget **▼£144,968 (9.0%) less than 2010**

Other expenditure includes administrative expenses, other operating costs, grants and subsidies and finance costs. The underspend and reduction from 2010 is mainly due to a reduction in payments made under the CICS and the delivery of CSR savings.

Balance Sheet

The major change to the Department's balance sheet in 2011 was the purchase of TETRA equipment as part of the replacement project. An amount of £4,450,000 was included in the 2010 capital programme and expenditure on the component parts of the project in 2011 have been charged to revenue (£1,218,102) and capital (£1,433,052) in accordance with UK GAAP requirements.

Home Affairs

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
1,088	1,188	Duties, Fees, Fines and Penalties	1,198	1,112
83	323	Sales of Goods	319	69
401	161	Sales of Services	411	582
124	124	Hire & Rentals	131	145
11	269	Other Revenue	749	165
1,707	2,065	Total Revenue	2,808	2,073
40,211	40,532	Staff Expenditure	39,278	40,391
5,274	6,207	Supplies and Services	6,941	6,131
1,412	1,350	Administrative Expenses	1,087	915
2,787	2,817	Premises and Maintenance	2,817	2,578
277	277	Other Operating Expenses	235	557
76	103	Grants and Subsidies Payments	125	125
3	3	Finance Costs	13	9
50,040	51,289	Total Expenditure	50,496	50,706
48,333	49,224	Net Revenue Expenditure : BP Basis	47,688	48,633
643	643	Depreciation	593	551
-	-	Capital Grant Amortisation	(34)	(34)
-	-	Asset Disposal (Gain)/Loss	2	2
48,976	49,867	Net Revenue Expenditure : GAAP Basis	48,249	49,152

No other gains or losses were recognised in the year.

Home Affairs

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	4,775	2,960
Total Fixed Assets	4,775	2,960
Current Assets		
Debtors	317	193
Cash at Bank and in Hand	5	6
Total Current Assets	322	199
Current Liabilities		
Creditors	(3,809)	(3,445)
Total Current Liabilities	(3,809)	(3,445)
Net Current Assets / (Liabilities)	(3,487)	(3,246)
Total Assets Less Current Liabilities	1,288	(286)
Net Assets / (Liabilities)	1,288	(286)
Reserves		
Accumulated Revenue Reserves	1,061	(547)
Capital Grant Reserve	227	261
Total Reserves	1,288	(286)

Housing

Highlights:

Underspend of £1,400,906 (7.0%) against Final Approved Budget

Net Revenue Income of £5,350,678 compared to Net Revenue Expenditure of £11,959,563 in 2010

Key Results

Key Variances from Budget

	£'000
Hire & Rentals	800
Premises & Maintenance	557
Interest Costs	69
Other Variances	(25)
Net Underspend	1,401

Performance against Final Approved Budget

The primary income for the Department is social housing rent, which in 2011 totalled £36.1 million. Hire and Rental income was over achieved against the final approved budget in the year by £800,636. The Department's policy of reviewing rent levels when properties are re-let contributed approximately £420,000. This, coupled with a continued focus on reducing the time taken to re-let properties, maximises income and also accelerates allocation of homes to those on the waiting list. In addition a slow down in sales of stock under the Social Housing Property Plan led to approximately £260,000 of rents being received which had been forecast to be lost. A further £76,363 of income derived from the transfer of crisis properties from Jersey Property Holdings (JPH) at the end of 2010 and additionally parking income for the Ann Court site was received for the full year.

In 2011 the Department spent £14 million on Premises and Maintenance of which £10.5million related to direct maintenance and improvement of its stock. The underspend of £556,885 has arisen due to savings achieved in the course of project procurement, unavoidable delays in project delivery and the deferral of some projects in order that economies of scale are achieved by combining projects at a later date. This greater emphasis on planned maintenance and changes to the management processes of vacant properties has led to a reduction in costs in Void Refurbishment and Response Repairs.

Historically there has been an annual charge to the Operating Cost Statement for the amortisation costs of certain housing bonds, which reduce over 15 years from 25% to 10% of the value of the property to which they relate. Following the adoption of FRS 25 (relating to Financial Instruments) this charge is no longer made as the bonds are held at Fair Value, with movements taken to the Statement of Total Recognised Gains and Losses.

Housing

Key Variances from 2010

	£'000
2010 NRE	11,960
Impairment of Fixed Assets	(16,181)
Premises & Maintenance	(2,155)
Hire & Rentals	877
Other Variances	148
2011 NRI	(5,351)

Performance Compared to 2010

In 2010 the Department undertook a revaluation of its property portfolio. Whilst this led to an overall increase in the value of assets, some £22 million of impairments were recorded on individual properties. In 2011 no such revaluation has taken place. Impairments totalling £6 million in 2011 related largely to the writing down of the capital costs of new builds and refurbishments.

Spend in Premises and Maintenance reduced from £16 million in 2010 to £14 million in 2011 principally as the Fiscal Stimulus programme has drawn to a close. Reductions were also seen in the costs of utility supplies, despite increases in supply costs, as the heating replacement programme continued to be rolled out. Savings have been achieved as part of the CSR programme for Void Refurbishment as a more critical appraisal of refurbishment needs for vacant properties is carried out, offering decoration vouchers, where necessary and appropriate, to ingoing tenants.

The increase in Hire and Rentals arose due to the cumulative effect of rental uplifts and improved turnaround times on vacated properties and also an overall rental increase of 2.5% in October 2011, in line with Income Support increases. In addition, the Department has benefited from an increase in parking revenue as more efficient use of the Department's available resources are made and Ann Court was available for let for the full year, rather than only part in 2010.

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	(20,928)
Carry Forwards	1,708
Return of early CSR Savings	(221)
Fiscal Stimulus	(227)
Transfer to Capital	(415)
Departmental Transfers	9
Final Approved Budget	(20,074)

Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan totalling £854,185 were made.

This amount included £1.7 million carried forward from 2010, including £950,373 in Fiscal Stimulus funding. Of that £950,373, £227,017 was later returned to the Consolidated Fund by way of project under spends. The Department also returned £220,990 in staff costs budget to the Consolidated Fund having delivered savings as part of the CSR programme earlier than anticipated.

£415,224 was transferred from the revenue budget to capital in order to fund the refurbishment and improvement of the lift services at La Collette High Rise thus improving the facilities available to tenants.

A net transfer of £9,090 income budget was transferred from JPH to accompany a number of "crisis" properties which were transferred from that Department to Housing.

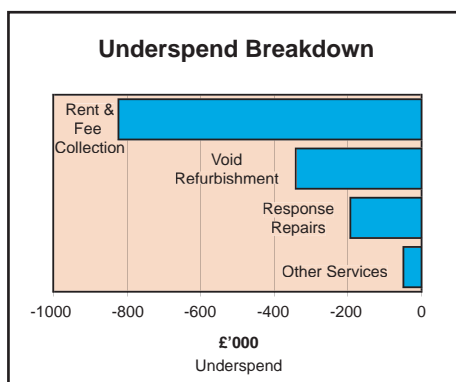
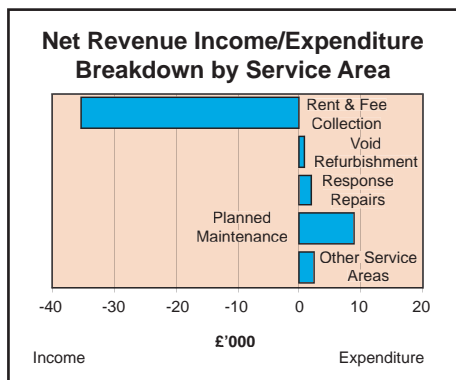
Other developments

In October 2010 the Department began work on the Housing Transformation Programme. The programme has been funded by reallocating resources from within the existing departmental cash limit and the cost in 2011 was £620,684. Substantial progress has been made to date on developing the business case for the move to an arms length organisation and a White Paper for consultation is expected to be issued in the first quarter of 2012. The costs of the programme are treated as an overhead which has led to the increase in overhead referred to in the paragraphs below.

Housing

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Rent & Fee Collection

£821,240 (2.4%) Surplus on budget **▲£778,096 (2.3%) more than 2010**

The over achievement of income against budget and increase year on year from 2010 to 2011 are attributable to similar causes. The Department has a keen focus on the actions taken when a property becomes vacant. Particularly, in relation to rent, the time taken to re-let the property is kept as short as possible. The condition of the property is assessed and the rent uplifted where appropriate to progressively close the gap on, what is effectively, a hidden rent subsidy and bring rental charges closer to market rates. This has a long term cumulative effect on the Department's main income stream.

In addition to the increase in rental lines, savings have been achieved in staff costs as part of the CSR programme and the reorganisation of the rent arrears and debt management function. Other operating costs have been reduced by the progressive migration of new and existing tenants to payment by direct debit or standing order which reduces agency fees.

Whilst the cost of debts written off in the year remained relatively consistent with 2010 the cost of providing for bad or doubtful debts rose by £43,939.

Void Refurbishment

£340,163 (25.6%) Under budget **▼£341,157 (25.6%) less than 2010**

There has been an overall saving both against budget and year on year in Void Refurbishment. The key reasons for these savings have been the offering of decorating vouchers to able bodied ingoing tenants, rather than completing a full redecoration and refurbishment of the property. (As mentioned in Rent & Fee Collection above, this latter action not only reduces direct cost but reduces property turnaround times and lost rentals). A planned programme of kitchen and bathroom replacement has also now been established. In the past the opportunity to replace these facilities arose predominantly when a property was vacated. Having a planned programme in place has enabled the Department to achieve greater value for money through economies of scale.

Response Repairs

£192,309 (9.1%) Under budget **▼£311,381 (13.9%) less than 2010**

In 2011 Response Repair costs fell not only against the budgeted figure but also against the prior year spend. This is a result of greater focus by the Department on its Planned Maintenance programme and the move from communal fossil heating systems to direct supply comfort heating. Whilst Response Repairs by its nature is a reactive service, a concentration on a Planned Maintenance programme, rather than responsive repairs means that value for money is enhanced.

Housing

Planned Maintenance

£123,221 (1.4%) Over budget

↘£1,384,199 (13.6%) less than 2010

Whilst the Service Analysis shows an overspend in Planned Maintenance this is the result of the allocation of overheads rather than direct costs. The cost of e.g. the Housing Transformation Programme, which did not form part of the original 2011 business plan overhead allocation, has since been allocated across the Department's service areas. There was an overall under spend in direct costs of £47,877 against the final approved budget of £8.3million.

The net year on year change in direct costs is made up of two key elements. The reduction in spend on Fiscal Stimulus from £3,963,524 in 2010 to £723,356 in 2011 and an increase in other Planned Maintenance spend of £1,726,760 in 2011 compared to 2010. This additional cost is substantially the amount invested in the changes to the heating infrastructure and there have been consequential savings, as anticipated, in the costs of repair contracts. An allocation of £129,209 additional overhead cost, compared to 2010, accounts for the remaining year on year change.

Other Services

£170,415 (7.4%) Under budget

↗£81,670 (4.0%) more than 2010

Other Services include Operations, Assisted Living, Tenant Participation and Sales and Lettings. The most significant variance from the budgeted cost, and year on year change was shown in the Tenant Participation function which was absorbed into other areas of the Department as "business as usual" as part of the CSR programme. In addition, the reduction in the number and distribution of homes being sold under the Social Housing Property Plan had the effect of reducing legal fees for e.g. boundary work.

Housing

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Estate Services		
7,787	8,680	Planned Maintenance	8,803	10,187
884	884	Operations	822	698
1,318	1,331	Void Refurbishment	991	1,332
2,176	2,122	Response Repairs	1,930	2,241
		Tenant Services		
482	535	Assisted Living	634	547
217	164	Tenant Participation	29	153
759	732	Sales & Lettings	659	665
		Finance Services		
(34,553)	(34,522)	Rent & Fee Collection	(35,343)	(34,565)
(20,928)	(20,074)	Net Revenue Income: BP Basis¹	(21,475)	(18,742)
-	-	Realised Gain/Loss on Investments	(16)	-
-	-	Other Operating Expenditure	31	-
9,782	9,881	Depreciation	10,194	8,606
-	-	Impairment of Fixed Assets	5,915	22,096
(11,146)	(10,193)	Net Revenue (Income)/Expenditure: GAAP Basis	(5,351)	11,960

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

The Service Analysis has been restated from 2010 to more accurately reflect the Department's key objectives and areas of activity.

Staff FTE

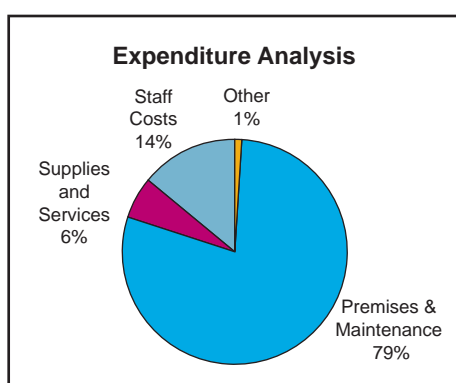
At the year end the Department employed the equivalent of 42 full time employees. This is an increase of 3 (7.7%) from 2010, and is due to 4 posts being filled and one being vacated.

Housing

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Hire & Rentals	36,820
Sale of Services	2,163
Other Revenue	145
Total	39,128



Income

£945,443 (2.5%) Surplus on budget **▲£487,356 (1.3%) more than 2010**

As already mentioned the Department's key line of income is rent from social housing. Variances against budget and year on year increases are derived largely from the uplift in rents and quicker turnaround on voided properties and the effect of the general rent review in October 2011 at 2.5%. The completion and letting of 34 new homes at Salisbury Crescent also contributed to the increase in 2011. The budget for social housing rentals was over achieved by £761,269 with a year on year increase of £788,686

In addition, in 2011 a full year's rent was received from parking facilities at Ann Court, (rather than only part year in 2010) contributing to an increase in parking income of £52,164. Other contributors to increases in income since 2010 were insurance claims and additional rentals from crisis properties transferred from JPH. This is set against the reduction in income year on year for gas and oil utility recharges of £218,194 as the heating replacement programme was rolled out.

Staff Expenditure

£19,636 (0.8%) Over budget **▼£301,131 (10.9%) less than 2010**

A key contributor to the reduction in staff costs from 2010 to 2011 was the savings achieved, earlier than forecast, as part of the CSR process. The saving was achieved by 5 staff taking voluntary redundancy at the end of 2010.

Premises & Maintenance

£556,885 (3.8%) Under budget **▼£2,155,274 (13.4%) less than 2010**

Savings in Void Refurbishment and Response Repairs have enabled spend to be redirected to Planned Maintenance in the year. However, in order to achieve economies of scale and for other operational reasons, work has been deferred to 2012, resulting in the reported overall under spend.

The amount spent on maintenance in the year has fallen compared to 2010 largely as a result of the winding down of the Fiscal Stimulus Programme.

Other Recognised Gains and Losses

During the year revaluations were carried out for: housing bonds, properties held for disposal, new build assets and infrastructure assets. Overall decreases in asset value of £1,090,398 were booked to the revaluation reserve and are shown in the Statement of Total Recognised Gains and Losses.

Balance Sheet

The value of tangible fixed assets has reduced since 2010 largely as a result of the depreciation charged against the Department's assets. Financial Assets refer to the Department's bonds held against homes sold under a deferred payment scheme. The reduction in value is due to a change in the valuation basis of the bonds as required by FRS25 (referred to in the first section).

The value of debtors has reduced by £199,013 year on year following changes to internal procedures and a continued active focus on the management and collection of monies owed to the Department.

There has also been a reduction in the value of creditors. This is due to the timing of payments on rent accounts and the corporate payment terms for suppliers which are monitored on a monthly basis in order to ensure payment is made in a timely manner.

Housing

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
2,113	2,113	Sale of Services	2,163	2,526
36,020	36,020	Hire & Rentals	36,820	35,944
50	50	Other Revenue	145	172
38,183	38,183	Total Revenue	39,128	38,642
2,658	2,437	Staff Costs	2,456	2,758
649	916	Supplies & Services	1,032	808
96	96	Admin Expenses	63	63
13,692	14,500	Premises & Maintenance	13,943	16,098
71	71	Other Operating Expenditure	134	88
20	20	Grants and Subsidies Payments	24	16
69	69	Interest Costs	1	69
17,255	18,109	Total Expenditure	17,653	19,900
(20,928)	(20,074)	Net Revenue Income: BP Basis	(21,475)	(18,742)
-	-	Realised Gain/Loss on Investments	(16)	-
-	-	Other Operating Expenditure	31	-
9,782	9,881	Depreciation	10,194	8,606
-	-	Impairment of Fixed Assets	5,915	22,096
-	-	Asset Disposal (Gain)/Loss	-	-
(11,146)	(10,193)	Net Revenue (Income) / Expenditure: GAAP Basis	(5,351)	11,960

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue (Income)/Expenditure	(5,351)	11,960
Revaluation of Fixed Assets	335	(48,908)
Unrealised Loss on Investments	755	-
Total Recognised Gain	(4,261)	(36,948)

Housing

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	530,972	538,267
Financial Assets		
Other Available-for-Sale investments	14,038	14,456
Total Fixed Assets	545,010	552,723
Current Assets		
Debtors	1,479	1,678
Total Current Assets	1,479	1,678
Current Liabilities		
Creditors	(3,499)	(3,847)
Total Current Liabilities	(3,499)	(3,847)
Net Current Assets / (Liabilities)	(2,020)	(2,169)
Total Assets Less Current Liabilities	542,990	550,554
Net Assets	542,990	550,554
Reserves		
Accumulated Revenue Reserves	498,543	502,824
Revaluation Reserve	45,202	47,730
Investment Reserve	(755)	-
Total Reserves	542,990	550,554

Social Security Department

These pages report only on the Tax Funded activities of the Social Security Department. The activities of the Social Security Fund and the Health Insurance Fund (the Funds) are reported independently in audited accounts published by the Minister.

Highlights:

Net Underspend of £5,310,261(3.0%) against Final Approved Budget (after adjustment)

Net Revenue Expenditure of £164,432,615 an increase of 0.9% on 2010

Key Results

Key Variances from Budget

	£'000
Contingency	3,046
Income Support	1,805
Other Variances	459
Net Underspend	5,310

Key Variances from 2010

	£'000
2010 NRE	162,967
Income Support	2,265
States Contribution	(1,319)
Employment Services	959
Other Variances	(439)
2011 NRE	164,433

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	175,068
Fiscal Stimulus	16
Departmental Transfers	(168)
Final Approved Budget	174,916
2011 Budget Adjustment	5,173
Final Approved Budget (after adjustment)	169,743

Other developments

Unemployment continued to be a major issue for the Island and Employment Services were extended to continue to provide support to unemployed people. The Department has now taken the lead in the Back to Work programme bringing together teams from Education, Sport and Culture, Economic Development and the Population Office. This work will develop a package of measures to provide assistance in helping the unemployed return to work.

During the year legislation was agreed for the changes proposed in the Fiscal Strategy to the collection of Social Security contributions above the current earnings ceiling. This included bringing certainty to the current year cost of the States Contribution (Supplementation).

Legislation was also agreed during 2011 for a permanent statutory Insolvency Benefit. This will replace the temporary scheme that was introduced in 2009 to protect employees following the insolvency of their employer.

The Long-term Care (Jersey) Law received States approval in July 2011. This new benefit will provide support for care in the home and will establish a sustainable funding mechanism to meet increasing costs arising from an aging population.

Performance against Final Approved Budget (after adjustment)

The year ended with a net underspend against budget of £5.3 million. The underspend arose in the following areas; Contingency £3.0 million, the entire amount of the contingency held against variations in benefit spend was untouched and Income Support £1.8 million, of which £0.7 million was a result of Weekly Benefit claimant numbers increasing at a lower rate than forecast; £0.1 million as a result of Transitional Benefit following a greater decline in claim numbers than expected; £0.5 million as a result of Residential Care claimant numbers being less than anticipated, an increase in income recognised and a change in the mix of claimants towards a lower cost group; and Winter Fuel Allowance £0.4 million due to a milder winter.

Performance compared to 2010

The increase in Net Revenue Expenditure (NRE) from 2010 to 2011 was £1.5million (0.9%). The largest increase was in Income Support £2.3 million caused by the uprating of benefits in October 2010 and October 2011, the increased incentives for work and benefits for pensioners in June 2011 and an increase in claimant numbers, offset in part by a reduction in transitional benefit paid. Employment Services increased by £1.0 million, which included funding to reduce unemployment through the Enhanced Workzone. These were offset by the reduction in the States Contribution £1.3 million and by Other Variances of which the largest was Christmas Bonus £0.4 million after changes to the legislation were approved by the States restricting eligibility to the payment and reducing the value of the bonus as part of the Comprehensive Spending Review.

Changes from Budget Voted in the Business Plan

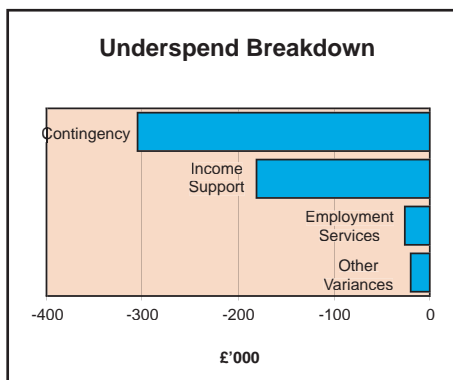
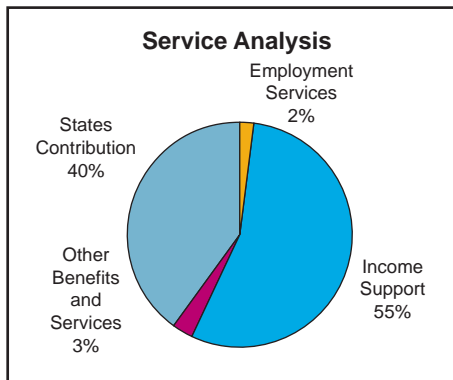
As noted in the States of Jersey 2011 Budget Statement in late 2010, £5.2 million was removed from the Social Security budget as a result of a revision of Social Security expenditure forecasts. This sum has been made available to the 2012 Back to Work initiative. During 2011 adjustments resulting in a reduction in the original budget voted in the Business Plan of £152,800 were made. These represented £15,500 of additional Fiscal Stimulus funding to support the Citizens Advice Bureau, against which a transfer of £168,300 was made to the Judicial Greffe, who assumed responsibility for the Tribunal budget from the Department.

Social Security Department

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Service Analysis

An analysis of the Department's performance by Service Area is given below.



Income Support

£1,805,048 (2.0%) Under budget

↗£2,265,226 (2.6%) more than 2010

Expenditure on Income Support including the costs of administering the benefit, although not as high as budgeted, increased to £90.1 million in 2011. Weekly Benefit, Residential Care, Transition and Winter Fuel Allowance were all under budget. Compared with 2010, Weekly Benefit showed an increase of £5.3 million, Special Payments decreased £0.4 million, as did Transitional benefit (£2.0 million) and Winter Fuel Allowance (£0.3 million). Residential Care showed little movement. Though Weekly Benefit numbers were higher than 2010 they were lower than anticipated with the mix of claimants also differing. The number of claimants on Weekly Benefit in receipt of a pension was as anticipated; however the number in employment and receiving other income was greater. The numbers in Residential Care remained static when compared with 2010 however the costs were lower as a result of the change in the claimant mix through an increase in those residents moving to high end nursing care, funding of which is shared with Health and Social Services, and an increase in the amount of claimant's income recognised.

States Contribution

£nil (%) Against budget

↘£1,318,770 (1.9%) less than 2010

The States' Contribution to the Social Security Fund i.e. Supplementation, which protects pension and benefit entitlement for those who earn between the lower earnings threshold and the earnings limit, amounted to £65.3 million for 2011. In line with P110/2011 transitional arrangements were introduced in 2011 which set the level of States Contribution equivalent to the original budget voted by the States and therefore the contribution to the Social Security Fund. Actual Supplementation for the first three quarters of 2011 is greater than the budget by £0.4 million but is £1.0 million less than 2010. Numbers Supplemented for the first three quarters of 2011 were lower by an average of 361 over the period. Complete fourth quarter Supplementation figures were not available at the time of this report.

Employment Services

£256,452 (7.9%) Under budget

↗£958,758 (47.6%) more than 2010

Costs within Employment Services include £0.5 million spend on the Enhanced Workzone to provide assistance and support to the unemployed to help them return to the workplace and the grant paid to Jersey Employment Trust (JET) which in 2011 included additional amounts for specific projects run by Jersey Mencap, Autism Jersey and MIND Jersey to provide employment opportunities for those with learning difficulties or on the autistic spectrum. Assistance of similar value had been provided to JET in 2010 but in the form of capital spend to create a new facility.

Other Benefits and Services

£202,777 (3.2%) Under budget

↘440,006 (6.8%) less than 2010

The underspend consisted of reduced spend on the Food Costs Bonus to fewer numbers of claimants and the Jersey 65+ Health Scheme due to a reduction in claims made which in total amounted to £0.4 million. This was offset by an overspend of £0.2 million in Invalid Care Allowance as a result of the contributions paid on the claimant's behalf being higher than budgeted. Christmas bonus was £0.4 million less than 2010.

Social Security Department

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Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
66,616	65,348	States' Contribution to Social Security Fund	65,348	66,667
484	522	Health and Safety at Work	464	386
2,640	3,230	Employment Services	2,974	2,015
560	541	Employment Relations	501	601
2,594	2,439	Invalid Care Allowance	2,637	2,458
58	58	Child Care Support	-	-
138	106	Dental Benefit Scheme	99	144
54	52	Housing Adaptations	31	50
399	363	Jersey 65+ Health Scheme	224	389
17	19	Non Contributory Death Grants	19	18
1,483	1,493	Christmas Bonus	1,530	1,941
259	249	TV Licence 75+	264	267
310	405	Food Costs Bonus	275	229
99,456	91,872	Income Support	90,067	87,802
-	3,046	Contingency	-	-
175,068	169,743	Net Revenue Expenditure	164,433	162,967
-	5,173	Adjustment agreed in Budget Statement 2011	-	-
175,068	174,916	Net Revenue Expenditure: BP Basis¹	164,433	162,967

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

At the year end the Department employed the equivalent of 135 full time employees (FTEs). This is a decrease of 3 (2%) from 2010, and is due to 4 staff, equivalent to 3 FTEs, leaving the Department under the States Voluntary Redundancy Scheme.

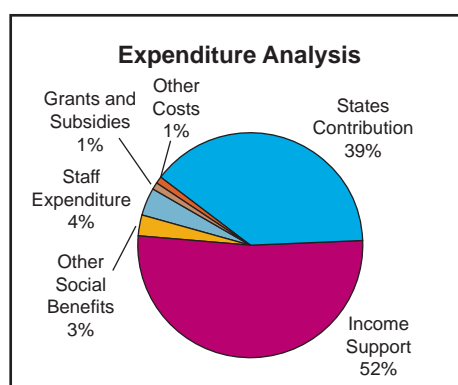
Social Security Department

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Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Staff Costs charged to Funds	3,207
Other Services and Revenue	37
Total	3,244



Income

£163,616 (4.8%) Shortfall on budget **▼£410,008 (11.2%) less than 2010**

Income represents the charge made to the Funds for Services carried out on behalf of the Funds. In total, Staff Costs amounted to £6.9 million. Of this total £2.7 million was charged to the Social Security Fund and £0.5million to the Health Insurance Fund. The reduction in income is a result of lower costs to be recharged to the Funds than budgeted.

