
STATES OF JERSEY



ACCOUNTING STANDARDS TO BE ADOPTED FOR THE STATES OF JERSEY'S ANNUAL FINANCIAL STATEMENTS 2019

Presented to the States on 19th March 2020
by the Minister for Treasury and Resources

STATES GREFFE

REPORT

1. Introduction

The Public Finances Manual sets out the accounting standards to be adopted in preparation of the States of Jersey financial statements. The Jersey Financial Reporting Manual is published by the Minister for Treasury and Resources and presented to the States each year. This policy sets out the proposed model for implementing the accounting standards to be used in the preparation of the States' annual financial statements, and the process for updating these accounting standards.

2. Maintaining Accounting Standards

The Minister's policy is to require the States of Jersey accounting records to be maintained and accounts prepared in accordance with IFRS GAAP, modified for the Jersey public sector.

The Minister recognises that accounting standards are not fixed, that they evolve over time, and also that the implementation of new standards in the public sector context can be a complex and resource-hungry exercise.

The Minister's policy, therefore, is to update the accounting standards adopted by the States on an annual basis.

The Minister intends to follow those standards adopted by the UK Government in their annually updated Financial Reporting Manual. The implementation of new accounting standards can be complex and resource-intensive; there are obvious benefits to a small jurisdiction such as Jersey in learning from others and not being at the cutting-edge of such implementations. The Minister intends to adopt the standards implemented by the UK central government with a one-year delay. Therefore, it is the Minister's policy that the Jersey FReM for 2019 will adopt IFRS in line with the UK FReM for the year ending March 2018.

As with the preparation of the initial JFReM, new standards introduced in the UK FReM may require some modification for the States of Jersey. The Minister intends to continue to consult the Comptroller and Auditor General and Audit Committee on all significant amendments to the JFReM before implementing them.