



Government of Gibraltar

Public Accounts of Gibraltar 2016-2017 and 2017-2018

Together with the report of the Principal Auditor Thereon





Suite 3.30 World Trade Center
6 Bayside Road
Gibraltar

21 December 2023

The Honourable Judge Karen Ramagge
Speaker of the Gibraltar Parliament
The Parliament
Gibraltar

Dear Madam Speaker,

I herewith enclose my report on the audit of the public accounts of Gibraltar for the years ended 31 March 2017 and 31 March 2018, together with the accounts certified by me. I shall be grateful if you would arrange for the report and accounts to be laid in the next session of the Parliament, pursuant to section 74(2) of the Gibraltar Constitution 2006.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'A R Sacramento', with a horizontal line underneath.

A R Sacramento
Principal Auditor



**Report of the Principal Auditor
on the Public Accounts of Gibraltar
for the financial years ended
31 March 2017 and 31 March 2018**

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PART 1 - INTRODUCTION

Reporting Authority

- 1.1.1** Section 74(1) of the Constitution of Gibraltar requires the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government to be audited and reported on by the Principal Auditor. Section 74(2) requires that such reports be submitted and laid before the Gibraltar Parliament. Section 74(3) lays down that in the exercise of his functions under the Constitution the Principal Auditor shall not be subject to the direction or control of any other person or authority.
- 1.1.2** The provisions of Part IX of the Public Finance (Control and Audit) Act empower the Principal Auditor to audit and report on the accounts of every person or body that is in receipt of a contribution from public monies, or in respect of whom the Government has given a guarantee to any person, or whose operations may impose or create a liability on any public monies - not being a body corporate whose accounts the Principal Auditor is for the time being specifically required or empowered to audit and report on under any other law. A copy of every such audited account and any report of the Principal Auditor thereon is required to be laid before the Gibraltar Parliament.
- 1.1.3** The Principal Auditor is also required to audit the accounts of a number of other bodies, such as those of statutory corporations, authorities and agencies; and, by agreement, audits other accounts; and reports thereon in accordance with the relevant legislation. He also has a statutory obligation to examine liquidators' accounts in respect of companies in compulsory liquidation and official trustee accounts of debtors adjudged bankrupt where the winding up commenced prior to 1 November 2014, the date of the coming into force of the Insolvency Act 2011.

Audit Evidence

- 1.2.1** The audit programme of work, decided annually by the Principal Auditor, is designed to provide sufficient and appropriate audit evidence in order to offer a reasonable basis for an opinion to be given on the general accuracy and regularity of the Government's financial and accounting transactions. Given the significant volume and diversity of these transactions such evidence is obtained by applying selective and sampling procedures. In deciding the level of selective testing and sample sizes, account is taken of the results of in-depth reviews designed to identify possible areas of weakness and/or risk and also on the degree to which reliance and assurance can be placed on Treasury, departmental accounting practices and internal control systems.

Reporting Process

- 1.3.1** The Principal Auditor has discretion as to the form and content of his annual report on the public accounts of Gibraltar. However, he generally restricts himself to reporting matters that he considers significant and/or constitute an actual or potential loss of public resources, a lack of financial control, an impairment of accountability and a breach of, or non-compliance with, legislative or other requirements. He does not generally report errors or deficiencies that, in his opinion, have been, or are being, satisfactorily rectified, except where deficiencies have resulted in a loss to the public purse. Departments covered in this report are not the only departments that have been subjected to audit examination since the last report.
- 1.3.2** Audit views, advice, recommendations and other observations contained in the report on the annual accounts are discussed with Controlling Officers and Receivers of Revenue who are requested for their views and comments. Where appropriate, responses from auditees are summarised for inclusion in the annual report.

Value for Money Audit

- 1.4.1** Value for Money (VFM) examinations assess the extent to which government departments and other public bodies have employed their resources; whether financial, human or material; in the performance of their functions and activities. VFM audits principally provide independent information, advice and assurance concerning economy, efficiency and effectiveness in the major fields of revenue, expenditure and the management of resources, including the evaluation of service quality and the measurement of performance. VFM reviews also highlight appropriate means of securing improvements in financial control and value for money, and encourage, support and assist audited bodies in taking proper action where improvements are shown to be necessary and cost effective in order to enhance accountability.
- 1.4.2** Although the Principal Auditor does not yet have specific statutory authority to carry out VFM examinations he has been doing so, with the support of the Government, since 1992. VFM reviews do not question the merits of policy objectives. However, the means by which policy objectives are pursued, the implementation arrangements and controls, the costs incurred and the results achieved are all legitimate subjects for VFM studies.
- 1.4.3** The Principal Auditor reports both good practice and management deficiencies. The selection of topics for investigation is based on a systematic review of government spending with particular attention given to areas where the largest resources are involved, where VFM is judged most at risk and where there are greater opportunities to enhance performance. All studies undertaken as part of the VFM programme should have a lasting benefit to the audited body through improved service delivery, financial savings and/or improved governance.
- 1.4.4** Draft VFM reports are discussed with the audited body concerned with a view to identify any fundamental differences of opinion on the main facts and conclusions to ensure accuracy and completeness as well as a balanced and fair presentation. Reports do incorporate responses received to the main issues raised.
- 1.4.5** Audit work on VFM reviews conducted so far has generally provided a positive and valuable effect on departments and other public bodies, by delivering a greater awareness in the areas covered by the audit programme of VFM studies and from improvements made to systems and procedures on the specific areas examined.
- 1.4.6** Five VFM reviews were completed since the audit report on the annual accounts for the financial year 2015-16 was published. A summary of the main findings and recommendations is presented in Part 5 of this report.
- 1.4.7** The Principal Auditor is committed to continue undertaking VFM reviews given that VFM examinations play a crucial role in providing an independent assessment on whether government departments and other public entities are spending taxpayers' money economically, efficiently and effectively.

PART 2 - ANNUAL ACCOUNTS STATEMENTS

2016-17

General

- 2.1.1** Section 52 of the Public Finance (Control and Audit) Act ("the Act") requires the Accountant General within a period of nine months, or such longer period as shall be allowed, after the close of each financial year to sign and transmit to the Principal Auditor accounts showing fully the financial position of the Government of Gibraltar at the end of such financial year.
- 2.1.2** On 26 December 2017, the Minister responsible for Finance granted an extension for the said public accounts to be submitted to me by the Accountant General, in accordance with the provisions of Section 52 (1) of the Act, until such time as the Supplementary Appropriation Bill was sanctioned by Parliament and the Appropriation Act was published in the Gazette.
- 2.1.3** The Accountant General submitted to me on 3 April 2018 an advance draft of the public accounts of Gibraltar for the financial year ended 31 March 2017, pending the publication of the Supplementary Appropriation (2016/2017) Bill.
- 2.1.4** Pursuant to Section 52 of the Act the Accountant General submitted to me on 28 July 2021 the public accounts of Gibraltar for the financial year ended 31 March 2017, subsequent to the publication of the Supplementary Appropriation (2016/2017) Act 2021 in Legal Notice No. 14 of 2021 of the First Supplement to the Gibraltar Gazette No. 4881 of 27 July 2021, which provides, inter alia, for the appropriation of further sums of money to the service of the year ended 31 March 2017 in respect of Consolidated Fund Recurrent Expenditure; Consolidated Fund Contributions towards the Social Assistance Fund and the Improvement and Development Fund; Recurrent Expenditure of Public Undertakings; and Capital Expenditure of Public Undertakings.
- 2.1.5** However, the Accountant General re-submitted to me the final set of accounts on 28 November 2023 after all adjustments and amendments to the public accounts of Gibraltar had been carried out.

Statement of Assets and Liabilities

- 2.2.1** The Statement of Assets and Liabilities, prepared as part of the public accounts of Gibraltar, does not reflect a large number of government assets, as the government accounting system is principally maintained on a cash basis, except for interest earned on investments, as well as investments, which are accounted for on an accrual basis. Assets not shown include government housing and buildings, vehicles, debtors, as well as shareholding in government-owned companies and joint venture companies. Liabilities, such as sundry creditors are similarly not shown in the statement.
- 2.2.2** The Statement of Assets and Liabilities therefore represents mainly year-end cash assets and liabilities. A note to this effect appears in the Notes to the Accounts in the Annual Accounts.

Consolidated Fund

- 2.3.1 General** - The Consolidated Fund consists of all revenues and other monies raised or received for the purposes of the Government of Gibraltar, except revenues or other monies that are payable by or under any law into some other fund. All expenditure from the Consolidated Fund must be authorised by an appropriation law or by the Gibraltar Constitution or any other law in force in Gibraltar.
- 2.3.2** The Consolidated Fund Balance on 31 March 2017 stood at £119.72m, compared to £84.68m on 31 March 2016, an original estimate of £93.69m and a forecast outturn of £115.47m.

2.3.3 Consolidated Fund - Revenue - Recurrent revenue during the financial year 2016-17 was £655.72m, compared to an original estimate of £590.79m, a forecast outturn of £653.76m and an increase of £74.18m (12.76%) compared to the previous year's recurrent revenue yield of £581.54m. The year-on-year rise was due to increases in receipts principally from Company Tax £26.50m, Import Duties £14.61m, Stamp Duties £14.74m, Income Tax £6.74m, Gibraltar Electricity Authority – Sale of Electricity to Consumers – Other Revenue £3.35m, Group Practice Medical Scheme £2.17m, Court Fees £1.20m, Widows' and Orphans' Pensions Scheme Contributions £0.90m, Recovery of Airport Fire and Rescue Service Costs – MOD £0.84m, Airport Departure Tax £0.73m, General Rates and Salt Water Charges £0.65m, Dividends from Government Shareholdings – AquaGib Ltd £0.60m, Gambling Charges and Fees £0.41m, Fees and Concessions £0.35m, Land Registration Fees £0.35m, Gibraltar Electricity Authority – Commercial Works £0.29m, Sale of Electricity to Consumers: Billed Charges to Consumers £0.28m, Other Reimbursements £0.25m, Airport Landing Fees £0.25m and Companies House Fees £0.22m. On the other hand, there was a year-on-year decrease in Dividends from Government Shareholdings – Gibtelecom Ltd £2.12m, House Rents £0.54m, GHA Services Provided to MOD £0.25m and Kings Bastion Leisure Centre £0.21m.

2.3.4 The titles of the Receivers of Revenue and Controlling Officers referred to hereunder are as specified in the Approved Government of Gibraltar Estimates of Revenue and Expenditure 2016-2017, notwithstanding that the titles might have changed at the time I requested an explanation for a variance. However, if the responsibilities changed to a different Receiver of Revenue or Controlling Officer at the time that I requested an explanation for a variance, I have then made reference to the latter Receiver of Revenue or Controlling Officer.

2.3.5 I hereunder provide the explanations received from Receivers of Revenue for the major variances between original estimates and actual revenue during the financial year 2016-17:

Head 1 – Income Taxes
Subhead 1 – Income Tax

Original Estimate - £150,000,000

Actual Revenue - £154,840,062

The Commissioner of Income Tax informed me that the primary contributors towards the increase were:

- an increase in the annual average earnings;
- continuous progress made by the Income Tax Office in the timely payment by employers of current PAYE; and
- growth in the finance, gaming and construction sectors.

Head 1 – Income Taxes
Subhead 2 – Company Tax

Original Estimate - £105,000,000

Actual Revenue - £135,682,730

The Commissioner of Income Tax explained that the reason for the increase was attributable to a growth in the collection of corporation tax from the gaming, insurance and finance sectors.

Head 2 – Duties, Taxes and Other Receipts
Subhead 1 – Import Duties

Original Estimate - £150,000,000

Actual Revenue - £166,492,897

The Collector of Customs informed me that the budget for Import Duties is set by the Office of the Financial Secretary. He further explained that the reason for the positive variance between the estimated revenue and actual revenue collected was due to an increase in

volume of imports of cigarettes, fuel oil, motor spirits and other dutiable items. Additionally, there was a rise in the import duty collected as a result of a budget increase in the import duty payable on water pipe tobacco from 12% ad valorem duty to £3 per kilo (representing a three-fold increase in import duty on this commodity).

Head 2 – Duties, Taxes and Other Receipts

Subhead 4 – Stamp Duties

Original Estimate - £22,000,000

Actual Revenue - £19,650,640

The acting Accountant General informed me that the estimate for Stamp Duties is provided by Land Property Services Limited based on the previous year's collections, as it is difficult to predict with accuracy the volume of real property transactions that will occur in the year. The acting Accountant General added that the Treasury's estimates submission was increased by the Office of the Financial Secretary.

Head 3 – Gambling Charges, Fees and Lottery

Subhead 1 – Gambling Charges and Fees

Original Estimate - £14,000,000

Actual Revenue - £15,266,369

The Principal Secretary, Education, Justice and International Exchange of Information, informed me that the Gambling Division's revenue estimate for the financial year 2016-17 was based on the minimum amount of revenue expected to be received. The Principal Secretary added that it is always difficult to calculate the exact revenue to be received from their licensed gaming operators as they do not know for certain how they will perform, and the operators do not provide forecast figures either. Nevertheless, the Principal Secretary further explained that the main variance to the estimate resulted from the delay in the merger of one gaming company with another and as a consequence the fees from the company were omitted in the estimates calculation; additionally, one other gaming operator that was licensed in March 2016 was also inadvertently omitted from the estimate.

Head 3 – Gambling Charges, Fees and Lottery

Subhead 4 – Government Lottery - Surplus

Original Estimate - £1,000

Actual Revenue - £591,861

The acting Accountant General explained that the £1k estimate was a token figure and that due to the wide variations that can occur in annual surpluses this is not reflected in Consolidated Fund Revenue until the surplus is established, and the transfer is effected at the end of the financial year.

Head 4 – Rates and Rents

Subhead 1 – General Rates and Salt Water Charges

Original Estimate - £24,000,000

Actual Revenue - £24,576,489

The acting Accountant General explained that the estimates figure is normally provided by Land Property Services Limited, who had informed her that the positive variance was attributable to an increase in collections as a result of the arrears recovery efforts.

Head 4 – Rates and Rents

Subhead 2 – Ground and Sundry Rents

Original Estimate - £2,500,000

Actual Revenue - £3,240,916

The acting Accountant General informed me that the Ground and Sundry Rents revenue estimate is also provided by Land Property Services Limited based on the level of rents billed

in the previous financial year. The company explained that the increase in revenue was due to an increase in rents throughout the year in addition to the increased arrears recovery efforts.

Head 5 – Departmental Fees and Receipts

Subhead 8 – Fees and Concessions

Original Estimate - £2,100,000

Actual Revenue - £2,523,909

The Chief Secretary informed me that the positive variance of £423,909 was due to the increased services announced for the summer season in 2016 which resulted in additional weekly services by the flight operators. It should be noted that the Fees and Concessions revenue subhead largely comprises income derived from ground handling fees in addition to the non-aeronautical revenue stream resulting from concessionaires' fees received from retail and catering outlets at the Gibraltar International Airport.

Head 5 – Departmental Fees and Receipts

Subhead 11 – Group Practice Medical Scheme

Original Estimate - £52,000,000

Actual Revenue - £53,632,722

The acting Medical Director of the Gibraltar Health Authority informed me that the increase of £1.63m in revenue was as a result of an increase in the Group Practice Medical Scheme contributions collected in the financial year against the revenue estimate.

Head 5 – Departmental Fees and Receipts

Utilities – Gibraltar Electricity Authority

Subhead 19(c) – Sale of Electricity to Consumers: Other Revenue

Original Estimate - £Nil

Actual Revenue - £3,347,503

The Finance and Administration Director explained, on behalf of the Chief Executive Officer of the Gibraltar Electricity Authority, that the revenue amounting to £3.30m was in respect of electricity units supplied to GMES Ltd, who in turn sold the electricity to the Ministry of Defence. This came as a consequence of the shut-down of the ex-ISGS (Inter Services Generating Services) Power Station.

Head 5 – Departmental Fees and Receipts

Utilities – Gibraltar Electricity Authority

Subhead 23 – Commercial Works

Original Estimate - £4,000,000

Actual Revenue - £2,896,878

The Finance and Administration Director also explained to me, on behalf of the Chief Executive Officer of the Gibraltar Electricity Authority, that the unfavourable variance in revenue of £1,103,122 was mainly attributable to the non-collection of outstanding revenue from works brought forward from the previous financial year.

Head 5 – Departmental Fees and Receipts

Subhead – 50 House Rents

Original Estimate - £2,000,000

Actual Revenue - £2,417,231

The Principal Housing Officer informed me that the increase in House Rents revenue was as a direct result of implementing the underlisted policies that, in conjunction with other Government departments and agencies, form part of the arrears recovery strategy.

- Withholding of zone parking permits to those owing House Rent arrears until these were settled;
- Non-allocation of new boat marina berth to those with House Rent arrears until these were settled;
- Non-allocation of shed/stores to those in arrears of House Rent until these were settled;
- Changes of Tenancies, e.g. changes to particulars, such as inclusions to households not authorised unless House Rent arrears were settled;
- Non-approval of flat exchanges or upgrades of flat until House Rents arrears were settled;
- On the authority of the Chief Secretary and Human Resources Manager, all civil servants and public servants who had a Government tenancy were required to pay their House Rents by way of payroll deduction;
- Encouraging the payment of House Rents by way of automated payment (such as standing orders, online payment or deduction at source from former civil servants' pensions) rather than physical payment at the Counter; and
- Staff from other Government departments were seconded to the Housing Department to assist with the one-to-one interviews with tenants in arrears.

Head 5 – Departmental Fees and Receipts

Subhead 62 – Court Fees

Original Estimate - £250,000

Actual Revenue - £1,805,703

The Chief Executive, Gibraltar Courts Service informed me that the approved budget for the year was an estimated forecast based on revenue collected solely on court fees for applications received through the Court counters in the preceding financial years. This forecast, she highlighted, can never be accurate as it is impossible to envisage the number of court applications that will be received during the year. The Chief Executive added that the approved estimate for the year did not include the amount of poundage that may be collected from the sale of arrested ships as it is evidently not possible to foresee the number of ships, if any, that may be arrested and sold by the Admiralty Marshal during the course of the year. She reported that in the financial year 2016-17 the revenue collected in respect of poundage arising from the sale of six vessels was £1,688,312, whilst the sum collected in court fees was £117,391.

Head 5 – Departmental Fees and Receipts

Subhead 72 – Kings Bastion Leisure Centre

Original Estimate - £550,000

Actual Revenue - £Nil

The acting Senior Executive Officer, Culture and Heritage informed me that as from 1 January 2015 the running of the King's Bastion Leisure Centre has been carried out by a privately owned company. Under the terms of a service agreement between this private entity and King's Bastion Leisure Centre Company Limited, a wholly-owned government company, the income collected from the leisure centre is credited to the government-owned company and therefore no longer constitutes Government revenue. As a consequence, the revenue estimate for the financial year 2016-17 should have been zero, nevertheless the department erroneously submitted the same revenue bid as in previous years thus creating a negative variance of £0.55m.

Head 5 – Departmental Fees and Receipts

Subhead 73(a) – Revenues Received: Mega Concert

Original Estimate - £1,000,000

Actual Revenue - £1,413,913

In his reply the acting Senior Executive Officer, Culture and Heritage informed me that the department had underestimated their budget submission. However, he emphasised that the exact amount of people that attend the festival is difficult to predict. The acting Senior

Executive Officer also informed me that the department had sold more VIP and VVIP Corporate Boxes than envisaged, thereby significantly increasing the revenue collected. Additionally, the producers were able to obtain more sponsorship revenue than originally estimated at the time of the budget submission.

Head 6 – Government Earnings

Other Fees and Receipts

Subhead 2 – Widows' and Orphans' Pension Scheme Contributions

Original Estimate - £1,000

Actual Revenue - £901,972

The Accountant General explained that the £1k estimate sum was a token figure given that the collection of the Widows' and Orphans' Pension Scheme contributions was dependent on when the Amendment to the Pensions (Widows and Orphans) Act was passed through Parliament (the Bill had been tabled in Parliament in July 2015). This was done in August 2016 and the revenue reflects collections from August 2016 to March 2017.

Head 6 – Government Earnings

Other Fees and Receipts

Subhead 6 – Other Reimbursements

Original Estimate - £1,500,000

Actual Revenue - £3,365,517

The Accountant General informed me that the positive variance is attributable to the transfer of employer pension contributions to Consolidated Fund Revenue as a result of members of the teaching profession being given retrospective eligibility to retire under the Pensions Act. The employer's share of the pension contributions standing to their name in the relevant contributory pension scheme(s) was returned to the employer, i.e. the Government of Gibraltar.

2.3.6 Consolidated Fund – Expenditure - Recurrent expenditure for 2016-17 stood at £575.68m, compared to an original estimate of £570.47m, a forecast outturn of £577.97m and an increase of £36.79m (6.83%) compared against the previous year's recurrent expenditure of £538.89m.

2.3.7 Consolidated Fund – Expenditure – Consolidated Fund Contributions - There was a contribution of £25.00m from the Consolidated Fund to the Improvement and Development Fund in the year 2016-17 unlike the previous financial year where there was no contribution. There was also a contribution of £25.00m to government-owned companies during the year which was identical to the contribution made in the previous year, and which I comment in paragraph 2.3.8 below. Furthermore, there was a transfer from Government Surplus to the Social Assistance Fund of £20.00m which was the same as the previous year's transfer. There was no exceptional expenditure in the year 2016-17 unlike the previous year where the sum of £0.02m was spent on costs relating to the Dr Giraldi Home Inquiry.

2.3.8 The information I requested from the Financial Secretary regarding the contribution of £25m from the Consolidated Fund to government-owned companies in the financial year 2016-17, together with his reply and a similar query made in relation to the contribution of £25m in the subsequent financial year 2017-18 under Head 53 Subhead 1 Contribution to Government-Owned Companies, is found in paragraph 2.8.6.

2.3.9 I draw attention hereunder to the reasons provided by Controlling Officers regarding the major variances between the original estimates and the actual expenditure for the financial year 2016-17, which in my opinion warrant an explanation:

Head 03 – Pensions

Subhead 1 – Pensions

Original Estimate - £33,000,000

Actual Expenditure - £34,364,821

The acting Accountant General explained that pension payments are difficult to project with accuracy, nevertheless, the Treasury estimate had been reduced from their submitted figure of £34.40m.

Head 03 – Pensions

Subhead 2 – Gratuities under the Pensions Act and Parliament Act

Original Estimate - £1,000,000

Actual Expenditure - £526,286

The acting Accountant General informed me that it is similarly very difficult to provide an accurate estimate of the gratuities that will be paid during the year and therefore a token sum of £1m is reflected every year in the Estimates. In the financial year ended 31 March 2017 gratuity payments fell short of the token £1m by £0.47m.

Head 1 – Treasury

Subhead 2 – Other Charges – (3) Insurance Premiums and Claims

Original Estimate - £1,050,000

Actual Expenditure - £602,297

The acting Accountant General explained that the positive variance of £0.45m was as a result of the budget sum including the cost of the Residential Property Protector premium which was subsequently paid by Gibraltar Residential Properties Limited, on behalf of Gibraltar Capital Assets Limited, this being the proper charge according to the acting Accountant General.

Head 1 – Treasury

Subhead 2 – Other Charges – (6) Circulating and Commemorative Coinage Expenses: (a) Circulating Coinage Expenses

Original Estimate - £365,000

Actual Expenditure - £61,145

The acting Accountant General informed me that the reason for expenditure falling short of the estimate was primarily because no coinage orders were made due to the prolonged negotiations of the circulating coinage contract. She explained that coinage requirements throughout 2016-17 were met from existing stocks which were not replenished during the year.

Head 2 – No.6 Convent Place

Subhead 2 – Other Charges – (17) Ex-Gratia Payments

Original Estimate - £50,000

Actual Expenditure - £790,546

The Chief Secretary informed me that the approved estimate of £50k was insufficient to meet ex-gratia payments approved by the Chief Minister, which were not known at the time of the estimates preparation.

Head 11 – Government Law Offices

Subhead 2 – Other Charges – (7) Legal Consultancy Services including Private Sector Fees for Legal Advice

Original Estimate - £1,345,000

Actual Expenditure - £2,812,240

The Senior Executive Officer, Advisory and Parliamentary Counsel Offices informed me that the budgetary bid of £1.35m for 2016-17 was made by the Chief Secretary, who had up till then been the Controlling Officer for this subhead of expenditure. However, at the start of the financial year 2016-17, the control of this vote of expenditure was transferred to the Senior Executive Officer, Advisory and Parliamentary Counsel Offices. The latter explained that the bid is calculated after writing to all government departments and aggregating their respective

requests. The annual average expenditure in this subhead, which is approximately under £3m, is also taken into account. Nevertheless, the bid presented at Estimates time is usually reduced by the Office of the Financial Secretary. She further explained that she has to work very closely with the Office of the Financial Secretary given that it is very difficult to manage this budget as Government's requirements in this area are largely demand-led.

Head 14 – Health

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority: (a) Contribution from Revenues Received

Original Estimate - £56,431,000

Actual Expenditure - £58,248,598

The acting Accountant General explained that the Contribution from Revenues Received made to the Gibraltar Health Authority reflected actual revenue collected under Consolidated Fund Revenue Head 5 Subheads 11, 12, 13 and 14 which collectively showed the same variance of £1.82m.

Head 14 – Health

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority: (b) Additional Contribution

Original Estimate - £42,809,000

Actual Expenditure - £56,273,000

The acting Accountant General informed me, from information provided by the Senior Executive Officer, Finance Department at the Gibraltar Health Authority (GHA), that the estimate for the year is based on the GHA's Estimates submission. The budgetary overspend of £13.46m was the result of increased expenditure relating to direct patient care, largely in the areas of Sponsored Patients (£8.40m), Relief Cover (£3.85m) and Drugs (£1.44m).

Head 16 – Utilities

Subhead 2 – Other Charges - Electricity – (1) Contributions from the Consolidated Fund to the Gibraltar Electricity Authority: (a) Contribution from Revenues Received

Original Estimate - £25,552,000

Actual Expenditure - £29,105,571

The Financial Secretary informed me that the excess variance of £3.55m arose from the decision taken during the course of 2016-17 to properly reflect the cost of the electricity consumed by the Ministry of Defence (MOD) as an income stream for the Gibraltar Electricity Authority as opposed to the earlier practice of netting this revenue against expenditure. The electricity produced by the Authority is supplied to the MOD through Gibraltar Mechanical and Electrical Services Ltd (GMES), who in turn bills the MOD. The revenue derived is therefore a reimbursement to the Authority of the amount received by GMES from the MOD.

Head 16 – Utilities

Subhead 2 – Other Charges - Electricity – (1) Contributions from the Consolidated Fund to the Gibraltar Electricity Authority: (b) Contribution from Revenues Received – Commercial Works

Original Estimate - £4,000,000

Actual Expenditure - £2,896,878

The Financial Secretary explained that the savings of £1.10m was directly attributable to lower than budgeted revenue, relating to Commercial Works under the Gibraltar Electricity Authority, having been received in the financial year. The unexpected drop in this revenue stream was as a result of two major projects, that had been scheduled for that year, not materialising.

Head 16 – Utilities

Subhead 2 – Other Charges - Electricity – (1) Contributions from the Consolidated Fund to the Gibraltar Electricity Authority: (c) Additional Contribution

Original Estimate - £21,285,000

Actual Expenditure - £22,043,000

The Financial Secretary explained that the higher than budgeted contribution amounting to £0.76m was as a direct result of an under-estimation of the expenditure chargeable to the Gibraltar Electricity Authority's 'Purchase of Electricity: Additional Generating Capacity' account.

Head 17 – Collection and Disposal of Refuse

Subhead 2 – Other Charges – (1) (a) (i) Wages

Original Estimate - £2,140,000

Actual Expenditure - £2,434,418

The Chief Executive (Environment) wrote to me on 30 May 2019, explaining that the excess expenditure of £294,418 was as a consequence of having to provide cover for an employee who was suspended in addition to another worker who was removed from duty. Moreover, cardboard collection was an extra task that had to be carried out by two refuse collectors and one driver. She added that both the human resources cover and the additional cardboard collection duties had been unforeseen when the Estimates were prepared.

Head 18 – Gibraltar Health Authority – Elderly Residential Services Section

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority – Elderly Residential Services Section: (b) Additional Contribution

Original Estimate - £16,493,000

Actual Expenditure - £16,140,000

The acting Accountant General informed me, after obtaining the necessary explanations from the Finance Manager of the GHA Elderly Residential Services Section, that the positive variance in the additional contribution made to the Elderly Residential Services Section of the GHA was largely due to the Dementia Residential Facility not having opened during the financial year 2016-17 even though £1.50m had been budgeted for this purpose. By contrast, excess expenditure was incurred in the sum of £1.17m as a result of the opening of two floors at the John Mackintosh Wing. The difference between the two led to the £0.35m net saving in expenditure.

Head 24 – Economic Development

Subhead 1 – Payroll – Economic Development: 1(a) Salaries

Original Estimate - £215,000

Actual Expenditure - £1,206,917

Head 24 – Economic Development

Subhead 1 – Payroll – Training: 1(f) Salaries

Original Estimate - £674,000

Actual Expenditure - £Nil

The Principal Secretary (Economic Development) explained that both variances are as a result of the Government having decided to merge all the Salaries expenditure relating to the different sections/units under Head 24, namely Subhead 1(1)(f) Training; Subhead 1(1)(k) European Union Programmes Secretariat; and Subhead 1(1)(p) Invest Gibraltar Unit, into Subhead 1(1)(a) Economic Development. This meant that the actual expenditure under Head 24; Subhead 1 Economic Development (1)(a) Salaries increased from £309,072 to £1,206,917 whilst the other three 'Salaries' subheads were reduced to zero expenditure as shown in Figure 1 hereunder:

Figure 1

| Expenditure Subhead | From | To |
|--|------------|------------|
| Head 24, Subhead 1 Economic Development (1)(a) Salaries | £309,072 | £1,206,917 |
| Head 24, Subhead 1 Training (1)(f) Salaries | £470,510 | £0 |
| Head 24, Subhead 1 EU Programmes Secretariat (1)(k) Salaries | £208,723 | £0 |
| Head 24, Subhead 1 Invest Gibraltar Unit (1)(p) Salaries | £218,612 | £0 |
| Totals | £1,206,917 | £1,206,917 |

Head 25 – Equality and Social ServicesSubhead 2 – Other Charges – (5) Contributions from the Consolidated Fund to the Care Agency (b) Additional Contribution

Original Estimate - £16,165,000

Actual Expenditure - £14,974,000

The Senior Executive Officer, Equality and Social Services informed me, from explanations provided by the Finance Manager of the Care Agency, that the net under expenditure of £1.19m was due to: a substantial number of vacancies in the Agency (£847k); savings on overtime (£238k); the effect of the vacancies resulted in savings on employer's pension contributions (£32k); following an increase in foster care there were less children in full time care (£63k); savings in domiciliary care (£269k); savings in day centre expenditure as a result of budgeting to have the day centre service open for an additional day that did not materialise in the financial year (£28k); and other sundry savings (£129K). Conversely, there was an increase in the payment of allowances following the application of the Agenda for Change Agreement (£41k); an underestimate in employer's share of social insurance contributions (£20k); an increase in relief cover expenditure due to the number of vacancies (£107k); the cost of a service user who had to be relocated abroad that was unforeseen at Estimates time (£116k); increase in cost of insurance premium (£14k); increase in IT support expenditure (£20k); ex-gratia settlement (£25k); and other sundry items of additional expenditure (£62k).

Head 27 – Housing - AdministrationSubhead 2 – Other Charges – (3) Contribution to Housing Works Agency

Original Estimate - £8,056,000

Actual Expenditure - £7,606,000

The Principal Housing Officer informed me that the under expenditure was primarily as a consequence of budgeting for the vacant non-industrial posts which remained unfilled during the year. This had an effect in the subheads of expenditure of Salaries; Bonus Payments; and Employer's Social Insurance Contributions under the Housing Works Agency. The Principal Housing Officer added that there was also a decrease in the Materials subhead of expenditure as a result of the reduction in operatives; and in the Self Repair Scheme subhead of expenditure as this is largely demand led and was not taken up by new tenants.

Head 30 – Social SecuritySubhead 2 – Other Charges – (6) Payment to Social Assistance Fund – Import Duty

Original Estimate - £15,000,000

Actual Expenditure - £7,900,000

The Financial Secretary informed me that as reported in previous years, the level of contribution made to the Social Assistance Fund out of this subhead of expenditure continues to be determined by the actual level of expenditure incurred by the Fund in any given year before the contribution to Gibraltar Community Care is effected. The Financial Secretary explained that this accounting approach was adopted following Government's policy decision to exclusively fund the Social Assistance Fund's contribution to Gibraltar Community Care from the Government's recurrent surplus. He added, that only in the unlikely event that the Government surplus were to prove insufficient, would this subhead provide the element of

funds required to allow the Social Assistance Fund to meet the contribution payment to Gibraltar Community Care. The Financial Secretary said that it is for this reason that a prudent approach is taken at Budget time to provide for these costs; however, by the time the Estimates book is produced with the Forecast Outturn, the Government is in a position to determine its surplus and decide how much should be shown as a contribution to Gibraltar Community Care from that surplus – this then results in a saving from this subhead.

Head 32 – Education

Subhead 2 – Other Charges – (5) Scholarships (a) Mandatory

Original Estimate - £15,138,000

Actual Expenditure - £15,982,058

The Education Adviser, acting for the Director of Education, explained that the variance of £844,058 was attributable to an acute increase in postgraduate studies as a result of a Gibraltar Government policy to award these scholarships as a continuation of the undergraduate degree.

Head 39 – Sport and Leisure

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Sports and Leisure Authority (b) Additional Contribution

Original Estimate - £4,549,000

Actual Expenditure - £5,211,000

The Chief Executive Officer of the Gibraltar Sports and Leisure Authority informed me that the excess expenditure of £662k was primarily due to: Water Expenditure (£210k) - increased water costs due to ineffective swimming pool plant room in addition to a major fault with the hockey pitch watering tank; Overtime (£108k) - increased overtime to ensure minimum manning levels; Sports Grants (£118k) - increased costs due to participation in the Gotland Island Games as well as the cost of 33 extra representatives of the organising committee and partners for the Gibraltar 2019 Island Games; Temporary Assistance (£60k) - increase in summer staff due to demands of the summer sports programme; Hosting of Special Sports and Leisure Events (£51k) - added events during the year that were not included in the original budget submission; and Revenue Received (£112k) - advertising scheme revenue did not materialise as had been expected.

Head 40 – Culture and Heritage

Subhead 2 – Other Charges – (3) Cultural Expenses and Activities (c) Mega Concert

Original Estimate - £1,500,000

Actual Expenditure - £3,485,441

The acting Senior Executive Officer, Culture and Heritage explained that the negative variance of £1,985,441 under the Mega Concert subhead of expenditure was as a result of the Government taking the decision to enhance the Mega Concert after the Estimates bid had been submitted. This was done by increasing the number of performers taking part in the festival and also engaging superior, more expensive, acts than had originally been planned.

Head 42 – Financial Services

Subhead 2 – Other Charges – (10) Subvention to the Financial Services Commission

Original Estimate - £515,000

Actual Expenditure - £1,515,000

The Principal Secretary, Education, Justice and International Exchange of Information, explained that the Government agreed an increased subvention of £1.52m to the Financial Services Commission, representing an increase of £1.00m from the approved budget for the year, as a consequence of the Commission requiring increased funding during the year.

Head 50 – Contribution to the Improvement and Development Fund Subhead 1 – Contribution to the Improvement and Development Fund

Original Estimate - £7,500,000

Actual Expenditure - £25,000,000

The Financial Secretary informed me that even though the overall expenditure incurred under the Improvement and Development Fund in the year 2016-17 was lower than budgeted, because the level of capital revenue collected fell short of the sum expected to be received that year, it required an increased contribution from the Consolidated Fund.

Consolidated Fund - Unauthorised Expenditure

- 2.4.1** All Consolidated Fund expenditure in the financial year 2016-17 was covered by appropriation as required under Section 69 of the Constitution of Gibraltar.

Consolidated Fund - Unauthorised Use of Savings

- 2.5.1** There was no unauthorised use of expenditure savings in the financial year 2016-17.

2017-18

General

- 2.6.1** The Accountant General submitted to me on 12 April 2019 an advance draft of the public accounts of Gibraltar for the financial year ended 31 March 2018, pending the publication of the Supplementary Appropriation (2017/2018) Bill.
- 2.6.2** On 13 December 2018, the Minister responsible for Finance granted an extension for the said public accounts to be submitted to me by the Accountant General, in accordance with the provisions of Section 52 (1) of the Act, until such time as the Supplementary Appropriation Bill was sanctioned by Parliament and the Appropriation Act was published in the Gazette.
- 2.6.3** Pursuant to Section 52 of the Act the Accountant General submitted to me on 28 July 2021 the public accounts of Gibraltar for the financial year ended 31 March 2018, subsequent to the publication of the Supplementary Appropriation (2017/2018) Act 2021 in Legal Notice No. 15 of 2021 of the First Supplement to the Gibraltar Gazette No. 4881 of 27 July 2021, which provides, inter alia, for the appropriation of further sums of money to the service of the year ended 31 March 2018 in respect of Consolidated Fund Recurrent Expenditure; Consolidated Fund Contributions towards the Social Assistance Fund and the Improvement and Development Fund; Recurrent Expenditure of Public Undertakings; and, Capital Expenditure of Public Undertakings.
- 2.6.4** However, the Accountant General re-submitted to me the final set of accounts on 28 November 2023 after all adjustments and amendments to the public accounts of Gibraltar had been carried out.

Statement of Assets and Liabilities

- 2.7.1** The Statement of Assets and Liabilities, prepared as part of the public accounts of Gibraltar, does not reflect a large number of government assets, as the government accounting system is principally maintained on a cash basis, except for interest earned on investments, as well as investments, which are accounted for on an accrual basis. Assets not shown include government housing and buildings, vehicles, debtors, as well as shareholding in government-owned companies and joint venture companies. Liabilities, such as sundry creditors are similarly not shown in the statement.
- 2.7.2** The Statement of Assets and Liabilities therefore represents mainly year-end cash assets and liabilities. A note to this effect appears in the Notes to the Accounts in the Annual Accounts.

Consolidated Fund

2.8.1 The Consolidated Fund balance on 31 March 2018 stood at £119.44m, compared to £119.72m on 31 March 2017, an original estimate of £128.77m and a forecast outturn of £114.81m.

2.8.2 Consolidated Fund - Revenue - Recurrent revenue during the financial year 2017-18 was £638.06m, compared to an original estimate of £614.92m, a forecast outturn of £635.85m and a decrease of £17.66m (2.69%) compared to the previous year's recurrent revenue yield of £655.72m. The year-on-year fall in revenue was due to decreases in receipts principally from Company Tax £24.78m, Stamp Duties £14.99m, Other Reimbursements £1.54m, Gambling Charges and Fees £1.29m, Court Fees £0.85m, Gibraltar Electricity Authority – Sale of Electricity to Consumers: Other Revenue £0.71m, Fees and Concessions £0.52m, Widows' and Orphans' Pensions Scheme Contributions £0.40m, Public Health and Environmental Fees £0.30m, Postal Services Receipts £0.29m, House Rents £0.29m, Recovery of Airport Fire and Rescue Service Costs – MOD £0.25m, Land Registration Fees £0.22m, Dividends from Government Shareholdings – AquaGib Ltd £0.20m and Ship Registration Fees £0.19m. On the other hand, there was a year-on-year increase in Income Tax £11.79m, Import Duties £9.47m, Group Practice Medical Scheme £2.33m, General Rates and Salt Water Charges £2.10m, Tonnage Dues £1.17m, Gibraltar Electricity Authority – Commercial Works £0.83m, Ground and Sundry Rents £0.40m, Tourist Sites Receipts £0.37m, Fines and Forfeitures £0.29m, Berthing Charges £0.26m, Gibraltar Regulatory Authority – Licences and Fees £0.23m and Town Planning and Building Control Fees £0.22m.

2.8.3 I hereunder provide the explanations received from Receivers of Revenue for the major variances between original estimates and actual revenue during the financial year 2017-18:

Head 1 – Income Taxes

Subhead 1 – Income Tax

Original Estimate - £155,000,000

Actual Revenue - £166,626,866

The Commissioner of Income Tax informed me that the prime reasons for the increase in Income Tax revenue for the year were:

- an increase in the annual average earnings;
- continuous progress made by the Income Tax Office in the timely payment by employers of current PAYE; and
- growth in the finance, gaming and construction sectors.

Head 1 – Income Taxes

Subhead 2 – Company Tax

Original Estimate - £120,000,000

Actual Revenue - £110,902,390

The Commissioner of Income Tax explained that the negative variance in the year of £9.10m was attributable to a decrease in the collection of corporation tax from the gaming and insurance sectors.

In his reply, the Commissioner of Income Tax emphasised that any apparent increase or decrease in the level of declared profits by either companies or self-employed individuals are by their very nature open to fluctuations given their sensitivity to prevailing external market conditions and risks. For this reason, he added, such variances cannot form the basis for any reliable forecast or estimate unless a detailed market trend analysis is undertaken by reference to properly documented assumptions.

Head 2 – Duties, Taxes and Other Receipts

Subhead 1 – Import Duties

Original Estimate - £160,000,000

Actual Revenue - £175,958,334

The Collector of Customs informed me that practically the same explanations he provided in the previous financial year 2016-17 also applied to the year 2017-18 in that the budget for Import Duties is set by the Office of the Financial Secretary and that the reason for the positive variance between the estimated revenue and actual revenue collected was due to an increase in volume of imports of cigarettes, fuel oil, motor spirits and other dutiable items. Additionally, there was a rise in the import duty collected as a result of a further budget increase in the import duty payable on water pipe tobacco from £3/kg to £15/kg (representing a five-fold increase in import duty on this commodity) and automotive diesel by 3p/litre (ordinary diesel) and 1p/litre (premium diesel) respectively.

Head 2 – Duties, Taxes and Other Receipts

Subhead 4 – Stamp Duties

Original Estimate - £8,000,000

Actual Revenue - £4,665,600

The acting Accountant General informed me that the revenue estimate for Stamp Duties is provided by Land Property Services Limited based on the previous year's collections, as it is difficult to predict with any degree of accuracy the volume of transactions that will occur in the year. The acting Accountant General added that, in the same way as in 2016-17, the Treasury's Stamp Duties estimates submission for 2017-18 was increased by the Office of the Financial Secretary.

Head 3 – Gambling Charges, Fees and Lottery

Subhead 4 – Government Lottery - Surplus

Original Estimate - £1,000

Actual Revenue - £509,864

The acting Accountant General explained that the £1k estimate was a token figure and that due to the wide variations that can occur in annual surpluses this is not reflected in Consolidated Fund Revenue until the surplus is established, and the transfer is effected at the end of the financial year.

Head 4 – Rates and Rents

Subhead 1 – General Rates and Salt Water Charges

Original Estimate - £26,000,000

Actual Revenue - £26,673,133

The acting Accountant General explained that the estimates figure is normally provided by Land Property Services Limited, who had informed her that the variance was due to an increase in collections as a result of intensive arrears recovery efforts.

Head 4 – Rates and Rents

Subhead 2 – Ground and Sundry Rents

Original Estimate - £3,000,000

Actual Revenue - £3,637,011

The acting Accountant General informed me that the Ground and Sundry Rents revenue estimate is also provided by Land Property Services Limited based on the level of rents billed in the previous financial year. The company explained that the increase in revenue was due to rent increases during the year in addition to the increase in arrears recovery efforts.

Head 5 – Departmental Fees and Receipts

Subhead – 8 Fees and Concessions

Original Estimate - £2,500,000

Actual Revenue - £2,005,702

In his reply, the Chief Secretary explained that the shortfall in revenue was as a result of Monarch Airlines going into liquidation in October 2017 and thereafter ceasing to trade. The immediate effect to Gibraltar International Airport was a 39% loss in traffic capacity and the loss of several airline routes. The Chief Secretary added that even though both EasyJet and British Airways responded slightly by laying some extra capacity in January 2018, the drop in traffic had the effect of a direct loss of income across all of the revenue subheads relating to Aviation (i.e. Airport Departure Tax, Fees and Concessions and Airport Landing Fees) and this reflects the drop in Ground Handling Fees collected by the operator. The latter fees largely comprising the revenue received under Fees and Concessions, in addition to the non-aeronautical revenue stream resulting from concessionaires' fees received from retail and catering outlets at the Airport.

Head 5 – Departmental Fees and Receipts

Subhead – 19 Commercial Works

Original Estimate - £2,750,000

Actual Revenue - £3,725,277

The Finance and Administration Director explained, on behalf of the Chief Executive Officer of the Gibraltar Electricity Authority, that the positive revenue variance of £0.98m was largely attributable to a number of new commercial projects, totalling £2.12m, which were started during the financial year 2017-18 but had not been budgeted for. This was in addition to the revenue received from various projects amounting to £0.21m which was in excess of the budgeted sum. The additional revenue was offset by three commercial projects totalling £1.35m which, although budgeted for, did not start in the financial year.

Head 5 – Departmental Fees and Receipts

Subhead – 20 Tourist Sites Receipts

Original Estimate - £3,500,000

Actual Revenue - £4,058,418

In her letter to me, the Chief Executive (Environment) explained that in the preceding financial year 2016-17, the Government prohibited foreign registered vehicles from entering the Nature Reserve. At the beginning, this reflected in a substantial decrease in cash sales and a slight increase in credit sales from tour operators. When compared together at estimates time, this still gave rise to an overall net decrease in Tourist Sites revenue. As a consequence, the department thought it would be prudent to apply a minimum expected increase of 1.5% in the estimated revenue budget for the year 2017-18. It was later proved, she said, that the revenue picked up considerably hence an increase in the total revenue collected for the year. Figure 2 shows Tourist Sites Receipts collected during the last five financial years.

Figure 2

| Financial Year | Tourist Sites Receipts |
|-----------------------|-------------------------------|
| 2013-14 | £3,196,131 |
| 2014-15 | £3,404,904 |
| 2015-16 | £3,794,129 |
| 2016-17 | £3,691,199 |
| 2017-18 | £4,058,418 |

Head 5 – Departmental Fees and Receipts

Subhead – 37 Contribution by European Social Fund

Original Estimate - £500,000

Actual Revenue - £Nil

The Director EU Programmes replied to me on behalf of the Principal Secretary (Economic Development) explaining that during the financial year 2017-18 no claims were received from

project sponsors, consequently no claims were made to the EU Commission and therefore no revenue was collected.

Head 5 – Departmental Fees and Receipts

Subhead – 39 House Rents

Original Estimate - £2,500,000

Actual Revenue - £2,126,354

The Principal Housing Officer explained that the House Rents revenue budget was based on the outturn figure of the previous financial year (2016-17) and on the arrears recovery programme implemented that same year; and although recovery of arrears continued to flow during 2017-18, the estimated revenue figure fell short of expectations. The Principal Housing Officer further informed me that the Housing Department maintains its strategic policies set for the recovery of rent arrears and continues to strive in the recovery of these.

Head 5 – Departmental Fees and Receipts

Subhead – 40 Group Practice Medical Scheme

Original Estimate - £52,000,000

Actual Revenue - £55,963,689

The acting Medical Director of the Gibraltar Health Authority explained that the increase of £3.96m in revenue was as a result of an increase in the Group Practice Medical Scheme contributions collected in the financial year against the revenue estimates.

Head 5 – Departmental Fees and Receipts

Subhead – 47 Fines and Forfeitures

Original Estimate - £800,000

Actual Revenue - £1,169,438

Head 5 – Departmental Fees and Receipts

Subhead – 48 Court Fees

Original Estimate - £400,000

Actual Revenue - £960,692

The Chief Executive, Gibraltar Courts Service informed me that the approved estimate in respect of Fines and Forfeitures for the year 2017-18 was an estimated forecast based on the revenue collected in the preceding financial years. However, she emphasised that this forecast can never be accurate as it is impossible to envisage beforehand the number of fines that will be issued/imposed by the Magistrates' Court, the Supreme Court, the Royal Gibraltar Police, HM Customs or Gibraltar Car Parks Limited and how many of these fines will be paid. The Chief Executive provided the revenue breakdown shown in Figure 3.

Figure 3

| Fines and Forfeitures Revenue collected during the financial year 2017-18 | |
|--|------------|
| Magistrates' Court | £389,095 |
| Supreme Court | £1,870 |
| Royal Gibraltar Police | £12,628 |
| HM Customs | £9,226 |
| Gibraltar Car Parks Limited | £756,619 |
| Total | £1,169,438 |

The Chief Executive, Gibraltar Courts Service explained in relation to the positive variance of £560,692 in Court Fees that the approved budget for the year was an estimated forecast based on revenue collected solely on court fees for applications received through the Court counters in the preceding financial years. This forecast, she highlighted, can never be accurate as it is impossible to envisage the number of court applications that will be received during the year. The Chief Executive further explained that the estimate for the year did not

include the amount of poundage that may be collected from the sale of arrested ships as it is not possible to foresee the number of ships, if any, that may be arrested and sold by the Admiralty Marshal during the financial year. She reported that in the financial year 2017-18 the revenue collected in respect of poundage arising from the sale of eight vessels was £574,642, whilst the sum collected in court fees was £386,050.

Head 5 – Departmental Fees and Receipts

Subhead – 69(a) Revenues Received: Mega Concert

Original Estimate - £2,000,000

Actual Revenue - £1,302,837

The acting Senior Executive Officer, Culture and Heritage informed me that the new producers were over optimistic in their projections over the revenue to be derived from the Mega Concert. He added that this had been due to their lack of experience as it was their first year; additionally, the producers had had the intention of negotiating big sponsorship deals that never came to fruition.

2.8.4 Consolidated Fund – Expenditure - Recurrent expenditure for the financial year 2017-18 stood at £597.34m, compared to an original estimate of £596.61m, a forecast outturn of £599.75m and an increase of £21.66m (3.76%) compared against the previous year's recurrent expenditure of £575.68m.

2.8.5 Consolidated Fund – Expenditure – Consolidated Fund Contributions - There was a contribution of £26.00m from the Consolidated Fund to the Improvement and Development Fund in the year 2017-18 compared to £25.00m in the previous financial year. Furthermore, there was a contribution of £25.00m to government-owned companies during the year which was the same as the contribution made in the previous year. There was also a transfer from Government Surplus to the Social Assistance Fund of £15.00m compared to £20.00m in the previous financial year 2016-17.

2.8.6 As previously reported in paragraph 2.3.8, in the financial year 2016-17 there was an approved budgeted sum of £25.00m under Head 48, Subhead 1 Contribution to Government-owned companies; the same approved budget sum as in the financial year 2017-18 under Head 53, Subhead 1 Contribution to Government-owned companies. On 6 March 2020, I wrote to the Financial Secretary, who not only is the officer responsible for the preparation of the annual estimates of revenue and expenditure that are presented in Parliament, but is also the Controlling Officer of this Head of Expenditure, requesting that he provides me with information/documentation in support of the Approved Estimate sums of £25m in both financial years 2016-17 and 2017-18. I further requested to know which Government-owned companies ultimately benefited from these contributions and the type of expenditure they ultimately contributed to fund within them. After numerous reminders, the Financial Secretary replied on 13 November 2020 to this query and a number of other outstanding audit queries, explaining that the delay in providing a response was due to his involvement with Brexit and the Covid-19 pandemic which evidently were a priority. The Financial Secretary informed me:

“Over recent years, you have requested information in relation to Government-owned companies. Your most recent request is in respect of the £25m contribution to Government-owned companies for the financial years 2016-17 and 2017-18 which was paid to Gibraltar Investment Holdings Limited. Your request goes further to ask which Government companies ultimately benefited from these contributions and the type of expenditure they ultimately contributed to fund within them. If you were to take up my offer to meet, I would have gladly provided you with an informal explanation as to where and how these funds have been expended and how the amounts are allocated. However, as you confine your requests to formal requests for written information. I am obliged to confine my reply to a formal statement that there is no legal basis that requires or empowers me to share this information with you for audit purposes. In fact, each of the Government-owned companies that is required to by law, is independently audited by a professional accounting firm. I respectfully point out that your audit remit ends with these Government-owned companies.”

2.8.7 On 30 September 2022, I replied to the Financial Secretary, explaining that I had intended to reply earlier but recognising the unprecedented demands that Brexit and the Covid-19 pandemic had placed on his time, I had refrained from adding further pressure on him. I informed the Financial Secretary, just as I had previously told him on a number of occasions, that I was happy to meet with him any time in order for him to provide me with information, nevertheless, this did not detract him from submitting to me a full written response to any matter that comes under his responsibility and which is subject to audit examination. Hence, for the Financial Secretary to propose to meet with me to provide me with an 'informal' verbal explanation on where and how the Consolidated Fund contributions to Government-owned companies had been expended and how the amounts are allocated was completely unacceptable to me. I reiterated to the Financial Secretary what I had told him previously, and that is, that I require a detailed response to a written query. This, in my view, is the appropriate way to operate as it avoids possible ambiguities and misinterpretations, particularly if I needed to quote his response in my report to Parliament.

2.8.8 I further informed the Financial Secretary that his reply, as a formal statement, informing that there is no legal basis that requires or empowers him to share this information with me for audit purposes and that my audit remit ends with these Government-owned companies, was with respect, totally incorrect and misguided. I told him that as he well knew, section 74(1) of the Gibraltar Constitution prescribes that:

"The public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government shall be audited and reported on by the Principal Auditor and for that purpose the Principal Auditor or any person authorised by him in that behalf shall have access to all books, records, reports and other documents relating to those accounts. [my emphasis underlined]".

Also, section 57(b) of the Public Finance (Control and Audit) Act states that:

"57. In the performance of his functions under the Constitution and under this Act, the Principal Auditor shall have such other powers as are reasonably necessary in order to satisfy himself whether or not—

(b) all moneys which have been appropriated and disbursed have been applied for the purposes for which they were appropriated and the expenditure conforms with the authority which governs it. [my emphasis underlined]".

In addition, section 56(1)(b) of the Public Finance (Control and Audit) Act stipulates that:

"56. (1) In the performance of his functions under the Constitution and under this Act, the Principal Auditor—

(b) may call upon any public officer for any explanations and information which he may require in order to enable him to discharge his duties. [my emphasis underlined]".

2.8.9 I told the Financial Secretary, if this were not enough, under Part IX of the Public Finance (Control and Audit) Act, which deals with the examination and audit of accounts of corporate and similar bodies, section 60(1) prescribes that:

"60. (1) This Part shall apply to every person or body—

(a) that is in receipt of a contribution from any public moneys:
not being a body corporate whose accounts the Principal Auditor is for the time being specifically required or empowered to audit and report on under any other law. [my emphasis underlined]".

2.8.10 I further informed the Financial Secretary that the legal opinion I had from the Senior Advisory Counsel from the Office of the Advisory Counsel in the Government Law Offices, in connection with my request for information from a private company that receives a contract fee to carry out a service for the Gibraltar Government, is that I am legally empowered to

obtain this information in relation to corporate bodies that receive a contribution from public monies.

2.8.11 I told the Financial Secretary that in my view, it was perfectly reasonable and legitimate for me to request any information relating to public monies paid out from the Consolidated Fund that Parliament had approved to be paid to Government-owned companies and which I needed as part of the audit of the public accounts of Gibraltar. I told the Financial Secretary that he should understand that £25m was a significant and material sum in the accounts of each of the two financial years that I was auditing and as such it was important that I sought information relating to this expenditure. To draw a parallel as an example, I told the Financial Secretary, that I can, and do request information relating to the budget that Wildlife Gibraltar Ltd or Women in Need, for instance, submit in support of the annual grant that Government pays to these organisations, yet evidently I am not the auditor of these entities, but I am indeed the auditor of the public accounts of Gibraltar.

2.8.12 I clarified to the Financial Secretary that I did not intend to carry out an audit and give an opinion on the financial statements of the Government-owned companies, as my prime duty under the Gibraltar Constitution is the audit of the public accounts of Gibraltar. I nevertheless reiterated my belief that I may do so under the provisions of Part IX of the Public Finance (Control and Audit) Act.

2.8.13 On 9 February 2023, I wrote to the new Financial Secretary informing him that I had issued a response letter to his predecessor on 30 September 2022 on a number of issues that I had previously raised with him and which he had replied to me earlier. I informed the Financial Secretary that in my letter to his predecessor I had invited him to provide his further views and comments which I had still not received. I enquired from the new Financial Secretary that now that he was the Financial Secretary, I did not know if he shared his predecessor's views, or indeed whether his predecessor, if he was in the process of replying to my last letter, had discussed the matters with him and consequently his reply, with his predecessor's views, would be the shared view of them both. I reminded the Financial Secretary that there were a number of important matters raised in the correspondence, but one of particular importance was that of the contribution from the Consolidated Fund to the Government-owned companies, which I was not satisfied with the reply provided. In order to make myself clear, I recapitulated the issue to the new Financial Secretary, namely that in accordance with my statutory and constitutional role, I require to audit the public accounts of Gibraltar. I told him that for this purpose, and among other things, I need to seek explanations and evidence of what and where the expenditure is being spent on. In this respect, as part of the Consolidated Fund expenditure there was a contribution of £25m made to Government-owned companies both in the years 2016-17 and 2017-18 to which I required to know what the £25m was budgeted to be spent on, and what the money was actually spent on. I explained to the Financial Secretary that what I required to learn, in other words, was which Government-owned companies received the contributions from the Consolidated Fund, and the type of expenditure they ultimately contributed to fund within them. I told the Financial Secretary that evidently, aside from the written explanations provided, I would require evidence to support his explanations.

2.8.14 The Financial Secretary replied to me on 3 March 2023, informing me that he had only had the opportunity to briefly discuss my letter with his predecessor but he was looking to undertake a full review of the correspondence and discuss this further with his predecessor and be in a position to reply to the various points once the budget process was completed and the Estimates book was ready. Nevertheless, the Financial Secretary provided the following information in relation to the £25m contribution from the Consolidated Fund to Government-owned companies for both 2016-2017 and 2017-2018:

- *“£25m was the amount budgeted for both financial years by the Government to be paid to Gibraltar Investment (Holdings) Limited (“GIH”);*

- The company which received the contributions from the Consolidated Fund for 2016-17 and 2017-18 was GIH. No other company received a contribution from the Consolidated Fund. GIH received the full £25m for both financial years from the Government so there is no variance between the budgeted figure and the actual [sums] expended;
- Subsequently, GIH apportioned this contribution to various companies. The following is a breakdown by financial years of how GIH largely apportioned the contribution received from the Government in the two financial years:

| Contributions provided by GIH to Subsidiary Public Companies for the Financial Year 2016-17 | |
|--|--------------------|
| <i>Gibraltar Air Terminal Ltd</i> | <i>£13,664,020</i> |
| <i>Gibraltar Bus Company Ltd</i> | <i>£4,670,089</i> |
| <i>Gibraltar Car Parks Ltd</i> | <i>£4,616,938</i> |
| <i>Kings Bastion Leisure Centre Company Ltd</i> | <i>£1,812,005</i> |
| <i>Gibraltar Freeview Ltd</i> | <i>£229,035</i> |
| Total | £24,992,087 |

| Contributions provided by GIH to Subsidiary Public Companies for the Financial Year 2017-18 | |
|--|--------------------|
| <i>Gibraltar Air Terminal Ltd</i> | <i>£13,569,127</i> |
| <i>Gibraltar Car Parks Ltd</i> | <i>£4,706,126</i> |
| <i>Gibraltar Bus Company Ltd</i> | <i>£4,436,661</i> |
| <i>Kings Bastion Leisure Centre Company Ltd</i> | <i>£1,874,226</i> |
| <i>Gibraltar Freeview Ltd</i> | <i>£124,488</i> |
| Total | £24,710,628 |

The Financial Secretary reiterated, as had similarly been highlighted by his predecessor on a number of occasions, that he was also happy to sit and discuss with me the process of the contribution to the Government-owned companies, or any other matter further should I wish to do so.

- 2.8.15** On 6 March 2023, I replied to the Financial Secretary, thanking him for providing me with a schedule of the GIH's apportionment to its related companies of its £25m contribution from the Consolidated Fund in the financial years 2016-17 and 2017-18. Nevertheless, I reminded the Financial Secretary that I had also requested to learn, (i) what did the subsidiary companies require the apportioned funding for (i.e. what the funding was actually spent on); and (ii) the evidence to support this.
- 2.8.16** The Financial Secretary replied to me on 30 March 2023, saying that his view in relation to these specific requests is that he did not have the legal authority to provide such detail for the purposes of an audit by my office. This view was based on the understanding that the term 'public money' ends the moment the monies are received by GIH. He added that GIH has separate and distinct legal personality to the companies to which it distributes the 'public money' that it received from the Consolidated Fund. At this point what GIH does with the contribution or any other income for that matter is a matter for this company and does not fall within the remit of the Public Finance (Control and Audit) Act.
- 2.8.17** The Financial Secretary said that given that he and I had a clear difference in what I believe I am empowered to receive and what he believes he is empowered to provide to me for the purposes of an audit by my office, he said he would appreciate if I could share the legal opinion I had obtained. He added that sharing this would allow him to see my interpretation of the relevant provisions of the Public Finance (Control and Audit) Act and give him the comfort that he would be able to share the information requested for the purposes of an audit

by my office. The Financial Secretary again reiterated that he was again happy to meet and explain the contribution apportionment in person, on an informal basis, for my own peace of mind. He was confident that by doing so he could allay any practical concerns that I might have.

2.8.18 On 18 December 2023, I wrote to the Financial Secretary telling him that I truly could not understand how he, and previously his predecessor, could say that he does not have the legal authority to provide such detail for the purposes of an audit by my office. I said that previously I had informed his predecessor and I was now informing him that, with respect, his view was incorrect and misguided, as both the Gibraltar Constitution and the Public Finance (Control and Audit) Act give me the necessary powers to request the information I require for the purpose of my audit of the public accounts of Gibraltar.

2.8.19 I again highlighted to the Financial Secretary the constitutional and statutory provisions (as specified in paragraphs 2.8.8 and 2.8.9) that in my view empowered me to obtain the information requested from him. I further summarised the position as follows:

- Given that the £25m contribution that was appropriated by Parliament to be paid to the Government-owned companies in the financial years 2016-7 and 2017-18, is Consolidated Fund expenditure, i.e. public monies, which is part of the public accounts of Gibraltar, and I am responsible to audit this under the Gibraltar Constitution; and
- These contributions of £25m, constituting public monies, have been paid to one parent Government-owned company, namely GIH, who has apportioned these public monies to subsidiary public companies. I acknowledged that the Financial Secretary had provided me with a breakdown of the £25m contribution in both years, apportioned by GIH to its subsidiary companies. However, I still required to know for what purpose the subsidiary companies required the public funding (i.e. what was the funding actually spent on, and the necessary evidence in support of this).

2.8.20 I reiterated to the Financial Secretary, that he could not deny that I have a constitutional and statutory right, as the external auditor to the Government of Gibraltar, and in auditing the public accounts of Gibraltar, to satisfy myself whether or not, all monies which have been appropriated and disbursed have been applied for the purposes for which they were appropriated and the expenditure conforms with the authority which governs it (Section 74(1) of the Gibraltar Constitution and section 57(b) of the Public Finance (Control and Audit) Act refers).

2.8.21 As the Financial Secretary had requested me to provide him with the legal opinion I had, that I believed allowed me to request the information I was seeking from him, I told him that the legal opinion I had was from the Senior Advisory Counsel from the Government Law Offices. On 31 May 2018, I wrote to the Senior Advisory Counsel in connection with my request for information from a private company, namely Land Property Services Limited ("LPS"), that receives a contract fee to carry out a service for the Government of Gibraltar. I informed the Senior Advisory Counsel that I was legally empowered to inspect, examine or obtain information held by LPS which relates to the services undertaken by the company in respect of which the company receives a contribution from the Government of Gibraltar and which I considered necessary for the performance of my audit. The Senior Advisory Counsel agreed with my views in as much as drafting the letter for me to send to LPS, on the basis of the views I had presented to him, in order to be able to obtain information from LPS. I also provided the Financial Secretary with the email dated 20 July 2018, where I confirmed to the Senior Advisory Counsel that following the letter I had submitted to the Managing Director of LPS, the company had acceded to provide me with the information I requested for my audit.

2.8.22 I further told the Financial Secretary that his continued offers, similar to his predecessor's, to meet with me and explain the £25m contribution apportionment for both financial years on an informal basis, was not acceptable, I had said this many times. I emphasised that as part of my audit function I do not obtain and receive information, relating to the audits I carry out,

on an informal basis, this is not an adequate and satisfactory method of working given that in audit work, an auditor needs formal written communication and evidence to corroborate the explanations obtained during an audit.

- 2.8.23** The Financial Secretary replied on 20 December 2023, informing me that the Government had no issue in sharing the management accounts of these companies, or alternatively confidentially disclosing the statements used by Treasury to prepare the figures that equate to the contributions paid by GIH to its subsidiaries. The Financial Secretary said he was hopeful that this disclosure would satisfy my requirement to confirm that the monies appropriated and disbursed from the Consolidated Fund had been applied for the purposes for which they were appropriated.
- 2.8.24** The Financial Secretary further explained, as previously highlighted in his communication to me on 3 March 2023 (see paragraph 2.8.14), that both in the financial years 2016-17 and 2017-18 the £25m contribution to Government-owned companies has been paid in full to GIH. Subsequently, these funds have been apportioned by GIH to its subsidiary companies to meet the net recurrent expenditure of these companies. Expenditure of the subsidiaries includes items that would form part of any limited company's normal course of business, such as: payroll costs; and related operating costs, such as: repairs and maintenance, rent and rates, electricity and water, accounting and legal fees, cost of security services, insurance, service charges, etc.
- 2.8.25** The Financial Secretary stressed that it was extremely important to highlight that for each of the financial years 2016-17 and 2017-18 over £24.5m of the contribution provided each year by GIH was paid to subsidiary public companies that provide a public service to Gibraltar, these include the Gibraltar Bus Company Ltd, Gibraltar Air Terminal Ltd, Gibraltar Car Parks Ltd and the Kings Bastion Leisure Centre Company Ltd.
- 2.8.26** I draw attention hereunder to the reasons provided by Controlling Officers regarding the major variances between the original estimates and the actual expenditure for the financial year 2017-18, which in my opinion warrant an explanation:

Head 03 – Pensions

Subhead 1 – Pensions

Original Estimate - £36,500,000

Actual Expenditure - £36,958,930

The acting Accountant General explained that pension payments are difficult to project with accuracy, nonetheless, the Treasury estimate had been reduced from their submitted figure of £37.00m.

Head 03 – Pensions

Subhead 2 – Gratuities under the Pensions Act and Parliament Act

Original Estimate - £1,000,000

Actual Expenditure - £1,498,906

The acting Accountant General informed me that it was similarly very difficult to provide an accurate estimate of the gratuities that will be paid during the year and therefore a token sum of £1m is reflected every year in the Estimates. In the financial year ended 31 March 2018 gratuity payments exceeded the token £1m by £0.50m.

Head 07 – Revenue Repayments

Subhead 1 – Repayment of Revenue

Original Estimate - £10,000,000

Actual Expenditure - £15,483,241

In her reply to me, the acting Accountant General explained that expenditure had exceeded the budget sum due to the release of tax assessments covering the tax years 2011-12 and 2012-13.

Head 1 – Treasury

Subhead 2 – Other Charges – (6) Circulating and Commemorative Coinage Expenses: (a) Circulating Coinage Expenses

Original Estimate - £636,000

Actual Expenditure - £132,349

The acting Accountant General informed me that various factors contributed to the reduced expenditure in Circulating Coinage Expenses during the financial year 2017-18. These were: The contract for circulating coinage was finalised in mid-May 2018 and because the production of coins can take months and payment is effected on delivery, many coin orders made during the year 2017-18 were inevitably paid during the following year 2018-19; this accounted for £90k. Additionally, the budget sum made provision for the production of the new 12-sided £1 coins, at an estimated cost of £420k, which did not materialise. The aforementioned two points obviously had an impact on the miscellaneous expenses estimate in relation to transportation and delivery costs, which also accounts for the overall saving in expenditure.

Head 2 – No.6 Convent Place

Subhead 2 – Other Charges – (6) Government Communication, Information and Lobbying

Original Estimate - £915,000

Actual Expenditure - £1,677,594

The Chief Secretary informed me that the reason for the negative variance of £0.76m was due to newly contracted services and ad-hoc payments during the year which were unknown at the time of the estimates preparation.

Head 2 – No.6 Convent Place

Subhead 2 – Other Charges – (8) Grants: (b) Other Grants and Donations

Original Estimate - £575,000

Actual Expenditure - £1,063,930

The Chief Secretary explained that the excess expenditure of £0.49m over the approved budget for the year was as a result of a number of one-off grants authorised by the Chief Minister which had not been budgeted for at the time that the annual estimates were prepared.

Head 8 – Government Law Offices

Subhead 2 – Other Charges – (7) Consultancy Services including Private Sector Fees for Legal Advice

Original Estimate - £1,500,000

Actual Expenditure - £2,667,233

The Senior Executive Officer, Advisory and Parliamentary Counsel Offices informed me that she had presented a budgetary bid of £2,935,000 to the Office of the Financial Secretary, however, the estimate had subsequently been reduced to £1,500,000.