Social Benefit Payments

£2,069,116 (1.3%) Under budget **▲£890,642 (0.62%) more than 2010**

Social Benefit payments, £157 million, represent 94% of the Department's expenditure. Within this the States Contribution represents 39%, £65 million of total spend and Income Support benefits £87 million, 52% of total spend; with Other Social Benefits totalling just 3% of expenditure, £4.6 million. An explanation of the variations in Social Benefit payments is given on the Service Analysis pages.

The contingency held in the budget against variations in benefit spend and amounting to 1.0% of the benefit budget was not needed in 2011.

Staff Expenditure

£251,792 (3.6%) Under budget **▲£21,865 (0.3%) more than 2010**

Staff Costs represent only 4% of expenditure and include those staff employed by the States who work on the Funds. The costs of those staff directly related to the Tax Funded Unit were £3.7 million. This was lower than planned by £0.1 million. Gross Staff Costs (all activities) were only £21,865 more than 2010; however there was an increase of £0.4million on the Tax Funded Unit's Staff Costs compared with 2010, as a result of the additional funding received to take on staff in Employment Services to provide support to assist the rising numbers of those seeking work.

Grants and Subsidies Payments

£109,498 (4.7%) Under budget **▲£437,557 (24.3%) more than 2010**

In total grants of £2.2 million were made in 2011. This increase reflects the additional, planned costs incurred by JET to provide employment opportunities to those with learning difficulties or on the autistic spectrum. Assistance of a similar value had been provided to JET in 2010 but in the form of capital spend to create a new facility.

Other Costs

£2,516 (0.2%) Over budget **▼£294,955 (18.7%) less than 2010**

Other costs include Supplies and Services, Premises and Maintenance, Administrative Expenses and Other Operating costs and represent (0.8%) of spend totalling £1.3 million and were on budget in aggregate. They were lower than 2010 mainly due to a reduction in Operating Expenses and Premises and Maintenance costs.

Social Security Department

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Other Recognised Gains and Losses

There were no Other Recognised Gains and Losses in 2011.

Balance Sheet

Debtors have increased from £6.3 million to £7.1 million due to an increase in benefits recoverable. The largest part of Debtors consists of prepayments of benefits and the largest increase over 2010 is in benefits recoverable particularly Residential Care benefits. Creditors have reduced from £2.3 million to £1.2 million largely due to a reduction in Special Payments outstanding.

Social Security Department

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Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
(3,335)	(3,407)	Sales of Services	(3,244)	(3,653)
-	-	Other Revenue	-	(1)
(3,335)	(3,407)	Total Revenue	(3,244)	(3,654)
168,359	159,350	Social Benefit Payments	157,281	156,391
6,577	7,131	Staff Expenditure	6,879	6,857
913	849	Supplies and Services	701	713
99	131	Administrative Expenses	99	85
186	100	Premises and Maintenance	124	217
-	183	Other Operating Expenditure	342	561
2,269	2,344	Grants and Subsidies Payments	2,235	1,797
-	16	Finance Costs	16	-
-	3,046	Contingency	-	-
178,403	173,150	Total Expenditure	167,677	166,621
-	5,173	Adjustment agreed in 2011 Budget Statement	-	-
175,068	174,916	Net Revenue Expenditure: BP Basis	164,433	162,967

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Debtors	7,094	6,290
Total Current Assets	7,094	6,290
Current Liabilities		
Creditors	(1,228)	(2,285)
Total Current Liabilities	(1,228)	(2,285)
Net Current Assets	5,866	4,005
Total Assets Less Current Liabilities	5,866	4,005
Net Assets	5,866	4,005
Reserves		
Accumulated Revenue Reserves	5,866	4,005
Total Reserves	5,866	4,005

Transport and Technical Services

Highlights:

Underspend of £1,849,917 (6.6%) against Final Approved Budget

Net Revenue Expenditure of £35,646,732, a decrease of 10.9% on 2010

Key Results

Key Variances from Budget

	£'000
Asbestos disposal	1,237
Liquid waste strategy	536
Restructuring funds	25
Tipping fees	(455)
Staff capital recharges	472
Other variances	35
Net Underspend	1,850

Key Variances from 2010

	£'000
2010 NRE	40,006
VR payments in 2010	(1,059)
CSR savings	(1,135)
Depreciation	(3,780)
Inert waste project	570
Buses	447
Infrastructure maintenance	300
Patching	100
Other variances	198
2011 NRE	35,647

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	28,432
Carry Forwards	372
CSR Invest to Save	135
CSR Savings – VR	(244)
Transfers to Capital	(410)
Capital loan repayment	(450)
Final Approved Budget	27,835

Other developments

Key developments in the year have been the successful commissioning of the new Energy from Waste Plant (EfW Plant) at La Collette, the opening of the Town Park and the implementation of the Sustainable Transport Policy approved in 2010.

The Department exceeded its 2011 CSR savings target of £891,000 by bringing forward VR savings and delivering on restructuring and efficiency savings. Further CSR savings of £3,235,000 have been targeted over the next two years.

The Department continues to work on asbestos and liquid waste strategies to provide long term solutions to the aging infrastructure assets. Disposal of the asbestos backlog is planned for 2012 subject to the approval of a request to carry funding forward from 2011, as noted above. The incinerator at Bellozanne will be decommissioned during 2012.

Financial results for 2012 will again be adversely affected by the continued decline in tipping fee income, reflecting the current economic slowdown, and increased maintenance costs due to aging infrastructure assets.

Performance against Final Approved Budget

Overall the Department had an underspend against budget of £1,849,917 (6.6%) primarily due to timing delays in two major waste management projects. The Department has requested these monies, £1,797,825, to be carried forward into 2012 to enable completion.

A further key variance against budget was tipping fees which continue to decline as a result of the slowdown in the economy and the construction industry in particular. This was more than offset by additional rechargeable work being undertaken on capital projects and for other States departments.

Performance compared to 2010

The Department achieved a reduction in Net Revenue Expenditure (NRE) of £4,359,523 (10.9%) over 2010 mainly as a result of one-off VR payments in 2010 and savings from the delivery of CSR initiatives including the restructure of parks and gardens, drainage and highways together with a reduction in overtime, equipment and plant hire across all service areas. Depreciation in 2010 was higher due to a number of one-off infrastructure projects completed (and depreciated) in 2010 funded by economic stimulus monies, which was not repeated in 2011.

Cost increases over 2010 were incurred on the inert waste strategy project, the new bus contract and canteen, maintenance on aging infrastructure assets and an increase in road patching.

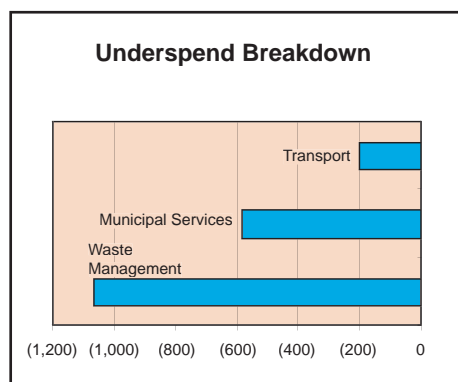
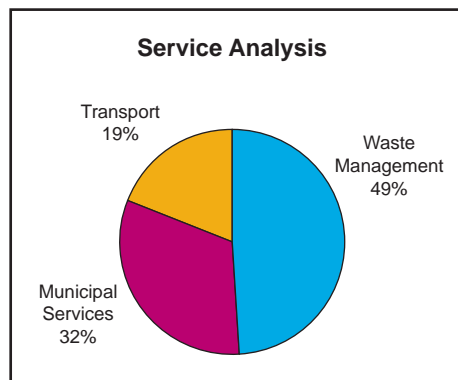
Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan totalling £596,687 were made. As outlined in the table additional budget included carry forwards of £372,340 from 2010 for the bus contract and restructuring monies of £135,000 for a bus canteen and an energy audit. Budget reductions included CSR savings for 2012 taken early of £244,419, net transfers of £409,608 in respect of transfers from revenue to capital to reclassify certain types of capital spend in order to align with UK GAAP and a transfer between revenue and capital of £450,000 in relation to the final capital loan repayment from Jersey Harbours.

Transport and Technical Services

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Waste Management

£1,067,070 (7.7%) Under budget **↘£317,510 (2.4%) less than 2010**

Waste Management is responsible for the operation of the EfW Plant, the disposal of solid and liquid waste including green waste, recycling, abattoir and the sewers network, drainage and port engineering services for the Harbours Department.

The underspend against budget comprises an overspend of £730,755 offset by delays to projects (£1,797,825), details for which are provided above. The overspend of £730,755 primarily relates to the further decline in tipping fees and unforeseen costs in connection with the commissioning of the EfW Plant.

A cost reduction of £317,510 was achieved over 2010 as a result of CSR savings in relation to reduced overtime, equipment and plant hire and the restructure of the drainage section.

Municipal Services

£582,620 (6.6%) Under budget **↘£535,455 (6.1%) less than 2010**

Municipal Services is responsible for the management and maintenance of the Island's road network, sea defences and coastal paths, parks and gardens and the provision of cleaning services.

Savings on budget primarily relate to additional staff rechargeable work within highways and infrastructure maintenance and staff savings within cleaning due to a number of unfilled vacancies and unplanned sickness.

Costs also decreased on 2010 due to payments in 2010 for VR and delivery on CSR savings focused on the restructuring of parks and gardens and general efficiencies across the service area.

Transport

£200,227 (3.9%) Under budget **↗£141,233 (2.9%) more than 2010**

Transport is responsible for the sustainable transport policy, the management of the bus contract and driver and vehicle standards.

The underspend against budget can be attributed to higher than expected bus income from the provision of additional Connex services and a resulting increase in passenger numbers which were up 2.3% on the previous year.

The increase in expenditure over 2010 arises from one-off expenditure funded by carry forwards of £85,000 for the re-location of the bus canteen and £372,340 of costs relating to the new bus contract which is due to be awarded in May 2012 and to commence service in January 2013. Increased costs are partly offset by an increase in main and school bus income.

Transport and Technical Services

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
14,502	13,868	Waste Management	12,800	13,118
8,968	8,779	Municipal Services	8,197	8,732
4,962	5,188	Transport	4,988	4,847
28,432	27,835	Net Revenue Expenditure: BP Basis¹	25,985	26,697
10,435	10,435	Depreciation	8,989	12,769
-	-	Impairment of Fixed Assets	662	379
-	-	Asset Disposal (Gain) / Loss	11	161
38,867	38,270	Net Revenue Expenditure: GAAP Basis	35,647	40,006

¹ The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

At the year end the Department employed the equivalent of 462 full time employees. This is a decrease of 14 (2.9%) from 2010, and is due to VRs taken in 2010 in parks and gardens and cleaning to achieve restructuring under CSR.

Transport and Technical Services

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Recharge income	8,978
Bus income	3,561
Sale of electricity external	1,171
Tipping fees	1,116
Other	4,740
Total	19,566

Income

£414,966 (2.2%) Surplus on budget **▲£768,433 (4.1%) more than 2010**

The increase in income from 2010 is mainly due to:

- increased bus income as a result of increased services, passenger numbers and a 10p increase for Band B routes on 10 January 2011;

- sale of electricity from the new EfW Plant (in 2010 the majority of electricity produced was used by the Bellozanne site);

offset by

- a reduction in tipping fees due to the current economic climate.

The surplus on budget is attributable to unplanned rechargeable work offset by a decrease in tipping fees.

Staff Expenditure

£1,630,400 (8.0%) Under budget **▼£2,159,895 (10.4%) less than 2010**

The decrease from 2010 relates to one off payments made in 2010 for VR and the buy out of terms and conditions together with an increase in staff capital recharges and CSR savings in 2011 for overtime across all service areas.

The reduction against budget relates to a combination of unfilled vacancies, unplanned sickness, reduced overtime and higher than expected staff capital recharges. The Department has been holding vacancies during the year pending outcomes of restructuring reviews. Some of these savings were offset by increased hired services costs included within supplies and services below.

Supplies and Services

£778,828 (4.2%) Under budget **▲£1,461,381 (9.0%) more than 2010**

The shortfall on budget relates to delays on two projects (£1,797,825) offset by increased costs for additional bus services, chemicals for sludge treatment and hired services across all areas as a short term solution to reduce staff costs whilst restructuring and efficiency savings were being established as part of the CSR.

The increase in costs compared to 2010 equally relates to chemicals (£288,249), additional bus services (£294,394) and hired services (£729,093).

Other Recognised Gains and Losses

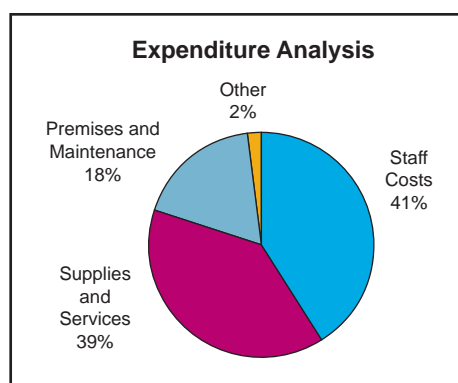
During the year revaluations were carried out on infrastructure assets, comprising highways, drainage and sea defences. Increases in asset value of £137,355,991 were booked to the revaluation reserve and are shown in the Statement of Total Recognised Gains and Losses.

Balance Sheet

Tangible Fixed Assets increased by £149,170,539 in the year comprising capital additions £31,883,397 and infrastructure revaluations £137,355,991 offset by the transfer of the Town Park £10,395,899 to Jersey Property Holdings, depreciation and impairments.

Creditors of £9,739,994 include a capital creditor for the EfW Plant of £6,576,885.

Provisions for liabilities and charges of £4,160,000 represent the decommissioning of the Bellozanne incinerator and the EfW Plant at La Collette.



Transport and Technical Services

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
842	842	Duties, Fees, Fines and Penalties	844	810
2,471	2,471	Sales of Goods	1,870	1,251
14,600	14,600	Sales of Services	15,186	14,999
442	442	Hire and Rentals	639	474
2	2	Investment Income	2	1
245	795	Other Revenue	1,025	1,263
18,602	19,152	Total Revenue	19,566	18,798
20,499	20,254	Staff Expenditure	18,624	20,784
16,449	18,420	Supplies and Services	17,642	16,181
264	264	Administrative Expenses	268	275
9,327	7,467	Premises and Maintenance	8,123	7,295
428	515	Other Operating Expenditure	810	863
32	32	Grants and Subsidies Payments	49	62
20	20	Finance Costs	9	9
15	15	Pension Finance Costs	26	26
47,034	46,987	Total Expenditure	45,551	45,495
28,432	27,835	Net Revenue Expenditure: BP Basis	25,985	26,697
10,435	10,435	Depreciation	8,989	12,769
-	-	Impairment of Fixed Assets	662	379
-	-	Asset Disposal (Gain)/Loss	11	161
38,867	38,270	Net Revenue Expenditure: GAAP Basis	35,647	40,006

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	35,647	40,006
Revaluation of Fixed Assets	(137,356)	(34,175)
Total Recognised (Gain)/Loss	(101,709)	5,831

Transport and Technical Services

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	1,038,091	888,920
Financial Assets		
Debtors: amounts falling due after more than one year	9	12
Total Fixed Assets	1,038,100	888,932
Current Assets		
Stock and Work in Progress	728	579
Debtors	1,043	1,446
Cash at bank and in hand	1	1
Total Current Assets	1,772	2,026
Current Liabilities		
Creditors	(9,740)	(7,721)
Provisions for liabilities and charges	-	(724)
Total Current Liabilities	(9,740)	(8,445)
Net Current Liabilities	(7,968)	(6,419)
Total Assets Less Current Liabilities	1,030,132	882,513
Long Term Liabilities		
Provisions for liabilities and charges	(4,160)	(2,080)
Total Long Term Liabilities	(4,160)	(2,080)
Net Assets	1,025,972	880,433
Reserves		
Accumulated Revenue Reserves	807,043	798,860
Revaluation Reserve	218,929	81,573
Total Reserves	1,025,972	880,433

Treasury and Resources

Highlights:

Underspend of £1,341,134 (4.9%) against Final Approved Budget

Central Reserves Not Utilised of £13,623,900

Net Revenue Expenditure of £37,115,475 a decrease of 74.1% on 2010

Key Results

Key Variances from Budget

	£'000
Additional income - JPH	580
Backlog maintenance	413
Taxes Office	382
Other Variances	(34)
Net Underspend	1,341

Performance against Final Approved Budget

The overall position for the Department on an operational basis shows an underspend against Final Approved Budget of £1.34 million (4.9%).

Total income in Jersey Property Holdings (JPH) exceeded budget by £580,177. Car parking income was received for longer than anticipated due to the delay in closing Gas Place Car Park for the construction of the Town Park and there was an increase in fee income due to the increase in property transactions.

Backlog maintenance costs in JPH were £413,028 lower than budget due to competitive pricing and planned re-scheduling of work to meet service priorities.

In the Taxes Office, the under spend of £381,915 is primarily due to a £289,228 underspend in the Policy Development service area as the result of a delayed start to the Taxes Transformation Programme. These sums will be required to continue to fund the project in 2012.

Key Variances from 2010

	£'000
2010 NRE	143,125
Impairment of fixed assets	(106,010)
Hospice Grant (FS)	(1,041)
Taxes Office	498
Other Variances	543
2011 NRE	37,115

Performance compared to 2010

The single biggest change on Net Revenue Expenditure (NRE) has been the non-repetition of the interim revaluation of assets in 2010. The remainder of the variances are due to operational reasons, as explained below.

In 2010, the interim revaluation of land and building assets took place as part of the cyclical revaluation process, which led to a reduction in the accounting value of certain properties by £107 million. Further revaluations took place in 2011 of infrastructure assets, bringing the total year on year variance to £106 million.

JPH's budget increased by a further £1 million from Fiscal Stimulus funding in order to continue to give a grant to the Jersey Hospice for extending and modernising their in-patient facilities. Work has been largely completed in 2011.

The Taxes Office NRE increased by £498,464 compared to 2010. The two main factors were: a £213,756 increase in the Business and Company Assessing service area primarily due to CSR related VR costs; and a £123,124 increase in the Policy Development service area due to the start of the Taxes Transformation Programme.

Treasury and Resources

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	54,902
Carry Forwards	2,414
Additional Funding	4,512
Transfer to Capital	(938)
Transfer of Resources to CMD	
- Business Plan 2011	(17,387)
- Carry forwards	(738)
- Additional and Reallocated Funding	(1,542)
- Transfer from Capital	(154)
Other Departmental Transfers	1,249
Central Contingencies	(1,238)
Final Approved Budget	41,080

Changes from Budget Voted in the Business Plan

In 2011 adjustments to the original budget voted in the Business Plan totalling £13.82 million were made on an operational basis, as detailed below.

The most notable budget movement was the transfer of the Resources Directorate to the Chief Minister's Department, totalling £19.82 million including carry forwards of £737,583, additional funding in the year of £1,541,965 and a transfer from Capital of £154,000. These amounts are not included in the analysis below.

The Department carried forward from 2010 a total of £1.68 million, with the majority going to fund work streams such as the Taxes Transformation Programme and the Jersey Hospice redevelopment.

During the year the Department received additional budget from the CSR Restructuring Provision of £2.08 million. This was to fund the Procurement Transformation Programme (£1.3 million); voluntary redundancies (£615,413) and other CSR initiatives (£150,000).

Additional budgets of £1.28 million were agreed in order to deliver the objectives of the Fiscal Stimulus programme. The largest single item was the second year of the grant to Jersey Hospice for extending and modernising their in-patient facilities (£1.45 million).

Transfers to the value of £1.09 million were made between revenue and capital. These related to works, which were originally funded from the revenue budget but were defined as capital under UK GAAP. £500,000 was in relation to a grant received from the JC Le Seilleur Trust to expand the Renal Dialysis Unit and a further £402,029 for the ITAX system in the Taxes Office.

Other departmental transfers totalled net £1.25 million in the year. The most notable transfer was backlog maintenance from Health and Social Services (£770,000).

Transfers between the Central Contingency and States departments resulted in a net movement of £1.24 million in 2011.

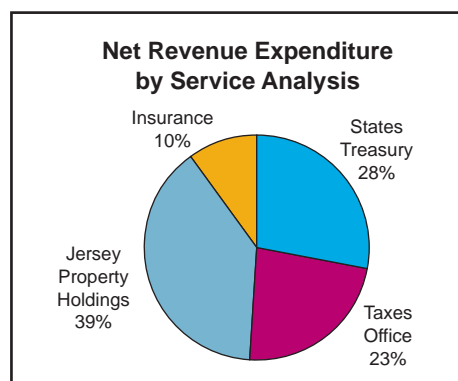
Other developments

From 1 January 2012, the accountability for the PECRS Pre-1987 Debt and PECRS Pre-1967 pension scheme was transferred from the Chief Minister's Department. This equated to a total budget transfer in of £4,328,700.

Treasury and Resources

Service Analysis

An analysis of the Department's performance by Service Area is given below.

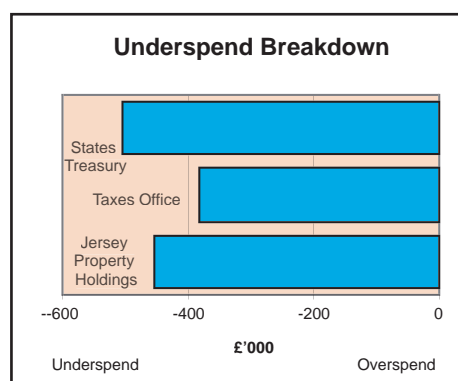


States Treasury

£504,549 (6.5%) Under budget **▲£1,599,342 (28.6%) more than 2010**

£406,329 of the underspend against budget related to delays in projects funded from CSR restructuring, which will continue in 2012. £150,000 of this has been re-prioritised to part fund the Taxes Transformation Programme. A further £117,000 was saved in staff expenditure by further restructuring within the Department, consolidating senior posts.

The increase in expenditure from 2010 was mainly due to the transfer of Procurement and the Transformation Project to Treasury from the former Resources Directorate.



Taxes Office

£381,915 (6.0%) Under budget **▲£498,464 (9.1%) more than 2010**

The underspend against budget of £381,915 is primarily due to a £298,228 underspend in the Policy Development Service Area as a result of a delayed start to the Taxes Transformation Programme.

The increase in spend compared to 2010 is due to two main factors: a £213,756 increase in Business and Company Assessing service area due to CSR related voluntary redundancy costs; and a £123,124 increase in the Policy Development service area due to the start of the Taxes Transformation Programme.

Jersey Property Holdings

£454,670 (4.3%) Under budget **▲£1,218,954 (13.6%) more than 2010**

The under spend against budget is due to securing more competitive pricing for backlog maintenance in relation to projects for Health and Social Services (£413,028) and an increase in car park income and management fees (£580,177). These under spends were offset by the costs involved in buying back Mont Mado (£277,273) and unbudgeted costs for rechargeable works, to include 99 Year Leases maintenance costs (£174,170).

The increase in spend compared to 2010 is primarily due to the Fiscal Stimulus Hospice grant project which commenced in 2010 and has been largely completed in 2011.

Treasury and Resources

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		States Treasury		
711	1,040	Directorate	805	1,578
681	505	Treasury Operations	574	633
1,729	1,397	Accounting Services	1,429	1,750
417	339	Financial Planning	165	156
678	1,094	Financial Performance	1,030	514
504	504	Internal Audit	498	508
451	450	Corporate Group	542	461
-	409	Tax Policy	456	-
512	1,965	Procurement	1,700	-
5,683	7,703		7,199	5,600
		Taxes Office		
3,182	2,975	Personal Tax Assessing	2,908	2,904
900	1,010	Business and Company Assessing	989	775
253	635	Policy Development	345	222
446	493	Investigations & Compliance	456	358
623	562	Tax Collection & Arrears	580	676
515	562	Goods & Services Tax	597	522
138	133	International Tax Treaties	113	32
6,057	6,370		5,988	5,489
		Jersey Property Holdings		
375	455	Architectural Services	389	199
7,390	9,757	Property Services & Maintenance	9,394	8,392
441	442	Strategy	416	389
8,206	10,654		10,199	8,980
17,387	-	Resources Directorate	-	-
		Non-Departmental		
2,707	2,729	Insurance	2,729	2,735
2,707	2,729		2,729	2,735
40,040	27,456	Net Revenue Expenditure: Operational Basis	26,115	22,804

Treasury and Resources

Net Expenditure – Service Analysis (continued)

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Contingencies		
8,862	12,912	Provision for Central Reserves	-	-
6,000	712	Restructuring Costs	-	-
14,862	13,624		-	-
54,902	41,080	Net Revenue Expenditure: BP Basis	26,115	22,804
13,387	12,769	Depreciation	11,042	12,892
-	-	Impairment of Fixed Assets	1,667	107,678
-	-	Asset Disposal (Gain)	(1,709)	(249)
68,289	53,849	Net Revenue Expenditure: GAAP Basis	37,115	143,125

The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

The former Resources Directorate comprising of Information Services, Human Resources, PECRS Pre-1987 Debt and Corporate Resources was transferred out to the Chief Minister's Department during the year.

Procurement was approved under the former Resources Directorate in the 2011 Annual Business Plan.

Staff FTE

At the year end the Department employed the equivalent of 224 full time employees. This is a decrease of 1 (0.4%) from 2010 and is due to voluntary redundancies across the Department, offset by the transfer in of the Procurement function from the former Resources Directorate and Tax Policy function from the Chief Minister's Department.

Treasury and Resources

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Sale of Services	4,769
Hire & Rentals	2,279
Other	948
Total	7,996

Income

£366,377 (4.8%) Surplus on budget **▲£163,422 (2.1%) more than 2010**

The Sales of Services income stream made up 59.6% of the total departmental income budget. Most of the budget relates to internal recharges to other departments for services such as electricity, facilities management, capital projects and funds management. It also includes some external lease income.

Income from internal and external property rental comprised £2.28 million in 2011, which is a surplus on budget by £179,855 (8.6%) and £269,934 lower than 2010 (10.6%), mainly due to the sales of flying freehold premises.

Staff Expenditure

£561,743 (3.4%) Under budget **▲£2,680,086 (20.5%) more than 2010**

Savings were made in Treasury by consolidating posts, as a result of further restructuring. There were also additional under spends from vacancies across the Department. In total, these savings amounted to £245,038.

In the Taxes Office, the primary cause of the £341,663 under spend is due to the late start of the Taxes Transformation Programme (£213,483).

There was a significant increase in staff costs in Treasury compared to 2010 (£1.73 million). This was due to the transfer of the Procurement function (£481,259), the continuation of the Procurement Transformation Programme (£1.08 million) and the transfer of the Tax Policy Unit from the Chief Minister's Department (£390,745).

