



Case T-127

Regulatory Financial Reporting: 2024 Submission - Approach, Findings, and Next Steps Information Note

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Information Note

This Information Note accompanies the publication of JT (Jersey) Limited (**JT**)’s 2024 submission for Regulatory Financial Reporting. It provides the background, explains the approach to the review of the submission and sets out the key findings and next steps.

Background

Regulatory accounting and financial information are important elements of telecoms regulation. The Jersey Competition Regulatory Authority (the **JCRA**) developed a regulatory financial reporting framework. This was implemented through case T-080 - Regulatory Financial Reporting¹ and requires JT to provide relevant regulatory accounting information on an ongoing basis. The framework consists of a template and explanatory note, with publishable versions of each available on the JCRA website and JT’s Wholesale Portal.²

The JCRA’s work in this area:

- Underpins JT’s ongoing obligation to maintain appropriate accounting records, providing additional clarity on the regulatory policy framework;
- Incorporates regulatory reporting best practice from other jurisdictions, including small nations, whilst being tailored to reflect JT’s functionality and structure; and
- Provides information that will allow the JCRA to more efficiently complete and implement market reviews and any associated remedies, such as price controls.

The JCRA’s approach

JT’s 2024 submission on Regulatory Financial Reporting was received by the 31 May 2025 deadline. With the support of Frontier Economics (**Frontier**),³ the JCRA has undertaken a review of the template and explanatory note.

JT’s initial submission for 2024 applied several newly proposed cost drivers and cost allocations, these had the effect of changing certain categories of cost in some markets making a comparison with prior year challenging. Further, the JCRA felt that the accompanying explanatory note did not clearly describe the change in cost drivers and cost allocations to fully explain the material changes from 2023.

As a result, the JCRA engaged with JT between June and September 2025 with a view to developing the publishable template and explanatory note for 2024. This process included:

¹ See: [T-080 - Regulatory Financial Reporting](#)

² This and previous years submissions are available on: [Regulatory Financial Reporting](#). Note JT’s Wholesale Portal is accessible to JT’s wholesale customers.

³ Frontier Economics is a microeconomics consultancy providing economics advice to public and private sector clients. Frontier have extensive experience in advising regulators and operators in developing, reviewing and auditing regulatory accounts and associated documentation, across multiple jurisdictions

- A series of meetings between JT and the JCRA/Frontier;
- E-mail correspondence requesting further explanation/information; and
- Formal letters requesting clarification.

The engagement process resulted in an extension to the timeline for the final submission of JT's Regulatory Financial Reporting to 19 September 2025.

Review findings

A key output from the engagement process was the production of Regulatory Financial Information for 2024 based on the cost drivers and cost allocation methodology applied in 2023. This approach was adopted to maintain consistency between 2023 and 2024 with further discussion on drivers and cost allocation to be undertaken through the wholesale broadband price control project.⁴

Frontier's review of JT's final submissions for 2024 (based on the cost drivers and cost allocation methodology applied in 2023) found them to be in-line with the requirements of the Final Decision; the financial template was considered to be accurate and complete, and the explanatory note meets the specified requirements. Further, based on a high-level review, Frontier noted that the outputs appear consistent with an understanding of the telecommunications markets in Jersey, and the breakdown of costs in each market are aligned with the breakdowns observed in comparable jurisdictions.

Next steps

Recognising that cost systems, processes and methodologies are subject to change, the JCRA will continue to develop work on Regulatory Financial Reporting. For example, as part of the review, Frontier observed that for some categories of cost there may be scope to refine the approach to cost allocation. The JCRA's current work on the wholesale broadband price control will involve further detailed analysis of costs and allocation methods, and this will take account of observations gathered through the review of the 2024 submission. This work will also frame JT's Regulatory Financial Reporting submission for the 2025 Financial Year which is due to be submitted by 31 May 2026.

⁴ See: [T-138 - Wholesale Broadband Price Control](#)