Head 13 – Utilities

Subhead 2 – Other Charges - Electricity – (1) Contributions from the Consolidated Fund to the Gibraltar Electricity Authority: (b) Contribution from Revenues Received – Commercial Works

Original Estimate - £2,750,000

Actual Expenditure - £3,725,277

The Financial Secretary explained that the £0.98m excess in contribution was as a direct result of a higher than anticipated level of Commercial Works revenue received by the Gibraltar Electricity Authority during the year. The Financial Secretary added that this increase in revenue was as a result of the collection of prior year arrears and a number of project variations.

Head 14 – Collection and Disposal of Refuse

Subhead 2 – Other Charges – (1) Refuse Services: (a) Collection Services provided by Gibraltar Industrial Cleaners Ltd (i) Wages

Original Estimate - £2,307,000

Actual Expenditure - £1,830,562

Subhead 2 – Other Charges – (1) Refuse Services: (a) Collection Services provided by Gibraltar Industrial Cleaners Ltd (ii) Overtime

Original Estimate - £120,000

Actual Expenditure - £717,747

The Chief Executive (Environment) informed that the saving of £0.48m under Gibraltar Industrial Cleaners Ltd - Wages was due to an adjustment, effected in March 2018, to correct a historical accounting error whereby overtime payments were being charged to Wages instead of rightfully being allocated to Gibraltar Industrial Cleaners Ltd - Overtime. The Chief Executive explained that the effect of this adjustment, in addition to extra overtime incurred to cover for additional refuse collections in respect of different events, produced an overspend of £0.60m under Gibraltar Industrial Cleaners Ltd – Overtime.

Head 14 – Collection and Disposal of Refuse

Subhead 2 – Other Charges – (1) Refuse Services: (b) Refuse Disposal: Contracted Services: (ii) Disposal of Other Items

Original Estimate - £1,820,000

Actual Expenditure - £1,374,376

Regarding the underspend of £0.45m under refuse disposal of other items, the Chief Executive (Environment) explained that this saving had arisen as a result of the difficulty in disposing of tyres in the neighbouring country; in addition to budgeting for an increase in the rate of disposal of bulky household items that had not materialised.

Head 16 – Education

Subhead 1 – Payroll – (1) Personal Emoluments (a) Salaries

Original Estimate - £21,354,000

Actual Expenditure - £20,845,933

The Education Adviser, acting for the Director of Education, explained that the savings on Salaries of £508,067 was due to officers taking sabbaticals after having taken their maternity leave. She added that at Estimates time, any known unpaid maternity leave that has been requested is deducted from the department's salary budget. However, she said that it is impossible to foresee two calendar years in advance, the number of officers that will request further unpaid leave.

Head 16 – Education

Subhead 2 – Other Charges – (5) Scholarships (a) Mandatory

Original Estimate - £15,566,000

Actual Expenditure - £16,686,851

With regard to the over-expenditure in the Scholarships subhead, the Education Adviser, acting for the Director of Education, informed me that the variance of £1,120,851 was largely due to the difficulty in projecting an accurate budget for pre and post standard three-year degree courses. She explained that there had been a significant increase/trend in the number of foundation courses being offered as the starter year rather than the customary 'year one' of the degree which is resulting in the degree duration running for four years. Like in the previous financial year, the demand for postgraduate degrees such as Masters, PHDs, law related and PGCEs continued to increase. The Education Adviser also drew attention to the fact that the Estimates are prepared almost one year in advance of the next academic year, when A-level examinations for new students, attainment of grades and university offers have

still not taken place and completion of year results for existing students is still unknown, so the Estimates can only be based on the number of UCAS applications projected by the schools together with the information held on the ongoing student database. She added that the 'unknown element' is further compounded by the opportunity awarded by the department for students to take a two-year gap before embarking on a degree or a postgraduate continuation. The Education Adviser concluded by saying that the unknown element in relation to the duration of the degree, gap years and probability of continuation had made the preparation of accurate estimates for ongoing and new costs relating to mandatory scholarships extremely challenging.

Head 24 – Economic Development

Subhead 2 – Other Charges – (3) Gibraltar Development Corporation (a) Contribution from Revenues Received

Original Estimate - £852,000

Actual Expenditure - £271,082

The Principal Secretary (Economic Development) explained that the budgeted expenditure of £852k was made up of £500k in respect of expected revenue from a contribution by the European Social Fund; and £352k in respect of a contribution by Government-owned companies in respect of staff services. The reason for the under-expenditure of £581k was primarily due, as explained under the revenue variance relating to Revenue Head 5 – Departmental Fees and Receipts, Subhead 37 – Contribution by European Social Fund on page 17, to the fact that even though £500k had been budgeted to be collected from the European Social Fund, no claims for reimbursements were received from project sponsors, which resulted in no claims made to the EU Commission, and as a consequence no revenue was collected. This in turn resulted in a zero contribution to the Gibraltar Development Corporation, from revenues received from the European Social Fund. To a lesser extent, the under-expenditure was also as a consequence of an erroneous budget sum submitted due to a high turnover of staff at the time of the Estimates submission, which, the Principal Secretary explained, although this expenditure is allocated under his Head of Estimates, it encompasses the revenue received from government-owned companies in respect of staff services of which the Economic Development Department has no responsibility or access to; this being the case, the budgeted figure is usually adjusted by the Financial Secretary.

Head 24 – Economic Development

Subhead 2 – Other Charges – (3) Gibraltar Development Corporation (b) Additional Contribution

Original Estimate - £12,572,000

Actual Expenditure - £12,205,000

The Principal Secretary (Economic Development) informed me that the annual estimate is in fact a 'balancing figure' which is adjusted by the Financial Secretary once all departments have submitted their estimates.

Head 25 – Housing - Administration

Subhead 2 – Other Charges – (3) Contribution to Housing Works Agency

Original Estimate - £7,693,000

Actual Expenditure - £8,249,000

The Principal Housing Officer informed me that the variance was due to the commencement of maintenance and caretaker commitments/costs at Seamaster Lodge and Charles Bruzon House. These costs were not budgeted for at the time that the financial bids were prepared.

Head 27 – Health

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority: (a) Contribution from Revenues Received

Original Estimate - £56,660,000

Actual Expenditure - £60,568,685

The acting Accountant General explained that the Contribution from Revenues Received made to the Gibraltar Health Authority reflected actual revenue collected under Consolidated Fund Revenue Head 5, Subheads 40, 41, 42 and 43 which collectively showed the same variance of £3.91m.

Head 27 – Health

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority: (b) Additional Contribution

Original Estimate - £49,948,000

Actual Expenditure - £55,757,000

The acting Accountant General informed me, from the explanations provided by the acting Senior Executive Officer, Finance Department at the Gibraltar Health Authority (GHA), that the estimate for the year was based on the GHA's Estimates submission. The GHA expenditure exceeded the approved estimate for the year and the overspend was met from the additional contribution made from the Consolidated Fund. The budgetary overspend of £5.81m was the result of increased expenditure relating to direct patient care, largely in the areas of Drugs and Pharmaceuticals (£4.04m) and Medical and Surgical Appliances (£1.48m).

Head 28 – Gibraltar Health Authority – Elderly Residential Services Section

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Health Authority – Elderly Residential Services Section: (b) Additional Contribution

Original Estimate - £19,787,000

Actual Expenditure - £19,086,000

The acting Accountant General informed me, after obtaining the information from the Finance Manager of the GHA Elderly Residential Services Section (GHA-ERS), that the estimate for the year was based on the GHA-ERS' Estimates submission. The GHA-ERS' expenditure fell short of the approved estimate primarily due to a high number of unfilled vacancies (32 vacant posts) in the Establishment of the GHA-ERS.

Head 29 – Care Agency

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Care Agency: (b) Additional Contribution

Original Estimate - £16,443,000

Actual Expenditure - £15,595,000

The acting Accountant General explained to me, after seeking the necessary information from the Finance Manager of the Care Agency, that the estimate for the year was based on the Care Agency's Estimates submission. The Care Agency's expenditure fell short of the approved estimate largely as a result of the high number of unfilled vacancies (22 vacant posts) in the Establishment of the organisation.

Head 37 – Port

Subhead 2 – Other Charges – (1) Contribution from the Consolidated Fund to the Gibraltar Port Authority (a) Contribution from Revenues Received

Original Estimate - £4,506,000

Actual Expenditure - £5,649,000

Head 37 – Port

Subhead 2 – Other Charges – (1) Contribution from the Consolidated Fund to the Gibraltar Port Authority (b) Additional Contribution

Original Estimate - £1,463,000

Actual Expenditure - £Nil

The Principal Secretary, Education, Justice and International Exchange of Information, explained that the aggregate spent between the two expenditure subheads of £5.65m reflected a total positive variance of £0.32m against the aggregate budget of £5.97m. According to the Principal Secretary, the savings stemmed from having budgeted for the move of three premises when in fact one of the moves, i.e. that of the Gibraltar Port Authority

from the North Mole offices to the new premises at Windmill Hill was delayed and not finalised until the subsequent financial year 2018-2019. The Principal Secretary added that a number of unfilled vacant posts due to retirements, which had been temporarily filled by officers on substitution, had also contributed to the overall savings in expenditure.

Head 39 – Social Security

Subhead 2 – Other Charges – (6) Payment to Social Assistance Fund – Import Duty

Original Estimate - £15,200,000

Actual Expenditure - £7,900,000

In his reply, the Financial Secretary informed me that the level of funding was determined by the actual expenditure incurred by the Social Assistance Fund as at the end of the financial year. The saving of £7.30m was due to the contribution of £15m to Gibraltar Community Care which was funded exclusively by way of a transfer from the Government's surplus via Head 54 as per the extant policy detailed in the Financial Secretary's response to the similar query for the same subhead in the previous year, see page 30 of this report.

Head 42 – Culture

Subhead 2 – Other Charges – (3) Cultural Expenses and Activities: (b) Mega Concert

Original Estimate - £2,500,000

Actual Expenditure - £4,401,187

The acting Senior Executive Officer, Culture and Heritage explained that the excess expenditure amounting to £1,901,187 under the Mega Concert subhead of expenditure was as a result of:

- the fees paid to an events agency and a media and entertainment company that had not been envisaged;
- the cost of contracting a top artist after the line-up to the show had been closed, in addition to the artist's performance expenses;
- the expenses incurred contracting artists for the following year's Mega Concert (2018 Festival) having to be paid in advance from the 2017 festival budget;
- higher security company fees as a result of an increase in the security threat level in Gibraltar;
- maintenance fees relating to the turf protection;
- settlement of outstanding invoices from the 2015 and 2016 Music Festivals;
- additional food supplies for the VIP area;
- additional emergency exit costs;
- expansion of VIP and VVIP area costs; and
- the added costs incurred in building a larger raised platform for persons with disabilities in addition to more accessible toilets being installed.

Head 45 – Sport and Leisure

Subhead 2 – Other Charges – (1) Contributions from the Consolidated Fund to the Gibraltar Sports and Leisure Authority (b) Additional Contribution

Original Estimate - £5,267,000

Actual Expenditure - £5,825,000

In his reply, the Chief Executive Officer of the Gibraltar Sports and Leisure Authority (GSLA) informed me that the excess expenditure of £558k was primarily due to:

- Water Expenditure (£252k) - increased costs arising from a water leak in the 25m swimming pool which required emptying the pool entirely on several occasions to conduct repairs, in addition to an increased number of faecal incidents at the smaller accessible pool that requires a large turnover of water mass;

- Swimming Pool Expenses (£109K) - increased chemical consumption costs over an extended period as a consequence of the aforementioned incidents;
- Pension Contributions (£52k) - increased contributions from staff (and by default employer's contributions) represented unexpected expenditure;
- Temporary Assistance (£50k) - increase in summer staff due to demands of the summer sports programme, in addition to increased lifeguard cover following a review of the swimming pool manning levels;
- Playground Expenses (£42k) - increased security costs as a result of the addition of more playing areas to the GSLA's remit in addition to the cost of works at Chilton Court Playground; and
- Gibraltar Island Games 2019 (£40k) - token budget provision of £1k was made in anticipation of the initial grant to be made to the Island Games project.

Head 54 – Transfer from Government Surplus

Subhead 1 – Payment to Social Assistance Fund – Import Duty – Transfer from Government Surplus

Original Estimate - £1,000

Actual Expenditure - £15,000,000

The Financial Secretary informed me that, as previously explained in replies to similar queries regarding the variances under this Head of Expenditure, since it is not possible to quantify with accuracy a year-end surplus at the start of any financial year, a token provision of £1k was again included in the Estimates for the year. The Financial Secretary added that the £15m expenditure under this subhead provided the necessary funding to the Social Assistance Fund to allow for the contribution to be made to Gibraltar Community Care for the year 2017-18.

Head 55 – Contribution to the Improvement and Development Fund

Subhead 1 – Contribution to the Improvement and Development Fund

Original Estimate - £5,000,000

Actual Expenditure - £26,000,000

In his reply, the Financial Secretary informed me that the budgetary allocation that appears in the Estimates book for this subhead is the projected budgetary variance between the estimated Improvement and Development Fund (I&DF) expenditure and I&DF revenue (pre-Consolidated Fund contribution) for the year. The Financial Secretary added that in effect this is the 'top-up' required by the I&DF to allow it to remain with a year-end positive balance. The Financial Secretary further explained that what they estimate will be the levels of expenditure and revenue at the time of preparing the Government's Estimates can vary considerably given the nature of the I&DF. Sometimes capital revenue is not achieved because of policy changes during the year resulting in property(ies) not being sold as was the case in the financial year 2017-18. Although the overall I&DF expenditure incurred in the year was lower than budgeted, the level of capital revenue collected under I&DF Head 102 Sale of Government Property and Other Premia fell short of the amount that had been expected for the year, thus requiring an increased contribution from the Consolidated Fund.

Consolidated Fund - Unauthorised Expenditure

2.9.1 All Consolidated Fund expenditure in the financial year 2017-18 was covered by appropriation as required under Section 69 of the Constitution of Gibraltar.

Consolidated Fund - Unauthorised Use of Savings

2.10.1 There was no unauthorised use of expenditure savings in the financial year 2017-18.

2016-17

Improvement and Development Fund

- 2.11.1 General** - The Improvement and Development Fund (I&DF) consists of contributions appropriated from the Consolidated Fund, in addition to monies derived from the sale of Government properties and other premia, as well as grants received for the purpose of meeting expenditure relating to capital projects, development works and the provision and acquisition of capital assets.
- 2.11.2** The balance in the I&DF on 31 March 2017 stood at £7.90m, compared to an original estimate of £2.53m, a forecast outturn of £7.40m and the comparative previous year's closing balance of £20.30m.
- 2.11.3 Revenue** - The revenue of the I&DF for the financial year 2016-17 was £34.86m, compared to an original estimate of £44.25m, a forecast outturn of £34.82m and the previous year's revenue of £107.31m.
- 2.11.4** I obtained explanations from Receivers of Revenue for the larger variances between original estimates and actual revenue for the financial year 2016-17 and highlight the explanations provided to me hereunder:

Head 101 – Contribution and Loans

Subhead 1 – Contribution from Consolidated Fund - Reserve

Original Estimate - £7,500,000

Actual Revenue - £25,000,000

The Financial Secretary explained in his reply to me that even though the overall expenditure (£47.26m) incurred under the I&DF was lower than budgeted (£61.15m), since the revenue collected in the year 2016-17 under Head 102 - 1 Land and Building Sales and Leases (£8.83m) was significantly lower than anticipated (budget £35.00m) and the £1m that was expected to have been collected under Head 104 - 7 MOD Contribution to the Gibraltar Airport Fire and Rescue Service did not materialise, this required a higher level of contribution from the Consolidated Fund to allow the I&DF to meet its 2016-2017 capital funding needs.

Head 102 – Sale of Government Properties and Other Premia

Subhead 1 – Land and Building Sales and Leases

Original Estimate - £35,000,000

Actual Revenue - £8,828,880

The Financial Secretary explained that the revenue that was budgeted for the sale of properties during the year 2016-17 did not materialise.

Head 104 – Reimbursements

Subhead 6 – Receipts in Connection with the Transfer of MOD Electricity Undertakings

Original Estimate - £680,000

Actual Revenue - £344,000

The Financial Secretary informed me that at the time of the preparation of the draft Estimates for 2016-17 the Ministry of Defence (MOD) was still disputing the payment due in respect of the financial year 2015-16 which resulted in a 'nil' collection that year. Given that the MOD contribution was not received in the year 2015-16 and as the dispute was still ongoing at the time of closing the Draft Estimates for 2016-17, it was assumed that the negotiations would allow for two years' of contributions to be received in the financial year 2016-17, however this did not materialise. The dispute which was wider and covered a number of other items has since been resolved and annual contributions are being received from the MOD.

Head 104 – Reimbursements

Subhead 7 – MOD Contribution to Gibraltar Airport Fire and Rescue Service

Original Estimate - £1,000,000

Actual Revenue - £Nil

The Financial Secretary explained that this revenue subhead provides for the reimbursement by the MOD to Government of its share of the capital costs incurred by the Gibraltar Airport Fire and Rescue Service for the purchase of the new fire trucks for the runway. The Financial Secretary further explained that since the order for the fire trucks was not placed until both parties were entirely happy with the specifications of the trucks and the tender process had been properly undertaken, the Government could not claim from the MOD. During the financial year 2016-17 only £250k of expenditure to reserve the design of the build of these trucks was processed at the end of March 2017 out of the expected £2.25m being the full estimate of these costs.

2.11.5 Expenditure - The expenditure of the I&DF for the financial year 2016-17 was £47.26m, compared to an original estimate of £61.15m, a forecast outturn of £47.73m and the previous year's expenditure of £98.25m.

2.11.6 I hereunder detail the reasons and explanations provided to me by Controlling Officers on the variances between the original estimates and the actual expenditure for the financial year 2016-17 that I considered of major significance:

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (g) Contribution to Gibraltar Health Authority

Original Estimate - £2,555,000

Actual Expenditure - £1,439,000

The Financial Secretary explained that the reason for the positive variance was largely attributable to the Gibraltar Health Authority's Electronic Health Records Project (EMIS) being temporarily placed on hold. In addition to this, the planned purchase of a replacement ambulance did not materialise in the financial year 2016-17 due to delays in the procurement of the vehicle, thereby contributing to the overall reduction in the level of contribution required by the Gibraltar Health Authority.

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (n) Housing: Works and Repairs

Original Estimate - £6,000,000

Actual Expenditure - £4,583,675

The Principal Housing Officer informed me that the expenditure budget was underspent due to delays in the commencement of major capital works projects.

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (q) Essential Services Equipment: (iv) Gibraltar Airport Fire and Rescue Service

Original Estimate - £2,250,000

Actual Expenditure - £250,023

The Chief Secretary informed me that the funds were allocated for the replacement of the vehicle fleet of the Gibraltar Airport Fire and Rescue Service and to purchase 50% of the aircraft training simulator from the MOD. The Chief Secretary further explained that the variance of £2m related solely to the vehicle fleet project and specifically to the first payments due to two designer and manufacturer of firefighting and rescue vehicles companies on signing the contracts and the expected payments one month later upon completion. The Technical Advisory Team issued its recommendations on 1 December 2016 and at that point it was still expected that the approved funding of £2,25m would be achieved. However, the

technical nature of the vehicle specifications caused a delay in the tender being awarded and these payments were eventually made the following financial year.

Head 102 – Projects

Subhead 2 – Relocation Costs (b)(i) MOD Project Euston

Original Estimate - £11,000,000

Actual Expenditure - £7,352,456

The Chief Technical Officer informed me that the funding under this subhead related to the works required to meet the Gibraltar Government's obligations under the Lands Agreement with the MOD. These included the construction of new housing units at Four Corners. The Chief Technical Officer explained that the under expenditure of £3.65m was due to slower than anticipated progress on the works required in relation to the Four Corners housing units. These started later than had been programmed due to the need for various design issues to be resolved and agreed, including services infrastructure.

Head 102 – Projects

Subhead 2 – Relocation Costs (d) Port Authority Relocation

Original Estimate - £1,500,000

Actual Expenditure - £275,919

The Chief Technical Officer explained that the budget related to the construction of the new Port Authority tower at Lathbury. The under expenditure generated was due to slower than anticipated progress on the completion and approval for the design of the second phase of the project. This meant the contractor was not able to start on site until early 2017.

Head 102 – Projects

Subhead 4 – Other Projects (c) Old Naval Hospital Conversion and Refurbishment Works

Original Estimate - £3,100,000

Actual Expenditure - £2,289,797

The Conservation Officer explained that the approved budget for the year provided for a potential contractual claim on behalf of the contractor when resolving the final account for the works carried out; however, the claim was contested and therefore never presented for payment. A new value was presented and the claim was approved for the following financial year.

Head 102 – Projects

Subhead 4 – Other Projects (h) Wellington Front (i) Development

Original Estimate - £810,000

Actual Expenditure - £1,476,797

The acting Senior Executive Officer, Culture and Heritage, after obtaining the necessary information from the Senior Architect at the Technical Services Department, that was involved in the project, explained that the building contract entered into with the successful contractor has spanned over a number of financial years. To this effect, the approved original contract sum has not been exceeded, however, during the execution of the works, extra works were requested which resulted in an increase to the original contract sum. The additional works were executed but these were not necessarily limited to the annual approved estimate.

Head 102 – Projects

Subhead 4 – Other Projects (z) Infrastructure Provision for Housing Projects (incl. Eastside)

Original Estimate - £1,900,000

Actual Expenditure - £690,306

In his reply the Chief Technical Officer informed me that the funding under this subhead was in relation to a number of specific projects, all of them related to the provision of services infrastructure (potable and salt water; electricity; sewage; and storm drains) for the on-going affordable housing projects. Of these, three projects account for most of the under expenditure, namely the refurbishment of the sewer drains along Devil's Tower Road; the provision of new stormwater drains at the eastern end of Devil's Tower Road; and the provision of new stormwater drains at Waterport. The first two projects were delayed in starting, thus not achieving the projected level of expenditure and the third was undertaken at a lower cost than had originally been estimated.

Head 102 – Projects

Subhead 4 – Other Projects (zu) Relocation of Bus Depot/Technical Services Garage/Calypso

Original Estimate - £1,000,000

Actual Expenditure - £12,727

The Chief Technical Officer explained that the budget related to the conversion of the MOD MT Workshop on Dockyard Road into the new Technical Services Garage and new Gibraltar Bus Company Depot. Before works could start, the MOD needed to vacate the premises and relocate to the new premises being built at South Dispersal as part of the Lands Agreement. However, there were delays with this happening due to the MOD having taken longer than anticipated to action the relocation. This meant that the project could not start on site during the financial year ended 31 March 2017, thus generating the under expenditure.

Head 102 – Projects

Subhead 4 – Other Projects (zy) Britannia House Refurbishment

Original Estimate - £1,000,000

Actual Expenditure - £34,391

The Chief Technical Officer explained that the funding under this subhead related to the planned refurbishment of the ex-Britannia House property. The under expenditure was as a result of the start of the works being delayed from what had been anticipated. This was due to the need to agree the final scope of the works and the total cost of the project, both of which had not been defined at the time the Chief Technical Officer took over the project in late 2015. The works started on site in February 2017 with the first contract payment being made at the end of the financial year 2016-17.

Head 102 – Projects

Subhead 5 – Equity Funding/Funding (c) University of Gibraltar

Original Estimate - £3,250,000

Actual Expenditure - £1,807,387

The Chief Secretary informed me that the overall sum approved for setting up the University of Gibraltar was set at £10m, this amount was to be spread over financial years 2015-16 to 2016-17. However, there was an overall underspend on the University resulting in reduced costs for 2016-17.

2017-18

Improvement and Development Fund

2.12.1 General - The balance in the I&DF on 31 March 2018 stood at £0.71m, compared to an original estimate of £2.67m, a forecast outturn of £0.32m and the comparative previous year's closing balance of £7.90m.

2.12.2 Revenue - The revenue of the I&DF for the financial year 2017-18 was £55.22m, compared to an original estimate of £59.97m, a forecast outturn of £55.17m and the previous year's revenue of £34.86m.

- 2.12.3** I obtained explanations from Receivers of Revenue for the larger variances between original estimates and actual revenue for the financial year 2017-18 and highlight the explanations provided to me hereunder:

Head 101 – Contribution and Loans

Subhead 1 – Contribution from Consolidated Fund - Reserve

Original Estimate - £5,000,000

Actual Revenue - £26,000,000

The Financial Secretary explained in his reply that even though the overall expenditure (£62.40m) incurred under the I&DF was lower than budgeted (£64.70m), since revenue collection under Head 102 - 1 Land, Building Sales and Leases and Other Premia (£17.35m) was significantly lower than anticipated (£43.60m), the I&DF required a higher level of contribution from the Consolidated Fund in order to allow the Government to meet its 2017-2018 capital expenditure needs.

Head 102 – Sale of Government Property and Other Premia

Subhead 1 – Land, Building Sales and Leases and Other Premia

Original Estimate - £43,600,000

Actual Revenue - £17,350,067

The Financial Secretary informed me that the estimate for this subhead for the financial year 2017-18 provided for the sale of the 'Rooke' site which did not materialise and which represents almost all of the variance. The Financial Secretary added that the sale did not take place because policy decisions were taken during the year to focus on this site.

Head 104 – Reimbursements

Subhead 8 – MOD Contribution towards Relocation Costs – Project Euston

Original Estimate - £1,000

Actual Revenue - £434,741

The Financial Secretary explained that a £1k token figure was budgeted as at the time of the Estimates preparation no significant revenue was expected to be received in the year 2017-18.

- 2.12.4 Expenditure** - The expenditure of the I&DF for the financial year 2017-18 was £62.40m, compared to an original estimate of £64.70m, a forecast outturn of £62.75m and the previous year's expenditure of £47.26m.

- 2.12.5** I hereunder detail the reasons and explanations provided to me by Controlling Officers on the variances between the original estimates and the actual expenditure for the financial year 2017-18 that I considered of major significance:

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (n) Housing: Works and Repairs

Original Estimate - £6,000,000

Actual Expenditure - £4,581,996

The Principal Housing Officer informed me that the underspent in capital expenditure was once again due to delays in the commencement of major capital works projects.

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (q) Essential Services – Equipment (iv) Gibraltar Airport Fire and Rescue Service

Original Estimate - £1,960,000

Actual Expenditure - £1,495,492

The Executive Officer from the Ministry wrote to me, on behalf of the Principal Secretary, Tourism, Employment, Commercial Aviation and the Port, explaining that from information provided by the Gibraltar Airport Fire and Rescue Service the budget provision was for the replacement of their vehicle fleet and the under-expenditure of £464,508 was mainly due to

a delay in the production process of one of the Rosenbauer Panther 4x4 vehicles. The Executive Officer further explained that there had also been a delay in the procurement process for the utility and command vehicles. Both delays, she said, had resulted in the final invoices being paid the following financial year 2018-19.

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (x) Other Works

Original Estimate - £1,000

Actual Expenditure - £418,776

The Financial Secretary informed me that a £1k token figure was budgeted for as there was no known expenditure for 2017-18 at the time of preparing the Government's Estimates.

Head 101 – Works and Equipment

Subhead 1 – Works and Equipment (y) Government Computerisation Programme

Original Estimate - £900,000

Actual Expenditure - £1,470,758

The Financial Secretary in his reply explained that the budgetary overrun was directly attributable to demand-driven expenditure which included additional systems' requirements such as that for the Department of Employment's 'ERASMUS' computer database project, which on its own represented £200k of the overrun. This expenditure was settled after a number of disputes with the software supplier.

Head 102 – Projects

Subhead 1 – Roads and Parking Projects (a) Roads and Tunnel Projects: (i) Tunnels and Roads to North Front

Original Estimate - £11,500,000

Actual Expenditure - £5,745,074

The Chief Technical Officer informed me that the funding allocated under this subhead related to the construction of the airport and frontier road tunnel and the under expenditure of £5.75m was due to progress with the works being slower than anticipated. The Chief Technical Officer explained that the tunnel project contractor had had to undertake repairs to the buried concrete diaphragm walls, the extent of which only become apparent as the excavations to create the tunnel progressed. These repairs were significantly more extensive than they had anticipated in their works programme and as a result caused delays in achieving their milestone payments thus leading to a significant under expenditure.

Head 102 – Projects

Subhead 2 – Relocation Costs (b)(i) MOD Project Euston

Original Estimate - £14,500,000

Actual Expenditure - £17,989,969

The Chief Technical Officer explained that the funding allocated under this subhead related to the works required to meet Government's obligations under the Lands Agreement with the MOD. These included the construction of 84 new housing units at Four Corners. The over expenditure of £3.49m generated was due to the works progressing at a quicker rate than originally anticipated as the contractor made very good progress. The Chief Technical Officer added that that the expenditure under this subhead included works undertaken on behalf of the MOD for infrastructure services and for which the MOD reimbursed the Government in the subsequent financial year 2018-19 in the sum of £1.24m.

Head 102 – Projects

Subhead 2 – Relocation Costs (c) Other Relocations

Original Estimate - £1,000,000

Actual Expenditure - £3,583,759

In his letter, the Chief Technical Officer informed me that the funding allocated under this subhead related to the relocation of HM Customs from Waterport. However, during the financial year a number of new relocation projects were instructed under this subhead which had not been identified at the time the estimate bids were made. These bids were in the main related to either the construction of new schools or the new sports facility at Lathbury, as well as various minor projects. Of the £2.58m over expenditure, the relocation of entities out of the Waterport area into the No.4 Dock site (Rooke site) to make way for the new comprehensive schools, accounts for £1.90m; the relocation of the Laguna youth club to clear the Notre Dame school site accounts for £0.16m; and the relocation of entities from the Lathbury parade ground area accounts for £0.14m. In addition, the reconstruction of the Dockyard Gate House accounted for £0.18m. The remaining balance of £0.20m was due to associated professional consultants' fees as well as various minor projects.

Head 102 – Projects

Subhead 4 – Other Projects (zo) Relocation of Bus Depot/Technical Services Garage/Calypso

Original Estimate - £100,000

Actual Expenditure - £1,475,442

The Chief Technical Officer explained that the funding allocated under this subhead related to the conversion of the ex-MOD Motor Transport Workshop building on Dockyard Road into the new Technical Services Garage and the Gibraltar Bus Company depot, as they both needed to be relocated. The timing of the start of the works was dependent on the MOD vacating their Motor Transport Workshop building which was delayed on their part. A token funding allocation of £100k was therefore made for the project due to the uncertainty over the start date. Works were able to proceed towards the last third of the financial year 2017-18 and thus the over expenditure was generated as a consequence of having provided only for a token funding budget allocation.

Head 102 – Projects

Subhead 4 – Other Projects (zq) Completion of Infrastructure Service Corridor (North Front Area)

Original Estimate - £1,000,000

Actual Expenditure - £81,548

The Chief Technical Officer informed me that the majority of the funding allocated under this subhead related to the construction of a new sewage pumping station in the Western Beach area. Works to complete a utility services corridor in the North Front and the area of British Lines make up the balance. The Chief Technical Officer explained that the construction of the pumping station required the transfer by the MOD of the land on which it would be located. It had been anticipated that this transfer would have taken place early in the financial year to allow construction to start but unfortunately this did not happen during the year. The under expenditure of £0.92m was therefore generated by the inability to commence construction of the sewage pumping station pending the transfer of MOD land.

2.12.6 Improvement and Development Fund – General - As I commented in my previous report, the explanations provided to me by a number of Controlling Officers seems to indicate that there are weaknesses in the control and management of some capital projects. As previously emphasised by my predecessor, I too urge that existing procedures be reassessed in order to ensure that, as far as practicable and possible, capital projects are completed on time, given that delays in the commencement and completion of works normally result in higher costs to Government.

2016-17 and 2017-18**Special Funds**

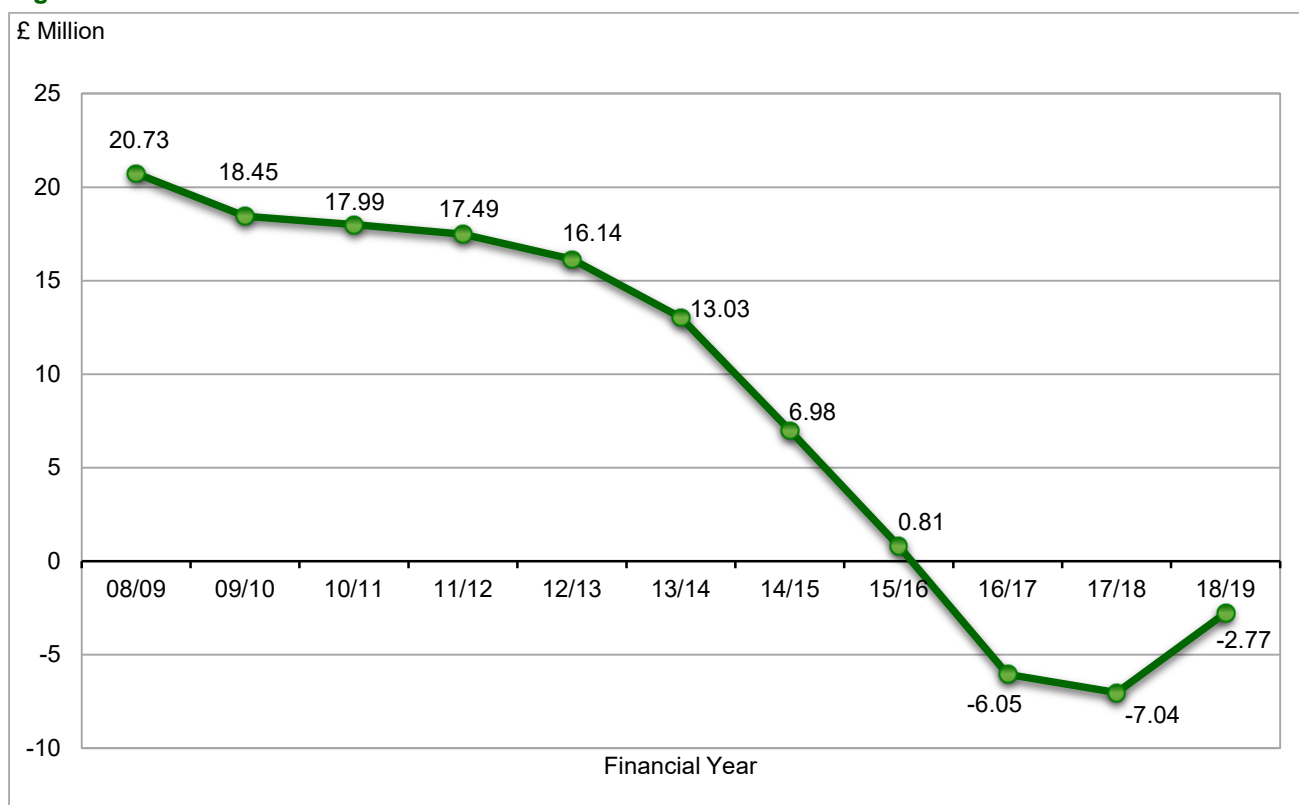
- 2.13.1 Statutory Benefits Fund** - A contribution of £7.00m was made from the Consolidated Fund to the Statutory Benefits Fund in both the financial years 2016-17 and 2017-18, which is the same level of contribution made in the previous two financial years. The social insurance contributions collected during the year 2016-17, amounting to £22.56m, increased by £0.56m (2.55%) from the previous year's collections amounting to £22.00m; whilst the social insurance contributions collected during the subsequent financial year 2017-18, amounting to £30.13m, increased by £7.57m (33.55%) from the previous year's collections amounting to £22.56m. The significant increase in social insurance contributions collected during the financial year 2017-18 was as a result of three factors: Firstly, as from 1 April 2017 the rates of social insurance contributions increased by a range of 9.3% to 11%, depending on the contributor category; secondly, also on 1 April 2017, the Social Security (Insurance) Act was amended and the apportionment of the social insurance contributions collected and assigned to the Statutory Benefits Fund increased from 30% of contributions collected to 35%; and lastly, there was a sizeable increase in the total number of employee jobs in Gibraltar during the year from 28,029 employee jobs in October 2017 to 29,995 employee jobs in October 2018 (*Source: Statistics Office – Employment Survey Reports*);
- 2.13.2** There was a year-on-year increase in total payments of the Statutory Benefits Fund amounting to £1.19m (3.37%) from £35.30m during the previous financial year to £36.49m in the financial year 2016-17. This increase was largely attributable to a year-on-year rise in local Old Age Pension payments amounting to £1.26m, from £31.47m to £32.73m at the end of March 2017. The Old Age Pension increase was principally as a result of a year-on-year net increase of 513 in newly classified old age pensioners and the annual pension increase of 0.4% as from 1 August 2016.
- 2.13.3** In the financial year 2017-18 there was a year-on-year increase in total payments amounting to £1.70m (4.66%) from £36.49m during the previous financial year to £38.19m in the financial year 2017-18. This increase was mainly attributable to a year-on-year rise in local Old Age Pension payments amounting to £1.34m, from £32.73m to £34.07m and in Insolvency Claims amounting to £0.37m. The Old Age Pension increase was principally as a result of a year-on-year net increase of 274 in newly classified old age pensioners and the annual pension increase of 2.7% as from 1 August 2017. The increase in Insolvency Claims was as a result of claims arising from 41 employees of five different companies which were declared insolvent. By comparison, during the previous financial year 2016-17, there was only one insolvency claim in respect of one employee, amounting to £950.
- 2.13.4** Figures 4 and 5 below show that, other than in the first accounting period ending 31 March 2009, when the Statutory Benefits Fund was established on 1 July 2008, total annual expenditure of the Fund has exceeded the income received by the Fund in every successive financial year. The effect of this is that in ten years the balance in the Statutory Benefits Fund has decreased from £20.73m as at 31 March 2009 to a negative fund balance of - £2.77m at the end of the financial year 2018-19. The shortfall in net payments of £6.86m during 2016-17 was partially met by an advance from the Consolidated Fund of £6.10m and the net payments of £1.00m in 2017-18 was similarly met in part by an advance of £0.97m from the Consolidated Fund. During the financial year 2018-19, the Statutory Benefits Fund repaid £3.50m of the total outstanding advance received from the Consolidated Fund thus lowering the negative Fund Account balance from -£7.04m to -£2.77m as at 31 March 2019.

Figure 4

| Financial Year | Transfer from Consolidated Fund | Social Insurance Contrs. Collected | Other Income | Transfer from Social Insurance Funds | Total Statutory Benefits Fund Income | Total Statutory Benefits Fund Payments | Statutory Benefits Fund Balance at Year-end | Advance/ Repayment from/to the Consolidated Fund |
|-------------------|---------------------------------|------------------------------------|--------------|--------------------------------------|--------------------------------------|--|---|--|
| Jul '08 – Mar '09 | £10.00m | £11.53m | £0.52m | £17.74m | £39.79m | £19.06m | £20.73m | |
| 2009-10 | £8.50m | £15.76m | £0.18m | - | £24.44m | £26.72m | £18.45m | |
| 2010-11 | £7.50m | £17.53m | £0.20m | - | £25.23m | £25.69m | £17.99m | |
| 2011-12 | £10.00m | £18.39m | £0.20m | - | £28.59m | £29.09m | £17.49m | |
| 2012-13 | £10.00m | £18.60m | £0.18m | - | £28.78m | £30.13m | £16.14m | |
| 2013-14 | £9.00m | £19.92m | £0.15m | - | £29.07m | £32.18m | £13.03m | |
| 2014-15 | £7.00m | £21.12m | £0.15m | - | £28.27m | £34.32m | £6.98m | |
| 2015-16 | £7.00m | £22.00m | £0.13m | - | £29.13m | £35.30m | £0.81m | |
| 2016-17 | £7.00m | £22.56m | £0.07m | - | £29.63m | £36.49m | £-6.05m * | £6.10m |
| 2017-18 | £7.00m | £30.13m | £0.06m | - | £37.19m | £38.18m | £-7.04m * | £0.97m |
| 2018-19 | £7.00m | £36.60m | £0.07m | - | £43.67m | £39.39m | £-2.77m * | £-3.50m |

* The Statutory Benefits Fund balance as 31 March 2017, 31 March 2018 and 31 March 2019 do not include the advances received from the Consolidated Fund which are shown in the adjoining column.

Figure 5



2.13.5 In my last report on the public accounts for the year ended 31 March 2016, specifically in paragraphs 2.7.1 to 2.7.8, I reported that I had written to the Financial Secretary enquiring why the balance of the Statutory Benefits Fund had been left depleted at the end of 2015-16; and what was the financial plan with regard to this special fund considering that it was Government's intention to restructure this special fund, and taking into account that the annual approved contribution from the Consolidated Fund had been kept at £7.00m for the years 2016-17 and 2017-18.

- 2.13.6** The Financial Secretary informed me that the Government had a plan to address the depletion of the Statutory Benefits Fund but any amendment to the scheme must accord with Government's obligations. The Financial Secretary added that by the end of the financial year 2015-16, Government was clear that something had to be done urgently to address the Fund's position. In this respect, had it not been for the Brexit vote result, it had been the Government's intention to correct the declining balance in the Fund in its 2016 budget by increasing the rate of social insurance contributions, which had not increased since July 2010. The Financial Secretary said that in the 2016 budget address, the Chief Minister had said that Government was committed to a total reform of the entire structure of the Statutory Benefits Fund in order to place it on a viable footing; however, given the Brexit vote, announcing the reformed system (at the time) in July 2016 would not have allowed the Government to benefit from the potential flexibility that might be possible in the context of EU rules no longer being applicable. The Financial Secretary explained that the Chief Minister had said that an announcement would be made in due course once legal advice was received that the new system was fully compliant with EU law. The Financial Secretary further explained that Brexit might provide a number of challenges (and possible opportunities), as the obligations the Government might have going forward might change and the shape of a social insurance scheme might be different outside the EU providing greater flexibility for any new scheme. The Financial Secretary said the final outcome would be assessed once there is greater certainty of the shape this may take. Faced with the uncertainty leading to an inability to reform the scheme until there is greater clarity as to how to shape it, the Government decided to address the depletion in the Statutory Benefits Fund by firstly increasing social insurance contributions on 1 April 2017; and additionally, as from the same date by adjusting the allocation ratio between the Group Practice Medical Scheme and the Statutory Benefits Fund from a 70%-30% apportionment to a revised 65%-35% allocation.
- 2.13.7** The Financial Secretary said that Government would need to determine whether further increases to social insurance contributions might be required, but in doing so Government would need to balance this with the reality that the Statutory Benefits Fund must meet its obligations and accordingly any shortfalls would need to be met by Government. During the financial years 2016-17 and 2017-18 these shortfalls were met by advances from the Consolidated Fund. However, on 1 July 2018, a further increase in social insurance contributions was introduced by the Government. The Financial Secretary hoped that the effect of these changes were such that the position of the Fund stabilises whilst at the same time getting to a position where there is clarity on the way forward. At that point, he said, it may be possible to implement structural changes to the scheme. The effect of allocating a bigger portion of the social insurance contribution to the Statutory Benefits Fund and increasing social insurance contributions in two successive years enabled the Fund to increase its level of income and in turn allowed it to repay part of the advances received from the Consolidated Fund.
- 2.13.8** I again wrote to the Financial Secretary on 23 April 2018, drawing attention to the fact that as the law currently stood, it was not possible for the Consolidated Fund to make advances to the Statutory Benefits Fund, given that this Fund is not specified under section 12 of the Public Finance (Control & Audit) Act ("the Act") as being a special fund to which the Consolidated Fund can make advances, notwithstanding that the forerunners of the Statutory Benefits Fund, namely the Short-Term Benefits Fund, the Closed Long-Term Benefits Fund and the Open Long-Term Benefits Fund are all still specified under section 12(e) (ii), (iii), (iv) of the Act, even though these three special funds, together with the Employment Injuries Insurance Fund, have since the establishment of the Statutory Benefits Fund on 1 July 2008 been defunct. I highlighted to the Financial Secretary that, even though section 12(e)(v) of the Act provides for the Consolidated Fund to make advances to any other special fund, such advances are recoverable by the Consolidated Fund before the close of the financial year in which the advance is made. I therefore pointed out to the Financial Secretary, that if Government required the advances made by the Consolidated Fund to the Statutory Benefits Fund to remain beyond the year-end it could not do so under the provisions of section 12(e)(v) of the Act but should instead make legal provision by way of an amendment to the

Public Finance (Statutory Benefits Fund) Act 2008 to have the Statutory Benefits Fund included under section 12 of the Act with suitable retrospective effect.

- 2.13.9** The Financial Secretary explained to me that even though there was no provision under section 12(e) of the Act for the Consolidated Fund to make advances to the Statutory Benefits Fund it was nevertheless possible to do so pursuant to section 4(1)(d) of the Public Finance (Statutory Benefits Fund) Act 2008, which had been amended on 15 December 2017 to enable the Fund to receive any moneys specified in any law as being receivable by the “Existing Funds” (i.e. the Short-Term Benefits Fund, the Closed Long-Term Benefits Fund, the Open Long-Term Benefits Fund, the Employment Injuries Insurance Fund and the Insolvency Fund).
- 2.13.10** In my reply to the Financial Secretary I informed him that although I accepted that the amended section 4(1)(d) of the Public Finance (Statutory Benefits Fund) Act 2008 made it possible for the Statutory Benefits Fund to receive advances from the Consolidated Fund, it would have been more appropriate, in my view, and indeed in keeping with previous practice by way of consistency, to have made provision under section 12(e) of the Public Finance (Control & Audit) Act for the Statutory Benefits Fund to be added as a special fund to which the Consolidated Fund can make advances. Such a move would not only have been neater but it would have additionally enabled the “Existing Funds”, which are defunct and no longer in use, to have been removed from section 12(e) and Schedule 1 of the Public Finance (Control and Audit) Act. The fact that the “Existing Funds” are still specified as special funds in Schedule 1 of the Act but yet are disused due to the establishment of the Statutory Benefits Fund on 1 July 2008, to the extent that Treasury rightfully no longer prepares accounts for these special funds, adds unnecessary confusion as to whether these five special funds are still active or not, particularly as the Statutory Benefits Fund is not specified in Schedule 1 to the Public Finance (Control and Audit) Act. At the close of this Report, the Financial Secretary had not replied to the audit queries raised.
- 2.13.11** Arrears of social insurance contributions as at 31 March 2017 stood at £5,903,926 of which 30% £1,771,178 was receivable by the Statutory Benefits Fund (70% was receivable by the Consolidated Fund Revenue Head 5 Subhead 11, Group Practice Medical Scheme). Arrears of Social Insurance contributions as at 31 March 2018 stood at £4,946,836 of which 35% £1,731,393 was receivable by the Statutory Benefits Fund (65% was receivable by the Consolidated Fund Revenue Head 5 Subhead 40, Group Practice Medical Scheme). See paragraphs 3.1.45 to 3.1.47 of this report for more detailed comments on the arrears of Social Insurance contributions.
- 2.13.12** In May 2020, I wrote to the Director of Social Security informing him that under sections 3(3) and 3(4) of the Social Security (Open Long-Term Benefits Scheme) Act, the pensionable age of both males and females insured under the Gibraltar social security pension scheme shall be equal, and that such equalisation of pensionable age, which is currently set at age 60 for women and age 65 for men, shall occur not later than 31 December 2020. I pointed out to the Director that in the last three election campaigns, the ruling political party, which forms the present Government, had informed in their election manifestos that they were committed to reforming the social security scheme and as part of that reform their aim was to equalise pensionable age between men and women to age 60. I therefore questioned if there had been any developments in reforming the social security scheme, and specifically, if the pensionable age of men and women would indeed be equalised to age 60 by the end of December 2020 in line with the requirements of the Social Security legislation. The acting Director replied to me, explaining that he was aware of the provisions of the social security legislation and having previously discussed this with the Minister responsible for social security he was at present unable to advise of any developments. The acting Director said he would revert when he had further information on the matter.
- 2.13.13** Subsequently, even though the Director of Social Security did not revert to me with developments, I am aware that amendments were made to sections 3(3) and 3(4) of the

Social Security (Open Long-Term Benefits Scheme) Act, pursuant to the Social Security (Open Long-Term Benefits Scheme) Act (Amendment) Regulations 2020 [Legal Notice No. 502/2020]; the Social Security (Open Long-Term Benefits Scheme) Act (Amendment) Regulations 2021 [Legal Notice No. 497/2021]; and the Social Security (Open Long-Term Benefits Scheme) Act (Amendment No.2) Regulations 2022 [Legal Notice No. 339/2022]. Following these amendments to the social security legislation, the previous legal provisions, i.e.:

(3) Provision may be made by regulations made by the Minister, for amending the definition of “pensionable age”, provided that the effects of such provision shall be that, with effect from the Equalisation Date, the pensionable ages of men and women insured under this Act shall be equal.

(4) For the purposes of subsection (3), the Equalisation Date shall be determined by regulations, but shall in any event not fall later than the 31st day of December, 2020.

were amended as follows:

(3) Provision may be made by regulations made by the Minister, for amending the definition of “pensionable age”, provided that the effects of such provision shall be that, with effect from the Equalisation Date, the process of the equalisation of the pensionable ages of men and women insured under this Act shall be commenced.

(4) For the purposes of subsection (3), the Equalisation Date shall be determined by regulations, but shall in any event not fall later than the 31st day of December, 2022.

2.13.14 Although the process of the equalisation of the pensionable ages of men and women might have commenced, the pensionable age of men and women has not yet been equalised at the date of this report. In this respect, the ruling political party declared in their 2023 election manifesto that they continue committed to setting pension availability for men and women at age 60. However, they want to make a system, as exists in other jurisdictions, where the contributing individual voluntarily selects, on attaining age 60, the age on which to receive his/her pension. The individual may decide to receive his/her pension at age 60, or alternatively choose to delay and receive a higher pension at a later date, after contributing more towards their pension entitlement. This allows each person to make a decision based on his or her personal circumstances, taking into account factors such as health, finances or other considerations. According to the manifesto, the ground for this revised system is now prepared and the implementation will be within the next four years if there is no European Union liability involved. Alternately, it will be after the termination of the four year Schengen Access Agreement if such an agreement is finalised.

2.13.15 Social Assistance Fund - The total sum transferred to the Social Assistance Fund from the Consolidated Fund during the financial year 2016-17 amounted to £27.90m (£7.90m in respect of Import Duty Collections and £20.00m transferred from the Government Surplus), compared to the approved estimate of £15.00m, a forecast outturn of £27.90m and the previous year's transfer of £27.60m.

2.13.16 During the financial year 2017-18, the total sum transferred to the Social Assistance Fund from the Consolidated Fund amounted to £22.90m (£7.90m in respect of Import Duty Collections and £15.00m transferred from the Government Surplus), compared to the approved estimate of £15.20m, a forecast outturn of £22.90m and the previous year's transfer of £27.90m.

2.13.17 Total expenditure for the financial year 2016-17 amounted to £27.79m, £12.72m more than the approved estimate of £15.07m but £0.24m more than the previous year's expenditure of £27.55m. The variance between the approved estimate and actual expenditure during the financial year 2016-17 was mainly attributable to a supplementary contribution from the Government Surplus amounting to £20.00m paid to Gibraltar Community Care Trust when only a token sum of £1,000 was provided in the approved estimate. However, there was no

recurrent contribution to Gibraltar Community Care Trust notwithstanding an approved estimate of £7.50m.

2.13.18 In the financial year 2017-18 total expenditure amounted to £22.60m, £7.29m more than the approved estimate of £15.31m but £5.19m less than the total expenditure incurred during 2016-17 of £27.79m. The variance between the approved estimate and actual expenditure during the financial year 2017-18 was largely attributable to a supplementary contribution from the Government Surplus amounting to £15.00m paid to Gibraltar Community Care Trust when only a token sum of £1,000 was provided in the approved estimate. However, there was no recurrent contribution to Gibraltar Community Care Trust notwithstanding an approved estimate of £7.50m.

2.13.19 Note Security Fund - The Note Security Fund ended the financial year 2016-17 with net receipts of £2.47m compared to £6.43m in the previous financial year and £0.12m in 2017-18. Total currency notes issued during 2016-17 amounted to £39.91m, a decrease of £10.86m compared to the currency notes issued in the previous year amounting to £50.77m. During the financial year 2017-18, total currency notes issued amounted to £20.47m, a decrease of £19.44m compared to the previous year. Currency notes redeemed in 2016-17 totalled £37.38m, a decrease of £6.99m compared to £44.37m in notes redeemed during 2015-16. Currency notes redeemed during the financial year 2017-18 totalled £20.46m, a further decrease of £16.92m compared to the previous year's position.

2.13.20 The value of Gibraltar currency notes in circulation at the end of the financial year 2016-17 stood at £39.82m, compared with £37.30m at the end of March 2016; an increase of £2.52m (6.76%). At the end of the financial year 2017-18, the value of Gibraltar currency notes in circulation stood at £39.83m, an increase of £0.01m (0.03%) compared with the position in the previous year. However, £12.00m of the currency notes in circulation as at 31 March 2017 and 31 March 2018 was held by the Savings Bank Fund in the Treasury Department's vault. At the end of the previous financial year, the Savings Bank Fund held £9.00m of the currency notes in circulation in the Treasury Department's vault. Although holding an element of currency notes in deposit with the Savings Bank Fund complies with section 8(4) of the Currency Notes Act 2011, this liquid portion of the fund does not generate bank interest.

2.13.21 Due to the high volume of new currency notes that were procured in December 2015, these currency notes are held in storage by the Government's currency note manufacturer in the UK. Fees for the storage of these currency notes decreased from £52.05k in the previous financial year to £46.59k in the year 2016-17, to £47.39k in the year 2017-18. However, the aggregate cost to Government in storage fees since December 2015 to March 2018 amounts to £109.45k.

2.13.22 The currency notes in circulation by denomination as at 31 March 2017 and 31 March 2018 are shown in Figures 6 and 7 hereunder:

Figure 6

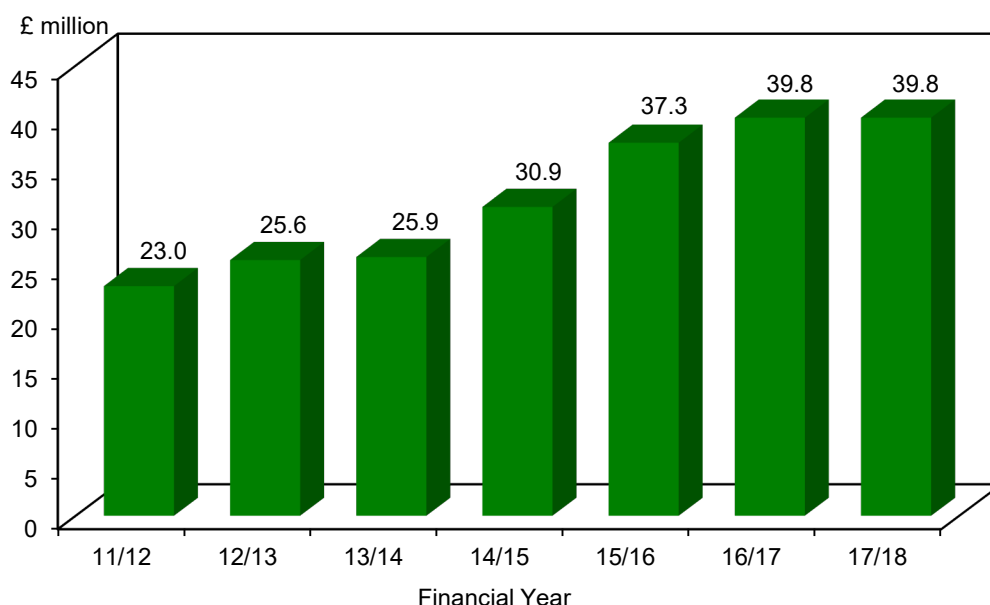
| Notes in Circulation | | | | | Value |
|----------------------|-------------|---------|---|------|--------------------|
| £100 | Series C | 2,044 | x | £100 | £204,400 |
| £100 | Series A/AA | 129,300 | x | £100 | £12,930,000 |
| £50 | Series A/AA | 182,900 | x | £50 | £9,145,000 |
| £20 | Series A/AA | 680,500 | x | £20 | £13,610,000 |
| £10 | Series A/AA | 336,800 | x | £10 | £3,368,000 |
| £5 | Series A/AA | 113,100 | x | £5 | £565,500 |
| | | | | | <u>£39,822,900</u> |

Figure 7

| Notes in Circulation | | | | Value | |
|----------------------|-------------|---------|---|-------|--------------------|
| £100 | Series C | 3,044 | x | £100 | £304,400 |
| £100 | Series A/AA | 128,600 | x | £100 | £12,860,000 |
| £50 | Series A/AA | 208,700 | x | £50 | £10,435,000 |
| £20 | Series A/AA | 599,100 | x | £20 | £11,982,000 |
| £10 | Series A/AA | 354,700 | x | £10 | £3,547,000 |
| £5 | Series A/AA | 140,600 | x | £5 | £703,000 |
| | | | | | <u>£39,831,400</u> |

2.13.23 Figure 8 graphically illustrates the value of Gibraltar currency notes in circulation during the last seven years:

Figure 8

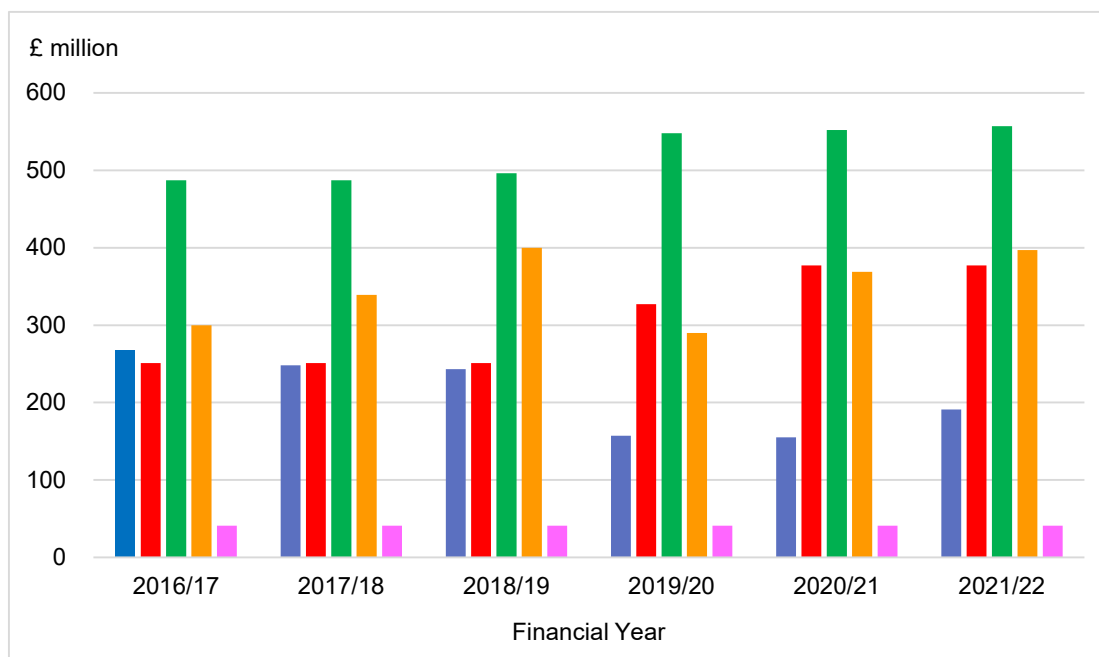


2.13.24 In my report on the public accounts of Gibraltar for the financial year 2015-16, I reported that in August 2017, the acting Senior Executive Officer responsible for the Currency Section in Treasury had written to me, on behalf of the Accountant General, informing that she was looking into the current procedures used for the destruction of currency notes, specifically where soiled notes are first cancelled by cutting the notes in half using a guillotine and then destroyed by incineration. She was looking into the possibility of cancelling soiled currency notes by having these shredded using the shredding facility of the currency notes counting machine (Security Banknote Processing Equipment) and thereafter burning the notes and wanted to ensure that all procedures and controls were satisfactory. At the time, I replied to her that under Rule 16 of the Currency Notes Rules, currency notes selected for destruction need to be cancelled by either stamping, perforating, cutting or otherwise defacing the notes in such manner as the Commissioner of Currency (the Financial Secretary) may approve, and any portion of such currency notes that have been removed shall be burnt; therefore, in my view, having the notes shredded instead of being cut would not require an amendment to Rule 16 as shredding would constitute an alternate form of defacing currency notes. The only requirement would be for the Commissioner of Currency to formally approve in writing the proposed new methodology of cancelling currency notes. I added that, in terms of control, the proposed method of cancelling would still require the presence of at least one currency officer (there are usually two officers present) and a representative of the Commissioner of Currency and a representative of the Principal Auditor.

- 2.13.25** I nevertheless highlighted to the Accountant General that the intention of her predecessor, as far back as 2002, was to make use of the Security Banknote Processing Equipment as the means of both cancelling and destroying currency notes, although to change the methodology of destroying currency notes the Currency Notes Rules would require to be amended. I highlighted that the use of the Security Banknote Processing Equipment would not only accelerate the destruction process and generally ensure that currency notes are destroyed more efficiently, but it would also reduce Note Security Fund expenditure as it would eliminate the security transportation costs, the cost of the special container bins used in the incineration process and, of course, the actual cost of incineration. I therefore recommended that the Commissioner of Currency approve the new cancelling methodology and that the Currency Notes Rules be reviewed so that the Security Banknote Processing Equipment can be utilised as a means of destroying currency notes.
- 2.13.26** The Commissioner of Currency informed me in October 2017 that it was his and the Government's intention to make the necessary amendments to the Currency Notes Rules to enable currency notes to be destroyed by means of shredding as opposed to being destroyed by fire. Additionally, the Commissioner said he would also be formally approving the new cancelling methodology to have the notes shredded instead of cutting the currency notes in half. I subsequently wrote to the Accountant General in mid-March 2018 enquiring if there had been any developments on the matter. The Accountant General reported on 19 March 2018 that changes to the currency legislation had been drafted and were pending Government approval, additionally a 'procedures manual' had been finalised which she would be submitting to me prior to implementation; she added that she was awaiting feedback from the Department of the Environment regarding the possible recycling of the currency notes after these had been shredded.
- 2.13.27** I wrote a number of times to the Commissioner for Currency enquiring if there had been any developments on the matter; however, despite my reminders, at the close of this report there had been no reply from the Commissioner for Currency. The cost of destroying currency notes over the last six financial years ending in March 2020, amounted to £15,808; these are costs which could easily have been avoided if the pertinent changes to the procedures and legislation governing the cancelling and destruction of currency notes had been amended in good time.
- 2.13.28 General Sinking Fund** - The balance in the General Sinking Fund at the end of the financial year 2016-17 stood at £5.21m, an increase of £3.48m compared to the year-end position of £1.73m in 2015-16. At the end of the financial year 2017-18 the balance in the General Sinking Fund stood at £8.76m, a year-on-year increase of £3.55m compared to the position in the previous year-end. The revenue received by the Fund, consisted of a contribution from Consolidated Fund Charges, amounting to £10.00m in both financial years 2016-17 and 2017-18. Expenditure from the Fund, in respect of public debt interest totalled £6.52m at the end of the financial year 2016-17 and £6.44m at the end of the financial year 2017-18.
- 2.13.29 Savings Bank Fund** - The return on investments income for the year ended 31 March 2017 amounted to £47.00m, a year-on-year increase of £2.27m compared against £44.73m received in the previous financial year. The return on investments income for the year ended 31 March 2018 amounted to £50.10m, a further year-on-year increase of £3.10m. Similarly, interest paid during the financial year 2016-17 totalled £39.96m compared to £36.93m during the previous financial year. The interest paid during the financial year 2017-18 totalled £42.62m. Other expenditure during 2016-17 included: £0.41m in respect of the cost of the new banking platform and annual licence fees; and £0.07m in connection with bank expansion costs, which included payments relating to information technology support services. During the subsequent financial year 2017-18, costs relating to the new banking platform and annual licence fees amounted to £0.21m, whilst bank expansion costs totalled £0.02m.
- 2.13.30** The net income from the operations of the Gibraltar Savings Bank during the financial year ended 31 March 2017 was £6.21m, compared to a net income of £6.76m during the previous financial year and £6.70m in 2017-18.

- 2.13.31** On 31 March 2017, the deposits of the bank, excluding £3.41m of accrued interest, stood at £1,323.63m, an increase of £336.53m compared to the previous year's total deposits amounting to £987.10m. On 31 March 2018, the deposits of the bank, excluding £3.51m of accrued interest, amounted to £1,336.88m.
- 2.13.32** As I mentioned in paragraph 2.13.20 of this report, the Savings Bank Fund held the sum of £12.00m of the currency notes in circulation as at 31 March 2017 and at the end of the financial year 2017-18 in the Treasury Department's vault. At the end of the previous financial year 2015-16, the Savings Bank Fund held £9.00m of the currency notes in circulation in the Treasury Department's vault.
- 2.13.33** The level of non-Government deposits at the end of the year 2016-17 increased by £106.96m to £1,016.44m compared to the balance held at the end of the previous year of £909.48m. Non-Government deposits further increased by £158.89m to £1,175.33m as at 31 March 2018. The increase of £106.96m during 2016-17 was mainly as a result of an increase in Gibraltar Savings Bank debentures; while the increase of £158.89m in 2017-18 was largely as a result of an increase in both Gibraltar Savings Bank debentures and Superannuation Fund bonds.
- 2.13.34** Government deposits on 31 March 2017 stood at £307.19m, an increase of £229.57m compared against the balance held at the end of the previous financial year amounting to £77.62m. At the end of financial year 2017-18 Government deposits decreased by £145.64m to £161.55m reflecting a decrease in Government Liquid Reserves held by the Gibraltar Savings Bank. On-Call Investments accounts under Government Deposits include the £12.00m of cash safekeeping deposits, previously mentioned in paragraph 2.13.20, that does not generate interest.
- 2.13.35** There was a net capital gain on the Fund's investments amounting to £0.07m, compared to a net capital gain of £0.03m in the previous financial year and a net capital loss of £1.61m in 2017-18.
- 2.13.36** Figure 9 shows the comparable position of the Gibraltar Savings Bank investments (at the year-end) during the period 2016-17 to 2021-22. As can be seen, there has been a decrease in the investments held by the Gibraltar Savings Bank with the Crown Agents in recent years, although there was further investment in this sector in 2021-22. Whilst conversely, there has been an increase in investments in the Government of Gibraltar and Government-owned companies/corporations during the same period.

Figure 9



PART 2 - ANNUAL ACCOUNTS STATEMENTS

| Gibraltar Savings Bank Investments | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Crown Agents | 268.06m | 247.59m | 242.70m | 157.48m | 154.96m | 190.78m |
| Government of Gibraltar (Public Debt) | 251.44m | 251.44m | 251.44m | 326.68m | 376.78m | 376.83m |
| Government-owned Companies & Corporations | 486.60m | 486.60m | 495.89m | 547.89m | 552.17m | 557.22m |
| Other Banks * | 300.36m | 339.15m | 400.29m | 290.31m | 369.32m | 396.80m |
| Bank of England | 40.55m | 40.66m | 40.89m | 41.14m | 41.15m | 41.18m |
| Total Investments | 1,347.01m | 1,365.44m | 1,431.21m | 1,363.50m | 1,494.38m | 1,562.81m |

* Includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

2.13.37 On 30 March 2022, Credit Finance Company Limited, a company in which the Gibraltar Savings Bank presently has one ordinary share (£1), declared an interim dividend of £5.00m payable with effect from 30 March 2022. The dividend was declared to the Gibraltar Savings Bank and the Gibraltar Development Corporation, being the two shareholders of all of the thirty million ordinary shares in Credit Finance Company Limited, in the proportion of their paid-up shares, i.e. the Gibraltar Savings Bank - 1 ordinary share; and the Gibraltar Development Corporation - 29,999,999 ordinary shares. As a result, the Gibraltar Savings Bank received 17 pence and the Gibraltar Development Corporation, though due to have received £4,999,999.83, nevertheless waived the right to this dividend and directed that it be paid to the Gibraltar Savings Bank. It is pertinent to point out that on 11 March 2022, Credit Finance Company Limited resolved that it would issue on 1 February 2022 a 3-year debenture of £5.00m, bearing interest at 4.5% per annum, that was purchased by the Gibraltar Savings Bank.

2.13.38 If the Gibraltar Savings Bank had not received the £4,999,999.83 dividend from Credit Finance Company Limited, the Income and Expenditure Account would have reflected a net operating surplus of £0.88m instead of the final £5.88m surplus shown in the Income and Expenditure Account for the financial year 2021-22. I have to report that a similar transaction occurred in the financial year 2020-21 when Credit Finance Company Limited declared an interim dividend of £3.75m payable to the Gibraltar Development Corporation and the Corporation waived the right to this dividend and directed that it be paid to the Gibraltar Savings Bank, being at the time the shareholder of the £9.25m redeemable preference shares in Credit Finance Company Limited. Also, in the financial year 2018-19, when Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, the Corporation similarly waived the right to this dividend directing that the dividend be paid to the Gibraltar Savings Bank. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, being at the time the shareholder of the £400m redeemable preference shares in Credit Finance Company Limited. Figure 10 summarises the net operating results in the last four financial years and highlights the different operating results that would have occurred if there had been no 'GDC-waived' dividends, or dividends received from ordinary shares held by the Gibraltar Savings Bank in other related parties.