In the Taxes Office, compared to 2010, staff expenditure has increased by £467,227. There are a number of contributing factors to this increase, including a £191,879 cost associated with voluntary redundancies, a £132,000 increase arising from posts associated with CSR growth, a £91,603 increase due to the effect of a 2% pay award and a £85,000 reduction due to CSR savings.

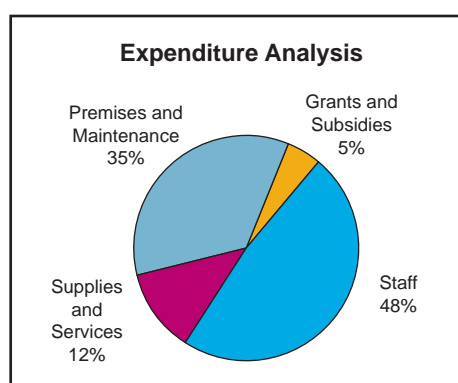
There was also an increase in staff costs compared to 2010 of £486,723 in JPH, which was due to voluntary redundancies in association with CSR savings.

Premises and Maintenance

£2,037,206 (15%) Under budget **▼£881,484 (7.1%) less than 2010**

97% (£1.98 million) of the under spend occurred in JPH, which primarily relates to backlog maintenance costs associated with Health and Social Services projects. These projects commenced in 2011, and will continue into 2012. This under spend in JPH must be viewed in conjunction with the over spend in supplies and services (below). Together, these budgets have been funding backlog maintenance projects, and have under spent by £413,028 in 2011.

The decrease in spend from 2010 was mainly due to receiving less budget in 2011 in relation to Fiscal Stimulus backlog maintenance projects.



Treasury and Resources

Supplies and Services

£1,073,555 (38.2%) Over budget **▲£140,318 (3.7%) more than 2010**

£1.56 million of the over spend was incurred by JPH. As explained above, this largely relates to backlog maintenance and must to be viewed in conjunction with the under spend in premises and maintenance.

This is partly offset by a delay in awarding a contract as part of the Procurement Transformation programme (£310,216).

Other Recognised Gains and Losses

During the year revaluations were carried out for land and estates infrastructure. Increases in asset value of £1,735,737 were booked to the revaluation reserve and are shown in the Statement of Total Recognised Gains and Losses.

Balance Sheet

The value of creditors has increased by £1.97 million, which is broadly in line with the additional level of maintenance works undertaken during 2011.

The value of debtors has increased by £596,640, which is mainly due to the invoices unpaid at the year end relating to Treasury recharges to the Pensions funds.

The value of Provisions has decreased by £953,106 due to the release of provisions made at the end of 2010 for voluntary redundancies and a reduction in the provision for potential liabilities.

Treasury also entered into an agreement to issue Housing Bonds in 2011, which have been categorised as Available-for-Sale investments.

Treasury and Resources

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
5,383	4,772	Sales of Services	4,769	5,006
124	1	Commission	1	1
2,118	2,099	Hire and Rentals	2,279	2,549
87	758	Other Revenue	947	277
7,712	7,630	Total Revenue	7,996	7,833
23,338	16,320	Staff Expenditure	15,758	13,078
7,078	2,814	Supplies and Services	3,888	3,747
374	471	Administrative Expenses	401	371
13,002	13,600	Premises and Maintenance	11,562	12,444
181	4	Other Operating Expenditure	687	218
-	1,853	Grants and Subsidies Payments	1,787	747
24	24	Finance Costs	28	32
3,755	-	Pension Finance Costs	-	-
47,752	35,086	Total Expenditure	34,111	30,637
40,040	27,456	Net Revenue Expenditure: Operational Basis	26,115	22,804
14,862	13,624	Central Contingencies	-	-
54,902	41,080	Net Revenue Expenditure: BP Basis	26,115	22,804
13,387	12,769	Depreciation	11,042	12,892
-	-	Impairment of Fixed Assets	1,667	107,678
-	-	Asset Disposal (Gain)/Loss	(1,709)	(249)
68,289	53,849	Net Revenue Expenditure: GAAP Basis	37,115	143,125

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	37,115	143,125
Revaluation of Fixed Assets	(1,736)	(85,958)
Unrealised (Gain)/Loss on Investments	(298)	-
Total Recognised (Gain)/Loss	35,081	57,167

Treasury and Resources

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	1,042,131	1,028,468
Financial Assets		
Other Available-for-Sale investments	298	-
Total Fixed Assets	1,042,429	1,028,468
Current Assets		
Debtors	1,395	798
Cash at bank and in hand	106	280
Total Current Assets	1,501	1,078
Current Liabilities		
Creditors	(7,400)	(5,431)
Provisions for liabilities and charges	-	(315)
Total Current Liabilities	(7,400)	(5,746)
Net Current Liabilities	(5,899)	(4,668)
Total Assets Less Current Liabilities	1,036,530	1,023,800
Long Term Liabilities		
Provisions for liabilities and charges	(247)	(885)
Total Long Term Liabilities	(247)	(885)
Net Assets	1,036,283	1,022,915
Reserves		
Accumulated Revenue Reserves	923,080	911,428
Revaluation Reserve	74,783	73,359
Donated Asset Reserve	38,122	38,128
Investment Reserve	298	-
Total Reserves	1,036,283	1,022,915

Non Ministerial States Funded Bodies

Highlights:

Underspend of £3,836,680 (16.9%) against Final Approved Budget

Net Revenue Expenditure of £18,935,400, a decrease of 13.3% on 2010

Key Results

Key Variances from Budget

	£'000
Law Officers' Department	2,743
Viscount's Department	509
Comptroller and Auditor General	256
Probation Service	160
Other Variances	169
Net Underspend	3,837

Key Variances from 2010

	£'000
2010 NRE	21,843
Court and Case Costs	(4,027)
Law Officers' Department	396
Judicial Greffe	463
Other Variances	260
2011 NRE	18,935

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	20,616
Carry Forwards	1,857
Additional Funding	27
Transfer to Capital	(100)
Departmental Transfers	258
Final Approved Budget	22,658

Other developments

In 2011 the Council of Ministers reviewed and agreed a proposal to deal with the volatility of Court and Case Costs on a more permanent basis. To that end a Smoothing Reserve was proposed which will provide a mechanism for the States of Jersey to fund the peaks and troughs in the Court and Case Costs. The Reserve will be accessible to all the Court departments for large unforeseen Court and Case Costs. In the first instance the Reserve will be made up of any underspends in Court and Case Costs from previous years. In addition the balance of funds in the COCF will be utilised, with the aim of achieving an overall position of about £7million. This will be sufficient to fund the forecast requirement for 2012 (£3 million) and provide funding for pressures in Court and Case Costs in future years. In the long term, funds utilised from the Reserve and the COCF would then be replenished from further confiscations received in the COCF, further underspends carried forward, and if required, transfers from Central Contingency. The level of funding will be reviewed annually.

Performance against Final Approved Budget

Overall, the Non-Ministerial departments had an underspend of £3,836,680. In the main this is made up of:

- £2,409,706 in the Law Officers' Department for Court and Case Costs, £261,573 as a result of vacant posts, and various other small underspends in the sum of £71,284.
- Recovered costs of £2,571,596 were received during the year;
- £509,765 in the Viscount's Department, due to less work on asset seizures (£270,012) and bankruptcy cases (£181,393), and other underspends on Court and Case Costs mostly due to vacant posts (£58,360);
- £255,713 as a result of ongoing reviews by the Comptroller and Auditor General spanning the year end; and
- £160,269 of CSR savings achieved early by the Probation Service.

Performance compared to 2010

Net Revenue Expenditure (NRE) decreased from 2010 to 2011 by £2,907,428.

Principally this was due to lower spend in 2011 on Court and Case Costs and a significant costs recovery in comparison with 2010. Due to the volatile nature of Court and Case Costs, it is likely that there will always be large variances from year to year. An increase in other NRE in the Law Officers' Department and Judicial Greffe is as a result of a reduction in income for both departments, as no call was made on the Criminal Offences Confiscation Fund (COCF) during 2011.

Changes from Budget Voted in the Business Plan

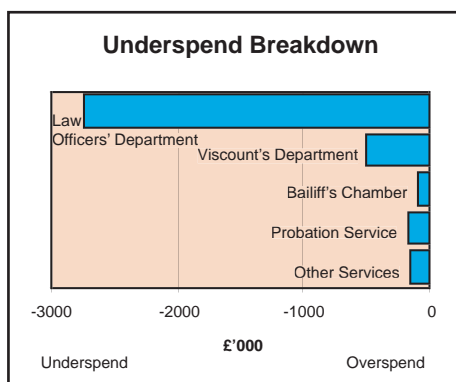
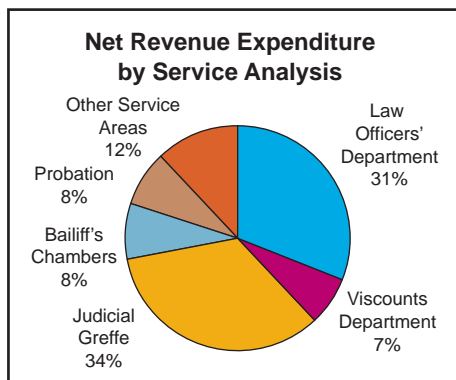
In 2011 adjustments of £2,042,292 were made to the original budget voted in the Business Plan. The changes were:

- Carry forwards: mostly for Court and Case Costs;
- Additional funding: allocated to the Office of the Lieutenant Governor for restructuring of posts;
- Transfer to Capital: purchase of fixed assets in Law Officers' Department and the Official Analyst; and
- Departmental transfers: the Employment Tribunal was transferred from Social Security to Judicial Greffe (£168,300) and implementation of the Sex Offenders Legislation was transferred from Home Affairs to Probation Services (£89,400).

Non Ministerial States Funded Bodies

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Law Officers' Department

£2,742,563 (32.1%) Under budget **↘£1,967,509 (25.4%) Less than 2010**

The underspend relates to recovered costs of £2,571,596 being received during the year and vacant posts during the year (£261,573) offset by small overspends in other areas.

The reduction from 2010, relates to a reduction in Court and Case Costs of £3,253,340, offset by an increase in net revenue expenditure of £1,285,831 relating to a reduction in income, as no call was made on the COCF during 2011.

Viscount's Department

£509,765 (28.5%) Under budget **↗£198,007 (18.3%) more than 2010**

£453,554 of the underspend against budget relates to Court and Case Costs, £77,175 relating to vacant posts during the year, and other small underspends, offset by a reduction in income of £31,663.

Spending has, however, increased in 2011 compared to the prior year as less income was generated, principally fine income.

Bailiff's Chambers

£84,391 (5.4%) Under budget **↘£92,644 (5.9%) less than 2010**

This underspend was mostly due to savings within the Court and Assembly Section. A carry forward for this underspend will be required to fund additional costs in 2012 relating to the Queen's Diamond Jubilee.

Judicial Greffe

2011 NRE equal to budget **↘£1,056,306 (14.0%) less than 2010**

The Department broke even in 2011 although a budget transfer from the Viscount's Department was required to enable this. The Judicial Greffe took responsibility for the Employment Tribunal and was transferred budget for this from Social Security. However the budget transferred was insufficient to meet the actual costs of the Tribunal and so the shortfall had to be met from the Viscount's Department.

The reduction in spend in comparison to 2010 is as a result of lower Court and Case Costs in 2011.

Non Ministerial States Funded Bodies

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Bailiff's Chambers		
996	1,121	Royal Court and Assembly	1,061	1,016
286	292	Court and Case Costs	292	429
161	161	Ceremonial and Civic Head	136	137
1,443	1,574		1,489	1,582
		Law Officers' Department		
1,773	1,773	Criminal Prosecution	1,679	1,617
1,563	1,538	Legal Advice	1,406	1,511
455	455	Conveyancing	432	331
320	320	Child and Family Matters	324	
375	375	Civil Proceedings	333	395
495	495	Interjurisdictional Assistance	453	466
127	127	Duties of the Attorney General	121	32
2,481	3,453	Court and Case Costs	1,045	3,409
7,589	8,536		5,793	7,761
		Judicial Greffe		
1,517	1,730	Judicial Greffe – General	1,772	1,539
992	992	Magistrate's Court	950	719
3,641	3,753	Court and Case Costs	3,753	5,274
6,150	6,475		6,475	7,532
		Viscount's Department		
1,204	1,168	Duties of the Viscount	1,113	911
298	619	Court and Case Costs	165	169
1,502	1,787		1,278	1,080
		Official Analyst		
602	577	Forensic, Environmental Analysis	544	530
602	577		544	530
		Office of the Lieutenant Governor		
726	761	Duties of the Lieutenant Governor	711	823
	28	Court and Case Costs	28	-
726	789		739	823
		Office of the Dean of Jersey		
25	25	Office of the Dean of Jersey	24	24
25	25		24	24

Non Ministerial States Funded Bodies

Net Expenditure – Service Analysis (continued)

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
		Data Protection Commission		
222	247	Data Protection Commission	246	214
222	247		246	214
		Probation		
225	225	Community Service by Offenders	174	154
1,385	1,474	Information and Supervision Service	1,365	1,396
1,610	1,699		1,539	1,550
		Comptroller and Auditor General		
747	949	Comptroller and Auditor General	693	649
747	949		693	649
20,616	22,658	Net Revenue Expenditure: BP Basis¹	18,820	21,745
-	93	Depreciation	115	99
-	-	Asset Disposal (Gain)/Loss	-	-
-	-	Capital Grant Amortisation	-	-
20,616	22,751	Net Revenue Expenditure: GAAP Basis	18,935	21,844

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

At the year end the Non-Ministerial departments employed the equivalent of 173 full time employees. This is a decrease of 5 (3%) from 2010, and is due to CSR restructuring and voluntary redundancies.

Non Ministerial States Funded Bodies

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Recovered Court and Case Costs	3,046
Duties, Fines Fees & Penalties	564
Sale of Services	589
Commission	119
Other	275
Total	4,593

Income

£2,849,101 (163.4%) Surplus on budget **▲£270,442 (6.3%) more than 2010**

Income is higher than budget mainly due to recovered Court and Case Costs, most of which were unbudgeted. As court cases often span a number of years and their outcome is uncertain it is not possible or prudent for departments to forecast and budget for cost recovery. However income is only up 6% on 2010 as there was a call on the COCF in 2010 in the sum of £1,197,909, which was not required in 2011.

Staff Expenditure

£574,242 (4.6%) Under budget **▲£356,908 (3.1%) more than 2010**

Additional posts were agreed in the 2011 Business Plan for the Law Officers' Department which has led to an increase in spend against 2010. However, there were vacant posts in the Law Officers' Department, Judicial Greffe and Viscount's Department for part of the year leading to an overall underspend against approved budget.

Supplies and Services

£687,375 (7.0%) Under budget **▼£3,258,460 (26.3%) less than 2010**

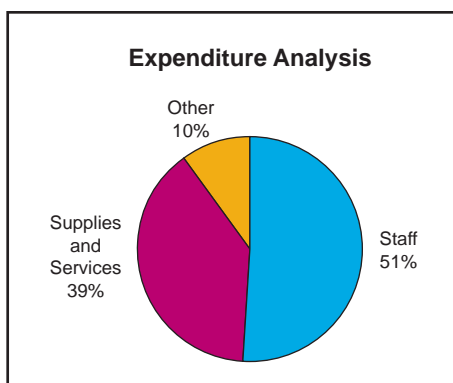
Supplies and Services were lower in 2011 due to a reduction in Court and Case Costs offset by an increase in costs in Judicial Greffe, and various other small increases.

Other Recognised Gains and Losses

The Non-Ministerial departments had no Other Recognised Gains and Losses in 2011.

Balance Sheet

The consolidated Balance Sheet shows a reduction in debtors of £210,862 compared to 2010, mostly relating to a reduction of trade debtors in the Viscount's Department. There is a reduction in creditors of £115,822, due to a decrease in the number of December invoices outstanding in 2011, mostly in Judicial Greffe. In addition there are no provisions in 2011, with the 2010 provisions relating to VR payments.



Non Ministerial States Funded Bodies

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
547	547	Duties, Fees, Fines and Penalties	564	706
9	9	Sales of Goods	3	4
309	309	Sales of Services	589	340
123	123	Commission	119	212
34	34	Hire and Rentals	117	35
2	2	Investment Income	1	1
720	720	Other Revenue	3,200	3,025
1,744	1,744	Total Revenue	4,593	4,323
12,177	12,488	Staff Expenditure	11,913	11,557
8,248	9,836	Supplies and Services	9,149	12,407
389	367	Administrative Expenses	432	476
1,525	1,615	Premises and Maintenance	1,688	1,503
12	87	Other Operating Expenditure	92	13
-	-	Grants and Subsidies Payments	130	100
9	9	Finance Costs	9	10
22,360	24,402	Total Expenditure	23,413	26,066
20,616	22,658	Net Revenue Expenditure: BP Basis	18,820	21,743
-	93	Depreciation	115	99
-	-	Capital Grant Amortisation	-	-
-	-	Asset Disposal (Gain)/Loss	-	-
20,616	22,751	Net Revenue Expenditure: GAAP Basis	18,935	21,842

No other gains or losses were recognised during the year.

Non Ministerial States Funded Bodies

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	395	473
Total Fixed Assets	395	473
Current Assets		
Stock and work in progress	11	46
Debtors	600	812
Cash at bank and in hand	2	2
Total Current Assets	613	860
Current Liabilities		
Creditors	(1,792)	(1,909)
Provisions for liabilities and charges	-	(255)
Total Current Liabilities	(1,792)	(2,164)
Net Liabilities	(1,179)	(1,304)
Total Assets Less Current Liabilities	(784)	(831)
Net Liabilities	(784)	(831)
Reserves		
Accumulated Revenue Reserves	(784)	(831)
Total Reserves	(784)	(831)

States Assembly and its Services

Highlights:

Underspend of £303,226 (5.9%) against Final Approved Budget

Net Revenue Expenditure of £4,802,900, a decrease of 4.2% on 2010

Key Results

Key Variances from Budget

	£'000
Scrutiny	349
Assembly Support Facilities	(32)
Clerks Secretariat	34
Members Remuneration	(40)
Other Variances	(8)
Net Underspend	303

Key Variances from 2010

	£'000
2010 NRE	5,012
Staff Costs	(254)
Sale of Services	106
Supplies and Services	41
Premises and Maintenance	(108)
Other Variances	6
2011 NRE	4,803

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	5,203
CSR - Early Savings	(113)
Final Approved Budget	5,090

Performance against Final Approved Budget

There was a £349,129 underspend within Scrutiny, mostly due to vacant posts and other staff savings within the area (£188,090), and less work undertaken by the panels (£161,039), due to the election during the autumn of 2011.

Further savings were made in Clerks Secretariat, offset by overspends in Assembly Support and Facilities, and Members Remuneration. This was due to a range of reasons, as explained in the commentary to the Service Analysis.

Performance compared to 2010

Overall Net Revenue Expenditure (NRE) decreased from 2010 by £208,940.

The decrease in Staff Costs mostly relates to vacant posts and other staff savings within Scrutiny (this is explained further in the commentary to the Service Analysis).

The decrease in income in Sale of Services and the decrease of expenditure in Premises and Maintenance, both relate to Jersey Property Holdings charging facilities management costs directly to sub tenants within Morier House, rather than States Assembly undertaking this task.

The increase in Supplies and Services relates to an increase in costs in respect of the election awareness campaign and the associated distribution of election material.

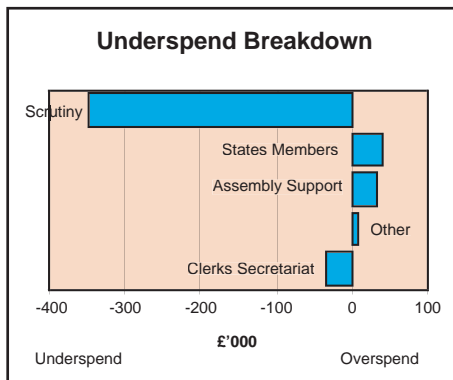
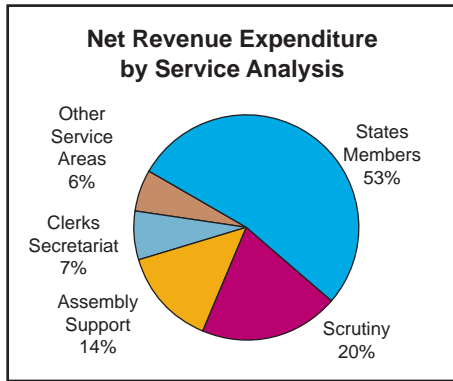
Changes from Budget Voted in the Business Plan

In 2011 one adjustment to the original budget voted in the Business Plan was made. The Department made staff cost savings due to voluntary redundancies and the Department has returned the budget allocated to those staff posts as part of CSR Savings delivered early.

States Assembly and its Services

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Members' Remuneration

£40,325 (1.6%) Over budget

▲£99,133 (4.1%) more than 2010

The overspend relates to final payments made to members who retired from the States and to those who were not re-elected.

This was also the cause of the increase when compared to the 2010 expenditure.

Scrutiny

£349,129 (26.3%) Under budget

▼£397,665 (28.9%) less than 2010

The underspend against budget relates to vacant posts and other staff savings within the area (£188,090) and less work undertaken by the panels (£153,039), owing to the election during the autumn of 2011.

This also contributed to the decreased spending from 2010, along with £167,072 of one-off VR payments made in 2010.

Assembly Support and Services

£32,291 (5.1%) Over budget

▲£59,345 (9.8%) more than 2010

The majority of the overspend and the increase since 2010 relates to an additional project being undertaken in 2011 to update the website (£46,857). In addition to this there were increased advertising and other costs relating to the 2011 election awareness campaign.

Clerks Secretariat

£34,278 (9.9%) Under budget

▲£4,701 (1.5%) more than 2010

The £34,278 underspend in Clerks Secretariat was due to the part-time secondment of one officer to another department.

States Assembly and its Services

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
1,441	1,328	Scrutiny	979	1,377
49	49	States Messenger	51	54
87	87	Inter-Parliamentary Relations	80	68
156	156	States Assembly Information	167	152
16	16	Complaints Panel	17	16
347	347	Clerks Secretariat	313	308
2,477	2,477	Members Remuneration	2,517	2,418
630	630	Assembly Support and Facilities	663	603
5,203	5,090	Net Revenue Expenditure: BP Basis¹	4,787	4,996
16	16	Depreciation	16	16
5,219	5,106	Net Revenue Expenditure: GAAP Basis	4,803	5,012

1. The 2011 Business Plan did not include the approval of some GAAP items of expenditure such as depreciation and capital grant amortisation. To allow comparison against budget, these amounts are shown separately to expenditure subject to approvals. Budgets shown for these items were included in the Business Plan as "Non Cash Items".

Staff FTE

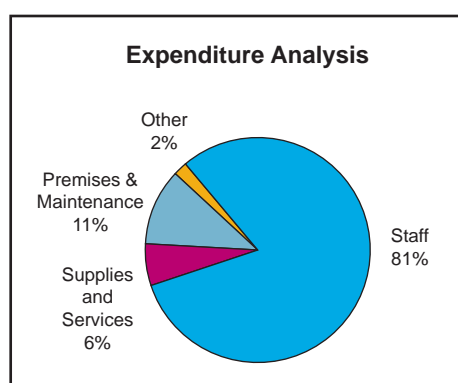
At the year end the department employed the equivalent of 26 full time employees. This is a decrease of 4 (13.3%) from 2010, and is due to CSR restructuring, voluntary redundancies and some post vacancies at the year end.

States Assembly and its Services

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Photocopy Services	35
Recharges	50
Sale of States Publications	6
Total	91



Income

£59,182 (184.9%) Surplus on budget **↘£106,699 (53.9%) less than 2010**

Income is higher than budgeted, as some staff recharges were not included in the budget.

The decrease in income from 2010 relates to Jersey Property Holdings charging facilities management costs directly to sub tenants within Morier House, rather than the States Assembly undertaking this task. This is offset by lower Premises and Maintenance expenditure.

Staff Expenditure

£103,870 (2.6%) Under budget **↘£253,568 (6.1%) less than 2010**

The underspend against budget relates to vacant posts within the Scrutiny area. The decrease from 2010 is due to vacant posts and savings on 2 VRs funded by the Department.

Premises and Maintenance

£36,362 (7.3%) Over budget **↘£108,274 (16.9%) less than 2010**

The overspend against budget is due to more rental being incurred than budgeted.

The decrease in expenditure from 2010 relates to Jersey Property Holdings charging facilities management costs directly to sub tenants within Morier House, rather than the States Assembly undertaking this task. This is offset by lower Income.

Other Recognised Gains and Losses

The Department had no Other Recognised Gains and Losses in 2011.

Balance Sheet

The fixed asset balance has decreased by £16,563 due to depreciation being charged in the year. Depreciation is high, as the fixed assets are colour printers which have a useful economic life of 5 years.

Creditors have reduced by £11,541 due to an accrual being made in 2010 for work carried out on the website, but not invoiced for until 2011.

States Assembly and its Services

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
10	10	Sales of Goods	6	7
22	22	Sales of Services	85	191
32	32	Total Revenue	91	198
4,148	4,035	Staff Expenditure	3,931	4,185
436	436	Supplies and Services	294	253
156	156	Administrative Expenses	121	113
495	495	Premises and Maintenance	532	640
		Other Operating Costs		3
5,235	5,122	Total Expenditure	4,878	5,194
5,203	5,090	Net Revenue Expenditure: BP Basis	4,787	4,996
16	16	Depreciation	16	16
5,219	5,106	Net Revenue Expenditure: GAAP Basis	4,803	5,012

No other gains or losses were recognised during the year.

States Assembly and its Services

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	10	27
Total Fixed Assets	10	27
Current Assets		
Debtors	1	3
Total Current Assets	1	3
Current Liabilities		
Creditors	(48)	(60)
Total Current Liabilities	(48)	(60)
Net Current Assets / (Liabilities)	(47)	(57)
Total Assets Less Current Liabilities	(37)	(30)
Net Liabilities	(37)	(30)
Reserves		
Accumulated Revenue Reserves	(37)	(30)
Total Reserves	(37)	(30)

General Revenue Income

Highlights:

Total Net General Revenue Income of £586,919,171

£21,616,171 (3.8%) more than budget, £40,633,833 (7.4%) more than 2010

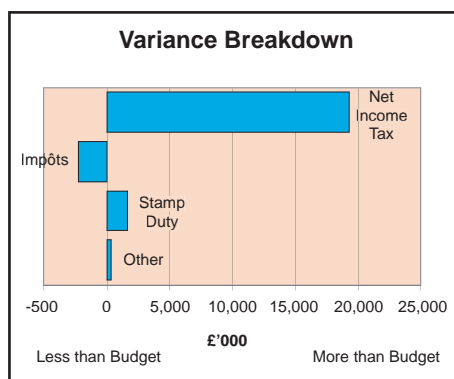
Key Results

Key Variances from Updated Forecast

	£'000
2011 Budget	565,303
Net Income Tax	10,000
Other Changes	(7,527)
2011 Updated Forecast	567,776
Net Income Tax	19,317
Impôts	(2,274)
Stamp Duty	1,694
Other Variances	406
2011 GRI	586,919

Performance against Budget

Net Income Tax is £29.3 million or 8% higher than the 2011 budget, and £19.3 million higher than the most recent forecast included in the 2012 Budget Statement, which increased the estimate for Company taxes. The Budget Statement also set a range of possible outcomes of +/- £20 million, which the final outturn falls within. The primary reasons for the variance are Salary and Wage Earners, Self Employed and Investment Holders realising a higher than predicted yield (tax charge/gross declared income). This was due to a larger than expected impact of freezing allowances and a further partial withdrawal of reliefs through 20 means 20, together with lower mortgage interest relief due to exceptionally low interest rates. Companies Tax and Salary and Wage Earners, Self Employed and Investment Holders both realised lower than predicted write offs and associated provision adjustments of £1.4 million versus the predicted £4 million.



