

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY K.F. MOREL OF ST. LAWRENCE
QUESTION SUBMITTED ON MONDAY 4th OCTOBER 2021
ANSWER TO BE TABLED ON MONDAY 11th OCTOBER 2021**

Question

Will the Minister inform the Assembly of the total amount of Jersey currency used by Islanders in 2018, 2019 and 2020; and provide the Assembly with details of the amount of interest gained by the Treasury in each year as a result of this use?

Answer

1. Currency in circulation

The full value of Jersey Currency in circulation (both notes and coins) as at the end of each recent Financial year is detailed in the table below.

Year-end values have been supplied reflecting the audited positions quoted in the annual accounts.

Currency in circulation		
31/12/2018	31/12/2019	31/12/2020
£'000	£'000	£'000
110,803	112,950	115,191

2. Net Return

The value of currency in circulation is recorded as a liability and offset by assets held in the Currency Notes and Coinage Fund. The Currency Notes and Coinage Funds hold assets in excess of the liability value of Currency in circulation to allow for volatility in the value of the low-risk portfolio.

The purpose of the Funds is to back the value of Jersey currency in circulation; this value fluctuates during the year in line with the cyclical demands for Jersey currency by the general public, peaking in December during the Christmas period.

Money received from the issuance of currency is invested in line with the Currency Fund's published investment strategy. The strategy is designed primarily to protect the value of the assets backing Jersey Currency in issue but also to generate a modest return.

As the portfolio is primarily invested via the Common Investment Fund profits are reflected as unrealised gains on units rather than interest, but the full net investment return is summarised in the following table:

Net Investment Return		
31/12/2018	31/12/2019	31/12/2020
£'000	£'000	£'000
-881	6,498	4,805