Figure 10

| £ million | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|----------|----------|----------|----------|
| Total Income | £54.92 | £48.27 | £52.06 | £55.40 |
| Total Expenditure | (£45.78) | (£46.36) | (£47.06) | (£49.52) |
| Net Operating Surplus | £9.14 | £1.91 | £5.00 | £5.88 |
| Less Related Party Dividends from Ordinary Shares | (£0.75) | (£1.80) | (£1.00) | (£2.50) |
| Net Operating Surplus after omitting Related Party Dividends from Ordinary Shares | £8.39 | £0.11 | £4.00 | £3.38 |
| Less 'GDC-waived' Dividends | (£9.25) | - | (£3.75) | (£5.00) |
| Net Operating Results | (£0.86) | £0.11 | £0.25 | (£1.62) |

* This table does not include the investment income from related parties' preference shares and debentures.

- 2.13.39** Taking into consideration that the Gibraltar Savings Bank has in recent years increased the level of its investments in Government of Gibraltar debentures and related Government-owned companies and corporations' debentures and shareholdings, there is the possibility in my view, that related party transactions can give rise to significant changes in the operational results of the Gibraltar Savings Bank. Nevertheless, as from the financial year 2020-21 related party transactions are disclosed in the Notes to the Accounts of the Gibraltar Savings Bank.
- 2.13.40** The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Gibraltar Savings Bank to maintain a reserve balance. No transfers were made from the bank's Reserve Account to the Consolidated Fund during financial years 2016-17 and 2017-18. The reserves at the end of the financial year 2016-17 stood at £32.11m reflecting an increase of £6.28m compared to the position at the end of the previous financial year of £25.83m. While the reserves as at 31 March 2018 further increased by £5.09m to £37.20m.
- 2.13.41** On 21 October 2021, I wrote to the Director of the Gibraltar Savings Bank in connection with the audit of the financial statements of the Gibraltar Savings Bank, enquiring to know what was the investment policy of the Bank. The Director replied to me on the same day informing me that the Gibraltar Savings Bank's investment policy continues to be in lines with Section 11 of the Gibraltar Savings Bank Act. He also provided me with a copy of the latest [dated 20 March 2018] Investment Management Agreements with the Crown Agents in respect of the Gibraltar Government investments.
- 2.13.42** I replied to the Director of the Gibraltar Savings Bank on 22 October 2021, informing him that it was my belief that in terms of the investment policy of the Gibraltar Savings Bank, section 13A of the Gibraltar Savings Bank Act is more relevant than section 11, given that the latter legal provision and those in sections 11C and 11D of the Gibraltar Savings Act simply state that the moneys held in the ordinary accounts, investment call accounts, bonds and debentures shall, as far as practicable, be invested on behalf of the Savings Bank, under the direction of the Financial Secretary, in such securities or be employed at interest in such manner as shall be approved from time to time by the Government. I explained that Section 13A is somewhat more specific in terms of investment policy, investment strategy and investment objectives in that it states: *(1) Notwithstanding any other provision of this Act, the deposits in the Savings Bank and other moneys of the Savings Bank may be held in cash or cash deposits. (2) In directing the investment of the Deposits in the Savings Bank, the Financial Secretary shall take account of the maturity profile of such Deposits in the Savings Bank and, where considered appropriate, match the maturity dates of investments against the maturity dates of such deposits. (3) In directing investments of the deposits in the Savings Bank in accordance with section 13A(2) preference shall be given to investments that will maximise the social and economic development of the community in furtherance of the objectives provided for in Section 4.* Nevertheless, I insisted to the Director of the Gibraltar Savings Bank that I still required to learn what is the risk policy within the Gibraltar Savings Bank's investment strategy and any investment restrictions there might be in place, other than those investments managed by the Crown Agents.
- 2.13.43** In his reply dated 25 October 2021, the Director of the Gibraltar Savings Bank explained that in regard to the risk options of investments, that are not managed by the Crown Agents, the Gibraltar Savings Bank opts for a no risk or low risk options. The Director added that whilst the Gibraltar Savings Bank (as directed by the Financial Secretary) is extremely selective on which investments it opts for it does not have any set restrictions aside from not opting for high risk investments.

- 2.13.44** On the same day I replied to the Director of the Gibraltar Savings Bank, informing him that I did not consider his reply to be very explicit as it did not outline what the Bank considers to be no/low risk investments and by contrast, high risk investments. I added that his response together with his previous reply on the investment policy of the Gibraltar Savings Bank, where he explained that this continues to be in lines with the Gibraltar Savings Bank Act, lead me to think that the overall investment policy of the Bank is not properly outlined and documented as indeed I considered it should be. I therefore requested the Director to confirm if the Gibraltar Savings Bank had a document defining what is its investment policy. I further added that if not, then did he not agree that aside from what is contained in the legislation, good practice prescribes that the investment policy outlining who is authorised to invest, sell, reinvest the proceeds of sales; what are the objectives when investing; the investment guidelines on which instruments to invest, etc. should be properly documented.
- 2.13.45** The Director of the Gibraltar Savings Bank immediately replied to me on the same day, explaining that the bank considers each investment opportunity that may present itself and then based on the information it has, determines if the investment opportunity presents a low or a high risk. The Director said there were a number of factors which could result in an investment opportunity being high risk, as could be information being provided to the Bank, expected return, etc. The Director disagreed with my view that the overall investment policy of the Bank was not properly outlined and documented. In his opinion the investment policy is clearly outlined and the Gibraltar Savings Bank (as directed by the Financial Secretary) does not entertain or consider high risk investments or 'puts all its eggs in one basket' so to speak. The Director confirmed that the Gibraltar Savings Bank does not have a defining document to allow some element of flexibility when it comes to investing. The Director of the Gibraltar Savings Bank said he would discuss with the Financial Secretary whether a document defining the various areas of an investment policy should be issued.
- 2.13.46** On 27 October 2022, I wrote to the Financial Secretary in his capacity as previous Director of the Gibraltar Savings Bank, highlighting that I had not received [after a year since my last correspondence] any further communication from him informing me of the previous Financial Secretary's decision regarding the need for the Gibraltar Savings Bank to have a documented investment policy. I questioned what had been the decision of the then Financial Secretary. I reiterated that I was still firmly of the view that the Gibraltar Savings Bank should have a formally documented investment policy in accordance with best practice. I added that I did not consider the reason he had provided, i.e. 'to allow some element of flexibility when it comes to investing' to be a good reason for not documenting the Bank's overall investment policy. I suggested that if allowing for certain flexibility was an important consideration for him, then perhaps provision for exercising some flexibility could be incorporated in a documented policy so long as it is largely within the defined investment policies outlined in such a document. The Financial Secretary replied on the same day explaining that the matter had not been concluded with his predecessor and no firm decision was taken on the approach of the investment policy at the time, unfortunately other matters took precedence, and the Gibraltar Savings Bank investment policy was not discussed in detail. The Financial Secretary further stated that as this issue had been raised during his time as Director of the Gibraltar Savings Bank he was committed to looking into the matter further. He concluded by saying that he would work together with the current acting Director of the Gibraltar Savings Bank to prepare an investment policy for the Bank.
- 2.13.47** On 23 October 2023, I wrote to the acting Director of the Gibraltar Savings Bank, questioning whether a documented investment policy for the Gibraltar Savings Bank had been prepared and if so, could the policy document be forwarded to me. The acting Director confirmed to me on 24 October 2023 that the draft [Gibraltar Savings Bank investment policy] was still pending discussion. She explained that there had been a multitude of pressing matters since the beginning of the year, but she assured me that the matter would be addressed as promised.

2.13.48 Section 12 of the Gibraltar Savings Bank Act, prescribes that I audit the annual accounts of the Gibraltar Savings Bank and that the accounts, once audited and certified, be laid before the Minister with responsibility for the Gibraltar Savings Bank not later than the 31st day of October ensuing in every year (prior to the financial year 2018-19, the statutory deadline for submitting the audited accounts of the Gibraltar Savings Bank was 31st August); and published in the Gibraltar Gazette. Figure 11 depicts the dates that the accounts of the Gibraltar Savings Bank were gazetted in the last 16 years, showing the time taken to publish the accounts after these have been audited and submitted to the Minister:

Figure 11

| Financial Year | Date of Audit Certificate on GSB Accounts | Date the Accounts of the GSB were Gazetted | Time taken to Gazette the Accounts of the GSB |
|----------------|---|--|---|
| 2007-08 | 14 August 2008 | 18 September 2008 | 1 month, 4 days |
| 2008-09 | 21 August 2009 | 1 October 2009 | 1 month, 10 days |
| 2009-10 | 16 August 2010 | 21 October 2010 | 2 months, 5 days |
| 2010-11 | 17 August 2011 | 29 September 2011 | 1 month, 12 days |
| 2011-12 | 29 August 2012 | 3 October 2013 | 1 year, 1 month, 4 days |
| 2012-13 | 30 August 2013 | 30 October 2014 | 1 year, 2 months |
| 2013-14 | 27 August 2014 | 19 March 2015 | 6 months, 20 days |
| 2014-15 | 28 August 2015 | 19 January 2017 | 1 year, 4 months, 22 days |
| 2015-16 | 31 August 2016 | 28 March 2019 | 2 years, 6 months, 28 days |
| 2016-17 | 31 August 2017 | 22 August 2019 | 1 year, 11 months, 22 days |
| 2017-18 | 31 August 2018 | 22 August 2019 | 11 months, 22 days |
| 2018-19 * | 31 October 2019 | (not yet Gazetted) | (over 4 years and ongoing) |
| 2019-20 | 27 October 2020 | (not yet Gazetted) | (over 3 years and ongoing) |
| 2020-21 | 29 October 2021 | (not yet Gazetted) | (over 2 years and ongoing) |
| 2021-22 | 31 October 2022 | (not yet Gazetted) | (over 1 year and ongoing) |
| 2022-23 | 31 October 2023 | (not yet Gazetted) | (2 months and ongoing) |

* As from the financial year 2018-19, the statutory deadline for submitting the audited accounts of the Gibraltar Savings Bank was changed to 31st October, previously the statutory deadline had been 31st August.

As can be seen in Figure 11, there has been considerable delay in recent years in the time taken to publish (and make public) in the gazette the audited accounts of the Gibraltar Savings Bank. The average time taken to publish these accounts during the last 11 years has been 1 year and 9 months. However, the greatest delay in publishing the Gibraltar Savings Bank accounts has been those for the financial year 2018-19, which, as at the date of this report, had still not been gazetted after having been submitted to the Minister over 4 years ago, which is an excessively prolonged time for the Government to place these accounts in the public domain. I wrote to the Accountant General on 19 January 2023, informing her that in my view, once the audit examination of the Gibraltar Savings Bank accounts has been finalised and the accounts certified by me, the accounts should be published in the Gazette immediately and without delay. In her reply to me, dated 28 September 2023, the acting Accountant General said she agreed with my comments and that she was awaiting the Minister's approval to proceed with the publication of the unpublished Gibraltar Savings Bank accounts.

2.13.49 It should be noted that when gazetted, the full set of audited Gibraltar Savings Bank accounts are not published, but instead, solely the Income and Expenditure Account, the Deposits and Withdrawals Account, the Balance Sheet and the Statement of Investments are gazetted. The Notes to the Accounts, the Report of the Director of the Gibraltar Savings Bank and the Audit Certificate together with the Audit Report on the Accounts are not published in the Gibraltar Gazette even though these are an integral and indispensable part of any audited financial statements. This means that the complete audited Gibraltar Savings Bank accounts are never made public. I raised this matter with the Director of the Gibraltar Savings Bank who informed me that the Minister responsible for the Savings Bank had said that the annual

accounts of the Gibraltar Savings Bank are published in strict accordance with the provisions of section 12 of the Gibraltar Savings Bank Act and as this legislation does not specify for the aforementioned elements of the audited accounts to be gazetted, this is not done. I informed the Director of the Gibraltar Savings Bank that, with respect, I considered this to be a very simplistic view and interpretation of what requires to be published and that in my opinion the full set of the Gibraltar Savings Bank audited accounts should be gazetted, as otherwise there is no public disclosure on the accounts. I also informed the Director of the Gibraltar Savings Bank that given the prominence that the Gibraltar Savings Bank has in the public accounts of Gibraltar I was of the strong view that these accounts, once audited, should be presented in Parliament as is the case with the public accounts of Gibraltar and the accounts of all statutory authorities and agencies. This would ensure that the full set of audited accounts of the Gibraltar Savings Bank are made more transparent and accessible to the public in a timely manner. In order to ensure maximum public disclosure of the Gibraltar Savings Bank accounts, I have decided to include a copy of the full set of the bank's accounts, which includes the elements that are never published as previously mentioned, in respect of the financial years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 which have still not been gazetted; these are contained in Appendices A to E at the end of Part 2 of this report, see pages 61 to 143.

2.13.50 Government Insurance Fund - In my last report I highlighted that following a Government decision to self-insure, provision had been made during the financial years 2014-15 to 2017-18 for annual contributions to be made from the Consolidated Fund to the Government Insurance Fund (Head 1 Treasury, Subhead 2 Other Charges – (15) Government Insurance Fund). I further reported that the annual contributions to the Government Insurance Fund had, nonetheless, never materialised inasmuch as these contributions and the corresponding insurance claims disbursements had instead been accounted for through a Deposit Account (suspense account). During the 4-year period annual approved funds totalling £2.45m were allocated to the deposit account from which insurance claims totalling £1.30m were paid out during the same period, pending the establishment of the Government Insurance Fund. Moreover, during the financial year 2018-19, a further sum of £0.60m was allocated to the Deposit Account and £0.30m of insurance claims paid therefrom. I had informed the acting Accountant General in May 2018 that I considered the way these transactions had been accounted for, via a deposit account, to be improper, as these transactions were evidently not fully disclosed in the public accounts of Gibraltar. At the time I finalised my report on 14 January 2019, I reported that the Government Insurance Fund had not yet been established as a Special Fund.

2.13.51 However, soon after my report was laid in Parliament on 30 May 2019, the Government established the Government Insurance Fund, pursuant to section 18(3) of the Public Finance (Control and Audit) Act, on 13 June 2019. This special fund provides for any benefits payable in respect of death in-service of public sector employees and for the settlement of any other claims and related expenditure for which the Government may self-insure.

2.13.52 I wrote to the Accountant General on 29 July 2019, drawing attention to the fact that when the Government Insurance Fund had been established, no regulations of this special fund had been enacted in accordance with section 19(1) of the Public Finance (Control and Audit) Act. I explained to the Accountant General, and subsequently to the Financial Secretary, that regulations were necessary in order to outline specifically: the purpose of the Fund; what constitutes the revenue and expenditure of the Fund; and establish the Controlling Officer of the Fund. I have to report that despite a number of reminders to the Financial Secretary and Accountant General I received no reply as to whether Government has the intention to enact Government Insurance Fund Regulations.

2.13.53 Quite separately, I further wrote to the Accountant General on 3 April 2020, highlighting that there were a number of pending issues relating to death-in-service payments that are chargeable to the Government Insurance Fund which require a Government policy decision on their treatment. The issues where a policy decision is needed, entail: whether employees over the age of 60 years are covered under the Government Insurance Fund scheme; whether employees who retire before age 60 are covered under the scheme until they attain

60 years of age; what is the treatment of death-in-service payments in respect of contract officers who die in-service; are employees on non-final salary pension conditions who also do not contribute towards a contributory pension scheme entitled to death-in-service payments, and if so, what is the criteria used to make payment; are employees on non-final salary pension conditions who similarly do not contribute towards a contributory pension scheme, but yet had employer's contributions made to a contributory pension scheme entitled to death-in-service payments. I also pointed out to the Accountant General that there are no written guidelines or rules on the part of Government -as employer- governing death in-service payments, thus making it difficult for public officers to know what is their entitlement.

Gibraltar Government Lottery

- 2.14.1** The Gibraltar Government Lottery account for the financial year 2016-17 showed a surplus of £0.59m on the year's operations against the estimated surplus of £0.08m and the previous financial year's surplus of £0.74m. The financial year 2017-18 similarly showed a surplus of £0.51m against the estimated surplus of £0.09m.
- 2.14.2** The actual net proceeds on the sale of lottery tickets during the financial year 2016-17 was £5.49m, an increase of £1.39m (33.9%) compared against the estimate for the year of £4.10m, and a rise of £0.05m (0.9%) compared to the previous financial year's net proceeds amounting to £5.44m. In the financial year 2017-18, the actual net proceeds on the sale of lottery tickets amounted to £5.69m, an increase of £1.59m (38.8%) compared against the estimate for the year of £4.10m, and a rise of £0.20m (3.6%) compared to the previous financial year's net proceeds.
- 2.14.3** Prizes unclaimed and minor prizes on returned tickets from the previous year's lottery draws allocated during the financial year 2016-17 amounting to £100k, were less than the year's estimate of £200k by £100k (50.0%), and decreased by £156k (60.9%) against the previous financial year's comparative figure of £256k. In the financial year 2017-18, prizes unclaimed and minor prizes on returned tickets from the previous year's lottery draws amounted to £96k, reflecting a decrease of £104k (52.0%) when compared to the year's estimate of £200k; and also a decrease of £4k (4.0%) against the previous year's comparative figure of £100k.
- 2.14.4** Unsold tickets in respect of lottery draws held in the financial year 2016-17 accounted for 10.1% of overall lottery tickets available for sale; whilst unsold tickets relating to lottery draws held during 2017-18 represented 8.2% of overall lottery tickets available for sale. Figure 12 depicts the value of unsold lottery tickets against the value of overall lottery tickets on sale, over the last seven years.

Figure 12

| Financial Year | Value of Unsold Lottery Tickets | Value of Overall Lottery Tickets available for Sale | Value of Unsold Lottery Tickets as % of Overall Lottery Tickets on Sale |
|----------------|---------------------------------|---|---|
| 2011-12 | £1,202,291 | £6,100,000 | 19.7% |
| 2012-13 | £1,141,652 | £6,100,000 | 18.7% |
| 2013-14 | £892,629 | £6,100,000 | 14.6% |
| 2014-15 | £774,448 | £6,100,000 | 12.7% |
| 2015-16 | £660,512 | £6,100,000 | 10.8% |
| 2016-17 | £614,493 | £6,100,000 | 10.1% |
| 2017-18 | £507,189 | £6,200,000 | 8.2% |

- 2.14.5** Prizes on returned lottery tickets resulted in winnings by Government of 10.3% of total major prizes during the financial year 2016-17; whilst the prizes on returned lottery tickets during the financial year 2017-18 resulted in winnings by Government of 6.3%. Figure 13 shows the value of prizes on returned lottery tickets against the value of total major lottery prizes, over the last seven years.

Figure 13

| Financial Year | Prizes on Returned Lottery Tickets | Total Value of Major Lottery Prizes | Prizes on Returned Tickets as % of Total Major Lottery Prizes |
|----------------|------------------------------------|-------------------------------------|---|
| 2011-12 | £929,500 | £3,522,500 | 26.4% |
| 2012-13 | £654,000 | £3,522,500 | 18.6% |
| 2013-14 | £421,500 | £3,522,500 | 12.0% |
| 2014-15 | £506,500 | £3,522,500 | 14.4% |
| 2015-16 | £453,000 | £3,522,500 | 12.9% |
| 2016-17 | £362,500 | £3,522,500 | 10.3% |
| 2017-18 | £225,500 | £3,572,500 | 6.3% |

Public Debt

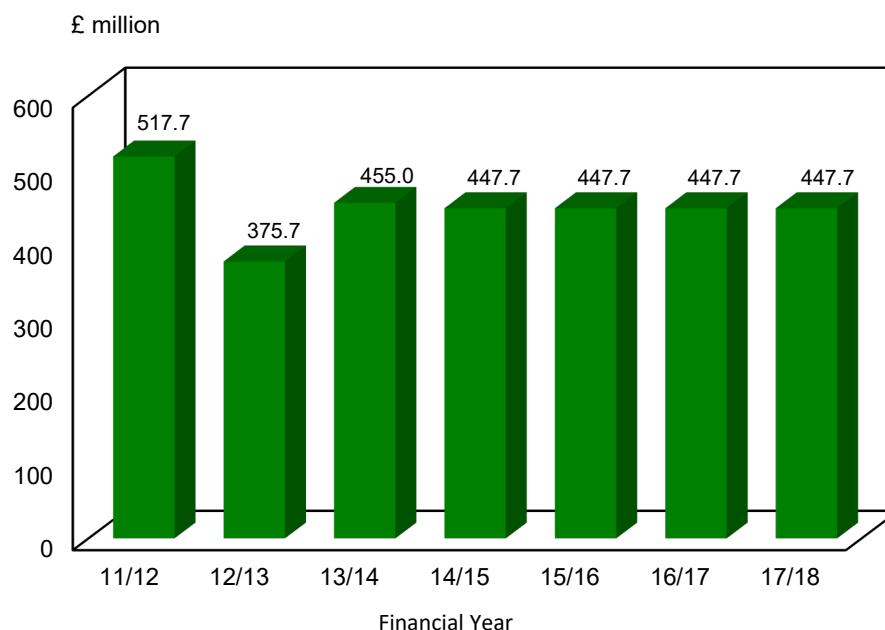
2.15.1 Section 3(1) of the Public Finance (Borrowing Powers) Act 2008 provides, inter alia, for the Government to borrow any sum or sums of money provided that it shall not draw down or incur any additional public debt that will cause:

- (i) the Net Public Debt after such borrowing or drawing to exceed the higher of £300m or 40% of Gibraltar's Gross Domestic Product; or
- (ii) the Annual Debt Service Ratio to exceed 8%.

The definition of "Net Public Debt" under the Public Finance (Borrowing Powers) Act 2008, is the Aggregate Public Debt less the Government's Cash Reserves; whilst "Aggregate Public Debt" means the total amount of (Gross) Public Debt owing by the Government less any amount held in any sinking fund established by the Financial Secretary to provide for the repayment of such Public Debt.

2.15.2 The Public Debt of Gibraltar stood at £447.70m on 31 March 2017 and on 31 March 2018, representing no change in the level of public debt from the position on 31 March 2016. The Net Public Debt stood at £314.88m on 31 March 2017 compared to £340.99m as at the end of the previous financial year. On 31 March 2018 this stood at £318.78m. During financial years 2016-17 and 2017-18 there was no Government borrowing and no repayment of loans or redemption of debentures.

2.15.3 Figure 14 depicts the year-end level of public debt in respect of the last seven financial years:

Figure 14

2.15.4 Figure 15 shows the public debt movement during the financial year 2016-17:

Figure 15

| | | |
|---|---------------------|-------|
| Public Debt as at 1 April 2016 | £447,700,000 | |
| <u>Borrowing during the year</u> | - | |
| <u>Redemptions and Repayments during the year</u> | - | |
| Public Debt as at 31 March 2017 | <u>£447,700,000</u> | |
| Represented by:- | | |
| <u>Commercial Borrowing:</u> | | |
| ▪ Barclays Bank PLC | £150,000,000 | 33.5% |
| ▪ NatWest Offshore Limited | £50,000,000 | 11.2% |
| <u>Debentures:</u> | | |
| ▪ Government of Gibraltar - Registered Debentures 1 st September 2014 | £100,000,000 | 22.3% |
| ▪ Government of Gibraltar - Monthly Income Registered Debentures 1 st October 2014 | £147,700,000 | 33.0% |
| | <u>£447,700,000</u> | |

2.15.5 Figure 16 shows the public debt movement during the financial year 2017-18:

Figure 16

| | | |
|---|---------------------|-------|
| Public Debt as at 1 April 2017 | £447,700,000 | |
| <u>Borrowing during the year</u> | - | |
| <u>Redemptions and Repayments during the year</u> | - | |
| Public Debt as at 31 March 2018 | <u>£447,700,000</u> | |
| Represented by:- | | |
| <u>Commercial Borrowing:</u> | | |
| ▪ Barclays Bank PLC | £150,000,000 | 33.5% |
| ▪ NatWest Offshore Limited | £50,000,000 | 11.2% |
| <u>Debentures:</u> | | |
| ▪ Government of Gibraltar - Registered Debentures 1 st September 2014 | £100,000,000 | 22.3% |
| ▪ Government of Gibraltar - Monthly Income Registered Debentures 1 st October 2014 | £147,700,000 | 33.0% |
| | <u>£447,700,000</u> | |

Loans issued by the Government of Gibraltar

2.16.1 Improvement and Development Fund (I&DF) - There were no new loans issued by the I&DF in the financial year 2016-17. Of the five loans in place at the beginning of the year, four loans were keeping to repayments in accordance with their respective agreements.

2.16.2 The other remaining loan, issued to Inverrigan Limited on 16 January 2003 amounting to £48,000, continued to be in default of its loan agreement at the beginning of the financial year up until mid-November 2016. The total debt as at 10 November 2016 was £81,093;

made up of £48,000 in respect of capital, £12,907 relating to the loan agreement interest and £20,186 in connection with default interest. It was established, from correspondence between the Financial Secretary and the acting Accountant General in November 2016, that the Financial Secretary had contacted the Director and Shareholder of Inverrigan Limited around that time to remind him that the company needed to repay the loan and interest payments. At the meeting, the Director of Inverrigan Limited replied that he had not been chased on the debt and he had forgotten all about it until the matter had been raised around that time in Parliament. After the Financial Secretary discussed the matter with the Director, the latter agreed to repay the loan sum. However, given the lack of chasing there had been to recover the loan, the Financial Secretary felt that it was unfair for the company to pay either the loan interest or the interest that had accrued on default of the company meeting the repayment of the loan. He therefore determined that the company should settle the interest outstanding by the payment of £7,000 (around half of the loan interest due) and that the balance of loan interest and default interest be written-off. On 11 November 2016, Inverrigan Limited repaid the loan of £48,000 in full, plus the sum of £7,000 in respect of loan interest. The remaining balance of interest outstanding as at 11 November 2016 totalling £26,093, made up of £5,907 in respect of loan interest and £20,186 in respect of default interest, was written-off on 16 February 2017.

- 2.16.3** There were similarly no new loans issued by the I&DF in the financial year 2017-18. Of the four loans in place as at 1 April 2017, one loan (that issued to Gibraltar Chronicle Printing Limited) was fully repaid on 26 September 2017. The three remaining loans were keeping to repayments in accordance with their respective agreements at the financial year-end.

Losses of Cash and Stores Written-off and Claims Abandoned

- 2.17.1** I hereunder provide the reasons for the major write-offs of abandoned claims and cash losses during the financial years 2016-17 and 2017-18, which in my opinion merited an explanation.

- 2.17.2 Treasury – General Rates and Salt Water Charges** - During the financial year 2016-17 the Financial Secretary authorised the write-off of the total sum of £39,262 in respect of General Rates and Salt Water Charges, comprised of £10,376 in Rates and £28,886 in respect of penalties as detailed hereunder:

- General Rates and Salt Water Charges totalling £10,339 due by 3 not-for-profit organisations and £37 due by 2 inactive accounts belonging to one not-for-profit organisation were written off due to the retrospective application of a rates exemption under Section 282 of the Public Health Act;
- Penalties totalling £4,636 due by 15 companies and 1 not-for profit organisation after all outstanding General Rates and Salt Water Charges had been paid;
- Penalties amounting to £15,299 owed by 23 individuals after all General Rates and Salt Water Charges arrears had been paid;
- Penalties amounting to £586 owed by 3 inactive accounts pertaining to individuals after all General Rates and Salt Water Charges arrears had been paid; and
- Penalties amounting to £8,365 owed by 4 inactive companies after all General Rates and Salt Water Charges arrears had been paid.

There were no write-offs authorised by the Financial Secretary during the financial year 2017-18 in respect of General Rates and Salt Water Charges.

- 2.17.3 Treasury – Loans Issued by the Improvement and Development Fund** - As mentioned in paragraph 2.16.2 of this report, following the full repayment of the loan of £48,000 by Inverrigan Limited on 11 November 2016, in addition to a sum of £7,000 in respect of loan interest, the remaining sum of £26,093, made up of £5,907 in respect of loan interest and £20,186 in respect of default interest, was approved for write-off by the Financial Secretary on 16 February 2017.

2.17.4 Gibraltar Electricity Authority – Outstanding Electricity Bills - In the financial year 2016-17, the sum of £30,559 was authorised by the Financial Secretary to be written-off in respect of outstanding electricity bills owed by 25 companies that were either liquidated or struck-off by the Registrar of Companies, most of which had been outstanding for over six years

2.17.5 Housing Works Agency – Deficiency of Stores - A total of £23,177 was authorised to be written-off by the Financial Secretary during the financial year 2016-17 in respect of deficiencies found in the Housing Works Agency (HWA) stores. These deficiencies have come to light from thorough and specific stock checks conducted on a weekly basis and are mainly as a result of the disorganised and swift transfer of the stores in 2011 from the Buildings and Works Department to the HWA in order to avoid disruptions to the HWA's productivity levels.

2.17.6 Housing - Administration – House Rents Arrears - On 17 October 2017, the Financial Secretary gave his approval to write-off the sum of £1,243 in respect of House Rents arrears owing from one tenant, dating back to a three-year period ending in October 2003, whose previous government dwelling was severely affected by rising dampness and a lack of ventilation.

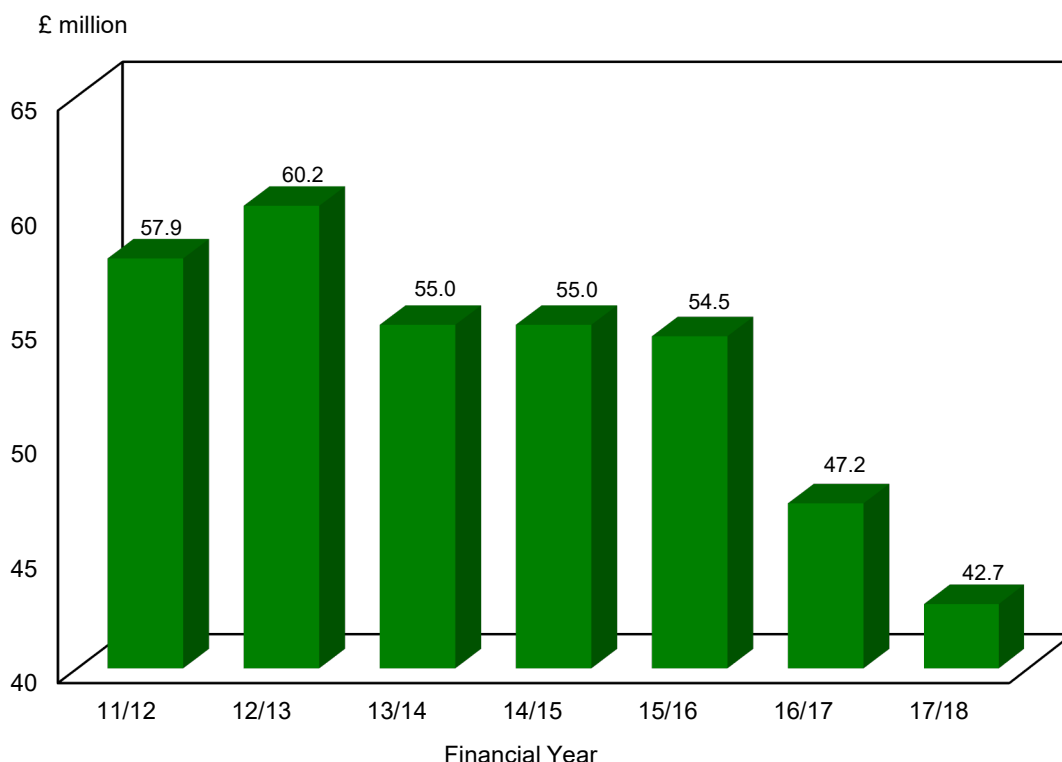
Arrears of Revenue

2.18.1 General - Total arrears of revenue due to Government on 31 March 2017 stood at £47.19m, a decrease of £7.33m compared to £54.52m at the end of the previous financial year.

2.18.2 As at 31 March 2018, the total arrears due to Government had further decreased by £4.44m to £42.75.

2.18.3 Figure 17 shows the comparable position of quantifiable debts at the year-end owed to Government over the last seven financial years:

Figure 17



2.18.4 The total arrears figure shown for the financial year 2014-15 in Figure 17 has been restated to comparably reflect the revised policy of the Gibraltar Electricity Authority of only recognising commercial works debts when the works have commenced and there is related

expenditure incurred. Additionally, the arrears totals for the financial years 2012-13 to 2015-16 have been amended to reflect the removal of Fines and Forfeitures included in previous charts depicting the comparable position of quantifiable debts owed to Government. The Accountant General agreed that Fines and Forfeitures should not be classified as arrears of revenue and are not reportable under a return of arrears of revenue after the Chief Justice recommended that outstanding fines and forfeitures did not constitute arrears of revenue since they are not a revenue-raising mechanism but rather exclusively part of the judicial process, see paragraph 2.18.10 of this report.

2.18.5 The overall decrease in arrears of revenue of £7.33m as at 31 March 2017 compared to the previous year-end was mainly as a result of year-on-year increases and decreases in the following arrears of revenue:

Figure 18

| Increase in Arrears of Revenue | Amount | Decrease in Arrears of Revenue | Amount |
|---------------------------------------|---------------|--|---------------|
| General Rates and Salt Water Charges | £0.80m | Income Tax | £3.25m |
| Other Receipts (Hospital Fees) | £0.50m | Company Tax | £3.63m |
| Tonnage Dues | £0.21m | Sale of Electricity to Consumers | £1.10m |
| Scholarship Fees - Reimbursements | £0.12m | House Rents | £0.47m |
| Bunkering Charges | £0.10m | Commercial Works (Gib Electricity Authority) | £0.35m |
| Berthing Charges | £0.06m | Ground and Sundry Rents | £0.20m |
| Gambling Charges and Fees | £0.05m | Airport Departure Tax | £0.09m |
| Tourist Sites Receipts | £0.04m | Fees and Concessions | £0.05m |
| Hostel Fees | £0.02m | Import Duties | £0.03m |
| | | Airport Landing Fees | £0.03m |
| | | Port Arrival and Departure Tax | £0.02m |
| | | Ship Registration Fees | £0.02m |
| | <u>£1.90m</u> | | <u>£9.24m</u> |

2.18.6 The overall decrease in arrears of revenue of £4.44m as at 31 March 2018 compared to the arrears position at the end of the previous financial year was mainly as a result of year-on-year increases and decreases in the following arrears of revenue:

Figure 19

| Increase in Arrears of Revenue | Amount | Decrease in Arrears of Revenue | Amount |
|--|---------------|---------------------------------------|---------------|
| Commercial Works (Gib Electricity Authority) | £0.71m | Income Tax | £2.95m |
| Other Receipts (Hospital Fees) | £0.57m | Company Tax | £1.52m |
| Airport Departure Tax | £0.26m | Sale of Electricity to Consumers | £0.73m |
| Scholarship Fees - Reimbursements | £0.14m | Tonnage Dues | £0.25m |
| Airport Landing Fees | £0.07m | Ground and Sundry Rents | £0.23m |
| Berthing Charges | £0.06m | General Rates and Salt Water Charges | £0.22m |
| Gambling Charges and Fees | £0.03m | House Rents | £0.21m |
| Tourist Sites Receipts | £0.02m | Bunkering Charges | £0.08m |
| Residents Contributions (GHA - ERS) | £0.02m | Ship Registration Fees | £0.07m |
| Hostel Fees | £0.01m | Postal Services Receipts | £0.07m |
| | <u>£1.89m</u> | | <u>£6.33m</u> |

2.18.7 Arrears of Income Tax, Company Tax, General Rates and Salt Water Charges, Ground and Sundry Rents and House Rents, as customary, are dealt with in Part 3 of this report, in addition to Arrears of Scholarship Fees - Reimbursements which I have reported in more

detail in Part 3. I hereunder provide information regarding arrears of revenue as at the end of the financial years 2016-17 and 2017-18, which in my view deserved an explanation.

2.18.8 Arrears of Other Receipts - Arrears in respect of Other Receipts (Hospital Fees) increased by £501,597 from £1,767,589 at the end of the previous financial year to £2,269,186 as at 31 March 2017 and by £573,802 to £2,842,988 as at 31 March 2018. The successive year-on-year increases primarily relate to a debt owed by one patient amounting to £1,662,647 (73.3% of total arrears) as at 31 March 2017, which further escalated to £1,901,994 (66.9% of total arrears) as at 31 March 2018. This patient was first billed in 2009 and the Gibraltar Health Authority (GHA) has informed me that the patient's debt, amounting to £1,967,957, extends up to 7 July 2018 after which date the patient was transferred to the GHA Elderly Residential Services, at which point invoicing by the GHA ceased.

2.18.9 The reasons provided to me by the GHA for the escalating arrears of Hospital Fees, disregarding the aforementioned patient, was that most debtors do not reside in Gibraltar and are uncontactable. I was informed that the GHA follow firm protocols in the recovery of arrears and liaise with the Department of Health in England to adopt best practice procedures in the recovery of Hospital Fees arrears. The GHA carried out a thorough exercise to contact all debtors with outstanding arrears dating back to the 2007-08 financial year, with a view of initiating recovery of their outstanding debts and also of determining irrecoverable debts. The arrears exercise revealed total debts, amounting to £157,357, which are considered irrecoverable. The GHA will be requesting approval from the Financial Secretary to write-off these arrears of Hospital Fees which are deemed irrecoverable.

2.18.10 Arrears of Fines and Forfeitures - On 26 March 2019, I wrote to the Accountant General informing him that as a consequence of a meeting held by the Chief Executive of the Gibraltar Courts Service with senior managers of the Central Arrears Unit, where the Chief Justice was also present, the latter expressed the view that fines imposed in the Magistrates' and Supreme Courts and which remain unpaid for a period of time are not Government arrears of revenue but rather are one of the sentencing options available to the Courts over which the administration has no input whatsoever. The Chief Justice further explained that as part of the judicial process, the Courts need to consider the time scale over which a fine is to be paid and upon application those periods can be extended. The enforcement of those fines is undertaken in a number of ways and includes action by Court Bailiffs when so ordered by the Court or more usually a period of imprisonment in default. In the latter case, upon serving the prison sentence, the fine is extinguished. The Chief Justice further added that the purpose of sentencing is to be found in section 479 (1) of the Criminal Procedure and Evidence Act which, inter alia, includes the punishment of offenders and the reduction of crime. The Chief Justice said it is not a revenue-raising mechanism but exclusively part of the judicial process and as a matter of principle, not least because of the separation of powers between the different arms of Government, it is wrong to categorise non-paid fines as arrears of Government revenue. Nonetheless, once collected those fines do become Government Revenue. The officials from the Central Arrears Unit agreed with the arguments put forward by the Chief Justice and by the Chief Executive of the Gibraltar Courts Service. I therefore proposed to the Accountant General that, considering the explanations of the Chief Justice, I am of the view that unpaid fines and forfeitures should no longer be treated as arrears of revenue for the purpose of including these outstanding amounts in the Statement of Aggregate Arrears of Revenue in the Public Accounts of Gibraltar. I added that in my opinion, we should solely include information on outstanding fines and forfeitures as a footnote to this Statement but not as part of the main table encompassing all arrears of revenue owed to Government at the year-end. Nevertheless, I was of the view that the departmental Return of Arrears of Revenue should continue to be submitted by the Chief Executive of the Gibraltar Courts Service, in accordance with Accounting Instructions, in order to monitor the level of fines and forfeitures that are outstanding. On 10 June 2019, the Accountant General informed me that after having reviewed the arguments put forward by the Chief Justice and the Chief Executive of the Gibraltar Courts Service he was in agreement with the proposal put forward.

- 2.18.11 Arrears of Airport Departure Tax** - Arrears due in respect of Airport Departure Tax as at 31 March 2017 decreased by £94,035 to £248,420 from the previous financial year-end arrears of £342,455. The year-on-year arrears as at 31 March 2018, however, increased substantially by £259,628 to £508,048 due primarily to a sum of £248,020 owing by Monarch Airlines that stopped operations on 2 October 2017 as a result of becoming insolvent. The arrears owing as at 31 March 2018 also include the sum of £62,220 due by Andalus Airlines in respect of the period July 2009 to March 2010. The arrears owed by these carriers were subsequently written-off by the Financial Secretary on 12 April 2022.
- 2.18.12 Arrears of Fees and Concessions** - Arrears due in connection with Fees and Concessions decreased during the year by £51,366 to £55,665 as at 31 March 2017. As at 31 March 2018, the level of arrears remained practically at the same level amounting to £55,149; these arrears being mainly in respect of the financial year 2017-18 except for the sum of £400, which dates back to 2006 and which is deemed irrecoverable, as the shop the arrears related to ceased trading.
- 2.18.13 Arrears of Airport Landing Fees** - There was a decrease in respect of Airport Landing Fees arrears of £30,076 to £87,615 as at 31 March 2017, compared to the previous financial year-end arrears position of £117,691. However, as at 31 March 2018, arrears increased by £74,089 to £161,704, largely due to a sum of £64,193 owing by Monarch Airlines. The arrears owing as at 31 March 2018 also include the sum of £27,139 due by Andalus Airlines in respect of the period August 2009 to March 2010. The arrears owed by these carriers were subsequently written-off by the Financial Secretary on 12 April 2022.
- 2.18.14 Arrears of Tourist Sites Receipts** - The arrears of Tourist Sites Receipts as at 31 March 2017 increased year-on-year by £44,746 to £347,856 of which £120,638 had exceeded the 90-day credit period terms established by the Gibraltar Tourist Board and consisted of outstanding invoices amounting to £117,885 and £2,753 owed by two companies. The former sum was due within the financial year 2016-17 but the latter arrears debt was owed since 31 May 2014.
- 2.18.15** As from 1 April 2017, the Chief Executive (Environment) took over responsibility as Receiver of Revenue for Tourist Sites Receipts from the Chief Executive Officer, Gibraltar Tourist Board.
- 2.18.16** As at 31 March 2018, Tourist Sites Receipts arrears had increased by £23,577 to £371,433. Of this sum, £108,780 had exceeded the 90-day credit period and was owed by the same company who in previous years had been the highest debtor. The other company who had previously owed £2,753 in excess of the credit period settled their historic debt on 8 September 2017.
- 2.18.17 Arrears of Postal Services Receipts** - Revenue collected from Postal Services Receipts consists of Postal, Franking and Bulk Mailing fees; E-Commerce fees; and Terminal Dues. Arrears of Postal Services Receipts, as at 31 March 2017 decreased by £6,342 from £108,379 in respect of the previous financial year to £102,037. These arrears consist of amounts owing predominantly in respect of E-commerce fees (£96,529), and to a less extent to Postal, Franking and Bulk Mailing fees (£5,507) but do not include Terminal Dues outstanding. The position as at 31 March 2018 was that arrears had decreased by £70,115 to £31,922, made up of £19,751 in respect of Postal, Franking and Bulk Mailing fees; and £12,171 relating to E-Commerce fees. Again, arrears outstanding as at 31 March 2018 do not include Terminal Dues outstanding.
- 2.18.18** I must mention, that since the appointment of a new Director of Postal Services on 3 June 2019, Terminal Dues revenue is now being properly collected and, in turn, also rightfully included in the annual return of arrears of revenue submitted by the Receiver of Revenue as required under Accounting Instructions, something which previously with the previous Director of Postal Services had not been undertaken since 31 March 2014, despite my predecessor's and my own repeated requests for the submission of this information to the Receiver of Revenue.

- 2.18.19** In his first arrears of revenue return submitted as at 30 September 2019, the new Director of Postal Services reported that there was a total of £87,399 outstanding in respect of Terminal Dues. On 31 March 2020, the outstanding Terminal Dues arrears amounted to £53,218 of which £25,499 had been recovered after the year-end.
- 2.18.20 Arrears of Tonnage Dues** - Tonnage Dues arrears increased significantly from £286,098 at the end of the previous financial year to £501,047 as at 31 March 2017. On enquiring from the acting Finance Manager at the Gibraltar Port Authority the reasons for such a substantial increase, she explained that of the sum of £501,047 owing at the end of 2016-17, £229,788 (45.9%) related to arrested vessels in British Gibraltar Territorial Waters by the Admiralty Marshal. Tonnage Dues in respect of arrested vessels are not received by the Gibraltar Port Authority until the vessels have been either released or sold. The outstanding tonnage dues, amounting to £229,788, in respect of the arrested vessels was settled during the months of April, May and August 2017 when the vessels were released/sold. The position as at 31 March 2018 was that arrears of Tonnage Dues had decreased by £253,826 to £247,221.
- 2.18.21 Arrears of Berthing Charges** - There was a year-on-year increase in Berthing Charges as at 31 March 2017 of £63,862 from £29,988 at the end of the previous year to £93,850. The arrears as at 31 March 2018, further increased by £63,077 to £156,927. It should be noted, however, that none of these arrears related to previous years; the arrears of £156,927 referred to the financial year 2017-18 and were repaid after the year-end.
- 2.18.22 Arrears of Bunkering Charges** - Arrears of Bunkering Charges stood at £128,227 as at 31 March 2017, an increase of £100,227 from the position at the end of the previous financial year. However, the arrears position decreased by £84,227 to £44,000 as at 31 March 2018; however, these arrears referred entirely to the financial year 2017-18 and were also repaid after the year-end.
- 2.18.23 Arrears of Ship Registration Fees** - Arrears of Ship Registration Fees as at 31 March 2017 totalling £136,928 decreased year-on-year by £21,035. The position as at 31 March 2018 was that arrears had again decreased year-on-year by £70,974 to £65,954. As mentioned in previous audit reports, the Maritime Administrator once again informed me that £23,505 of the total debt was due by a company in liquidation and that a claim for the sum owed had been lodged with the liquidator. The remaining balance of arrears of revenue referred entirely to the financial year 2017-18 and were also repaid after the year-end.
- 2.18.24 Arrears of Sale of Electricity to Consumers** - Arrears of Sale of Electricity to Consumers decreased year-on-year by £1,103,568 from £8,549,296 to £7,445,728 as at 31 March 2017. However, as the sum of £30,559 was written-off during the financial year, arrears of Electricity Charges to Consumers effectively decreased year-on-year by £1,073,009. As at 31 March 2018, arrears of Sale of Electricity to Consumers had further decreased year-on-year by £730,439 to £6,715,289.
- 2.18.25 Arrears of Commercial Works** - Arrears of revenue in respect of works carried out by the Gibraltar Electricity Authority to private and public entities stood at £185,170 as at 31 March 2017, a significant year-on-year decrease of £349,215. Arrears of Commercial Works as at 31 March 2018 further decreased by £60,318 to £124,852. However, most of the sums owed as at 31 March 2018 were due by government companies, departments, authorities and agencies which were settled during the subsequent financial year 2018-19.
- 2.18.26 Arrears of Non-Residents' School Fees** - Arrears due in respect of Non-Residents' School Fees as at 31 March 2017 stood at £98,028, a decrease of £2,080 from £100,108 at the end of the previous financial year. The position as at 31 March 2018 was that arrears had further decreased by £1,760 to £96,268. However, an examination of the debts owing to the Department of Education showed that of the 25 non-resident debtors only one individual is repaying the debt owing to the Government.



Gibraltar Audit Office

Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank for the financial year ended 31 March 2019



Gibraltar Audit Office

THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2019 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2019 and the assets and liabilities as at the end of that period.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Report

I have no observations to make on these financial statements.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2019



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2019

Treasury Department

Gibraltar Savings Bank
Director's Report on the Accounts for the Year Ended 31 March 2019

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year was comprised of £45.5 million from return of investments, £9.25 million from a dividend *in specie* received as a debenture from Credit Finance Company Limited and £0.18 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2019 was £9.14 million, compared with a net income of £6.70 million during the previous year. The negative price amortisation from buying high coupon securities resulted in a net capital loss on the fund's investments of £1.56 million. The capital loss is offset by high interest income reflected in the return on investments.

Crown Agents investment management charges totalled around £0.50 million (0.2% of the fund assets managed in UK).

The net increase in reserves during the year was £7.58 million. The end of year reserves stood at £44.78 million.

At the year-end, the deposits of the bank, excluding £3.59 million of accrued interest, stood at £1,394.98 million. The previous year-end figure totalled £1,336.88 million. Deposits as at 31 March 2019 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | <u>£'m</u> | <u>Year</u> |
| | <u>£'m</u> | <u>£'m</u> |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 92.9 | 90.8 |
| On-Call Investment Accounts | 7.6 | 14.6 |
| Pensioners' Monthly Income Debentures | 11.8 | 13.6 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/19 | 0.0 | 46.9 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 31.8 | 0.0 |
| Monthly Income Debentures | 43.7 | 45.0 |
| Special Issue of Monthly Income Debentures | 2.3 | 2.5 |
| 3-Year Fixed Term Monthly Income Debentures | 31.1 | 30.6 |
| 5-Year Fixed Term Monthly Income Debentures | 516.8 | 564.0 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 288.9 | 197.6 |
| 10-Year Accumulator Bonds | 5.5 | 5.5 |
| 10-Year Pensioner Accumulator Bonds | 5.0 | 5.1 |
| Children's Bond | 7.1 | 4.9 |
| Other Debentures (Special Issues) | 0.2 | 0.1 |
| Gibraltar Provident Trust Fund Bonds | 8.0 | 7.9 |
| Guaranteed Superannuation Fund Bond | 172.4 | 146.2 |
| | <u>1,225.1</u> | <u>1,175.3</u> |
| <u>Government Deposits</u> | | |
| On-Call Investment Accounts | 169.8 | 161.6 |
| | <u>1,394.9</u> | <u>1,336.9</u> |

The level of overall non-Government Deposits stood at £1,225.1 million. The increase of £49.8 million over the previous year is mainly the result of the issue of Gibraltar Savings Bank debentures; an increase in the Guaranteed Superannuation Fund Bond; an increase in the Children's Bond; and an increase in the level of Ordinary Deposits.

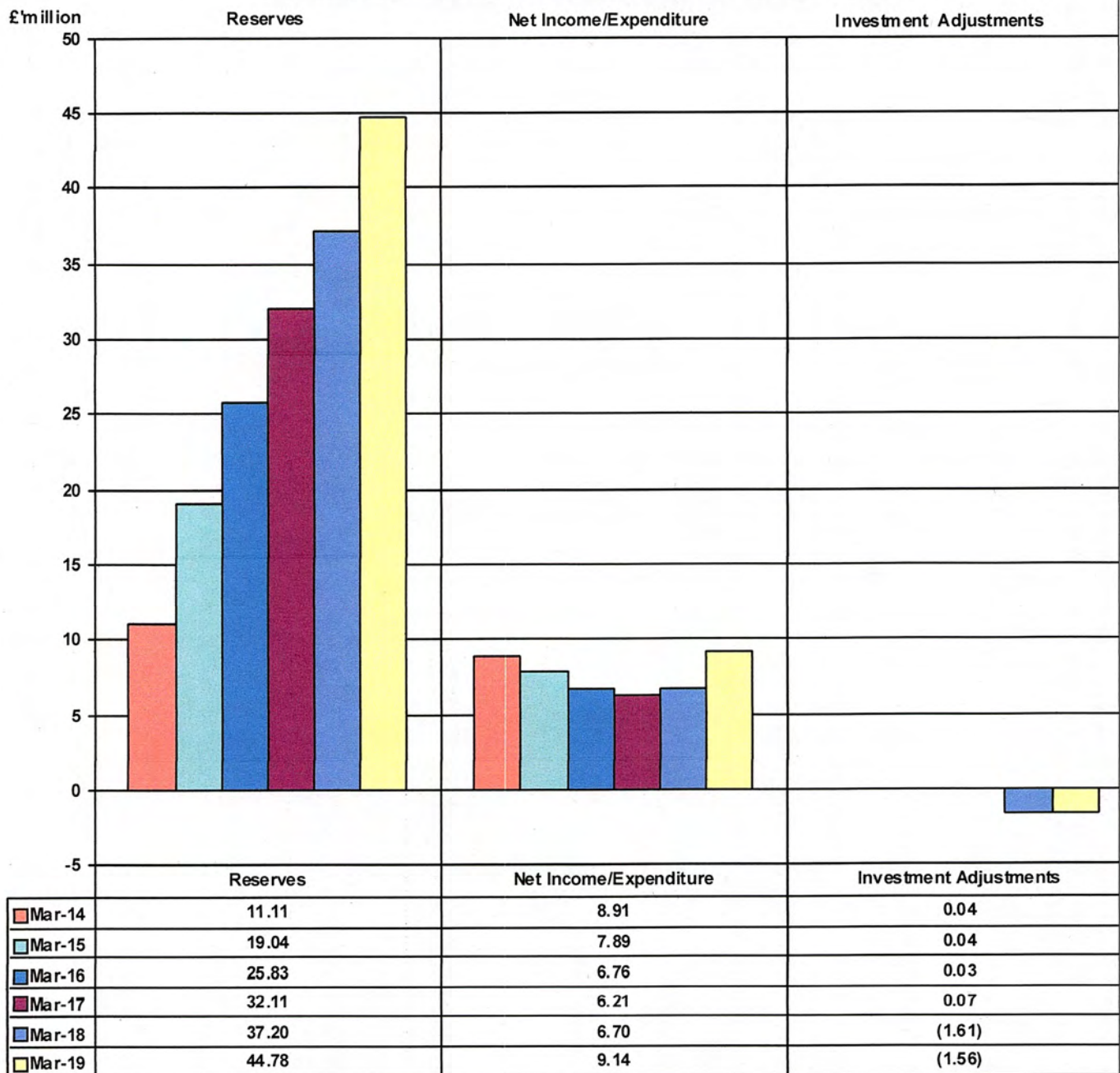
Government deposits in the Gibraltar Savings Bank were up by 5.1% reflecting an increase in the level of Government Liquid Reserves held by the bank.

The Special Issue of Pensioners' Monthly Income Debentures 01/09/17 previously extended to 01/09/18 was further extended to 01/01/19. Prior to maturity, debenture-holders were given the option to transfer to a new Special Issue of Pensioners' Monthly Income Debentures maturing on 01/01/22. The interest rate on the new Debenture was 2.5% per annum, 0.5% less than the previous Issue.

The following is a summary of interest rates payable to depositors by the bank during the period April 2018 to March 2019:-

| | |
|--|------------------------------|
| Ordinary Deposits | 0.5 per cent per annum |
| Monthly Income Debentures | 1 or 2 per cent per annum |
| Pensioners' Monthly Income Debentures | 2 per cent per annum |
| 3-Year Fixed Term Pensioners' Monthly Income Debentures | 3 per cent per annum |
| 3-Year Fixed Term Monthly Income Debentures | 2 or 2.5 per cent per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 4 or 5 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures | 3, 4 or 5 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 2.5 per cent per annum |
| Children's Bond | 5 per cent per annum |

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds depend on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and this rate increases by 1% per annum in each subsequent year to reach an interest rate of 11% payable in the tenth year that the investment is held.

Gibraltar Savings Bank - Results During Last Six Years

C Santos
 Accountant General and Director, Gibraltar Savings Bank (Ag)
 31 October 2019

SAVINGS BANK FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

INCOME AND EXPENDITURE ACCOUNT

| | Note | |
|--|----------------------|-----------------------|
| <u>INCOME</u> | | |
| Return on Investments | | £45,497,986.07 |
| Dividend <i>in specie</i> received as a debenture | 2 | £9,250,000.00 |
| Early Redemption Charges | | £170,383.94 |
| Miscellaneous Receipts | | £5,042.67 |
| | | <u>£54,923,412.68</u> |
| <u>EXPENDITURE</u> | | |
| Interest Paid : | | |
| Debentures | £39,372,696.00 | |
| On-Call Investment Accounts | £163,058.63 | |
| Ordinary Deposits | £445,278.79 | |
| Bonds | <u>£4,971,010.91</u> | |
| | | £44,952,044.33 |
| New Banking Platform Costs and Annual Licence Fees | | £207,151.10 |
| Expansion Costs | | £18,050.00 |
| Miscellaneous Expenses | | £22,001.60 |
| Management and Other Charges | | <u>£582,994.98</u> |
| | | (£45,782,242.01) |
| Net Income transferred to Reserve Account | | <u>£9,141,170.67</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT

| | | |
|--|----------------------|-----------------------|
| <u>INCREASE IN DEPOSITS</u> | | |
| Debentures | £26,290,890.87 | |
| Bonds | £28,552,528.98 | |
| Ordinary Deposits | £2,099,027.87 | |
| On-Call Investment Accounts | <u>£1,159,456.70</u> | |
| | | £58,101,904.42 |
| <u>DECREASE IN DEPOSITS</u> | | |
| | | £0.00 |
| Net Increase in Deposits during the year | | <u>£58,101,904.42</u> |

INVESTMENT ADJUSTMENT ACCOUNT

| | | |
|--|--|------------------------|
| <u>INCREASE IN INVESTMENTS</u> | | |
| | | £0.00 |
| <u>DECREASE IN INVESTMENTS</u> | | |
| Net Capital Loss on Investments | | (£1,563,564.40) |
| Net Decrease in Investments transferred to Reserve Account | | <u>(£1,563,564.40)</u> |

RESERVE ACCOUNT

| | | |
|--|--|----------------------|
| <u>INCREASE IN RESERVES</u> | | |
| Net Income transferred from Income and Expenditure Account | | £9,141,170.67 |
| <u>DECREASE IN RESERVES</u> | | |
| Transfer of Surplus to Consolidated Fund | | £0.00 |
| Net Decrease in Investments transferred from Investment Adjustment Account | | (£1,563,564.40) |
| Net Increase in Reserves during the year | | <u>£7,577,606.27</u> |

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2019****ASSETS**

| | | |
|--|--|--------------------------|
| Investments on 1 April 2018 | | £1,365,443,683.44 |
| Net Purchase of Investments during the year | | £67,329,088.82 |
| | | <u>£1,432,772,772.26</u> |
| Net Decrease in Investments as per Investment Adjustment Account | | (£1,563,564.40) |
| Investments on 31 March 2019 | | £1,431,209,207.86 |
| Cash in Hand | | £12,145,107.12 |
| | | <u>£1,443,354,314.98</u> |

FINANCED BY**Debentures**

| | | |
|--|------------------------|--|
| Deposits on 1 April 2018 | £900,299,229.84 | |
| Accrued Interest on 1 April 2018 | £3,307,220.22 | |
| Net Increase in Deposits | £26,290,890.87 | |
| Increase in Accrued Interest during the year | £43,020.56 | |
| Deposits on 31 March 2019 | <u>£929,940,361.49</u> | |

On Call Investment Accounts

| | | |
|--|------------------------|--|
| Deposits on 1 April 2018 | £176,207,549.13 | |
| Net Increase in Deposits during the year | £1,159,456.70 | |
| Deposits on 31 March 2019 | <u>£177,367,005.83</u> | |

Ordinary Deposits

| | | |
|--|-----------------------|--|
| Deposits on 1 April 2018 | £90,818,969.11 | |
| Net Increase in Deposits during the year | £2,099,027.87 | |
| Deposits on 31 March 2019 | <u>£92,917,996.98</u> | |

Bonds

| | | |
|--|------------------------|-------------------|
| Deposits on 1 April 2018 | £169,555,454.38 | |
| Accrued Interest on 1 April 2018 | £207,082.08 | |
| Net Increase in Deposits during the year | £28,552,528.98 | |
| Increase in Accrued Interest during the year | £34,722.85 | |
| Deposits on 31 March 2019 | <u>£198,349,788.29</u> | |
| Total Deposits on 31 March 2019 | | £1,398,575,152.59 |

Reserve Account

| | | |
|--|-----------------------|--------------------------|
| Reserve Account on 1 April 2018 | £37,201,556.12 | |
| Net Increase in Reserves during the year | £7,577,606.27 | |
| Reserve Account on 31 March 2019 | <u>£44,779,162.39</u> | |
| Fund Account Balance on 31 March 2019 | | <u>£1,443,354,314.98</u> |



C Santos
Director, Gibraltar Savings Bank (Ag)
31 October 2019

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2019 |
|---|------------------|----------------------------------|--------------------------------|---------------------------------|
| BMW INTL INVESTMENT BV FRN 17/07/19 | £5,000,000.00 | 99.953 0.243 | £4,997,650.00 £12,174.40 | £5,009,824.40 |
| LLOYDS BANK FRN 18/07/19 | £2,500,000.00 | 100.074 0.242 | £2,501,850.00 £6,053.42 | £2,507,903.42 |
| TOYOTA MOTOR FINANCE BV FRN 30/09/19 | £2,000,000.00 | 99.955 0.006 | £1,999,100.00 £113.80 | £1,999,213.80 |
| ROYAL BANK OF SCOTLAND PLC FRN 15/05/20 | £5,000,000.00 | 100.114 0.136 | £5,005,700.00 £6,810.24 | £5,012,510.24 |
| ASB FINANCE LTD LONDON FRN 22/05/20 | £2,000,000.00 | 100.117 0.138 | £2,002,340.00 £2,755.74 | £2,005,095.74 |
| SUMITOMO MITSUI BANKING FRN 07/09/20 | £5,000,000.00 | 99.998 0.078 | £4,999,900.00 £3,922.62 | £5,003,822.62 |
| DEUTSCHE HYPOTHEKENBANK FRN 22/03/21 | £10,000,000.00 | 99.918 0.027 | £9,991,800.00 £2,713.27 | £9,994,513.27 |
| NATIONAL AUSTRALIA BANK FRN 24/04/21 | £5,000,000.00 | 99.791 0.225 | £4,989,550.00 £11,261.86 | £5,000,811.86 |
| BANK OF NOVA SCOTIA FRN 11/06/21 | £1,000,000.00 | 99.911 0.067 | £999,110.00 £669.86 | £999,779.86 |
| TSB BANK PLC FRN 07/12/22 | £5,000,000.00 | 99.228 0.071 | £4,961,400.00 £3,560.98 | £4,964,960.98 |
| TORONTO-DOMINION BANK FRN 30/01/23 | £5,000,000.00 | 99.363 0.188 | £4,968,150.00 £9,403.81 | £4,977,553.81 |
| OVERSEA-CHINESE BANKING FRN 14/03/23 | £5,000,000.00 | 99.096 0.052 | £4,954,800.00 £2,592.50 | £4,957,392.50 |
| BARCLAYS BANK PLC FRN 09/01/23 | £3,700,000.00 | 99.425 0.249 | £3,678,725.00 £9,230.68 | £3,687,955.68 |
| STADSHYPOTEK AB FRN 11/01/23 | £6,000,000.00 | 99.135 0.247 | £5,948,100.00 £14,800.36 | £5,962,900.36 |
| TORONTO-DOMINION BANK FRN 07/06/21 | £1,900,000.00 | 99.971 0.073 | £1,899,449.00 £1,390.65 | £1,900,839.65 |
| ROYAL BANK OF CANADA FRN 14/09/21 | £10,000,000.00 | 100.076 0.058 | £10,007,600.00 £5,790.48 | £10,013,390.48 |
| NATIONAL BANK OF CANADA FRN 27/09/21 | £4,250,000.00 | 100.114 0.013 | £4,254,845.00 £561.47 | £4,255,406.47 |
| ROYAL BANK OF CANADA FRN 08/12/22 | £5,000,000.00 | 99.465 0.068 | £4,973,250.00 £3,390.14 | £4,976,640.14 |
| EXPORT DEVELOPMENT CANADA FRN 24/05/23 | £10,000,000.00 | 99.960 0.089 | £9,996,000.00 £8,940.14 | £10,004,940.14 |
| EIB FRN 21/05/21 | £9,000,000.00 | 100.411 0.111 | £9,036,990.00 £9,976.56 | £9,046,966.56 |
| SANTANDER UK PLC FRN 16/11/22 | £9,500,000.00 | 99.504 0.123 | £9,452,880.00 £11,725.02 | £9,464,605.02 |
| SKIPTON BUILDING SOCIETY FRN 24/02/24 | £3,000,000.00 | 100.047 0.015 | £3,001,410.00 £455.44 | £3,001,865.44 |
| BNP PARIBAS 2.375% 20/11/19 | £5,000,000.00 | 100.760 0.852 | £5,038,000.00 £42,619.86 | £5,080,619.86 |
| FCE BANK PLC 2.759% 13/11/19 | £3,500,000.00 | 100.604 1.043 | £3,521,134.48 £36,509.51 | £3,557,643.99 |
| Carried forward | £123,350,000.00 | | £123,387,156.29 | £123,387,156.29 |

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2019 |
|---|------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £123,350,000.00 | | £123,387,156.29 | £123,387,156.29 |
| DEUTSCHE BANK AG 1.875% 28/02/20 | £10,000,000.00 | 99.906 0.159 | £9,990,570.58 £15,924.66 | £10,006,495.24 |
| FCE BANK PLC 3.25% 19/11/20 | £6,000,000.00 | 102.391 1.175 | £6,143,432.16 £70,520.55 | £6,213,952.71 |
| UBS AG LONDON 1.25% 10/12/20 | £10,000,000.00 | 99.636 0.380 | £9,963,641.98 £38,013.70 | £10,001,655.68 |
| DAIMLER INTL FINANCE BV 1.5% 18/08/21 | £5,000,000.00 | 99.777 0.925 | £4,988,872.69 £46,232.88 | £5,035,105.57 |
| VOLKSWAGEN FIN SERVICES NV 1.875% 07/09/21 | £5,000,000.00 | 99.818 1.166 | £4,990,915.21 £58,304.79 | £5,049,220.00 |
| FCA BANK SPA IRELAND 1.625% 29/09/21 | £10,000,000.00 | 98.871 0.815 | £9,887,114.84 £81,472.60 | £9,968,587.44 |
| INVESTEC PLC 4.5% 05/05/22 | £5,400,000.00 | 104.773 4.068 | £5,657,738.60 £219,698.63 | £5,877,437.23 |
| CREDIT SUISSE GP FUNDING LTD 3% 27/05/2022 | £7,000,000.00 | 102.866 2.532 | £7,200,654.44 £177,205.48 | £7,377,859.92 |
| VOLKSWAGEN FIN SERVICES NV 1.625% 09/06/22 | £5,000,000.00 | 100.182 1.313 | £5,009,121.77 £65,667.81 | £5,074,789.58 |
| YORKSHIRE WATER FINANCE 6% 21/08/19 | £4,500,000.00 | 101.874 3.649 | £4,584,320.69 £164,219.18 | £4,748,539.87 |
| VIRGIN MONEY PLC 2.25% 21/04/20 | £1,000,000.00 | 100.458 2.121 | £1,004,575.92 £21,205.48 | £1,025,781.40 |
| SKY PLC 2.875% 24/11/20 | £9,000,000.00 | 102.329 1.000 | £9,209,601.76 £90,030.82 | £9,299,632.58 |
| CLOSE BROTHERS GROUP PLC 2.75% 26/04/23 | £10,000,000.00 | 100.497 1.179 | £10,049,696.59 £117,857.14 | £10,167,553.73 |
| YORKSHIRE BUILDING SOC 4.125% 20/11/24 | £9,725,000.00 | 101.048 1.480 | £9,826,912.74 £143,976.63 | £9,970,889.37 |
| BAT INTERNATIONAL FINANCE PLC 1.75% 05/07/21 | £10,000,000.00 | 100.327 1.290 | £10,032,664.14 £128,972.60 | £10,161,636.74 |
| LLOYDS BANK GBP CALL A/C | £13,690,837.64 | 100.000 0.014 | £13,690,837.64 £1,877.64 | £13,692,715.28 |
| BANK OF NEW YORK GBP A/C | £4,723.86 | 100.000 | £4,723.86 | £4,723.86 |
| STERLING FUTURE SETTLEMENTS ACCOUNT (1) | (£4,749,719.18) | 100.000 | (£4,749,719.18) | (£4,749,719.18) |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014 | £147,700,000.00 | 100.000 0.510 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| GOVERNMENT OF GIBRALTAR DEBENTURE ISSUED ON 1 SEPTEMBER 2014 | £100,000,000.00 | 100.000 2.992 | £100,000,000.00 £2,991,780.82 | £102,991,780.82 |
| CREDIT FINANCE COMPANY LTD DEBENTURE ISSUED ON 1 MARCH 2019 (4) | £9,250,000.00 | 100.000 0.510 | £9,250,000.00 £47,137.05 | £9,297,137.05 |
| CREDIT FINANCE COMPANY LTD REDEEMABLE PREFERENCE SHARES | £400,000,000.00 | 100.000 | £400,000,000.00 | £400,000,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 4831398.737 | £382,646.78 | £382,646.78 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| GIBTELECOM LTD - ORDINARY SHARES (3) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| Carried forward | £907,885,850.24 | | £990,036,031.63 | £990,036,031.63 |

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2019

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2019 |
|-----------------------------------|--------------------------|----------------------------------|--------------------------------|---------------------------------|
| Brought forward | £907,885,850.24 | | £990,036,031.63 | £990,036,031.63 |
| BANK OF ENGLAND | £40,883,321.30 | 100.000 0.007 | £40,883,321.30 £2,822.63 | £40,886,143.93 |
| BARCLAYS BANK PLC | £79,656,200.42 | 100.000 0.045 | £79,656,200.42 £35,503.45 | £79,691,703.87 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £182,510,295.07 | 100.000 0.005 | £182,510,295.07 £8,341.22 | £182,518,636.29 |
| JYSKE BANK | £21,032,107.69 | 100.000 0.104 | £21,032,107.69 £21,805.40 | £21,053,913.09 |
| GIBRALTAR INTERNATIONAL BANK | £95,727,948.68 | 100.000 0.059 | £95,727,948.68 £56,440.51 | £95,784,389.19 |
| KLEINWORT HAMBROS BANK | £20,218,191.23 | 100.000 0.002 | £20,218,191.23 £498.53 | £20,218,689.76 |
| MONEYCORP BANK | £1,018,402.68 | 100.000 0.127 | £1,018,402.68 £1,297.42 | £1,019,700.10 |
| | £1,348,932,317.31 | | £1,431,209,207.86 | £1,431,209,207.86 |

Notes:

(1) The sterling future settlements account reflects the following trades transacted in March 2019 with settlement in April 2019. This amount includes an element of accrued interest:

Yorkshire Water Finance 6% 21/08/19

(2) The Visa shareholding shown above is based on a re-valuation as at 31 March 2019 of its 230 Series C preference shares in Visa Inc.