Impôts are £2.6 million lower than budgeted. Duty collected on wine and tobacco in the final quarter was below the previous five year trend. It was anticipated that tobacco importations would be approximately 6% below that of 2010. However, in the final quarter tobacco importations fell by 12%. The quantity of fuel put to duty was also lower than previous trends, and this has led to a decrease in the amount of Fuel Duty collected. Vehicle Emissions Duty, successfully introduced in 2010, originally had an annual target of £2 million. It was then identified that a more realistic target would be £1 million due to the decline in new vehicles registered and improved efficiency in most new vehicles resulting in a lower or nil rate of duty. This amended target was still optimistic resulting in a further variance.

Stamp Duty is £1.8 million higher than budgeted. The introduction of higher stamp duty rates on properties over £1 million caused an acceleration of these transactions ahead of the June deadline. There was an expectation that the remainder of the year's forecast would be suppressed compared to previous years. However, Stamp Duty revenues in the final four months held up and this, coupled with the over achievement of probate by £0.6 million, resulted in the final variation.

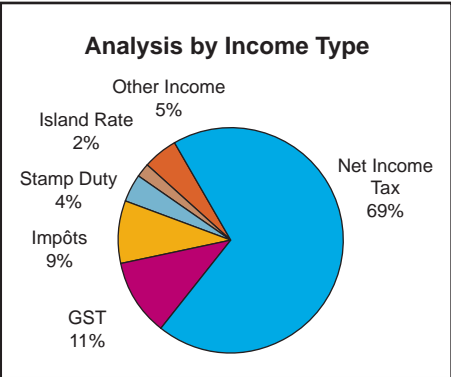
Key Variances from 2010

	£'000
2010 GRI	546,286
Net Income Tax	14,964
GST	22,097
Stamp Duty	2,428
Other Variances	1,144
2011 GRI	586,919

Performance compared to 2010

Net Income Tax is £15 million higher than 2010 as a result of a £21 million increase in Salary and Wage Earners, Self Employed and Investment Holders, due to an increase in declared income and an increase in yield, which was largely a result of freezing exemption limits and further partial withdrawal of reliefs through 20 means 20. This is offset by a £6 million reduction in Companies Tax primarily due to the impact of the economic downturn on profits and the continued transition to the 0/10 tax regime.

General Revenue Income



Goods and Services Tax is £22 million higher than 2010. £15 million of the increase is due to the part year effect of the rate increase from 3% to 5%. A further £3 million is due to the uplift in basic International Service Entity Fees from £100 to £200. £2 million is due to inflation and another £1 million is due to a reduction in bad debt charges.

Stamp Duty has increased by £2.4 million since 2010 primarily due to increased stamp duty rates for higher value properties over £1 million, agreed in the Budget 2011 to be effective from June 2011. Probate revenues outturn was £2.9 million compared to £2.3 million. Volume of property transactions remained fairly static from 2010 to 2011.

General Revenue Income

Analysis by Income Type

2011 Budget £'000	Updated Forecast Nov – 2011 £'000		2011 Income £'000	2011 Expenditure £'000	2011 Actual £'000	2010 Actual £'000
268,000	270,000	Salary and Wage Earners	285,993	(1,744)	284,249	269,200
47,000	46,000	Self Employed and Investment Holders	49,825	-	49,825	43,541
65,000	74,000	Companies	74,980	263	75,243	81,612
380,000	390,000	Net Income Tax	410,798	(1,481)	409,317	394,353
66,812	65,626	Goods and Services Tax (GST)	66,259	38	66,297	44,200
4,041	4,087	Spirits	4,018	-	4,018	4,038
6,766	6,528	Wines	6,465	-	6,465	6,158
906	846	Cider	917	-	917	814
5,391	5,373	Beer	5,378	-	5,378	5,184
13,231	13,303	Tobacco	12,479	-	12,479	12,638
21,247	21,952	Fuel	20,866	-	20,866	20,250
150	150	Customs Duty	148	-	148	138
2,000	1,200	Vehicle Emissions Duty	894	-	894	192
53,732	53,439	Impôts	51,165	-	51,165	49,412
19,775	19,873	Stamp Duty	21,147	-	21,147	18,576
1,000	1,000	Land Transactions Tax	1,420	-	1,420	1,563
20,775	20,873	Total Stamp Duty	22,567	-	22,567	20,139
10,912	10,912	Island Rate	10,915	-	10,915	10,510
1,295	2,299	Net Investment Income	2,782	(812)	1,970	1,000
1,300	1,300	Jersey Currency Surplus ¹	1,061	-	1,061	2,112
13,690	13,690	Dividends and Internal Returns	14,448	-	14,448	13,353
2,455	2,455	Financial Returns from States Trading Operations	2,455	-	2,455	2,900
3,700	3,700	Returns from Jersey Financial Services Commission	3,710	-	3,710	3,658
		European Union Savings Tax Directive Administration				
2,750	2,000	Income	1,438	(2)	1,436	2,986
1,000	1,000	Income Tax Penalties	1,257	(186)	1,071	1,089
6,882	482	Fines and Other Income	507	-	507	574
33,072	26,926	Other Income	27,658	(1,000)	26,658	27,672
565,303	567,776	Net General Revenue Income	589,362	(2,443)	586,919	546,286

¹ The Currency Surplus was included in the "Increase in CIF Asset Value" line of the 2011 Budget.

General Revenue Income

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Levied by the States of Jersey		
Taxation revenue	477,056	443,685
Island rates, duties, fees, fines and penalties	86,192	81,598
Total Revenue Levied by the States of Jersey	563,248	525,283
Earned through Operations		
Investment income	15,443	15,114
Gains on CIF Investments ²	1,772	57
Losses on Other Investments ²	(22)	-
Other revenue	8,921	11,942
Total Revenue Earned through Operations	26,114	27,113
Total Revenue	589,362	552,396
Other Operating Expenditure	1,647	5,325
Finance Costs	508	479
Foreign Exchange (Gains)/Loss	288	306
Total Expenditure	2,443	6,110
Net Revenue Income	586,919	546,286

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Income	586,919	546,286
Unrealised Gain on Investments ²	-	980
Unrealised Gain/(Loss) on Strategic Investments	72,400	(3,500)
Total Recognised Gain	659,319	543,766

² Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

General Revenue Income

Performance of CIF Investments

The Consolidated Fund only participates in the Long Term Cash CIF Pool.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows CIF amounts attributable to the Fund:

States of Jersey - Common Investment Fund Attributable to the Consolidated Fund		
	2011	2010
	£'000	£'000
Income	1,704	890
Expenditure	(149)	(50)
Gains on Investments held at Fair Value through the OCS ¹	217	102
Total Gains recognised in the Fund	1,772	942

¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

General Revenue Income

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Loans & Advances	3,200	4,115
Strategic Investments	346,400	274,000
Investments held at Fair Value through OCS	226,481	208,262
Total Fixed Assets	576,081	486,377
Current Assets		
Loans and Advances	974	
Debtors	74,601	73,166
Cash at Bank and in Hand	3,489	42,077
Total Current Assets	79,064	115,244
Current Liabilities		
Creditors	(63,215)	(58,009)
Total Current Liabilities	(63,215)	(58,009)
Net Current Assets / (Liabilities)	15,849	57,235
Net Assets	591,930	543,611
Reserves		
Accumulated Revenue Reserves	354,593	377,675
Investment Reserve	237,337	165,936
Total Reserves	591,930	543,611

Other Consolidated Fund Items

The statements below relate to Consolidated Fund items not recorded in other pages in this Annex.

These are assets, liabilities, income and expenditure that fall outside of the scope of the budget approval process, for example Defined Benefit scheme pension liabilities, past service liabilities, finance lease liabilities and consolidation adjustments such as amounts due from other funds.

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Sales of Goods and Services	1,959	1,835
Gains on Derivative Financial Instruments	310	-
Other revenue	4,158	2,311
Total Revenue	6,427	4,146
Staff Costs	(489)	(446)
Other Operating Expenditure	860	264
Grants and Subsidies	-	(15,951)
Finance Costs	608	745
Movement in Pension Liability	5,640	39,900
Total Expenditure	6,619	24,512
Net Revenue Expenditure	192	20,366

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	192	20,366
Actuarial Loss/(Gain) in respect of Defined Benefit Pension Schemes	92	(1,445)
Total Recognised Loss	284	18,921

Other Consolidated Fund Items

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Derivative Financial Instruments expiring after more than one year	201	-
Total Fixed Assets	201	-
Current Assets		
Derivative Financial Instruments expiring within one year	98	-
Debtors	6,693	6,828
Total Current Assets	6,791	6,828
Current Liabilities		
Balance due to other States Funds	(50,641)	(48,065)
Creditors	(5,832)	(5,949)
Total Current Liabilities	(56,473)	(54,014)
Net Current Assets / (Liabilities)	(49,682)	(47,186)
Total Assets Less Current Liabilities	(49,481)	(47,186)
Long Term Liabilities		
Finance Lease Obligations	(7,528)	(8,271)
PECRS Pre-1987 Past Service Liability	(229,998)	(246,317)
Provision for JTSF Past Service Liability	(135,100)	(114,000)
Defined Benefit Pension Schemes Net Liability	(11,493)	(11,152)
Provisions for liabilities and charges	(1,508)	(1,205)
Total Long Term Liabilities	(385,627)	(380,945)
Net Liability	(435,108)	(428,131)
Reserves		
Accumulated Revenue Reserves	(435,108)	(428,131)
Total Reserves	(435,108)	(428,131)

Trading Operations

Jersey Airport

Economic Development

Highlights (excluding the effect of withdrawal of States' Capital Grant funding and impairment of building assets):

Under spend of £5,572,749 (90.3%) against Final Approved Budget

Net Revenue Income of £94,346 an increase of 102% on 2010

Closing Trading Fund Balance of £15,494,438, an increase of 24.9% from 2010

Key Results

Key Variances from Budget

	£'000
Increase in Revenue	1,054
Obstacles not purchased	1,554
Budget Transferred to 2012	1,180
Surplus Depreciation	772
Saving / Under-spends	1,013
Under spend	5,573
Grant income withdrawn	(1,281)
Net Under spend	4,292

Key Variances from 2010

	£'000
2010 NRE	(4,327)
Improved Income	812
Depreciation & Impairments	2,861
Capital Projects	761
Other Projects	(412)
Net Savings	399
2011 NRI	94

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	2,502
Transfer from Capital	1,696
Final Approved Budget	4,198

Other developments

On 15 September 2011, the Minister, after taking advice from the Shadow Board, announced that Jersey Harbours and Jersey Airport would be integrating. This commenced with the appointment of a Group Chief Executive Officer for both departments earlier during the year. The senior management team structure has been confirmed, certain appointments made and a recruitment process underway in respect of vacant positions. The structure of the group and organisation chart have been finalised and the re-organisation of staff for the integrated group is planned to be completed during the first quarter of 2012.

At the same time, it was announced that a proposal for the incorporation of Jersey Airport and Jersey Harbours would be put to the States during 2012. This proposal is currently being drafted.

Performance against Final Approved Budget

In 2011, an increase in passenger numbers and higher than expected concession income, as a result of the retail redevelopment in the departures hall, contributed to the swing in trading from Net Revenue Expenditure (NRE) to Net Revenue Income (NRI).

There were two major projects that were identified to be completed during 2011 (the purchase of obstacles and the demolition of the top two floors of the Arrivals Building) which remain ongoing. The negotiations for the purchase of the obstacles have yet to be concluded and are now envisaged to be finalised during 2012. The demolition works straddle two financial years requiring the majority of the revenue expenditure budget to be transferred to 2012 when most of the works will be completed.

The reduction in the depreciation charge was due to changes in the useful economic lives of certain assets, the revaluation undertaken during 2010 and delays of capital projects. Certain initiatives such as Safeguard were put in place to achieve savings and drive efficiencies, which resulted in over £1 million favourable variance against budget.

Performance compared to 2010

The improvement in income is mainly due to an increase in passenger numbers and larger than expect concession income from the retail redevelopment.

The impairment of assets in 2010 following the revaluation exercise has resulted in a reduction in depreciation. The 2010 impairment of £1,323,427 was a one off transaction affecting the year on year comparison.

There was also a year-on-year reduction in revenue expenditure associated with capital projects. The main project undertaken in 2011 was the removal of the top two floors of the Arrivals Buildings. In order to conform to UK GAAP, these costs were transferred from capital to revenue expenditure.

Changes from Budget Voted in the Business Plan

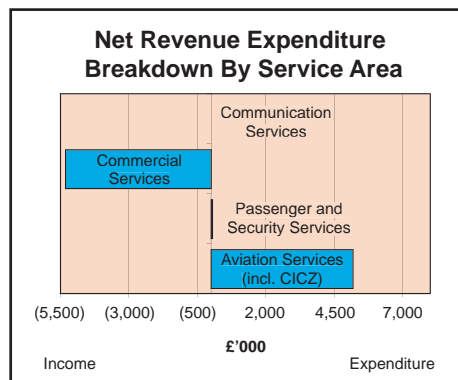
In 2011, adjustments to the original budget voted in the Business Plan totalling £1,696,403 were made. This amount represents two transfers from capital to revenue expenditure to ensure that the accounts conformed to UK GAAP. The two projects were the removal of the top two floors of the Arrivals Building £1,661,403 and working at height health and safety equipment required for the Departures Building £35,000.

Jersey Airport

Economic Development

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Aviation Service (including Channel Island Control Zone)

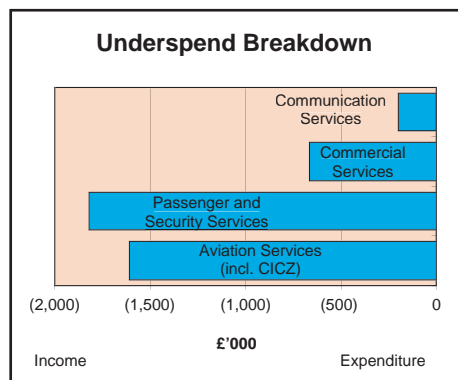
£1,610,703 (24%) Under budget **↘£2,489,929 (33%) less than 2010**

See combined note under Passenger and Security Services below.

Passenger and Security Services

£1,817,091 (98%) Under budget **↘£1,311,543 (97%) less than 2010**

The savings against budget for Aviation Services and Passenger and Security Services have occurred due to major projects / spend not being completed during the year. These include the projects identified in the Performance Against Final Approved Budget above. The balance is due to the rebasing of depreciation, the successful implementation of management saving initiatives, and higher than budgeted number of passengers.



The year-on-year comparisons for Aviation Services and Passenger and Security Services have been distorted by unusual adjustments in 2010, including the impairment of assets and change in their useful economic lives.

Commercial Services

£667,701 (14%) Under budget **↗£722,702 (16%) more than 2010**

The improvements against budget and year-on-year performance were due to the higher than expected income from retail concessions as result of the redevelopment project in the Departures Hall of £506,908, an increase in public car park income of £50,087 and a one-off charge for access rights to land owned by the airport of £100,450. The balance is due to the rebasing of depreciation.

Communication Services

£198,253 (105%) Under budget **↘£102,560 (93%) less than 2010**

Communication Services continues to provide radio communication goods and services to other States departments and external customers. Its business under performed against prior year due to set up income received in 2010 translating into lower maintenance income. However, in 2011 this was nonetheless better than expected.

Jersey Airport

Economic Development

Net Expenditure – Service Analysis

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
6,824	6,791	Aviation Services (incl. CICZ)	5,181	7,671
216	1,863	Passenger and Security Services	46	1,357
(4,513)	(4,645)	Commercial Services	(5,313)	(4,590)
(25)	189	Communication Services	(8)	(111)
2,502	4,198	Net Revenue (Income)/Expenditure	(94)	4,327

Staff FTE

The year end FTE stood at 179.3, a decrease of 13.7 FTE from 2010 (7%), which is net of vacancies held and reductions in established posts. The reduction in FTE is due to planned reorganisation of departments including voluntary redundancies and not replacing retiring employees.

The total FTE figure includes 7.00 Trainee Air Traffic Control Officers (ATCO) FTEs in 2011 and 8.00 Trainee ATCO FTEs in 2010.

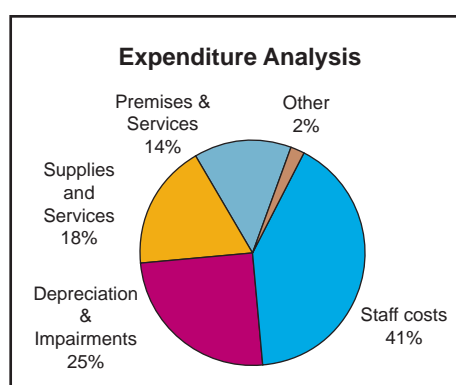
Jersey Airport

Economic Development

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Aeronautical Income	13,191
CICZ Income	6,154
Concessions and Rentals	5,118
Other	4,204
Total	28,667



Income

£445,991 (1.5%) Shortfall on budget **▲£812,288 (2.9%) more than 2010**

The shortfall to budget was caused by the reduction in the amortisation of the Below Ground Works grant.

As previously mentioned, the year-on-year increase is predominantly due to an increase in the number of passengers and the improved concession income from the retail redevelopment project in the Departures Hall.

Staff Expenditure

£329,479 (2.7%) under budget **▲£273,698 (2.4%) more than 2010**

Against budget, the saving in staff expenditure was due to management of vacancies and anticipated payments for VR / VER not occurring.

Expenditure is higher than last year due to the annual salary increase and restructuring costs.

Depreciation and Impairments

£2,322,284 (24.8%) under budget **▼£2,861,874 (28.8%) less than 2010**

As previously mentioned, the under budget and lower year-on-year depreciation charge are due to the revaluation of assets, the one off impairment in 2010 and delay of projects.

Supplies and Services

£1,695,519 (26.0%) under budget **▼£991,444 (17.0%) less than 2010**

Supplies and Services are below budget due to the 2012 deferral of costs for the demolition of the top two floors at the Arrivals Building.

The year-on-year saving is due to a reduction in revenue elements of capital projects charged in 2011, plus saving initiatives implemented by management.

Premises and Maintenance

£184,319 (4.4%) under budget **▲£361,435 (9.9%) more than 2010**

The saving against budget is due to general prudent management of cost. The year-on-year increase is due to revenue expenditure on capital projects.

Other Recognised Gains and Losses

No revaluations or impairments were undertaken during the year.

Balance Sheet

There has been no material movement in the Net Assets, year on year movement of £599,639 (0.4%).

The main changes are firstly, debtors have decreased by £4.4 million, £4,000,000 relates to the Below Ground Works debtor that was paid during 2011. The second change relates to the fall in Long Term Liabilities, as the lease for the Alpha Taxiway will be fully repaid in 2012.

Jersey Airport

Economic Development

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
-	-	Duties, Fees, Fines and Penalties	5	6
20,243	20,243	Sales of Services	21,545	21,462
5,507	5,507	Hire and Rentals	6,064	5,501
83	83	Investments Income	114	73
3,280	3,280	Other Revenue	939	813
29,113	29,113	Total Revenue	28,667	27,855
12,066	12,066	Staff Expenditure	11,737	11,463
4,824	6,520	Supplies and Services	4,825	5,816
228	228	Administrative Expenses	236	200
4,192	4,192	Premises and Maintenance	4,008	3,647
243	243	Other Operating Expenditure	55	193
7,855	7,855	Depreciation	7,083	8,622
1,550	1,550	Impairment of Fixed Assets	-	1,323
428	428	Finance Costs	430	564
229	229	Pension Finance Costs	215	208
-	-	Asset Disposal (Gain)/Loss	(16)	146
31,615	33,311	Total Expenditure	28,573	32,182
2,502	4,198	Net Revenue (Income) / Expenditure	(94)	4,327

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue (Income) / Expenditure	(94)	4,327
Revaluation of Fixed Assets	-	(6,845)
Total Recognised (Gain)/Loss	(94)	(2,518)

Jersey Airport

Economic Development

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	138,048	139,176
Total Fixed Assets	138,048	139,176
Current Assets		
Stock and Work in Progress	346	256
Debtors	2,065	6,467
Balance due from Consolidated Fund	15,083	12,571
Cash at Bank and in Hand	10	43
Total Current Assets	17,504	19,337
Current Liabilities		
Creditors	(4,343)	(4,366)
Total Current Liabilities	(4,343)	(4,366)
Net Current Assets / (Liabilities)	13,161	14,971
Total Assets Less Current Liabilities	151,209	154,147
Long Term Liabilities		
Finance Lease Obligations	(3,458)	(5,791)
Provisions for liabilities and charges	-	(5)
Total Long Term Liabilities	(3,458)	(5,796)
Net Assets	147,751	148,351
Reserves		
Accumulated Revenue Reserves	120,666	120,571
Revaluation Reserve	6,844	6,845
Capital Grant Reserve	20,241	20,935
Total Reserves	147,751	148,351

Jersey Airport

Economic Development

Trading Fund Balance as at 31st December 2011

	£'000
Balance brought forward	12,410
Net Revenue Income	94
Add back Depreciation and other Non-Cash Items	6,390
Capital Expenditure	(5,929)
Other B/S Movements	2,529
Trading Fund Balance 31/12/11	15,494
Comprising:	
Net Current Assets	13,161
Add Back: Finance Lease Current Liabilities	2,333
	15,494
Less: Unspent Capital Approvals	(17,646)
Available Trading Fund Balance 31/12/11	(2,152)

Trading Fund balances are calculated using the same methodology as for the Consolidated Fund, please see page 15 for details.

Jersey Harbours

Economic Development

Highlights (excluding the impairment of building assets)

Under spend of £1,521,061 (270.1%) against Final Approved Budget

Net Revenue Income of £959,061 an increase of 90.2% on 2010

Closing Trading Fund Balance of £14,506,008, an increase of 3.1% from 2010

Key Results

Key Variances from Budget

	£'000
Depreciation	822
Premises and Maintenance	452
Income	436
Other Variances	(189)
Net Underspend	1,521

Key Variances from 2010

	£'000
2010 NRE	(11,952)
Impairment	12,456
Premises and Maintenance	846
Supplies and Services	(606)
Income	340
Other Variances	(125)
2011 NRI	959

Reconciliation of 2011 Business Plan to Final Approved Budget

	£'000
Business Plan 2011	452
Transfer from Capital	110
Final Approved Budget	562

Other developments

On 15 September 2011, the Minister, after taking advice from the Shadow Board, announced that Jersey Harbours and Jersey Airport would be integrating. This commenced with the appointment of a Group Chief Executive Officer for both departments earlier during the year. The senior management team structure has been confirmed, certain appointments made and a recruitment process is underway in respect of vacant positions. The structure of the group and organisation chart have been finalised and the re-organisation of staff for the integrated group is planned to be completed during the first quarter of 2012.

At the same time, it was announced that a proposal for the incorporation of Jersey Airport and Jersey Harbours would be put to the States during 2012. This proposal is currently being drafted.

Performance against Final Approved Budget

Reduced depreciation charges against budget have resulted from the deferral of certain capital projects, for example the St Helier marina reconfiguration, as well as a substantial reduction in the carrying value of assets as a result of the impairment in 2010.

Premises and Maintenance have been less than budgeted due to delays in certain projects. For example progress on the Linkspan and crane projects has meant that undertaken works can be classified as capital. Further there have been circa £200,000 savings in respect of anticipated tariff/fee/charge increases provided for in the budget that were not realised.

Income exceeded budget due to increased passenger and vehicle volumes, as well as better than anticipated Marina and rental yields. Further the release of a capital grant in respect of St Aubin enhancement works was not budgeted for.

Performance compared to 2010

Premises and Maintenance expenditure has reduced compared to 2010 due to improved analysis of engineering costs. Previously these were identified as generic maintenance costs however greater detail has been provided in respect of professional fees and vehicle costs. From 2011 they have been allocated separately for transparency within Supplies and Services. Further there were certain projects completed in 2010 for example the Duke of Normandy and Maritime Museum.

Income has increased year on year due to the release of the capital grant referred to above and overall tariff increases.

Changes from Budget Voted in the Business Plan

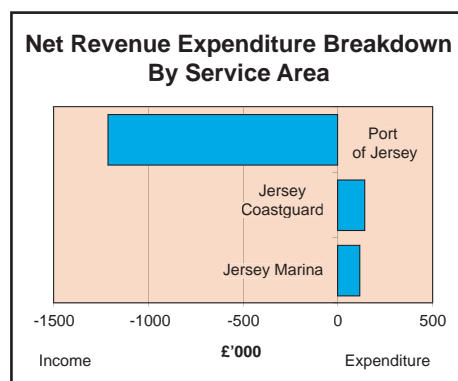
In 2011 adjustments to the original budget voted in the Business Plan totalling £110,000 were made. This amount represents a capital budget for tanker berth works. During investigations it was determined that replacement was not necessary and remedial work would suffice. This does not constitute an increase in overall approved budget.

Jersey Harbours

Economic Development

Service Analysis

An analysis of the Department's performance by Service Area is given below.



Port of Jersey

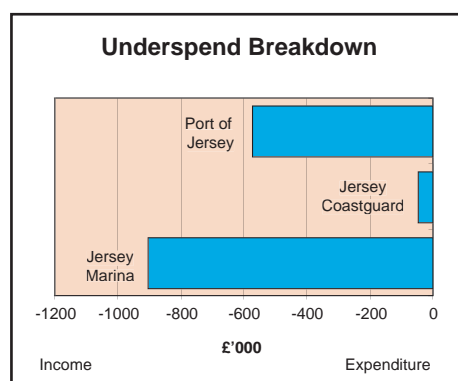
£902,681 (291%) Surplus on budget

▲£399,301 (49%) more than 2010

Port of Jersey has exceeded income targets against budget in respect of passenger and vehicle dues, due to than greater than anticipated volumes as well as buoyant rental yields.

Main budgetary savings relate to reduced depreciation charges as a result of delayed capital expenditure

Year on year income has increased by circa £300,000 due to a combination of increased volumes and charges. Depreciation charges have reduced as a result of the 2010 impairment, which reduced carrying values.



Jersey Coastguard

£46,337 (25%) Under budget

▲£26,049 (23%) more than 2010

Income from the Harbour Due allocation was down due to reduced fuel tonnage (this allocation does not include passenger and vehicle dues). This fall in income was offset by staff savings, due to management of vacancies, and depreciation savings.

