



Information Note:

T-067: JT Accounting and Cost Allocation Audit Findings and Next Steps

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Jersey Competition Regulatory Authority
2nd Floor Salisbury House, 1-9 Union Street,
St Helier,
Jersey, JE2 3RF
Tel 01534 514990
Web: www.jcra.je

Information Note

In line with the Jersey Competition Regulatory Authority's (the **Authority**) 2022 Business Plan, an audit of JT's processes and controls with respect to its accounting and cost allocation practices has been completed. The Authority appointed Grant Thornton (Channel Islands) (**Grant Thornton**) to conduct the audit, which was carried out against the published terms of reference.¹

The independent audit did not identify any high-risk findings, and noted the progress made by JT in updating their accounting systems to be able to provide appropriate cost data. Flowing from the audit findings there are a series of recommendations for both JT and the Authority, which are detailed in the non-confidential summary report² prepared by Grant Thornton and published alongside this Information Note.

The Authority and JT have accepted the recommendations from the audit. The Authority's 2023 Business Plan will include a project designed to give effect to the recommendations. This will include a review of JT's cost allocation model and the implementation of an appropriate form of annual cost reporting. This will help ensure that future data provided to the Authority is appropriate and accurate. Stakeholders will be provided with an update on this project in due course.

¹ See: <https://www.jcra.je/media/598572/jt-accounting-and-cost-allocation-audit-information-note.pdf>

² A separate confidential report has been provided to the Authority and JT for their full consideration.