(3) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government.

(4) On 1 March 2019, Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, being the shareholder of all of the thirty million ordinary shares in the company. However, the Gibraltar Development Corporation waived the right to this dividend directing that any dividend on surpluses earned to date be paid to the Gibraltar Savings Bank, being the shareholder of all of the four hundred million redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, with monthly interest payable at 6% per annum and redeemable at par on 1 January 2029.

SAVINGS BANK FUND

Notes to the Accounts

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments and interest payable is accounted for on an accrual basis.

Dividend *in Specie*

The dividend *in specie* received as a debenture by the Gibraltar Savings Bank has been recognised in the Income and Expenditure account on 1 March 2019, being the effective date of the debenture issue.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued as fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

2. Dividend *in specie* received as a debenture

On 1 March 2019, Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, being the shareholder of all of the thirty million ordinary shares in the company. However, the Gibraltar Development Corporation waived the right to this dividend directing that any dividend on surpluses earned to date be paid to the Gibraltar Savings Bank, being the shareholder of all of the four hundred million redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, with monthly interest payable at 6% per annum and redeemable at par on 1 January 2029.



Gibraltar Audit Office

Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank for the financial year ended 31 March 2020



Gibraltar Audit Office

THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2020 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2020 and the assets and liabilities as at the end of that period.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Report

I have no observations to make on these financial statements.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

27 October 2020



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2020

Treasury Department

Gibraltar Savings Bank
Director's Report on the Accounts for the Year Ended 31 March 2020

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year totalled £48.27 million and was comprised of £48.04 million from return on investments and £0.23 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2020 was £1.91 million, compared with a net income of £9.14 million during the previous year. The Covid 19 pandemic had a significant negative effect in the Fund's investments, resulting in capital losses for the year of £1.05 million. The first six months of the year ending 31 March 2021 have seen the Fund's investments performance rebound positively with gains of £0.36 million.

Management charges for the year ending 31 March 2020 totalled £0.55m.

The net increase in reserves during the year was £0.86 million. The end of year reserves stood at £45.64 million.

At the year-end, the deposits of the bank, excluding £3.57 million of accrued interest, stood at £1,326.43 million. The previous year-end figure totalled £1,394.98 million. Deposits as at 31 March 2020 were made up as follows:

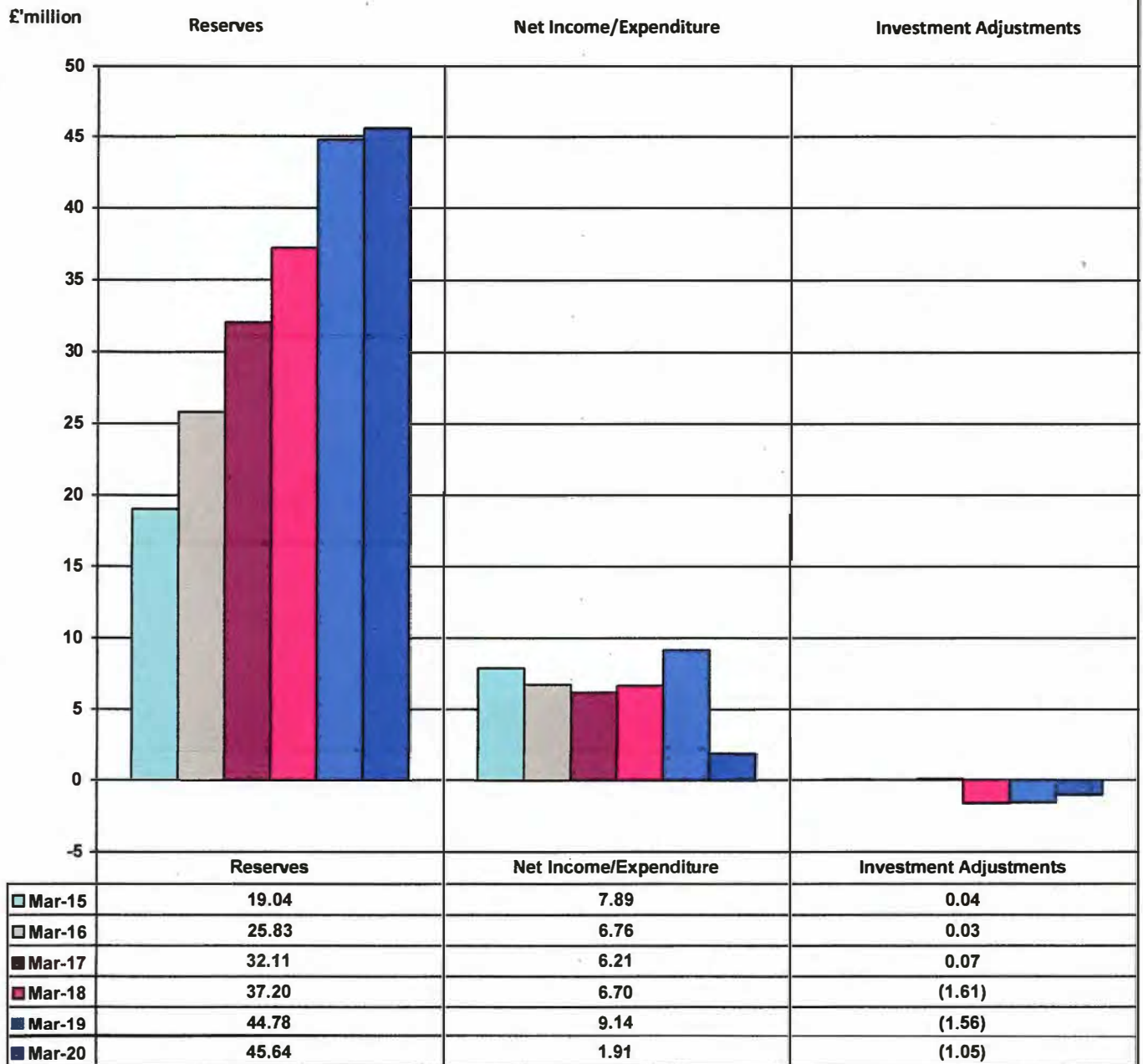
| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | <u>£'m</u> | <u>Year</u> |
| | <u>£'m</u> | <u>£'m</u> |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 96.1 | 92.9 |
| On-Call Investment Accounts | 4.7 | 7.6 |
| Pensioners' Monthly Income Debentures | 10.4 | 11.8 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 31.3 | 31.8 |
| Monthly Income Debentures | 46.6 | 43.7 |
| Special Issue of Monthly Income Debentures | 2.2 | 2.3 |
| 3-Year Fixed Term Monthly Income Debentures | 35.4 | 31.1 |
| 5-Year Fixed Term Monthly Income Debentures | 414.2 | 516.8 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 404.2 | 288.9 |
| 10-Year Accumulator Bonds | 5.4 | 5.5 |
| 10-Year Pensioner Accumulator Bonds | 5.0 | 5.0 |
| Children's Bond | 10.2 | 7.1 |
| Other Debentures (Special Issues) | 0.0 | 0.2 |
| Gibraltar Provident Trust Fund Bonds | 8.1 | 8.0 |
| Guaranteed Superannuation Fund Bond | 179.5 | 172.4 |
| | <u>1,253.3</u> | <u>1,225.1</u> |
| <u>Government Deposits</u> | | |
| On-Call Investment Accounts | 73.1 | 169.8 |
| | <u>1,326.4</u> | <u>1,394.9</u> |

Non-Government Deposits stood at £1,253.3 million. This represents an increase of £28.2 million over the previous year and is as a result of the Gibraltar Savings Bank operations. Government deposits in the Gibraltar Savings Bank were down by 56.9% due to a decrease in the level of Government Liquid Reserves held by the bank.

The following is a summary of interest rates payable to depositors by the bank during the period 1 April 2019 to 31 March 2020:-

| | |
|--|------------------------------|
| Ordinary Deposits | 0.5 per cent per annum |
| Monthly Income Debentures | 1 or 2 per cent per annum |
| Pensioners' Monthly Income Debentures | 2 per cent per annum |
| 3-Year Fixed Term Pensioners' Monthly Income Debentures | 3 per cent per annum |
| 3-Year Fixed Term Monthly Income Debentures | 2 or 2.5 per cent per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 4 or 5 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures | 3, 4 or 5 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 2.5 per cent per annum |
| Children's Bond | 5 per cent per annum |

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds are dependent on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and the interest rate increases by 1% per annum in each subsequent year to reach a maximum interest rate of 11% per annum payable in the tenth year that the investment is held.

Gibraltar Savings Bank - Results During Last Six Years

C Santos
Accountant General and Director, Gibraltar Savings Bank
26 October 2020

SAVINGS BANK FUND**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****INCOME AND EXPENDITURE ACCOUNT**

| | Note | <u>2020</u> £ | <u>2019</u> £ |
|---|------|-------------------------|-------------------------|
| <u>INCOME</u> | | | |
| Return on Investments | | 48,037,512 | 45,497,986 |
| Dividend <i>in specie</i> received as a debenture | 2 | - | 9,250,000 |
| Early Redemption Charges | | 227,130 | 170,384 |
| Miscellaneous Receipts | | 2,289 | 5,043 |
| | | <u>48,266,931</u> | <u>54,923,413</u> |
| <u>EXPENDITURE</u> | | | |
| Interest Paid : | | | |
| Debentures | | 39,234,957 | 39,372,696 |
| On-Call Investment Accounts | | 140,834 | 163,059 |
| Ordinary Deposits | | 472,387 | 445,279 |
| Bonds | | 5,641,360 | 4,971,011 |
| | | <u>45,489,538</u> | <u>44,952,045</u> |
| Banking Platform Costs and Annual Licence Fees | | 267,080 | 207,151 |
| Expansion Costs | | - | 18,050 |
| Miscellaneous Expenses | | 50,448 | 22,002 |
| Management and Other Charges | | 551,047 | 582,995 |
| | | <u>(46,358,113)</u> | <u>(45,782,243)</u> |
| Net Income transferred to Reserve Account | | <u>1,908,818</u> | <u>9,141,170</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT**INCREASE IN DEPOSITS**

| | | |
|-----------------------------|-------------------|-------------------|
| Debentures | 17,811,979 | 26,290,891 |
| Bonds | 10,033,639 | 28,552,529 |
| Ordinary Deposits | 3,223,721 | 2,099,028 |
| On-Call Investment Accounts | - | 1,159,457 |
| | <u>31,069,339</u> | <u>58,101,905</u> |

DECREASE IN DEPOSITS

| | | |
|--|---------------------|-------------------|
| On-Call Investment Accounts | (99,623,773) | - |
| Net Decrease in Deposits during the year | <u>(68,554,434)</u> | <u>58,101,905</u> |

INVESTMENT ADJUSTMENT ACCOUNT**INCREASE IN INVESTMENTS****DECREASE IN INVESTMENTS**

| | | |
|--|--------------------|--------------------|
| Net Capital Loss on Investments | (1,045,075) | (1,563,564) |
| Net Decrease in Investments transferred to Reserve Account | <u>(1,045,075)</u> | <u>(1,563,564)</u> |

RESERVE ACCOUNT**INCREASE IN RESERVES**

| | | |
|--|-----------|-----------|
| Net Income transferred from Income and Expenditure Account | 1,908,818 | 9,141,170 |
|--|-----------|-----------|

DECREASE IN RESERVES

| | | |
|--|----------------|------------------|
| Transfer of Surplus to Consolidated Fund | - | - |
| Net Decrease in Investments transferred from Investment Adjustment Account | (1,045,075) | (1,563,564) |
| Net Increase in Reserves during the year | <u>863,743</u> | <u>7,577,606</u> |

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2020**

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------------|-----------------------------|
| | £ | £ |
| <u>ASSETS</u> | | |
| Investments on 1 April 2019 | 1,431,209,208 | 1,365,443,683 |
| Net Sale of Investments during the year | <u>(66,662,077)</u> | <u>67,329,089</u> |
| | 1,364,547,131 | 1,432,772,772 |
| Net Decrease in Investments as per Investment Adjustment Account | <u>(1,045,075)</u> | <u>(1,563,564)</u> |
| Investments on 31 March 2020 | 1,363,502,056 | 1,431,209,208 |
| Cash in Hand | <u>12,140,528</u> | <u>12,145,107</u> |
| | <u><u>1,375,642,584</u></u> | <u><u>1,443,354,315</u></u> |
| <u>FINANCED BY</u> | | |
| <u>Debentures</u> | | |
| Deposits on 1 April 2019 | 926,590,121 | 900,299,230 |
| Accrued Interest on 1 April 2019 | 3,350,241 | 3,307,220 |
| Net Increase in Deposits | 17,811,979 | 26,290,891 |
| Decrease in Accrued Interest during the year | <u>(60,965)</u> | <u>43,021</u> |
| Deposits on 31 March 2020 | 947,691,376 | 929,940,362 |
| <u>On Call Investment Accounts</u> | | |
| Deposits on 1 April 2019 | 177,367,006 | 176,207,549 |
| Net Decrease in Deposits during the year | <u>(99,623,773)</u> | <u>1,159,457</u> |
| Deposits on 31 March 2020 | 77,743,233 | 177,367,006 |
| <u>Ordinary Deposits</u> | | |
| Deposits on 1 April 2019 | 92,917,997 | 90,818,969 |
| Net Increase in Deposits during the year | <u>3,223,721</u> | <u>2,099,028</u> |
| Deposits on 31 March 2020 | 96,141,718 | 92,917,997 |
| <u>Bonds</u> | | |
| Deposits on 1 April 2019 | 198,107,983 | 169,555,454 |
| Accrued Interest on 1 April 2019 | 241,805 | 207,082 |
| Net Increase in Deposits during the year | 10,033,639 | 28,552,529 |
| Increase in Accrued Interest during the year | <u>39,925</u> | <u>34,723</u> |
| Deposits on 31 March 2020 | <u>208,423,352</u> | <u>198,349,788</u> |
| Total Deposits on 31 March 2020 | 1,329,999,679 | 1,398,575,153 |
| <u>Reserve Account</u> | | |
| Reserve Account on 1 April 2019 | 44,779,162 | 37,201,556 |
| Net Increase in Reserves during the year | <u>863,743</u> | <u>7,577,606</u> |
| Reserve Account on 31 March 2020 | <u>45,642,905</u> | <u>44,779,162</u> |
| Fund Account Balance on 31 March 2020 | <u><u>1,375,642,584</u></u> | <u><u>1,443,354,315</u></u> |



C Santos
Director, Gibraltar Savings Bank
26 October 2020

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2020

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2020 |
|--|------------------|----------------------------------|--------------------------------|---------------------------------|
| SUMITOMO MITSUI BANKING FRN 07/09/20 | £4,700,000.00 | 99.920 0.050 | £4,696,240.00 £2,328.28 | £4,698,568.28 |
| LEEDS BUILDING SOCIETY FRN 15/04/23 | £4,000,000.00 | 98.922 0.258 | £3,956,880.00 £10,311.85 | £3,967,191.85 |
| TSB BANK PLC FRN 15/02/24 | £5,000,000.00 | 98.892 0.167 | £4,944,600.00 £8,342.01 | £4,952,942.01 |
| LLOYDS BANK PLC FRN 16/05/24 | £4,000,000.00 | 97.925 0.132 | £3,917,000.00 £5,260.01 | £3,922,260.01 |
| EUROPEAN INVESTMENT BANK FRN 15/01/25 | £3,500,000.00 | 99.381 0.193 | £3,478,335.00 £6,763.70 | £3,485,098.70 |
| NATIONAL AUSTRALIA BANK FRN 04/02/25 | £6,000,000.00 | 96.766 0.166 | £5,805,960.00 £9,984.28 | £5,815,944.28 |
| ROYAL BANK OF CANADA FRN 30/01/25 | £4,000,000.00 | 96.539 0.178 | £3,861,560.00 £7,118.86 | £3,868,678.86 |
| NIBC BANK NV 3.125% 15/11/23 | £9,500,000.00 | 105.686 1.176 | £10,040,138.80 £111,735.92 | £10,151,874.72 |
| FIL LIMITED 6.75% 19/10/20 | £10,000,000.00 | 103.040 3.025 | £10,303,986.97 £302,459.02 | £10,606,445.99 |
| FCE BANK PLC 3.25% 19/11/20 | £9,500,000.00 | 100.930 1.181 | £9,588,390.96 £112,196.04 | £9,700,587.00 |
| DAIMLER INTL FINANCE BV 1.5% 18/08/21 | £5,000,000.00 | 99.871 0.926 | £4,993,548.46 £46,311.48 | £5,039,859.94 |
| VOLKSWAGEN FIN SERVICES NV 1.875% 07/09/21 | £5,000,000.00 | 99.893 1.055 | £4,994,647.01 £52,766.39 | £5,047,413.40 |
| FCA BANK SPA IRELAND 1.625% 29/09/21 | £10,000,000.00 | 99.324 0.817 | £9,932,367.82 £81,693.99 | £10,014,061.81 |
| INVESTEC PLC 4.5% 05/05/22 | £6,950,000.00 | 103.776 4.070 | £7,212,457.77 £282,842.21 | £7,495,299.98 |
| CREDIT SUISSE GP FUNDING LTD 3% 27/05/2022 | £10,000,000.00 | 102.553 2.533 | £10,255,292.56 £253,278.69 | £10,508,571.25 |
| VOLKSWAGEN FIN SERVICES NV 1.625% 09/06/22 | £5,000,000.00 | 100.125 1.314 | £5,006,258.50 £65,710.38 | £5,071,968.88 |
| SWEDBANK AB 1.625% 28/12/22 | £5,000,000.00 | 100.794 0.417 | £5,039,691.90 £20,867.49 | £5,060,559.39 |
| LLOYDS BANK PLC 5.75% 09/07/25 | £10,000,000.00 | 101.579 4.179 | £10,157,872.95 £417,896.17 | £10,575,769.12 |
| BARCLAYS PLC 2.375% 06/10/23 | £7,000,000.00 | 101.192 1.149 | £7,083,459.31 £80,399.59 | £7,163,858.90 |
| VIRGIN MONEY PLC 2.25% 21/04/20 | £1,000,000.00 | 100.026 2.121 | £1,000,259.46 £21,209.02 | £1,021,468.48 |
| SKY PLC 2.875% 24/11/20 | £9,000,000.00 | 100.918 1.005 | £9,082,591.42 £90,491.80 | £9,173,083.22 |
| HSBC HOLDINGS PLC 2.175% 27/06/23 | £8,000,000.00 | 101.136 1.652 | £8,090,861.82 £132,163.93 | £8,223,025.75 |
| BAT INTERNATIONAL FINANCE PLC 1.75% 05/07/21 | £10,000,000.00 | 100.182 1.291 | £10,018,208.18 £129,098.36 | £10,147,306.54 |
| Carried forward | £152,150,000.00 | | £155,711,838.36 | £155,711,838.36 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2020**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2020 |
|--|-------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £152,150,000.00 | | £155,711,838.36 | £155,711,838.36 |
| LLOYDS BANK GBP CALL A/C | £7.45 | 100.000 | £7.45 | £7.45 |
| BANK OF NEW YORK GBP A/C | £1,350,732.19 | 100.000 | £1,350,732.19 | £1,350,732.19 |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014 | £147,700,000.00 | 100.000 0.510 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| GOVERNMENT OF GIBRALTAR DEBENTURES ISSUED ON 1 SEPTEMBER 2014 | £100,000,000.00 | 100.000 3.008 | £100,000,000.00 £3,008,219.18 | £103,008,219.18 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 10 OCTOBER 2024 ISSUED ON 10 OCTOBER 2019 | £75,000,000.00 | 100.000 0.289 | £75,000,000.00 £216,472.56 | £75,216,472.56 |
| CREDIT FINANCE COMPANY LTD DEBENTURES ISSUED ON 1 MARCH 2019 | £9,250,000.00 | 100.000 0.510 | £9,250,000.00 £47,137.05 | £9,297,137.05 |
| CREDIT FINANCE COMPANY LTD REDEEMABLE PREFERENCE SHARES | £9,250,000.00 | 100.000 | £9,250,000.00 | £9,250,000.00 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2022 | £10,000,000.00 | 100.000 0.255 | £10,000,000.00 £25,479.52 | £10,025,479.52 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £65,000,000.00 | 100.000 0.340 | £65,000,000.00 £220,821.99 | £65,220,821.99 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £40,750,000.00 | 100.000 0.425 | £40,750,000.00 £173,047.89 | £40,923,047.89 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £275,000,000.00 | 100.000 0.510 | £275,000,000.00 £1,401,369.88 | £276,401,369.88 |
| GSBA LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 DECEMBER 2019 | £10,000,000.00 | 100.000 0.510 | £10,000,000.00 £50,958.90 | £10,050,958.90 |
| GSBA LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 MARCH 2020 | £10,000,000.00 | 100.000 0.510 | £10,000,000.00 £50,958.90 | £10,050,958.90 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 DECEMBER 2019 | £20,000,000.00 | 100.000 0.255 | £20,000,000.00 £50,958.90 | £20,050,958.90 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 MARCH 2020 | £10,000,000.00 | 100.000 0.255 | £10,000,000.00 £25,479.45 | £10,025,479.45 |
| VISA - SHAREHOLDING (1) | £7.92 | 5233496.717 9655.934 | £414,492.94 £764.75 | £415,257.69 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| GIBTELECOM LTD - ORDINARY SHARES (2) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| BANK OF ENGLAND | £41,140,696.89 | 100.000 0.000 | £41,140,696.89 £135.26 | £41,140,832.15 |
| BARCLAYS BANK PLC | £14,762,248.33 | 100.000 0.049 | £14,762,248.33 £7,282.66 | £14,769,530.99 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £180,472,947.20 | 100.000 0.002 | £180,472,947.20 £3,355.32 | £180,476,302.52 |
| JYSKE BANK | £432,840.61 | 100.000 0.031 | £432,840.61 £134.88 | £432,975.49 |
| GIBRALTAR INTERNATIONAL BANK | £72,125,947.78 | 100.000 0.081 | £72,125,947.78 £58,144.45 | £72,184,092.23 |
| Carried forward | £1,255,400,428.37 | | £1,341,052,926.96 | £1,341,052,926.96 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2020**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2020 |
|------------------------|-------------------|----------------------------------|--------------------------------|---------------------------------|
| Brought forward | £1,255,400,428.37 | | £1,341,052,926.96 | £1,341,052,926.96 |
| KLEINWORT HAMBROS BANK | £20,401,271.90 | 100.000 0.002 | £20,401,271.90 £503.05 | £20,401,774.95 |
| MONEYCORP BANK | £2,044,756.05 | 100.000 0.127 | £2,044,756.05 £2,597.85 | £2,047,353.90 |
| | £1,277,846,456.32 | | £1,363,502,055.81 | £1,363,502,055.81 |

Notes:

(1) The Visa shareholding shown above is based on a re-valuation as at 31 March 2020 of its 230 Series C preference shares in Visa Inc.

(2) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government.

SAVINGS BANK FUND

Notes to the Accounts for the Year Ended 31 March 2020

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments and interest payable is accounted for on an accrual basis.

Dividend *in specie*

The dividend *in specie* received as a debenture by the Gibraltar Savings Bank has been recognised in the Income and Expenditure account on 1 March 2019, being the effective date of the debenture issue.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued as fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

2. Dividend *in specie* received as a debenture

On 1 March 2019, Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, being the shareholder of all of the thirty million ordinary shares in the company. However, the Gibraltar Development Corporation waived the right to this dividend directing that any dividend on surpluses earned to date be paid to the Gibraltar Savings Bank, being the shareholder of all of the four hundred million redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, with monthly interest payable at 6% per annum and redeemable at par on 1 January 2029.



Gibraltar Audit Office

Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank for the financial year ended 31 March 2021



Gibraltar Audit Office

THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2021 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2021 and the assets and liabilities as at the end of that period.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Report

The observations on the financial statements are detailed in my Report.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

29 October 2021

GIBRALTAR SAVINGS BANK ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

REPORT

- 1.1 Income and Expenditure** - The return on investments income for the year ended 31 March 2021 amounted to £48.24m, a year-on-year increase of £0.20m compared against £48.04m received in the previous financial year. The sum of £3.75m, shown under Other Receipts, consisted of a dividend payment declared by Credit Finance Company Limited to the Gibraltar Development Corporation that the Corporation directed should be paid to the Gibraltar Savings Bank, see further details in paragraphs 3.3 and 3.4 overleaf. Interest paid during the financial year 2020-21 totalled £46.38m compared to £45.49m during the previous financial year. Other expenditure during 2020-21 included: £0.33m in management and other charges, reflecting a decrease of £0.22m from the previous year's expenditure of £0.55m; and £0.27m in respect of banking platform costs and annual licence fees.
- 1.2** The net income from the operations of the Gibraltar Savings Bank during the financial year ended 31 March 2021 was £5.00m, compared to a net income of £1.91m during the previous financial year.
- 2.1 Bank Deposits** - There was a net increase of £125.23m in the deposits of the Gibraltar Savings Bank during the financial year 2020-21 compared to a net decrease in deposits of £68.55m in the previous financial year. The level of non-Government deposits held by the bank at the end of the year increased by £99.80m to £1,353.16m compared to the balance held at the end of the previous year of £1,253.36m. The increase in non-Government deposits during the year was mainly as a result of an increase in Gibraltar Savings Bank debentures.
- 2.2** Government deposits on 31 March 2021 stood at £98.50m, an increase of £25.43m compared to the balance held at the end of the previous financial year amounting to £73.07m, reflecting an increase in Government deposits held by the Gibraltar Savings Bank. On-Call Investment accounts under Government Deposits include £12m of cash safekeeping deposits in respect of the Note Security Fund, relating to currency notes in circulation, that does not generate interest.
- 3.1 Bank Investments** - There was a net capital gain on the Gibraltar Savings Bank investments amounting to £0.37m during 2020-21, compared to a net capital loss of £1.05m in the previous financial year.
- 3.2** The table below shows the comparable position of the Gibraltar Savings Bank investments at the year-end over the last five financial years. As can be seen, there has been a decrease in the investments held by the Gibraltar Savings Bank with the Crown Agents and with a number of banks in the

last two financial years, whilst conversely there has been an increase in the investments held by the Gibraltar Savings Bank with the Government of Gibraltar and Government-owned Companies/Corporations during the same period.



| Gibraltar Savings Bank Investments | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|------------------|------------------|------------------|------------------|------------------|
| Crown Agents | 268.06m | 247.59m | 242.70m | 157.48m | 154.96m |
| Government of Gibraltar (Public Debt) | 251.44m | 251.44m | 251.44m | 326.68m | 376.78m |
| Government-owned Companies & Corporations | 486.60m | 486.60m | 495.89m | 547.89m | 552.17m |
| Other Banks * | 300.36m | 339.15m | 400.29m | 290.31m | 369.32m |
| Bank of England | 40.55m | 40.66m | 40.89m | 41.14m | 41.15m |
| Total Investments | 1,347.01m | 1,365.44m | 1,431.21m | 1,363.50m | 1,494.38m |

* Includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

3.3 On 24 March 2021, Credit Finance Company Limited, a company in which the Gibraltar Savings Bank presently has a total of £9.25m in redeemable preference shares (previously it held £400m of these shares), declared an interim dividend of £3.75m payable with effect from 1 March 2021. The dividend was declared to the Gibraltar Development Corporation, being the shareholder of all of the £30m ordinary shares in Credit Finance Company Limited. However, the Gibraltar Development Corporation directed that the dividend be paid to the Gibraltar Savings Bank, being the shareholder of the £9.25m redeemable preference shares. On the same day, Credit Finance Company Limited resolved that it would issue on 1 March 2021 a non-convertible 10-year debenture of £3.75m, bearing interest at 6% per annum, that was purchased by the Gibraltar Savings Bank.

3.4 If the Gibraltar Savings Bank had not received the £3.75m dividend from Credit Finance Company Limited, the Income and Expenditure Account would have reflected a net operating surplus of £1.25m instead of the final £5.00m surplus shown in the account. I have to report that a similar transaction occurred in the financial year 2018-19 when Credit Finance Company Limited declared an interim dividend of £9.25m payable to the

Gibraltar Development Corporation. However, the Gibraltar Development Corporation waived the right to this dividend directing that any dividend on surpluses earned to date be paid to the Gibraltar Savings Bank, being the shareholder of all of the £400m redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid *in specie* in the form of a debenture issued on 1 March 2019 by Credit Finance Company Limited to the Gibraltar Savings Bank, with monthly interest payable at 6% per annum and redeemable at par on 1 January 2029. At the end of the financial year 2018-19, the net operating surplus of the Gibraltar Savings Bank was £9.14m. If the Gibraltar Savings Bank had not received the £9.25m dividend from Credit Finance Company Limited, the Income and Expenditure Account would have reflected a net loss of £0.11m for the year.

3.5 Taking into consideration that the Gibraltar Savings Bank has in recent years increased the level of its investments in Government of Gibraltar debentures and related Government-owned companies and corporations' debentures and shareholdings, there is the possibility in my view, that related party transactions can give rise to significant changes in the operational results of the Gibraltar Savings Bank at year-end. Nevertheless, I take note that as from this year related party transactions are disclosed in the Notes to the Accounts of the Gibraltar Savings Bank.

4.1 Bank Reserves - The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Gibraltar Savings Bank to maintain a reserve balance. No transfers were made from the Bank's Reserve Account to the Consolidated Fund during financial year 2020-21. The reserves as at 31 March 2021 stood at £51.02m reflecting an increase of £5.38m compared to the position at the end of the previous financial year of £45.64m.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

29 October 2021



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2021

Treasury Department

Gibraltar Savings Bank
Director's Report on the Accounts for the Year Ended 31 March 2021

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year totalled £52.07 million and was comprised of £48.24 million from return on investments, £3.75 million from other receipts and £0.08 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2021 was £5.00 million, compared with a net income of £1.91 million during the previous year. There was a net capital gain on the funds' investments of £0.37 million for the year.

Management and other charges for the year ending 31 March 2021 totalled £0.33 million.

The net increase in reserves during the year was £5.38 million compared to an increase in reserves of £0.86 million during the previous year. The reserves as at 31 March 2021 stood at £51.02 million.

At the year-end, the deposits of the bank, excluding £3.80 million of accrued interest, stood at £1,451.66 million. The previous year-end figure totalled £1,326.43 million. Deposits as at 31 March 2021 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | <u>£'m</u> | <u>Year</u> |
| <u>Non-Government Deposits</u> | <u>£'m</u> | <u>£'m</u> |
| Ordinary Deposits | 107.40 | 96.14 |
| On-Call Investment Accounts | 5.87 | 4.69 |
| Pensioners' Monthly Income Debentures | 9.68 | 10.46 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 29.93 | 31.28 |
| Monthly Income Debentures | 56.93 | 46.63 |
| Special Issue of Monthly Income Debentures | 2.08 | 2.16 |
| 3-Year Fixed Term Monthly Income Debentures | 36.92 | 35.43 |
| 5-Year Fixed Term Monthly Income Debentures | 276.78 | 247.79 |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 105.93 | 166.45 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 506.11 | 404.19 |
| 10-Year Accumulator Bonds | 5.43 | 5.43 |
| 10-Year Pensioner Accumulator Bonds | 4.90 | 4.97 |
| Children's Bond | 12.04 | 10.19 |
| Gibraltar Provident Trust Fund Bonds | 7.52 | 8.07 |
| Guaranteed Superannuation Fund Bond | 185.64 | 179.48 |
| | <u>1,353.16</u> | <u>1,253.36</u> |
| <u>Government Deposits</u> | | |
| On-Call Investment Accounts | 98.50 | 73.07 |
| | <u>1,451.66</u> | <u>1,326.43</u> |

Non-Government Deposits stood at £1,353.16 million. This represents an increase of £99.80 million over the previous year and is as a result of the issue of Gibraltar Savings Bank debentures; an increase of £11.26 million in Ordinary Deposits and an increase of £6.16 million in the Guaranteed Superannuation Fund Bond.

Government deposits in the Gibraltar Savings Bank were up by 34.80% mainly due to an increase in the General Sinking Fund, the Statutory Benefits Fund and the level of Government Liquid Reserves held by the bank.

The Gibraltar Savings Bank reviewed its interest rates on various Debentures and the following revised interest rates were applied from 1 January 2021:-

| | |
|---|-------------------------------------|
| Monthly Income Debentures | from 1.00 per cent to 0.75 per cent |
| 3-Year Fixed Term Monthly Income Debentures | from 2.00 per cent to 1.50 per cent |
| 5-Year Fixed Term Monthly Income Debentures | from 3.00 per cent to 2.50 per cent |

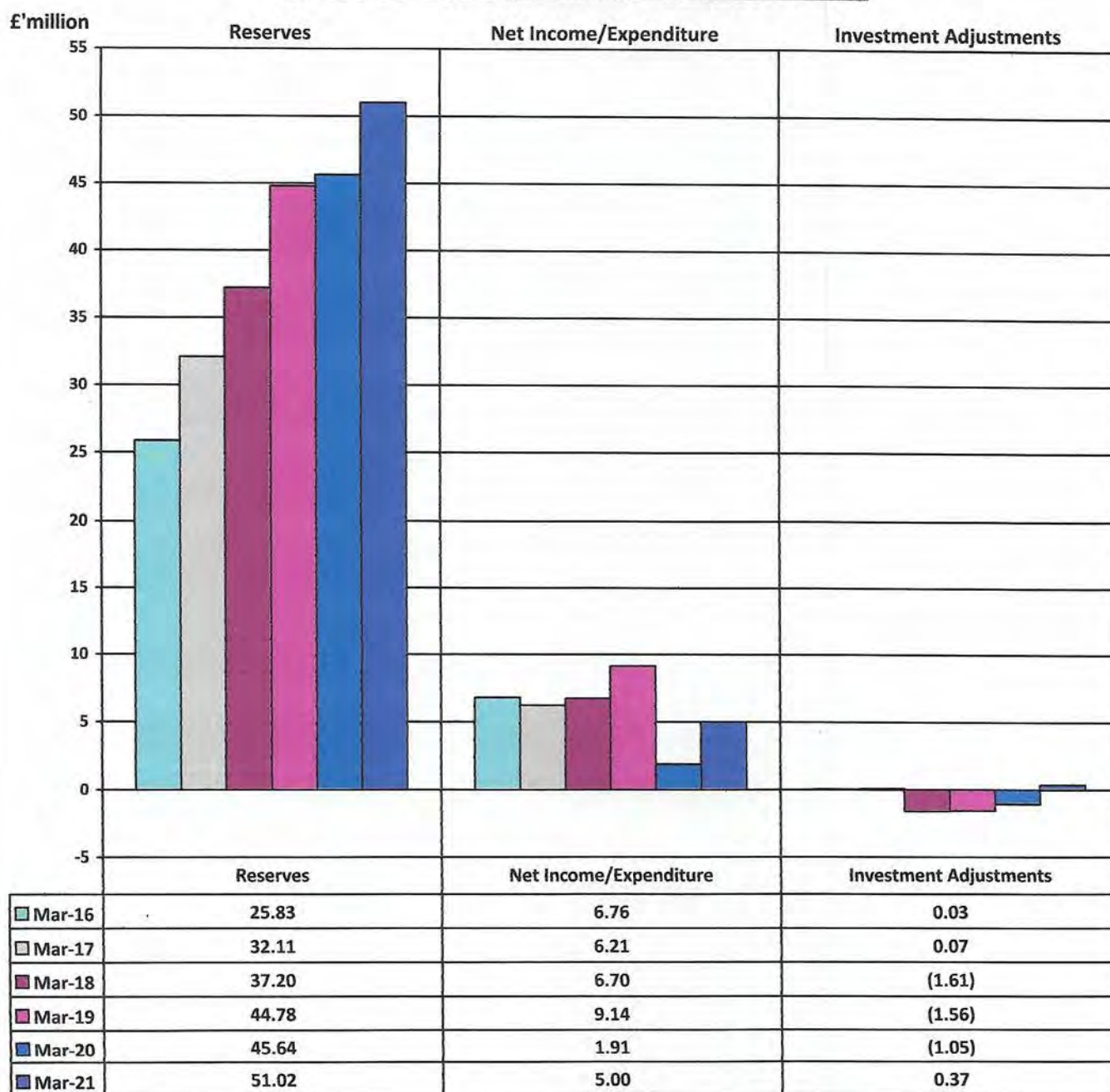
The interest rates payable to depositors by the bank during the period April 2020 to March 2021 were as follows:-

| | |
|---|---------------------------------------|
| Ordinary Deposits | 0.50 per cent per annum |
| Monthly Income Debentures | 0.75, 1.00 or 2.00 per cent per annum |
| Pensioners' Monthly Income Debentures | 2.00 per cent per annum |
| Special Issue of Monthly Income Debentures | 2.00 per cent per annum |
| 3-Year Fixed Term Monthly Income Debentures | 1.50 or 2.00 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures | 2.50, 3.00 or 4.00 per cent per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 4.00 or 5.00 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5.00 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 | 2.50 per cent per annum |
| Children's Bond | 5.00 per cent per annum |

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds are dependent on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and the interest rate increases by 1% per annum in each subsequent year to reach a maximum interest rate of 11% per annum payable in the tenth year that the investment is held. The interest rates payable during the period April 2020 and March 2021 were as follows:-

| | |
|-------------------------------------|---|
| 10-Year Accumulator Bonds | 9.00, 10.00 or 11.00 per cent per annum |
| 10-Year Pensioner Accumulator Bonds | 9.00 or 10.00 per cent per annum |

Gibraltar Savings Bank - Results During Last Six Years



C Santos
 Director, Gibraltar Savings Bank
 29 October 2021

SAVINGS BANK FUND**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021****INCOME AND EXPENDITURE ACCOUNT**

| | Note | <u>2021</u> £ | <u>2020</u> £ |
|--|------|-------------------|-------------------|
| INCOME | | | |
| Return on Investments | | 48,235,881 | 48,037,512 |
| Other Receipts | 2 | 3,750,000 | - |
| Early Redemption Charges | | 76,307 | 227,130 |
| Miscellaneous Receipts | | 5,556 | 2,289 |
| | | <u>52,067,744</u> | <u>48,266,931</u> |
| EXPENDITURE | | | |
| Interest Paid: | | | |
| Debentures | | 39,947,645 | 39,234,957 |
| On-Call Investment Accounts | | 134,687 | 140,834 |
| Ordinary Deposits | | 501,186 | 472,387 |
| Bonds | | <u>5,798,642</u> | <u>5,641,360</u> |
| | | 46,382,160 | 45,489,538 |
| Banking Platform Costs and Annual Licence Fees | | 265,566 | 267,080 |
| Miscellaneous Expenses | | 84,288 | 50,448 |
| Management and Other Charges | | <u>331,146</u> | <u>551,047</u> |
| | | (47,063,160) | (46,358,113) |
| Net Income transferred to Reserve Account | | <u>5,004,584</u> | <u>1,908,818</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT**INCREASE IN DEPOSITS**

| | | |
|-----------------------------|------------------|-------------------|
| Debentures | 79,955,200 | 17,811,979 |
| On-Call Investment Accounts | 26,635,752 | - |
| Ordinary Deposits | 11,255,084 | 3,223,721 |
| Bonds | <u>7,379,604</u> | <u>10,033,639</u> |
| | 125,225,640 | 31,069,339 |

DECREASE IN DEPOSITS

| | | |
|-------------------------------------|--------------------|---------------------|
| On-Call Investment Accounts | - | (99,623,773) |
| Net Increase/(Decrease) in Deposits | <u>125,225,640</u> | <u>(68,554,434)</u> |

INVESTMENT ADJUSTMENT ACCOUNT**INCREASE IN INVESTMENTS**

| | | |
|---------------------------------|---------|---|
| Net Capital Gain on Investments | 370,634 | - |
|---------------------------------|---------|---|

DECREASE IN INVESTMENTS

| | | |
|---|----------------|--------------------|
| Net Capital Loss on Investments | - | (1,045,075) |
| Net Increase/(Decrease) in Investments transferred to Reserve Account | <u>370,634</u> | <u>(1,045,075)</u> |

RESERVE ACCOUNT**INCREASE IN RESERVES**

| | | |
|--|-----------|-----------|
| Net Income transferred from Income and Expenditure Account | 5,004,584 | 1,908,818 |
| Net Increase in Investments transferred from Investment Adjustment Account | 370,634 | - |

DECREASE IN RESERVES

| | | |
|--|------------------|----------------|
| Transfer of Surplus to Consolidated Fund | - | - |
| Net Decrease in Investments transferred from Investment Adjustment Account | - | (1,045,075) |
| Net Increase in Reserves | <u>5,375,218</u> | <u>863,743</u> |

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2021**

| | <u>2021</u> £ | <u>2020</u> £ |
|--|----------------------|----------------------|
| ASSETS | | |
| Investments on 1 April 2020 | 1,363,502,056 | 1,431,209,208 |
| Net Purchase of Investments during the year | 130,502,480 | (66,662,077) |
| | 1,494,004,536 | 1,364,547,131 |
| Net Increase in Investments as per Investment Adjustment Account | 370,634 | (1,045,075) |
| Investments on 31 March 2021 | 1,494,375,170 | 1,363,502,056 |
| Cash in Hand | 12,096,679 | 12,140,528 |
| | <u>1,506,471,849</u> | <u>1,375,642,584</u> |
| FINANCED BY | | |
| Debentures | | |
| Deposits on 1 April 2020 | 944,402,100 | 926,590,121 |
| Accrued Interest on 1 April 2020 | 3,289,276 | 3,350,241 |
| Net Increase in Deposits | 79,955,200 | 17,811,979 |
| Increase in Accrued Interest during the year | 196,621 | (60,965) |
| Deposits on 31 March 2021 | 1,027,843,197 | 947,691,376 |
| On-Call Investment Accounts | | |
| Deposits on 1 April 2020 | 77,743,233 | 177,367,006 |
| Net Increase in Deposits during the year | 26,635,752 | (99,623,773) |
| Deposits on 31 March 2021 | 104,378,985 | 77,743,233 |
| Ordinary Deposits | | |
| Deposits on 1 April 2020 | 96,141,718 | 92,917,997 |
| Net Increase in Deposits during the year | 11,255,084 | 3,223,721 |
| Deposits on 31 March 2021 | 107,396,802 | 96,141,718 |
| Bonds | | |
| Deposits on 1 April 2020 | 208,141,621 | 198,107,983 |
| Accrued Interest on 1 April 2020 | 281,730 | 241,805 |
| Net Increase in Deposits during the year | 7,379,604 | 10,033,639 |
| Increase in Accrued Interest during the year | 31,787 | 39,925 |
| Deposits on 31 March 2021 | 215,834,742 | 208,423,352 |
| Total Deposits on 31 March 2021 | 1,455,453,726 | 1,329,999,679 |
| Reserve Account | | |
| Reserve Account on 1 April 2020 | 45,642,905 | 44,779,162 |
| Net Increase in Reserves during the year | 5,375,218 | 863,743 |
| Reserve Account on 31 March 2021 | 51,018,123 | 45,642,905 |
| Fund Account Balance on 31 March 2021 | <u>1,506,471,849</u> | <u>1,375,642,584</u> |



C Santos
Director, Gibraltar Savings Bank
29 October 2021

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2021**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2021 |
|--|------------------|----------------------------------|--------------------------------|---------------------------------|
| WESTPAC BANKING CORP FRN 18/01/23 | £4,000,000.00 | 100.166 0.052 | £4,006,640.00 £2,077.48 | £4,008,717.48 |
| LEEDS BUILDING SOCIETY FRN 15/04/23 | £2,500,000.00 | 101.042 0.138 | £2,526,050.00 £3,437.67 | £2,529,487.67 |
| NORDEA EIENDOMSKREDITT FRN 18/06/23 | £1,300,000.00 | 100.205 0.015 | £1,302,665.00 £190.30 | £1,302,855.30 |
| TSB BANK PLC FRN 15/02/24 | £5,000,000.00 | 101.967 0.111 | £5,098,350.00 £5,538.58 | £5,103,888.58 |
| NATIONAL AUSTRALIA BANK FRN 04/02/25 | £5,000,000.00 | 101.065 0.083 | £5,053,250.00 £4,137.05 | £5,057,387.05 |
| UK MUNI BONDS AGENCY FRN 12/03/25 | £1,300,000.00 | 101.071 0.044 | £1,313,923.00 £574.46 | £1,314,497.46 |
| SKIPTON BUILDING SOCIETY FRN 02/05/23 | £1,300,000.00 | 100.505 0.070 | £1,306,565.00 £913.56 | £1,307,478.56 |
| BMW INTL INVESTMENT BV 1.25% 11/07/22 | £1,500,000.00 | 100.979 0.901 | £1,514,685.00 £13,510.27 | £1,528,195.27 |
| FIRST ABU DHABI BANK 1.375% 19/02/23 | £1,500,000.00 | 101.218 0.151 | £1,518,270.00 £2,260.27 | £1,520,530.27 |
| DEXIA CREDIT LOCAL 0.25% 11/12/24 | £600,000.00 | 99.080 0.075 | £594,480.00 £452.05 | £594,932.05 |
| DEXIA CREDIT LOCAL 0.25% 10/12/26 | £1,000,000.00 | 97.238 0.039 | £972,380.00 £390.41 | £972,770.41 |
| WELLS FARGO & COMPANY 1.375% 30/06/22 | £1,500,000.00 | 100.864 1.032 | £1,512,960.00 £15,482.88 | £1,528,442.88 |
| TSB BANK PLC FRN 15/02/24 | £5,000,000.00 | 102.059 0.111 | £5,102,943.10 £5,538.58 | £5,108,481.68 |
| NRW BANK FRN 09/10/24 | £5,000,000.00 | 100.749 0.091 | £5,037,447.59 £4,535.47 | £5,041,983.06 |
| NATIONAL AUSTRALIA BANK FRN 04/02/25 | £5,000,000.00 | 101.211 0.083 | £5,060,552.52 £4,137.05 | £5,064,689.57 |
| UK MUNI BONDS AGENCY FRN 12/03/25 | £2,000,000.00 | 101.275 0.044 | £2,025,493.92 £883.79 | £2,026,377.71 |
| EXPORT DEVELOPMENT CANADA FRN 24/05/23 | £5,000,000.00 | 99.869 0.016 | £4,993,425.58 £776.71 | £4,994,202.29 |
| FCA BANK SPA IRELAND 1.625% 29/09/21 | £5,000,000.00 | 99.775 0.815 | £4,988,748.58 £40,736.30 | £5,029,484.88 |
| INVESTEC PLC 4.5% 05/05/22 | £6,950,000.00 | 101.975 4.068 | £7,087,232.82 £282,760.27 | £7,369,993.09 |
| VOLKSWAGEN FIN SERVICES NV 1.625% 09/06/22 | £5,000,000.00 | 100.068 1.313 | £5,003,403.06 £65,667.81 | £5,069,070.87 |
| DAIMLER INTL FINANCE BV 1.25% 05/09/22 | £5,000,000.00 | 99.554 0.709 | £4,977,724.07 £35,445.21 | £5,013,169.28 |
| DEXIA CREDIT LOCAL 1.375% 07/12/22 | £4,000,000.00 | 102.224 0.429 | £4,088,949.38 £17,178.08 | £4,106,127.46 |
| FIRST ABU DHABI BANK 1.375% 19/02/23 | £3,000,000.00 | 98.383 0.151 | £2,951,495.02 £4,520.55 | £2,956,015.57 |
| Carried forward | £77,450,000.00 | | £78,548,778.44 | £78,548,778.44 |

SAVINGS BANK FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2021

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2021 |
|--|------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £77,450,000.00 | | £78,548,778.44 | £78,548,778.44 |
| BANCO SANTANDER SA 2.75% 12/09/23 | £5,000,000.00 | 103.115 1.507 | £5,155,768.09 £75,342.47 | £5,231,110.56 |
| VW 1.125 18/09/23 | £5,000,000.00 | 99.920 0.598 | £4,995,985.42 £29,897.26 | £5,025,882.68 |
| DAIMLER INTL FINANCE BV 1.625% 11/11/24 | £5,000,000.00 | 102.683 0.623 | £5,134,148.82 £31,164.38 | £5,165,313.20 |
| LLOYDS BANKING GROUP PLC 1.875% 15/01/26 | £5,000,000.00 | 101.108 0.385 | £5,055,379.34 £19,263.70 | £5,074,643.04 |
| DEXIA CREDIT LOCAL 0.25% 10/12/26 | £1,500,000.00 | 99.673 0.039 | £1,495,098.18 £585.62 | £1,495,683.80 |
| CLOSE BROTHERS GROUP PLC 2.75% 26/04/23 | £7,000,000.00 | 103.527 1.179 | £7,246,866.63 £82,500.00 | £7,329,366.63 |
| HSBC HOLDINGS PLC 2.175% 27/06/23 | £8,500,000.00 | 100.735 1.651 | £8,562,448.93 £140,302.40 | £8,702,751.33 |
| LLOYDS BANKING GROUP PLC 2.25% 16/10/24 | £1,500,000.00 | 104.534 1.023 | £1,568,009.39 £15,349.32 | £1,583,358.71 |
| SIEMENS FINANCIERINGSMAT 1% 20/02/25 | £5,000,000.00 | 101.325 0.107 | £5,066,242.24 £5,342.47 | £5,071,584.71 |
| VIRGIN MONEY UK PLC 3.125% 22/06/25 | £4,500,000.00 | 100.662 0.850 | £4,529,811.21 £38,246.91 | £4,568,058.12 |
| BNP PARIBAS 3.375 23/01/26 | £5,000,000.00 | 110.361 0.620 | £5,518,048.15 £30,976.03 | £5,549,024.18 |
| SKIPTON BUILDING SOCIETY 2% 02/10/26 | £5,000,000.00 | 102.977 0.989 | £5,148,853.43 £49,450.55 | £5,198,303.98 |
| CPPIB CAPITAL INC. 0.375% 25/07/23 | £5,000,000.00 | 100.377 0.256 | £5,018,829.19 £12,791.10 | £5,031,620.29 |
| KOMMUNALBANKEN AS 1.5% 15/12/23 | £5,000,000.00 | 103.474 0.436 | £5,173,676.96 £21,780.82 | £5,195,457.78 |
| EUROPEAN INVESTMENT BANK 0.75% 14/07/23 | £5,000,000.00 | 101.364 0.534 | £5,068,198.95 £26,712.33 | £5,094,911.28 |
| LLOYDS BANK GBP CALL A/C | £7.45 | 100.000 | £7.45 | £7.45 |
| BANK OF NEW YORK GBP A/C | £803,009.67 | 100.000 6.445 | £803,009.67 £51,754.52 | £854,764.19 |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014 | £147,700,000.00 | 100.000 0.510 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| GOVERNMENT OF GIBRALTAR DEBENTURES ISSUED ON 1 SEPTEMBER 2014 | £100,000,000.00 | 100.000 2.992 | £100,000,000.00 £2,991,780.82 | £102,991,780.82 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 10 OCTOBER 2024 ISSUED ON 10 OCTOBER 2019 | £75,000,000.00 | 100.000 0.268 | £75,000,000.00 £200,650.60 | £75,200,650.60 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 29 JUNE 2025 ISSUED ON 29 JUNE 2020 | £50,000,000.00 | 100.000 0.268 | £50,000,000.00 £133,767.17 | £50,133,767.17 |
| CREDIT FINANCE COMPANY LTD DEBENTURES ISSUED ON 1 MARCH 2019 | £9,250,000.00 | 100.000 0.510 | £9,250,000.00 £47,137.05 | £9,297,137.05 |
| Carried forward | £533,203,017.12 | | £540,796,619.02 | £540,796,619.02 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2021**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2021 |
|---|-------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £533,203,017.12 | | £540,796,619.02 | £540,796,619.02 |
| CREDIT FINANCE COMPANY LTD DEBENTURES ISSUED ON 1 MARCH 2021 | £3,750,000.00 | 100.000 0.510 | £3,750,000.00 £19,109.64 | £3,769,109.64 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2022 | £10,000,000.00 | 100.000 0.255 | £10,000,000.00 £25,479.52 | £10,025,479.52 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £65,000,000.00 | 100.000 0.340 | £65,000,000.00 £220,821.99 | £65,220,821.99 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £40,750,000.00 | 100.000 0.425 | £40,750,000.00 £173,047.89 | £40,923,047.89 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £275,000,000.00 | 100.000 0.510 | £275,000,000.00 £1,401,369.88 | £276,401,369.88 |
| GIBRALTAR NATIONAL MINT LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 MAY 2023 | £500,000.00 | 100.000 0.340 | £500,000.00 £1,698.63 | £501,698.63 |
| GSBA LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 DECEMBER 2019 | £10,000,000.00 | 100.000 0.510 | £10,000,000.00 £50,958.90 | £10,050,958.90 |
| GSBA LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 MARCH 2020 | £10,000,000.00 | 100.000 0.510 | £10,000,000.00 £50,958.90 | £10,050,958.90 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 DECEMBER 2019 | £20,000,000.00 | 100.000 0.255 | £20,000,000.00 £50,958.90 | £20,050,958.90 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE ISSUED ON 1 MARCH 2020 | £10,000,000.00 | 100.000 0.255 | £10,000,000.00 £25,479.45 | £10,025,479.45 |
| GIBTELECOM LTD - ORDINARY SHARES (1) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| CREDIT FINANCE COMPANY LTD - REDEEMABLE PREFERENCE SHARES | £9,250,000.00 | 100.000 | £9,250,000.00 | £9,250,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 3057052.399 | £242,118.55 | £242,118.55 |
| BANK OF ENGLAND | £41,148,502.87 | 100.000 0.000 | £41,148,502.87 £78.91 | £41,148,581.78 |
| BARCLAYS BANK PLC | £7,533.34 | 100.000 | £7,533.34 | £7,533.34 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £269,067,357.72 | 100.000 0.000 | £269,067,357.72 £1,270.30 | £269,068,628.02 |
| TRUSTED NOVUS BANK | £432,975.49 | 100.000 | £432,975.49 | £432,975.49 |
| GIBRALTAR INTERNATIONAL BANK | £77,228,596.74 | 100.000 0.030 | £77,228,596.74 £22,936.20 | £77,251,532.94 |
| KLEINWORT HAMBROS BANK | £20,492,020.52 | 100.000 0.001 | £20,492,020.52 £168.43 | £20,492,188.95 |
| MONEYCORP BANK | £2,065,826.23 | 100.000 0.072 | £2,065,826.23 £1,491.36 | £2,067,317.59 |
| | £1,408,910,837.95 | | £1,494,375,170.04 | £1,494,375,170.04 |

Notes:

(1) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in GIBtelecom Ltd, with the legal interest in these shares being held by the Government of Gibraltar.

(2) The Visa shareholding is based on a re-valuation as at 31 March 2021 of its 230 Series C preference shares in Visa Inc.

SAVINGS BANK FUND**Notes to the Accounts for the Year Ended 31 March 2021**

1. Principal Accounting Policies**Basis of Accounting**

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments and interest payable is accounted for on an accrual basis.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued as fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

2. Other Receipts

On 24 March 2021, Credit Finance Company Limited declared an interim dividend of £3.75m payable to the Gibraltar Development Corporation, being the shareholder of all of the thirty million ordinary shares in the company. However, the Gibraltar Development Corporation directed that the dividend be paid to the Gibraltar Savings Bank, being the shareholder of all of the nine million two hundred and fifty thousand redeemable preference shares in Credit Finance Company Limited. Credit Finance Company Limited resolved that the dividend be paid on 1 March 2021.

SAVINGS BANK FUND**Notes to the Accounts for the Year Ended 31 March 2021 - Continued****3. Related Party Transactions**

The Director considers that the transactions during the year and the balances as at 31 March 2021 with related parties were as follows.

| 2021 | Transactions | | | Balances |
|---------------------------------|-------------------------|----------------|---------------------|-----------------|
| | Debenture Interest £ | Dividends £ | Other Receipts £ | Debentures £ |
| HM Government of Gibraltar | 18,415,458 | - | - | 372,700,000 |
| Credit Finance Company Limited | 22,011,612 | 462,499 | 3,750,000 | 403,750,000 |
| Gibraltar Properties Limited | 900,000 | - | - | 30,000,000 |
| GSBA Limited | 1,200,000 | - | - | 20,000,000 |
| Gibraltar National Mint Limited | 18,356 | - | - | 500,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | 42,545,426 | 1,462,499 | 3,750,000 | 826,950,000 |

Debenture interest includes accrued interest up to 31 March 2021.

| 2020 | Transactions | | | Balances |
|--------------------------------|-------------------------|----------------|---------------------|-----------------|
| | Debenture Interest £ | Dividends £ | Other Receipts £ | Debentures £ |
| HM Government of Gibraltar | 16,235,766 | - | - | 322,700,000 |
| Credit Finance Company Limited | 22,052,755 | 463,766 | - | 400,000,000 |
| Gibraltar Properties Limited | 226,027 | - | - | 30,000,000 |
| GSBA Limited | 251,507 | 800,000 | - | 20,000,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | 38,766,055 | 2,263,766 | - | 772,700,000 |

Debenture interest includes accrued interest up to 31 March 2020.



Report of the Principal Auditor
on the Accounts of the
Gibraltar Savings Bank
for the financial year ended
31 March 2022



THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2022 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2022 and the assets and liabilities as at the end of that period.

Matter of Emphasis - Interim Dividend Received

I draw attention to Note 3 - Related Party Transactions in the Notes to the Accounts in the financial statements, that explains that a £5.00m interim dividend declared by Credit Finance Company Limited on 30 March 2022, was waived by the Gibraltar Development Corporation (the holder of 29,999,999 ordinary shares of £1 each) and directed that it be paid to the Gibraltar Savings Bank (the holder of one ordinary share of £1 each) on 30 March 2022, and that it has not been separately disclosed with an explanatory paragraph in Note 2 - Investment Income in the Notes to the Accounts. My opinion is not modified in respect of this matter.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Report

The observations on the financial statements are detailed in my Report.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2022

GIBRALTAR SAVINGS BANK

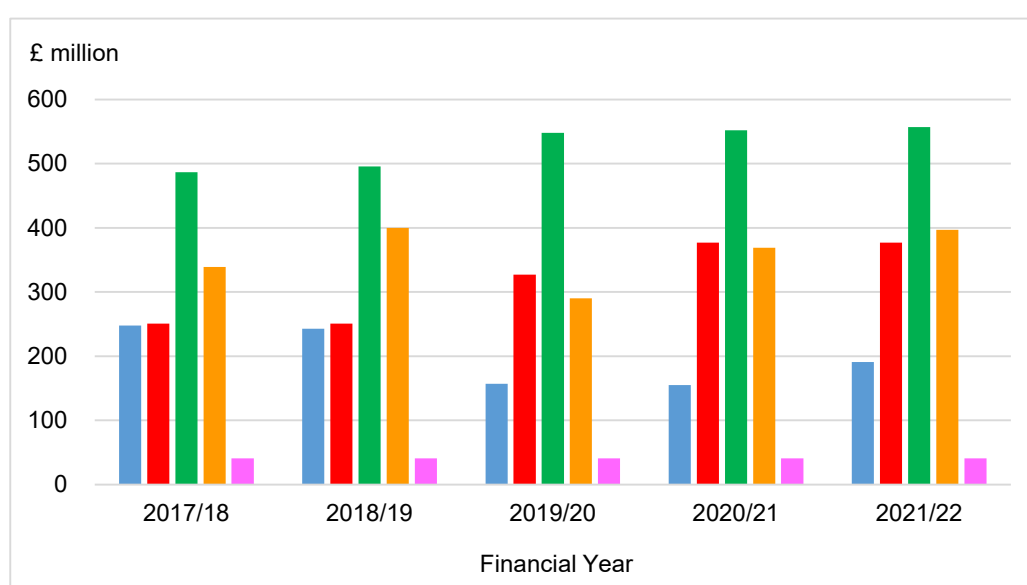
ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

REPORT

- 1.1 Income and Expenditure** - The investment income for the year ended 31 March 2022 amounted to £55.17m, a year-on-year increase of £6.93m compared against £48.24m received in the previous financial year. The investment income sum of £55.17m includes an interim dividend payment amounting to £4,999,999.83 declared by Credit Finance Company Limited to the Gibraltar Development Corporation, that the Corporation directed should be paid to the Gibraltar Savings Bank, see further details in paragraphs 3.3 and 3.4 below. I recommended to the acting Director of the Gibraltar Savings Bank that since the dividend of £5.00m received is not strictly a dividend derived from the Gibraltar Savings Bank's own investments, in my view, it should not be shown as Investment Income in the Income and Expenditure Account, but as Other Receipts. This would be consistent with the presentation of the Gibraltar Savings Bank financial statements in 2020-21 and 2018-19, where the Gibraltar Development Corporation also waived the right to dividends that were payable to the Corporation and directed these be paid to the Gibraltar Savings Bank. In these two instances the 'GDC-waived' dividends were shown separately as 'Other Receipts' and as 'Dividend *in specie* received as a debenture' respectively, in the Income and Expenditure Account. Nevertheless, the Director remained of the view that the £5.00m dividend should be shown under Investment Income. I therefore suggested to the acting Director, with the aim of having the accounts as informative and transparent as possible, that a suitable explanation should be provided in an Investment Income note in the Notes to the Accounts, disclosing that the right to the dividend of £5.00m due to the Gibraltar Development Corporation was waived by the Corporation and directed to be paid to the Gibraltar Savings Bank. However, the acting Director of the Gibraltar Savings Bank again did not accept my recommendation, and even though she added an Investment Income note in the Notes to the Accounts, this simply provides a breakdown of the investment income received by the Bank. The note does not afford an informative explanation to the reader of the accounts that clarifies the distinction between the dividend that was waived by the Gibraltar Development Corporation from the dividends received from the Gibraltar Savings Bank's own investments. The acting Director of the Gibraltar Savings Bank did provide an explanation on the £5.00m dividend in Note 3 - Related Party Transactions and in her Report on the Accounts.
- 1.2** Interest paid during the financial year 2021-22 totalled £48.70m compared to £46.38m during the previous financial year. Other expenditure during 2021-22 included: £0.49m in management and other charges, reflecting an increase of £0.16m from the previous year's expenditure of £0.33m; and £0.30m in respect of banking platform costs and annual licence fees.
- 1.3** The net operating income of the Gibraltar Savings Bank during the financial year ended 31 March 2022 was £5.88m, compared to a net income of £5.00m in the last financial year.
- 2.1 Bank Deposits** - There was a net increase of £63.24m in the deposits of the Gibraltar Savings Bank during the financial year 2021-22 compared to a net increase in deposits of £125.23m in the previous financial year.
- 2.2** The level of non-Government deposits held by the bank at the end of the year increased by £66.42m to £1,419.58m compared to the balance held at the end of the previous year of £1,353.16m. The increase in non-Government deposits during the year was largely as a result of an increase in the issue of Gibraltar Savings Bank debentures (£49.11m); an increase in the Guaranteed

Superannuation Fund Bond (£9.19m); an increase in Non-Government On-Call Investment Accounts (£6.07m); and an increase in Ordinary Deposits (£1.22m).

- 2.3** Of the increase of £6.07m in Non-Government On-Call Investment Accounts, from £5.87m at the end of the previous financial year to £11.94m as at 31 March 2022, £1.09m relates to unclaimed funds that remained unredeemed on the maturity of the debentures; whilst the majority (£4.98m) represents the holding of unclaimed debentures pertaining to deceased debenture holders. Previously, such debentures continued invested until maturity, with the interest earned being recovered on payment of the capital to the next-of-kin. However, a new policy was introduced on 1 August 2021 whereby the value of deceased persons' debentures are placed on a non-interest bearing On-Call Investment Account until paid to the nominees, or claimed by the next-of-kin.
- 2.4** Government deposits on 31 March 2022 stood at £95.31m, a decrease of £3.19m compared to the balance held at the end of the previous financial year amounting to £98.50m. On-Call Investment accounts under Government Deposits include £12.00m of cash safekeeping deposits in respect of the Note Security Fund, relating to currency notes in circulation, that does not generate interest.
- 3.1 Bank Investments** - There was a net capital loss on the Gibraltar Savings Bank investments amounting to £0.77m during 2021-22, compared to a net capital gain of £0.37m in the previous financial year.
- 3.2** The graphic chart and the table overleaf show the comparable position of the Gibraltar Savings Bank investments at the year-end over the last five financial years. As can be seen, there has been a decrease in the investments held by the Gibraltar Savings Bank with the Crown Agents and with a number of banks in recent years, although in the year under review there has been a perceived increase. Conversely, there has been an increase in the investments held by the Gibraltar Savings Bank with the Government of Gibraltar and Government-owned Companies/ Corporations during the same period, although during the financial year 2021-22, investments in these sectors remained practically at the same level.



Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank

| Gibraltar Savings Bank Investments | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|------------------|------------------|------------------|------------------|------------------|
| Crown Agents * | 247.59m | 242.70m | 157.48m | 154.96m | 190.78m |
| Government of Gibraltar (Public Debt) | 251.44m | 251.44m | 326.68m | 376.78m | 376.83m |
| Government-owned Companies & Corporations | 486.60m | 495.89m | 547.89m | 552.17m | 557.22m |
| Other Banks ** | 339.15m | 400.29m | 290.31m | 369.32m | 396.80m |
| Bank of England | 40.66m | 40.89m | 41.14m | 41.15m | 41.18m |
| Total Investments | 1,365.44m | 1,431.21m | 1,363.50m | 1,494.38m | 1,562.81m |

* Includes investments held in Visa Shares.

** Includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

3.3 On 30 March 2022, Credit Finance Company Limited, a company in which the Gibraltar Savings Bank presently has one ordinary share of £1, declared an interim dividend of £5.00m payable with effect from 30 March 2022. The dividend was declared to the Gibraltar Development Corporation and the Gibraltar Savings Bank, being the two shareholders of all of the thirty million ordinary shares in Credit Finance Company Limited, in the proportion of their paid-up shares, i.e. the Gibraltar Savings Bank - 1 ordinary share; and the Gibraltar Development Corporation - 29,999,999 ordinary shares. As a result, the Gibraltar Savings Bank received 17 pence and the Gibraltar Development Corporation, though due to have received £4,999,999.83, nevertheless waived the right to this dividend and directed that it be paid to the Gibraltar Savings Bank. It is pertinent to point out that on 11 March 2022, Credit Finance Company Limited resolved that it would issue on 1 February 2022 a 3-year debenture of £5.00m, bearing interest at 4.5% per annum, that was purchased by the Gibraltar Savings Bank.

3.4 If the Gibraltar Savings Bank had not received the £4,999,999.83 dividend from Credit Finance Company Limited, the Income and Expenditure Account would have reflected a net operating surplus of £0.88m instead of the final £5.88m surplus shown in the Income and Expenditure Account. I have to report that in the last financial year 2020-21 when Credit Finance Company Limited declared an interim dividend of £3.75m payable to the Gibraltar Development Corporation, the Corporation similarly waived the right to this dividend and directed that it be paid to the Gibraltar Savings Bank, being at the time the shareholder of the £9.25m redeemable preference shares in Credit Finance Company Limited. Also, in the financial year 2018-19, when Credit Finance Company Limited declared an interim dividend of £9.25m payable to the Gibraltar Development Corporation, the Corporation also waived the right to this dividend directing that the dividend be paid *in specie* in the form of a debenture issue to the Gibraltar Savings Bank, being at the time the shareholder of £400m redeemable preference shares in Credit Finance Company Limited. The table below summarises the net operating results in the last four financial years and highlights the different operating results that would have occurred if there had been no 'GDC-waived' dividends, or dividends received from ordinary shares held by the Gibraltar Savings Bank in other related parties.

| £ million | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|----------------|----------------|----------------|----------------|
| Total Income | £54.92 | £48.27 | £52.06 | £55.40 |
| Total Expenditure | (£45.78) | (£46.36) | (£47.06) | (£49.52) |
| Net Operating Surplus | £9.14 | £1.91 | £5.00 | £5.88 |
| Less Related Party Dividends from Ordinary Shares | (£0.75) | (£1.80) | (£1.00) | (£2.50) |
| Net Operating Surplus after omitting Related Party Dividends from Ordinary Shares | £8.39 | £0.11 | £4.00 | £3.38 |
| Less 'GDC-waived' Dividends | (£9.25) | - | (£3.75) | (£5.00) |
| Net Operating Results | (£0.86) | £0.11 | £0.25 | (£1.62) |

* This table does not include the investment income from related parties' preference shares and debentures.