Year on year there has been little change to net expenditure. Income has reduced as discussed above by circa £280,000 due to the loss of grant income from the Economic Development Department (EDD) in respect of the Beach Lifeguard Service (which has been transferred to the RNLI). Consequently corresponding reductions in FTE/staff costs have resulted from this transfer.

Jersey Marina

£572,043 (83%) Under budget

▼£81,672 (42%) less than 2010

Income exceeded budget by £270,874. This was mostly due to an unbudgeted release of a capital grant in respect of St Aubin enhancement works completed in the year. Further income increases can be attributed to better than anticipated rental yields. In terms of expenditure, the main saving against budget has been depreciation as a result of reduced carrying values due to the impairment and the deferral of key capital projects, such as the St Helier Marina Re-configuration.

Income in respect of the tariff increases, rental yields and the capital grant release increased from 2010, and this has offset an increase in expenditure. Notable expenditure increases are depreciation, due to the completion of major capital projects in 2011 (St Aubin enhancement works) and repairs and maintenance costs (once the effect of the Transport and Technical Services (T&TS) Service Level Agreement reallocation is removed).

Jersey Harbours

Economic Development

Net Expenditure – Service Analysis

2011 Business Plan £	2011 Final Approved Budget £		2011 Actual £	2010 Actual Excluding Impairment £	2010 Actual £
(420)	(310)	Port of Jersey	(1,213)	(813)	10,186
185	185	Jersey Coastguard	139	113	256
687	687	Jersey Marina	115	196	1,510
452	562	Net Revenue Expenditure	(959)	(504)	11,952

Note. Figures from the 2011 Business Plan have been restated to apportion depreciation and other GAAP accounting changes across the relevant service areas, in line with the analysis of depreciation in the 2011 Business Plan.

Staff FTE

The year-end FTE stood at 62.75, a decrease of 5.00 FTE (7.4%) compared to 2010 (67.75). The reduction was due to transfer of the Beach Life Guard Service to the RNLI.

Jersey Harbours

Economic Development

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

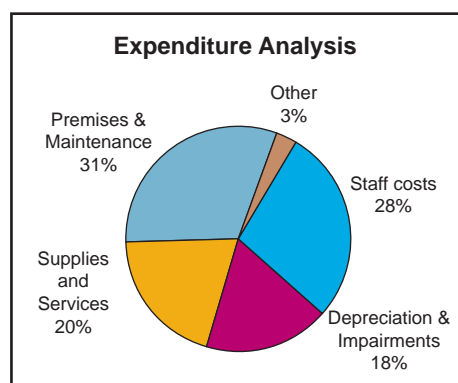
Major Income Streams:

	£'000
Harbour Dues	7,657
Marina / Mooring Income	3,038
Property Rentals	2,306
Other	1,970
Total	14,971

Income

£435,568 (3.0%) Surplus on Budget **▲£339,916 (2.3%) more than 2010**

Budgeted income has been exceeded as a result of improved Harbour Due income driven in particular by better than anticipated passenger and vehicle volumes and sustained rental receipts although these were partially offset by disappointing fuel volumes. Income was also enhanced by a one-off £150,000 unbudgeted capital grant release relating to the St Aubin remediation project. Investment income did not reach predicted levels.



Year on year tariff uplift and passenger and vehicle volume increases (passenger level up by approximately 30,000 and vehicles by approximately 10,000) have been supplemented by the one-off £150,000 unbudgeted capital grant release relating to the St Aubin remediation project. These have been offset by the aforementioned loss of grant income relating to the Beach Lifeguard Service and lower year on year fuel imports.

Staff Expenditure

£147,118 (3.6%) Under budget **▲£141,945 (3.8%) more than 2010**

Staff expenditure has been held under budget through the management of vacancies and delay in recruitment.

Year on year expenditure has increased as a result of annual salary pay award and restructuring costs in anticipation of Harbours and Airport integration. These increases have been partially offset by the loss of the Beach Lifeguard Service.

Depreciation

£822,223 (24.8%) Under budget **▼£387,803 (1.5%) less than 2010**

As previously stated budget and year on year variance have been driven by the reduction in carrying value of assets at end of 2010 due to impairment and the deferral of certain projects

Premises and Maintenance

£451,588 (9.4%) Under budget **▼£846,544 (16.3%) less than 2010**

As previously stated the original Premises and Maintenance budget was inflated by £110,000 as a result of the transfer of a budget allocation from capital. Additionally, further savings have been made in respect of anticipated tariff/fee/charge increases provided for in the budget that were not realised and the capitalisation of certain engineering costs.

Year on year the improved analysis of engineering costs in respect of professional fees and vehicle costs has resulted in cost reallocation from maintenance codes to Supplies and Services of approximately £550,000. A number of significant maintenance projects were undertaken in 2010 including the Duke of Normandy refit, Maritime Museum remediation and Albert and Victoria pier remediation.

Jersey Harbours

Economic Development

Other Recognised Gains and Losses

No revaluations or impairments were undertaken during the year.

Balance Sheet

Fixed asset net book value increased by circa £366,174 despite annual depreciation charges. This was due to significant capital projects including the St Aubin Enhancement Works.

Creditors have reduced by £479,476. This is mainly due to the payment of the T&TS Service Level Agreement December invoice by the year end and reduction in the Capital Creditor element as invoices were received and paid by year end.

Jersey Harbours

Economic Development

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
6	6	Duties, Fees, Fines and Penalties	44	39
8,751	8,751	Sales of Services	8,714	8,793
5,600	5,600	Hire & Rentals	5,838	5,622
178	178	Investment Income	123	109
-	-	Other Revenue	252	68
14,535	14,535	Total Revenue	14,971	14,631
4,042	4,042	Staff Expenditure	3,895	3,753
2,495	2,495	Supplies and Services	2,725	2,119
105	105	Administrative Expenses	121	122
4,696	4,806	Premises and Maintenance	4,354	5,200
13	13	Other Operating Expenditure	151	333
46	46	Grants and Subsidies Payments	8	8
3,318	3,318	Depreciation	2,496	2,534
-	-	Impairment of Fixed Assets	-	12,456
16	16	Interest Costs	12	14
200	200	Financial Returns	200	200
56	56	Pension Finance Costs	50	48
-	-	Asset Disposal (Gain) / Loss	-	(204)
14,987	15,097	Total Expenditure	14,012	26,583
452	562	Net Revenue (Income)/Expenditure	(959)	11,952

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue (Income) / Expenditure	(959)	11,952
Revaluation of Fixed Assets	-	(2,587)
Total Recognised (Gain)/Loss	(959)	9,365

Jersey Harbours

Economic Development

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	94,037	93,671
Total Fixed Assets	94,037	93,671
Current Assets		
Debtors	1,124	1,093
Balance due from Consolidated Fund	14,630	14,637
Cash at Bank and in Hand	-	61
Total Current Assets	15,754	15,791
Current Liabilities		
Creditors	(1,248)	(1,728)
Total Current Liabilities	(1,248)	(1,728)
Net Current Assets / (Liabilities)	14,506	14,063
Total Assets Less Current Liabilities	108,543	107,734
Net Assets	108,543	107,734
Reserves		
Accumulated Revenue Reserves	105,956	104,997
Revaluation Reserve	2,587	2,587
Capital Grant Reserve	-	150
Total Reserves	108,543	107,734

Trading Fund Balance as at 31st December 2011

	£'000
Balance brought forward	14,063
Net Revenue Income	959
Add back Depreciation and other Non-Cash Items	2,346
Capital Expenditure	(2,862)
Other B/S Movements	-
Trading Fund Balance 31/12/11	14,506
Comprising: Net Current Assets	14,506
	14,506
Less: Unspent Capital Approvals	(11,284)
Available Trading Fund Balance 31/12/11	3,222

Trading Fund balances are calculated using the same methodology as for the Consolidated Fund, please see page 15 for details.

Jersey Car Parking

Transport and Technical Services

Highlights:

Overspend of £752,499 against Final Approved Budget

Net Revenue Expenditure of £538,999, a decrease of 59.9% on 2010

Closing Trading Fund Balance of £14,433,178 an increase of 10.7% on 2010

Key Results

Key Variances from Budget

	£'000
Parking charges	(160)
Fines	117
Interest	25
Concession and rentals	23
Staff costs	90
Equipment purchase delays	66
Other	(43)
Depreciation	(870)
Net Overspend	(752)

Key Variances from 2010

	£'000
2010 NRE	1,343
Fines	(52)
Concession and rentals	(41)
Parking charges	(33)
Other	98
Financial return	(445)
Depreciation	870
Impairment of fixed assets	(1,201)
2011 NRE	539

Performance against Final Approved Budget

Overall the Department had an underspend against budget, excluding depreciation and impairment of fixed assets, of £117,472 (9.2%).

Income exceeded budget by £26,954 (0.4%) due to an increase in fines, interest, concession and rental income partly offset by a decrease in parking charges as a result of a fall in season ticket purchases in line with the Sustainable Transport Policy. The underspend on expenditure of £90,518 (1.8%) was due to unfilled staff vacancies together with a delay in the purchase of equipment for an advanced counting system.

The depreciation charge for the year was higher than budget by £869,971 (81.8%) due to the unbudgeted £17,616,359 revaluation of car parks at 31 December 2010.

Performance compared to 2010

The 2011 cash surplus for the Trading Fund was £1,396,547.

Income increased by £178,064 (2.8%) primarily as a result of a combination of the annual increase in unit parking charge, an increase in concession and rentals and fines offset by a reduction in income from the loss of spaces from the move from Gas Place to the new Ann Court Car Park.

Expenditure, excluding depreciation and impairment of fixed assets, decreased by £294,357 (5.5%) primarily due to a fall in the financial return to States General Revenues (2010 included a one-off increase of £500,000 to fund the Eastern Cycle Track) partly offset by an increase in premises and maintenance due to unplanned costs for the resurface of Ann Court car park.

Changes from Budget Voted in the Business Plan

In 2011 no adjustments to the original budget voted in the Business Plan were made.

Other developments

Net Revenue Expenditure (NRE) for the year has been significantly affected by increased depreciation as a result of the upwards revaluation of car parks by £17,616,359 at 31 December 2010 and the loss of Gas Place car park to the new Town Park.

Developments for 2012 include the return of the Esplanade car park to the States of Jersey Development Company, albeit this loss of income will be offset by a corresponding reduction in the financial return, the potential loss of spaces within Green Street car park for the new Police Headquarters, the loss of Ann Court car spaces due to work on the Phillips Street shaft and the commencement of a trial automated charging mechanism which will facilitate equitable charging.

In addition to the management of public parking facilities Jersey Car Parking staff are also extensively involved in the management of traffic flows and road traffic accidents.

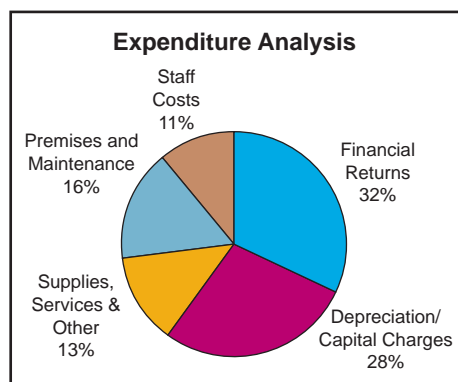
Jersey Car Parking

Transport and Technical Services

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Parking charges	5 320
Fines	667
Concession and rentals	269
Interest	125
Other	69
Total	6 450



Income

£26,954 (0.4%) Surplus on budget **▲£178,064 (2.8%) more than 2010**

The major income streams for the Department comprise sales of scratchcards (£4,479,530) followed by season tickets (£839,663) and fines (£666,622). Car parking charges increased by 2.0% on 1 February 2011 in line with the September 2010 RPI(Y) index.

There is a downward trend in the number of sales of scratchcards and season tickets due in part to the reduction in car spaces available but also due to people changing to more environmentally friendly forms of transport.

Staff Expenditure

£89,552 (10.4%) Under budget **▲£13,187 (1.7%) more than 2010**

The movement in staff costs reflects budgeted pay rises in 2011 partly offset by long term sickness and unfilled vacancies.

Financial Return

Equal to budget **▼£445,000 (16.5%) less than 2010**

The financial return to States General Revenues of £2,255,000 for 2011 is in line with budget and represents a decrease over 2010 due to a one-off increase in the charge of £500,000 in 2010 to fund the Eastern Cycle Track, partly offset by a 2.5% inflationary increase.

Depreciation

£869,971 (81.8%) Over budget **▲£869,485 (81.7%) more than 2010**

The increase in depreciation charge against both 2010 and budget relates to additional depreciation arising from the upwards revaluation in car parks at 31 December 2010 of £17,616,359. Budgets are set in May before the year end valuations are known.

Premises and Maintenance

£122,980 (12.2%) Over budget **▲£175,003 (18.3%) more than 2010**

Expenditure includes grounds and building maintenance, cleaning, lift and electrical maintenance, resurfacing, fire precautions, utility costs and insurance. The overspend against budget and 2010 relates to additional resurfacing required in 2011 for the car park at Ann Court following the loss of Gas Place car park.

Supplies and Services

£121,891 (13.5%) Under budget **▼£31,124 (3.8%) less than 2010**

Expenditure includes costs of printing and selling scratch cards, software costs and equipment purchases. The decrease in expenditure against budget represents savings on equipment purchases due to a delay in the purchase of equipment for an advanced counting system.

Other Recognised Gains and Losses

During the year an adjustment to the 2011 revaluation was recorded for car parks. Decreases in asset value of £1,421,918 were booked to the revaluation reserve and are shown in the Statement of Total Recognised Gains and Losses.

Balance Sheet

Tangible Fixed Assets decreased by £3,357,465 comprising depreciation £1,933,971 and a decrease in value of £1,423,494.

Debtors increased by £48,530 due to delays in court settlements for parking fines, Creditors decreased by £41,544 due to improvements in the payment process.

Jersey Car Parking

Transport and Technical Services

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
550	550	Duties, Fees, Fines and Penalties	667	615
5,480	5,480	Sales of Goods	5,320	5,286
246	246	Hire and Rentals	269	228
100	100	Investment Income	125	107
47	47	Other Revenue	69	36
6,423	6,423	Total Revenue	6,450	6,272
865	865	Staff Expenditure	776	762
900	900	Supplies and Services	778	809
33	33	Administrative Expenses	27	31
1,010	1,010	Premises and Maintenance	1,133	958
72	72	Other Operating Expenditure	60	62
10	10	Finance Costs	10	12
-	-	Pension Finance Costs	16	16
2,255	2,255	Financial Return	2,255	2,700
1,064	1,064	Depreciation	1,934	1,064
-	-	Impairment of Fixed Assets	-	1,201
6,209	6,209	Total Expenditure	6,989	7,615
(214)	(214)	Net Revenue (Income)/Expenditure	539	1,343

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	539	1,343
Revaluation of Fixed Assets	1,422	(17,617)
Total Recognised (Gain)/Loss	1,961	(16,274)

Staff FTE

At the year end Jersey Car Parking employed the equivalent of 21 full time employees. This is an increase of 1 (5.0%) from 2010, and arises from the recruitment to an unfilled vacancy.

Jersey Car Parking

Transport and Technical Services

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	42,738	46,095
Total Fixed Assets	42,738	46,095
Current Assets		
Debtors	434	386
Balance due from Consolidated Fund	14,357	13,051
Total Current Assets	14,791	13,437
Current Liabilities		
Creditors	(358)	(400)
Total Current Liabilities	(358)	(400)
Net Current Assets	14,433	13,037
Total Assets Less Current Liabilities	57,171	59,132
Net Assets	57,171	59,132
Reserves		
Accumulated Revenue Reserves	40,976	41,515
Revaluation Reserve	16,195	17,617
Total Reserves	57,171	59,132

Trading Fund Balance as at 31st December 2011

	£'000
Balance brought forward	13,037
Net Revenue Expenditure	(539)
Add back Depreciation and other Non-Cash Items	1,934
Capital Expenditure	1
Trading Fund Balance 31/12/11	14,433
Comprising: Net Current Assets	14,433
	14,433
Less: Unspent Capital Approvals	(10,903)
Available Trading Fund Balance 31/12/11	3,530

Trading Fund balances are calculated using the same methodology as for the Consolidated Fund, please see page 15 for details.

Jersey Fleet Management

Transport and Technical Services

Highlights:

Underspend of £141,690 (62.8%) against Final Approved Budget

Net Revenue Income of £367,290, a decrease of 35.6% on 2010

Closing Trading Fund Balance of £1,007,511, an increase of 35.8% on 2010

Key Results

Key Variances from Budget

	£'000
Service/repair income	192
Vehicle maintenance	(136)
Fuel sales	103
Cost of fuel	(98)
Lease vehicle and plant income	(159)
Depreciation	101
Other	139
Net Underspend	142

Key Variances from 2010

	£'000
2010 NRI	570
Service and repair income	46
Vehicle maintenance	(145)
Fuel sales	65
Cost of fuel	(70)
Lease vehicle and plant income	(42)
Depreciation	(68)
Other	11
2011 NRI	367

Performance against Final Approved Budget

Overall the Department had a surplus in income of £183,166 (4.9%) offset by an overspend on expenditure of £41,476 (1.2%).

The main reason for the surplus in income was an increase in the efficiency of the workshop with a higher throughput resulting in additional income (£192,509) and a resultant increase in the cost of maintenance and parts (£135,594). There was also an increase in fuel sales (£103,355) as a result of price increases offset by increased costs (£98,871) and a fall in lease income (£159,034) due to a reduction in the volume of plant rental.

The depreciation charge for the year was lower than budget £100,851 (11.2%) reflecting timings in the replacement of vehicles and plant being later in the year.

Performance compared to 2010

The 2011 cash surplus for the Trading Fund was £265,575.

Income increased by £81,766 (2.1%) primarily as a result of the increase in service and repair work (£46,192) and fuel sales (£65,550) offset by a reduction in lease income, particularly plant rental (£42,324) due to CSR related efficiencies introduced across States departments.

Expenditure, excluding depreciation, increased by £216,430 (8.4%) primarily due to an increase in maintenance and service costs reflecting the increased service and repair activity within the Department and the increase in cost of fuel.

Depreciation increased by £68,107 (9.3%) due to a full year's depreciation on 2010 purchases.

Changes from Budget Voted in the Business Plan

In 2011 no adjustments to the original budget voted in the Business Plan were made.

Other developments

Jersey Fleet Management (JFM) provides comprehensive vehicle leasing packages (including servicing and repairs) to States departments that offer all the financial and efficiency benefits of corporate fleet management.

A key decision of the 2011 budget process was that from 2012 onwards all States vehicle purchases, together with servicing and repairs, should be made through JFM and leased to departments. To facilitate this additional funding of £5,000,000 will be injected into the JFM trading fund from the consolidated fund over the next four years (commencing with £1,000,000 in 2012) to enable the initial purchases.

A new green initiative for 2012 will be the introduction, on a trial basis, of electric vehicles within selected States departments.

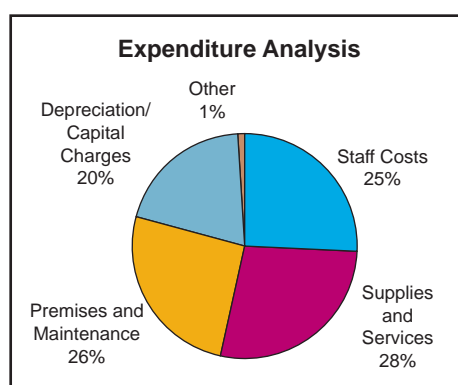
Jersey Fleet Management

Transport and Technical Services

Operating Cost Statement, Statement of Total Recognised Gains and Losses and Balance Sheet

Major Income Streams:

	£'000
Lease vehicle and plant income	2,659
Service and repair income	730
Fuel sales	561
Other	8
Total	3,958



Income

£183,166 (4.9%) Surplus on budget **▲£81,766 (2.1%) more than 2010**

The major income streams for the Department comprise lease vehicle and plant income (67.2%) followed by service and repair (18.5%) and fuel sales (14.3%). The main reasons for the increases have been explained earlier.

Staff Expenditure

£58,287 (6.0%) Under budget **▲£6,946 (0.8%) more than 2010**

Staff costs are under budget primarily due to an unfilled vacancy for the majority of the year. The increase over 2010 represents annual pay awards.

Depreciation

£100,851 (11.2%) Under budget **▲£68,107 (9.3%) more than 2010**

The decrease in depreciation charge against budget relates to the delay in vehicle and plant replacement. Whilst capital additions for the year were £969,370 compared to budget of £1 million the majority of these additions took place in the latter part of the year. The increase on 2010 reflects a full year's depreciation on assets purchased towards the end of 2010 and part depreciation for the new assets.

Premises and Maintenance

£133,035 (16.6%) Over budget **▲£189,141 (25.4%) more than 2010**

The overspend against budget and prior year relates to additional costs for vehicle spares, tyres, mechanical repairs and maintenance due to increasing work undertaken on servicing and repairs as reflected in income.

Supplies and Services

£28,251 (2.9%) Over budget **▲£23,844 (2.4%) more than 2010**

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

The overspend against budget and 2010 primarily relates to an increase in minor equipment purchases in relation to car lifts of £28,226.

Balance Sheet

Tangible Fixed Assets increased by £101,715 in the year comprising vehicle and plant additions of £969,370 which were offset by disposals of £68,506 and depreciation of £799,149.

Jersey Fleet Management

Transport and Technical Services

Operating Cost Statement

2011 Business Plan £'000	2011 Final Approved Budget £'000		2011 Actual £'000	2010 Actual £'000
428	428	Sales of Goods	561	479
529	529	Sales of Services	730	684
2,818	2,818	Hire and Rentals	2,659	2,701
-	-	Investment Income	6	3
-	-	Other Revenue	2	10
3,775	3,775	Total Revenue	3,958	3,877
975	975	Staff Expenditure	917	910
982	982	Supplies and Services	1,010	987
2	2	Administrative Expenses	4	3
801	801	Premises and Maintenance	934	745
(1)	(1)	Other Operating Expenditure	2	4
-	-	Pension Finance Costs	12	12
900	900	Depreciation	799	731
(110)	(110)	Asset Disposal (Gain)/Loss	(87)	(85)
3,549	3,549	Total Expenditure	3,591	3,307
226	226	Net Revenue Income	367	570

No other gains or losses were recognised during the year.

Staff FTE

At the year end Jersey Fleet Management employed the equivalent of 25 full time employees. This is unchanged from 2010.

Jersey Fleet Management

Transport and Technical Services

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	3,821	3,720
Total Fixed Assets	3,821	3,720
Current Assets		
Stock and work in progress	33	55
Debtors	106	58
Balance due from Consolidated Fund	1,006	740
Total Current Assets	1,145	853
Current Liabilities		
Creditors	(137)	(111)
Total Current Liabilities	(137)	(111)
Net Current Assets	1,008	742
Total Assets Less Current Liabilities	4,829	4,462
Net Assets	4,829	4,462
Reserves		
Accumulated Revenue Reserves	4,829	4,462
Total Reserves	4,829	4,462

Trading Fund Balance as at 31st December 2011

	£'000
Balance brought forward	742
Net Revenue Income	367
Add back Depreciation and other Non-Cash Items	868
Capital Expenditure – additions	(969)
Trading Fund Balance 31/12/11	1,008
Comprising: Net Current Assets	1,008
	1,008
Less: Unspent Capital Approvals	(610)
Available Trading Fund Balance 31/12/11	398

Trading Fund balances are calculated using the same methodology as for the Consolidated Fund, please see page 15 for details.

Reserves

Strategic Reserve

Highlights:

Closing Net Asset Value of £594,353,611, an increase of 1.3% on 2010

Net Revenue Income of £7,574,500, a decrease of 78.2% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	586,779
Net Revenue Income	7,575
2011 NAV	594,354

Key Variances from 2010

	£'000
2010 NRI	34,699
Investment Income	(8,625)
Loan, Bank & Notional Interest	(207)
Gains on CIF Investments	(10,712)
Gains on Other Investments	(9,832)
Supplies and Services	963
Other Operating Expenditure	1,302
Other Variance	(13)
2011 NRI	7,575

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) increased from £586.8 million to £594.4 million during 2011, an increase of £7.6 million. This was primarily due to gains on investments held in the Common Investment Fund.

Performance compared to 2010

Investment Income

↘£8,624,901 (96.2%) less than 2010

Loan, Bank & Notional Interest

↘£206,649 (100%) less than 2010

Gains on Other Investments

↘£9,832,916 (100%) less than 2010

Supplies and Services

↘£963,271 (93%) less than 2010

The Strategic Reserve was fully invested in the CIF in 2011 and so did not directly receive investment income (other than a one off dividend payment from its legacy investments of £342,283), bank interest on its cash investments or gains on other investments or directly incur investment advisory, management or custodian fees.

Gains on CIF Investments

↘£10,712,048 (59.5%) less than 2010

Gains on CIF Investments in the Operating Cost Statement (OCS) were £10.7 million less than 2010. However, when unrealised gains recognised in the Statement of Total Recognised Gains and Losses in 2010 are considered, total gains on CIF investments reduced by £28.8 million in 2011 due to lower returns in the investment markets. The value of the Reserve's CIF units increased by £7.4 million despite difficult investment conditions. The breakdown of this gain is reflected in the CIF note to these pages.

Other Operating Expenditure

↘£1,301,857 (100%) less than 2010

In 2010 Other Operating Expenditure represented an appropriation to Jersey Currency Notes and withholding tax on the Reserve's investment income from its direct investments. In 2011 Jersey Currency Notes invested in the CIF and therefore no appropriation was required.

Strategic Reserve

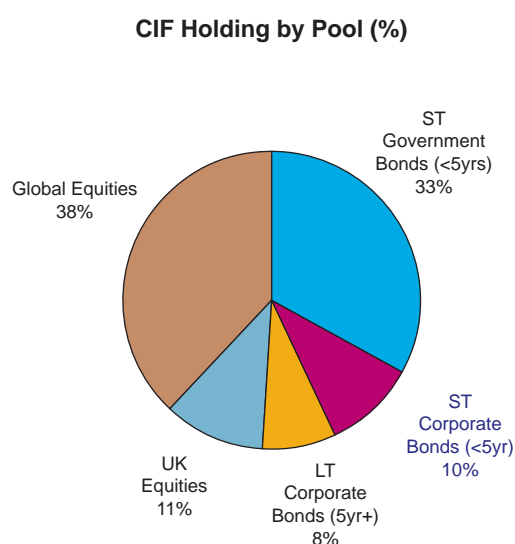
Performance of CIF Investments

The Reserve participates in a range of CIF pools.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Reserve recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows CIF amounts attributable to the Reserve:

States of Jersey - Common Investment Fund Attributable to the Strategic Reserve		
	2011	2010
	£'000	£'000
Income	20,327	9,126
Expenditure	(2,318)	(1,005)
(Losses)/Gains on Investments held at Fair Value through the OCS ¹	(10,707)	28,013
Total Gains recognised in the Reserve	7,302	36,134



¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Strategic Reserve

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Investment Income	342	8,967
Loan, Bank and Notional Interest	-	207
Gains on CIF Investments	7,302	18,014
Gains on Other Investments	4	9,836
Total Revenue	7,648	37,024
Supplies and Services	73	1,036
Other Operating Expenditure		
Withholding Tax	-	223
Appropriation to Jersey Currency Notes	-	1,079
Finance Costs	-	15
Foreign Exchange Gain	-	(28)
Total Expenditure	73	2,325
Net Revenue Income	7,575	34,699

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Income	7,575	34,699
Unrealised Gains on CIF Investments	-	18,120
Unrealised Losses on Other Investments	-	(15,955)
Total Recognised Gains	7,575	36,864

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Strategic Reserve

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Investments held at Fair Value through OCS	594,369	586,898
Total Fixed Assets	594,369	586,898
Current Assets		
Debtors	17	25
Cash at Bank and in Hand	-	7
Total Current Assets	17	32
Current Liabilities		
Creditors	(11)	(62)
Balance due to Consolidated Fund	(21)	(89)
Total Current Liabilities	(32)	(151)
Net Current Liabilities	(15)	(119)
Net Assets	594,354	586,779
Reserves		
Accumulated Revenue Reserves	594,354	568,659
Investment Reserve	-	18,120
Total Reserves	594,354	586,779

Under FRS 25, Unrealised Gains on Investments held at Fair Value through the OCS are no longer recognised in reserves. The balance as at 31 December 2010 has been transferred to the Accumulated Reserve as an opening balance sheet adjustment for 2011.