- 3.5** Taking into consideration that the Gibraltar Savings Bank has in recent years increased the level of its investments in Government of Gibraltar debentures and related Government-owned companies and corporations' debentures and shareholdings, there is the possibility in my view, that related party transactions can give rise to significant changes in the operating results of the Gibraltar Savings Bank as shown in the table above.
- 3.6** The greater part of the Gibraltar Savings Bank's return on investments, on the total amount received during the financial year 2021-22 of £55.17m, was derived from interest received from debentures held in related party entities, i.e. £43.44m, representing an average return on investments of 5.21% for the year. This source of investment income yielded a much higher average return on investments for the year than that derived by the Gibraltar Savings Bank from its investments managed by the Crown Agents (1.63%), and its investments in other banks (0.27%).
- 3.7** I wish to draw attention to the fact that on 1 December 2021, Credit Finance Company Limited redeemed 9,250,000 redeemable preference shares of £1 each held by the Gibraltar Savings Bank, and in consideration for the redemption, Credit Finance Company Limited issued the Bank with a non-convertible debenture of £9,250,000, bearing interest at 5% per annum with a maturity date of 1 April 2024. This redemption was structured by a fresh issue of 93 redeemable preference shares of £1 each at a premium of £9,249,907 to the Gibraltar Savings Bank on 1 December 2021. On the same date, Credit Finance Company Limited then redeemed these 93 redeemable preference shares of £1 each at a premium of £9,249,907. These transactions are included under Note 3 on the Notes to the Accounts and also in the acting Director's Report on the Accounts together with the reason for issuing and redeeming the 93 redeemable preference shares on the same day.
- 3.8** A similar transaction occurred on 1 April 2019, when Credit Finance Company Limited redeemed 390,750,000 redeemable preference shares of £1 each held by the Gibraltar Savings Bank, and in consideration for the redemption, Credit Finance Company Limited issued the Bank with £390,750,000 of non-convertible debentures with different rates of interest and maturity dates of 3 and 5 years. This redemption was structured by a fresh issue of 3,908 redeemable preference shares of £1 each at a premium of £390,746,092 to the Gibraltar Savings Bank on 1 April 2019. The company subsequently redeemed 3,908 redeemable preference shares at a premium of £390,746,092 on the same day. However, the Director of the Gibraltar Savings Bank at the time did not inform me that the redemption of the 390,750,000 redeemable preference shares had been structured out of a fresh issue and subsequent redemption of 3,908 redeemable preference shares. This matter only came to my attention after having a cursory look at the financial statements of Credit Finance Company Limited for the year ended 31 December 2019, that were filed at Companies House on 19 November 2021 – such date being after I had certified the Gibraltar Savings Bank financial statements for the financial year 2019-20 on 27 October 2020.
- 4.1 Bank Reserves** - The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Gibraltar Savings Bank to maintain a reserve balance. No transfers were made from the Bank's Reserve Account to the Consolidated Fund during the financial year 2021-22. The reserves as at 31 March 2022 stood at £56.13m reflecting an increase of £5.11m compared to the position at the end of the previous financial year of £51.02m.

5.1 Subsequent Events - The following events occurred after the end of the reporting period up to the audit certification of these financial statements on 31 October 2022:

- On 1 April 2022, Credit Finance Company Limited repaid on maturity the £10.00m debenture, bearing interest at 3%, issued to the Gibraltar Savings Bank on 1 April 2019;
- Also on 1 April 2022, Credit Finance Company Limited issued a 3-year non-convertible debenture of £10.00m to the Gibraltar Savings Bank, bearing interest at 4.5% per annum;
- On 20 June 2022, Gibraltar Properties Limited issued a 3-year non-convertible debenture of £20.00m to the Gibraltar Savings Bank, bearing interest at the UK base rate of 1.25%, as at 20 June 2022, plus 3.5% per annum (in total, an interest rate of 4.75% per annum);
- On 15 August 2022, Gibraltar Properties Limited issued a 3-year non-convertible debenture of £10.00m to the Gibraltar Savings Bank, bearing interest at the UK base rate of 1.75%, as at 15 August 2022, plus 3.5% per annum (in total, an interest rate of 5.25% per annum);
- On 31 October 2022, Gibraltar Properties Limited repaid the debenture of £20.00m, bearing interest at 3%, issued to the Gibraltar Savings Bank on 1 December 2019, that was repayable on demand;
- Also on 31 October 2022, GSBA Limited increased the non-convertible debenture of £10.00m issued to the Gibraltar Savings Bank on 1 December 2019 and maturing on 1 December 2024, by a further issue of £10.00m to the Bank, with effect from 31 July 2022, bearing interest at 6% per annum, under the same terms and conditions of the first issue; and
- Furthermore, on 31 October 2022, GSBA Limited increased the non-convertible debenture of £10.00m issued to the Gibraltar Savings Bank on 1 March 2020 and maturing on 1 March 2025, by a further issue of £10.00m to the Bank, with effect from 31 July 2022, bearing interest at 6% per annum, under the same terms and conditions of the first issue.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2022



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2022



Treasury Department

Gibraltar Savings Bank
Director's Report on the Accounts for the Year Ended 31 March 2022

The directors who held office during the year and up to the date of the signing of these accounts were Charles Santos, up to 30 September 2022 and Tessa Perera, as from 1 October 2022.

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year totalled £55.40 million and was comprised of £55.17 million from investment income and £0.23 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2022 was £5.88 million, compared with a net income of £5.00 million during the previous year.

There was a net capital loss on the funds' investments of £0.77 million for the year.

Management and other charges for the year ending 31 March 2022 totalled £0.49 million.

The net increase in reserves during the year was £5.11 million compared to an increase in reserves of £5.38 million during the previous year. The reserves as at 31 March 2022 stood at £56.13 million.

At the year-end, the deposits of the bank, excluding £3.96 million of accrued interest, stood at £1,514.89 million. The previous year-end figure totalled £1,451.66 million. Deposits as at 31 March 2022 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | £'m | £'m |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 108.62 | 107.40 |
| On-Call Investment Accounts | 11.94 | 5.87 |
| Pensioners' Monthly Income Debentures | 8.50 | 9.68 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/25 | 24.40 | 29.93 |
| Monthly Income Debentures | 58.38 | 56.93 |
| Special Issue of Monthly Income Debentures | 1.92 | 2.08 |
| 3-Year Fixed Term Monthly Income Debentures | 38.46 | 36.92 |
| 5-Year Fixed Term Monthly Income Debentures | 283.16 | 276.78 |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 18.79 | 105.93 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 639.86 | 506.11 |
| 10-Year Accumulator Bonds | 4.68 | 5.43 |
| 10-Year Pensioner Accumulator Bonds | 4.75 | 4.90 |
| Children's Bond | 14.17 | 12.04 |
| Gibraltar Provident Trust Fund Bonds | 7.12 | 7.52 |
| Guaranteed Superannuation Fund Bond | 194.83 | 185.64 |
| | <u>1,419.58</u> | <u>1,353.16</u> |

Government Deposits

On-Call Investment Accounts

| | |
|-----------------|-----------------|
| 95.31 | 98.50 |
| <u>1,514.89</u> | <u>1,451.66</u> |

Non-Government Deposits stood at £1,419.58 million. This represents an increase of £66.42 million over the previous year and is as a result of the issue of Gibraltar Savings Bank debentures; an increase of £9.19 million in the Guaranteed Superannuation Fund Bond and an increase of £6.07 million in the On-Call Investment Accounts.

Government deposits in the Gibraltar Savings Bank decreased by £3.19 million. This is mainly attributable to a decrease in the Note Security Fund.

The Special Issue of Pensioners' Monthly Income Debentures 01/01/22 was extended to 01/01/25. The interest rate on the new Debenture was reduced from 2.50% to 2.25%.

The interest rates payable to depositors by the bank during the period April 2021 to March 2022 were as follows:-

| | |
|--|--|
| Ordinary Deposits | 0.50 per cent per annum |
| Monthly Income Debentures | 0.75 or 2.00 per cent per annum |
| Pensioners' Monthly Income Debentures | 2.00 per cent per annum |
| Special Issue of Monthly Income Debentures | 2.00 per cent per annum |
| 3-Year Fixed Term Monthly Income Debentures | 1.50 or 2.00 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures | 2.50 or 3.00 per cent per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 4.00 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5.00 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/22 extended to 01/01/25 | 2.50 per cent per annum 2.25 per cent per annum w.e.f. 01/01/22 |
| Children's Bond | 5.00 per cent per annum |

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds are dependent on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and the interest rate increases by 1% per annum in each subsequent year to reach a maximum interest rate of 11% per annum payable in the tenth year that the investment is held. The interest rates payable during the period April 2021 and March 2022 were as follows:-

| | |
|-------------------------------------|-----------------------------------|
| 10-Year Accumulator Bonds | 10.00 or 11.00 per cent per annum |
| 10-Year Pensioner Accumulator Bonds | 10.00 or 11.00 per cent per annum |

Review of business

On 1 December 2021, Credit Finance Company Limited redeemed 9,250,000 Preference Shares of £1 each held by the Gibraltar Savings Bank and, in consideration for the redemption, the Gibraltar Savings Bank was issued a non-convertible debenture of £9.25m with a maturity date of 1 April 2024.

In order to process this transaction and comply with the Companies Act, Credit Finance Company Ltd had to issue and redeem 93 preference shares to the Gibraltar Savings Bank on the 1 December 2021.

The director warrants mentioning that a similar transaction occurred on 1 April 2019, where Credit Finance Company Limited redeemed the 390,750,000 Preference Shares of £1 each held by the Gibraltar Savings Bank and, in consideration for the redemption, the Gibraltar Savings Bank was issued with non-convertible debentures amounting to £390.75m with different rates of interest and maturity dates.

In order to process this transaction and comply with the Companies Act, Credit Finance Company Ltd had to issue and redeem 3,908 preference shares to the Gibraltar Savings Bank on the 1 April 2019.

The following dividends were received by Gibraltar Savings Bank during the financial year:

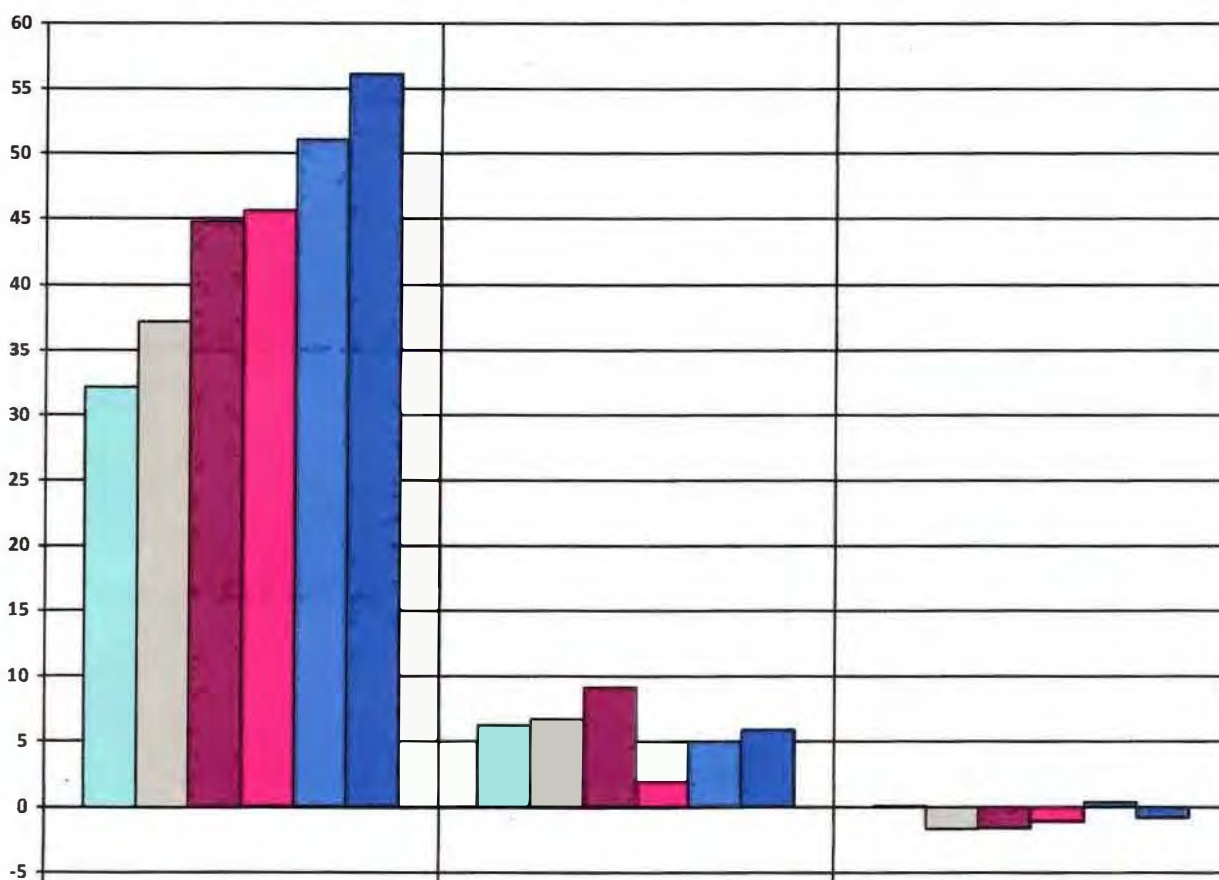
- £5,309,177 from Credit Finance Company Limited which includes £4,999,999.83, being the interim dividend declared by Credit Finance Company Limited to the Gibraltar Development Corporation on 30 March 2022, as one of the two ordinary shareholders of Credit Finance Company Limited and which, in accordance with Article 113 of the Company's Articles of Association, the Gibraltar Development Corporation directed that its respective dividend be paid to the Gibraltar Savings Bank on 30 March 2022. The amount of £5,309,177 also includes an element of return from the Preference Shares of £9.25M held by the Gibraltar Savings Bank in Credit Finance Company Limited until redeemed on 1 December 2021 (i.e. £309,177).
- £1,500,000 from GSBA Limited
- £1,000,000 from Gibtelecom Limited

During the financial year the following debentures were issued to the Gibraltar Savings Bank:

- Credit Finance Company Limited Monthly Income Debenture - £9,250,000 issued on 1 December 2021, maturing on 1 April 2024
- Credit Finance Company Limited Monthly Income Debenture - £5,000,000 issued on 1 February 2022, maturing on 1 February 2025

Gibraltar Savings Bank - Results During Last Six Years

£'million

Reserves**Net Income/Expenditure****Investment Adjustments****Reserves****Net Income/Expenditure****Investment Adjustments**

| | | | |
|--------|-------|------|--------|
| Mar-17 | 32.11 | 6.21 | 0.07 |
| Mar-18 | 37.20 | 6.70 | (1.61) |
| Mar-19 | 44.78 | 9.14 | (1.56) |
| Mar-20 | 45.64 | 1.91 | (1.05) |
| Mar-21 | 51.02 | 5.00 | 0.37 |
| Mar-22 | 56.13 | 5.88 | (0.77) |

T Perera
 Director, Gibraltar Savings Bank (ag)
 31 October 2022

SAVINGS BANK FUND**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022****INCOME AND EXPENDITURE ACCOUNT**

| | | <u>2022</u> | <u>2021</u> |
|--|------|---------------------|---------------------|
| | Note | £ | £ |
| <u>INCOME</u> | | | |
| Investment Income | 2 | 55,165,246 | 48,235,881 |
| Other Receipts | | - | 3,750,000 |
| Early Redemption Charges | | 180,381 | 76,307 |
| Miscellaneous Receipts | | 55,097 | 5,556 |
| | | <u>55,400,724</u> | <u>52,067,744</u> |
| <u>EXPENDITURE</u> | | | |
| Interest Paid: | | | |
| Debentures | | 42,102,442 | 39,947,645 |
| On-Call Investment Accounts | | 116,361 | 134,687 |
| Ordinary Deposits | | 550,082 | 501,186 |
| Bonds | | 5,931,929 | 5,798,642 |
| | | <u>48,700,814</u> | <u>46,382,160</u> |
| Banking Platform Costs and Annual Licence Fees | | 298,964 | 265,566 |
| Miscellaneous Expenses | | 28,099 | 84,288 |
| Management and Other Charges | | 492,430 | 331,146 |
| | | <u>(49,520,307)</u> | <u>(47,063,160)</u> |
| Net Income transferred to Reserve Account | | <u>5,880,417</u> | <u>5,004,584</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT**INCREASE IN DEPOSITS**

| | | |
|-----------------------------|-------------------|--------------------|
| Debentures | 49,110,400 | 79,955,200 |
| On-Call Investment Accounts | 2,876,314 | 26,635,752 |
| Ordinary Deposits | 1,219,248 | 11,255,084 |
| Bonds | 10,029,558 | 7,379,604 |
| | <u>63,235,520</u> | <u>125,225,640</u> |

DECREASE IN DEPOSITS

| | | |
|--------------------------|-------------------|--------------------|
| Net Increase in Deposits | <u>63,235,520</u> | <u>125,225,640</u> |
|--------------------------|-------------------|--------------------|

INVESTMENT ADJUSTMENT ACCOUNT**INCREASE IN INVESTMENTS**

| | | |
|---------------------------------|---|---------|
| Net Capital Gain on Investments | - | 370,634 |
|---------------------------------|---|---------|

DECREASE IN INVESTMENTS

| | | |
|--|------------------|----------------|
| Net Capital Loss on Investments | (767,672) | - |
| Net Decrease in Investments transferred to Reserve Account | <u>(767,672)</u> | <u>370,634</u> |

RESERVE ACCOUNT**INCREASE IN RESERVES**

| | | |
|--|-----------|-----------|
| Net Income transferred from Income and Expenditure Account | 5,880,417 | 5,004,584 |
| Net Increase in Investments transferred from Investment Adjustment Account | - | 370,634 |

DECREASE IN RESERVES

| | | |
|--|------------------|------------------|
| Transfer of Surplus to Consolidated Fund | - | - |
| Net Decrease in Investments transferred from Investment Adjustment Account | (767,672) | - |
| Net Increase in Reserves | <u>5,112,745</u> | <u>5,375,218</u> |

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2022**

| | <u>2022</u> £ | <u>2021</u> £ |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| Investments on 1 April 2021 | 1,494,375,170 | 1,363,502,056 |
| Net Purchase of Investments during the year | <u>69,205,655</u> | <u>130,502,480</u> |
| | 1,563,580,825 | 1,494,004,536 |
| Net Decrease in Investments as per Investment Adjustment Account | <u>(767,672)</u> | <u>370,634</u> |
| Investments on 31 March 2022 | 1,562,813,153 | 1,494,375,170 |
| Cash in Hand | <u>12,169,301</u> | <u>12,096,679</u> |
| | <u><u>1,574,982,454</u></u> | <u><u>1,506,471,849</u></u> |
| <u>FINANCED BY</u> | | |
| <u>Debentures</u> | | |
| Deposits on 1 April 2021 | 1,024,357,300 | 944,402,100 |
| Accrued Interest on 1 April 2021 | 3,485,897 | 3,289,276 |
| Net Increase in Deposits | 49,110,400 | 79,955,200 |
| Increase in Accrued Interest during the year | <u>143,706</u> | <u>196,621</u> |
| Deposits on 31 March 2022 | 1,077,097,303 | 1,027,843,197 |
| <u>On-Call Investment Accounts</u> | | |
| Deposits on 1 April 2021 | 104,378,985 | 77,743,233 |
| Net Increase in Deposits during the year | <u>2,876,314</u> | <u>26,635,752</u> |
| Deposits on 31 March 2022 | 107,255,299 | 104,378,985 |
| <u>Ordinary Deposits</u> | | |
| Deposits on 1 April 2021 | 107,396,802 | 96,141,718 |
| Net Increase in Deposits during the year | <u>1,219,248</u> | <u>11,255,084</u> |
| Deposits on 31 March 2022 | 108,616,050 | 107,396,802 |
| <u>Bonds</u> | | |
| Deposits on 1 April 2021 | 215,521,225 | 208,141,621 |
| Accrued Interest on 1 April 2021 | 313,517 | 281,730 |
| Net Increase in Deposits during the year | 10,029,558 | 7,379,604 |
| Increase in Accrued Interest during the year | <u>18,634</u> | <u>31,787</u> |
| Deposits on 31 March 2022 | <u>225,882,934</u> | <u>215,834,742</u> |
| Total Deposits on 31 March 2022 | 1,518,851,586 | 1,455,453,726 |
| <u>Reserve Account</u> | | |
| Reserve Account on 1 April 2021 | 51,018,123 | 45,642,905 |
| Net Increase in Reserves during the year | <u>5,112,745</u> | <u>5,375,218</u> |
| Reserve Account on 31 March 2022 | <u>56,130,868</u> | <u>51,018,123</u> |
| Fund Account Balance on 31 March 2022 | <u><u>1,574,982,454</u></u> | <u><u>1,506,471,849</u></u> |

T Perera
Director, Gibraltar Savings Bank (ag)
31 October 2022

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2022**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2022 |
|--|------------------|----------------------------------|--------------------------------|---------------------------------|
| WESTPAC BANKING CORP FRN 18/01/23 | £1,000,000.00 | 100.074 0.140 | £1,000,740.00 £1,397.50 | £1,002,137.50 |
| LEEDS BUILDING SOCIETY FRN 15/04/23 | £1,000,000.00 | 100.413 0.201 | £1,004,130.00 £2,013.60 | £1,006,143.60 |
| SKIPTON BUILDING SOCIETY FRN 02/05/23 | £1,300,000.00 | 100.079 0.131 | £1,301,027.00 £1,707.95 | £1,302,734.95 |
| NORDEA EIENDOMSKREDITT FRN 18/06/23 | £300,000.00 | 100.170 0.037 | £300,510.00 £109.69 | £300,619.69 |
| BANK OF CHINA/LONDON FRN 10/08/23 | £1,000,000.00 | 99.219 0.140 | £992,190.00 £1,396.38 | £993,586.38 |
| BANQUE FED CRED MUTUEL FRN 26/01/25 | £1,000,000.00 | 99.614 0.160 | £996,140.00 £1,602.00 | £997,742.00 |
| UK MUNI BONDS AGENCY FRN 12/03/25 | £300,000.00 | 101.060 0.063 | £303,180.00 £188.09 | £303,368.09 |
| AAREAL BANK AG FRN 29/04/25 | £1,300,000.00 | 101.655 0.231 | £1,321,515.00 £3,009.20 | £1,324,524.20 |
| BANK OF NOVA SCOTIA FRN 22/06/26 | £1,200,000.00 | 102.197 0.040 | £1,226,364.00 £484.12 | £1,226,848.12 |
| UNITED OVERSEAS BANK FRN 21/09/26 | £1,000,000.00 | 102.411 0.044 | £1,024,110.00 £443.01 | £1,024,553.01 |
| BMW INTL INVESTMENT BV 1.25% 11/07/22 | £500,000.00 | 99.996 0.901 | £499,980.00 £4,503.42 | £504,483.42 |
| SWEDBANK AB 1.625% 28/12/22 | £1,000,000.00 | 100.033 0.414 | £1,000,330.00 £4,140.41 | £1,004,470.41 |
| WELLS FARGO & COMPANY 1.375% 30/06/22 | £1,400,000.00 | 99.967 1.032 | £1,399,538.00 £14,450.68 | £1,413,988.68 |
| NATIONWIDE 1% 24/01/23 | £1,000,000.00 | 99.199 0.181 | £991,990.00 £1,808.22 | £993,798.22 |
| CLOSE BROTHERS GROUP PLC 2.75% 26/04/23 | £1,250,000.00 | 100.432 1.179 | £1,255,400.00 £14,732.14 | £1,270,132.14 |
| LLOYDS BK CORP MKTS PLC 1.5% 23/06/23 | £1,000,000.00 | 99.254 0.404 | £992,540.00 £4,038.46 | £996,578.46 |
| HSBC HOLDINGS PLC 2.175% 27/06/23 | £1,000,000.00 | 100.036 1.651 | £1,000,360.00 £16,506.16 | £1,016,866.16 |
| COVENTRY BLDG SOCIETY 1.875% 24/10/23 | £1,000,000.00 | 99.334 0.814 | £993,340.00 £8,138.74 | £1,001,478.74 |
| L-BANK BW FORDERBANK 1.375% 15/12/23 | £1,000,000.00 | 99.450 0.399 | £994,500.00 £3,993.15 | £998,493.15 |
| KOMMUNEKREDIT 0.375% 15/11/24 | £1,100,000.00 | 96.320 0.140 | £1,059,520.00 £1,536.99 | £1,061,056.99 |
| BANQUE FED CRED MUTUEL 1.875 13/12/22 | £1,000,000.00 | 100.126 0.555 | £1,001,260.00 £5,547.95 | £1,006,807.95 |
| BANK OF CHINA/LONDON FRN 10/08/23 | £3,000,000.00 | 100.000 0.140 | £3,000,000.00 £4,189.14 | £3,004,189.14 |
| PFANDBRIEFE TRAD HYPOTHEKEN FRN 29/09/23 | £7,000,000.00 | 101.176 0.009 | £7,082,316.85 £648.49 | £7,082,965.34 |
| Carried forward | £30,650,000.00 | | £30,837,566.34 | £30,837,566.34 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2022**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2022 |
|--|------------------|----------------------------------|--------------------------------|---------------------------------|
| Brought forward | £30,650,000.00 | | £30,837,566.34 | £30,837,566.34 |
| ROYAL BANK OF CANADA FRN 30/01/25 | £2,000,000.00 | 100.481 0.146 | £2,009,614.39 £2,916.12 | £2,012,530.51 |
| AAREAL BANK AG FRN 29/04/25 | £6,000,000.00 | 102.174 0.231 | £6,130,427.06 £13,888.63 | £6,144,315.69 |
| UNITED OVERSEAS BANK FRN 21/09/26 | £3,000,000.00 | 103.140 0.044 | £3,094,193.13 £1,329.04 | £3,095,522.17 |
| INVESTEC PLC 4.5% 05/05/22 | £1,652,000.00 | 100.173 4.068 | £1,654,854.25 £67,211.51 | £1,722,065.76 |
| SCANIA CV AB 1.875% 28/06/22 | £7,000,000.00 | 100.303 1.418 | £7,021,208.44 £99,246.58 | £7,120,455.02 |
| DEXIA CREDIT LOCAL 0.5% 22/07/23 | £3,000,000.00 | 99.028 0.345 | £2,970,838.43 £10,356.16 | £2,981,194.59 |
| VW 1.125 18/09/23 | £7,000,000.00 | 100.361 0.598 | £7,025,250.70 £41,856.16 | £7,067,106.86 |
| NATIONAL GRID PLC 3.625% 06/11/23 | £5,000,000.00 | 103.821 1.440 | £5,191,028.79 £72,003.42 | £5,263,032.21 |
| BANCO SANTANDER SA 1.375% 31/07/24 | £5,000,000.00 | 99.678 0.915 | £4,983,879.59 £45,770.55 | £5,029,650.14 |
| GENERAL MOTORS FINL CO 06/09/24 | £7,000,000.00 | 102.909 1.270 | £7,203,662.58 £88,890.41 | £7,292,552.99 |
| DEUTSCHE BANK AG 2.625% 16/12/24 | £7,000,000.00 | 103.794 0.755 | £7,265,588.00 £52,859.59 | £7,318,447.59 |
| BANK OF AMERICA CORP 2.3% 25/07/25 | £5,000,000.00 | 103.542 1.569 | £5,177,077.92 £78,452.05 | £5,255,529.97 |
| CREDIT SUISSE GROUP AG 2.125% 12/09/25 | £7,000,000.00 | 102.413 1.164 | £7,168,881.32 £81,506.85 | £7,250,388.17 |
| HAMMERSON PLC 3.5% 27/10/25 | £7,000,000.00 | 105.172 1.486 | £7,362,024.57 £104,041.10 | £7,466,065.67 |
| OEKB OEST. KONTROLLBANK 0.5% 15/12/25 | £1,800,000.00 | 99.878 0.145 | £1,797,798.84 £2,613.70 | £1,800,412.54 |
| GOLDMAN SACHS GROUP INC 1% 16/12/25 | £7,000,000.00 | 99.958 0.288 | £6,997,046.67 £20,136.99 | £7,017,183.66 |
| NESTLE HOLDINGS INC 0.625% 18/12/25 | £2,000,000.00 | 99.758 0.176 | £1,995,152.93 £3,527.40 | £1,998,680.33 |
| JP MORGAN CHASE & CO 0.991% 28/04/26 | £7,000,000.00 | 100.203 0.915 | £7,014,196.21 £64,048.47 | £7,078,244.68 |
| VOLKSWAGEN FIN SERV 1.125% 05/07/26 | £3,000,000.00 | 99.518 0.829 | £2,985,525.76 £24,873.29 | £3,010,399.05 |
| AT&T INC 2.9% 04/12/26 | £4,500,000.00 | 106.145 0.930 | £4,776,540.52 £41,831.51 | £4,818,372.03 |
| BARCLAYS PLC 2.375% 06/10/23 | £7,000,000.00 | 101.481 1.145 | £7,103,698.16 £80,164.38 | £7,183,862.54 |
| WELLS FARGO & COMPANY 1.375% 30/06/22 | £4,500,000.00 | 100.335 1.032 | £4,515,056.86 £46,448.63 | £4,561,505.49 |
| Carried forward | £140,102,000.00 | | £143,325,084.00 | £143,325,084.00 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2022**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2022 |
|--|------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £140,102,000.00 | | £143,325,084.00 | £143,325,084.00 |
| LLOYDS BK CORP MKTS PLC 1.5% 23/06/23 | £1,000,000.00 | 99.256 0.404 | £992,564.33 £4,038.46 | £996,602.79 |
| HSBC HOLDINGS PLC 2.175% 27/06/23 | £7,000,000.00 | 100.759 1.651 | £7,053,114.00 £115,543.15 | £7,168,657.15 |
| L-BANK BW FORDERBANK 1.375% 15/12/23 | £7,000,000.00 | 101.538 0.399 | £7,107,655.22 £27,952.05 | £7,135,607.27 |
| LLOYDS BANKING GROUP PLC 2.25% 16/10/24 | £1,500,000.00 | 103.256 1.023 | £1,548,840.72 £15,349.32 | £1,564,190.04 |
| BP CAPITAL MARKETS PLC 2.03% 14/02/25 | £2,400,000.00 | 103.650 0.252 | £2,487,588.85 £6,056.35 | £2,493,645.20 |
| SIEMENS FINANCIERINGSMAT 1% 20/02/25 | £3,000,000.00 | 100.985 0.107 | £3,029,543.48 £3,205.48 | £3,032,748.96 |
| BNP PARIBAS 3.375 23/01/26 | £5,000,000.00 | 108.211 0.620 | £5,410,550.95 £30,976.03 | £5,441,526.98 |
| SKIPTON BUILDING SOCIETY 2% 02/10/26 | £5,000,000.00 | 102.437 0.989 | £5,121,836.27 £49,450.55 | £5,171,286.82 |
| KOMMUNEKREDIT 0.375% 15/11/24 | £4,000,000.00 | 99.940 0.140 | £3,997,585.09 £5,589.04 | £4,003,174.13 |
| KOMMUNALBANKEN AS 1.5% 15/12/23 | £5,000,000.00 | 102.192 0.436 | £5,109,579.80 £21,780.82 | £5,131,360.62 |
| ASIAN DEVELOPMENT BANK 1% 15/12/22 | £4,500,000.00 | 100.442 0.290 | £4,519,883.86 £13,068.49 | £4,532,952.35 |
| BANK OF NEW YORK GBP A/C | £460,726.85 | 100.000 | £460,726.85 £51,754.52 | £512,481.37 |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES | £147,700,000.00 | 100.000 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| GOVERNMENT OF GIBRALTAR DEBENTURE | £100,000,000.00 | 100.000 | £100,000,000.00 £2,991,780.82 | £102,991,780.82 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 10 OCTOBER 2024 | £75,000,000.00 | 100.000 | £75,000,000.00 £233,835.62 | £75,233,835.62 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 29 JUNE 2025 | £50,000,000.00 | 100.000 | £50,000,000.00 £155,890.36 | £50,155,890.36 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 JANUARY 2029 | £9,250,000.00 | 100.000 | £9,250,000.00 £39,280.72 | £9,289,280.72 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 JANUARY 2031 | £3,750,000.00 | 100.000 | £3,750,000.00 £19,109.64 | £3,769,109.64 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2022 | £10,000,000.00 | 100.000 | £10,000,000.00 £25,479.52 | £10,025,479.52 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £65,000,000.00 | 100.000 | £65,000,000.00 £220,821.99 | £65,220,821.99 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £40,750,000.00 | 100.000 | £40,750,000.00 £173,047.89 | £40,923,047.89 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £275,000,000.00 | 100.000 | £275,000,000.00 £1,401,369.88 | £276,401,369.88 |
| Carried forward | £962,412,726.85 | | £972,972,597.13 | £972,972,597.13 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2022**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2022 |
|--|-------------------|----------------------------------|--------------------------------|---------------------------------|
| Brought forward | £962,412,726.85 | | £972,972,597.13 | £972,972,597.13 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 FEBRUARY 2025 | £5,000,000.00 | 100.000 | £5,000,000.00 £19,109.64 | £5,019,109.64 |
| CREDIT FINANCE COMPANY LTD FIXED TERM MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £9,250,000.00 | 100.000 | £9,250,000.00 £47,137.05 | £9,297,137.05 |
| GIBRALTAR NATIONAL MINT LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 MAY 2023 | £500,000.00 | 100.000 | £500,000.00 £1,698.49 | £501,698.49 |
| GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 DECEMBER 2024 | £10,000,000.00 | 100.000 | £10,000,000.00 £50,959.04 | £10,050,959.04 |
| GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 MARCH 2025 | £10,000,000.00 | 100.000 | £10,000,000.00 £50,959.04 | £10,050,959.04 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE | £20,000,000.00 | 100.000 | £20,000,000.00 £50,959.04 | £20,050,959.04 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE | £10,000,000.00 | 100.000 | £10,000,000.00 £25,479.52 | £10,025,479.52 |
| GIBTELECOM LTD - ORDINARY SHARES (1) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 33463.997 | £265,034.86 | £265,034.86 |
| CREDIT FINANCE COMPANY LTD - ORDINARY SHARES | £1.00 | 100.000 | £1.00 | £1.00 |
| BANK OF ENGLAND | £41,181,739.47 | 100.000 | £41,181,739.47 £722.07 | £41,182,461.54 |
| BARCLAYS BANK PLC | £7,541.26 | 100.000 | £7,541.26 | £7,541.26 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £263,101,250.71 | 100.000 | £263,101,250.71 £24,404.89 | £263,125,655.60 |
| TRUSTED NOVUS BANK | £432,975.49 | 100.000 | £432,975.49 £63.95 | £433,039.44 |
| GIBRALTAR INTERNATIONAL BANK | £105,528,957.42 | 100.000 | £105,528,957.42 £36,070.51 | £105,565,027.93 |
| KLEINWORT HAMBROS BANK | £20,560,937.08 | 100.000 | £20,560,937.08 £366.15 | £20,561,303.23 |
| MONEYCORP BANK | £7,097,585.02 | 100.000 | £7,097,585.02 £8,813.47 | £7,106,398.49 |
| | £1,476,088,722.22 | | £1,562,813,152.96 | £1,562,813,152.96 |

Notes:

(1) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government of Gibraltar.

(2) The Visa shareholding is based on a re-valuation as at 31 March 2022 of its 230 Series C preference shares in Visa Inc.

Notes to the Accounts For the Year Ended 31 March 2022

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Interest earned on investments and interest payable is accounted for on an accrual basis.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued as fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

2. Investment Income

Investment income includes return on debentures, dividends, interest on investments and bank interest as follows:

| | 2022 £ | 2021 £ |
|-------------------------|--------------------------|--------------------------|
| Return on Debentures | 43,442,798 | 42,545,426 |
| Dividends | ⁽¹⁾ 7,811,327 | ⁽²⁾ 1,476,167 |
| Interest on Investments | 2,752,970 | 3,253,226 |
| Bank Interest | 1,158,151 | 961,062 |
| Total | 55,165,246 | 48,235,881 |

⁽¹⁾ Dividends includes return on shares of £2,150 for the year ending 2022.

⁽²⁾ Dividends includes return on shares of £13,668 for the year ending 2021.

3. Related Party Transactions

The Director considers that the transactions during the year and the balances as at 31 March 2022 with related parties were as follows:

| 2022 | Transactions | | | Balances |
|---------------------------------|---------------------------|--------------------------|---------------------|----------------------------|
| | Debenture Interest £ | Dividends £ | Other Receipts £ | Debentures £ |
| HM Government of Gibraltar | 18,915,595 | - | - | 372,700,000 |
| Credit Finance Company Limited | 22,407,194 | ⁽²⁾ 5,309,177 | - | ⁽³⁾ 418,000,000 |
| Gibraltar Properties Limited | 900,005 | - | - | 30,000,000 |
| GSBA Limited | 1,200,007 | 1,500,000 | - | 20,000,000 |
| Gibraltar National Mint Limited | 19,997 | - | - | 500,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | ⁽¹⁾ 43,442,798 | 7,809,177 | - | 841,200,000 |

Notes to the Accounts For the Year Ended 31 March 2022 - Continued

⁽¹⁾ Debenture interest includes accrued interest up to 31 March 2022.

⁽²⁾ Preference Shares of £9.25m held by the Gibraltar Savings Bank in Credit Finance Company Limited were redeemed on 1 December 2021 and a non-convertible debenture to the same value was created and issued by the Company on the same date as consideration for the redemption. The amount of £5,309,177 includes this element of return from the Preference Shares (i.e. £309,177).

In order to process this transaction and comply with the Companies Act, Credit Finance Company Ltd had to issue and redeem 93 preference shares to the Gibraltar Savings Bank on the 1 December 2021.

The amount of £5,309,177 also includes £4,999,999.83 which was the interim dividend declared by Credit Finance Company Limited to the Gibraltar Development Corporation on 30 March 2022, being one of the two ordinary shareholders of Credit Finance Company Limited. However, in accordance with Article 113 of the Company's Articles of Association, the Gibraltar Development Corporation directed that its respective dividend be paid to the Gibraltar Savings Bank on 30 March 2022.

⁽³⁾ During the financial year the following debentures were issued to the Gibraltar Savings Bank:-

- Credit Finance Company Limited Monthly Income Debenture - £9,250,000 issued on 1 December 2021, maturing on 1 April 2024
- Credit Finance Company Limited Monthly Income Debenture - £5,000,000 issued on 1 February 2022, maturing on 1 February 2025

| 2021 | Transactions | | | Balances |
|---------------------------------|---------------------------|----------------|---------------------|-----------------|
| | Debenture Interest £ | Dividends £ | Other Receipts £ | Debentures £ |
| HM Government of Gibraltar | 18,415,458 | - | - | 372,700,000 |
| Credit Finance Company Limited | 22,011,612 | 462,499 | 3,750,000 | 403,750,000 |
| Gibraltar Properties Limited | 900,000 | - | - | 30,000,000 |
| GSBA Limited | 1,200,000 | - | - | 20,000,000 |
| Gibraltar National Mint Limited | 18,356 | - | - | 500,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | ⁽⁴⁾ 42,545,426 | 1,462,499 | 3,750,000 | 826,950,000 |

⁽⁴⁾ Debenture interest includes accrued interest up to 31 March 2021.



**Report of the Principal Auditor
on the Accounts of the
Gibraltar Savings Bank
for the financial year ended
31 March 2023**



THE CERTIFICATE OF THE PRINCIPAL AUDITOR TO THE MINISTER WITH RESPONSIBILITY FOR PUBLIC FINANCE

I certify that I have audited the financial statements of the Gibraltar Savings Bank for the financial year ended 31 March 2023 in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. These statements comprise the Income and Expenditure Account, the Deposits and Withdrawals Account, the Investment Adjustment Account, the Reserve Account, the Balance Sheet, the Statement of Investments and the related notes. These financial statements have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Director of the Gibraltar Savings Bank and the Principal Auditor

The Director of the Gibraltar Savings Bank is responsible for the preparation of the financial statements and for being satisfied that they are properly presented. The policy is to prepare the financial statements on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than when earned, and expenses are recognised when paid rather than when incurred.

My responsibility is to audit, certify and report on the financial statements in accordance with the provisions of Section 12 of the Gibraltar Savings Bank Act. I have conducted my audit of the financial statements in accordance with generally accepted government auditing standards.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gibraltar Savings Bank's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Report of the Director of the Gibraltar Savings Bank to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Gibraltar Savings Bank Act and the financial transactions recorded in the financial statements conform to the authorities that govern them.

Opinion on financial statements

In my opinion, the financial statements properly present the revenue collected and expenses paid, the deposits and withdrawals, the investment adjustment and the reserve for the financial year ended 31 March 2023 and the assets and liabilities as at the end of that period.

Opinion on other matters

In my opinion, the information given in the Report of the Director of the Gibraltar Savings Bank is consistent with the financial statements.

Matters for which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- I have not received all of the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit; or
- proper books of account have not been kept by the Gibraltar Savings Bank, so far as appears from the examination of those books; or
- the Gibraltar Savings Bank has not discharged its financial duties and obligations in accordance with the provisions of the Gibraltar Savings Bank Act; or
- the financial statements are not in agreement with the accounting records.

Report

The observations on the financial statements are detailed in my Report.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2023

GIBRALTAR SAVINGS BANK

ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

REPORT

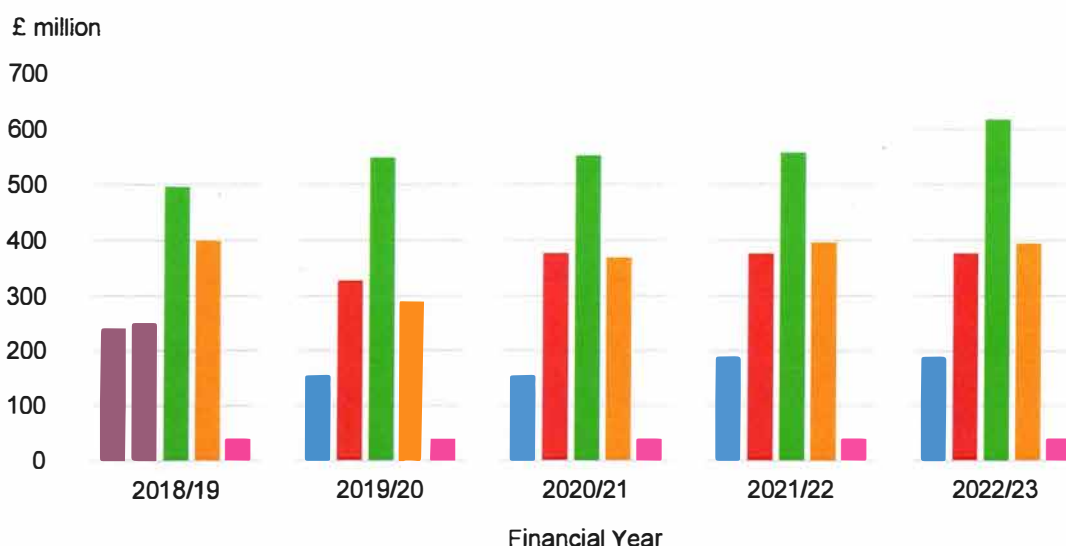
- 1.1 Income and Expenditure** - The investment income of the Gibraltar Savings Bank for the year ended 31 March 2023 amounted to £63.67m, a year-on-year increase of £8.50m compared to £55.17m received in the previous financial year. The income derived from investments is composed of £48.32m from the return on debentures; £9.68m from bank interest; £4.16m from the investments managed by the Crown Agents and £1.51m in dividend payments.
- 1.2** In recent years the Gibraltar Savings Bank has received dividends that were declared by Credit Finance Company Limited to the Gibraltar Development Corporation, but the Corporation waived the right to these dividends and directed that the dividends should be paid to the Gibraltar Savings Bank. In contrast, on 15 February 2023, Credit Finance Company Limited declared and paid an interim dividend of £500k to the Gibraltar Savings Bank (the shareholder of one ordinary A share of £1) as a consequence of re-classifying the company's share capital into A and B ordinary shares on 1 February 2023. The acting Director, Gibraltar Savings Bank confirmed that Credit Finance Company Limited did not declare the payment of a dividend to the Gibraltar Development Corporation (the shareholder of 29,999,999 ordinary B shares of £1 each) during the year.
- 1.3** Interest paid during the financial year 2022-23 totalled £51.45m compared to £48.70m during the previous financial year. Other expenditure during 2022-23 included: £0.53m in management and other charges, reflecting an increase of £0.04m from the previous year's expenditure of £0.49m; and £0.31m in respect of banking platform costs and annual licence fees.
- 1.4** The net operating income of the Gibraltar Savings Bank during the financial year ended 31 March 2023 was £12.01m, compared to a net income of £5.88m in the last financial year.
- 2.1 Bank Deposits** - There was a net increase of £47.52m in the deposits of the Gibraltar Savings Bank during the financial year 2022-23 compared to a net increase in deposits of £63.24m in the previous financial year.
- 2.2** The level of non-Government deposits held by the bank at the end of the year increased by £32.08m to £1,451.66m compared to the balance held at the end of the previous year of £1,419.58m. The increase in non-Government deposits during the year was largely as a result of a net increase in the issue of Gibraltar Savings Bank Debentures (£24.43m); a net increase in Gibraltar Savings Bank Bonds (£6.43m); a net increase in non-Government On-call Investment Accounts (£1.18m); and a net increase in Ordinary Deposits (£0.04m).
- 2.3** There was a total sum of £13.12m held in non-Government On-call Investment Accounts as at 31 March 2023. These deposits largely relate to: £5.11m from the holding of unclaimed debentures pertaining to deceased debenture holders; £5.08m in respect of unclaimed funds that remained unredeemed on the maturity of Gibraltar Savings Bank Debentures; £2.70m being the remaining balance from the COVID-19 Response Fund transferred to the Government Trust Fund – Donations on 31 March 2023; and £0.21m in respect of unclaimed funds that remained unredeemed on the maturity of Gibraltar Savings Bank Bonds.
- 2.4** Government deposits on 31 March 2023 stood at £110.74m, a net increase of £15.43m compared to the balance held at the end of the previous financial year amounting to £95.31m. The net increase in Government deposits in the Gibraltar

Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank

Savings Bank during the year was largely attributable to a rise in the level of Government liquid reserves (£11.35m); and the increase in the balances of the Statutory Benefits Fund (£3.10m), General Sinking Fund (£2.15m) and the Note Security Fund (£1.05m); and a decrease of £2.70m in respect of the COVID-19 Response Fund transferred to the Government Trust Fund – Donations, as previously mentioned in paragraph 2.3. On-call Investment Accounts under Government Deposits include £12.00m of cash safekeeping deposits in respect of the Note Security Fund, relating to currency notes in circulation, that does not generate interest.

3.1 Bank Investments - There was a net capital loss on the Gibraltar Savings Bank investments amounting to £0.96m during 2022-23, compared to a net capital loss of £0.77m in the previous financial year.

3.2 The graphic chart and the table below show the comparable position of the Gibraltar Savings Bank investments at the year-end over the last five financial years. As can be seen, there has been a progressive increase in the investments held by the Gibraltar Savings Bank in Government-owned Companies and Corporations during the last five years. Additionally, investments by the Gibraltar Savings Bank with the Government of Gibraltar have increased from the position five years ago. Conversely, investments with the Crown Agents have decreased over the same period, although there was further investment in this sector in the previous year.



| Gibraltar Savings Bank Investments | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|------------------|------------------|------------------|------------------|------------------|
| Crown Agents * | 242.70m | 157.48m | 154.96m | 190.78m | 190.43m |
| Government of Gibraltar (Public Debt) | 251.44m | 326.68m | 376.78m | 376.83m | 377.20m |
| Government-owned Companies & Corporations | 495.89m | 547.89m | 552.17m | 557.22m | 617.45m |
| Other Banks ** | 400.29m | 290.31m | 369.32m | 396.80m | 394.14m |
| Bank of England | 40.89m | 41.14m | 41.15m | 41.18m | 42.18m |
| Total Investments | 1,431.21m | 1,363.50m | 1,494.38m | 1,562.81m | 1,621.40m |

* Includes investments held in Visa Shares.

** Includes investments held with the Gibraltar International Bank, which is a partly-owned Government bank.

4.1 Bank Reserves - The Gibraltar Savings Bank (Amendment) Act 2008, which came into operation on 24 July 2008, provides, inter alia, for the surplus in revenues in any year to be transferred to the Consolidated Fund provided that the assets of the Gibraltar Savings Bank will thereafter be not less than the liabilities to depositors, as represented by the deposits in the Gibraltar Savings Bank. The consequence of the amendment is that it is no longer necessary for the Gibraltar Savings Bank to maintain a reserve balance. No transfers were

Report of the Principal Auditor on the Accounts of the Gibraltar Savings Bank

made from the Bank's Reserve Account to the Consolidated Fund during the financial year 2022-23. The reserves as at 31 March 2023 stood at £67.18m reflecting an increase of £11.05m compared to the position at the end of the previous financial year of £56.13m.

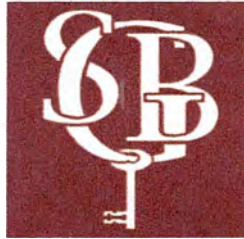
5.1 Subsequent Events - The following events occurred after the end of the reporting period up to the audit certification of these financial statements on 31 October 2023:

- On 1 May 2023, Gibraltar National Mint Limited repaid on maturity the £0.50m debenture, bearing interest at 4%, issued to the Gibraltar Savings Bank on 1 May 2020;
- On 31 August 2023, Gibraltar Properties Limited issued a 3-year non-convertible debenture of £10.00m to the Gibraltar Savings Bank, bearing interest at 3.25% per annum; and
- On 8 September 2023, GSBA Limited issued a 4-year non-convertible debenture of £20.00m to the Gibraltar Savings Bank, bearing interest at 6.25% per annum.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

31 October 2023



GIBRALTAR SAVINGS BANK
Annual Accounts

For The Financial Year Ended

31 March 2023



Treasury Department

Gibraltar Savings Bank
Director's Report on the Accounts for the Year Ended 31 March 2023

The directors who held office during the year and up to the date of the signing of these accounts were Charles Santos, up to 30 September 2022 and Tessa Perera, as from 1 October 2022.

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Income during the year totalled £64.34 million and was comprised of £63.67 million from investment income and £0.67 million from early redemption charges and miscellaneous receipts.

Net income during the year ended 31 March 2023 was £12.01 million, compared with a net income of £5.88 million during the previous year.

There was a net capital loss on the funds' investments of £0.96 million for the year.

Management and other charges for the year ending 31 March 2023 totalled £0.53 million.

The net increase in reserves during the year was £11.05 million compared to an increase in reserves of £5.11 million during the previous year. The reserves as at 31 March 2023 stood at £67.18 million.

At the year-end, the deposits of the bank, excluding £3.95 million of accrued interest, stood at £1,562.40 million. The previous year-end figure totalled £1,514.89 million. Deposits as at 31 March 2023 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | £'m | Year £'m |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 108.66 | 108.62 |
| On-Call Investment Accounts | 13.12 | 11.94 |
| Pensioners' Monthly Income Debentures | 7.36 | 8.50 |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/25 | 22.73 | 24.40 |
| Monthly Income Debentures | 39.55 | 58.38 |
| Special Issue of Monthly Income Debentures | 1.77 | 1.92 |
| 1-Year Fixed Term Monthly Income Debentures (Variable) | 17.63 | 0.00 |
| 3-Year Fixed Term Monthly Income Debentures | 28.23 | 38.46 |
| 5-Year Fixed Term Monthly Income Debentures (Variable) | 20.97 | 0.00 |
| 5-Year Fixed Term Monthly Income Debentures | 246.75 | 283.16 |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 0.00 | 18.79 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 712.91 | 639.86 |
| 10-Year Accumulator Bonds | 0.00 | 4.68 |
| 10-Year Pensioner Accumulator Bonds | 0.00 | 4.75 |
| Children's Bond | 17.82 | 14.17 |
| Gibraltar Provident Trust Fund Bonds | 6.83 | 7.12 |
| Guaranteed Superannuation Fund Bond | 207.33 | 194.83 |
| | <u>1,451.66</u> | <u>1,419.58</u> |

Government Deposits

On-Call Investment Accounts

| | |
|-----------------|-----------------|
| 110.74 | 95.31 |
| <u>1,562.40</u> | <u>1,514.89</u> |

Non-Government Deposits stood at £1,451.66 million. The increase of £32.08 million over the previous year is mainly as a result of the issue of Gibraltar Savings Bank debentures and an increase of £12.50 million in the Guaranteed Superannuation Fund Bond.

Government deposits in the Gibraltar Savings Bank increased by £15.43 million. This is mainly attributable to an increase in the Note Security Fund, the General Sinking Fund, the Statutory Benefits Fund and the level of Government Liquid Reserves held by the bank.

The interest rates payable to depositors by the bank during the period April 2022 to March 2023 were as follows:-

| | |
|---|--|
| Ordinary Deposits | 0.50 per cent per annum 0.75 per cent per annum w.e.f. 01/12/22 |
| Monthly Income Debentures | 0.75 or 2.00 per cent per annum |
| Pensioners' Monthly Income Debentures | 2.00 per cent per annum |
| Special Issue of Monthly Income Debentures | 2.00 per cent per annum |
| 1-Year Fixed Term Monthly Income Debentures (Variable) | 3.75 per cent |
| 3-Year Fixed Term Monthly Income Debentures | 1.50 or 2.00 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures (Variable) | 4.25 per cent |
| 5-Year Fixed Term Monthly Income Debentures | 2.50 or 3.00 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5.00 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/01/25 | 2.25 per cent per annum |
| Children's Bond | 5.00 per cent per annum |

On 1 November 2022, the Gibraltar Savings Bank issued two new Fixed Term Variable Interest Monthly Income Debentures; effectively providing the Gibraltar Savings Bank with the facility to offer clients the opportunity to fix deposits for 1 and/or 5 years at the interest rate applicable on the day of investment.

The interest rate for the Ordinary Deposit Accounts was increased from 0.5% to 0.75% with effect from 1 December 2022.

The 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds paid interest on an annual increasing rate from 2% to 11% per annum, with the last one maturing on 1 January 2023.

Review of business

The following are the main dividends received by Gibraltar Savings Bank during the financial year:

- £1,000,000 from Gibtelecom Limited
- £500,000 from Credit Finance Company Limited

During the financial year the following debentures were issued to the Gibraltar Savings Bank:

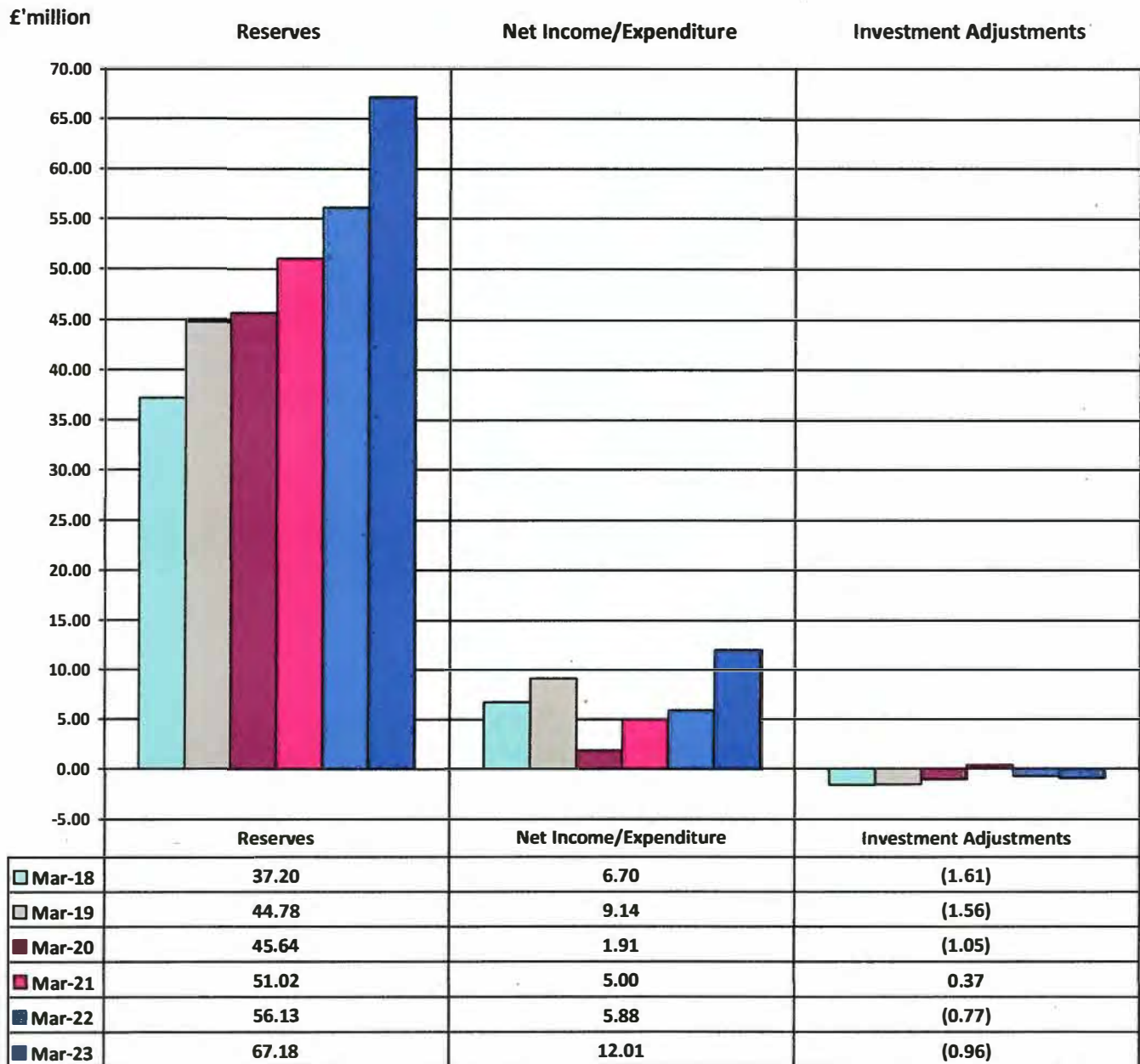
- Credit Finance Company Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 1 April 2022, maturing 1 April 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £20,000,000 issued on 20 June 2022, maturing on 20 June 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 15 August 2022, maturing on 15 August 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 1 November 2022, maturing on 1 November 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £20,000,000 issued on 15 December 2022, maturing on 15 December 2025

Two of the existing debentures increased during the financial year as follows:

- GSBA Limited Monthly Income Debenture – increased from £10,000,000 to £20,000,000 on the 31 July 2022
- GSBA Limited Monthly Income Debenture – increased from £10,000,000 to £20,000,000 on the 31 July 2022

The following debenture was repaid during the financial year:

- Credit Finance Company Limited 3 Year Monthly Income Debenture - £10,000,000 repaid on 1 April 2022
- Gibraltar Properties Limited Monthly Income Debenture - £20,000,000 repaid on 31 October 2022

Gibraltar Savings Bank - Results During Last Six Years

T Perera
 Director, Gibraltar Savings Bank (ag)
 31 October 2023

SAVINGS BANK FUND**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****INCOME AND EXPENDITURE ACCOUNT**

| | Note | <u>2023</u> £ | <u>2022</u> £ |
|--|------|-------------------------|-------------------------|
| <u>INCOME</u> | | | |
| Investment Income | 2 | 63,670,028 | 55,165,246 |
| Early Redemption Charges | | 408,478 | 180,381 |
| Miscellaneous Receipts | | 263,866 | 55,097 |
| | | <u>64,342,372</u> | <u>55,400,724</u> |
| <u>EXPENDITURE</u> | | | |
| Interest Paid: | | | |
| Debentures | | 44,365,168 | 42,102,442 |
| On-Call Investment Accounts | | 715,520 | 116,361 |
| Ordinary Deposits | | 596,056 | 550,082 |
| Bonds | | 5,768,866 | 5,931,929 |
| | | <u>51,445,610</u> | <u>48,700,814</u> |
| Banking Platform Costs and Annual Licence Fees | | 314,691 | 298,964 |
| Miscellaneous Expenses | | 38,432 | 28,099 |
| Management and Other Charges | | 530,666 | 492,430 |
| | | <u>(52,329,399)</u> | <u>(49,520,307)</u> |
| Net Income transferred to Reserve Account | | <u>12,012,973</u> | <u>5,880,417</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT

| | | | |
|------------------------------------|--|-------------------|-------------------|
| <u>INCREASE IN DEPOSITS</u> | | | |
| Debentures | | 24,434,600 | 49,110,400 |
| On-Call Investment Accounts | | 16,609,764 | 2,876,314 |
| Ordinary Deposits | | 45,711 | 1,219,248 |
| Bonds | | 6,424,957 | 10,029,558 |
| | | <u>47,515,032</u> | <u>63,235,520</u> |
| <u>DECREASE IN DEPOSITS</u> | | | |
| Net Increase in Deposits | | <u>47,515,032</u> | <u>63,235,520</u> |

INVESTMENT ADJUSTMENT ACCOUNT

| | | | |
|--|--|------------------|------------------|
| <u>INCREASE IN INVESTMENTS</u> | | | |
| <u>DECREASE IN INVESTMENTS</u> | | | |
| Net Capital Loss on Investments | | (961,063) | (767,672) |
| Net Decrease in Investments transferred to Reserve Account | | <u>(961,063)</u> | <u>(767,672)</u> |

RESERVE ACCOUNT

| | | | |
|--|--|-------------------|------------------|
| <u>INCREASE IN RESERVES</u> | | | |
| Net Income transferred from Income and Expenditure Account | | 12,012,973 | 5,880,417 |
| <u>DECREASE IN RESERVES</u> | | | |
| Transfer of Surplus to Consolidated Fund | | - | - |
| Net Decrease in Investments transferred from Investment Adjustment Account | | (961,063) | (767,672) |
| Net Increase in Reserves | | <u>11,051,910</u> | <u>5,112,745</u> |

SAVINGS BANK FUND**BALANCE SHEET AS AT 31 MARCH 2023**

| | <u>2023</u> £ | <u>2022</u> £ |
|--|-------------------------|-------------------------|
| <u>ASSETS</u> | | |
| Investments on 1 April 2022 | 1,562,813,153 | 1,494,375,170 |
| Net Purchase of Investments during the year | 59,549,258 | 69,205,655 |
| | <u>1,622,362,411</u> | <u>1,563,580,825</u> |
| Net Decrease in Investments as per Investment Adjustment Account | (961,063) | (767,672) |
| Investments on 31 March 2023 | 1,621,401,348 | 1,562,813,153 |
| Cash in Hand | 12,137,380 | 12,169,301 |
| | <u>1,633,538,728</u> | <u>1,574,982,454</u> |
| <u>FINANCED BY</u> | | |
| <u>Debentures</u> | | |
| Deposits on 1 April 2022 | 1,073,467,700 | 1,024,357,300 |
| Accrued Interest on 1 April 2022 | 3,629,603 | 3,485,897 |
| Net Increase in Deposits | 24,434,600 | 49,110,400 |
| Increase in Accrued Interest during the year | 246,136 | 143,706 |
| Deposits on 31 March 2023 | 1,101,778,039 | 1,077,097,303 |
| <u>On-Call Investment Accounts</u> | | |
| Deposits on 1 April 2022 | 107,255,299 | 104,378,985 |
| Net Increase in Deposits during the year | 16,609,764 | 2,876,314 |
| Deposits on 31 March 2023 | 123,865,063 | 107,255,299 |
| <u>Ordinary Deposits</u> | | |
| Deposits on 1 April 2022 | 108,616,050 | 107,396,802 |
| Net Increase in Deposits during the year | 45,711 | 1,219,248 |
| Deposits on 31 March 2023 | 108,661,761 | 108,616,050 |
| <u>Bonds</u> | | |
| Deposits on 1 April 2022 | 225,550,783 | 215,521,225 |
| Accrued Interest on 1 April 2022 | 332,151 | 313,517 |
| Net Increase in Deposits during the year | 6,424,957 | 10,029,558 |
| Decrease in Accrued Interest during the year | (256,804) | 18,634 |
| Deposits on 31 March 2023 | 232,051,087 | 225,882,934 |
| Total Deposits on 31 March 2023 | 1,566,355,950 | 1,518,851,586 |
| <u>Reserve Account</u> | | |
| Reserve Account on 1 April 2022 | 56,130,868 | 51,018,123 |
| Net Increase in Reserves during the year | 11,051,910 | 5,112,745 |
| Reserve Account on 31 March 2023 | 67,182,778 | 56,130,868 |
| Fund Account Balance on 31 March 2023 | <u>1,633,538,728</u> | <u>1,574,982,454</u> |

T Perera
Director, Gibraltar Savings Bank (ag)
31 October 2023

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2023**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2023 |
|--|------------------|----------------------------------|--------------------------------|---------------------------------|
| BANK OF CHINA/LONDON FRN 10/08/23 | £1,000,000.00 | 99.849 0.604 | £998,490.00 £6,044.08 | £1,004,534.08 |
| BANQUE FED CRED MUTUEL FRN 26/01/25 | £1,000,000.00 | 99.391 0.760 | £993,910.00 £7,599.69 | £1,001,509.69 |
| UK MUNI BONDS AGENCY FRN 12/03/25 | £300,000.00 | 100.367 0.234 | £301,101.00 £701.93 | £301,802.93 |
| AAREAL BANK AG FRN 29/04/25 | £1,300,000.00 | 100.811 0.799 | £1,310,543.00 £10,385.45 | £1,320,928.45 |
| BANK OF NOVA SCOTIA FRN 22/06/26 | £1,000,000.00 | 101.218 0.122 | £1,012,180.00 £1,222.07 | £1,013,402.07 |
| UNITED OVERSEAS BANK FRN 21/09/26 | £1,000,000.00 | 101.127 0.136 | £1,011,270.00 £1,357.16 | £1,012,627.16 |
| SIEMENS FINANCIERINGSMAT 0.875% 05/06/23 | £1,000,000.00 | 99.294 0.717 | £992,940.00 £7,167.81 | £1,000,107.81 |
| LLOYDS BK CORP MKTS PLC 1.5% 23/06/23 | £800,000.00 | 99.134 0.404 | £793,072.00 £3,230.77 | £796,302.77 |
| COVENTRY BLDG SOCIETY 1.875% 24/10/23 | £1,000,000.00 | 98.040 0.814 | £980,400.00 £8,138.74 | £988,538.74 |
| VOLKSWAGEN FIN SERVICES NV 1.625% 10/02/24 | £1,000,000.00 | 96.989 0.218 | £969,890.00 £2,181.51 | £972,071.51 |
| BASF SE 1.75% 11/03/25 | £1,000,000.00 | 94.205 0.096 | £942,050.00 £956.28 | £943,006.28 |
| BG ENERGY CAPITAL PLC 5.125% 01/12/25 | £900,000.00 | 100.986 1.685 | £908,874.00 £15,164.38 | £924,038.38 |
| TOYOTA MOTOR FINANCE BV 4.625% 08/06/26 | £900,000.00 | 99.788 1.432 | £898,092.00 £12,886.64 | £910,978.64 |
| DNBNO 2.625 10/06/26 | £1,000,000.00 | 94.833 2.114 | £948,330.00 £21,143.84 | £969,473.84 |
| BP CAPITAL MARKETS PLC 2.274% 03/07/26 | £900,000.00 | 93.548 0.547 | £841,932.00 £4,918.62 | £846,850.62 |
| TD 2.875 05/04/27 | £1,000,000.00 | 91.492 2.836 | £914,920.00 £28,356.16 | £943,276.16 |
| NATWEST MARKETS PLC 6.375% 08/11/27 | £900,000.00 | 104.143 2.498 | £937,287.00 £22,478.42 | £959,765.42 |
| KOMMUNEKREDIT 0.375% 15/11/24 | £1,100,000.00 | 93.535 0.140 | £1,028,885.00 £1,536.99 | £1,030,421.99 |
| IFFIM 2.75% 07/06/25 | £800,000.00 | 96.797 1.868 | £774,376.00 £14,947.95 | £789,323.95 |
| BANK OF CHINA/LONDON FRN 10/08/23 | £3,000,000.00 | 100.000 0.604 | £3,000,000.00 £18,132.23 | £3,018,132.23 |
| ROYAL BANK OF CANADA FRN 30/01/25 | £2,000,000.00 | 100.311 0.712 | £2,006,227.08 £14,235.16 | £2,020,462.24 |
| AAREAL BANK AG FRN 29/04/25 | £6,000,000.00 | 101.469 0.799 | £6,088,110.73 £47,932.87 | £6,136,043.60 |
| UNITED OVERSEAS BANK FRN 21/09/26 | £3,000,000.00 | 102.439 0.136 | £3,073,165.30 £4,071.48 | £3,077,236.78 |
| Carried forward | £31,900,000.00 | | £31,980,835.34 | £31,980,835.34 |

SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2023

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2023 |
|---|------------------|----------------------------------|--------------------------------|---------------------------------|
| Brought forward | £31,900,000.00 | | £31,980,835.34 | £31,980,835.34 |
| DEXIA CREDIT LOCAL 0.5% 22/07/23 | £3,000,000.00 | 99.770 0.345 | £2,993,106.16 £10,356.16 | £3,003,462.32 |
| VW 1.125 18/09/23 | £7,000,000.00 | 100.115 0.598 | £7,008,055.73 £41,856.16 | £7,049,911.89 |
| NATIONAL GRID PLC 3.625% 06/11/23 | £5,000,000.00 | 101.437 1.440 | £5,071,839.89 £72,003.42 | £5,143,843.31 |
| BANCO SANTANDER SA 1.375% 31/07/24 | £5,000,000.00 | 99.816 0.915 | £4,990,777.54 £45,770.55 | £5,036,548.09 |
| GENERAL MOTORS FINL CO 06/09/24 | £7,000,000.00 | 101.716 1.270 | £7,120,138.04 £88,890.41 | £7,209,028.45 |
| DEUTSCHE BANK AG 2.625% 16/12/24 | £7,000,000.00 | 102.397 0.755 | £7,167,768.00 £52,859.59 | £7,220,627.59 |
| COMMERZBANK AG 1.75% 22/01/25 | £5,000,000.00 | 95.402 0.326 | £4,770,094.38 £16,301.37 | £4,786,395.75 |
| BANK OF AMERICA CORP 2.3% 25/07/25 | £5,000,000.00 | 102.475 1.569 | £5,123,750.00 £78,452.05 | £5,202,202.05 |
| CREDIT SUISSE GROUP AG 2.125% 12/09/25 | £7,000,000.00 | 101.714 1.164 | £7,119,998.15 £81,506.85 | £7,201,505.00 |
| HAMMERSON PLC 3.5% 27/10/25 | £7,000,000.00 | 103.726 1.486 | £7,260,846.19 £104,041.10 | £7,364,887.29 |
| OEKB OEST. KONTROLLBANK 0.5% 15/12/25 | £1,800,000.00 | 99.911 0.145 | £1,798,391.77 £2,613.70 | £1,801,005.47 |
| GOLDMAN SACHS GROUP INC 1% 16/12/25 | £7,000,000.00 | 99.969 0.288 | £6,997,841.63 £20,136.99 | £7,017,978.62 |
| NESTLE HOLDINGS INC 0.625% 18/12/25 | £2,000,000.00 | 99.823 0.176 | £1,996,455.72 £3,527.40 | £1,999,983.12 |
| JP MORGAN CHASE & CO 0.991% 28/04/26 | £7,000,000.00 | 100.153 0.915 | £7,010,716.28 £64,048.47 | £7,074,764.75 |
| VOLKSWAGEN FIN SERV 1.125% 05/07/26 | £3,000,000.00 | 99.631 0.829 | £2,988,918.89 £24,873.29 | £3,013,792.18 |
| NATL GRID ELECT TRANS 1.375% 16/09/26 | £2,000,000.00 | 90.295 0.738 | £1,805,904.58 £14,767.12 | £1,820,671.70 |
| AT&T INC 2.9% 04/12/26 | £4,500,000.00 | 104.833 0.930 | £4,717,478.33 £41,831.51 | £4,759,309.84 |
| SCTWID 5.5 16/06/23 | £7,000,000.00 | 100.295 4.340 | £7,020,684.31 £303,780.82 | £7,324,465.13 |
| LLOYDS BK CORP MKTS PLC 1.5% 23/06/23 | £1,000,000.00 | 99.861 0.404 | £998,608.92 £4,038.46 | £1,002,647.38 |
| L-BANK BW FORDERBANK 1.375% 15/12/23 | £7,000,000.00 | 100.638 0.399 | £7,044,683.82 £27,952.05 | £7,072,635.87 |
| LLOYDS BANKING GROUP PLC 2.25% 16/10/24 | £6,500,000.00 | 97.907 1.023 | £6,363,944.71 £66,513.70 | £6,430,458.41 |
| BP CAPITAL MARKETS PLC 2.03% 14/02/25 | £2,400,000.00 | 102.382 0.252 | £2,457,170.27 £6,056.35 | £2,463,226.62 |
| Carried forward | £141,100,000.00 | | £142,980,186.17 | £142,980,186.17 |

SAVINGS BANK FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2023

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2023 |
|--|------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £141,100,000.00 | | £142,980,186.17 | £142,980,186.17 |
| SIEMENS FINANCIERINGSMAT 1% 20/02/25 | £3,000,000.00 | 100.645 0.107 | £3,019,341.62 £3,205.48 | £3,022,547.10 |
| WELLS FARGO & COMPANY 2% 28/07/25 | £4,000,000.00 | 97.151 1.348 | £3,886,041.85 £53,917.81 | £3,939,959.66 |
| BNP PARIBAS 3.375 23/01/26 | £7,000,000.00 | 102.963 0.620 | £7,207,414.34 £43,366.44 | £7,250,780.78 |
| DNBNO 2.625 10/06/26 | £5,000,000.00 | 95.811 2.114 | £4,790,540.11 £105,719.18 | £4,896,259.29 |
| BP CAPITAL MARKETS PLC 2.274% 03/07/26 | £2,000,000.00 | 93.035 0.547 | £1,860,692.50 £10,930.28 | £1,871,622.78 |
| BAT CAPITAL CORP 4 04/09/26 | £6,500,000.00 | 97.288 2.279 | £6,323,701.96 £148,164.38 | £6,471,866.34 |
| SKIPTON BUILDING SOCIETY 2% 02/10/26 | £5,000,000.00 | 101.896 0.989 | £5,094,819.12 £49,450.55 | £5,144,269.67 |
| HSBC 2.256 13/11/26 | £3,500,000.00 | 93.881 0.853 | £3,285,843.59 £29,853.37 | £3,315,696.96 |
| HSBC 1.75 24/07/27 | £1,500,000.00 | 88.529 1.199 | £1,327,929.45 £17,979.45 | £1,345,908.90 |
| NATIONWIDE BLDG SOCIETY 6.178% 07/12/27 | £200,000.00 | 100.000 1.930 | £200,000.00 £3,859.13 | £203,859.13 |
| KOMMUNEKREDIT 0.375% 15/11/24 | £4,000,000.00 | 99.963 0.140 | £3,998,503.26 £5,589.04 | £4,004,092.30 |
| KOMMUNALBANKEN AS 1.5% 15/12/23 | £5,000,000.00 | 100.910 0.436 | £5,045,482.64 £21,780.82 | £5,067,263.46 |
| BANK OF NEW YORK GBP A/C | £714,550.93 | 100.000 | £714,550.93 £51,754.52 | £766,305.45 |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES | £147,700,000.00 | 100.000 | £147,700,000.00 £752,662.95 | £148,452,662.95 |
| GOVERNMENT OF GIBRALTAR DEBENTURE | £100,000,000.00 | 100.000 | £100,000,000.00 £2,991,781.52 | £102,991,781.52 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 10 OCTOBER 2024 | £75,000,000.00 | 100.000 | £75,000,000.00 £453,698.60 | £75,453,698.60 |
| GOVERNMENT OF GIBRALTAR FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 29 JUNE 2025 | £50,000,000.00 | 100.000 | £50,000,000.00 £302,465.66 | £50,302,465.66 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 JANUARY 2029 | £9,250,000.00 | 100.000 | £9,250,000.00 £47,137.05 | £9,297,137.05 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 10 YEAR MONTHLY INCOME DEBENTURE 1 JANUARY 2031 | £3,750,000.00 | 100.000 | £3,750,000.00 £19,109.64 | £3,769,109.64 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2025 | £10,000,000.00 | 100.000 | £10,000,000.00 £38,219.28 | £10,038,219.28 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £65,000,000.00 | 100.000 | £65,000,000.00 £220,821.99 | £65,220,821.99 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £40,750,000.00 | 100.000 | £40,750,000.00 £173,047.89 | £40,923,047.89 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £275,000,000.00 | 100.000 | £275,000,000.00 £1,401,369.88 | £276,401,369.88 |
| Carried forward | £964,964,550.93 | | £973,130,932.45 | £973,130,932.45 |

SAVINGS BANK FUND**STATEMENT OF INVESTMENTS ON 31 MARCH 2023**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31/03/2023 |
|--|-------------------|----------------------------------|----------------------------------|---------------------------------|
| Brought forward | £964,964,550.93 | | £973,130,932.45 | £973,130,932.45 |
| CREDIT FINANCE COMPANY LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 FEBRUARY 2025 | £5,000,000.00 | 100.000 | £5,000,000.00 £19,109.64 | £5,019,109.64 |
| CREDIT FINANCE COMPANY LTD FIXED TERM MONTHLY INCOME DEBENTURE 1 APRIL 2024 | £9,250,000.00 | 100.000 | £9,250,000.00 £39,280.72 | £9,289,280.72 |
| GIBRALTAR NATIONAL MINT LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 MAY 2023 | £500,000.00 | 100.000 | £500,000.00 £1,698.49 | £501,698.49 |
| GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 DECEMBER 2024 | £20,000,000.00 | 100.000 | £20,000,000.00 £101,917.77 | £20,101,917.77 |
| GSBA LTD FIXED TERM 5 YEAR MONTHLY INCOME DEBENTURE 1 MARCH 2025 | £20,000,000.00 | 100.000 | £20,000,000.00 £101,917.77 | £20,101,917.77 |
| GIBRALTAR PROPERTIES LTD MONTHLY INCOME DEBENTURE | £10,000,000.00 | 100.000 | £10,000,000.00 £25,479.52 | £10,025,479.52 |
| GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 20 JUNE 2025 | £20,000,000.00 | 100.000 | £20,000,000.00 £55,205.42 | £20,055,205.42 |
| GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 15 AUGUST 2025 | £10,000,000.00 | 100.000 | £10,000,000.00 £27,602.71 | £10,027,602.71 |
| GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 1 NOVEMBER 2025 | £10,000,000.00 | 100.000 | £10,000,000.00 £27,602.71 | £10,027,602.71 |
| GIBRALTAR PROPERTIES LTD FIXED TERM 3 YEAR MONTHLY INCOME DEBENTURE 15 DECEMBER 2025 | £20,000,000.00 | 100.000 | £20,000,000.00 £55,205.42 | £20,055,205.42 |
| GIBTELECOM LTD - ORDINARY SHARES (1) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 1928612.500 | £152,746.11 | £152,746.11 |
| CREDIT FINANCE COMPANY LTD - ORDINARY SHARES | £1.00 | 100.000 | £1.00 | £1.00 |
| BANK OF ENGLAND | £42,163,727.71 | 100.000 | £42,163,727.71 £9,663.76 | £42,173,391.47 |
| BARCLAYS BANK PLC | £15,055,036.12 | 100.000 | £15,055,036.12 £13,877.99 | £15,068,914.11 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £326,455,363.99 | 100.000 | £326,455,363.99 £3,887,888.13 | £330,343,252.12 |
| TRUSTED NOVUS BANK | £439,996.21 | 100.000 | £439,996.21 £1,416.68 | £441,412.89 |
| GIBRALTAR INTERNATIONAL BANK | £20,089,124.87 | 100.000 | £20,089,124.87 £0.00 | £20,089,124.87 |
| KLEINWORT HAMBROS BANK | £20,908,286.79 | 100.000 | £20,908,286.79 £34,267.64 | £20,942,554.43 |
| MONEYCORP BANK | £7,232,414.27 | 100.000 | £7,232,414.27 £23,793.18 | £7,256,207.45 |
| | £1,533,073,509.81 | | £1,621,401,347.73 | £1,621,401,347.73 |

Notes:

(1) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government of Gibraltar.

(2) The Visa shareholding is based on a re-valuation as at 31 March 2023 of its 230 Series C preference shares in Visa Inc.

Notes to the Accounts For the Year Ended 31 March 2023

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Interest earned on investments and interest payable is accounted for on an accrual basis.

Investments

The investments in bonds and other securities managed by the Crown Agents have been valued at fair value or amortised cost, depending on the portfolio in which they are held.

Shares are valued at fair value or cost.

Debentures are valued at cost plus accrued interest.

2. Investment Income

Investment income includes return on debentures, dividends, interest on investments and bank interest as follows:

| | 2023 | 2022 |
|-------------------------|--------------------------|--------------------------|
| | £ | £ |
| Return on Debentures | 48,319,193 | 43,442,798 |
| Bank Interest | 9,685,097 | 1,158,151 |
| Interest on Investments | 4,157,882 | 2,752,970 |
| Dividends | ⁽¹⁾ 1,507,856 | ⁽²⁾ 7,811,327 |
| Total | 63,670,028 | 55,165,246 |

⁽¹⁾ Dividends includes return on shares of £7,856 for the year ending 2023.

⁽²⁾ Dividends includes return on shares of £2,150 for the year ending 2022.

3. Related Party Transactions

The Director considers that the transactions during the year and the balances as at 31 March 2023 with related parties were as follows:

| 2023 | Transactions | | | Balances |
|---------------------------------|---------------------------|-----------|----------------|----------------------------|
| | Debenture Interest | Dividends | Other Receipts | Debentures |
| | £ | £ | £ | £ |
| HM Government of Gibraltar | 21,553,781 | - | - | 372,700,000 |
| Credit Finance Company Limited | 23,055,002 | 500,000 | - | ⁽²⁾ 418,000,000 |
| Gibraltar Properties Limited | 1,688,220 | - | - | ⁽²⁾ 70,000,000 |
| GSBA Limited | 2,002,192 | - | - | ⁽²⁾ 40,000,000 |
| Gibraltar National Mint Limited | 19,998 | - | - | 500,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | ⁽¹⁾ 48,319,193 | 1,500,000 | - | 901,200,000 |

Notes to the Accounts For the Year Ended 31 March 2023 - Continued

(1) Debenture interest includes accrued interest up to 31 March 2023.

(2) During the financial year the following debentures were issued to the Gibraltar Savings Bank:-

- Credit Finance Company Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 1 April 2022, maturing on 1 April 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £20,000,000 issued on 20 June 2022, maturing on 20 June 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 15 August 2022, maturing on 15 August 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £10,000,000 issued on 1 November 2022, maturing on 1 November 2025
- Gibraltar Properties Limited 3 Year Monthly Income Debenture - £20,000,000 issued on 15 December 2022, maturing on 15 December 2025

Two of the existing debentures increased during the financial year as follows:-

- GSBA Limited Monthly Income Debenture - increased from £10,000,000 to £20,000,000 on 31 July 2022
- GSBA Limited Monthly Income Debenture - increased from £10,000,000 to £20,000,000 on 31 July 2022

The following debenture was repaid during the financial year as follows:-

- Credit Finance Company Limited 3 Year Monthly Income Debenture - £10,000,000 repaid on 1 April 2022
- Gibraltar Properties Limited Monthly Income Debenture - £20,000,000 repaid on 31 October 2022

| 2022 | Transactions | | | Balances |
|---------------------------------|---------------------------|--------------------------|---------------------|-----------------|
| | Debenture Interest £ | Dividends £ | Other Receipts £ | Debentures £ |
| HM Government of Gibraltar | 18,915,595 | - | - | 372,700,000 |
| Credit Finance Company Limited | 22,407,194 | ⁽⁴⁾ 5,309,177 | - | 418,000,000 |
| Gibraltar Properties Limited | 900,005 | - | - | 30,000,000 |
| GSBA Limited | 1,200,007 | 1,500,000 | - | 20,000,000 |
| Gibraltar National Mint Limited | 19,997 | - | - | 500,000 |
| Gibtelecom Limited | - | 1,000,000 | - | - |
| Total | ⁽³⁾ 43,442,798 | 7,809,177 | - | 841,200,000 |

(3) Debenture interest includes accrued interest up to 31 March 2022.

(4) Preference Shares of £9.25m held by the Gibraltar Savings Bank in Credit Finance Company Limited were redeemed on 1 December 2021 and a non-convertible debenture to the same value was created and issued by the Company on the same date as consideration for the redemption. The amount of £5,309,177 includes this element of return from the Preference Shares (i.e. £309,177).

In order to process this transaction and comply with the Companies Act, Credit Finance Company Ltd had to issue and redeem 93 preference shares to the Gibraltar Savings Bank on the 1 December 2021.

The amount of £5,309,177 also includes £4,999,999.83 which was the interim dividend declared by Credit Finance Company Limited to the Gibraltar Development Corporation on 30 March 2022, being one of the two ordinary shareholders of Credit Finance Company Limited. However, in accordance with Article 113 of the Company's Articles of Association, the Gibraltar Development Corporation directed that its respective dividend be paid to the Gibraltar Savings Bank on 30 March 2022.

PART 3 - DEPARTMENTAL AUDITS

Income Tax

3.1.1 Income Tax and Corporation Tax Receipts - The combined yield from Income Tax and Corporation Tax for the financial year 2017-18 was £277.53m, a year-on-year decrease of £12.99m (4.5%). Figure 20 graphically illustrates the revenue trend over the past 10 financial years.

Figure 20

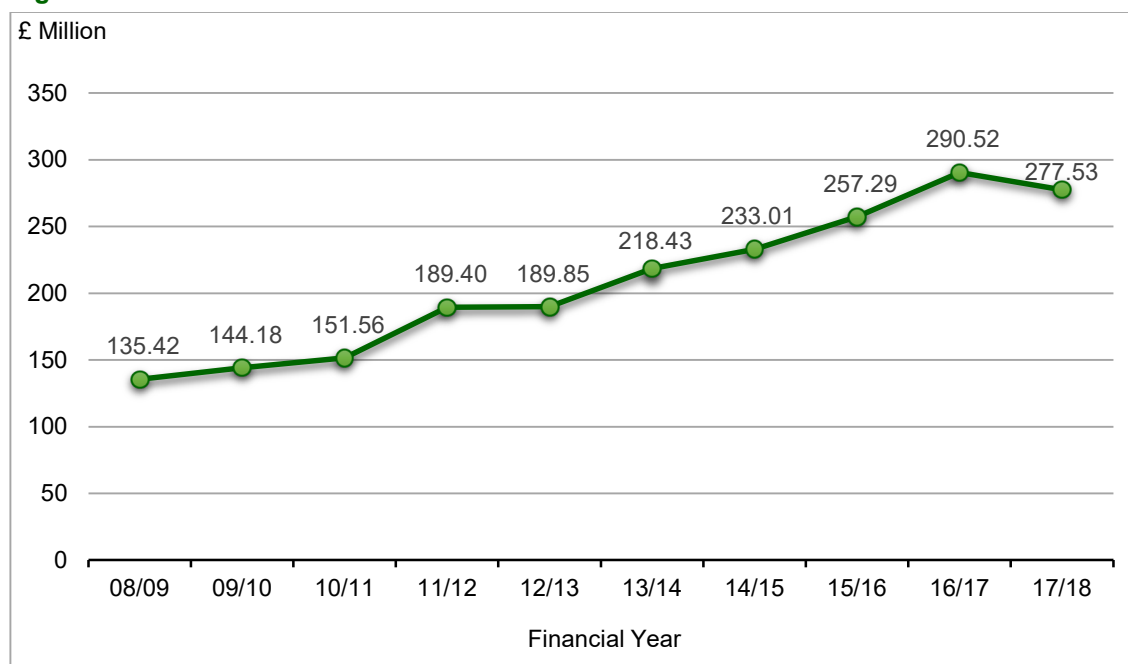


Figure 21 below provides a breakdown of receipts for the financial years 2015-16 to 2017-18.

Figure 21

| | 2015-16 | 2016-17 | 2017-18 |
|----------------------------|--------------|--------------|--------------|
| PAYE | £130,140,486 | £136,693,929 | £147,629,395 |
| Self-Employed ¹ | £14,243,780 | £15,971,198 | £18,508,646 |
| Section 58 ² | £2,329,874 | £1,609,575 | £488,825 |
| Section 77 ³ | £1,388,981 | £565,359 | - |
| | £148,103,121 | £154,840,061 | £166,626,866 |
| Corporation Tax | £109,182,336 | £135,682,730 | £110,902,390 |
| Total | £257,285,457 | £290,522,791 | £277,529,256 |

3.1.2 Income Tax and Corporation Tax refunds amounting to £13.41m and £1.90m respectively were paid from Consolidated Fund Charges Head 07 – Revenue Repayments, Subhead 1 – Repayment of Revenue during the financial year 2017-18, compared to £7.81m and £2.03m respectively during the previous financial year.

3.1.3 Income Tax Arrears - The combined arrears of Income Tax, Corporation Tax and Employers' PAYE deductions on 31 March 2018 stood at £17.36m, a decrease of £4.48m from the arrears position as at 31 March 2017 which stood at £21.84m. Figure 22 graphically

¹ Includes Category 2 and High Net Worth Individuals.

² Payment of tax by or in respect of construction sub-contractors.

³ Refers to Tax Amnesty. This is a payment of 5% of the sums of money remitted.

illustrates the comparable tax arrears position at the year-end over the last ten financial years.

Figure 22

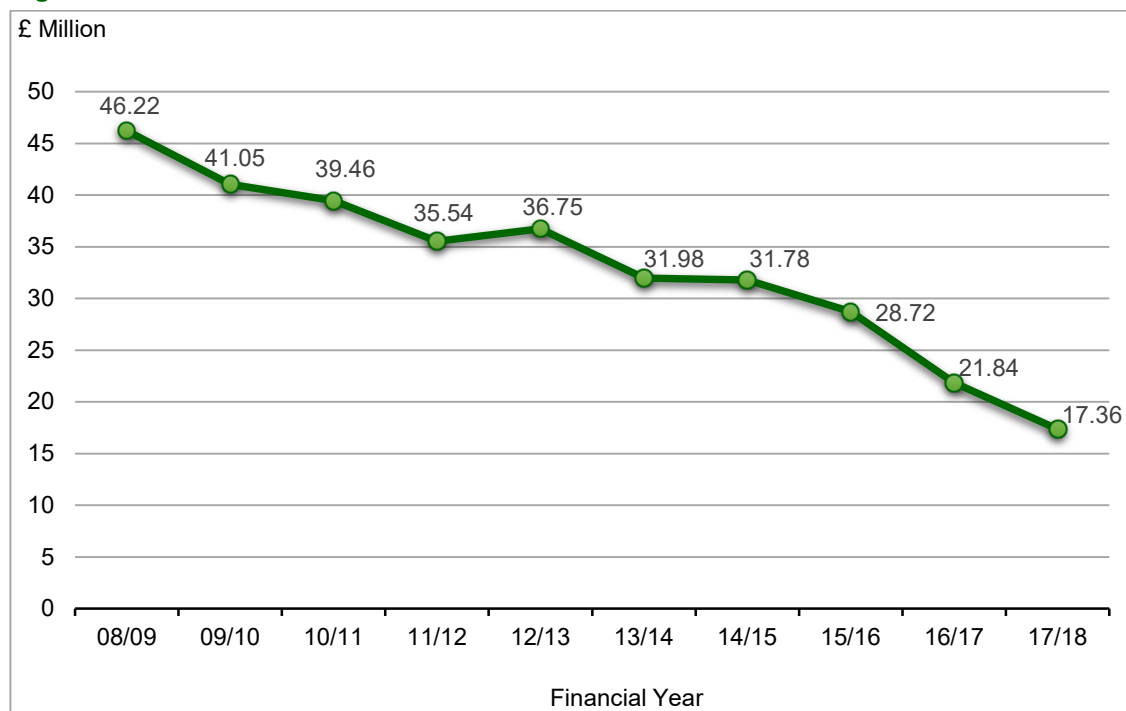


Figure 23 summarises the arrears position as at 31 March 2018 and compares this to the previous two financial year-ends.

Figure 23

| | 31 Mar 2016 | 31 Mar 2017 | 31 Mar 2018 |
|-------------------------|--------------------|--------------------|--------------------------------|
| Assessments on: | | | |
| Individuals – PAYE | £6,368,312 | £5,668,355 | £5,822,238 |
| Self-Employed | £7,494,681 | £5,548,140 | £3,424,096 |
| Companies | £7,785,361 | £4,154,056 | £2,630,191 |
| | <u>£21,648,354</u> | <u>£15,370,551</u> | <u>£11,876,525⁴</u> |
| Tax due from Employers' | | | |
| PAYE deductions | £7,066,944 | £6,465,088 | £5,483,331 ⁵ |
| Total | £28,715,298 | £21,835,639 | £17,359,856⁶ |

3.1.4 Of the £17,359,856 owing as at 31 March 2018, £2,169,887 (12.5%) was collectable through repayment agreements.

3.1.5 There was no authorisation granted for writing-off bad debts during the financial years 2016-17 and 2017-18, although the Commissioner did make two separate write-off requests to the Financial Secretary of £1,184,561, in respect of arrears of tax due from Self Employed

⁴ The arrears as at 31 March 2018 shown in Figure 23 includes estimated assessments totalling £2,777,378 (Individuals - £1,050,754, Self-employed - £1,021,876 and Companies - £704,748) as well as assessments due after 31 March 2018 amounting to £782,558 (Individuals - £558,581, Self-employed - £92,226 and Companies - £131,751).

⁵ Of the £5,483,331 Employers' PAYE deductions arrears as at 31 March 2018, £1,003,770 (18.3%) was recoverable through repayment agreements.

⁶ The total arrears sum of £17,359,856 as at 31 March 2018 includes Surcharges and Penalties amounting to £1,081,583 and £665,301 respectively (£433,153 of the surcharges were based on estimated assessments).

individuals, and £255,340 in respect of arrears of Individuals PAYE, on 13 August 2016 and 20 March 2018 respectively.

- 3.1.6** The aggregate arrears position as at 31 March 2019 stood at £16.71m, a £0.65m decrease from the arrears position as at 31 March 2018. This was as a result of a decrease in Employers' PAYE deductions, Individuals' PAYE and Self-employed Individuals arrears of £0.61m, £0.54m and £0.50m respectively. The decrease was partially offset by an increase in Corporation Tax arrears amounting to £1.0m. Figure 24 shows the overall arrears position as at 31 March 2019.

Figure 24

| Arrears as at 31 Mar 2019 | |
|---|--------------------------------|
| Assessments on: | |
| Individuals – PAYE | £5,279,118 |
| Self-Employed | £2,924,466 |
| Companies | £3,633,556 |
| | <hr/> £11,837,140 ⁷ |
| Tax due from Employers' PAYE deductions | £4,874,867 |
| Total | <hr/> £16,712,007 <hr/> |

- 3.1.7 Arrears Repayment Agreements** - It is a requirement for debtors whose arrears are repayable through a repayment agreement to be up-to-date with their statutory obligations in respect of current tax and social insurance contributions dues.
- 3.1.8** A review on a sample of 15 companies maintaining repayment agreements in respect of either Employers' PAYE deductions or Social Insurance contributions was undertaken on 30 August 2019. The following was observed:
- Only four companies were up-to-date with their repayment schedule although one of these was not up-to-date with their current Employers' PAYE deductions payments nor current Social Insurance contributions; and
 - The eleven remaining companies were at least one month overdue in paying their agreement instalments. The longest defaulter was 28 instalments behind although this particular company ceased trading in May 2015. The Central Arrears Unit ("CAU") was actively chasing these defaulters.
- 3.1.9** The Commissioner confirmed that the Income Tax Office ("ITO") continues to send information packs to corporate taxpayers shortly after registration. The pack contains, inter alia, answers to the most frequently asked questions regarding statutory obligations as corporate taxpayers and further information regarding obligations should they wish to become an employer. In conjunction with the ITO webpage, the pack forms part of the taxpayer educational process.
- 3.1.10 Tax due from Employers' PAYE Deductions** - Figure 25 shows the age structure of known Employers' PAYE deductions arrears in the last five financial years as at the end of each of the tax years shown.

⁷ The arrears shown in Figure 24 includes estimated assessments totalling £1,840,659 (Individuals - £543,092; Self-employed - £775,199 and Companies - £522,368).

Figure 25

| Tax Year | 31 Mar 2015 | 31 Mar 2016 | 31 Mar 2017 | 31 Mar 2018 | 31 Mar 2019 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| Pre 2008-09 | £1,630,056 | £1,555,288 | £1,336,919 | £1,265,477 | £1,003,496 |
| 2008-09 | £1,596,123 | £1,562,543 | £1,499,757 | £1,262,678 | £1,234,084 |
| 2009-10 | £759,128 | £710,785 | £673,549 | £538,790 | £512,243 |
| 2010-11 | £786,571 | £607,375 | £534,843 | £488,798 | £433,429 |
| 2011-12 | £767,733 | £557,565 | £418,458 | £317,105 | £278,489 |
| 2012-13 | £654,908 | £511,573 | £362,070 | £206,204 | £182,916 |
| 2013-14 | £547,403 | £364,966 | £237,304 | £144,550 | £125,331 |
| 2014-15 | - | £1,166,019 | £394,403 | £273,177 | £181,033 |
| 2015-16 | - | £30,830 | £1,007,763 | £538,548 | £368,149 |
| 2016-17 | - | - | £22 | £448,004 | £259,842 |
| 2017-18 | - | - | - | - | £295,451 |
| 2018-19 | - | - | - | - | £404 |
| Total | £6,741,922 | £7,066,944 | £6,465,088 | £5,483,331 | £4,874,867 |

3.1.11 Figure 25 above shows a positive downward trend in the level of Employers' PAYE Deduction arrears. As at 31 March 2019, this stood at £4.87m, a decrease of £0.61m (11.1%) on the prior year's position. Despite the improvement, arrears relating to tax year 2008-09 remain exceptionally high as a significant proportion of this debt is subject to the outcome of five pending compulsory liquidations by the Court.

3.1.12 The Commissioner of Income Tax informed me that he was satisfied that most employers were paying by the due date or shortly thereafter and that noncompliant employers continue to be actively pursued for payment. The Commissioner added that £0.8m (16.3%) of Employer's PAYE Deductions arrears was already recoverable through repayment agreements as at 31 March 2019.

3.1.13 A review of 20 employer records was carried out on 13 September 2019. The objective was to determine the timeliness of Employers' monthly PAYE deductions payments during the tax year 2018-19 and the first month of the 2019-20 tax year. The following points were noted:

- During the tax year 2018-19, a total of 240 payments were due of which 89 (37.1%) were received on or by their due dates; 91 (37.9%) were paid within 30 days; 58 (24.2%) were paid over 30 days late; and two (0.8%) payments were still outstanding; and
- For the first month of tax year 2019-20, nine of the 20 payments (45.0%) were received by the due date; and five (25.0%) were paid within a month thereafter. The remaining six (30.0%) payments were still outstanding.

3.1.14 The Commissioner continues to outsource compliance and enforcement to the CAU with the Unit's remit having been extended to the recovery of current debt. Notwithstanding this, the PAYE recovery process is supported by the ITO who have deployed additional resources in light of the magnitude and volume of debtors. Additionally, in the continued absence of an in-house Crown Counsel, the CAU has been able to outsource legal expertise in order to tackle recalcitrant debtors to greater effect.

3.1.15 As at 31 March 2019, 74 of the 2,412 employers (3.1%), who had submitted an Employer's Annual Statement Declaration and Certificate (P8) for the tax year 2017-18, had outstanding amounts owing, as shown in Figure 26.

Figure 26

| Level of Debt | Number of Employers | Outstanding Debt | % of Overall Outstanding Debt |
|-----------------------------|---------------------|------------------|-------------------------------|
| Under £1,000 | 47 | £4,084 | 1.4% |
| Between £1,000 and £30,000 | 25 | £139,745 | 47.3% |
| Between £30,001 and £70,000 | 1 | £58,291 | 19.7% |
| Over £70,000 | 1 | £93,331 | 31.6% |
| Total | 74 | £295,451 | |

3.1.16 Figure 27 depicts the number of companies as at 31 March 2019 that had submitted P8 returns over the last ten tax years but still had PAYE amounts outstanding for those tax years.

Figure 27

| Tax Year | Number of P8s with Outstanding Amounts | Outstanding Amount |
|----------|--|--------------------|
| 2009-10 | 53 | £512,243 |
| 2010-11 | 49 | £433,429 |
| 2011-12 | 35 | £278,489 |
| 2012-13 | 40 | £182,916 |
| 2013-14 | 49 | £125,331 |
| 2014-15 | 46 | £181,033 |
| 2015-16 | 56 | £368,149 |
| 2016-17 | 45 | £259,842 |
| 2017-18 | 74 | £295,451 |
| 2018-19 | 1 | £404 |
| Total | 448 | £2,637,287 |

3.1.17 Employers' P8 and P8A Declarations - As at 31 March 2019, a total of 82 employers had never complied with the legal requirement to submit a P8, a notable decrease of 24 compared to 106 on 31 March 2017. Since the amounts outstanding cannot be reliably quantified, these are not reflected in the relevant PAYE arrears amount. Notwithstanding this, the Commissioner informed me that a review of the remaining 82 non-compliant employers would be undertaken in order to determine how many of these were actually due and what action should be taken.

3.1.18 As at 31 March 2019, a total of six employers had still not submitted the P8A declaration form for the period April 2007 to June 2007 (as a result of the reform and introduction of the Social Insurance Contributions System effective from 1 April 2007), compared to 314 employers on 31 March 2017. The significant decrease was as a result of an extensive review of these outstanding P8A declaration forms carried out by the ITO to identify those that were still collectable.

3.1.19 Figure 28 shows the number of companies as at 31 March 2017 and 31 March 2019 that had still not submitted their P8s in respect of the last seven tax years.

Figure 28

| Tax Year | Number of P8s not submitted as at: | |
|----------|------------------------------------|---------------|
| | 31 March 2017 | 31 March 2019 |
| 2011-12 | 146 | 140 |
| 2012-13 | 145 | 138 |
| 2013-14 | 170 | 155 |
| 2014-15 | 202 | 170 |
| 2015-16 | 253 | 159 |
| 2016-17 | - | 136 |
| 2017-18 | - | 245 |

3.1.20 As part of their policy, the CAU have been chasing outstanding P8s in a more active manner since assuming their role in compliance. In this regard, they have favoured regular direct contact with employers over annual written reminders as had previously been the case.

3.1.21 Self-Employed - Figure 29 provides a breakdown of the last tax assessment undertaken by the ITO in respect of all registered self-employed persons as at 31 March 2019.

Figure 29

| Last Tax Year Assessed | Tax Year 2015-16 Number of Individuals | Tax Year 2017-18 Number of Individuals |
|------------------------|--|--|
| Not Assessed | 39 | 55 ⁸ |
| Pre 2007-08 | - | 5 |
| 2007-08 | 12 | 13 |
| 2008-09 | 17 | 9 |
| 2009-10 | 25 | 25 |
| 2010-11 | 28 | 16 |
| 2011-12 | 51 | 11 |
| 2012-13 | 77 | 36 |
| 2013-14 | 92 | 39 |
| 2014-15 | 173 | 54 |
| 2015-16 | 2,023 | 57 |
| 2016-17 | 15 | 124 |
| 2017-18 | - | 2,175 |
| 2018-19 | - | 10 |
| Total | 2,552 | 2,629 |

3.1.22 Special Exercise – Individuals - The Investigation Section of the Income Tax continue to work successfully on property rental income investigations. Additionally, the section liaised with a number of gymnasiums with a view of ensuring that fitness instructors working in these gyms are registered for tax purposes with the ITO. Those individuals that were not registered were followed up until they did so. Going forward, gymnasiums will not employ fitness instructors who have not registered with the ITO. This is also the case with the use of the facilities in the Gibraltar Sports and Leisure Authority, as the ITO Investigation Section has informed this Authority to request tax registration documentation from all fitness instructors or sports trainers who use their facilities to give classes.

3.1.23 The Investigation Section has also been working closely with the Gibraltar Football Association in an effort to 'educate' locally registered football clubs about their obligations

⁸ Of the 55 individuals shown as "Not Assessed", 29 individuals registered as self-employed on or after 1 July 2017.

towards taxation and social insurance with a view of encouraging compliance. The Commissioner deemed this to be necessary in light of worrying trends among football clubs encompassing default on both payment and filing obligations.

3.1.24 As a result of their work, the Gibraltar Football Association amended their licence regulations. Local football clubs are now required to submit a tax certificate of compliance, issued by the ITO, as part of their renewal licence application. The certificate serves to prove that the clubs are up-to-date with income tax, social insurance and corporate payments at the time of issue and a failure to provide this may result in their licence application being turned down. The Commissioner informed me that as part of a wider compliance approach, further measures were being considered extending to include all corresponding obligations with the ITO.

3.1.25 In addition to the specific exercises previously undertaken, the ITO's Investigation Section also regularly liaises with other Government departments, statutory authorities and agencies for the exchange of essential taxation data. These bodies include the Royal Gibraltar Police, HM Customs and the Department of Employment. The section is also in contact with the Human Resources Department, which informs the ITO of employees working for the Government of Gibraltar who have requested permission to perform private work outside their working hours. The Investigation Section will contact these individuals if they are not already rightly registered for taxation purposes.

3.1.26 Self-Employed Outstanding Payments on Account (POA) - A review of outstanding POA due by 30 June 2019 was undertaken on 4 July 2019 and revealed that a total of 254 self-employed individuals (20.1% of those with billed POA) had failed to meet the payment deadline date. The aggregate amount outstanding totalled £0.51m, representing 7.5% of the total billed amount.

3.1.27 Figure 30 provides an analysis of the outstanding POA amount. The analysis highlights that 30 individuals (11.8% of individuals with outstanding POA) collectively owed £0.31m, representing 60.7% of the total amount outstanding.

Figure 30

| Level of Debt | Number of Self-Employed Individuals | Outstanding Debt | % of Debt |
|---------------------------|-------------------------------------|------------------|-----------|
| £1,000 or less | 151 | £56,186 | 11.0% |
| Between £1,001 and £5,000 | 73 | £143,601 | 28.3% |
| Over £5,000 | 30 | £308,516 | 60.7% |
| Total | 254 | £508,303 | |

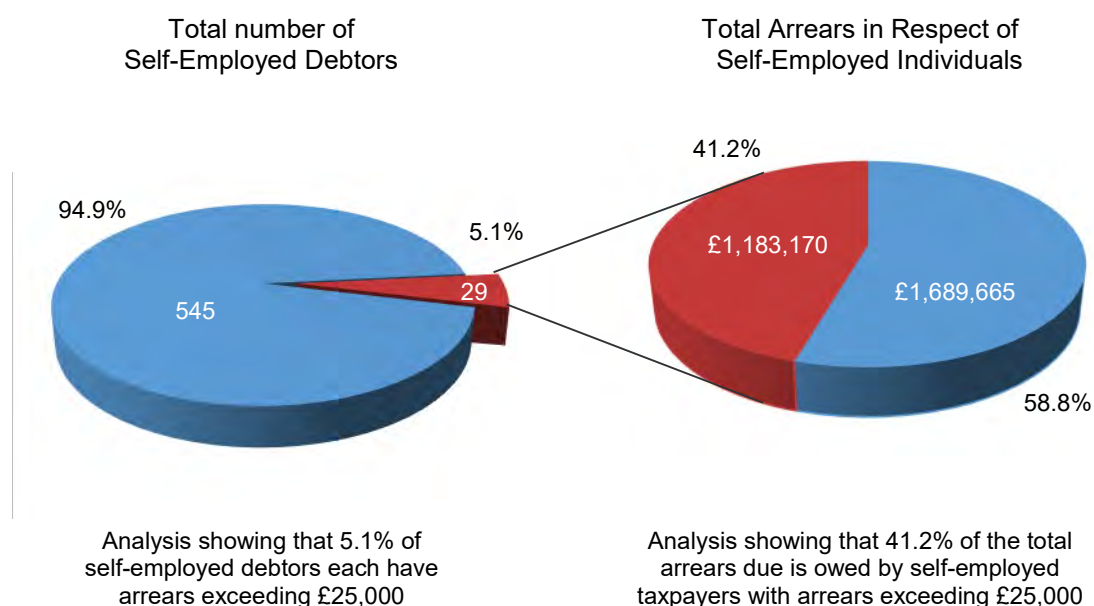
3.1.28 An update of outstanding POA due by 30 June 2019, as at 30 September 2019, revealed that the number of individuals with outstanding payments had decreased from 254 to 90. The total outstanding payments due had decreased from £0.51m to £0.10m. Only 1.5% of the total amount billed was outstanding as at 30 September 2019 compared to 7.5% as at 4 July 2019.

3.1.29 Figure 31⁹ provides a graphical illustration of arrears due by self-employed individuals as at 30 September 2019. It highlights that £1.18m (41.2% of the aggregate debt of £2.87m¹⁰) was owed by only 29 (5.1%) debtors, all of whom had individual arrears in excess of £25,000.

⁹ The arrears shown in Figure 31 include estimated assessments totalling £691,129.

¹⁰ The £2.87m figure for Self-employed Income Tax arrears includes "due after" sums (Section 39 of the Income Tax Act 2010 refers) of £245,534.

Figure 31



- 3.1.30** Of the 574 self-employed individuals owing arrears as at 30 September 2019, 57 or 9.9% owed £1 or less.
- 3.1.31** The Commissioner continues to address, through the CAU, the significant debt attributable to a small proportion of high income earners, much of which is now being chased through the courts, although he added that this was a slow process particularly where notice was served abroad.
- 3.1.32** A total of 35 pre-action letters and four claim forms were sent to self-employed individuals with arrears during the two-year period spanning 1 July 2017 to 30 June 2019 and resulted in two Supreme Court Judgments having been obtained. The use of the courts is exceptionally resorted to where all other administrative alternatives have been exhausted and the value of the debt justifies the cost of recovery involved in the use of external legal professionals. As is often the case, the CAU confirmed that the issue of a pre-action letter often prompted the positive response desired and led to no further action being required.
- 3.1.33 Qualifying, High Net Worth and Category 2 Individuals** - A review of accounts under these categories undertaken on 23 August 2019 revealed that 36 active taxpayers' accounts had outstanding tax arrears of £0.22m. There were also 45 inactive accounts owing tax arrears of £0.64m. Some of these active and inactive accounts had outstanding tax dating back to tax years 2012-13 and 2000-01, respectively.
- 3.1.34** Figure 32 provides an aged debtors analysis for all active accounts in respect of Qualifying, High Net Worth and Category 2 Individuals, as at 23 August 2019.

Figure 32

| Tax Year | Tax Outstanding | Percentage of Tax Outstanding |
|-------------|-----------------|-------------------------------|
| Pre 2014-15 | £638 | 0.3% |
| 2014-15 | £47,258 | 21.4% |
| 2015-16 | £39,040 | 17.6% |
| 2016-17 | £13,691 | 6.2% |
| 2017-18 | £28,404 | 12.8% |
| 2018-19 | £92,194 | 41.7% |
| Total | £221,225 | |

3.1.35 Return of Expenses, Perquisites and Benefits (P10s) - As at 25 September 2019, a total of 142 and 118 P10 returns had been processed for tax years 2016-17 and 2017-18 respectively. The sharp drop from 1,470 P10 submissions, as reported in paragraph 3.1.34 of my report on the Public Accounts for the year ended 31 March 2016, was attributable to the ITO having solely processed those P10s where the benefit declared brought about a charge to tax. There were further unquantified numbers of P10 returns in respect of both years which had been received by the ITO but not yet processed.

3.1.36 Companies - Figure 33 shows the last tax year assessed of all the registered trading companies as at 31 July 2019.

Figure 33

| Last Tax Year Assessed | Number of Companies |
|------------------------|---------------------|
| Not Assessed | 494 |
| Pre 2010 | 6 |
| 2010-2011 | 3 |
| 2011 ¹¹ | 11 |
| 2012 | 24 |
| 2013 | 65 |
| 2014 | 49 |
| 2015 | 86 |
| 2016 | 202 |
| 2017 | 761 |
| 2018 | 1,468 |
| 2019 | 21 |
| Total | 3,190 |

- Of the 3,190 trading companies, 396 companies had never handed in accounts;
- Of the 494 companies shown as 'Not Assessed', 27 commenced trading on or after 1 November 2018 and 366 had never handed in accounts; and
- Of the 2,696 companies that had been assessed, 2,583 were based on accepted accounts; 110 companies were estimated (in accordance with section 33 of the Income Tax Act 2010; and three companies had been assessed subject to further examination.

3.1.37 Corporation Tax Payments on Account (POA) - A review of POA due by 30 September 2019 was conducted on 9 October 2019 and revealed that a total of 340 companies (25.4%) had failed to meet the deadline date. The aggregate amount outstanding totalled £3.36m and accounted for 8.5% of the total amount billed. Figure 34 highlights that £2.23m (66.4%) of the total outstanding POA was owed by only six (1.8%) companies.

Figure 34

| Level of Debt | Number of Companies | Outstanding Debt | % of Debt |
|-----------------------------|---------------------|------------------|-----------|
| £1,000 or less | 203 | £49,022 | 1.5% |
| Between £1,001 and £5,000 | 87 | £191,826 | 5.7% |
| Between £5,001 and £150,000 | 44 | £885,491 | 26.4% |
| Over £150,000 | 6 | £2,232,236 | 66.4% |
| Total | 340 | £3,358,575 | |

¹¹ As from 2011, assessments fall under the Income Tax Act 2010.

- 3.1.38** The Commissioner confirmed that there had been delays in the manual processing of payments and adjustments which had resulted in an increase in reported outstanding POA as highlighted in Figure 34 above. The delay had been brought about by a temporary shortage in resources which was experienced during this critical period. The Commissioner informed me that he was committed to improving efficiency in this area by automating the process and, to this end, the ITO have developed an online payment facility which will require the user to set out details of their payment in an online data capture portal and link this to a unique payment reference. The use of a dedicated payment plan and a uniquely generated reference portal will facilitate the timely and accurate processing of payments whilst minimising errors.
- 3.1.39 Companies – Arrears** - Figure 35 shows all arrears due by companies as at 30 June 2019, split by amounts due over and under £25,000.

Figure 35

| Type of Debt | Number of Companies with Arrears | > £25,000 | < £25,000 | Total |
|--------------------------------|----------------------------------|------------|------------|-------------|
| Corporation Tax | 3,119 | £2,307,395 | £2,290,858 | £4,598,253 |
| Employers' PAYE deductions | 308 | £3,864,849 | £956,818 | £4,821,667 |
| Social Insurance contributions | 460 | £2,989,478 | £1,595,267 | £4,584,745 |
| Total | 3,887 | | | £14,004,665 |

- 3.1.40** An analysis of the above figures revealed the following:
- **Corporation Tax** - 23 companies, or 0.7% of companies, with Corporation Tax arrears owed more than £25,000 each and collectively accounted for £2.31m or 50.2% of the debt. Of these, five companies owed more than £100,000 each.
 - **Employers' PAYE Deductions** - 40 companies, or 13.0% of companies, with Employers' PAYE deductions arrears owed more than £25,000 each and collectively accounted for £3.86m or 80.2% of the outstanding debt. Of these, nine companies owed more than £100,000 each and collectively accounted for nearly half (£2.25m) of the Employers' PAYE Deductions arrears.
 - **Social Insurance Contributions** - 38 companies, or 8.3% of companies, with Social Insurance contributions arrears owed more than £25,000 each and collectively accounted for £2.99m or 65.2% of the outstanding debt. Of these, six companies owed more than £100,000 each.
- 3.1.41 Top 15 Companies with Arrears** - An exercise was undertaken to determine the fifteen companies with the highest aggregate levels of debt as at 30 June 2019. The results revealed that these collectively owed a total of £5.22m, representing £2.25m in Employers' PAYE deductions arrears, £1.50m in Social Insurance contributions arrears and £1.47m in Corporation Tax arrears. A breakdown of the debt is highlighted in Figure 36.

Figure 36

| | Employers' PAYE Deductions Arrears | Social Insurance Arrears | Corporation Tax Arrears | Total Arrears |
|------------|--|--------------------------------|----------------------------|------------------|
| Company 1 | £364,113 | £431,072 | - | £795,185 |
| Company 2 | £527,783 | - | - | £527,783 |
| Company 3 | £220,725 | £216,186 | £23,264 | £460,175 |
| Company 4 | £130,303 | £316,959 | - | £447,262 |
| Company 5 | - | - | £420,247 | £420,247 |
| Company 6 | £352,613 | £11,437 | - | £364,050 |
| Company 7 | - | - | £360,334 | £360,334 |
| Company 8 | - | - | £316,996 | £316,996 |
| Company 9 | £64,169 | £174,407 | - | £238,576 |
| Company 10 | £217,118 | £10,588 | - | £227,706 |
| Company 11 | - | - | £225,066 | £225,066 |
| Company 12 | £57,058 | £142,139 | £25,659 | £224,856 |
| Company 13 | £97,726 | £99,992 | £13,710 | £211,428 |
| Company 14 | £203,769 | - | - | £203,769 |
| Company 15 | £13,154 | £95,513 | £92,652 | £201,319 |
| Total | £2,248,531 | £1,498,293 | £1,477,928 | £5,224,752 |

3.1.42 The exercise brought to light that:

- Five companies were being processed for legal action;
- Three companies' debts were pending the outcome of ongoing liquidations;
- Three companies' arrears had been subsequently paid;
- Two companies' accounts were under review; and
- Two companies had repayment agreements in place.

3.1.43 A total of 9 claim forms were filed with the Supreme Court for failing to meet payment obligations under the Income Tax Act 2010 during the period 13 September 2017 to 30 September 2019. Additionally, two 21-day statutory demand notices in respect of the non-payment of Employers' PAYE deductions, Social Insurance contributions and Corporate Tax were issued during the same period.

3.1.44 Social Insurance Contributions – Receipts - Total Social Insurance contributions collections during the financial year 2016-17 amounted to £76.20m, an increase of £2.74m (3.7%) compared to £73.46m collected during the previous financial year. Total collections during the financial year 2017-18 stood at £86.10m, a year-on-year increase of £9.90m (13.0%).

3.1.45 Social Insurance Contributions – Arrears - Arrears of Social Insurance contributions as at 31 March 2017 stood at £5.90m and constitutes a year-on-year decrease of £0.08m compared to £5.98m as at 31 March 2016. As at 31 March 2019, Social Insurance contributions arrears had increased by £0.19m to £6.09m of which £1.66m (27.3%) was recoverable through repayment agreements.

3.1.46 In my last report, I highlighted that Social Insurance contributions arrears, as declared by the then Acting Commissioner of Income Tax, had been understated in her annual arrears of revenue return to the Accountant General by £1.61m as a result of having omitted estimated arrears relating to the period 1998 to 2006-07. The arrears figure, as at 31 March

2019, still stood at £1.61m and has now been included by the Commissioner in the total arrears figure of £6.09m reported in paragraph 3.1.45.

- 3.1.47** Figure 37 shows the number of self-employed individuals who had still not submitted their Annual Returns of Social Insurance contributions in the last 10 years, as at 5 September 2019. Despite the excessive number of self-employed individuals not having submitted their annual returns, the ITO confirmed having sent reminder letters for the tax years 2016-17, 2017-18 and 2018-19.

Figure 37

| Tax Year | Number of Annual Returns of Self-Employed Social Insurance Contributions Not Submitted |
|-----------------|---|
| 2009-10 | 198 |
| 2010-11 | 242 |
| 2011-12 | 265 |
| 2012-13 | 302 |
| 2013-14 | 259 |
| 2014-15 | 217 |
| 2015-16 | 202 |
| 2016-17 | 167 |
| 2017-18 | 237 |
| 2018-19 | 723 |

- 3.1.48 Non-Compliant Taxpayers** - In my report on the Public Accounts for the financial year 2015-16 I stated that details of 17 defaulters had been published in the Gibraltar Gazette dated 2 February 2017. I also provided that the then Commissioner was pleased with the usefulness and success of section 68 of the Income Tax Act 2010 (Publication of details of failure to pay Employers' PAYE deductions) as a deterrent given the positive response drawn from a further 31 taxpayers whose particulars were not published in the Gibraltar Gazette. Despite this, there have not been any further publications and I am informed that this was due to a lack of communication between the CAU and ITO as to who should initiate the process.
- 3.1.49** At the time of my last report, the then acting Commissioner was seeking to extend the remit of section 68 to include Social Insurance contributions arrears and the power to publish on alternative media. There had been no such legislated amendment at the close of this report.
- 3.1.50 Income Tax Computerised Records** - As has been customary since May 2014, an audit review was carried out on 3 July 2019 to determine the data quality and accuracy of the computerised ITO system master file data records, as it is vital that the information held in a database system is both reliable and accurate. The ITO system holds master file records for individuals and companies registered for tax in Gibraltar. The exercise was performed utilising Computer Assisted Auditing Techniques (CAATs).
- 3.1.51** The examination was carried out to verify whether the ITO had indeed corrected the discrepancies identified in the previous audit review. Tax records held in the ITO system master file are categorised under Active, Duplicate, Deceased, Dormant and Destroyed records. Testing was performed primarily on Active master file records, although some testing was also performed on Dormant and Deceased records which were inactive in the system.

3.1.52 Latest Review Findings - When compared to the last audit review carried out in October 2017, tests on active PAYE, Self-Employed and 'Not for Tax' taxpayer records revealed that, with regards to the data integrity in the ITO system, the situation has improved. An improvement was seen in 12 of the 23 audit tests performed on these records; 7 tests showed a decline in data quality and 4 tests showed the same result as in the previous review. However, discrepancies were still found in these records as in the previous review conducted in October 2017. The testing performed showed taxpayer records with anomalies in the data fields listed below:

- Address field entries.
- ID card number field entries.
- Marital status field entries.
- Gender field entries.
- Date of birth field entries.

3.1.53 As in the last review, additional irregularities became apparent when conducting tests for duplicate ID card numbers, invalid marital status entries and records with an address entered as 'unknown', see Figure 38. Furthermore, in testing for invalid ID card number entries in the corresponding field, a total of 40,053 blank entries in active PAYE, Self-Employed and 'Not for Tax' taxpayer records were found.

Figure 38

| Test Conducted | No. of Records Found | Observation |
|--|----------------------|--|
| Test for duplicate ID card number | 873 | Records found with the same ID card number entry. |
| Test for duplicate ID card number | 899 | Records found with '.' Or '.0' as the ID card number entry. |
| Test for duplicate ID card number | 33 | Records found with '1' or a series of '1's as the ID card number entry. |
| Test for duplicate ID card number | 306 | Records found with 'NA' or '0' as the ID card number entry. |
| Test for duplicate ID card number | 1,708 | Records found with an 'X' or a series of 'X's as the ID card number entry. |
| Test for duplicate ID card number | 20 | Records found with a 'Z' or a series of 'Z's as the ID card number entry. |
| Test for invalid marital status | 3,637 | Records found with marital status as 'C', 'O', 'X', '0' or blank. |
| Test for records with addresses as 'unknown' | 7 | Records found with 'Amended to reduce liability' in the corresponding address field. |
| Test for records with addresses as 'unknown' | 57 | Records found with a corresponding address field blank. |

3.1.54 Active Corporate Master File Records - When compared to the review conducted in October 2017, testing of the ITO system active Corporate master file records also showed an improvement in data quality in 14 of the 15 tests conducted. Only one of the tests showed a decrease in data quality.

3.1.55 Additionally, in one of the tests conducted the situation remained as reported in the previous review. In this test (namely that of testing for records with entries as "opened in error") no instances were found, as was the case in October 2017.

3.1.56 Consequently, overall, the testing of active Corporate records in the Income Tax Master File as at 3 July 2019, revealed an improvement in the data quality of the ITO system records held.

3.1.57 Dormant and Deceased Status Master File Records - As at 3 July 2019, dormant and deceased status type records present in the Income Tax Master File saw an increase of approximately 159% when compared to the review conducted in October 2017. Overall 4 of the 5 tests performed showed an increase in anomalies identified in the population of records tested. More significantly, the number of dormant status records saw an increase of approximately 168%.

3.1.58 The reason for the increase in dormant records was explained by the then acting Commissioner of Income Tax on 5 May 2018 in response to an audit query. This reply confirmed that an exercise had been carried out by matching ITO records with those of Companies House and in the process thousands of records which had hitherto been classified as 'active' in the ITO system had now been classified as 'dormant'.

3.1.59 Of the dormant and deceased status records tested on 3 July 2019, 9,779 records had tax refund balances of approximately £3.51m compared to 8,973 records totalling £2.46m in October 2017. Figure 39 stratifies the results of this test by tax balance. Of the records with refund balances of £100 or less, there were 4,891 dormant and deceased status records present in the system.

Figure 39

| Tax Balance Due | Number of Records |
|---------------------------|-------------------|
| £100 or less | 4,891 |
| More than £100 to £1,000 | 4,425 |
| More than £1000 to £5,000 | 431 |
| Over £5,000 | 32 |
| Total | 9,779 |

3.1.60 Of the dormant and deceased records mentioned in paragraph 3.1.59 of this report, 9,561 master file records were last assessed for tax year 2013-14 or earlier. As in the previous review, tax refunds were found dating back to the 1980-81 tax year. Total tax refunds in respect of the 9,561 records amounted to approximately £3.23m.

3.1.61 Conversely, there were 1,600 dormant and deceased master file records as at 3 July 2019 that had tax balances due and owing to the Government, which totalled £2.28m. These are stratified by balances in Figure 40 below:

Figure 40

| Tax Balance Due | Number of Records | Outstanding Tax Due | % of Tax Due |
|-----------------------------|-------------------|---------------------|--------------|
| £100 or less | 670 | £18,636 | 0.8% |
| More than £100 to £1,000 | 612 | £243,092 | 10.7% |
| More than £1000 to £5,000 | 222 | £507,464 | 22.3% |
| More than £5,000 to £10,000 | 46 | £318,027 | 13.9% |
| Over £10,000 | 50 | £1,190,610 | 52.3% |
| Total | 1,600 | £2,277,829 | |

3.1.62 Of the dormant and deceased records with tax owing, 1,450 master file records were last assessed for tax year 2013-14 or earlier. Tax balances due for these records totalled approximately £1.85m. As in the previous review, the earliest assessment found dated back to the 1983-84 tax year.

3.1.63 Yet again, as previously noted in the review conducted in October 2017, it is unclear whether the 1,600 dormant and deceased accounts that have tax balances due amounting to £2.28m, which are still reflected in the system, have been included in past write-offs of income tax, especially those amounts of a more historical nature.

3.1.64 A test was also performed solely on deceased status master file records. This was done in order to determine whether they had an associated date of death recorded. The test revealed that of 1,378 deceased status persons' records, 343 records had no corresponding date of death entered in the ITS in the relevant field.

3.1.65 Update on Data Quality Review – October 2017 - The results of the previous data quality review conducted in October 2017 were published in paragraphs 3.1.68 to 3.1.76 of my report on the Public Accounts of Gibraltar for the financial year ended 31 March 2016.

3.1.66 The then acting Commissioner, had written to me in November 2017, explaining that a number of mechanisms had been put into place by the ITO which focused on improving data quality in the ITO system as a result of the findings highlighted in the audit review.

3.1.67 During the last audit review conducted on 3 July 2019, I requested the Commissioner to provide an update on certain points that had come to prominence in October 2017 that were highlighted in paragraphs 3.1.74 to 3.1.76 of my previous report. The following are the issues in respect of the measures put in place and highlighted by his predecessor in November 2017, together with the Commissioner's response on 2 September 2019:

- PAYE Individuals Records - *Has the facility in the system, that will run half yearly and automatically inactivate and make dormant all records that have had no activity within a specified period of time, been implemented?*

The Commissioner replied that this measure related to a facility that was being developed at the time when the PAYE section was dealing with multiple years of assessments simultaneously. The large volume of data records processed compounded the problem of inactivating records or placing them in dormant status.

The Commissioner explained that the department is implementing a Digital File Management System forming the main repository of documents and records. This is being introduced first in the PAYE section. In this transition process, documents are scanned and linked to data records enabling a much more streamlined procedure to identify dormant records requiring inactivation. Any corresponding enhancements required to the tax system are subject to e-Government considerations and constraints.

- Self-Employed Records - *Are these records being made dormant as soon as self-employed individuals cease trading?*

In his reply, the Commissioner confirmed that these records are inactivated and recorded as dormant as soon as the taxpayer ceases to trade.

- Corporation Tax Records - *Is the ITO still receiving monthly information from Companies House in order to match both sets of records to establish those companies that are no longer active in Companies House with a view of inactivating and making dormant these records in the ITO System?*

The Commissioner replied that they had collaborated very closely with the Registrar of Companies and now have a link under which information is provided to the ITO on a weekly basis. This dynamic link enables the ITO to keep corporate tax records up-to-date.

- Taxpayers' Names and ID card numbers - *Is the ITO still reconciling its records of names and ID card numbers with those of the Civil Status and Registration Office?*

The Commissioner replied that the ITO does not reconcile its record of names and ID card numbers with those held by the Civil Status and Registration Office. The Commissioner explained that this reconciliation serves no operational purposes and has no connecting nexus to taxation in Gibraltar; it is therefore not used for any tax purpose. The Commissioner added that all the information required by the ITO in order to discharge the functions of the assessment and collection of tax is obtained through the tax return and other corresponding documents.

- **Other Measures** - *The Commissioner was asked what other initiatives and or controls had been put in place in order to improve the quality of data held in the ITS' master file since the last audit review was conducted in October 2017?*

The Commissioner replied that the Government Digital Services was working to create a single source of citizen data. This was explained as an integral part of the online services rolled out within the framework of the e-Government initiative, since an e-ID card would underpin user identification and validation for access to these services. The single source of data would not be the ITO's records. The Commissioner explained that as part of the department's transition to digital, a comprehensive review to streamline and update internal administrative procedures and processes and align these to best practices continues to be carried out. This includes proactively engaging with business partners and stakeholders to enhance the accuracy of the data held.

3.1.68 Further to the update provided by the Commissioner, and in response to his comments on Taxpayers' names and ID card numbers held in the system, the Commissioner was questioned on 6 September 2019 whether, on examining tax returns and corresponding documents, the information held in the ITO system was regularly updated to reflect the information submitted by the taxpayer in all sections of the tax return, more specifically, that relating to personal information, i.e. name, address, ID card number, contact telephone numbers, email, etc.

3.1.69 In his subsequent reply dated 6 September 2019, the Commissioner commented that:

- Historically, the ITO's PAYE section has processed tax returns in relation to a number of years simultaneously. The focus has therefore always been on the creation and issue of assessments in order to clear the backlog as opposed to ensuring the upkeep of master file data;
- The purpose of the aforementioned exercise was to ensure that proper maintenance of master file data was kept whilst the focus on making and issuing up-to-date assessments remained;
- The ITO's PAYE Section was nearing the completion of the catch-up exercise in September 2019 and it was envisaged that shortly and before the end of November 2019, assessments in relation to tax years for which returns had already been submitted would be assessed to date. Going forward only the last tax return that is submitted will need to be processed. Therefore, the absence of the backlog will allow master file data to be considered in greater detail upon processing of the tax return also allowing for more meaningful analysis and scrutiny. This would be expected to improve the quality of the ITO's data records; and
- In addition to the above, as part of the implementation of a scanning solution and the drive to scan all incoming documents including the PAYE tax return, greater focus would be placed on checking the document for completeness and accuracy, including the sections of the tax return referring to personal information.

3.1.70 Data Quality and Integrity Analysis - The assurances by the Commissioner that the clearing of the backlog in respect of tax assessments will allow the ITO to improve the quality of the data in the ITO system is a positive development. The exercises and initiatives

outlined by the Commissioner, and indeed his predecessors, also point to a willingness to address the issue of data quality and integrity in the system.

- 3.1.71** Nevertheless, and despite the results of the tests showing that data integrity with respect to some ITO system records has improved, data quality in the system still needs to be monitored. This has consistently been the outcome in all past audit exercises conducted on the master file records since 2013. Testing has constantly shown that there is some data held in the system that should not be there and therefore serves no useful purpose.
- 3.1.72** Furthermore, as stated in previous audit reviews, the maintenance and monitoring of the information held in the system still requires improvement and although the efforts of the ITO to improve the situation have had some degree of success, there are many records in the computerised tax system that are no longer required; these should be deleted from the system or at least classified as dormant.
- 3.1.73** Additionally, the internal controls in the system to validate entries into the master file should be strengthened to avoid invalid data entries; the system should certainly not accept numerical values being entered in a field where text is required, and vice versa.
- 3.1.74** Finally, as identified in the previous audit reviews conducted, it was noted that there are still duplicate taxpayer records in the ITO system. This has a negative effect on the system's data reliability. It also raises the risk of a taxpayer being billed or refunded twice on their tax affairs if the duplicate record is not detected. Controls must be put in place to mitigate the risk of having duplicate tax records in the system.
- 3.1.75 Review recommendations** - The recommendations highlighted in previous audit reviews to improve data quality and the integrity of the ITO's computerised records, are still appropriate and relevant. These advise the Commissioner to:
- ensure that the ITO staff are more diligent when adding, removing and maintaining information held in the database's taxpayer records;
 - introduce formal guidance for the maintenance of tax records in the database, covering aspects such as standardised user guidelines for the input of information into the database fields;
 - revise the system's inbuilt validation controls for information entered into the database; and
 - examine the possibility of implementing a data retention policy (in line with Government policy on the retention of records) to determine the life span of old tax records held in the computer system and, whether it is necessary to preserve these records. The review highlighted that approximately 57% of master file records held in the system relate to deceased, dormant or destroyed records.
- 3.1.76** As suggested in previous reports, the abovementioned recommendations should be put into place by way of a structured Management Action Plan (MAP). This MAP must set out the framework to improve the controls for data quality in the ITO system and incorporate deadlines in order to achieve the set targets within an acceptable implementation time frame. Moreover, the MAP should also outline the designated officers within the department with responsibility for implementing the relevant action plan points.
- 3.1.77 Audit Inspection** - On 28 February 2023 I wrote to the Commissioner of Income Tax informing him of the findings following an audit inspection carried out at the Income Tax Office ("ITO") in 2019. I hereunder draw attention to the more salient matters together with the Commissioner of Income Tax's views and comments and my further reply to him on 16 May 2023.

- 3.1.78 Income Tax Office System Reconciliations** - At the time of the audit inspection in June 2019, it was noted that the ITO Accounts Section had been unable to perform monthly reconciliations of the bank account (Gibraltar International Bank) from which it issues refunds since July 2018. This was due to flaws in the ITO system which can only be resolved by the IT programmer, who is based in the UK. I recommended to the Commissioner that the department should endeavour to resolve the issues with the system promptly, so that the bank reconciliations may be performed regularly.
- 3.1.79** It was noted that the Higher Executive Officer (“HEO”) of the ITO Accounts Section monitors the budget in respect of income tax refunds via the ITO system’s Refunds Analysis, however, this was not being reconciled with the Treasury Accounting System’s Account Head 7-1 Repayment of Revenue because of inaccuracies in the ITO system. According to the HEO, this had resulted in the ITO exceeding its budget for refunds in the financial year 2018-19, thus highlighting the importance of reconciling the ITO system’s Refunds Analysis with the Repayment of Revenue Account Head of Expenditure. I therefore recommended that the ITO reviews its Refunds Analysis so that reconciliations can be performed at least on a monthly basis.
- 3.1.80** The Commissioner replied that following the onset of the COVID-19 pandemic in March 2020, the Income Tax Office ceased issuing tax refunds via cheque. Tax refunds are now directly credited to taxpayers via BACS through the Treasury Department. In March 2023, the Financial Secretary approved the closure of the account held at the Gibraltar International Bank given that this was no longer used for the payment of tax refunds. On the basis that the unutilised funds remaining had originally been sourced from Treasury, these were transferred to an account designated by the Accountant General in accordance with instructions and directions provided. In relation to my observation in paragraph 3.1.79, this incident was due to an error within the tax system that was incorrectly reporting the utilisation of the allocated budget. The report was immediately reconfigured upon identification of the error. The Commissioner confirmed that this was closely monitored.
- 3.1.81** The Commissioner noted my comments within this same paragraph regarding the recommendation that the ITO’s Refunds Analysis report be reconciled at least monthly with the Repayment of Revenue Account Head of Expenditure. He nevertheless highlighted that the Repayment of Revenue Account Head of Expenditure is controlled by Treasury as this account contains other non-tax related transactions. As a result, the ITO does not presently have access to these records and so no reconciliation is performed.
- 3.1.82** I reiterated to the Commissioner the need to reconcile the ITO system’s Refunds Analysis with the relevant entries in Head 7-1 Repayment of Revenue, and strongly recommended that access to the relevant accounting transactions held in the Treasury Accounting System, that contain payments of tax refunds, be requested from the Accountant General. I advised the Commissioner that in his request for this accounts information, he should highlight to the Accountant General the importance of reconciling his ITO record of refunds with the main accounts in Government as a key internal control within his department.
- 3.1.83 Unpresented Cheques** - It was noted on 1 June 2019 that there were 2,694 unpresented cheques which were over one-year old, dated between 12 October 2017 and 1 June 2018. The total value of these cheques amounted to £583,097. I recommended to the Commissioner that unpresented cheques which are over one-year old should be cancelled as they are using up the budget which can be used for other refunds of income tax.
- 3.1.84** The Commissioner informed me that the unpresented cheques had been cancelled allowing the monies to be used for other refunds of income tax.
- 3.1.85 Collection of Revenue and Unallocated Payments** - A review of the process for the collection of revenue at the ITO revealed that the ITO Accounts Section constantly faces

backlogs as a result of the high volume of bank transfers received without sufficient information to allow their correct allocation in the ITO system.