Stabilisation Fund

Highlights:

Closing Net Asset Value of £1,006,311 a decrease of 97.8% on 2010

Net Revenue Income of £9,300 a decrease of 98.8% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	46,997
Trf to Consolidated Fund	(46,000)
Net Revenue Income	9
2011 NAV	1,006

Key Variances from 2010

	£'000
2010 NRI	773
Investment Income	(840)
Gains on CIF Investments	9
Supplies and Services	67
2011 NRI	9

Changes in Net Asset Value from 2010

The decrease in the value of the Fund during the year reflects the transfer to the Consolidated Fund of £46 million in 2011 as agreed by the States (P157/2010).

Performance compared to 2010

Investment Income

▼£839,399 (100%) less than 2010

Investment Income greatly reduced in 2011 due to the transfer of £46 million to the Consolidated Fund. In addition, investment income derived from the Fund's investment in the CIF is shown in CIF note to these pages.

Gains on CIF Investments

▲£8,468 (500.8%) more than 2010

Gains on CIF Investments in the Operating Cost Statement (OCS) were £8,468 less than 2011. However, when unrealised gains recognised in the Statement of Total Recognised Gains and Losses in 2010 are considered, total gains on CIF investments reduced by £447,393 in 2011 due to lower returns in the investment markets and the reduction in the Fund's Net Asset Value due to the transfer of £46 million to the Consolidated Fund. The value of the Fund's CIF units increased by £10,159 despite difficult investment conditions. The breakdown of this gain is reflected in the CIF note to these pages.

Supplies and Services

▼£66,755 (98.3%) less than 2010

The cost of Supplies and Services reflected in the Fund further reduced in 2011 as investment advisory, investment management and custodian fees were paid by the CIF and reflected in the Fund's gains on CIF investments.

Stabilisation Fund

Performance of CIF Investments

The Fund participates in the CIF long term cash pool only.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows CIF amounts attributable to the Fund:

States of Jersey - Common Investment Fund Attributable to the Stabilisation Fund		
	2011	2010
	£'000	£'000
Income	10	438
Expenditure	(1)	(20)
Gains on Investments held at Fair Value through the OCS ¹	1	39
Total Gains recognised in the Fund	10	457

¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Stabilisation Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Investment Income	-	840
Gains on CIF Investments	10	1
Total Revenue	10	841
Supplies and Services	1	68
Total Expenditure	1	68
Net Revenue Income	9	773

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Income	9	773
Unrealised Gains on CIF Investments	-	456
Unrealised Gains on Other Investments	-	69
Total Recognised Gain	9	1,298

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Stabilisation Fund

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Investments held at Fair Value through OCS	1,006	46,959
Total Fixed Assets	1,006	46,959
Current Assets		
Cash at Bank and in Hand	72	45
Total Current Assets	72	45
Current Liabilities		
Creditors	-	(2)
Balance due to Consolidated Fund	(72)	(5)
Total Current Liabilities	(72)	(7)
Net Current Assets	-	38
Total Assets Less Current Liabilities	1,006	46,997
Net Assets	1,006	46,997
Reserves		
Accumulated Revenue Reserves	1,006	46,541
Investment Reserve	-	456
Total Reserves	1,006	46,997

Under FRS 25, Unrealised Gains on Investments held at Fair Value through the OCS are no longer recognised in reserves. The balance as at 31 December 2010 has been transferred to the Accumulated Reserve as an opening balance sheet adjustment for 2011.

Separately
Constituted
Funds

Dwelling Houses Loans Fund

Highlights:

Closing Net Asset Value of £11,692,462, an increase of 5.4% on 2010

Net Revenue Income of £604,072, an increase of 7.6% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	11,088
Advances	(611)
Investments	5,597
Balance due from CF	(4,380)
Other Variances	(2)
2011 NAV	11,692

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) increased from £11,088,390 to £11,692,462 during 2011, an increase of £604,072 (5.4%).

During the year the scheme did not make any new loans. Advances decreased by £611,422 (11.1%) due to capital repayments by borrowers.

On 1st July the Fund entered the CIF, investing monies of £5,513,866 previously held in the Consolidated Fund. These monies, offset by the advance repayments during 2011, largely account for the £4,379,814 reduction in the balance due from the Consolidated Fund.

On 1 July the Fund transferred £5,513,866 of investments into the CIF. During 2011 the Fund benefitted from £83,513 unrealised gains on investments.

Performance compared to 2010

Loan, Bank and Notional Interest

↘£60,004 (10%) less than 2010

Loan interest received decreased due to capital repayments received from borrowers. Interest received on the balance due from the Consolidated Fund also decreased by £8,255 due to loan repayments and monies invested in the CIF.

Gains on CIF Investments

↗£83,513 more than 2010

Unrealised Gains on CIF Investments occurred during the year. The Fund carried out Investment in the CIF with effect from 1 July 2011.

Supplies and Services

↘£11,827 (23%) less than 2010

Supplies and Services decreased due to a reduction in internal recharges.

Key Variances from 2010

	£'000
2010 NRI	561
Loan interest received	(52)
Notional Interest received	(8)
Internal recharges	12
CIF Investments	84
Other variances	7
2011 NRI	604

Dwelling Houses Loans Fund

Performance of CIF Investments

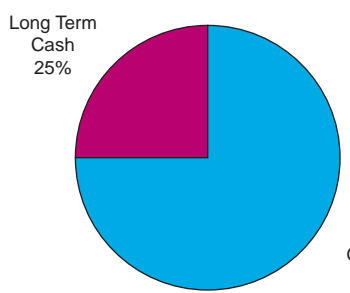
The Fund joined the CIF on 1 July 2011. During the year the Fund invested in the Short Term Government Bond pool and the Long Term Cash pool.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows CIF amounts attributable to the Fund:

States of Jersey - Common Investment Fund Attributable to the Dwelling Houses Loans Fund	
	2011 £'000
Income	91
Expenditure	(4)
Gains on Investments held at Fair Value through the OCS ¹	(3)
Total Gains recognised in the Fund	84

CIF Holding by Pool (%)



Pool	Percentage
Long Term Cash	25%
Short Term Government Bonds	75%

¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Dwelling Houses Loans Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Loan, Bank and Notional Interest	561	621
Gains on CIF Investments ¹	84	-
Total Revenue	645	621
Supplies and Services	41	52
Other Operating Expenditure	-	8
Total Expenditure	41	60
Net Revenue Income	604	561

¹ Gains on CIF Investments in 2011 relate to only unrealised gains.

No other gains or losses were recognised during the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Loans and Advances	4,858	5,463
Investments held at Fair Value through OCS	5,597	-
Total Fixed Assets	10,455	5,463
Current Assets		
Loans and Advances ¹	555	562
Debtors	22	24
Balance due from Consolidated Fund	660	5,039
Total Current Assets	1,237	5,625
Net Current Assets	1,237	5,625
Net Assets	11,692	11,088
Reserves		
Accumulated Revenue Reserves	11,692	11,088
Total Reserves	11,692	11,088

¹ In the 2010 accounts the current portions of Loans and Advances were included within Debtors. This has been restated to allow comparison.

Assisted House Purchase Scheme

Highlights:

Closing Net Asset Value of £2,089,597, an increase of 1.8% on 2010

Net Revenue Income of £36,646, a decrease of 3.8% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	2,053
Advances	(905)
Balance due to CF	943
Other Variances	(1)
2011 NAV	2,090

Key Variances from 2010

	£'000
2010 NRI	38
Loan interest received	(15)
Interest paid on financing	5
Other Variances	9
2011 NRI	37

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) increased from £2,052,951 to £2,089,597 during 2011, an increase of £36,646 (2%).

During the year the scheme did not make any new loans. Advances decreased by £905,401 due to capital repayments by borrowers; these repayments are also reflected in the £942,626 reduction in the balance due to the Consolidated Fund.

Performance compared to 2010

Loan, Bank and Notional Interest

↘£15,469 (20%) less than 2010

Loan interest received decreased due to capital repayments received from borrowers.

Finance Costs

↗£5,014 (25%) more than 2010

Interest paid on the balance due to the Consolidated Fund also decreased by £5,014 due to loan repayments.

Supplies and Services

↘£9,010 (51%) less than 2010

Supplies and Services decreased due to a reduction in internal recharges.

Assisted House Purchase Scheme

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Loan, Bank and Notional Interest	60	76
Total Revenue	60	76
Supplies and Services	8	18
Finance Costs	15	20
Total Expenditure	23	38
Net Revenue Income	37	38

No other gains or losses were recognised during the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Loans and Advances	3,133	3,982
Total Fixed Assets	3,133	3,982
Current Assets		
Loans and Advances ¹	234	290
Debtors	3	3
Total Current Assets	237	293
Current Liabilities		
Balance due to Consolidated Fund	(1,280)	(2,222)
Total Current Liabilities	(1,280)	(2,222)
Net Current Liabilities	(1,043)	(1,929)
Net Assets	2,090	2,053
Reserves		
Accumulated Revenue Reserves	2,090	2,053
Total Reserves	2,090	2,053

¹ In the 2010 accounts the current portions of Loans and Advances were included within Debtors. This has been restated to allow comparison.

99 Year Leases

Highlights:

Closing Net Asset Value unchanged at £830,372

Net Revenue Income of £19,558 before transfer, an increase of 46.8% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	830
Advances	(4)
Balance due to CF	4
Other Variances	-
2011 NAV	830

Key Variances from 2010

	£'000
2010 NRI	-
Loan interest received	(1)
Financial Return to JPH	6
Other Variances	(5)
2011 NRI	-

The Net Asset value did not increase during 2011

There is no change in the Net Asset Value (NAV) from 2010 as surplus revenue income is transferred to Jersey Property Holding's cash limit at the end of each year and is presented as a Financial Return.

Performance compared to 2010

Loan, Bank and Notional Interest

↘ **£662 (5%) less than 2010**

Loan interest received decreased due to capital repayments received from borrowers.

Supplies and Services

↘ **£6,384 (97%) less than 2010**

Supplies and Services decreased due to a reduction in internal recharges.

Financial Return

↗ **£6,232 (47%) more than 2010**

As a result of a reduction in internal recharges, the Financial Return made to Jersey Property Holdings has increased.

99 Year Leases

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Loan, Bank and Notional Interest	20	20
Total Revenue	20	20
Supplies and Services	-	7
Financial Return	20	13
Total Expenditure	20	20
Net Revenue Income	-	-

No other gains or losses were recognised during the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Loans and Advances	167	171
Total Fixed Assets	167	171
Current Assets		
Loans and Advances ¹	2	2
Debtors	-	-
Balance due from Consolidated Fund	661	657
Total Current Assets	663	659
Net Current Assets	663	659
Net Assets	830	830
Reserves		
Accumulated Revenue Reserves	830	830
Total Reserves	830	830

¹ In the 2010 accounts the current portions of Loans and Advances were included within Debtors. This has been restated to allow comparison.

Agricultural Loans Fund

Highlights:

Closing Net Asset Value of £318,227, an increase of 37.3% on 2010

Net Revenue Income of £86,435, a decrease of 40.4% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	232
Advances	(401)
Balance due to CF	501
Other Variances	(14)
2011 NAV	318

Key Variances from 2010

	£'000
2010 NRI	145
Loan interest received	(22)
Write back of bad debt	(45)
Internal recharges	6
Finance costs	2
2011 NRI	86

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) increased from £231,792 to £318,227 during 2011, an increase of £86,435 (37%).

During the year the scheme did not make any new loans. Advances decreased by £401,056 due to capital repayments by borrowers; these repayments are also reflected in the £501,218 reduction in the balance due to the Consolidated Fund.

Performance compared to 2010

The decrease in Net Revenue Income (NRI) was largely due to the 2010 recovery of a prior year bad debt.

Loan, Bank and Notional Interest

↘ **£22,258 (17%) less than 2010**

Loan interest received decreased due to capital repayments received from borrowers.

Other Operating Expenditure

↗ **£45,000 more than 2010**

During 2010 a one off income of £45,000 was recovered which related to a charge against bad debts previously written off in 2004.

Finance Costs

↘ **£2,777 (19%) less than 2010**

Interest paid on the balance due to the Consolidated Fund also decreased by £2,777 due to loan repayments.

Supplies and Services

↘ **£5,852 (42%) less than 2010**

Supplies and Services decreased due to a reduction in internal recharges.

Agricultural Loans Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Loan, Bank and Notional Interest	106	129
Total Revenue	106	129
Supplies and Services	8	14
Other Operating Expenditure: (Write back)/ Write Off of Bad Debts	-	(45)
Finance Costs	12	15
Total Expenditure	20	(16)
Net Revenue Income	86	145

No other gains or losses were recognised during the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Loans and Advances	1,242	1,616
Total Fixed Assets	1,242	1,616
Current Assets		
Loans and Advances ¹	181	208
Debtors	54	68
Total Current Assets	235	276
Current Liabilities		
Balance due to Consolidated Fund	(1,159)	(1,660)
Total Current Liabilities	(1,159)	(1,660)
Net Current Liabilities	(924)	(1,384)
Net Assets	318	232
Reserves		
Accumulated Revenue Reserves	318	232
Total Reserves	318	232

¹ In the 2010 accounts the current portions of Loans and Advances were included within Debtors. This has been restated to allow comparison.

Jersey Currency Notes

Highlights:

Closing Net Asset Value of £2,635,734, a decrease of 10.8% on 2010

Financial Return of £922,850, a decrease of 55.1% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	2,955
Operating Surplus	604
Financial return	(923)
2011 NAV	2,636

Key Variances from 2010

	£'000
2010 NRE	(572)
Sale of Goods	(16)
Investment Income	(944)
Gains on Investments	(126)
Supplies and Services	213
Financial Return	1,132
Other Variances	(6)
2011 NRE	(319)

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) decreased from £2,954,683 to £2,635,734 during 2011, a decrease of £318,949 (10.8%).

The decrease in the NAV of the Fund reflects the Financial Return to the Consolidated Fund which includes net income and realised losses from its investments held within the CIF. In addition, during 2011 currency notes in circulation decreased by 3% from £85.2 million to £82.7 million.

Performance compared to 2010

Sales of Goods

↘ **£16,145 (80%) less than 2010**

The decrease in the Sale of Goods reflects a reduction in sales of specimen notes and paperweights following the launch of the 'D' series family of notes in 2010.

Investment Income

↘ **£943,887 (94.6%) less than 2010**

Investment Income received directly by the Fund in 2011 was £53,386 compared to £997,273 in 2010. This was due to the Fund's investments being held in the CIF throughout 2011. The income attributable to the Fund was £1,062,388 as detailed in the CIF note to these pages and is reflected in the Financial Return calculation.

Gains on Investments

↘ **£126,469 (10.7%) less than 2010**

Gains on Investments in the Operating Cost Statement (OCS) for the Fund's CIF and Other Investments were £126,469 less than 2010, however, when unrealised gains and losses recognised in the Statement of Total Recognised Gains and Losses in 2010 are considered, total gains on investments reduced by £195,038 in 2011 due to lower returns in the investment markets. The breakdown of the Fund's gain on its CIF investments is reflected in the CIF note to these pages.

Supplies and Services

↘ **£212,565 (31.7%) less than 2010**

Supplies and Services reduced by £212,565 in 2011 compared to 2010. This was mainly due to a decrease in the number of notes issued and costs associated with the launch of the 'D Series' family of notes in 2010. In addition the Fund no longer directly incurs investment advisory, management or custodian fees since investing in the CIF.

Financial Return

	£'000
Operating Surplus	604
Add back unrealised loss in CIF	319
Financial Return	923

Financial Return

↘ **£1,132,429 (55.1%) less than 2010**

The Financial Return decreased by £1.1 million (55.1%) in 2011 due to a reduction in gains on investments and investment income recognised in the Fund and a decrease in currency notes issued. The Financial Return is adjusted for unrealised gains or losses in the Fund's underlying investments in the CIF.

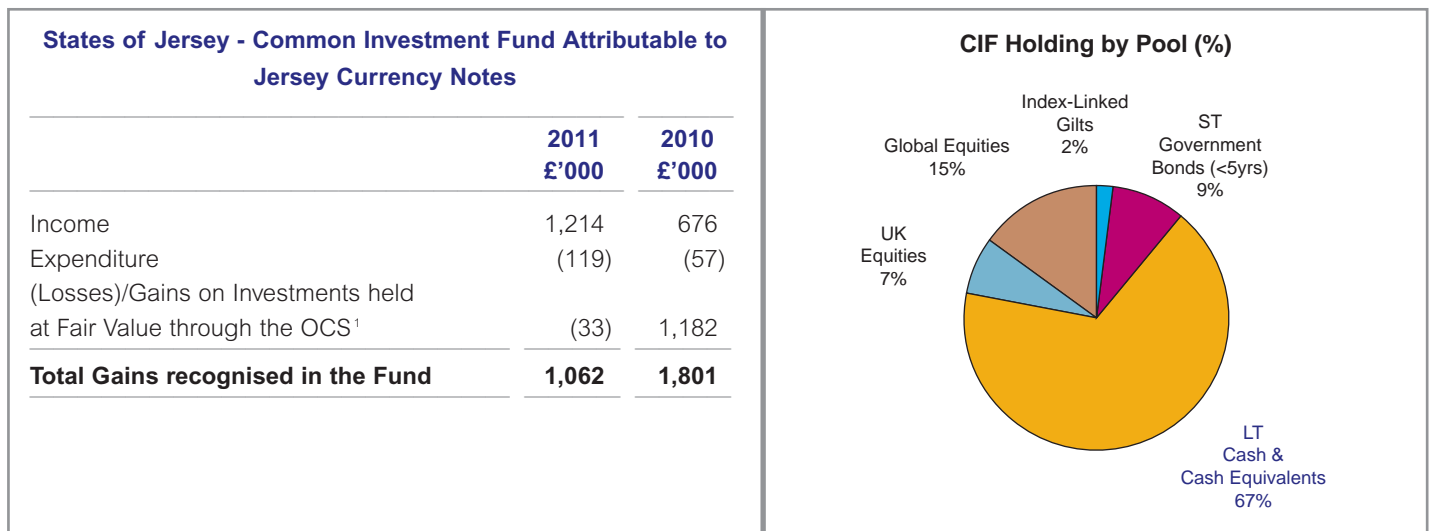
Jersey Currency Notes

Performance of CIF Investments

The Fund participates in a range of CIF pools.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows the share of transactions in the CIF attributable to Fund.



¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Jersey Currency Notes

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Sales of Goods	4	20
Sales of Services	-	5
Investment Income	53	997
Loan, Bank and Notional Interest	-	11
Gains on CIF Investments	1,062	770
(Losses)/Gains on Other Investments	(2)	416
Total Revenue	1,117	2,219
Supplies and Services	457	670
Administrative Expenses	7	4
Premises and Maintenance	21	27
Other Operating Expenditure	2	6
Finance Costs	3	6
Depreciation	23	23
Operating Expenditure	513	736
Operating Surplus	604	1,483
Financial Return	923	2,055
Net Revenue Expenditure	(319)	(572)

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	(319)	(572)
Unrealised Gains on CIF Investments	-	1,031
Unrealised Losses on Other Investments	-	(962)
Total Recognised Loss	(319)	(503)

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Jersey Currency Notes

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Tangible Fixed Assets	30	53
Financial Assets		
Investments held at Fair Value through OCS	75,684	82,425
Total Fixed Assets	75,714	82,478
Current Assets		
Stock and Work in Progress	1,677	1,874
Debtors	204	35
Cash at Bank and in Hand	8,297	5,696
Total Current Assets	10,178	7,605
Current Liabilities		
Creditors	(18)	(19)
Balance due to Consolidated Fund	(531)	(1,882)
Currency in Circulation	(82,707)	(85,227)
Total Current Liabilities	(83,256)	(87,128)
Net Current Liabilities	(73,078)	(79,523)
Total Assets Less Current Liabilities	2,636	2,955
Net Assets	2,636	2,955
Reserves		
Accumulated Revenue Reserves	1,236	521
Circulation Reserve	1,400	1,400
Investment Reserve	-	1,034
Total Reserves	2,636	2,955

Under FRS 25, Unrealised Gains on Investments held at Fair Value through the OCS are no longer recognised in reserves. The balance as at 31 December 2010 has been transferred to the Accumulated Reserve as an opening balance sheet adjustment for 2011.

Jersey Coinage

Highlights:

Closing Net Asset Value of £354,260, a decrease of 1.0% on 2010

Financial Return of £137,757, an increase of 141.4% on 2010

Key Results

changes in NAV

	£'000
2010 NAV	358
Operating Surplus	134
Financial Return	(138)
2011 NAV	354

Key Variances from 2010

	£'000
2010 NRE	(53)
Investment Income	(27)
Gains on CIF Investments	69
Other Revenue	81
Supplies and Services	(20)
Other Operating Expenditure	26
Financial Return	(81)
Other Variances	1
2011 NRE	(4)

Changes in Net Asset Value from 2010

The Net Asset Value (NAV) decreased from £357,866 to £354,260 during 2011, a decrease of £3,606 (1.0%).

The relatively small movement in the NAV of the Fund reflects the Financial Return to the Consolidated Fund which includes realised losses from its investments held within the CIF.

Performance compared to 2010

Investment Income

↘£27,909 (76.6%) less than 2010

Investment Income received directly by the Fund was £8,511 in 2011 compared to £36,420 in 2010. This was due to the Fund's investments being held in the CIF throughout 2011. The income attributable to the Fund was £70,841 as detailed in the CIF note to these pages and reflected in the Financial Return calculation.

Gains on CIF Investments

↗£68,934 (5,057.5%) more than 2010

Gains on CIF Investments in the Operating Cost Statement (OCS) were £68,934 more than 2011, however, when unrealised gains recognised in the Statement of Total Recognised Gains and Losses in 2010 are considered, total gains on CIF investments increased by £5,451 (8.4%) in 2011 due to increased returns from its cash investments. The breakdown of the gain is reflected in the CIF note to these pages.

Other Revenue

↗£80,921 (84.4%) more than 2010

The royalties received by the Fund for the sale of commemorative coins increased by 84.4% in 2011. Notably, strong sales were achieved for the Diamond Jubilee and Lifetime of Service coins, as well as high sales for the 90th Anniversary of the Royal British Legion coin collection.

Supplies and Services

↗£19,501 (17.9%) more than 2010

The cost of issuing coins during 2011 increased slightly compared to 2010 due to a rise in the number of £1, 5p and 1p coins issued.

Other Operating Expenditure

↘£26,462 (138.2%) less than 2010

The decrease in Other Operating Expenditure of £26,462 was due to the receipt of income from melting down coins that had previously been written off in 2010.

Financial Return

	£'000
Operating Surplus	134
Add back unrealised loss in CIF	4
Financial Return	138

Financial Return

↗£80,680 (141.4%) more than 2010

The Financial Return increased by £80,680 in 2011 due to a large increase in royalties as explained above. The Financial Return is adjusted for unrealised gains or losses in the Fund's underlying investments in the CIF.

Jersey Coinage

Performance of CIF Investments

The Fund participates in the CIF long term cash pool only.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows the share of transactions in the CIF attributable to the Fund:

States of Jersey - Common Investment Fund Attributable to Jersey Coinage		
	2011	2010
	£'000	£'000
Income	67	53
Expenditure	(6)	(3)
Gains on Investments held at Fair Value through the OCS ¹	10	15
Total Gains recognised in the Fund	71	65

¹Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Jersey Coinage

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Sales of Services	-	1
Investment Income	9	36
Gains on CIF Investments	71	2
Other Revenue	176	95
Total Revenue	256	134
Supplies and Services	129	109
Administrative Expenses	-	2
Other Operating Expenditure	(7)	19
Operating Expenditure	122	130
Operating Surplus	134	4
Financial Return	138	57
Net Revenue Expenditure	(4)	(53)

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Statement of Total Recognised Gains and Losses

	2011 Actual £'000	2010 Actual £'000
Net Revenue Expenditure	(4)	(53)
Unrealised Gains on CIF Investments	-	63
Total Recognised (Loss)/Gain	(4)	10

Under FRS 25, Unrealised Gains on Investments are now recognised in the OCS.

Jersey Coinage

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Investments held at Fair Value through OCS	7,956	7,435
Total Fixed Assets	7,956	7,435
Current Assets		
Stock and Work in Progress	152	255
Debtors	45	10
Cash at Bank and in Hand	228	269
Total Current Assets	425	534
Current Liabilities		
Creditors	-	(1)
Balance due to Consolidated Fund	(138)	(58)
Currency in Circulation	(7,889)	(7,552)
Total Current Liabilities	8,027	7,611
Net Current Liabilities	(7,602)	(7,077)
Total Assets Less Current Liabilities	354	358
Net Assets	354	358
Reserves		
Accumulated Revenue Reserves	4	(55)
Circulation Reserve	350	350
Investment Reserve	-	63
Total Reserves	354	358

Under FRS 25, Unrealised Gains on Investments held at Fair Value through the OCS are no longer recognised in reserves. The balance as at 31 December 2010 has been transferred to the Accumulated Reserve as an opening balance sheet adjustment for 2011.

Tourism Development Fund

Highlights:

Closing Net Asset Value of £936,963, an increase of 105.1% on 2010

Net Revenue Income of £480,196, compared to Net Revenue Expenditure of £252,168 in 2010

Key Results

Changes in NAV

	£'000
2010 NAV	457
Grants paid	(170)
Grant received from EDD	650
2011 NAV	937

Key Variances from 2010

	£'000
2010 NRE	(252)
Grants paid	82
Grant received from EDD	650
2011 NRI	480

Changes in Net Asset Value from 2010

The Net Asset Value of the Fund increased from £456,766 to £936,963 an increase of £480,196 (105.1%). The increase is due to a grant received from the Economic Development Department (£650,000) and the payment of grants (£170,453) in accordance with the purpose of the Fund.