- 3.1.86** As a result of these bank transfers not being immediately recognisable as revenue, there will inevitably be a period during which some taxpayers' arrears records are inaccurate, which can lead to unnecessary surcharges being imposed on taxpayers who may in fact be up-to-date with their tax payments. Furthermore, the Central Arrears Unit (CAU) could be misled by the ITO system into chasing arrears which may have already been settled. The audit examiners were informed by ITO staff that resolving such issues with the CAU, as well as with third parties, took up a lot of the ITO staff's time.
- 3.1.87** The HEO of the Accounts Section mentioned that the Information Technology and Logistics Department was working on a new banking program which should resolve the issues with the allocation of payments received. I asked the Commissioner what the current status of this project was and recommended that the new program be implemented as soon as possible. I added that, ideally the ITO should have a dedicated team of officers for the processing of payments received in order to clear any backlogs until the new banking program is rolled-out.
- 3.1.88** In his reply, the Commissioner explained that following the COVID-19 pandemic, the ITO implemented an online payment solution for taxpayers in collaboration with the Information Technology and Logistics Department. This entails the use of a specifically generated reference number together with the requirement for the user to provide details of the payment which is then directly uploaded into the ITO system. This innovation has greatly reduced the incidence of errors and misallocations.
- 3.1.89** I told the Commissioner that I was glad to learn that the introduction of the new online payment solution in collaboration with the Information Technology and Logistics Department (with effect from, I believe, 3 August 2022) had greatly reduced the incidence of errors and misallocations. Nevertheless, I pointed out that a recent inspection of the departmental Assessment Transactions Suspense Account on 25 April 2023, showed that the number of unallocated payments during the financial year 2022-23 amounted to 40 transactions, a similar number of transactions in respect of the previous financial year 2021-22. As at 25 April 2023, the balance in the suspense account holding unallocated payments totalled £695,752 compared to £492,322 at the time of the audit on 13 June 2019.
- 3.1.90 Office Inventory** - Up-to-date inventory records could not be provided to the audit examiners. It was observed during the audit inspection that some of the offices in the department, although holding an inventory record sheet, these were out of date as they had last been updated in October 2007. I therefore recommended to the Commissioner that the inventory ledger and all inventory records in the department be updated and thereafter duly maintained up-to-date as stipulated in Stores Instructions.
- 3.1.91** In his reply, the Commissioner said that the ITO had considered the recommendations made by the Gibraltar Audit Office and have allocated internal administrative responsibility and oversight to the Central Functions Section. The remit of responsibilities extends to include: HR matters; substitution; annual and sick leave; payroll, inventory management, contracted services and finance. The Commissioner explained that my observation and recommendation was noted. Unfortunately, it is not feasible or practical to re-deploy available capacity from operational tax matters to such administrative tasks, particularly given the low risk incidence to the Government. In order to comply with requirements to the extent possible and to minimise any corresponding risk of loss or theft, our Central Functions Team maintains a central inventory register and will now be working on reconciling all items of furniture and equipment previously purchased.
- 3.1.92** I informed the Commissioner that I was pleased that despite the limitations in staff resources, he intended to update the department's Inventory Ledger. I reminded him that the provisions

of section 16 of Stores Instructions must be fully complied with in that not only has the main Inventory Ledger to be adequately maintained in accordance with Appendix M of Stores Instructions, i.e. a detailed list of all departmental items kept on inventory ledger charge; but additionally a copy of each inventory must be kept in each individual office of the department. These office inventories must detail all inventory items held in each particular office in accordance with Appendix L of Stores Instructions.

3.1.93 Corporation Tax Assessments - I informed the Commissioner that an examination of corporation tax assessments on a sample of 20 companies had revealed the following summarised observations:

- (a) Nine companies were found to have provided Corporate Tax Returns which had not been reviewed by the ITO within a year of being submitted, resulting in any associated enquiries by the department no longer being possible, pursuant to section 31(4) of the Income Tax Act 2010;
- (b) There was one company which had submitted an incorrect 'wear & tear allowance' computation, thereby giving rise to an incorrect corporation tax assessment;
- (c) There were eight companies whose P8 balances, as per the ITO system, could not be agreed to the corresponding amounts stated for 'Wages and Salaries' in the company's financial statements;
- (d) One company had omitted the 'wear and tear' computation from its Corporate Tax Return;
- (e) There was one company which had a significant increase in expenses (professional fees) without the ITO making any further enquiries about the matter;
- (f) One company submitted an incorrect 'industrial buildings allowance' computation, which resulted in an incorrect Corporation Tax assessment;
- (g) There were two companies whose add-backs or deductions were incorrect in the Corporation Tax computations, resulting in incorrect assessments;
- (h) There was one company which had a surcharge cancelled without having any supporting evidence to justify the cancellation;
- (i) One company had not been issued a tax surcharge by the ITO for a Corporate Tax Return which it had submitted late;
- (j) There were two companies whose Development Aid licences were not found on file. The audit examiners had to request the licences from the Development Aid Advisory Committee in order to perform the testing;
- (k) There was one insurance company whose returns should have been reviewed by a senior assessor, nonetheless, they had been reviewed by a non-senior assessor, contrary to the ITO's internal policy;
- (l) One company had three returns for which there were no details recorded under the 'Classification' heading in the ITO system; and
- (m) One company was not applying Development Aid relief correctly.

3.1.94 Moreover, out of a sample of 20 companies examined, 10 (50%) of them did not contain any evidence to show whether their financial statements and tax computations had been queried or investigated by the ITO. However, of these, it was subsequently established that four companies had in fact been reviewed by junior assessors and the other six had been reviewed by senior assessors who should be performing thorough reviews of the companies' submissions whilst ensuring that the senior assessors' reviews are properly documented.

3.1.95 It was found that the standard of senior assessor reviews varied between those officers performing the reviews. In order to ensure greater consistency in the review of assessments,

the procedures followed by senior assessors to review returns should be standardised and perhaps documented by way of a checklist.

- 3.1.96** I also recommended to the Commissioner that automated techniques, such as ratio analysis, are introduced for reviewing returns whereby the tax officer simply has to input the required information into the system for it to identify which returns require greater attention. The Higher Executive Officer of the Corporate Section mentioned to the audit examiners that they were already looking into incorporating such features into their reviews.
- 3.1.97** The audit examiners were also informed that the department's IT programmer was working on automating the process for calculating estimated assessments but this had been put on hold, thereby resulting in the Corporate Section having to temporarily stop making any estimated assessments. I asked the Commissioner what the current status was in relation to this matter.
- 3.1.98** The ITO was found to be significantly reliant on the IT programmer who is based in the United Kingdom, which may not only affect the progress of the ITO's working procedures, but also the audit examiners' ability to obtain information. For example, the audit examiners requested a list of companies claiming Development Aid but this could not be provided to them due to the IT programmer's commitment to other Government requirements.
- 3.1.99** In his reply, the Commissioner said it would be more productive if he commented generally on the trends identified instead of focusing on the detail identified from the sample testing undertaken. He said the errors highlighted demonstrate and highlight those that are attributable to human error. This, he said, were inevitable given the staff resources available to effectively review all available company returns and computations as well as raise the necessary assessments. Consideration is being given to modernise the processes and systems in order to make more efficient use of the available resources in order to minimise the incidences of such errors. In regard to the department's review process, he explained that the Corporate Section and Senior Assessors seek to review the entirety of returns submitted by the taxpayer base on a rolling basis across a period of 4 years. This review is subject to capacity and availability of resources, risk as well as intelligence available that determines whether a full or aspect enquiry is warranted. He accepted that in instances periods of enquiry expire without the necessary intervention. The Commissioner further explained that matters identified in subsequent assessor reviews, under their 'discovery' provisions, allow the department to retrospectively enquire into such returns.
- 3.1.100** The Commissioner said the standardised review approach is an important feature for the ITO and one that they remain committed to implementing. An integral part of this process as well as the introduction of ratio analysis and analytical review into their processes is the collection of relevant and appropriate information. In the circumstances, the Corporate Section is presently redesigning the tax return form in order to make this more comprehensive, requiring the taxpayer to provide more information in advance and on submission. This allows a twofold use: (1) compilation of a database on our system through which the department can apply ratio analysis, analytical review and thematic reviews based on predetermined criteria or thresholds as well as by industry sector; and (2) minimising follow-up enquiries and allowing the team to focus on aspect and full enquiries more efficiently enhancing the ITO's compliance activities. He envisaged commencing with the above shortly and given the need to acquire information for the population of the database, he envisaged the benefit will not materialise immediately. It is a long-term plan.
- 3.1.101** The Commissioner explained that the Corporate Section had addressed the position in relation to estimated assessments. Whilst there are resource constraints regarding their IT programmer, the Corporate Section is performing a manual estimated assessment run. This is carried out annually. The constraints related to the UK programmer are commented on in paragraphs 3.1.143 and 3.1.144.

3.1.102 I told the Commissioner that although I appreciated the practicality, on his side, of commenting generally on the trends identified instead of focusing on the detail identified from the audit sample testing undertaken, I still required that he address the errors and anomalies listed in the audit report I had submitted to him. In this way, I would have an assurance that the detailed audit observations have been effectively addressed and corrected if it is required.

3.1.103 PAYE Assessments - I further informed the Commissioner that a sample of 40 PAYE assessments had been examined and the following summarised anomalies noted:

- (a) There were five individuals whose master records in the ITO system were either incorrect or incomplete;
- (b) There were six individuals who had claimed and received life insurance allowances without providing evidence that their life insurance policies were still valid;
- (c) There were two individuals who had been assessed on the least favourable of the two tax systems (Allowance Based or Gross Income Based) resulting in an incorrect tax refund or tax payable;
- (d) There were three individuals who received allowances which were incorrectly applied, resulting in an incorrect tax refund or payable;
- (e) There was one individual who did not receive a tax credit he was entitled to, resulting in an understated tax refund being issued;
- (f) There were two individuals whose tax returns were not found on file, although they were recorded in the ITO system as having been received; and
- (g) There were three individuals whose applicable tax bands were not correctly apportioned, as they did not work over the full tax year, which resulted in them being issued incorrect 'tax payables'.

3.1.104 The Commissioner again said it would be more productive if he commented generally on the trends identified instead of focusing on the detail identified from the sample testing undertaken. He said the audit observations highlight that there is an extrapolated error incidence of 17%. In his view, this is attributable to human error. This is inevitable given the staff resources available to effectively review all available individual tax returns and process the necessary assessments. The ITO continually strives to improve this area of internal processing and although he feels that they have made significant inroads in the past this has now been seriously impacted by both the COVID-19 pandemic and the introduction of a partial e-Gov system. Complications arising from the requirement to have multiple entry points and sources of information, coupled with low staffing levels and a lower than expected adoption of e-services, have had a knock-on effect on the department's ability to maintain an up-to-date and accurate system. The Commissioner's rectification plan includes an improved and enhanced eGov service, public interface and integrated back-office, increased staffing levels and linked systems. All of these are expected to improve the functioning of the PAYE Section within the ITO and minimise the incidence of any risk, errors and omissions. This is currently underway.

3.1.105 The Commissioner explained that on eGov enhancements, they maintain a very close relationship with the development team, business analysts and senior officials within the Ministry for Digital Services to ensure that they deliver in accordance with the ITO's requirements and specifications. There is also close and active engagement with the Department of Employment in linking their own two systems enabling these to maintain consistency and accuracy. Programmers on both sides are working on this and he expects to have this deployed shortly. The aim of this is to provide a more streamlined and efficient service to the public by delivering the much needed 'one-stop-shop' solution between Employment and Tax under which any individual registering at Employment will have their tax record automatically updated with all relevant details regarding their employment. Whilst all the above are expected to improve the PAYE Section, it is important that there is a widely

perceived risk that errors in the operation of the PAYE system constitute a risk of financial loss to the Government. However, this is minimal given the nature of the manner in which the PAYE system operates and the dual personal income tax systems available in Gibraltar.

3.1.106 I told the Commissioner that he had also commented generally on the trends identified rather than focusing on the detail identified from the audit sample testing undertaken. As previously mentioned, I still required that he address the errors and anomalies listed in the audit report I had submitted to him. In his reply, he mentioned that there is an extrapolated error incidence of 17% and that this was attributable to human error, which he considered inevitable given the staff resources he had available to effectively review all individual PAYE tax returns and thereafter process the necessary assessments. However, I informed him that the fact remained that out of the 40 PAYE cases examined, 19 (47.5% error rate) were found to have errors or anomalies. This, I pointed out, was a very high incidence of errors and was cause for concern which perhaps he should bring to the Government's attention (if he had not already done so) if he considered that the main reason for this was the lack of adequate staff resources in his department.

3.1.107 Footballers - A sample of five football players was analysed, revealing the anomalies summarised hereunder:

- (a) Each of the football players selected in the sample had secondary income from a football team, however, none of these individuals were recorded as having secondary employment on their respective 'All Employees' list in the ITO system;
- (b) There were two football players who had received income from their football clubs which had not been included in their tax assessments; and
- (c) It was noted that each time a P8 is inputted into the ITO system, there is no audit trail to identify the user entering the information or the date when it is recorded. I therefore recommend that features such as an electronic signature and date are incorporated into the system, for the purposes of creating a log of who makes a change and when it is entered in the ITO system, thus creating an essential audit trail for such transactions.

3.1.108 The Commissioner replied that firstly, regarding secondary employment, I should take note that the non-recognition of this within the 'All Employees' list in the ITO system is a feature introduced by design for statistical purposes and in order not to duplicate staffing records. This does not lead to any loss of tax directly. Employees are only listed under their primary employment. The audit observations regarding the completeness of the assessments made have been fully addressed. All footballers are assessed on their declared income (either through their own tax returns or from their employer's returns). The observations raised in the audit inspection resulted from a timing difference in that not all income declarations had been received at the time. This has been reviewed and all assessments are full and complete in relation to declared income. As a result of the COVID-19 pandemic and the incidence of the Business Employee Assistance Terms ("BEAT") payments made by the Government, the ITO changed the manner in which the P8 reports were submitted. These are now done online through a dedicated portal with a full audit trail being available regarding which ITO staff has processed the return. Full visibility is available regarding date return uploaded by employer and subsequent follow-up procedures and amendments done internally.

3.1.109 Copies of Payment Vouchers ("PVs") received from the Treasury for Tax Purposes - I expressed my concern to the Commissioner that there was no formal system in place at the ITO to record copies of PVs submitted by the Treasury, and other Government departments, for the purpose of deducting income tax from payments made to sundry individuals. I therefore recommended that the department should introduce a system to maintain proper control and account of the PVs which it receives from the Treasury and other departments. I further suggested that the ITO could arrange with the Treasury to have

20% of income tax (the emergency tax rate) deducted at source from payments made to individuals, so that at least a proportion of income tax can be collected before a final adjustment is made by the ITO at the time of assessment.

3.1.110 The Commissioner replied that this was an area the ITO had historically sought to address. There is presently no defined mechanism for a tax code to be applied to a PV in the circumstances where a person is being paid in this manner. Attempts to withhold tax at source have proven unsuccessful in the past given that at time of payment no amount for tax has been withheld. The Commissioner notes that Government departments are reluctant to apply this and are aware of only specific instances in which this has been successfully applied. In his view, there is little risk that a payment is not taxed. The individual's tax return submission would likely omit this income but the ITO would seek to recover any tax due via an estimated assessment in those cases where a payment from the Government has been established and the information shared accordingly. As an additional measure in mitigating this risk and to avoid any further reoccurrences, the PAYE Section addresses this matter internally by directly inputting information received from PVs for individuals directly onto their record as 'Other income' so that this is not omitted at assessment time.

3.1.111 Benefits in Kind - I highlighted to the Commissioner that out of a sample of 10 individuals receiving benefits in kind, two did not have their assessments calculated correctly. For the tax year 2016-17, two individuals had their benefits in kind figures overstated as a result of the allowable deduction of £5,020 for medical insurance, to which they were entitled, not being applied. I recommended to the Commissioner that the department should incorporate a control in the ITO system to ensure that the correct deductions are applied automatically, thereby eliminating the chance of human error at the time of applying allowable deductions.

3.1.112 The Commissioner replied that he welcomed the opportunity to discuss with the Gibraltar Audit Office what control could be implemented to avoid further occurrences of this happening. Presently, the taxation of benefits in kind is done at assessment time given that the treatment of the allowable deduction is different and is subject to which of the two tax personal income tax systems the taxpayer can opt for. System-based controls at time of input require capacity from our UK programmer. Unfortunately, the computer programmer is highly constrained by requirements in relation to the wider eGov project and other support functions.

3.1.113 I told the Commissioner that in his reply, he did not provide an explanation with regard to the two individuals who did not have their assessments calculated correctly. I again requested to know the reason(s) why the two individuals that had been highlighted in the audit report had their benefits in kind figures overstated in the tax year 2016-17, as a result of the allowable deduction of £5,020 for medical insurance to which they were entitled, not being applied.

3.1.114 I further explained to the Commissioner that my recommendation in regard to Benefits in Kind, with a view of avoiding human error, was to incorporate a control in the ITO computerised system whereby, depending on the individual's option to be taxed, i.e. Gross Income Based System or Allowances Based System, the computerised system would automatically apply the correct allowable tax deductions for benefits in kind.

3.1.115 Frequency of Employers' PAYE Deductions Payments to Income Tax Office - An examination was carried out on a sample of 20 Employers' PAYE deductions records on 23 July 2019, to verify the frequency of payments of employers' PAYE deductions during the tax year 2018-19. The following is a summary of the findings:

- (a) Three employers had made all of their PAYE deductions payments on time;
- (b) Two employers had made all of their PAYE deductions payments on time, except one;

- (c) There were two employers who had failed to make three or four PAYE deductions payments on time;
- (d) One employer, who was in arrears of PAYE deductions payments, had entered into a repayment plan and was making regular payments towards it; and
- (e) Eleven out of the remaining twelve employers had failed to make at least six PAYE deductions payments on time in the year, of which five employers had not made any of their payments on time. (One other employer had its staff transferred to another company half-way during the year).

In summary, out of the 240 payments verified (20 companies by 12 months in the year), 113 payments (47%) had not been paid on time. I consider this to be a very high incidence of payments that companies did not make on time as required by the law.

3.1.116 In his reply, the Commissioner agreed that the incidence of Employers' PAYE deductions not being paid on time at 47% was observed as very high. More so, when the legislation clearly sets out an obligation that this needs to be paid by not later than the 15th day of the subsequent month. The Commissioner explained that this was entirely down to the need to change behaviours. The ITO has changed its stance on compliance generally in an attempt to seek to improve this but is limited by the principle of 'legitimate expectation' that is likely to be adopted by employers. A concerted effort and specific policy to improve compliance on these payments has always been required. In achieving this, the 2022 Government Budget announced stricter enforcement measures and penalty regimes for non-compliance. As a direct result, on 7 July 2022, the amendments to the Income Tax (Pay As You Earn) Regulations 1989 were published. These legislative amendments came into operation on 1 July 2023 and revise the previously draconian and impractical penalties for the non-payment of PAYE tax by employers. It includes a staged approach for the imposition of realistic penalties on defaulting employers in accordance with their size when considering the number of employees in the previous year of assessment. The Commissioner pointed out that the CAU discharges the compliance function in relation to employer's returns on behalf of the ITO.

3.1.117 Self-Employed Assessments - I informed the Commissioner that an examination of 22 assessments on Self-Employed individuals had revealed the anomalies summarised hereunder:

- (a) There was one individual whose outgoings were relatively high in comparison with the estimated income he had declared. There was no evidence that the ITO had followed up this person;
- (b) There was one individual who was incorrectly charged a non-submission penalty;
- (c) One individual had her trading income assessed without it being adjusted for depreciation, mobile usage or wear and tear, as was shown in her accounts;
- (d) There were five individuals who received life insurance allowances without submitting evidence of their insurance payments with their tax returns. In addition, two of them had not provided the required insurance details in their tax returns; two individuals were missing the original life insurance supporting documentation; and one had not claimed for the life insurance allowance on the tax return;
- (e) There was one individual whose income was not split accurately on the ITO system, however, the total income figure was correct;
- (f) There were two individuals who were issued an incorrect amount of surcharges for the non-payment of Payments on Account, when these had either been partly paid or fully settled (with tax credits from previous years);
- (g) There were two individuals whose wages figures in their accounts did not match those on their P8s, according to the ITO system;

- (h) One individual's accounts included expenses to another individual who was not registered for tax purposes and there was no record of this latter individual's income having been investigated by the ITO;
- (i) There were four individuals who submitted incorrect social insurance schedules, thereby resulting in the incorrect payment of social insurance contributions;
- (j) Six individuals who should have incurred surcharges for late payment of their Payments on Account had either never been charged, or had the surcharges reversed;
- (k) Two individuals had a tax return missing from their files, of which one individual was also missing his accounts;
- (l) There was one individual whose Business File and, consequently, her accounts were missing; and
- (m) There was one individual who claimed and received life insurance allowance without having the original supporting documentation on file.

I highlighted to the Commissioner the relatively high number of errors and omissions noted considering the small sample of self-employed assessments examined, thus indicating the need for more care and attention to be given by the tax assessors to this important aspect of the department's work.

3.1.118 The Commissioner commented that the high incidence of observations was noted. He again said it would be more productive if he commented generally on the trends identified instead of focusing on the detail identified from the sample testing undertaken. The ITO has sought to address many of the issues identified in audit through the following measures and processes:

- Incidences of missing files and information rarely occurs now since the Self-employed Section is using the ITO electronic document retention system – ThereforeTM. All documents and information is received electronically and is filed as and when it is received.
- The Self-employed Section does not review taxpayer returns annually. The criteria used is that assessments are made based on declared income (in order to enable taxpayers to make balancing payments and payments on account based on the information available to them). Lower levels of profit or income is queried based on a review by the Higher Executive Officer (Self-employed Section) with further enquiry, including means testing, undertaken based on the responses and information received. Examination of accounts and returns is done sectorally and through the application of a risk based analysis approach. A measure of the average across each trade or sector is carried out and those individuals falling below the average are reviewed and examined in order to ascertain the reason for the exception. This includes a check that there is no overstatement of expenditure.

3.1.119 I again informed the Commissioner that he had commented generally on the trends identified rather than focusing on the detail identified from the audit sample testing undertaken. As previously mentioned, I still required him to address the errors and anomalies listed in the audit report. In this way, I would have an assurance that the detailed observations in audit have been effectively addressed and corrected if required.

3.1.120 Category 2 ("CAT 2") Assessments - A sample of 10 assessments of CAT 2 individuals was examined and the findings summarised hereunder:

- (a) The tax returns of two individuals which were recorded in the ITO system as having been received could not be found in their files;
- (b) There were two individuals who had continued being taxed under CAT 2 status after their CAT 2 certificates had expired;

- (c) Two individuals had surcharges issued to them for late payment which were subsequently reversed without a reason for the reversal being recorded in the ITO system;
- (d) There was one CAT 2 individual whose tax return had not been assessed because only the ITO system programmer (who is based in the UK) could process it. Additionally, it was noted that there were several other CAT 2 individuals' files with similar issues which were awaiting the ITO programmer's attention;
- (e) One CAT 2 individual had declared income 'accrued in, derived from or received in Gibraltar' without this being included in his tax assessment. There was no evidence found on record to explain the exclusion of this income from his assessment; and
- (f) There was one CAT 2 individual who was assessed on the income he had declared as having been 'received outside Gibraltar', yet there were other CAT 2 individuals within the audit sample who had declared income derived from similar sources in respect of which they were not assessed. There was no evidence found on record to support the inclusion of this income in this individual's assessment.

3.1.121 The Commissioner said he had noted my observations, and explained that since mid-2020, the ITO set up a dedicated Unit for qualifying individuals (extending to include both CAT 2 and High Executives Possessing Specialist Skills). The result of this Unit is a more hands-on and dedicated approach from this team of individuals specifically to this area of personal taxation, minimising the incidences and exceptions noted in my audit observations.

3.1.122 I replied to the Commissioner again informing him that he had also commented generally on the trends identified rather than focusing on the detail identified from the audit sample testing undertaken. As previously mentioned, I still required him to address the errors and anomalies listed in the audit report I had submitted to him. I told him that in this way, I would have an assurance that the detailed observations highlighted in audit had been effectively addressed and corrected if required.

3.1.123 Category 2 Arrears - A sample of 10 CAT 2 individuals with arrears was selected and reviewed and the audit findings were the following:

- (a) There was one CAT 2 individual, who paid his last assessment balance but not the surcharges for late payment, that had been classified as uncontactable by the CAU and had had the surcharges cancelled without the reason(s) for the cancellation documented in the ITO system or the individual's tax file;
- (b) There were two cases which had not been followed up of CAT 2 individuals who were disputing the non-payment of their Payments on Account;
- (c) There was one instance where a CAT 2 individual's Payments on Account had been erroneously credited to another person and had not been followed up; and
- (d) There was one person who was deemed to be active as a CAT 2 individual, who was in arrears.

I recommended to the Commissioner, as indeed had similarly been recommended before in previous audit inspections, that the ITO should review its policies in respect of CAT 2 individuals who, it was observed, can go into arrears without having their certificates relinquished or even move out of the jurisdiction without first settling their arrears.

3.1.124 In his reply, the Commissioner explained that the audit recommendations on the risk arising from CAT 2 individuals entering into an arrears position without having their certificates relinquished or leaving the jurisdiction had been addressed in the 2022 Budget. The Chief Minister introduced an advance payment for all CAT 2 individuals to operate effectively as a bond payment. This is based on the maximum amount of tax and is refundable if the certificate is relinquished or surrendered. The Qualifying (Category 2) Individuals Rules 2004 have been amended to include this.

3.1.125 I told the Commissioner that his reply, although addressing the general audit observation with regard to CAT 2 individuals going into arrears and yet not having their certificates cancelled, did not provide any comments regarding the audit findings highlighted.

3.1.126 High Executive Possessing Specialist Skills (“HEPSS”) Assessments - A sample of 10 HEPSS individuals was selected and reviewed and the findings are summarised hereunder:

- (a) Three HEPSS individuals' tax returns which were recorded in the ITO system as having been received, could not be found in their files;
- (b) One HEPSS individual's tax return was found on file, however, it was not recorded in the ITO system as having been received;
- (c) Two persons had been taxed under HEPSS rules over a period when they had not satisfied the criteria to be classified as a HEPSS individual;
- (d) There was one case where a HEPSS individual had been in receipt of income for which there were no records in the ITO system and which had not been followed up; and
- (e) One individual had the date of HEPSS cessation incorrectly entered in the ITO system, however, this did not affect the tax assessment calculations.

3.1.127 The Commissioner provided the same explanation as detailed in paragraph 3.1.121, that since mid-2020, the ITO had set up a dedicated Unit for qualifying individuals (extending to include both CAT 2 and HEPSS). The result of this Unit is a more hands-on and dedicated approach from this team of individuals specifically to this area of personal taxation, minimising the incidences and exceptions noted in my audit observations.

3.1.128 I again told the Commissioner that he had again commented generally on the trends identified rather than focusing on the detail identified from the audit sample testing undertaken. As previously mentioned, I still required him to address the detailed errors and anomalies listed in the audit report I had submitted to him.

3.1.129 Tax Arrears Agreements - A sample of 30 tax arrears agreements was selected for testing and the anomalies that were noted are summarised hereunder:

- (a) There were five cases where a company or an individual had not paid all of their instalments due on their arrears agreements with the ITO, of which two had not been followed up by the ITO;
- (b) There was one company and one individual who, although up-to-date with their arrears agreement instalment payments, had other outstanding tax liabilities, none of which had been followed up by the ITO;
- (c) There was one instance where an individual owed the final instalment on his arrears agreement with the ITO but also had other outstanding tax liabilities, which the ITO had not followed up;
- (d) One company and two individuals' agreements tabs were noted as not having been updated in the ITO system to reflect the instalment payments they had made towards their arrears agreements with the ITO;
- (e) It was noted that three individuals regularly paid their tax arrears instalments late; and
- (f) A sample check of 10 'Section 62' agreements showed one individual had seven outstanding agreement instalment payments of £5.00 each with no evidence on record of his debt having been followed up by the ITO.

3.1.130 The audit examiners could not agree the amounts charged on agreements using the applicable interest rate (8%) stated by the ITO. The audit examiner further attempted to verify the correctness of the interest applied to arrears outstanding by using an independent loan interest calculator but was still unable to agree the figures. The audit examiner questioned both the Head of the CAU and the officer from the PAYE Individual Arrears

Section on how the 8% interest applied to arrears outstanding was calculated but neither of the officers could provide the audit examiner with the calculation methodology.

3.1.131 The Commissioner replied that the PAYE Individual Arrears team focus on maximising arrears recovery both by way of repayment agreements and section 62 directives issued to employers. Repayment agreements are entered into for terms of less than 3 years so that there is no interest applicable and that full repayment is effected sooner. The Commissioner explained that, as I would no doubt appreciate, the management of arrears is a dynamic process in which the ITO has to respond to changes in circumstances and events in 'real-time'. Unfortunately, this does not always reflect on the system immediately. He added that this does not mean however that the recovery process is in any way not in operation. The recovery function of tax arrears, other than that of PAYE individuals, is discharged by the CAU. In relation to the interest charged on agreements, the Commissioner understood that the CAU had updated their policy to reflect an interest rate of 4.5%. This is replicated by the PAYE Individual Arrears team when an agreement is made exceeding 3 years. The Commissioner understood that the interest was generated automatically by the ITO computer system and so failed to understand the incidences of a misstatement in the computation of the interest as noted by the audit examiners.

3.1.132 I told the Commissioner that his reply did not provide any comments regarding the detailed audit observations highlighted in the audit report I had submitted to him. I therefore looked forward to his further explanations.

3.1.133 In regard to the audit query where the audit examiner could not agree the amounts charged on tax arrears agreements using the applicable interest rate (8%), I am aware that the applicable interest rate is generated automatically by the computerised tax system, and this is precisely what I wanted to know, i.e. what was the mathematical formula or methodology coded in the computerised tax system by the IT programmer to calculate the interest on the tax agreements. I told the Commissioner that as I had said in my initial letter to him, the audit examiner attempted to verify the correctness of the interest applied by the ITO computer system by different means, including using an independent loan interest calculator (Microsoft Excel Amortization Schedule); and also performing the interest calculation by applying an online calculator, but he was still unable to agree the interest figures. I provided the Commissioner with the summarised results that show that the interest calculations on a sample of 13 debtors tested, using both independent loan interest calculators, are exactly the same; nevertheless, the two independent interest calculations reflect a difference with the interest calculated by the ITO computer system. In fact, a further sample of 6 cases were examined using the same independent interest calculators. The results similarly reflect a difference with the interest calculated by the ITO computer system. I therefore reiterated to the Commissioner the need to learn how the ITO computer system has been programmed to calculate the interest on the tax agreements.

3.1.134 Employers P8 Data Quality - A sample of 10 employers was checked to verify if the information provided in their P8 Returns was correctly recorded in the ITO system. Out of those employers selected, it was found that 9 employers (90%) had listed employees on their P8s that were not on the 'All Employees' list in the ITO system. Figure 41 lists the employers and the income tax years where the omissions were noted.

Figure 41

| Employer | Tax Year |
|------------|----------|
| Employer 1 | 2016-17 |
| Employer 2 | 2013-14 |
| Employer 3 | 2014-15 |
| Employer 4 | 2016-17 |
| Employer 5 | 2015-16 |
| Employer 6 | 2016-17 |
| Employer 7 | 2017-18 |

| | |
|------------|---------|
| Employer 8 | 2016-17 |
| Employer 9 | 2017-18 |

3.1.135 The Commissioner replied that following the onset of the Covid-19 pandemic and the Business Employee Assistance Terms (“BEAT”) regime that was introduced, the ITO had implemented an electronic filing for the Form P8. Validation checks reduce the number of errors made by employers on completing this form allowing for more rapid processing of high volumes of data. The department understood that the errors noted in my observations however relate more to inconsistencies between employees being paid by an employer and those registered with the ITO. The Commissioner believed this difference comes from the absence of a ‘one-stop shop’ mentality and the need for employees to register separately with both the Department of Employment and the ITO upon commencing their employment. The ITO have actively engaged with the Department of Employment in order to link up its individual computer systems enabling these to maintain consistency and accuracy. Programmers on both sides are working on this and the ITO expects to have this deployed shortly. Regarding the recognition of secondary employment, it is important to note that this is a feature of the system by specific design for statistical purposes and in order not to duplicate staffing records. This does not lead to any loss of tax directly. Employees are only listed under their primary employment.

3.1.136 Government Employees in receipt of Income from Private Work - A review was carried out to ascertain whether the ITO was pursuing the payment of income tax by government employees who undertake remunerated private work. The audit test was conducted on a total of 82 Government employees for the period ranging from the tax year 2014-15 to the tax year 2019-20. An initial list was obtained from the Human Resources Department (“HRD”) consisting of 91 government employees whose permission to undertake private work had been approved by the Human Resources Manager. A further 22 government employees were added to the sample, obtained from HRD approval letters received from HRD and filed with the Gibraltar Audit Office, which HRD had failed to include in the HRD list. From this total of 113 individuals, 31 employees were excluded from the testing sample, due to these individuals either not being remunerated for the private work they do, or due to their tax returns having been submitted too recently to have been assessed. The following observations were noted:

- (a) 49 (60%) out of the 82 government employees sampled who had HRD approval to carry out private work, had no record of income from private work recorded on the ITO system. Of these 49 individuals, 47 had no evidence in their tax files that they had been chased by the ITO in relation to their private work;
- (b) The audit examiners were informed by the HEO of the PAYE Section that any letters of approval for private work received from the HRD would be placed in the corresponding individual’s tax file. However, on inspection it was noted that, of the 49 government employees mentioned in sub-paragraph (a) above, only 5 of these had their HRD letters of approval to undertake private work in their respective tax files; 41 tax files were missing their letter of approval. The remaining 3 files could not be located by the ITO. As can be seen, the majority of the HRD approval letters were not on file. The audit examiners were informed that the PAYE Section do not chase individuals for income earned relating to private work. I therefore deduce that if the income from private work is not declared by the individual himself, or if the pertinent information is not received from the secondary Employer, through the Employers Annual Declaration (Form P8), then the PAYE staff do not assess the secondary income earned by the individual;
- (c) Out of the 47 government employees mentioned in sub-paragraph (a) above, whose private work was not recorded on the ITO system and who had not been chased by the ITO, 24 of them had the HRD’s approval to undertake self-employed work, making their declarations inherently riskier than for those permitted to carry out private work as employees; yet the staff from the ITO Self-Employed Section informed the audit

examiners that they are unaware of this, as they do not get informed of which Government employees receive approval to undertake private work;

- (d) It was also noted that even though four of these 47 government employees did declare and quantify the specific amount of income earned from their private work on their income tax returns, the ITO nevertheless had not assessed any of the four individuals on this income. Figure 42 provides details of these individuals and the income from private work as declared on their tax returns, split up by tax year.

Figure 42

| Name | Income earned from Private Work for the Tax Year (as per Tax Return) | | | |
|-----------------------|--|---------|---------|---------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
| Government Employee 1 | £8,658 | £9,480 | £9,780 | £9,540 |
| Government Employee 2 | - | - | £1,620 | £860 |
| Government Employee 3 | - | - | £1,890 | £2,860 |
| Government Employee 4 | - | - | £800 | £960 |

- (e) It was further noted that out of the 49 government employees mentioned in subparagraph (a) above, there were 29 tax returns which could not be located. These related to 19 individuals whose tax returns were recorded in the ITO system as having been submitted; however, they could not be found either in their tax files or within the ITO electronic portal – Therefore™.

3.1.137 I therefore strongly recommended to the Commissioner that careful note of the observations raised be taken with a view of tightening up internal procedures so that all income derived from private work undertaken by government employees can be identified, recorded and assessed correctly, and if undeclared by the relevant individuals, chased accordingly by the ITO. In my view, it is unacceptable that even though copies of approval letters from the Human Resources Department are sent to the ITO, a very large number of these are not then forwarded to the relevant section within the department so that appropriate action is taken by the tax staff. It is also unacceptable that those HRD approval letters that are indeed received by one of the ITO sections, are not being acted upon on those occasions where the individual concerned does not declare the secondary income in his annual IT1 Form. Moreover, it is certainly not acceptable that whilst four government employees did declare and quantify income earned from their private work on their income tax returns, the department took no action and did not assess any of the four individuals on this income.

3.1.138 I told the Commissioner that as he was aware, I have been pressing the Human Resources Manager for a time now, to issue a circular to all officers across government departments with a view of obtaining a declaration from employees as to whether they have secondary employment or not. This will bring to light any officers that might be undertaking additional work without the pertinent permission from the Human Resources Manager to do so, and will of course assist the ITO in determining if any income is being derived from secondary employment for income tax purposes.

3.1.139 Having said this, I also pointed out to the Commissioner that in those cases where the ITO might know that certain government employees are indeed undertaking secondary remunerated employment (I emphasised to the Commissioner that some of these individuals are widely known and recognised as having a second job –this was common knowledge), he should certainly investigate these individuals without having to rely on the relevant authority letter from the Human Resources Department. I told the Commissioner that a case that came to mind was that of a popular schoolteacher recently retired from Government service, who during his public service career never requested permission from the Human Resources Manager to undertake private work which he has been doing for over twenty years without declaring this additional income in his tax declaration, and surprisingly and

inexplicably, although he is well known in Gibraltar as giving paid private lessons after work, has never been assessed for this additional income by the ITO.

- 3.1.140** The Commissioner replied that he felt it was important to comment on this whole area of work generally. The department had taken on board the audit recommendations and were now looking into such matters through the various sections in which this could apply. These are namely: PAYE and Self-employed in collaboration with the department's wider compliance team. The Commissioner pointed out that it was important to note that previous attempts to venture into this area have been met with resistance from relevant Senior Officers and Heads of Department on the grounds that they felt their staff were being discriminated against and that a generic policy and approach should apply. He believed this was the reason for raising this specifically with the Human Resources Manager and now note that a Bulletin of Circulars to this effect has been issued. He expected the information gathered by Human Resources to be shared with the ITO so that the department could conduct the necessary compliance activities, see paragraphs 3.5.20 to 3.5.33.
- 3.1.141** The Commissioner commented in regard to the remarks I had made in relation to cases where I had stated that the ITO know that certain government employees have been undertaking secondary remunerated employment and yet have not undertaken any work on this, the Commissioner explained that proceeding in such cases is not as straightforward as may seem. He said that in addition to issues such as that described above, there is also the requirement to estimate the corresponding income using best judgement and demonstrable evidence in order to secure a viable assessment that can be successfully defended in the Income Tax Tribunal (the expected outcome given that the individual can contest the assessment and appeal against the estimated income and, more often than not, is very likely to do so). He added that unfortunately, the ITO is unable to act reliably and successfully on information spread solely by word of mouth even though ostensibly this is 'widely known and recognised' and 'common knowledge'. He said that (quote), *'Notwithstanding, it is important to clarify that I agree with the broad views expressed in your observations and that this is an area that needs further consideration in order to be fully regularised'*.
- 3.1.142** I replied to the Commissioner acknowledging his general reply to the audit issue raised but also requesting him to address the further audit observations highlighted in my letter to him.
- 3.1.143 General** - I reiterated to the Commissioner the serious weakness in having the ITO computer application system significantly reliant on one sole IT programmer who is based in the United Kingdom. I stressed that this was a fundamental risk which, even though senior management from the ITO and the Information Technology and Logistics Department are acutely aware of and have raised their concerns to the Government about, continues to remain unaddressed. I therefore strongly recommend that this critical weakness and the associated risks posed by having just one, remotely based, IT programmer who is the only person entirely conversant with the ITO computer system be brought again to the Government's attention so that appropriate action is taken to mitigate the risks involved.
- 3.1.144** The Commissioner replied that the ITO has previously highlighted the serious weakness and risks arising from having the ITO computer application system significantly reliant on one sole IT programmer based in the United Kingdom on numerous occasions. This matter was raised directly with the Office of the Chief Secretary in the latter half of 2022 and a plan is being considered with a view to regularise this individual's employment contract for the period up to his retirement as well as recruitment and implementation of a team of junior programmers for succession planning. The Commissioner undertook to update me as this matter progresses.
- 3.1.145** I replied to the Commissioner thanking him for his views and comments and requesting that he reply to the outstanding audit observations that remain unanswered. I was also grateful to him for bringing to my attention the significant level of vacancies existing in his department and the consequential negative impact this was having on his department's ability to perform

basic tasks and other important work that should be carried out, but evidently cannot be performed due to staff limitations. I also took note of the Commissioner's desire to recruit specialised professional staff taking into account the changes in the tax landscape. At the close of this report, I had not yet received the Commissioner's further replies to the outstanding audit queries.

Treasury

3.2.1 General Rates and Salt Water Charges Arrears - Arrears of General Rates and Salt Water Charges stood at £6.03m on 31 March 2018, a decrease of £0.22m compared with the previous financial year's arrears figure of £6.25m. There were no write-offs during the financial year ended 31 March 2018. The arrears position as at 31 March 2019 decreased by £0.01m to £6.02m. However, the effective increase in arrears during the financial year 2018-19 was £0.46m, due to a total of £0.47m written-off during the year in respect of debts deemed irrecoverable. Included in these arrears are penalties raised for the non-payment of accounts in accordance with section 277(2) of the Public Health Act. These stood at £2.49m as at 31 March 2019 equating to 41.4% of the total debt.

3.2.2 Arrears of £0.66m as at 31 March 2019 were in respect of accounts owing the current and one quarter in arrears, which fall within the allowed credit terms so no recovery procedures are applied. However, the remaining arrears of £5.36m was mainly at the following stages of Land Property Services Ltd's (LPS) arrears follow-up process:

- 0.91m regarding 92 accounts with arrears have been entered in repayment agreements;
- 30-day notice letters had been issued to 12 account holders with a combined debt of £0.30m and were awaiting action to the next stage; i.e. the issuing of a 14-day legal notice letter;
- 14-day legal notice to pay letters had been issued to 175 account holders with collective debts amounting to £0.13m and were awaiting action to the next stage; i.e. the issuing of Court summons;
- 101 accounts with combined debts amounting to £0.13m were at different stages of Court summonses, from pending to having been issued a first summons;
- 171 account holders with collective debts totalling £1.60m had been issued with Orders to Pay by the Court. Final orders to pay were issued for combined debts amounting to £1.42m, of which two accounts owed £0.28m and £0.19m respectively, but approval had not yet been granted by the Accountant General to enforce the Orders to Pay;
- £0.06m in respect of 10 accounts that were awaiting action either from LPS or the Land Management Committee;
- 50 accounts of companies, with combined debts of £0.73m, were in the process of corresponding with the Central Arrears Unit (CAU);
- 14 companies and one group of companies owing a combined sum of £0.16m, were either in the process of being wound-up, liquidated or had been liquidated; and
- £0.06m collectively owed by 36 accounts, where the debts are considered irrecoverable from tenants and no action to recover the debts from landlords had been made, as the approval for the application of Section 272A of the Public Health Act had still not been granted.

The remainder of the debt, collectively amounting to £1.28m, was made up of account holders having applied for an exemption to pay General Rates and Salt Water Charges in accordance with the Public Health Act, either because tenants were refurbishing their properties or because the account holder is a club, association or society. Once the exemption is approved the pertinent accounts are then credited.

- 3.2.3** I reiterate my concern that the overall high arrears position will not improve unless effective recovery action is taken principally on arrears for which the Court has granted an Order to Pay. The current course of action is ineffective, as the execution of such Orders against debtors is not proceeded with mainly because no approval is granted for the execution of distress warrants. In addition, it is occasionally the case that no follow-up action has been initiated earlier on in the process of liquidation or receivership, thereby diminishing the possibility of recovering arrears due from limited liability companies. On 31 March 2019 there were 171 such accounts that had been issued with Orders to Pay on arrears amounting to £1.11m of which 109 were inactive with a value of £1.03m.
- 3.2.4** On 20 November 2023, I wrote to the Accountant General requesting an update on the execution of distress warrants associated with Court-granted Orders to Pay and seeking her confirmation that the execution of distress warrants by LPS requires the consent of the Accountant General. The Accountant General replied on 23 November 2023, confirming that my understanding was correct. She explained that the protocol to pursue a debt via this avenue is for LPS to obtain a summons from the Court who proceed to issue an Order to Pay. In the case that the Order to Pay is not adhered to and it is determined that the debtor has assets of value to satisfy the debt, then LPS would request authority from the Accountant General to pursue the debt via a Distress Warrant. The Accountant General further confirmed that there had not been any requests to enforce distress warrants during the financial year 2018-19. She said that this could well be because the enforcement of these are seen of little value if say the business or individual does not have any assets or sufficient assets to satisfy the debt. The Accountant General was under the understanding that the Courts had been short of Bailiffs for an extended period of time which could well have impacted the enforcement of Distress Warrants. She further understood that even though as a result of Covid-19, it had been Government's policy not to proceed with distress warrants as a way of assisting businesses to recover, LPS were now looking to reinforce these in January 2024. The Accountant General added that if this was the case, then she foresaw Government reviewing its policy.
- 3.2.5** LPS actively chased defaulting tenants during the financial year 2018-19 by issuing 646 30-day letters, 299 14-day letters and 100 Court summonses.
- 3.2.6** The average number of General Rates and Salt Water Charges accounts billed in the last 9 years has increased considerably, as shown in Figure 43, which could also have had a negative impact on arrears.

Figure 43

| Financial Year-End | No. of Accounts |
|---------------------------|------------------------|
| 31 March 2011 | 12,233 |
| 31 March 2012 | 12,651 |
| 31 March 2013 | 13,675 |
| 31 March 2014 | 14,324 |
| 31 March 2015 | 14,585 |
| 31 March 2016 | 14,750 |
| 31 March 2017 | 14,964 |
| 31 March 2018 | 16,046 |
| 31 March 2019 | 16,534 |

- 3.2.7** Of the 92 arrears repayment agreements being administered by LPS on 31 March 2019 with outstanding debts amounting to £0.91m, 53 referred to domestic accounts and 39 were commercial accounts. Of these, 32 repayment agreements were administered through the CAU. Three cases were defaulting, all of which were commercial accounts. All three defaulting debtors had either been sent reminders to pay or issued with Court summonses.

- 3.2.8** Figure 44 depicts the top 15 General Rates and Salt Water Charges active commercial debtors as at 31 March 2019. The debts listed are composed of the balances outstanding in respect of these debtors, which includes all active accounts held under their name as at 31 March 2019. This makes up 16.2% of the total outstanding debt for the year.

Figure 44

| | Total Arrears | Date of Last Payment Received |
|--------------|----------------------|--------------------------------------|
| Debtor 1 | £203,680 | 27 February 2018 |
| Debtor 2 | £181,210 | 5 January 2018 |
| Debtor 3 | £179,264 | Has never paid |
| Debtor 4 | £123,224 | 26 February 2016 |
| Debtor 5 | £45,047 | 19 March 2019 |
| Debtor 6 | £40,869 | Has never paid |
| Debtor 7 | £32,700 | 27 June 2018 |
| Debtor 8 | £32,072 | 18 July 2014 |
| Debtor 9 | £26,669 | 29 March 2019 |
| Debtor 10 | £23,248 | 19 March 2019 |
| Debtor 11 | £21,682 | 29 January 2019 |
| Debtor 12 | £18,727 | 5 March 2019 |
| Debtor 13 | £17,209 | 18 March 2019 |
| Debtor 14 | £15,072 | 5 April 2016 |
| Debtor 15 | £13,046 | Has never paid |
| Total | £973,719 | |

- 3.2.9** Five of the above debtors had entered into long-term repayment agreements with the CAU, whilst four debtors are in negotiations with the Government. Two other debtors have since paid in full and one debtor is making repayments. Furthermore, one debtor has an agreement with the Treasury; one debtor is in correspondence with the CAU; and one debtor is set to receive a Court summons under the CAU's instruction.
- 3.2.10** LPS is actively chasing debtors in liaison with the CAU. Both my predecessor and I have highlighted in past reports our view that Government should look into owner's liability, if the occupier defaults by exploring the possibility of passing the debts onto the landlord, in accordance with section 272A of the Public Health Act. I am glad to report that the CAU are now pursuing debts by making the owners of the hereditaments liable for the payment of outstanding rates in line with section 272A and section 287 of the Public Health Act.
- 3.2.11** **Ground and Sundry Rents Arrears** - The amount outstanding in respect of Ground and Sundry Rents as at 31 March 2018 stood at £0.81m, a decrease of £0.22m compared with the previous year's arrears of £1.03m. There were no write-offs of debts deemed irrecoverable during the financial year 2017-18. On 31 March 2019 arrears had decreased by £0.04m to £0.77m. However, as a result of £0.08m written-off during the financial year 2018-19 of debts deemed irrecoverable, there was in effect an increase of £0.04m in arrears during the financial year.
- 3.2.12** An examination of the Ground and Sundry Rents arrears records showed that on 31 March 2019, £0.51m (66.2% of the total arrears figure of £0.77m) was owed by 50 tenants (out of 789 tenants in arrears on that date) owing sums in excess of £5k. This equates to 6.3% of debtors owing 66.2% of the arrears.

- 3.2.13** There were 68 tenants with a combined debt of £0.42m (54.5% of the total debt) as at 31 March 2019 with debts of over £1k and outstanding for over one year, of which:
- 14 commercial tenancies owed £0.10m, of which two had entered into agreements with GOG; two further accounts had entered into agreements with LPS and the debt recovery panel. One account had a monthly standing order in place; one further account was pending approval for part of the amount outstanding to be written-off; one account had repaid the majority of the outstanding balance after the year-end and the remaining seven accounts had been sent 21-day notice letters in November 2018;
 - 45 inactive commercial and three inactive residential tenancies, with a combined debt of £0.28m had their arrears statute-barred as at 31 March 2016. The Limitation (Amendment) Act 2016 came into operation on 3 August 2016 and repealed the former 6-year statute-barred limitation period. As a consequence, details of 23 of the 45 inactive cases were requested by CAU from LPS in February 2019 with a view of reviewing these accounts to determine which balances, if any, were recoverable or needed to be written-off;
 - Two private residential management companies collectively owing £0.01m; and
 - £0.03m was owed by four residential tenants of which one had last paid in 1999. All four tenants were sent a 21-day notice letter on 20 March 2019.
- 3.2.14** A review of LPS's arrears recovery policy and procedures on a sample of 15 tenants in arrears carried out on 1 April 2019 revealed that:
- 12 tenants had been issued with 21-day notice letters during March 2019; and
 - The remaining three tenants were inactive and had not been issued with any notice letters. Of these, two tenants' arrears were pending being written-off and the recoverability of the remaining tenant's outstanding balance was being assessed.
- 3.2.15** On 1 April 2019 LPS was administering five repayment agreements, of which one had fully repaid by May 2019, and two tenants had defaulted.
- 3.2.16** There were six tenants with inactive accounts which were still pending a decision to be written-off as highlighted in the fourth bullet point of paragraph 3.2.12 of my predecessor's report on the public accounts for the financial year 2011-12 and again referred to in paragraph 3.2.18 of my previous report. Following the enactment of the Limitation (Amendment) Act 2016, these formerly statute-barred debts were included in the list of inactive tenancies referred to the CAU for their review, to determine which balances, if any, were recoverable or alternatively should be written-off.
- 3.2.17** The exercise of issuing 21-day notice letters is now being performed regularly by LPS, however, there are still no follow-up legal procedures to recover the arrears if tenants continue to default. Legal action is instituted by either referring cases to the Courts or proceeding to forfeit leases and repossess premises after having obtained the relevant legal advice.
- 3.2.18** A total of 310 21-day notice letters (1st reminder) were issued in November 2018 to residential, including freehold, properties and commercial tenants. A further 412 21-day notice letters (1st reminder) were issued in March 2019 to tenants owing rents.
- 3.2.19** As highlighted in the second bullet point of paragraph 3.2.13 of this report, there were a number of tenancies with inactive accounts that were statute-barred as at 31 March 2016. Of these, numerous statute-barred accounts with balances over six years old were requested for write-off in 2014 but approval was never granted. On 3 August 2016, the new legislation under the Limitation (Amendment) Act 2016 came into operation and repealed the previous six-year statute-barred limitation period, meaning that statute-barred debts over six years old can now be pursued for recovery. Following the change in legislation, a list of

all such tenants was referred to the CAU for them to determine which balances were recoverable and those which required write-off. The CAU would pursue all cases where arrears were deemed to be recoverable.

3.2.20 Figure 45 shows the top 15 Ground and Sundry Rents debtors as at 31 March 2019:

Figure 45

| | Total Arrears | Date of Last Payment Received |
|-------------------|----------------------|--------------------------------------|
| Debtor Company 1 | £32,263 | 10 August 2000 |
| Debtor Company 2 | £30,378 | 29 March 2019 |
| Debtor Company 3 | £30,121 | 20 March 2019 |
| Debtor Company 4 | £26,219 | Has never paid |
| Debtor Company 5 | £24,049 | 29 August 2014 |
| Debtor Company 6 | £23,053 | 24 August 1999 |
| Debtor Company 7 | £23,038 | 4 July 2017 |
| Debtor Company 8 | £21,050 | 29 March 2019 |
| Debtor Company 9 | £13,525 | 15 March 2019 |
| Debtor Company 10 | £13,326 | 8 January 2019 |
| Debtor Company 11 | £12,680 | 9 November 1993 |
| Debtor Company 12 | £11,677 | 28 February 2019 |
| Debtor Company 13 | £11,610 | Has never paid |
| Debtor Company 14 | £11,252 | 19 February 2014 |
| Debtor Company 15 | £11,039 | 30 September 2013 |
| Total | £295,280 | |

3.2.21 The top 15 Ground and Sundry Rents debtors totalled £295,280 as at 31 March 2019, a decrease of £240,277 compared with the 31 March 2017 top 15 debtors total of £535,557. The decrease was attributed to four debtors fully paying all arrears; one tenant's debt being fully written off; one tenant's debit being partially written-off and subsequently settling the remainder of the debt; and four debtors reducing their debts. Of the remaining five debtors, two companies' debts had remained the same and three companies had increased their debts. The top 15 debtor companies represent 38.1% of total arrears owed as at 31 March 2019. Of these companies, three have never paid Ground and Sundry Rents; three other companies have not paid in more than 18 years, including one company which has not paid in over 25 years; and one company's arrears were pending approval to be written-off.

3.2.22 The total amount of Ground Rent reductions received by private residential estates during the financial year 2017-18 and 2018-19, which relate to expenditure incurred in connection with works carried out in any year on the embellishment, maintenance and improvement to their respective housing estates, was £0.10m and £0.13m respectively. Amounts owed by private housing estates pending rent reductions as at 31 March 2018 stood at £0.05m and the amount due by these entities as at 31 March 2019 was reduced to £0.01m. Of these, one private residential estate had its Ground Rent payable reduced to a nominal fee with effect from 1 January 2015 subject to no further claims being made and no further requests for a waiver in Ground Rent.

3.2.23 As mentioned in the past four reports, there is still no procedure to take Ground and Sundry Rents debtors to Court. LPS and Treasury are still reviewing the best course of action in accordance with the Landlord and Tenant Act and the Housing Act 2007 to address persistent debtors. A draft arrears policy has been produced and is still in the process of being agreed. Meanwhile, however, LPS is actively pursuing debtors in liaison with the CAU.

- 3.2.24 Bank Reconciliation Statements** - On 7 October 2022, I wrote to the acting Accountant General, informing her that a review of the Treasury bank reconciliation statements on 7 June 2022 had revealed that the last bank account reconciliation carried out by the department was for the month of March 2018 which had been finalised on 19 August 2021, a period of over three years later. Moreover, this reconciliation statement contained unreconciled items going as far back as 2013. I informed the acting Accountant General that, aside from the bank account reconciliation statement in respect of NatWest Bank, the reconciliation statements for all other banks for the month of March 2017 could not be found by Treasury staff and were therefore unavailable for audit examination. Having reviewed the NatWest Bank reconciliation statement, I told her that this reconciliation had been finalised on 18 June 2020, also a period of over three years later. I highlighted the fact that the reconciliation of the Treasury bank accounts is solely being carried out once a year, instead of on a monthly basis as required by Government Accounting Instructions. I added, that by not performing regular bank account reconciliations, the department is failing to ensure that all moneys received and paid by the Government are brought promptly and properly to account, in clear contravention of section 47(3)(a) of the Public Finance (Control and Audit) Act.
- 3.2.25** I informed the acting Accountant General that the delay in conducting periodical reconciliations between Treasury bank accounts and the Cashbook is a matter of deep concern to me given that possible errors in transactions that lead to a difference between the accounting records and the bank statements are not been identified on a timely basis. A bank reconciliation statement also helps to identify potential fraudulent activities and the accuracy of various ongoing transactions. Hence, the importance of undertaking these reconciliations promptly and periodically, and that these be subsequently checked by a supervisory officer and the Accountant General on a timely basis. I further told the acting Accountant General that it was my understanding that Treasury officers had been recently carrying out a large exercise to clear items from 2013 to 2018. I asked the acting Accountant General that once this was finalised I would be grateful to learn when the April 2018 bank reconciliation was completed so that this could be audited.
- 3.2.26** I highlighted to the acting Accountant General that I was particularly concerned that the Public Accounts of Gibraltar for the years ended 31 March 2017, 31 March 2018 and 31 March 2019 had been presented to me for audit examination without the pertinent bank reconciliations having been carried out. The fact that there has been no internal control process carried out by Treasury to ensure the correctness of the bank balances reflected in the aforementioned public accounts represented a serious control weakness and was highly improper.
- 3.2.27** The audit review of the Treasury Bank reconciliation statements for March 2018 brought to light the following observations:
- (a) There was a material difference of £5,362,029 between the cashbook and bank accounts of one particular bank. I told the acting Accountant General that it was of particular concern to me that the majority of this difference was due to £5.6m credited in the cashbook that had not yet been accounted in the bank account. It was noted that there were a total of 535 unreconciled items in this particular bank reconciliation statement that were pending to be brought to account for a substantial number of years, ranging from 2015 to 2018.
 - (b) It was noted that in the bank reconciliation in respect of another bank, there was a difference of £24,536 between the cashbook and bank accounts. The greater part of the difference was due to £18k credited in the cashbook but not yet accounted in the bank account; and £6k debited in the Bank account and not posted in the cashbook. There were a total of 65 unreconciled items in this bank reconciliation statement that were pending to be brought to account for a significant number of years, ranging from 2013 to 2018.

- (c) The bank reconciliation statement carried out on another different bank showed a difference of £926,588 between the cashbook and bank accounts. The difference was largely due to LPS credit transactions in the cashbook that had not been accounted in the bank account amounting to £1.1m. There were a total of 18 unreconciled items in this bank reconciliation statement. These transactions have been pending to be brought to account for a notable number of years, ranging from 2016 to 2018.
- (d) It was noted that in the bank reconciliation carried out on another bank, there was a difference of £7,318 between the cashbook and bank accounts due to credit transactions in the bank account from related parties, i.e. Gibraltar Car Parks Ltd and Gibraltar Air Terminal Ltd, not having been posted in the cashbook. There were a total of 5 unreconciled items in this bank reconciliation statement. These transactions have been pending to be brought to account for a significant number of years, ranging from 2015 to 2018.

3.2.28 I told the acting Accountant General that I considered that the Treasury was not giving sufficient attention and importance to the process of undertaking bank reconciliations when these were an essential internal control tool. I reiterated that Treasury should carry out reconciliations between their cashbook and bank accounts on a monthly basis and maintain these consistently up to date. Queries and unreconciled items should be investigated promptly, and not left unattended for years.

3.2.29 The acting Accountant General replied to me on 7 December 2023, agreeing with my recommendations that the bank reconciliations are an important and essential internal control tool and that the Cashbook and the Bank accounts should be reconciled on a monthly basis and maintained up-to-date and that queries and unreconciled items should be investigated promptly and not left unattended. The acting Accountant General said this sentiment was also shared by her predecessor who she understood tried to ensure the bank reconciliation were kept up-to-date and in a suitable manner.

3.2.30 The acting Accountant General explained that unfortunately over the past years the aforementioned processes have fallen out of synch due to various different resources and management issues. The Treasury Payments Section was also impacted by the change in accounting system. The initial indications, when the accounting system changed, were that the bank reconciliation would become a near fully automated process and in this way more resources could be placed on bringing up to date the more outdated bank reconciliations. Unfortunately, she said, this has not been the case and not only have the staff had to deal with the change in accounting system but the time invested in this has not allowed for the long-standing reconciliations to be tackled accordingly. The acting Accountant General added that before her predecessor left, it was decided to delegate the responsibility of bringing the reconciliation of the bank statements up to date, to a Senior Executive Officer as a prioritised task. She was hopeful that this exercise would soon be finalised satisfactorily.

3.2.31 In her reply, the acting Accountant General told me that notwithstanding the above, it was important to mention that a number of the points raised as outstanding in the audit management letter were the result of timing issues between the date of banking and the banks' cheque clearing system and/or genuine administrative errors which, as at March 2022, were already resolved. By way of example, she cited:

- that an amount outstanding of £7,193, which had been reported that a company had not paid and which Treasury should pursue, had in fact been settled by the company via two cheques. However, the credit at the time was unfortunately erroneously receipted under a different bank. The transactions were identified as part of the reconciliations and were corrected/adjusted in July 2020;
- a total outstanding amount of £387,994 reported as still due and that should be pursued with Companies House, had in fact been paid by Companies House via a

cheque receipted in March, banked in March but cleared by the bank, value date April 2018. The acting Accountant General explained this is common practice by the Bank in respect of cheques deposited given that their cheques clearing system takes a few days; and

- an amount outstanding of £65,787 reported as an unpaid amount in respect of salaries paying-in slips, related in actual fact to various bank paying-in credit slips that were banked in March 2018 and also cleared and credited by the Bank in April 2018.

The acting Accountant General commented that she and the Treasury Payments Section team were very positive that, as and when reconciliations were finalised, all the audit queries would be addressed and resolved.

3.2.32 I replied to the acting Accountant General on 12 December 2022, thanking her for her response but highlighting that although her reply offered an explanation to some of the issues raised it did not provide a specific explanation to each and all of the matters raised in the audit management letter. I therefore requested that she provide me with her written comments/explanations addressing all the issues raised in my letter.

3.2.33 The acting Accountant General replied on 16 March 2023, informing me that both the Senior Executive Officer and Higher Executive Officer of the Treasury Payments Section, who would be retiring in July/August 2023, were fully committed to the reconciliations of the bank statements up to March 2021. The acting Accountant General was hopeful that once this exercise was finalised they would be in a position to resolve the queries raised in the audit management letter. She trusted I would understand that this was their priority at the moment and it was of more value to have them finalise the bank reconciliations in their totality before addressing the response to the audit queries.

3.2.34 On 25 October 2023 and on 28 November 2023, I wrote to the acting Accountant General enquiring to learn what was the current position in regard to the reconciliation of the bank statements and when did she envisage replying to all the queries in my audit management letter dated 7 October 2022. The acting Accountant General replied on 28 November 2023, explaining that although the Senior Executive Officer and Higher Executive Officer of the Treasury Payments Section had progressed well with the bank statement reconciliations before retiring, they had run out of time before finalising the exercise completely. Notwithstanding, she was happy to report that their replacements effectively picked up where they left and she had noted they were making good progress. The acting Accountant General informed me that she would shortly be providing me with a full reply to the audit management letter.

3.2.35 Gibraltar Coinage – Circulating Coins - The value of Gibraltar circulating coins at the end of the financial year 2016-17 stood at £12.94m, compared to £12.34m at the end of the previous financial year, representing an increase of £0.60m. At the end of the financial year 2017-18 the value of Gibraltar circulating coins had further increased by £0.24m to £13.18m. The totals of Gibraltar circulating coins by denomination as at 31 March 2017 and 31 March 2018 are shown in Figure 46 hereunder:

Figure 46

| Coins in Circulation as at 31 March 2017 | | | | Coins in Circulation as at 31 March 2018 | | | |
|--|-------|----------------|--|--|-------|----------------|--|
| Number of Coins and Denomination | | Value | | Number of Coins and Denomination | | Value | |
| 19,961 | x £20 | £399,220.00 | | 19,940 | x £20 | £398,800.00 | |
| 18,361 | x £15 | £275,415.00 | | 18,348 | x £15 | £275,220.00 | |
| 130,011 | x £5 | £650,055.00 | | 129,996 | x £5 | £649,980.00 | |
| 100,988 | x £3 | £302,964.00 | | 100,978 | x £3 | £302,934.00 | |
| 215,928 | x £2 | £431,856.00 | | 222,228 | x £2 | £444,456.00 | |
| 7,424,377 | x £1 | £7,424,377.00 | | 7,582,477 | x £1 | £7,582,477.00 | |
| 2,274,874 | x 50p | £1,137,437.00 | | 2,300,524 | x 50p | £1,150,262.00 | |
| 5,057,960 | x 20p | £1,011,592.00 | | 5,325,510 | x 20p | £1,065,102.00 | |
| 6,105,669 | x 10p | £610,566.90 | | 5,990,519 | x 10p | £599,051.90 | |
| 9,303,706 | x 5p | £465,185.30 | | 9,499,100 | x 5p | £474,955.00 | |
| *5,634,777 | x 2p | £112,695.54 | | *5,634,777 | x 2p | £112,695.54 | |
| *12,127,731 | x 1p | £121,277.31 | | *12,127,731 | x 1p | £121,277.31 | |
| Total | | £12,942,641.05 | | Total | | £13,177,210.75 | |

* The number of 1p and 2p coins in circulation remained the same during the financial years 2016-17 and 2017-18 as a result of the Government's decision, in early 2014, to cease producing these denominations of coins as it considered it was not cost-effective to mint this low-value coinage in view of the high manufacturing costs involved. However, subsequently, due to the high demands for these denominations of coins and the difficulties for banks to source these coins from the UK, the Government decided to reintroduce the minting of these coins in 2018.

3.2.36 The value of Gibraltar circulating coins during the last five financial years is shown in Figure 47.

Figure 47

| Financial Year-End | Value of Coins in Circulation |
|--------------------|-------------------------------|
| 31 March 2014 | £10,903,067 |
| 31 March 2015 | £11,718,636 |
| 31 March 2016 | £12,342,191 |
| 31 March 2017 | £12,942,641 |
| 31 March 2018 | £13,177,211 |

3.2.37 Gibraltar Coinage – Commemorative Coins - Sales of Gibraltar commemorative coins by the Treasury Department during the financial year 2016-17 amounted to £37,043 compared to £28,269 in the previous financial year, and £23,373 during 2017-18. Details of the commemorative coin sales during the last five financial years are shown in Figure 48.

Figure 48

| Financial Year | Commemorative Coin Sales |
|----------------|--------------------------|
| 2013-14 | £50,086 |
| 2014-15 | £11,949 |
| 2015-16 | £28,269 |
| 2016-17 | £37,043 |
| 2017-18 | £23,373 |

The increase of £8,774 in sales of commemorative coins during 2016-17 in comparison to the previous financial year's sales of £28,269 was largely due to an above average number

of gold commemorative coins sold, added to the fact that at times a selection of coins is produced that is more appealing to collectors, leading to an overall increase in sales. The above average commemorative coin sales during the financial year 2016-17 was confirmed in the subsequent year 2017-18 when commemorative coin sales decreased by £13,670 to £23,373.

3.2.38 Royalties on Coin Sales - Royalties received from the sale of Gibraltar commemorative coins during the last 21 financial years are shown in Figure 49.

Figure 49

| Financial Year | Royalties Received by Government |
|----------------|----------------------------------|
| 1998-99 | £67,194 |
| 1999-00 | £119,124 |
| 2000-01 | £103,377 |
| 2001-02 | £97,536 |
| 2002-03 | £63,081 |
| 2003-04 | £16,780 |
| 2004-05 | £210,263 |
| 2005-06 | £267,005 |
| 2006-07 | £224,436 |
| 2007-08 | £128,035 |
| 2008-09 | £179,141 |
| 2009-10 | £41,826 |
| 2010-11 | £55,697 |
| 2011-12 | £9,529 |
| 2012-13 | £147,036 |
| 2013-14 | £27,151 |
| 2014-15 | £41,057 |
| 2015-16 | £143,589 |
| 2016-17 | £45,000 |
| 2017-18 | £45,000 |
| 2018-19 | £45,000 |

3.2.39 On 21 February 2017, the Financial Secretary issued a Directive (No. 3/2017) declaring that as from 1 April 2016, the Government of Gibraltar had decided that the Gibraltar National Mint Ltd –a GSBA Limited owned company which is ultimately owned by the Gibraltar Savings Bank– would operate, manage and develop the commemorative coinage business for and on behalf of the Government. The minting and issue of circulating coinage, would on the other hand, continue to be operated and managed directly by the Treasury Department. Previously, Pobjoy Mint Ltd had had a contractual agreement from November 1988 to March 2004 for the production, marketing and distribution of Gibraltar circulating and commemorative coins. Thereafter, as from 1 April 2004, Tower Mint Ltd was engaged to manufacture Gibraltar circulating and commemorative coins together with a leading UK mailing and marketing company, Westminster Collection Ltd who were contracted to market and distribute worldwide (as sole distributors) Gibraltar commemorative coins, excluding Gibraltar. As a result of the Directive, the management of all commemorative coinage matters was transferred from the Treasury Department to the Gibraltar National Mint Ltd on 1 April 2016. As from this date, the company liaised with the different Mints in the production and distribution of Gibraltar commemorative coinage and deal with the approval of the number, denomination, type of metal, composition, weight, shape, and proposed design of commemorative coins to be minted. Gibraltar National Mint Ltd would also be responsible for the approval of the royalty payments to be made by the Mints on the coin sales. Commemorative coin issues continue to require the approval from Buckingham Palace (for

the use of Her Majesty the Queen's effigy on the coinage) and from the Government's Minister for Finance.