Performance compared to 2010

Income

▲£650,000 more than 2010

The Fund received a grant of £650,000 in November 2011 from the Economic Development Department to allow the TDF Panel to continue further rounds of grant allocations during 2012 and beyond.

Expenditure

Grants

▼£81,978 (32.5%) less than 2010

Grants from the Fund are considered and approved by a committee comprising business leaders and senior officers from the Economic Development Department. The amount paid in grants each year is dependent upon the number and financial amounts of applications received and approved by the committee.

Tourism Development Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Notional Interest	4	5
Other Revenue	650	-
Total Revenue	654	5
Supplies and Services	2	4
Administrative Expenses	2	-
Grants and Subsidies Payments	170	253
Total Expenditure	174	257
Net Revenue (Income)/Expenditure	(480)	252

No other gains and losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Trade Debtors	-	24
Balance due from Consolidated Fund	987	435
Total Current Assets	987	459
Current Liabilities		
Creditors	(50)	(2)
Total Current Liabilities	(50)	(2)
Net Current Assets / (Liabilities)	937	457
Total Assets Less Current Liabilities	937	457
Net Assets	937	457
Reserves		
Accumulated Revenue Reserves	937	457
Total Reserves	937	457

Channel Islands Lottery (Jersey) Fund

Highlights:

Closing Net Asset Value of £576,462, an increase of 9.4% on 2010

Net Revenue Income of £49,315 an increase of 4.8% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	527
Jersey Ticket Sales	2,180
Guernsey Contribution	1,100
Prizes	(2,425)
Other I&E	(386)
Grant Paid (90%)	(420)
2011 NAV	576

Key Variances from 2010

	£'000
2010 NRI	47
Guernsey's Contribution	(188)
Jersey ticket sales	36
Other Operating Expenditure	237
Grant to Charities	(4)
Other Variances	(79)
2011 NRI	49

Changes in Net Asset Value from 2010

The States agreed to hold the grant to the Association of Jersey Charities in 2011 at 90% of the total distributable profits (£466,191) with the remaining 10% being retained within the Fund. The Net Asset Value (NAV) of the Fund increased by the amount of the retained profits (£49,315) (9.4% of opening NAV).

The Fund also invested monies previously held in the consolidated fund in the CIF during 2011, as detailed below.

Performance compared to 2010

The NAV of the Fund has increased in line with policy by the 10% retained profits. Profits are calculated as ticket sale income less prizes and operating costs.

Guernsey's Contribution to Prize Fund

↗£188,150 (20.6%) more than 2010

Guernsey's Contribution to the Prize Fund increased by 20.6% in 2011 due to increased tickets sales in Guernsey.

Sales of tickets in Jersey

↘£35,638 (1.6%) less than 2010

Sales of tickets in Jersey decreased by 1.6% due to lower sales of Christmas Lottery tickets.

Other Operating Expenditure

↗£236,707 (10.8%) more than 2010

Other Operating Expenditure increased by £236,707 compared with 2010. This was due to increases in prizes paid and unclaimed prizes of £259,572 offset by a decrease in the amount of unclaimed time-expired prizes of £22,865.

Grants and Subsidies Payments

↘£4,127 (1.0%) less than 2010

The grant to the Association of Jersey Charities decreased in 2011 as a result of lower distributable profits than in 2010.

Channel Islands Lottery (Jersey) Fund

Performance of CIF Investments

The CI Lottery (Jersey) Fund joined the CIF on 1 July 2011 investing in the long term cash and cash equivalents pool.

Investments are held by the CIF, which recognises income, expenditure and gains/losses on Investments. The Lottery Fund recognises only gains or losses on the units held in the CIF in the OCS.

The table below shows the share of transactions in the CIF attributable to the Fund.

States of Jersey - Common Investment Fund Attributable to the Channel Island Lottery (Jersey) Fund	
	2011 £'000
Income	3
Expenditure	-
(Losses) on Investments held at Fair Value through the OCS*	-
Total Gains recognised in the Fund	3

*Under FRS 25 Unrealised Gains on Investments held at Fair Value through the OCS are now recognised through the OCS.

Channel Islands Lottery (Jersey) Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Sales of Goods:		
Guernsey Contribution to Prize Fund	1,100	912
Sales of Services:		
Sale of tickets in Jersey	2,180	2,216
Loan, Bank and Notional Interest	6	7
Gains/(Losses) on CIF Investments	3	-
Other Revenue	-	1
Total Revenue	3,289	3,136
Supplies and Services	395	477
Other Operating Expenditure	2,425	2,188
Grants and Subsidies Payments	420	424
Total Expenditure	3,240	3,089
Net Revenue Income	49	47

No other gains or losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Financial Assets		
Investments held at Fair Value through OCS	529	-
Total Fixed Assets	529	-
Current Assets		
Debtors	681	282
Balance due from Consolidated Fund	374	972
Total Current Assets	1,055	1,254
Current Liabilities		
Creditors:		
Balance held for the Association of Jersey Charities	(420)	(424)
Uncollected Prizes	(560)	(222)
Other Creditors	(28)	(81)
Total Current Liabilities	(1,008)	(727)
Net Current Assets	47	527
Total Assets Less Current Liabilities	576	527
Net Assets	576	527
Reserves		
Accumulated Revenue Reserves	576	527
Total Reserves	576	527

Housing Development Fund

Highlights:

Closing Net Asset Value of £6,045,931

Net Revenue Income of £51,056 against Net Revenue Expenditure of £437,865 in 2010

Key Results

Key Variances from 2010

	£'000
2010 NAV	5,997
Notional Interest	51
Recognition of LoCs	(2)
2011 NAV	6,046

Changes in Net Asset/Liability Value from 2010

With the adoption of FRS 25 in 2011, the Fund has recognised a liability for the Letters of Comfort issued to various Housing Trusts, which take the form of interest rate caps. More details of how this liability was valued are given in Note 20 of the States Accounts. This has reduced the Net Asset Position of the Fund, by the value of the liability recognised.

The value of the liability depends on several factors, including expected future interest rates. Latest market indications are that interest rates will not rise to a level that will trigger interest rate subsidies for a number of years.

Key Variances from 2010

	£'000
2010 NRE	438
Adj to 2009 Disposal Receipt	(478)
Increase in Notional Interest	(9)
Other Expenditure	(2)
2011 NRI	(51)

Performance compared to 2010

The 2010 net revenue expenditure included a one off adjustment that has not been replicated in 2011. No interest subsidy payments were made in 2011, reflecting continued low interest rates.

Housing Development Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Loan, Bank and Notional Interest	51	42
Total Revenue	51	42
Administrative Expenses	-	2
Asset Disposal (Gain)/Loss	-	478
Total Expenditure	-	480
Net Revenue (Income)/Expenditure	(51)	438

No other gains and losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Balance due from Consolidated Fund	6,048	5,997
Total Current Assets	6,048	5,997
Net Current Assets / (Liabilities)	6,048	5,997
Total Assets Less Current Liabilities	6,048	5,997
Long Term Liabilities		
Derivative Financial Instruments expiring after more than one year ¹	(2)	-
Total Long Term Liabilities	(2)	-
Net Assets	6,046	5,997
Reserves		
Accumulated Revenue Reserves ¹	6,046	5,997
Total Reserves	6,046	5,997

1. In 2011 Letters of Comfort issues to Housing Trusts have been recognised as Derivative Liabilities in accordance with FRS 25, and an opening adjustment has been made to reserves. More detail is given in Note 20 of the States Accounts.

Criminal Offences Confiscations Fund

Highlights:

Closing Net Asset Value of £14,497,159, an increase of 74.2% on 2010

Net Revenue Income of £6,175,640, a decrease of 5.8% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	8,321
Confiscations	28,999
Provisions	(22,565)
Other Variances	(258)
2011 NAV	14,497

Changes in Net Asset Value from 2010

In 2011 a significant confiscation was made of £26.6 million. The States has subsequently entered into an asset sharing agreement with Nigeria and as a result a provision of £22.6 million has been made to reflect this. Overall this year net confiscations have contributed an additional £6.4 million to the Fund. Combined with reduced grant expenditure, overall this has led to an increase of £6.2 million in the Net Asset Value (NAV) of the Fund.

At the end of 2011 the confiscated funds were still retained in the Criminal Offences Confiscation Fund (COCF) and therefore there was a significant cash position of £35.6 million. This is invested in a rolling deposit account. The Fund also had a debtor of £1.4 million which relates to confiscations for which an order was made prior to the year end but for which the funds were not received until January 2012.

Key Variances from 2010

	£'000
2010 NRI	6,557
Increase in confiscations	21,208
Increase in provisions	(22,559)
Reduction in grants	798
Other Variances	172
2011 NRI	6,176

Performance compared to 2010

Confiscations increased in 2011, principally due to the one significant confiscation described above. Net confiscations retained by the Fund (after the asset sharing arrangement has been satisfied) are actually lower in 2011 than in 2010 by £1.4m.

Grants have reduced in 2011 compared to 2010 as the judicial departments of the States did not need to make any calls on the Fund in 2011 to cover Court and Case Costs. This was in part due to an increase in base budgets for those departments, and partly due to significant costs awarded to them for cases prosecuted.

Income

▲£21.3m (271%) more than 2010

Other than the changes as a result of confiscations, interest income has also increased by £70,974. This is as a direct result of the increased cash balances in the Fund which have generated higher returns.

Expenditure

▲£21.7m (1,654%) more than 2010

The increase in expenditure and reduction in grants has been described above. A grant of £404,000 was made by the COCF to the Home Affairs Department in 2011.

Criminal Offences Confiscations Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Investment Income	147	75
Other Revenue	28,999	7,791
Total Revenue	29,146	7,866
Supplies and Services	1	7
Other Operating Expenditure	22,565	100
Grants and Subsidies Payments	404	1,202
Total Expenditure	22,970	1,309
Net Revenue Income	6,176	6,557

No other gains or losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Debtors	1,408	-
Cash at Bank and in Hand	35,652	8,559
Total Current Assets	37,060	8,559
Current Liabilities		
Creditors	(4)	(20)
Balance due from Consolidated Fund	-	(218)
Provisions for liabilities and charges	(22,559)	-
Total Current Liabilities	(22,563)	(238)
Net Current Assets / (Liabilities)	14,497	8,321
Total Assets Less Current Liabilities	14,497	8,321
Net Assets	14,497	8,321
Reserves		
Accumulated Revenue Reserves	14,497	8,321
Total Reserves	14,497	8,321

Drug Trafficking Confiscations Fund

Highlights:

Closing Net Asset Value of £413,729, an increase of 23.4% on 2010

Net Revenue Income of £78,573, compared to Net Revenue Expenditure of £66,988 in 2010

Key Results

Changes in NAV

	£'000
2010 NAV	335
Confiscations	143
Grants	(60)
Other Variances	(4)
2011 NAV	414

Key Variances from 2010

	£'000
2010 NRE	(67)
Increase in confiscations	129
Decrease in grants	13
Other Variances	4
2011 NRI	79

Changes in Net Asset Value from 2010

Confiscations increased in 2011 by £128,946 largely as the result of two confiscations of £89,260 and £40,010 respectively relating to significant drug trafficking cases successfully prosecuted in 2010. In addition to this, there were eleven other small confiscations in the sum of £13,729.

In 2011 the Fund had debtors of £265,848 compared to debtors of £287,454 in 2010. This was a result of prepayments made in 2010 and 2011 for a grant to the Home Affairs Department.

Performance compared to 2010

Grants have decreased in 2011 compared to 2010 by £12,917. The most significant grant was a one-off grant of £38,250 to Aids Care Education and Training Jersey to support their 'Wise Up to Blood Borne Viruses' programme in 2011.

Drug Trafficking Confiscations Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Investment Income	2	-
Other Revenue	143	14
Total Revenue	145	14
Supplies and Services	1	8
Other Operating Expenditure	9	-
Grants and Subsidies Payments	60	73
Foreign Exchange Gain	(4)	-
Total Expenditure	66	81
Net Revenue Income / (Expenditure)	79	(67)

No other gains or losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Debtors	266	287
Cash at Bank and in Hand	2,028	1,948
Total Current Assets	2,294	2,235
Current Liabilities		
Creditors	(6)	(29)
Balance due to Consolidated Fund	(3)	-
Total Current Liabilities	(9)	(29)
Net Current Assets / (Liabilities)	2,285	2,206
Total Assets Less Current Liabilities	2,285	2,206
Long Term Liabilities		
Provisions for liabilities and charges	(1,871)	(1,871)
Total Long Term Liabilities	(1,871)	(1,871)
Net Assets	414	335
Reserves		
Accumulated Revenue Reserves	414	335
Total Reserves	414	335

Civil Asset Recovery Fund

Highlights:

Closing Net Asset Value of £37,273, an increase of 5.4% on 2010

Net Revenue Income of £1,925, a decrease of 92.1% on 2010

Key Results

Changes in NAV

	£'000
2010 NAV	35
Reduction in current assets	(59)
Reduction in creditors	61
2011 NAV	37

Key Variances from 2010

	£'000
2010 NRI	24
Decrease in confiscations	(26)
Other Variances	4
2011 NRI	2

Changes in Net Asset Value from 2010

As the Fund does not have a separate bank account, cash is held in the Consolidated Fund. The amount owed by the Consolidated Fund has reduced in 2011 compared to 2010 as the Fund settled outstanding creditors owed at the end of the previous year.

Performance compared to 2010

Confiscations decreased in 2011, as no seizures were made during the year.

Civil Asset Recovery Fund

Operating Cost Statement

	2011 Actual £'000	2010 Actual £'000
Other Revenue	3	26
Total Revenue	3	26
Supplies and Services	1	1
Total Expenditure	1	1
Net Revenue Income	2	25

No other gains or losses were recognised in the year.

Balance Sheet

	2011 Actual £'000	2010 Actual £'000
Current Assets		
Balance due from Consolidated Fund	40	99
Total Current Assets	40	99
Current Liabilities		
Creditors	(3)	(64)
Total Current Liabilities	(3)	(64)
Net Current Assets / (Liabilities)	37	35
Total Assets Less Current Liabilities	37	35
Net Assets	37	35
Reserves		
Accumulated Revenue Reserves	37	35
Total Reserves	37	35

Glossary
of
Terms

Glossary of Terms

This glossary aims to explain some of the terms commonly used in the Accounts, and covers both accounting terms and terminology relating specifically to the States. The definitions given here are intended to assist the user of the accounts, and it should be noted that some terms may have specific legal meaning or more precise definitions under accounting standards.

The reader should also refer to the States Accounting Policies in Note 1 of the Accounts, which include some definitions for accounting purposes and give more detail on the accounting treatments for various items.

Accounting Officer

The Accounting Officer is the person responsible for the proper financial management of a States funded body in accordance with the Public Finances (Jersey) Law 2005. In general, the Chief Officer of a department 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.

Accrued Pension

This is the amount of the annual pension an officer is entitled to as at the year end, i.e. the amount that they would receive if they carried out no further service.

Annual Budget Statement

The States' Annual Budget sets out the taxation measures and the expected level of States income.

Annual Business Plan (ABP)

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 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;
- 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 redeemed 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.

Available-for-Sale Financial Assets

This category includes all Financial Assets that do not fall into one of the other categories (Fair Value through the OCS, Held to Maturity or Loans and Receivables). Despite the name, it may be intended that the States holds these Assets indefinitely. Movements in the value of these investments are recorded in Reserves rather than Income and Expenditure for the year.

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. This is covered in more detail in Section 6 of the Accounts – "Introduction to the Accounts".

Budget (Approval)

A budget approval is the amount agreed either as the expected level of States Income (approved through the Annual Budget Statement), or the amount of expenditure a department may incur (approved through the Annual Business Plan). Variations to these amounts may also be approved during the year. These accounts report two budget approval figures:

- 2011 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.

Business Plan Basis

The 2011 Business Plan did not include approvals of all items of expenditure under UK GAAP at a departmental level, and so to allow comparison against approvals expenditure has also been presented on the same basis as the Business Plan.

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 Equivalent Transfer Values (CETV)

A cash equivalent transfer value (CETV) is a lump sum value in today's terms of the rights accrued within a member's pension scheme. It assumes the member is leaving service and makes a pension transfer of the pension fund to an alternative pension arrangement.

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 actual movements in cash balances that have occurred in the year. This contrasts to the Operating Cost Statement which reports accrued income and expenditure. This is covered in more detail in Section 6 of the Accounts – "Introduction to the Accounts".

Common Investment Fund (CIF)

The Common Investment Fund is an administrative arrangement that allows States Funds (including those outside of the States of Jersey Group) to pool investments to benefit from greater investment opportunities and economies of scale.

Consolidated Fund

This is the fund through which the majority of the States' income and expenditure is managed. More detail on this fund is given in the Annex to the Accounts.

Contingent Liability

A contingent liability is a possible liability, as explained in Note 1 to the Accounts.

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.

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 departments.

Derivative Financial Instruments

A derivative is a financial instrument or other contract whose value changes in response to the change in an underlying variable (e.g., interest rates, equity share prices, exchange rates etc.), and will be settled at a future date.

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 Risk

The risk of loss stemming from exposure to adverse foreign exchange rate movements.

Full Time Equivalents (FTE)

FTE represents the equivalent number of Full Time Employees a department has, taking into account any part-time and other flexible working arrangements. For example, if an employee works 75% of normal hours they would be recorded as a FTE of 0.75.

GAAP Basis

Income and Expenditure are now recorded in line with UK Generally Accepted Accounting Principles, but approvals do not include all items of expenditure. As well as showing expenditure on a basis comparable to approvals (Business Plan Basis – see above), departments also show total Net Expenditure/Income on a GAAP compliant basis.

General Revenue Income

General Revenue Income comprises taxation, duties, the Island rate, and other income to the Consolidated Fund covered by the Annual Budget Statement.

Generally Accepted Accounting Principles (GAAP)

Generally Accepted Accounting Principles (GAAP) are a standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as Accounting Standards. GAAP includes the standards, conventions, and rules accountants follow in recording and summarising transactions, and in the preparation of financial statements.

The States of Jersey follows UK GAAP, as interpreted by the Jersey Financial Reporting Manual.

Grants and Subsidies

Grants and subsidies are assistance from a States entity in the form of transfers of resources to an individual or organisation in return for past or future compliance with certain conditions.

Gross Departmental Expenditure

This is revenue expenditure incurred by States 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 revenue expenditure limit of a States funded body, or an amount allocated for a capital project.

Impairment

Where the value of an Asset (as shown in the balance sheet) exceeds its actual value to the States of Jersey, the amount included on the balance sheet for the asset is reduced. This reduction is recognised as a cost in the Operating Cost Statement, and is called an Impairment. This can apply to both Tangible Fixed Assets (such as Property), and Financial Assets such as Investments or Debtors.

Income

This is the amounts that the States of Jersey receives or is entitled to 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.

International Financial Reporting Standards (IFRS)

IFRS refers to a GAAP framework developed by the International Accounting Standards Board. The States of Jersey will be adopting IFRS for the first time in the 2012 Accounts

Investments held at Fair Value through the Operating Cost Statement

The States of Jersey has designated Investments held in the Common Investment Fund or with the States' Cash Manager as part of this category, as they are managed as a portfolio reported at Fair Value. Changes in the value of these investments are reported in Income and Expenditure in the year they occur, even if these gains/losses haven't yet been realised.

Jersey Financial Reporting Manual (JFRm)

The Jersey Financial Reporting Manual interprets UK GAAP for the public sector in Jersey, and is based on the UK version of the same document.

Key Management Personnel

Key management personnel are members of senior management (defined later), and Assistant Ministers.

Leases

A lease is a financial arrangement that provides for the use of an asset without direct ownership. For accounting purposes leases can be either:

- Finance Lease: 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.

Liquidity Risk

The risk that an organisation may not have, or may not be able to raise cash funds when needed.

Market Risk

The risk of losses resulting from adverse changes in market prices or other market rates.

Ministerial Department

A Ministerial Department is one for which a Minister is responsible to the States for its administration and funding.

Net Revenue Expenditure (NRE)

NRE is 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 expenditure limit. If income exceeds expenditure it is reported as Net Revenue Income.

Net Revenue Income

See Net Revenue Expenditure

Non-Ministerial Department

A non-Ministerial Department is one for which no Minister is responsible to the States for its administration or funding.

Operating Cost Statement (OCS)

A primary accounting statement showing the income and expenditure for the States in the current accounting period. This is covered in more detail in Section 6 of the Accounts – “Introduction to the Accounts”.

Primary Accounting Statements

The four primary accounting statements within the States of Jersey accounts are the Operating Cost Statement, the Statement of Total Recognised Gains and Losses, 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, or previous, accounting period.

Related Party

Related Parties are more fully defined in Financial Reporting Standard 8 – Related Party Transactions, but in terms of the States are parties that are controlled or significantly influenced either by the States directly or indirectly through its strategic investments, or by a member of Key Management Personnel.

Reserves (Balance Sheet Item)

Equal to Net Asset Value, reserves result from the accumulation of surpluses, deficits, revaluations of assets and other surplus sums.

Retail Price Index (RPI)

The Jersey Retail Price Index is a measure of inflation compiled by the States of Jersey Statistics Unit.

RPI(X)

RPI(X) is the RPI excluding mortgage interest payments, often considered as a measure of underlying inflation

Revaluation

Accounting Standards require Fixed Assets to be held at “Current Value”, and so regular revaluations of certain asset classes are required (as explained in Note 1 to the Accounts).

Revenue Expenditure

The day to day expenses associated with the provision of services, including the cost of employing staff, purchasing supplies and services and holding and using fixed assets.

Revenue Expenditure Limit

Revenue expenditure limits are approved by the States Assembly (normally through the Annual Business Plan), and are the key measure against which Accounting Officers are held to account for delivering services within an allocated expenditure limit.

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.

Senior management

Senior management includes Accounting Officers (except those of smaller departments exempted by the Treasury and Resources Minister through a formal decision) and members of the Council of Ministers.

Separately Constituted (Special) Funds

These are funds with a specific purpose and are usually established by legislation or a States’ decision.

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 investments 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 consolidated into the States' accounts as their inclusion would distort the presentation of the States' financial results.

States of Jersey Group

The States of Jersey Group (or group boundary) is made up of the various entities that are included in the Accounts. More detail on which entities are included is given in Note 37 to the Accounts.

Trading Operation

These are areas of operation of the States of Jersey, designated by the States to be a States Trading Operation. At present there are four States Trading Operations: Jersey Airport, Jersey Harbours, Jersey Fleet Management and Jersey Car Parking.

Trading Fund

Trading Operations do not form part of the Consolidated Fund, and so each maintains a separate Trading Fund balance. This is calculated using the same method as the Consolidated Fund balance, as detailed in the Consolidation Fund section of the Annex to the Accounts.

Summary of Acronyms and Initialisations

BP	Business Plan
CETV	Cash Equivalent Transfer Value (Pensions)
CIF	Common Investment Fund
CSR	Comprehensive Spending Review
CSS	Civil Service Scheme
DPS	Discretionary Pension Scheme
EUSD	European Union Savings Tax Directive
FSR	Fiscal Strategy Review
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GST	Goods and Services Tax
HCAE	Historic Child Abuse Enquiry
IFRS	International Financial Reporting Standards
JFReM	Jersey Financial Reporting Manual
JPOPF	Jersey Post Office Pension Fund
JTSF	Jersey Teachers' Superannuation Fund
NRE	Net Revenue Expenditure
NRI	Net Revenue Income
PECRS	Public Employees' Contributory Retirement Scheme
SOJ	States of Jersey
SOJDC	States of Jersey Development Company Limited
VER	Voluntary Early Retirement
VR	Voluntary Redundancy
WEB	Waterfront Enterprise Board

Appendix A

Full details of significant Grants and Subsidies awarded to any individual or organisation are given in Note 35 to the Accounts. This Appendix summarises Grants of less than £100,000 made by the States of Jersey in 2011.

States of Jersey Grants

Chief Minister's Department:

Grantee	Reason for Grant	Amount £
Bureau de Jersey Limited	Grant for the operation of Bureau de Jersey in Caen	30,000
Alliance Francaise de Jersey	Development of Jersey/France relations - promoting French language and culture	11,760
Total - Chief Minister's Department		41,760

Department of the Environment:

Grantee	Reason for Grant	Amount £
Energy Efficiency Service - Various recipients	Initiative to assist low-income and vulnerable households reduce their energy bills and keep warmer through the winter	977,030
Countryside Renewal Scheme - Various recipients	Environmental financial support to land owners for the benefit of the Island's population	482,439
European Plant Protection Organisation	Contribution to plant research	21,267
Total - Department of the Environment		1,480,736

Drug Trafficking Confiscation Fund:

Grantee	Reason for Grant	Amount £
Aids Care Education and Training	Prison education programme	38,250
Total - Drug Trafficking Confiscation Fund		38,250

Economic Development Department:

Grantee	Reason for Grant	Amount £
Air Route Development - Various recipients	Grants to airlines to support new routes	97,172
Jersey International Air Display	Jersey International Air Display - event grant	90,000
Jersey Hospitality Association	Support the Jersey Hospitality Association	73,500
Bureau de Jersey Limited	Operation of Bureau de Jersey in Caen	65,000
Jersey Export and Trade Initiative Grants	Support and encourage local business to identify and grow export markets	56,652
Canbedone Productions Ltd	Explore economic effects of the filming of a mainstream movie in Jersey	50,000
Jersey Island Genetics Ltd	Contribution toward Liquid Nitrogen Plant	25,000
Jersey Innovation Initiative Grants	Support the investment into innovation (products and services)	10,552
Jersey Dairy	SLA Dairy Industry Costing Scheme	8,738
Apprenticeship Grants - Various recipients	Grants to individuals who complete their apprenticeships	2,898
Centre for Dairy Information	Computerised Quality Milk Payment information	2,000

Appendix A

R Le B Ltd	For cows born before 01.08.96 (Over Thirty Months Scheme) introduced as BSE compensation 1988	75
Area Payments:		
Payments to Individuals	Support a base level of farming activity in the countryside	174,865
Woodside Farms Ltd	Support a base level of farming activity in the countryside	45,164
Meleches 2007 Ltd	Support a base level of farming activity in the countryside	44,565
Amal-Grow Limited	Support a base level of farming activity in the countryside	43,364
Fosse Au Bois Growers Ltd	Support a base level of farming activity in the countryside	39,119
Master Farms Ltd	Support a base level of farming activity in the countryside	33,716
Somerleigh Farms 1996 Ltd	Support a base level of farming activity in the countryside	25,432
R Le B Ltd	Support a base level of farming activity in the countryside	17,345
Labey Farms Ltd	Support a base level of farming activity in the countryside	16,943
Cowley Farm Ltd	Support a base level of farming activity in the countryside	16,494
Lodge Farm Ltd	Support a base level of farming activity in the countryside	16,060
D A Richardson Ltd	Support a base level of farming activity in the countryside	14,140
Classic Herd Ltd	Support a base level of farming activity in the countryside	13,802
Chalet Farm Ltd	Support a base level of farming activity in the countryside	13,394
Trinity Manor Farm Ltd	Support a base level of farming activity in the countryside	12,865
Meadow Vale Farm Ltd	Support a base level of farming activity in the countryside	12,292
J & S Growers (2009) Ltd	Support a base level of farming activity in the countryside	11,600
St Lawrence Growers Ltd	Support a base level of farming activity in the countryside	10,995
Didier Hellio Ltd	Support a base level of farming activity in the countryside	10,552
Freedom Farms Ltd	Support a base level of farming activity in the countryside	9,286
Le Gresley Farms Ltd	Support a base level of farming activity in the countryside	9,011
Printemps Farm Ltd	Support a base level of farming activity in the countryside	8,960
La Ferme Ltd	Support a base level of farming activity in the countryside	7,242
Bel Val Farm Ltd	Support a base level of farming activity in the countryside	6,964
D J Farming Ltd	Support a base level of farming activity in the countryside	5,792
C & A Jersey Royals Ltd	Support a base level of farming activity in the countryside	5,497
Les Cotils Farms Ltd	Support a base level of farming activity in the countryside	5,309
Anneville Farm Ltd	Support a base level of farming activity in the countryside	5,257
Cross Cottage Farm Ltd	Support a base level of farming activity in the countryside	4,634
Gold Leaf Farm Ltd	Support a base level of farming activity in the countryside	4,628
Rozel Farms Ltd	Support a base level of farming activity in the countryside	4,389
Vermont Farm Ltd	Support a base level of farming activity in the countryside	4,290
Le Sech Farms Ltd	Support a base level of farming activity in the countryside	3,477
Devon Villa (1991) Ltd	Support a base level of farming activity in the countryside	3,476
Rondel Farms Ltd	Support a base level of farming activity in the countryside	3,216
Aigretmont Farm Ltd	Support a base level of farming activity in the countryside	2,308
Person & Friere Ltd	Support a base level of farming activity in the countryside	2,227
La Pompe Ltd	Support a base level of farming activity in the countryside	2,092
Happy Hens Ltd	Support a base level of farming activity in the countryside	2,019
Le Rendu & Son Ltd	Support a base level of farming activity in the countryside	1,751
Ocean Dream Ltd	Support a base level of farming activity in the countryside	1,646
Bayview Livery Ltd	Support a base level of farming activity in the countryside	1,641
La Mare Vineyards Ltd	Support a base level of farming activity in the countryside	1,592

Appendix A

Bon Air Stables	Support a base level of farming activity in the countryside	1,178
CAF Engineering Limited	Support a base level of farming activity in the countryside	988
Vers Les Monts Organic Farm	Support a base level of farming activity in the countryside	847
East Riding Ltd	Support a base level of farming activity in the countryside	595
Clamer Farm Ltd	Support a base level of farming activity in the countryside	535
Grass Roots Organic	Support a base level of farming activity in the countryside	265

Total Area Payments

683,819

Quality Milk Payments:

Payments to individuals	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	156,962
La Ferme Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	45,338
R Le B Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	42,804
Chalet Jersey Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	41,002
Lodge Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	35,917
Trinity Manor Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	31,140
Meadow Vale Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	31,020
Cowley Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	29,893
Master Farms Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	17,482
Gold Leaf Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	15,668
Freedom Farms Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	15,217
Le Gresley Farms Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	12,765
Classic Herd Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	11,158
Cross Cottage Farm Ltd	Transitional support to allow the industry to implement their Dairy Industry Recovery Programme	8,303

Total Quality Milk Payments

494,669

Rural Initiative Scheme:

Farm Fuels	Rural Initiative Scheme provides support for innovation and business diversification	65,073
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Jersey Dairy	Rural Initiative Scheme provides support for innovation and business diversification	37,000
JR Jersey Horticulture Limited	Rural Initiative Scheme provides support for innovation and business diversification	28,204
Jersey Island Genetics Ltd	Rural Initiative Scheme provides support for innovation and business diversification	27,916
Woodside Farm Energy	Rural Initiative Scheme provides support for innovation and business diversification	18,154
Creepy Valley Ltd	Rural Initiative Scheme provides support for innovation and business diversification	16,563
Pride of The North Fisheries	Rural Initiative Scheme provides support for innovation and business diversification	12,802
Classic Herd Ltd	Rural Initiative Scheme provides support for innovation and business diversification	11,328
Jersey Allotment and Leisure	Rural Initiative Scheme provides support for innovation and business diversification	10,000
La Robeline Cider Company	Rural Initiative Scheme provides support for innovation and business diversification	6,703
Lodge Farm Ltd	Rural Initiative Scheme provides support for innovation and business diversification	4,896
R Le B Ltd	Rural Initiative Scheme provides support for innovation and business diversification	4,767
Master Farms Ltd	Rural Initiative Scheme provides support for innovation and business diversification	4,736
Payments to individuals	Rural Initiative Scheme provides support for innovation and business diversification	4,572
Amal-Grow Limited	Rural Initiative Scheme provides support for innovation and business diversification	4,160
Ormer and Scallops of Jersey Ltd	Rural Initiative Scheme provides support for innovation and business diversification	3,824
Faulkner Fisheries Market Ltd	Rural Initiative Scheme provides support for innovation and business diversification	2,000
Fleur De France Fisheries Co Ltd	Rural Initiative Scheme provides support for innovation and business diversification	2,000
I Fish 4 Fish Ltd	Rural Initiative Scheme provides support for innovation and business diversification	2,000
Provider Fisheries	Rural Initiative Scheme provides support for innovation and business diversification	2,000
Garfield-Bennett Matthew & Gwy	Rural Initiative Scheme provides support for innovation and business diversification	175
	Total Rural Initiative Scheme	268,873

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Employment of Apprentices:

Dandara Jersey Ltd	Grant to employer in respect of apprentices employed	14,898
Jacksons (CI) Limited	Grant to employer in respect of apprentices employed	11,915
Parish of St Helier	Grant to employer in respect of apprentices employed	7,645
Natures Way of Life, T/A Passion	Grant to employer in respect of apprentices employed	7,360
Jersey Electricity Plc	Grant to employer in respect of apprentices employed	7,110
Elmina Lifestyle Ltd	Grant to employer in respect of apprentices employed	6,940
Larsen Ltd	Grant to employer in respect of apprentices employed	6,190
Rio Hair Salon Ltd	Grant to employer in respect of apprentices employed	5,738
Toni & Guy (Jersey) Ltd	Grant to employer in respect of apprentices employed	5,545
Aston Services Ltd	Grant to employer in respect of apprentices employed	5,115
Salon Seven	Grant to employer in respect of apprentices employed	5,075
Brady & Gallagher (1999) Ltd	Grant to employer in respect of apprentices employed	5,015
DIS Electrical Contractors Ltd	Grant to employer in respect of apprentices employed	5,010
Syvret & Turner Ltd	Grant to employer in respect of apprentices employed	4,742
United Electrical Contractors	Grant to employer in respect of apprentices employed	4,425
Raffray Ltd	Grant to employer in respect of apprentices employed	4,300
MBC Motor Repairs Ltd	Grant to employer in respect of apprentices employed	3,750
Michelle Hairstyles Ltd	Grant to employer in respect of apprentices employed	3,580
Feel Unique	Grant to employer in respect of apprentices employed	3,555
CAF Engineering Limited	Grant to employer in respect of apprentices employed	3,400
Darren Le Feuvre Plumbing & Heating Ltd	Grant to employer in respect of apprentices employed	3,000
Kut & Kuris	Grant to employer in respect of apprentices employed	3,000
GJM Developments Ltd	Grant to employer in respect of apprentices employed	2,965
Storm Hair	Grant to employer in respect of apprentices employed	2,965
Hatleys	Grant to employer in respect of apprentices employed	2,930
Prestige Cars	Grant to employer in respect of apprentices employed	2,930
Adept Builders	Grant to employer in respect of apprentices employed	2,830
Michael Hill Joinery Ltd	Grant to employer in respect of apprentices employed	2,795
Heritage Joinery	Grant to employer in respect of apprentices employed	2,755
Hair Central	Grant to employer in respect of apprentices employed	2,675
Power Protection & Security Ltd	Grant to employer in respect of apprentices employed	2,505
Jersey Oak	Grant to employer in respect of apprentices employed	2,452
Bisson Bros Ltd	Grant to employer in respect of apprentices employed	2,250
Mel Owers (Painter & Decorators) Ltd	Grant to employer in respect of apprentices employed	2,250
Le Riche Automobile Restorers Ltd	Grant to employer in respect of apprentices employed	2,215
APR Motor Repairs	Grant to employer in respect of apprentices employed	2,150
Dean Burnouf Ltd	Grant to employer in respect of apprentices employed	2,150
Gary Jegou Ltd	Grant to employer in respect of apprentices employed	2,150
RFO C Electrical Contractors Ltd	Grant to employer in respect of apprentices employed	2,150
Amalgamated Facilities Management Ltd	Grant to employer in respect of apprentices employed	2,115
J P Mauger Ltd	Grant to employer in respect of apprentices employed	2,115
Nixon & McKenna Ltd	Grant to employer in respect of apprentices employed	2,115
PMB Decorators Ltd	Grant to employer in respect of apprentices employed	2,115
ASF Plumbing & Heating Ltd	Grant to employer in respect of apprentices employed	2,080
J Beamer Decorators Ltd	Grant to employer in respect of apprentices employed	2,080

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Gelaires Hair & Beauty Ltd	Grant to employer in respect of apprentices employed	2,005
Chapman Hugo Ltd	Grant to employer in respect of apprentices employed	1,832
D B Malorey Ltd	Grant to employer in respect of apprentices employed	1,500
Drainway Services Ltd	Grant to employer in respect of apprentices employed	1,500
Essenay Carpenters	Grant to employer in respect of apprentices employed	1,500
Hair FX Ltd	Grant to employer in respect of apprentices employed	1,500
Hudson Motor Company	Grant to employer in respect of apprentices employed	1,500
Bayley & Matthews Ltd	Grant to employer in respect of apprentices employed	1,465
Seymour Hotels of Jersey Ltd	Grant to employer in respect of apprentices employed	1,465
Premier Contracting&Shopfitting Ltd	Grant to employer in respect of apprentices employed	1,430
R&S Bouchard Plumbing Services Ltd	Grant to employer in respect of apprentices employed	1,250
Cameron & Sons (Jersey) Ltd	Grant to employer in respect of apprentices employed	1,215
Smail & Richards Ltd	Grant to employer in respect of apprentices employed	1,125
John McGranahan Electrical Contractor	Grant to employer in respect of apprentices employed	1,075
Houze Construction Limited	Grant to employer in respect of apprentices employed	898
Fosse Construction Ltd	Grant to employer in respect of apprentices employed	853
A A Rive Limited	Grant to employer in respect of apprentices employed	750
Autopanel Ltd	Grant to employer in respect of apprentices employed	750
C & J Carpenters & Builders Ltd	Grant to employer in respect of apprentices employed	750
J M Welding Ltd	Grant to employer in respect of apprentices employed	750
John Warrener Plumbing & Heating Ltd	Grant to employer in respect of apprentices employed	750
KC Engineering Ltd	Grant to employer in respect of apprentices employed	750
MITIE Engineering Services (Jeesey) Ltd	Grant to employer in respect of apprentices employed	750
The Plumbing Company Ltd	Grant to employer in respect of apprentices employed	750
Wallace & Cairney Plumbing & Heating Ltd	Grant to employer in respect of apprentices employed	750
Artizen Design	Grant to employer in respect of apprentices employed	615
Aston Electrical Ltd	Grant to employer in respect of apprentices employed	615
T G Stuart Ltd, T/A Planet Hair	Grant to employer in respect of apprentices employed	565
Dodd Design & Build	Grant to employer in respect of apprentices employed	562
A D Hall Decorators Ltd	Grant to employer in respect of apprentices employed	510
Brimbyrne Ltd	Grant to employer in respect of apprentices employed	425
Premier Contracting & Shopfitting Ltd	Grant to employer in respect of apprentices employed	330
Bel Royal Motor Work Ltd	Grant to employer in respect of apprentices employed	325
Benchmark Carpenters and Joiners Ltd	Grant to employer in respect of apprentices employed	150
Jacksons (CI) Limited - Motor Mall Branch	Grant to employer in respect of apprentices employed	35
Total Employment of Apprentices		216,040

Jersey Undergraduate Internship Programme:

Creepy Valley Ltd	Grant to employer in respect of the Undergraduate Programme	4,000
Jersey Heritage Trust	Grant to employer in respect of the Undergraduate Programme	3,490
Jersey Oak	Grant to employer in respect of the Undergraduate Programme	3,000
ID Elite Soccer School Ltd	Grant to employer in respect of the Undergraduate Programme	2,233
Shelter Trust	Grant to employer in respect of the Undergraduate Programme	2,000
The National Trust of Jersey	Grant to employer in respect of the Undergraduate Programme	2,000

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Investors in Health T/A Jersey Adventures	Grant to employer in respect of the Undergraduate Programme	1,750
AM Consultancy	Grant to employer in respect of the Undergraduate Programme	1,250
La Mare Vineyards Ltd	Grant to employer in respect of the Undergraduate Programme	1,000
Light Rabbit Ltd	Grant to employer in respect of the Undergraduate Programme	1,000
Derek Mason Architects	Refund of 2010 Grant for the Jersey Undergraduate Internship Programme	(1,000)
Total Jersey Undergraduate Internship Programme		20,723
Total - Economic Development Department		2,165,711

Education, Sport and Culture Department:

Grantee	Reason for Grant	Amount £
Nursery Education Fund	Provide pre-school learning through the Nursery Education Fund	1,449,469
Grants to individuals (Jersey College for Girls)	Assist students in the payment of fees	79,101
Grants to individuals (Victoria College)	Assist students in the payment of fees	72,413
Brooke	Support the 'Baby Think it Over' Project	40,000
Victoria College Foundation	Support the operation of the school's Foundation	25,000
Combined Cadet Force (Victoria College)	Support the operation of the Combined Cadet Force	24,350
Prison? Me? No Way!	Contribution to annual running costs - three way partnership between Home Affairs, ESC and Housing	10,000
Jersey Girl Guides	Support youth activities in the Island	4,000
Jersey Scout Association	Support youth activities in the Island	4,000
Child Accident Prevention (Jersey)	Support the operation of Child Accident Prevention (Jersey)	2,460
Grants to individuals (Student Finance)	Assist students in meeting university interview expenses	1,067
Young Enterprise	Support Young Enterprise in the Island	1,000
Grants to Individuals (Life Customers)	Admission fees for the waterfront pool	688
The National Trust of Jersey	Support the operations of the National Trust of Jersey	420
Grants to individuals (Highlands College)	Assist students with meal vouchers and occasional loans for educational visits	30
Jersey Bobsleigh Club	Refund of 2010 Grant	(240)

Support for travel to participate in sports events:

Jersey Rugby Development Committee	Support individuals, clubs and associations in travel to participate in sports events	35,000
CI Athletics Association	Support individuals, clubs and associations in travel to participate in sports events	17,550
Jersey Netball Association	Support individuals, clubs and associations in travel to participate in sports events	10,450
Island Games Association of Jersey	Support individuals, clubs and associations in travel to participate in sports events	10,000
A I B Tigers	Support individuals, clubs and associations in travel to participate in sports events	9,300

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Jersey Hockey Association	Support individuals, clubs and associations in travel to participate in sports events	8,950
De Mond Gymnastic Academy	Support individuals, clubs and associations in travel to participate in sports events	8,500
Jersey Sports Association for the Disabled	Support individuals, clubs and associations in travel to participate in sports events	6,500
Jersey Swimming Club	Support individuals, clubs and associations in travel to participate in sports events	6,050
Jersey Cricket Board	Support individuals, clubs and associations in travel to participate in sports events	5,450
Bowls Jersey	Support individuals, clubs and associations in travel to participate in sports events	5,425
Jersey Cycling Association	Support individuals, clubs and associations in travel to participate in sports events	3,720
Jersey Triathlon Club	Support individuals, clubs and associations in travel to participate in sports events	3,475
St Catherines Sailing Club	Support individuals, clubs and associations in travel to participate in sports events	3,185
Jersey Aquatic Rescue Club	Support individuals, clubs and associations in travel to participate in sports events	3,150
Jersey Table Tennis Association	Support individuals, clubs and associations in travel to participate in sports events	3,150
Jersey Softball Association	Support individuals, clubs and associations in travel to participate in sports events	2,820
Jersey Rifle Association	Support individuals, clubs and associations in travel to participate in sports events	2,588
Jersey Gymnastics Club	Support individuals, clubs and associations in travel to participate in sports events	2,075
Jersey Badminton Association	Support individuals, clubs and associations in travel to participate in sports events	1,790
Regent Gymnastic Club	Support individuals, clubs and associations in travel to participate in sports events	1,600
Jersey Indoor Bowling Association	Support individuals, clubs and associations in travel to participate in sports events	1,500
Jersey Waterpolo Association	Support individuals, clubs and associations in travel to participate in sports events	1,500
Rozel Rovers Football Club	Support individuals, clubs and associations in travel to participate in sports events	1,450
Jersey Muzzle Loaders	Support individuals, clubs and associations in travel to participate in sports events	1,265
Jersey Horse Driving Society	Support individuals, clubs and associations in travel to participate in sports events	1,155
Jersey Dressage Club	Support individuals, clubs and associations in travel to participate in sports events	1,100
Les Quennevais Rugby Club	Support individuals, clubs and associations in travel to participate in sports events	1,100

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Channel Island Lawn Tennis Association	Support individuals, clubs and associations in travel to participate in sports events	1,000
Jersey Shooting Federation	Support individuals, clubs and associations in travel to participate in sports events	1,000
Jersey Motor Cycle & Light Car Club	Support individuals, clubs and associations in travel to participate in sports events	950
Archery Association of Jersey	Support individuals, clubs and associations in travel to participate in sports events	900
Commonwealth Games Association of Jersey	Support individuals, clubs and associations in travel to participate in sports events	900
The Kennel Club Of Jersey	Support individuals, clubs and associations in travel to participate in sports events	850
Jersey Judo Association	Support individuals, clubs and associations in travel to participate in sports events	800
Jersey Leonis ABC	Support individuals, clubs and associations in travel to participate in sports events	775
Jersey Fencing Club	Support individuals, clubs and associations in travel to participate in sports events	750
Gymnastics Association of Jersey	Support individuals, clubs and associations in travel to participate in sports events	600
Jersey Volleyball Association	Support individuals, clubs and associations in travel to participate in sports events	600
Jersey Youth Bowling Club	Support individuals, clubs and associations in travel to participate in sports events	550
Jersey Chess Club	Support individuals, clubs and associations in travel to participate in sports events	500
Regent Skating Club	Support individuals, clubs and associations in travel to participate in sports events	450
Jersey Agility Club	Support individuals, clubs and associations in travel to participate in sports events	415
Caesarea Cat Club	Support individuals, clubs and associations in travel to participate in sports events	350
Jersey Squash & Racquetball Club	Support individuals, clubs and associations in travel to participate in sports events	350
Jersey Tenpin Bowling Association	Support individuals, clubs and associations in travel to participate in sports events	300
Paws Agility Club Jersey	Support individuals, clubs and associations in travel to participate in sports events	135
Jersey Croquet Club	Support individuals, clubs and associations in travel to participate in sports events	100
St Lawrence Charity Horse Show	Support individuals, clubs and associations in travel to participate in sports events	100
Jersey Bowls Umpires Association	Support individuals, clubs and associations in travel to participate in sports events	50
Jersey Junior Dog Handlers	Support individuals, clubs and associations in travel to participate in sports events	50

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Jersey Squash Racquets Association	Support individuals, clubs and associations in travel to participate in sports events	50
C I Federation of Freshwater Angling	Support individuals, clubs and associations in travel to participate in sports events	40
Total support for travel to participate in sports events		172,363

Support for purchasing equipment and organising activities:

Jersey Secondary School Sports	Support sport and leisure clubs and associations in purchasing equipment and organising activities	33,000
Jersey Football Association	Support sport and leisure clubs and associations in purchasing equipment and organising activities	19,100
Jersey Primary Schools Sports	Support sport and leisure clubs and associations in purchasing equipment and organising activities	17,000
Jersey Cricket Board	Support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Rugby Development Committee	Support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Spartan Athletic Club	Support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Squash Racquets Association	Support sport and leisure clubs and associations in purchasing equipment and organising activities	15,000
Jersey Table Tennis Association	Support sport and leisure clubs and associations in purchasing equipment and organising activities	12,500
Jersey Netball Association	Support sport and leisure clubs and associations in purchasing equipment and organising activities	12,000
Jersey Etaille Synchro Club	Support sport and leisure clubs and associations in purchasing equipment and organising activities	500
Total support for purchasing equipment and organising activities		154,100

Support for the organisation of on-Island events

Jersey Primary School Football	Support sport and leisure clubs and associations in the organisation of on-Island events	3,701
Jersey Volleyball Association	Support sport and leisure clubs and associations in the organisation of on-Island events	1,484
Jersey Netball Association	Support sport and leisure clubs and associations in the organisation of on-Island events	1,094
Jersey Cricket Association	Support sport and leisure clubs and associations in the organisation of on-Island events	1,000
Jersey Motor Cycle & Light Car Club	Support sport and leisure clubs and associations in the organisation of on-Island events	1,000
Jersey Billiards & Snooker Association	Support sport and leisure clubs and associations in the organisation of on-Island events	600

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St Helier Yacht Club	Support sport and leisure clubs and associations in the organisation of on-Island events	500
Jersey Squash & Racquetball Club	Support sport and leisure clubs and associations in the organisation of on-Island events	393
International Sport & Leisure	Support sport and leisure clubs and associations in the organisation of on-Island events	220
Total support for the organisation of on-Island events		9,992
Total - Education, Sport and Culture Department		2,050,213

Jersey Harbours:

Grantee	Reason for Grant	Amount £
Channel Islands Air Search	Monies for operation	7,500
Total - Jersey Harbours		7,500

Home Affairs Department:

Grantee	Reason for Grant	Amount £
Victim Support Jersey	Contribution to annual running costs	30,000
Community Relations Trust	Contribution to annual running costs	27,500
Prison? Me? No Way!	Contribution to annual running costs - three way partnership between Home Affairs, ESC and Housing	20,000
Combined Cadet Force (Victoria College)	Contribution to annual running costs	10,000
Jersey Air Training Corps	Contribution to annual running costs	10,000
Jersey Army Cadet Force	Contribution to annual running costs	10,000
Jersey Sea Cadets	Contribution to annual running costs	10,000
Safer St Helier Community Partnership	Contribution to costs of Taxi Marshall Scheme	7,000
Total - Home Affairs Department		124,500

Housing Department:

Grantee	Reason for Grant	Amount £
Prison? Me? No Way!	Contribution to annual running costs - three way partnership between Home Affairs, ESC and Housing	20,000
Tenants Forum & High Rise Panel	Secretarial support	1,875
Le Squez Tenants Association	Rental of garage	1,083
Le Squez Tenants Association	Community Play Equipment initiative	728
St Helier Community in Bloom	Sponsorship of St Helier Garden Competition category	250
Jardin Des Carreaux Residents Association	Start up grant	200
Convent Court Community Centre	Refund of 2010 grant	(176)
Total - Housing Department		23,960

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Health and Social Services Department:

Grantee	Reason for Grant	Amount £
Brighter Futures	Deliver early intervention to vulnerable parents and families within the "Journey into Wellbeing" programmes	80,000
Eastern Good Companions	Provision of day care sessions, activities for day care clients, transport and catering	38,540
Jersey Careleavers Association	Set up and run the administration for the Jersey Careleavers Association	38,220
Jersey Homeless Outreach Group	Provide an outreach service for rough sleepers	37,660
Relate	Provision of counselling on relationship and sexual problems	32,560
Headway	Contribution to costs of drop in centre	28,290
Age Concern Jersey	Provision of a frozen meals delivery service and transport of patients	16,550
Alzheimers Society	Provision of day care, assistance to carers, training, residential homes, carers support, and outreach	14,160
Jersey Family Mediation Service	Provision of service to separating or divorced couples to assist in reaching agreements	11,940
Communicare	Provide use of hall for day care, volunteers for staffing, and transport for clients	8,320
Hyperbaric Treatment Centre	Contribution towards specific costs of the hyperbaric treatment centre	8,080
Arts in Health Care Trust	Provide therapeutic services through the promotion of the arts	4,330
Family Nursing and Homecare	Grant adjustment	(37,730)
Total - Health and Social Services Department		280,920

Probation Department:

Grantee	Reason for Grant	Amount £
National Association of Child Contact Centre	Assist with running contact centre	500
Total - Probation Department		500

Social Security Department:

Grantee	Reason for Grant	Amount £
Vocational Day Scheme:		
Jersey Mencap	Provide employment opportunities for those with learning difficulties or on the Autistic Spectrum	61,183
MIND Jersey	Provide employment opportunities for those with learning difficulties or on the Autistic Spectrum	56,030
Autism Jersey	Provide employment opportunities for those with learning difficulties or on the Autistic Spectrum	53,584
Total Vocational Day Scheme		170,797

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Subsidies Scheme:

Jersey Post	Assist people with disabilities into employment where the employer contributed to an appropriate level of the person's salary equating to the person's ability	11,929
Normans	Assist people with disabilities into employment where the employer contributed to an appropriate level of the person's salary equating to the person's ability	6,967
Total Subsidies Scheme		18,896
Jersey Council for Safety and Health at Work	Promote occupational health and safety in the work place.	28,922
Workwise Training Allowance	Provide training and relevant qualifications to assist the unemployed in gaining work.	18,995
Adaptation of the Workplace Grants - Various recipients	Provide specialised equipment for an individual who is encountering difficulties in their work place	1,660
Total - Social Security Department		239,270

Tourism Development Fund:

Grantee	Reason for Grant	Amount £
Jersey Heritage Trust	Kempt and La Rocco Tower restoration	50,000
Branchage Film Festival Limited	Support for 2011 Film Festival	35,000
Air Route Development - Various recipients	Grants to airlines to support new routes	22,995
Powerboat P1 Management Limited	Powerboat race in St Aubins	20,000
Music In Action Ltd	Off Island marketing for 2011 Festival	14,500
P Burnal	Channel Island Occupation Society final restoration work at Noirmont	6,423
Condor Ferries Limited	Jersey Fish Festival marketing	4,500
Jersey Heritage Trust	Family History Tourism promotion	2,785
Jersey Fishermans Association	Jersey Fish Festival marketing	1,500
St Helier Yacht Club	Marketing in association with Tours des Ports	1,500
Wildisland	Restoration of Dolmen	1,500
Total - Tourism Development Fund		160,703

Transport and Technical Services Department:

Grantee	Reason for Grant	Amount £
A A L Recycling Ltd	Rebate on rental paid which is tied into recycling tonnage targets.	49,482
Total - Transport and Technical Services Department		49,482

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Viscount's Department:

Grantee	Reason for Grant	Amount £
Institute of Law	Assist with re-stocking hard copy law library	30,000
	Total - Viscount's Department	30,000
	Total other Grants and Subsidies ¹	6,693,505
	Total significant Grants and Subsidies - see Note 35	31,266,683
	Grand Total - Grants and Subsidies awarded in 2011	37,960,188

¹ This total excludes significant Grants and Subsidies, i.e. Grants and Subsidies of £100,000 or over to any individual or organisation.



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