- 3.2.40** The Directive from the Financial Secretary further states that in consideration for the operation, management and development for the Government of the commemorative coinage business, the Gibraltar National Mint Ltd would retain any royalties or other payments receivable from the respective Mints, and in turn the company would pay the Government (Consolidated Fund) £45,000 per annum in respect of the commemorative coins business. It should be noted from the royalty figures shown in Figure 49 that, in comparison, the Government of Gibraltar has received on average, £108,000 per annum from royalties over the last 18 years, prior to the arrangement with the Gibraltar National Mint Ltd. In fact, an examination of the revenue received on royalties from coin sales during the financial year 2016-17 (the year that the agreement with the Gibraltar National Mint Ltd came into effect) revealed that the actual revenue received for the year amounted to £432,482. However, following the Directive (No. 3/2017) coming into effect retrospectively as from 1 April 2016, a book adjustment was made to Revenue Head 6 Subhead 10 Royalties on Coin Sales in March 2017, transferring £387,482 from government revenue to Gibraltar National Mint Ltd and leaving £45,000 as the revenue derived from royalties by the Government of Gibraltar in the year 2016-17. The sum of £387,482 transferred from revenue to Gibraltar National Mint Ltd, plus £241,567 derived from the company's own commemorative coin sales resulted in a total income of £629,049 for Gibraltar National Mint Ltd. Figure 50 shows the royalties plus income from commemorative coin sales received by Gibraltar National Mint Ltd during the last seven years.

Figure 50

| Financial Year | Royalties + Income from Coin Sales Received by Gibraltar National Mint Ltd |
|-----------------------|---|
| 2016-17 | £629,049 |
| 2017-18 | £702,338 |
| 2018-19 | £1,002,570 |
| 2019-21 * | £2,044,152 |
| 2021-22 | £1,273,320 |
| 2022-23 | £1,152,343 |

* 24-month financial period

The average income derived by the Gibraltar National Mint Ltd from royalties and commemorative coin sales over the last 7 years amounts to £972k per annum. Evidently, from this income must be deducted the cost of manufacturing the commemorative coins and other related costs.

- 3.2.41** On 5 December 2023, I wrote to the Financial Secretary informing him that in my view, the arrangement approved by the previous Financial Secretary for the royalties to be retained by the Gibraltar National Mint Ltd, constitutes diverting revenue from the Consolidated Fund and contravenes section 67 of the Gibraltar Constitution, which prescribes that: *'All revenues or other moneys raised or received for the purposes of the Government of Gibraltar (not being revenues or other moneys that are payable by or under any Act into some other fund established for a specific purpose or that may by or under any such law be retained by the authority that received them for the purposes of defraying the expenses of that authority) shall be paid into and form one Consolidated Fund.'*
- 3.2.42** I further informed the Financial Secretary that clause 1 of Directive No.3/2017 states that, *'The management of all commemorative coinage matters be transferred by the Treasury to Gibraltar National Mint Ltd in order for this company to operate, manage and develop the*

commemorative coinage business on behalf of the Government’; and as far as I am aware, the ex-Director of the Gibraltar House in London is the only individual assigned to work on Gibraltar National Mint Ltd matters (as a self-employed individual). Yet, there is a significant amount of work relating to commemorative coinage that is performed directly by the staff of the Treasury Currency Section on behalf of Gibraltar National Mint Ltd. This involves:

- (a) Preparation of draft legal notice for the issue of new commemorative coins, thereafter sent to the Government Law Office for publication in the Gibraltar Gazette;
- (b) Recording and monitoring all monies received via Gibraltar National Mint Ltd’s bank account;
- (c) Holding, managing and controlling the stocks of commemorative coins purchased by Gibraltar National Mint Ltd for sale in Gibraltar;
- (d) The sales of Gibraltar National Mint Ltd commemorative coins in Gibraltar;
- (e) All web sales and administration regarding the official Gibraltar National Mint Ltd website; and
- (f) Verifying and checking all royalty reports in respect of coins sold directly by the Mints.

Aside from the above, there is also additional work undertaken by a public officer employed at the Department of Economic Development. Hence, in my view, there is a clear infringement of the Financial Secretary’s Directive in this regard. I pointed out to the Financial Secretary, that if he considered that the work undertaken by the civil servants in relation to commemorative coins should continue as at present, then the Directive should be amended accordingly to reflect this, and in my view an appropriately costed management fee charged to the Gibraltar National Mint Ltd for the work performed by the government officials on the company’s behalf. At the close of this report, I had not received a reply from the Financial Secretary.

Central Arrears Unit

3.3.1 The Central Arrears Unit (“CAU”) was set up as a fully dedicated Unit for the recovery of Government arrears of revenue in May 2016, with effective arrears recovery work starting in July of that same year. Previously, the main function of the CAU had centred on monitoring and supervising the collection of public monies and the recovery of arrears of revenue by government departments, statutory authorities and agencies. However, as from the aforementioned date, the follow-up and collection of Government arrears of revenue as a centralised function became the Unit’s key role. Another important function carried out by the CAU, with effect from June 2017, was that of tax compliance. The collection and recovery of arrears and tax compliance is undertaken by a team of officers specialised and dedicated exclusively to this work, who have direct access to the main revenue collecting departments’ debt information systems. The organisational change of having a dedicated Unit facilitates the consolidation of arrears recovery policies and enables closer liaison with Receivers of Revenue to supervise the recovery of debts owed to Government.

3.3.2 As commented in my previous report, the scope and strategic plan set by the CAU is as follows:

- Reduction of existing arrears of revenue by pursuing debtors in a firm but fair manner;
- Identifying debt by carrying out effective compliance work as ongoing work-in-progress;
- Ensuring that all debts are updated in the department’s debt information system to identify true liability and enable arrears recovery action to commence; and
- Collecting current revenue dues in a timely manner in order to curb any further escalation of arrears.

3.3.3 A new Head of the CAU was appointed in November 2019, after the retirement of her predecessor. The Unit’s current complement is that of eleven officers. The CAU continues to obtain legal advice by outsourcing this service, primarily to two different private legal firms, an arrangement that the CAU considers to be working effectively in the recovery of arrears.

Although the CAU comes under the Accountant General for accounting purposes, the Unit works quite independently. The Head of the CAU informed that she works closely with the Financial Secretary obtaining his steer when needed.

3.3.4 In better managing the debt recovery process, the CAU was to centralise all debts by the creation of a dedicated computer database linked to all government departments, authorities and agencies in order to create a master database to consolidate all individual debts owed to Government. However, this has now been superseded by Government's policy of creating a central information system as part of its eGov policy. Nevertheless, the CAU continues to have "viewing" access, via electronic links, to the main revenue collecting departments' debt information systems, these include:

- **Income Tax Office** in respect of PAYE; Corporation Tax; Self-Employed Tax; and Social Insurance Contributions.
- **Land Property Services Ltd ("LPS")** in respect of General Rates and Salt Water Charges; and Ground and Sundry Rents.
- **Gibraltar Electricity Authority** in respect of Electricity Charges.
- **Housing Department** in respect of House Rents.
- **Department of Education** in respect of Scholarship Fees - Reimbursements.

3.3.5 The CAU continues to apply the following arrears recovery initiatives which have proven to be particularly effective:

- the cancellation of tax arrears against tax refunds and also matching tax credits with tax debts;
- compulsory settlement of debts on the purchase or sale of properties by the debtor;
- recovering debts from those who are out of jurisdiction;
- identification of recoverable debts previously written-off;
- requirement for the CAU to be consulted on the possible arrears owed by companies who tender for Government Contracts;
- a full arrears check is carried out by the CAU before approval, or business licence, is granted to individuals applying for a trade licence or permit. The CAU has the power of blocking applications for licences until outstanding arrears are paid;
- CAU involved in the write-offs process with all write-offs passing through the Head of the CAU; and
- continue working to recover debts managed by LPS (General Rates and Ground and Sundry Rents) via the Debt Recovery Panel. The Debt Recovery Panel's main function and scope remains the same, that is:
 - interviewing debtors (tackling highest debts first);
 - ensuring that payments are made for both arrears and current bills; and
 - ensuring that any issues affecting the repayment of debts are reviewed and actioned.

3.3.6 Additionally, since my previous report, the CAU has implemented the following initiatives:

- Working with the effects of the Limitation (Amendment) Act 2016, enacted on 27 July 2016, whereby the time limit available to recover debts owed to the Crown was removed; and
- Undertaking internal reviews in identified Government departments, authorities and agencies where there has been a marked increase in the level of arrears of revenue. The CAU refers to these internal reviews as 'Debt Management Exercises'. The aim of these exercises is to assess the current arrears position and assist and advise the

Receiver of Revenue in trying to recover outstanding debts. To date, four government organisations have been reviewed in detail, these being, the Gibraltar Health Authority, the Department of Education, the Gibraltar Maritime Administration and the Government Hostels. The CAU considers these reviews have been highly effective in maximising the recovery of arrears. There were other departments where the level of arrears had also increased; however, these were not subjected to an in-depth review by the CAU as satisfactory explanations were provided for the increase in arrears and therefore an in-depth review was not necessary in those cases.

3.3.7 In the last two audit reports my predecessor and myself have highlighted that since the CAU was set up over seven years ago, the Unit has been working to introduce various recovery and enforcement strategies. One of the primary initiatives is the amendment and/or introduction of laws that will enable the Unit's planned methods. One very important piece of legislation that would greatly enhance the CAU's capability is the introduction of the Arrears Recovery legislation. This legislation is currently in its final draft and is awaiting approval so that it can be enacted. At the time of this report, the Arrears Recovery legislation had not yet been passed. Once this legislation is in place, the CAU will gain added powers to apply their planned arrears recovery methods, such as using attachment of earnings to recover debts. At present the CAU can only use attachment of earnings to recover tax arrears as this is provided for under the Income Tax legislation. By means of the Arrears Recovery legislation, the CAU also plans to hold back the sale, rent or allocation of newly acquired government property and the issue of licences until outstanding arrears are repaid. A further initiative the Unit would like to implement, if needed, is the disqualification of Directors through the Insolvency Act. However, to date, there has been no need to disqualify Directors as other tools for arrears recovery have proved to be effective.

3.3.8 As mentioned in my previous report, one of the first exercises tackled by the CAU was the 'cleansing' of arrears. This entails, eliminating those debts owed to Government that are not realistically recoverable, for example arrears owed by deceased persons; also, in respect of tax debts – matching credit sums held by the Income Tax Office against outstanding debts; and lastly, recommending the write-off of arrears considered irrecoverable in order to establish the crystallised debt. The clean-up of historical arrears has now been tackled, although arrears in respect of PAYE individuals is still ongoing given that the level of debt was extremely high (£5.65m) and just taken-on by the CAU on 1 May 2018, in comparison to the other arrears which were passed to the CAU during its first year, i.e. in 2016. However, it is important to note that the cleansing of arrears is an ongoing process as new debts are identified, analysed and thereafter crystallised.

3.3.9 Since the last audit review in 2017, the CAU has continued to tackle the recovery of arrears of revenue in respect of the following departments/areas:

- Income Tax Office - Arrears in respect of Employers' PAYE; Self-Employed Tax; Corporation Tax; Employers' Social Insurance contributions; Self-Employed Social Insurance contributions; and in recent years a large part of the CAU's time has been spent on PAYE Individuals' arrears, given the substantial overall debt in this sector, which had not been tackled in an extremely long time;
- Land Property Services Ltd - Arrears in respect of General Rates and Salt Water Charges and Ground and Sundry Rents; and
- Inactive Debts - Exercises in respect of inactive accounts relating to electricity charges and old scholarship debts are ongoing and constantly being reviewed.

3.3.10 Another important function of the CAU is that of undertaking tax compliance checks. These regular and ongoing exercises entail monitoring and verifying the payment of tax due in a timely manner in accordance with Income Tax legislation. The CAU considers compliance exercises to be an essential and very effective tool in the management and collection of current tax dues, particularly in preventing the escalation of arrears of revenue. The CAU

also undertake compliance checks on the timely payment of Social Insurance contributions deductions by Employers and Self-Employed Social insurance contributions.

- 3.3.11** Furthermore, the CAU also performs arrears checks, on an ad hoc basis on behalf of Gibraltar Car Parks Ltd, on individuals applying for zone parking permits. Their role is to ensure applicants do not have any Government arrears owing; and if they do have outstanding debts, that the parking permit is granted on condition that all arrears are settled immediately. This is now done by the CAU every time a zone parking permit renewal is due.
- 3.3.12** According to the latest report produced by the Head of the CAU, the overall reduction in arrears since inception of the CAU – a period of approximately four years, in respect of the main revenue items, was £20.08m as at 31 March 2019, as analysed in Figure 51 below.

Figure 51

| Date Debt Recovery was passed to CAU | Revenue Item in Arrears | (Decrease) / Increase in Debt as at 31 March 2019 |
|---|--|--|
| 1 August 2016 | Employers' PAYE Deductions | (£3,820,601) |
| 1 August 2016 | Employers' Social Insurance Contrs. Deductions | (£4,600,452) |
| 17 October 2016 | Self-Employed Tax | (£4,234,253) |
| 17 October 2016 | Self-Employed Social Insurance Contributions | (£429,548) |
| 14 November 2016 | Corporation Tax | (£4,741,108) |
| 31 December 2016 | General Rates and Salt Water Charges | £110,864 |
| 31 December 2016 | Ground and Sundry Rents | (£551,470) |
| 1 May 2018 | Individuals' PAYE | (£1,810,367) |
| Total | | (£20,076,935) |

- 3.3.13** Commenting on the way forward, the Head of the CAU reported that the Unit would continue to: perform compliance exercises to ensure the timely payment of Corporation Tax and Self-Employed Tax and Self-Employed Social Insurance Contributions and Employers' Social Insurance Contributions deductions; undertake write-off exercises in respect of Tax and Social Insurance arrears; maintain a firm stance in the collection of current amounts due in order to curb the escalation of arrears; aim to finalise ongoing legal cases in the recovery of Employers' PAYE and Social Insurance Contributions deductions and Self-Employed Tax; and, liaise with the Commissioner of Income Tax to resolve issues which impede effective arrears recovery regarding PAYE Individuals' arrears. In respect of General Rates/Salt Water Charges and Ground and Sundry Rents, the CAU will continue to review inactive accounts with a view of ascertaining irrecoverable debts for eventual write-off requests; and, maintain the effective recovery of arrears via the Debt Recovery Panel.
- 3.3.14** The Head of the CAU further highlighted that debt management exercises continue to be performed with the aim of tackling all revenue subheads. The CAU also assists Receivers of Revenue in undertaking special exercises to identify irrecoverable debts with a view of seeking write-off action. As at 5 December 2023, the total amount written-off since the CAU was set up in May 2016 amounts to £4.03m as analysed in Figure 52.

Figure 52

| Arrears of Revenue in respect of: | Amounts Written-off |
|---|----------------------------|
| • Self-Employed Tax | £1,052,313 |
| • PAYE Individuals Tax | £978,746 |
| • Employers' PAYE deductions & Employers' Social Insurance Contributions deductions | £657,069 |
| • Self-Employed Social Insurance Contributions | £313,354 |
| • Corporation Tax | £305,363 |

| | |
|--|-------------------|
| • General Rates and Salt Water Charges | £428,853 |
| • Ground and Sundry Rents | £299,186 |
| Total | £4,034,884 |

Housing - Administration

3.4.1 House Rents Collections - House Rents collections amounted to £4.27m in the financial year 2016-17 and £3.99m in the financial year 2017-18, which were £2.27m and £1.49m more respectively than the approved estimates for each year. The results for these two financial years represented a year-on-year increase of £1.31m followed by a year-on-year decrease of £0.28m. However, in the subsequent financial year 2018-19, there was again an increase in House Rents revenue of £0.17m to £4.16m.

3.4.2 Gibraltar Capital Assets Limited (GCAL), a wholly-owned subsidiary of the Gibraltar Development Corporation, took ownership of long-leaseholds (by way of the grant of the property underleases) over six Gibraltar housing estates granted by Gibraltar Residential Properties Limited who had held the long-leaseholds since March 2010 (except for Mid-Harbour Estate since March 2016). Gibraltar Residential Properties Limited being a wholly-owned Government company agreed to allow the rental income to continue being receivable by the Government, however, since GCAL took ownership in March 2016, the revenue generated from the six housing estates has been receivable by this company, thus leading to a total of £2.01m of House Rents collected during the year 2018-19 in respect of these housing estates being transferred from Government revenue to GCAL, hence reflecting net House Rents revenue of £2.15m in the financial year 2018-19. Figure 53 shows the House Rents Approved Estimates together with the total House Rents collections, and the split between the GCAL transfers and the remaining net House Rents revenue over the last eight financial years.

Figure 53

| Financial Year | Approved Estimate | Total House Rents Collections | Transfers to GCAL | Net House Rents Revenue |
|----------------|-------------------|-------------------------------|-------------------|-------------------------|
| 2011-12 | £3,030,000 | £2,953,511 | - | £2,953,511 |
| 2012-13 | £2,700,000 | £2,907,697 | - | £2,907,697 |
| 2013-14 | £2,900,000 | £2,898,877 | - | £2,898,877 |
| 2014-15 | £3,000,000 | £2,888,644 | - | £2,888,644 |
| 2015-16 | £3,000,000 | £2,957,488 | - | £2,957,488 |
| 2016-17* | £2,000,000 | £4,270,790 | £1,853,559 | £2,417,231 |
| 2017-18* | £2,500,000 | £3,989,527 | £1,863,173 | £2,126,354 |
| 2018-19* | £2,200,000 | £4,159,498 | £2,014,365 | £2,145,133 |

* Total House Rents collections since the financial year 2016-17 have included rents collected in respect of the six Gibraltar housing estates leased to GCAL. These rents have been transferred to this Government-owned company pursuant to the Agreement between GCAL and the Government of Gibraltar dated 23 March 2016.

3.4.3 Pursuant to regulation 4(1) of the Housing (Miscellaneous Provisions) Regulations 2017, which came into effect on 24 August 2017, the level of House Rents shall be increased from time to time by the Minister with responsibility for Housing by notice published in the Gazette. In consequence, with effect from 1 September 2017, the Minister increased House Rents by 3%; and thereafter, in recent years, House Rents have been accordingly increased as shown in Figure 54.

Figure 54

| Effective Date of Rent Increase | House Rent Percentage Increase |
|---------------------------------|--------------------------------|
| 1 September 2017 | 3% |
| 1 July 2018 | 3% |
| 1 July 2019 | 3% |
| 1 July 2021 | 3% |
| 1 July 2022 | 5% |
| 1 July 2023 | 3% |

3.4.4 An analysis of the House Rents reconciliation statements for the financial years 2016-17 and 2017-18 revealed the following inconsistencies:

- the figure for government payroll deductions brought to light a difference of £652,146 in the financial year 2016-17, when compared with the Treasury Accounting System; and
- adjustments in connection with General Rates and Salt Water Charges showed differences of £1,050,804 and £995,688 in the financial years 2016-17 and 2017-18 respectively, against the Treasury Accounting System.

3.4.5 As mentioned in previous reports, the above-mentioned differences continue to occur due to the department's inability to correctly reconcile its related accounting adjustments with the Treasury records. Furthermore, the significant differences between both sets of House Rents accounting records is a matter of concern to me.

3.4.6 House Rents Arrears - House Rents arrears stood at £5.29m¹² and £5.07m¹² as at 31 March 2017 and 31 March 2018 respectively, representing year-on year decreases of £0.47m and £0.21m respectively. At the end of the financial year 2018-19, House Rents arrears had further decreased by £0.16m to £4.91m¹². Figure 55 shows the comparable position of House Rents arrears at the year-end over the last ten financial years.

Figure 55

| Financial Year-End | House Rents Owing | Year-on-Year Increase/(Decrease) | Year-on-Year % Increase/(Decrease) |
|--------------------|-------------------|----------------------------------|------------------------------------|
| 31 March 2010 | £3,536,299 | | |
| 31 March 2011 | £3,764,341 | £228,042 | 6.4% |
| 31 March 2012 | £4,041,868 | £277,527 | 7.4% |
| 31 March 2013 | £4,427,974 | £386,106 | 9.6% |
| 31 March 2014 | £4,789,307 | £361,333 | 8.2% |
| 31 March 2015 | £5,258,753 | £469,446 | 9.8% |
| 31 March 2016 | £5,755,687 | £496,934 | 9.4% |
| 31 March 2017 | £5,286,364 | (£469,323) | (8.2%) |
| 31 March 2018 | £5,072,653 | (£213,711) | (4.0%) |
| 31 March 2019 | £4,908,569 | (£164,084) | (3.2%) |

3.4.7 Figure 55 illustrates how House Rents arrears had been increasing every year up to the financial year ended 31 March 2016, at which point the Housing Department began progressively recovering more House Rents owing than were accumulating for non-payment, resulting in a net decrease of 8.2% over the financial year ended 31 March 2017. This was followed by further yearly arrears net decreases of 4.0% and 3.2% during the financial years ended 31 March 2018 and 31 March 2019 respectively. I am very pleased at the continued downturn in House Rents arrears. This reflects a successful arrears recovery

¹² Arrears figures as at 31 March 2017, 31 March 2018 and 31 March 2019 include House Rents Arrears pertaining to six Gibraltar housing estates leased to GCAL.

strategy introduced by the Government in January 2016, aimed at proactively tackling defaulting tenants in the recovery of their outstanding House Rent debts, as well as introducing new mechanisms to prevent both the escalation of existing arrears and the formation of new arrears through the non-payment of current rent.

- 3.4.8** As highlighted in paragraph 3.4.5 of my last report, the arrears recovery strategy includes: an updated software application system for the collection of House Rents; improved rent payment methods (e.g. on-line, via the e-Government portal); withholding parking permits, sheds, stores or berths at the new small boats marina to tenants who are in arrears; limiting works provided to defaulting tenants to essential repairs only; not allowing any inclusions, exclusions or exchanges of tenants in tenancies where rent is owed; requesting all new Government housing tenants to pay their rent via bank standing orders or payroll deductions; an amendment to the Limitation Act, which allows for proceedings to be brought by the Government to recover rent arrears irrespective of how old the debt is; and working closely with the CAU in chasing all recalcitrant debtors.
- 3.4.9** Although there was a noticeable improvement in the level of House Rents Arrears, at the same time there was a decrease in net House Rents collections from £2.42m in the financial year 2016-17 to £2.13m during the financial year 2017-18, a decrease of £0.29m, followed by a slight increase of £0.02m from £2.13m to £2.15m in the financial year 2018-19. It must be noted, that these figures exclude the House Rents revenue collected in respect of the 3,116 properties which make up the six housing estates leased by Gibraltar Residential Properties Limited to GCAL, namely: Alameda Estate, Glacis Estate, Laguna Estate, Moorish Castle Estate, Mid-Harbour Estate and Varyl Begg Estate. A total of £1.86m of House Rents was collected in relation to these six housing estates during the financial year 2017-18 which was transferred from Government revenue to GCAL, with a comparative £2.01m also transferred during the financial year 2018-19.
- 3.4.10** The arrangement for the collection of House Rents arrears relating to the six housing estates leased to GCAL, pursuant to the agreement between this company and the Government of Gibraltar dated 23 March 2016, is that the Housing Department continues to be responsible for the prompt and timely collection of rent arrears arising after 23 March 2016 in respect of each property. In this respect, the agreed policy for rent arrears collection is that:
- (a) Payment of rent arrears by a tenant shall first be applied against arrears accrued by such tenant after 23 March 2016, on a last-in, first-out basis;
 - (b) Once all arrears accrued by a tenant after 23 March 2016 have been recovered, payment of rent arrears can be set-off against arrears accrued prior to 23 March 2016; and
 - (c) In discharging this policy, payments received from existing and former tenants shall be treated in accordance with the provisions of clauses (a) and (b) above.
- 3.4.11** In order for the department's arrears recovery strategy to continue its success into the future, it will require constant monitoring and suitable modifications to ensure that the department's resources are effectively managed and that departmental policies and procedures remain in line with its long-term objectives. The department could complement its revised arrears repayment agreements with regular follow-ups of tenants who fail to comply with the terms and conditions of their respective agreements.
- 3.4.12** During 2018, the Housing Department managed to schedule 719 appointments with tenants who had either not previously entered into an arrears repayment agreement or were defaulting on their existing repayment agreements. This resulted in 196 new or revised agreements being signed from 285 tenants who actually attended the interviews, with the other 434 tenants choosing not to attend. During 2019, the department scheduled a further 515 appointments with tenants, which resulted in 171 new or revised agreements out of 256 attendances, with the remaining 259 tenants not attending the scheduled appointments.

- 3.4.13** I am pleased to report that after advising the Principal Housing Officer for many years on the recommended use of the Court of First Instance as part of its arrears recovery strategy, the Housing Department is currently looking to use this as a viable means of recovering debts. Similarly, after recommending the serving of registered 'final' letters to recalcitrant defaulters as an effective procedure in attempting to gain a response from debtors, the Housing Department served a total of 325 registered 'final' letters to debtors during the year 2019, of which 74 individuals were able to clear their debts and a further 15 debtors have entered into agreements incorporating secure payment methods for the recovery of their debts. One other person was entitled to rent relief.
- 3.4.14** Furthermore, the Principal Housing Officer confirmed to me that her department is currently liaising with the Registrar of the Supreme Court with a view of being notified when an application is made to the Courts for a grant of letters of administration or probate in an estate (rule 43 of the Non-Contentious Probate Rules 1987 (UK) refers, which apply to Gibraltar by virtue of rule 6 of the Supreme Court Rules 2000), that would allow any House Rents arrears owing to be paid prior to any distribution of funds.
- 3.4.15** **Tenants' Accounts with over £1,000 in House Rents Arrears** - An examination of the House Rent accounts of tenants as at 1 April 2019 revealed that there were 862 tenants who had accrued arrears of over £1K, totalling £4.65m. Of these, 481 tenants, with a total arrears balance of £2.86m, had entered into repayment agreements with the Housing Department for the payment of House Rents arrears, of which 412 tenants were found to be defaulting on their agreements, which amounted to £0.45m in total.
- 3.4.16** The number of tenants' accounts with over £1K in House Rent arrears continued to decrease, reaching 850 tenants by 5 January 2021. Conversely, there was a rise in the total arrears owed by these tenants, which stood at £4.76m, thereby indicating a relative rise in the average debt per tenant. There were 455 tenants out of the 850 tenants, with a total arrears balance of £2.94m, who had entered into arrears repayment agreements with the Housing Department, however, 405 of them, owing a total of £0.59m, were found to be defaulting on their arrears repayment agreements.
- 3.4.17** **Small Claims Court** - The Housing Department is also considering making use of the Small Claims Court to process claims against House Rents debtors. However, despite the financial threshold specifying the cases that can be heard by the Small Claims Court having increased to £10k as from April 2013, no cases have yet been processed through this Court.
- 3.4.18** An examination of the records of House Rents debtors as at 5 January 2021, showing tenants with rents due between £0.5k and £10k, revealed that a total of 935 tenants, collectively owing £2.97m of House Rents, could have potentially been processed via the Small Claims Court. Four hundred and fifteen tenants out of the 935 tenants, who collectively owed £1.64m, had entered into repayment agreements, out of which 362 tenants, with a total of £1.48m of outstanding rent, were defaulting on their repayment agreements. The remaining 520 tenants had not entered into a repayment agreement with the department, and collectively owed £1.34m.
- 3.4.19** **Top 30 Debtors** - An examination of the accounts of tenants with the largest outstanding balances of House Rents as at 30 June 2020, revealed that the top 30 debtors collectively owed £572,461. These same tenants collectively owed £537,942 the previous year on 30 June 2019, with 29 of them having increased their debts during this period. The House Rents balances owed by the top 30 debtors ranged from £16,027 to £23,876 and can be categorised as follows:
- Twenty-one tenants had entered into rent arrears agreements and were defaulting on them, of whom six had never made any payments towards their debts; and

- Nine tenants had not entered into rent arrears agreements, five of whom had never made any payments towards their debts. One of the nine tenants had received a House Rents write-off adjustment during the year and one other tenant was receiving rent relief.

3.4.20 Tenants with Rents Outstanding by Government Estate/Area - The table in Figure 56 lists the top ten estates/areas in Gibraltar with the highest outstanding House Rents total debt (excluding current rent) as at 30 June 2019:

Figure 56

| Estate/Area | Total Number of Properties | Total Rent Arrears at June 2019 | Average Rent Arrears per Property | Total Rent Arrears at June 2018 | % Increase/ (Decrease) |
|---------------------------|----------------------------|---------------------------------|-----------------------------------|---------------------------------|------------------------|
| Laguna Estate * | 795 | £814,751 | £1,025 | £805,107 | 1.2% |
| Glacis Estate Area * | 528 | £555,801 | £1,053 | £550,873 | 0.9% |
| Moorish Castle Estate * | 193 | £403,682 | £2,092 | £425,359 | (5.1%) |
| Varyl Begg Estate * | 652 | £349,354 | £536 | £338,427 | 3.2% |
| Mid-Harbour Estate * | 492 | £312,576 | £635 | £302,903 | 3.2% |
| Tank Ramp Area | 120 | £219,121 | £1,826 | £212,571 | 3.1% |
| Edinburgh Estate | 203 | £208,214 | £1,026 | £218,541 | (4.7%) |
| Willis's Road Area (East) | 154 | £192,674 | £1,251 | £210,425 | (8.4%) |
| Witham's Area | 222 | £189,179 | £852 | £205,874 | (8.1%) |
| Arengo's Area | 88 | £169,879 | £1,930 | £180,328 | (5.8%) |
| Totals | 3,447 | £3,415,231 | £991 | £3,450,409 | (1.0%) |

* The rent arrears in respect of these Housing Estates, as at 30 June 2018 and 30 June 2019, includes arrears of rent owing to GCAL.

3.4.21 I am pleased to report that five out of the top ten estates/areas with the highest House Rents arrears saw a decrease in their total debt during the year ended 30 June 2019, when compared to the position a year earlier, thus reflecting the continued effectiveness of the Government's arrears recovery strategy implemented in January 2016. Conversely, the total arrears in respect of five other estates increased over the year. In comparison, in the previous year from June 2017 to June 2018 only two estates showed an increase in arrears; whilst from June 2016 to June 2017 the arrears owing by all of the estates had in fact decreased. The estate with the highest average rent arrears per property was, once again, the Moorish Castle Estate, where each property owed, on average, a staggering £2,092, closely followed by the Arengo's Area and Tank Ramp Area which had average debts per property of £1,930 and £1,826 respectively. In summary, however, the overall performance of the top ten estates/areas for the year ended 30 June 2019 may be deemed positive, as there was an overall net decrease of 1% in total House Rents arrears.

3.4.22 House Rents Arrears Repayment Agreements - During the period from 12 April 2019 to 5 January 2021, a total of 515 new House Rents Arrears agreements were arranged by the Housing Department, equating to an average of approximately 25 new agreements arranged per month. However, on 5 January 2021, only 174 of these agreements remained active and included 153 tenants who were defaulting on their arrears agreement payments (which totalled £43,906). In comparison, during the period between 15 August 2017 and 11 April 2019, there had been 309 new arrears agreements arranged, an average of approximately 16 per month, out of which only 210 agreements were active as at 11 April 2019, including 162 tenants who were defaulting on their payments (which totalled £56,364).

3.4.23 Every month, the Housing Department sends out monthly advice invoices to all its tenants (approximately 5,000 in total), which will state whether they are in arrears or if they are defaulting on their House Rents arrears repayment agreements. In addition, the department also sends reminder letters to tenants in arrears who are not paying towards their debts, either because they are defaulting on their arrears agreements or because they have not

entered into an agreement with the department for the repayment of rent (in which case they will be invited to attend an interview, with the aim of having them set up such an agreement).

- 3.4.24** A total of 4,301 reminder letters were issued by the Housing Department in 2018 and a further 1,919 reminder letters were issued in 2019. The department also conducted an exercise in August 2019 to remind tenants in arrears of the payment methods available to them to settle their overdue rents as well as to provide advice to those tenants who were experiencing difficulties with their repayments so that they would not fall further behind on their rents.
- 3.4.25** The Housing Department continues to encourage tenants to commit to the payment of their House Rents arrears via bank standing order, payroll deduction, or by using the online facility, as an alternative to paying-off their arrears in one lump sum.
- 3.4.26 Government Employees in Arrears of House Rents** - An examination of Government employees' House Rents accounts on 30 June 2019 revealed that 27 (1.7%) out of 1,560 Government employees were in arrears, which had accrued prior to having their rent deducted from their salaries, compared to 38 (3.2%) out of 1,204 respectively on 30 June 2018, a yearly improvement of 1.5%.
- 3.4.27** As at 30 June 2019, there were 97 Government employees who had entered into repayment agreements, however, 66 (68%) of these were defaulting on their agreements. The previous year's position, on 30 June 2018, was that 89 Government employees had repayment agreements, out of which 60 employees (67%) were defaulting on their agreements. Notwithstanding this, the review revealed that total rent arrears collectively owed by Government officers with repayment agreements had decreased from £333,679 to £323,042 (3.2%) during the year ended 30 June 2019 and the percentage of public servants in rent arrears had dropped from 3.2% to 1.7% over the year.
- 3.4.28** Since January 2016, all Gibraltar Government employees have been required by the Housing Department to pay their House Rents by standing order or deductions from their salaries or wages. As at 30 June 2019, there were 1,058 out of 1,560 (67.8%) Government employees who were paying by deductions, compared to 1,028 out of 1,204 (85.4%) Government employees on 30 June 2018. The department is now also deducting former civil servants' House Rents from their occupational pensions.
- 3.4.29 Judgement Debts** - Despite my recommendations, the Housing Department has failed to enter into the process of serving directions on employers for the recovery of judgement debts by way of payroll deduction in respect of employees who are tenants in arrears of House Rents, in accordance with the provisions of section 13 of the Housing Act 2007. These directions can not only be served on any employer responsible for making payment of wages, salary, pension, bonus, commission, allowance or other remuneration to their employees, but also on any person making payment of any social security pension or allowance, household cost allowance, as well as on any person making payment of interest on any Gibraltar Savings Bank account or Government of Gibraltar/Gibraltar Savings Bank debenture or bond to which the tenant is entitled. The Housing Department nevertheless requires that tenants occupying new tenancies or exchanging tenancies arrange for the deduction of House Rents to be made from their salaries or wages. The department has been collecting employment information from tenants via the revised arrears agreement forms.
- 3.4.30 Parking Permits and Other Government Facilities** - During 2016, the initiative to withhold car parking permits from tenants who are in rent arrears or in default of arrears repayment agreements was reintroduced. This was in addition to similar restrictions on the allocation of garages, sheds or stores in housing estates or berths at the new small boats marina. In addition, the Housing Department subsequently conducted an exercise at Varyl Begg Estate to ensure that car parking spaces are only available to tenants who are up-to-date on their House Rents arrears, or are paying towards these via an arrears repayment agreement. The Principal Housing Officer informed me that the situation will be monitored so that

unauthorised vehicles using these car parking spaces will be clamped, thereby encouraging defaulters to start settling their debts.

3.4.31 Additionally, the department has recently introduced a policy where it is advising tenants who wish to apply for the purchase of low-cost housing within any of Government's affordable housing schemes that they are required to be up-to-date with the payment of their House Rents in order to be eligible for consideration. In her reply to me of 2 March 2020, the Principal Housing Officer confirmed that 35 applicants to Hassan Centenary Terraces had been contacted directly by the Housing Department as they were identified as owing House Rents arrears, out of which 32 individuals had subsequently paid their debts in full. The other three remaining individuals similarly paid their respective House Rents arrears a short time after.

3.4.32 Former Tenants - As stated previously by my predecessor and myself in successive reports, the Principal Housing Officer wrote to the Financial Secretary on 18 February 2010 requesting the write-off of House Rents arrears amounting to £85,848 pertaining to deceased tenants deemed irrecoverable as the tenancies of these properties had been terminated. The Financial Secretary, before granting authority to write-off the sum of £85,848, requested to know whether the avenue of recovering the said write-off amount via the estates of deceased debtors had been explored. However, there was never a response to the Financial Secretary's request. On questioning the Principal Housing Officer as to why the department had not explored the suggestion put forward by the Financial Secretary, the Principal Housing Officer confirmed to me that no such exercise ever materialised due to inadequate staffing levels and also due to time limitations.

3.4.33 In my previous report I further commented that, as at 20 October 2017, the Housing Department, in conjunction with the CAU and Civil Status and Registration Office, was still in the process of compiling a list of former tenants which will serve as a platform to determine the possibility of recovering House Rents debts from the next-of-kin of deceased tenants. On enquiring whether the exercise of compiling a list of former tenants in conjunction with the CAU and Civil Status and Registration Office was undertaken and completed, the Principal Housing Officer informed me on 13 April 2022 that this exercise was never completed.

3.4.34 In response to my request for an update in relation to request for write-offs, the Principal Housing Officer informed me on 8 April 2020 that, in addition to the write-off request dated 18 February 2010, totalling £85,848, there had been five recent requests for write-off sent to the Financial Secretary, as detailed in Figure 57. However, she added that none of the write-off requests had yet been approved. She mentioned that on chasing this up with the Office of the Financial Secretary, they advised that due to the Covid-19 situation this unfortunately was not a priority and would be reviewed at a later date.

Figure 57

| Date of Write-off Request | No. of Debtors | Total Amount of Debt |
|---------------------------|----------------|----------------------|
| 18 February 2010 | - | * £85,848 |
| 15 January 2020 | 406 tenants | # £375,388 |
| 20 January 2020 | 1 tenant | £2,219 |
| 20 January 2020 | 1 tenant | £8,828 |
| 20 January 2020 | 1 tenant | £8,000 |
| 2 March 2020 | 1 tenant | £2,627 |
| Total | | £482,910 |

* The number of debtors (deceased tenants) was never specified by the Housing Department.

The Housing Department's request for write-off of £375,388 erroneously includes the department's request for write-off of £85,848 dated 18 February 2010.

3.4.35 Treasury Statistics – Cross Table Report - The Housing Department's House Rents database generates a Treasury Statistics – Cross Table report consisting of a detailed breakdown, as at the date and time the report is requested, of the total House Rents outstanding for both former and current tenants. Additionally, the report generates statistics in respect of current tenants analysed as follows:

- tenants paying;
- tenants not paying;
- tenants with arrears repayment agreements;
- tenants with no arrears repayment agreements; and
- tenants defaulting on their arrears repayment agreements.

3.4.36 An examination of the 'Treasury Statistics - Cross Table' report as at 5 January 2021 revealed that House Rents arrears stood at £5.41m, compared to £5.22m on 1 April 2019. The total arrears of £5.41m consisted of £0.51m in respect of current rent; £1.93m in respect of arrears covered by agreements (of which £0.60m was in respect of tenants who were defaulting on their arrears repayment agreements); and, £2.96m in respect of arrears not covered by agreements. It was noted that there was a discrepancy of £19,244 between the total arrears figure and the figure of current rent plus arrears in the 'Treasury Statistics - Cross Table' report as at this date.

3.4.37 As at 5 January 2021, there were 578 tenants (out of a total of 7,946 Government tenants) with House Rents balances due in excess of £2.5k each, collectively owing £4.30m. Hence, 7.3% of total tenants collectively owed 79.5% of total House Rents arrears. There was a total of 136 tenants with House Rents balances due in excess of £10k each, collectively owing £1.95m. Therefore, 1.7% of total tenants collectively owed 36.0% of total House Rents arrears.

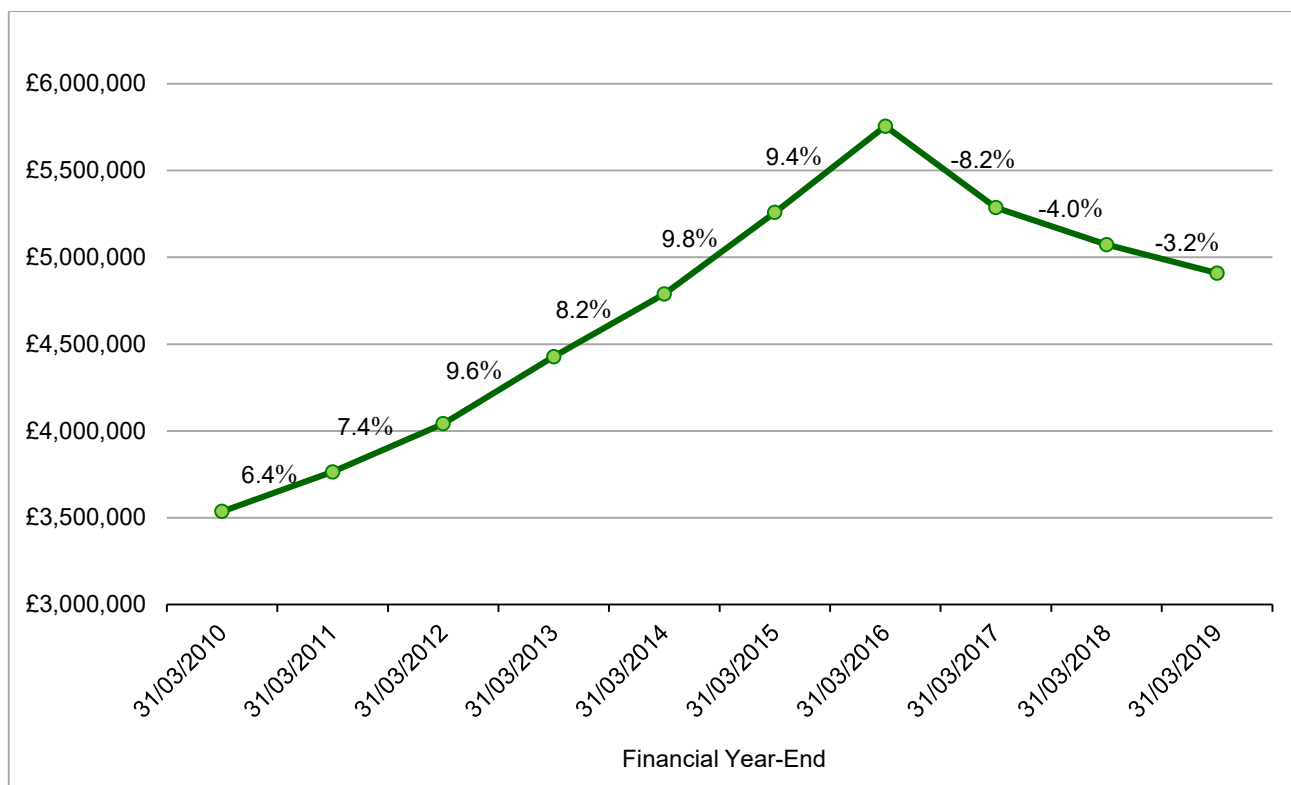
3.4.38 The report highlighted that, as at 5 January 2021, 901 current tenants (11.3% of total tenants), collectively owing £3.96m (73.2% of total House Rents arrears), were classified as 'Not Paying' and also identified 3,074 tenants (38.7% of total tenants) as being 'Former Tenants' (i.e. tenants who no longer lived in the property allocated to them, either because they: (i) terminated their tenancy; (ii) been evicted; (iii) absconded from the property without giving due notice to the Housing Department; (iv) been admitted to the Elderly Residential Services; or (v) passed away), who collectively owed £1.06m (19.6% of total House Rents arrears).

3.4.39 As repeatedly highlighted by my predecessor and myself, I am of the view that the information generated by the 'Treasury Statistics - Cross Table' report is a valuable management information tool to monitor House Rents collections, with the report generating extremely useful statistics which the Housing Department can use to effectively manage and monitor House Rents arrears. Nevertheless, the Housing Department have confirmed to me that they do not make use of this report.

3.4.40 Effective Arrears Management - Figure 58 illustrates the level of House Rents arrears as at the end of the last ten financial years, up to 31 March 2019. The graph shows that the level of House Rents arrears was progressively on the increase until the introduction of the Government's arrears recovery strategy in January 2016 which subsequently resulted in decreases of 8.2%, 4.0% and 3.2% in the years ended 31 March 2017, 31 March 2018 and 31 March 2019 respectively. The downward direction of outstanding arrears reflecting the effectiveness of the strategy.

Figure 58

House Rents Arrears



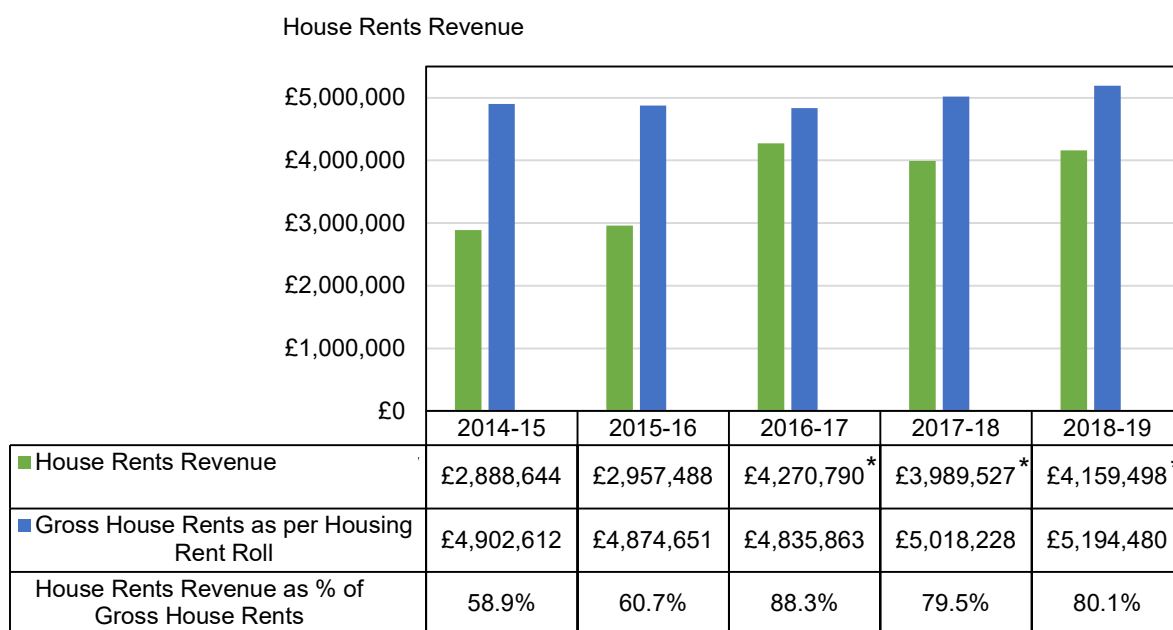
3.4.41 In my previous report, I commented how established good practice prescribes¹³ that overall achievable House Rents arrears targets should be set at 3.1% of gross rent due and 7% of net rent due. The level of arrears as at 31 March 2019 (£4.91m) compared to gross rent due (£5.19m) stood at 94.6%, which is 91.5% over the recommended level. In the same way, arrears as at 31 March 2019 compared to net rent due (£4.86m) stood at 101.0%, i.e. 94.0% above the recommended level.

3.4.42 Another key performance indicator¹⁴ that highlights that the Housing Department's established policies and procedures for the collection of House Rents have in the past largely been unsuccessful is that of House Rents revenue as a percentage of Gross Rents Expected (the Rent Roll). Following best industry practice, the target for this key performance indicator should stand at a level of above 95%. An analysis of the Housing Department's records for the past five financial years, illustrated in Figure 59, shows that the level of House Rents Revenue, as a percentage of Gross Rents Expected, had increased steadily from 58.9% to 88.3% over the 3-year period from 2014-15 and 2016-17, and remained at a level close to 80% over the next two financial years 2017-18 and 2018-19, although this is still short of best industry practice.

¹³ Scotland Accounts Commission Study – Managing Rent Arrears.

¹⁴ Northern Ireland Audit Office – The Management of Social Housing Rent Collection and Arrears.

Figure 59



* House Rents revenue, as from the financial year 2016-17, include rents collected in respect of the six Gibraltar housing estates leased to Gibraltar Capital Assets Limited (GCAL). These rents have been transferred to this wholly-owned subsidiary of the Gibraltar Development Corporation pursuant to the Agreement between GCAL and the Government of Gibraltar dated 23 March 2016. During the financial year 2016-17, £1,853,559 of the £4,270,790 collected was transferred to GCAL; during the financial year 2017-18, £1,863,173 of the £3,989,527 collected was transferred to GCAL; and, during the financial year 2018-19, £2,014,365 of the £4,159,498 collected was transferred to GCAL. Although technically the sums transferred do not constitute Government revenue, they have been included in the table in order to ensure the same basis of measurement for the purposes of making like-with-like comparisons.

3.4.43 The significant increase in House Rents collections as from the year 2016-17 reflects the Housing Department's major efforts in recovering historic rent arrears, whilst at the same time ensuring compliance of current rent payments. However, despite the ratio of House Rents Revenue as a percentage of Gross House Rents having improved in recent years, the last two financial years' ratios have been below the peak of 88.3% reached in 2016-17, without achieving the best industry practice level of 95%. The Housing Department must not become complacent in its efforts to recover historic rent arrears. Nevertheless, these ratios must be seen in the context that they include substantial amounts of house rent arrears and might therefore not be the most optimum barometer to gauge performance of expected current rent collection of the department's rent roll.

3.4.44 As commented in previous reports, the effective management of arrears and collection of House Rents is possible by implementing clear policies and procedures to tackle the issues at hand and which outline the department's long-term strategic objectives. The under-mentioned six key areas are an integral part of the management of rent arrears:

- established and documented policies and procedures;
- proactive arrears prevention measures;
- arrears recovery measures;
- possibility of instigating legal action;
- effective management of former tenants' arrears; and
- continuous and periodical performance review and improvement of all operations and related processes.

3.4.45 I am very glad that the Housing Department has committed to an arrears recovery strategy that aims to minimise the level of House Rents arrears and to maximise the collection of rental income. I am hopeful that the department's officers have a clear direction from

management and the appropriate training support that will empower them to both manage and maintain an effective rent collection system. The proper and integrated use of information technology is also essential to complement the policies and measures that have been introduced.

3.4.46 Write-Offs - There were no write-offs of House Rents arrears during the financial year 2016-17; there was a total of £1,243 written-off during the financial year 2017-18.

3.4.47 Void and Unallocated Government Housing - The value of rents of void and unallocated government housing for the financial year 2017-18, according to the department's records, stood at £248k (representing 4.9% of the Rent Roll total of £5.02m), an increase of £97k compared to the previous year's figure of £151k (which at the time represented 3.1% of the Rent Roll total of £4.84m). As at 5 January 2021, the department's records showed that 272 properties in the Rent Roll (representing 3.8% of the housing stock) were classified as being void and unallocated, compared to 299 properties (4.3% of the housing stock at the time) similarly classified on 1 April 2019.

3.4.48 Figure 60 shows the length of time the 272 unallocated properties had been void as at 5 January 2021.

Figure 60

| Void Duration | Number of Void and Unallocated Properties | Number of Properties Deemed to be Beyond Economical Repair |
|------------------------------|---|--|
| Less than 20 weeks | 39 | 1 |
| 20 weeks to 1 year | 22 | 2 |
| 1 year to 5 years | 75 | 22 |
| 5 years to 10 years | 74 ^(a) | 10 |
| 10 years to 15 years | 24 ^(a) | 7 |
| 15 years to 20 years | 8 | 5 |
| 20 years to 25 years | 15 | 10 |
| 25 years to 30 years | 6 | 3 |
| No start date ^(b) | 9 | 3 |
| Total | 272 | 63 |

^(a) Includes one void and unallocated property that was occupied by squatters, according to Housing Department records (in total there were two unallocated void properties occupied by squatters).

^(b) Nine properties did not have a recorded date as from when the property had become void, thus making it impossible to determine for how long they had been vacant.

3.4.49 An analysis of the unallocated properties shows that half of all void properties (136 voids) had remained unallocated for periods of up to 5 years as at 5 January 2021 and a further 74 properties (27.2%) were classified as being void for periods of between 5 years and 10 years. Within the remaining 62 void properties there were 53 properties which were recorded as having been void for periods of between 10 and 30 years, in addition to nine properties which were recorded as being void for an undetermined period of time, as they did not have a start date as from when they had been void. The resulting average time the 263 unallocated properties with recorded dates had remained void was approximately 6 years and 7 months. It should be noted, nonetheless, that 63 of the total 272 void properties were classified as being beyond economical repair (an increase of one property since 1 April 2019) which if excluded from the calculation would give the average time a Government rental property remains void before it is reallocated to be approximately 5½ years.

3.4.50 Occupational Therapy Conversion Works - An audit review was carried out on occupational therapy conversion works and flat refurbishments projects undertaken on

Government rental housing during the financial year ended 31 March 2019. On 10 July 2019, I wrote to the Principal Housing Officer, highlighting the observations noted as a result of the review undertaken, to which the Principal Housing Officer replied to me on 12 November 2019. I again wrote to the Principal Housing Officer on 21 January 2020 referring to some aspects of the audit review where I needed further information and asking for her additional views. She replied to me on 3 June 2020 and I hereunder draw attention to the areas of concern noted, together with the Principal Housing Officer's comments.

3.4.51 Labour Costs

Gibraltar Joinery Building Services Ltd ("GJBS") invoiced the Housing Department a total of £359,504 for 48 occupational therapy conversion projects of which £247,878 (68.9%) represented labour costs. At a chargeable hourly rate of £20 per labour hour, GJBS took a staggering 12,394 hours to complete the 48 conversion projects. The highest cost being £27,033.

3.4.52 All 48 projects were directly assigned by the Housing Department to GJBS without obtaining quotes through a selective tendering system. In fact, it is my understanding that up until August 2018, all occupational therapy projects were directly allocated to GJBS without the provision of an estimate and worryingly, invoices were being authorised for payment without an assessment of completed works.

3.4.53 I informed the Principal Housing Officer that this practice does not encourage GJBS to strive for efficiency as all labour costs are recoverable from the Government, as a consequence the risks in terms of value for money are not appropriately managed. This was evident when examining a sample of the 48 occupational therapy conversion projects.

3.4.54 One particular project in October 2018, entailing conversion works to a flat in Varyl Begg, based on occupational therapy recommendations, totalled £27,033 and took an alarming 1,017½ hours to complete. The cost might have been less had three quotes been obtained for the project before this was directly assigned to GJBS.

3.4.55 In her reply, the Principal Housing Officer highlighted that even though labour costs may seem high, when this is represented as a percentage split between labour and materials, costs between 60/40 or 70/30 in favour of the labour element can be interpreted as reasonable in the construction field.

3.4.56 I informed the Principal Housing Officer that my understanding was the reverse to be true, i.e. that the industry average is generally: Labour - 30%; and Materials - 70%. But even allowing for a 50% ratio between labour and material costs, which could be argued is a more realistic measure for internal construction project costs, the proportion cost of labour to materials for the 48 conversion projects showed that 89.6% of the these had labour cost which exceeded 50% of the total project cost as shown in Figure 61 below. Moreover, 54.2% of the projects had labour costs which exceeded 70% of the total costs.

Figure 61

| Labour Margin | No. of Projects | No. of Projects (%) |
|--|------------------------|----------------------------|
| GJBS Labour 50% or less | 5 | 10.4% |
| GJBS Labour greater than 50% but less than 60% | 4 | 8.3% |
| GJBS Labour 60% but less than 70% | 13 | 27.1% |
| GJBS Labour 70% but less than 80% | 13 | 27.1% |
| GJBS Labour 80% but less than 90% | 8 | 16.7% |
| GJBS Labour 90% but less than 100% | 5 | 10.4% |

I therefore informed the Principal Housing Officer that I continued to be of the view that the labour costs of the 48 conversion projects undertaken by GJBS in the sample selected were exceedingly high.

3.4.57 The Principal Housing Officer replied insisting that in her view, and that of the Head of the Housing Works Agency, the labour/material split can be interpreted as reasonable in the construction field. She explained that this did not necessarily mean that the total value for labour and material is reasonable for the work involved. The percentage split between these two elements are within known tolerances; not that the total labour cost or total material cost are reasonable for the work undertaken. The Principal Housing Officer added that GJBS appeared to have charged an excessive amount of labour hours to the jobs in question. These hours include potential mismanagement, non-productive hours, etc. which are passed on to the client, in this case, the Housing Department/Housing Works Agency.

3.4.58 In her initial reply the Principal Housing Officer explained that the 48 projects were directly assigned to GJBS, because the conversion works specifically require expertise in this field of work to guarantee the desired outcome, of which GJBS have a dedicated team for this, and although she noted my suggestion of a procurement process, due to the large volume of works orders processed this method would prove ineffective and delay the proper execution of time critical works which would result in the tenant being at risk of personal injury.

3.4.59 I informed the Principal Housing Officer that notwithstanding her explanation, an analysis of the number of hours worked by GJBS employees per project against the total number of hours worked on each of the 48 conversion projects sampled revealed that none of the projects had the full 100% of the labour undertaken by GJBS employees, in fact there were just 2 conversion projects that had 56% of the labour undertaken by GJBS; the rest of the 46 projects had less than 50% of the labour undertaken by GJBS. A summary of the percentage of labour hours undertaken by GJBS employees is shown in Figure 62.

Figure 62

| Percentage of hours worked by GJBS employees | No. of Projects |
|---|------------------------|
| GJBS Labour hours less than 10% | 8 |
| GJBS Labour hours 10% but less than 25% | 27 |
| GJBS Labour hours 25% but less than 50% | 11 |
| GJBS Labour hours 50% and above | 2 |

3.4.60 I further mentioned that the risk of time critical works having overruns did not appear to have been a key consideration when account is taken of the actual time taken in largely all of the conversion works, as can be seen in the analysis of time taken in Figures 63 and 64 below. There was one project where the works commenced 684 days after the works order was raised. Whilst in another separate project the actual works took over 5 months (166 days) to complete.

Figure 63

| Time taken between the date the works were approved and the date the works commenced | No. of Projects |
|---|------------------------|
| GJBS Works started less than 14 days from raising works order | 1 |
| GJBS Works started between 14 days to 60 days from raising works order | 10 |
| GJBS Works started between 61 days to 180 days from raising works order | 24 |
| GJBS Works started over 180 days from raising works order | 13 |

Figure 64

| Time taken for execution of works (i.e. time between commencement of works and when works were finalised) | No. of Projects |
|---|-----------------|
| GJBS Works took less than 5 days to complete | 1 |
| GJBS Works took between 5 and 14 days to complete | 23 |
| GJBS Works took between 15 and 30 days to complete | 9 |
| GJBS Works took more than 30 days to complete | 15 |

- 3.4.61** The Principal Housing Officer countered that GJBS is the only entity prepared and set up to undertake occupational therapy works. She explained that these works were being administered by the Housing Works Agency on a pre-estimate basis as is the case with all other works and contractors and there was no special treatment for GJBS. The only difference between GJBS and other contractors was that the estimates are calculated on a different all-in hourly rate to reflect the unique position GJBS are in with regards to the direct-employed labour who earn more than their private counterparts and has been adjusted accordingly to this effect.
- 3.4.62** The Principal Housing Officer noted my concerns on the un-estimated works orders, and in this respect she informed me that the Housing Department was already working with the Housing Works Agency to make sure better value for money and efficiencies are achieved. The Housing Works Agency was now preparing in-house estimates for all works being outsourced to GJBS. She explained that preparing in-house estimates and allocating these to the relevant contractor provided value for money and speed. The department was also looking at extending this to other contractors under a measured Term Contract which would also address the practice of invoicing on a "cost plus" basis which would now be discontinued.
- 3.4.63** With regard to the conversion of the flat at Varyl Begg Estate, highlighted in paragraph 3.4.54, the Principal Housing Officer explained that the cost of this could have indeed been less should in-house estimates have been adapted at the time, however she said that there are cases in which works are costed but then require re-costing due to unforeseen additional works encountered at the time of execution.
- 3.4.64** Inconsistency in labour costs claimed
I informed the Principal Housing Officer that there was no consistency in labour costs charged for occupational therapy works of a similar nature. For example, two invoices for conversion of bath to shower and associated works contained in a sample selected in respect of November 2018, showed a difference of £3,660 (127.5%) in labour costs between the two invoices. GJBS had invoiced £6,530 and £2,870 in labour costs for the two work orders respectively.
- 3.4.65** The Principal Housing Officer, although noting my concerns on this, replied that it would not be accurate to compare these in this way as these works, although noted as the same type, relate to two different properties of which layout, services, and execution of work may be different as well as unforeseen (extra) complications that may have been encountered, thus resulting in all labour costs being charged to the employer.
- 3.4.66** Difference Between Actual Cost and Estimate
I pointed out to the Principal Housing Officer that an examination of two occupational therapy work orders independently estimated by the Housing Works Agency, after being completed by GJBS, had shown that the two work orders of October 2018, for a bath to shower conversion incurred £10,505 and £5,770 in respect of labour costs respectively yet the estimated labour costs for the two projects, submitted by the estimator from the Housing Works Agency, were £3,594 and £1,240 respectively. Nevertheless, there was no evidence attached to the payment voucher outlining the reason(s) for the difference. It is pertinent to

note that invoices are solely checked by the Housing Department against the database in order to ensure that the works have been completed.

- 3.4.67** Additionally, an examination of four occupational therapy work orders in respect of the month of March 2019, with estimates carried out by the Housing Works Agency, revealed the significant differences between the estimate and actual costs detailed in Figure 65.

Figure 65

| Date | Work Order | Estimate | | Actual | | Total Difference |
|------------|------------|----------|-----------|--------|-----------|------------------|
| | | Labour | Materials | Labour | Materials | |
| March 2019 | 293614 | £2,444 | £730 | £5,840 | £1,113 | £3,779 |
| March 2019 | 294890 | £1,800 | £1,756 | £5,171 | £585 | £2,200 |
| March 2019 | 293801 | £360 | £300 | £4,440 | £831 | £4,611 |
| March 2019 | 294741 | £1,764 | £1,774 | £3,610 | £2,436 | £2,508 |

- 3.4.68** I told the Principal Housing Officer that the Head Estimator from the Housing Works Agency had been informed of the discrepancies. As a result of which, I believe, a new validation check to match 'Estimate and Invoice Amount' has been requested by the department from the software developer to be incorporated into the computer system to avoid this reoccurring in the future. Notwithstanding this, I enquired why these invoices had been settled considering that the invoices did not agree with the estimates.
- 3.4.69** With regard to the differences highlighted in paragraph 3.4.66, the Principal Housing Officer replied that after reviewing the query, she could confirm that one of the works orders had been the first to be estimated under the new procedural method of a "pre-estimate" which highlighted two significant factors that contributed to the discrepancy. The first being the outstanding implementation of a validation process in the Works Order Management Module of the Housing database system which automatically compares the estimate and invoice totals and halts payment if there are any inconsistencies. The Principal Housing Officer further explained that this module was still being worked on. The second discrepancy is in respect of the preparation of the pre-estimate of work on a "best case scenario" and subsequent management of approved variation during the "post-contract" phase of work order, which may cause the invoiced amount to exceed the original estimate. She added that these explanations also applied to the differences reported in paragraphs 3.4.67. Regarding the query in paragraph 3.4.68, as to why had the invoices been settled considering that these did not agree with the estimates, the Principal Housing Officer replied that the automated validation module had not yet been implemented at the time and so the invoices had been paid under the 'cost plus' basis.
- 3.4.70** In my subsequent response to the Principal Housing Officer, I pointed out that the first factor that she said contributed to the significant variance between pre-estimated cost and actual invoiced cost, in respect of one of the work orders was really not an aspect that actually influenced the substantial difference between estimate and actual cost of the project, as the reason given is in fact an internal control feature that is in the process of being implemented with a view of highlighting inconsistencies between estimate and invoice total. I then questioned her whether it was the second factor (i.e. approved variations during the post-contract phase of the project) the actual reason for the variance with regards to both work orders. The Principal Housing Officer further explained that although there may have been some discrepancies at the beginning of the "estimate versus invoice" procedure within the computer database, this had been ironed out since then. The estimate and invoice are required to match within the computer system; if this does not occur, then no payment will be effected. This will apply to all contractors, including GJBS. The Principal Housing Officer added that the management of the post-contract phase of any works order is extremely important, especially when variations are approved, which may lead to a difference between the original estimate and the invoiced amount. For this very reason, the department may

have had several estimates not tallying with the eventual invoiced values at the time this procedure was implemented.

3.4.71 Duplication of Hours

I informed the Principal Housing Officer that during the month of October 2018, according to invoices submitted by GJBS, there were three instances of one worker, and separately an instance of another worker, both individuals subcontracted by GJBS, that had been working the full working day on two distinct occupational therapy jobs simultaneously on the same day. The Principal Housing Officer explained that this is now avoided by having implemented the practice of having a pre-estimated works order whereby the contractor has a set price for the works, and any overrun in labour is at the contractor's expense and not met by the employer, the Housing Department. I again highlighted to the Principal Housing Officer what action, if any, had been taken to recover from GJBS what appeared to be over-claimed labour hours by the Government-owned company. The Principal Housing Officer replied on 14 September 2020, that she had instructed the Housing Works Agency to engage with GJBS in order to recover the sum over-claimed in labour hours by the company. On 9 February 2021, the Head of the Housing Works Agency confirmed that after various exchanges with GJBS, the over-claimed labour hours, amounting to £600, had been fully recovered.

3.4.72 Flat Refurbishments

I further informed the Principal Housing Officer that an examination of three journals relating to January 2018 and August 2018, crediting Gibraltar General Construction Company Ltd ("GGCC") with the cost of flat refurbishments carried out to Government rental housing stock, had revealed that the supporting documentation attached to the journal vouchers solely consisted of a list of invoices relating to the works subcontracted by GGCC. The list included the name of the subcontractor, the invoice sum, and the address of the Government rental dwelling being refurbished; however, there was no reference to the work order number. I pointed out my concern that there was no control or degree of oversight being exercised over the amounts paid to GGCC and charged to the Improvement and Development Fund Head 101 Subhead 1 (n) Housing: Works and Repairs. In her reply, the Principal Housing Officer explained that by enhancing the capabilities of the Housing Department's database, all invoices are now electronically linked to the relevant works order. This, along with the addition of the payment validation process undertaken by the works order management module, should address any errors or omissions that might occur.

Human Resources

3.5.1 Special Leave – Gibraltar 2019 International Island Games - On 13 June 2019 and on 4 July 2019, I wrote to the Human Resources Manager, informing him that an examination of the letters issued by his department, approving special paid leave to Government employees participating in the Gibraltar 2019 International Island Games, against the sports' schedules shown under the Gibraltar Island Games Association ("GIGA") website had revealed that all Government employee participants in the Island Games had been awarded special paid leave for the *full week* during which the Games were to be held, i.e. 8 July 2019 to 12 July 2019, notwithstanding, that in the case of some competitors their participation in their sport ended before the close of the Island Games. I further informed the Human Resources Manager that in the absence of a detailed schedule (as prescribed under General Orders) from the sporting body, in this case GIGA, stating whether the competitors or officials will be attending other functions or performing additional duties, such as at medal ceremonies or technical meetings, it was impossible to know whether competitors and officials were still required outside of the competition dates. It was additionally noted that even though some of the Human Resources letters of approval had a paragraph highlighting that officers were expected to return to their work duties on those days when they were not competing or their services were no longer required at the Games, there were other letters that did not have this information included.

- 3.5.2** On 19 September 2019, a Senior Executive Officer from the Human Resources Department replied to me on behalf of the Human Resources Manager, explaining that all individual requests for special paid leave in relation to the Gibraltar 2019 International Island Games had been closely reviewed, and they could confirm that at the time of approval, the Human Resources Department was totally unaware that for some participants the competitions would be ending on 11 July 2019. In fact, all supporting documentation provided by the Games Director and the Chairperson of the Island Games Committee, did indeed confirm the individuals' involvement in the Games up to and including the 12th July 2019. This is the reason why special paid leave had been granted until 12 July 2019, unless specifically stated otherwise. The Senior Executive Officer said my comments had been duly noted, and he confirmed that going forward, their letters to individuals competing in similar sporting events shall include the need to return to work on days when they are not competing for any reason, or if their services were no longer required in the capacity that special paid leave was granted. They would additionally ensure that the sport in which the officer is competing, together with their official role/capacity is clearly stated within the request letter.
- 3.5.3** Having reviewed the Human Resources Department's explanations, I wrote back on 27 November 2019, highlighting that in normal circumstances letters from the Human Resources Department approving special paid leave to officers taking part in sporting events do accurately state the extent of the competing officer's time involved in the event. It is only on occasions such as the 2019 International Island Games held in Gibraltar, or other major events that take place in Gibraltar (where the strict need for all participants involved in the event to be given special paid leave for the entire duration of the event does not necessarily arise because of the competition being held locally) that the letters to participants must include the need to return to work on those days when participants are not competing or their services are not required. I informed the Senior Executive Officer that I would be checking the relevant individual employees' special leave records against the sports' schedules shown under the GIGA website to verify if their departmental records accurately reflected the actual days they participated and would be notifying him of the results of this audit exercise.
- 3.5.4** On 15 September 2020, I wrote to the Human Resources Manager informing him that an audit review had been carried out on those Government employees who had requested special paid leave in order to compete or officiate at the Gibraltar 2019 International Island Games. The letters approving special paid leave, issued by the Human Resources Department, were compared against the officers' corresponding sports schedules (as shown in the GIGA website) and thereafter checked against the officers' departmental special leave records to verify whether the days they were competing or officiating matched the actual days taken. The findings of the review showed that a total of 23 employees, from a wide range of Government departments, were found to have irregularities in their special leave records. The major anomaly noted in 21 of the cases was that there was no evidence on file that the individuals had returned to work, after ceasing to compete or officiate during the week of the Island Games, and had had their special paid leave cancelled for the days in question. There were two other Government officers who took part in the Gibraltar 2019 International Island Games in respect of whom there was no record in either their Human Resources personal file or departmental leave files formally approving the period of special leave for them to compete in the Island Games.
- 3.5.5** In my correspondence with the Human Resources Manager, I recommended that he should write to the Heads of Department responsible for the employees I reported in paragraph 3.5.4 above, informing them of the existing anomaly in their staff members' special leave records. I highlighted that in the event that one of these employees informs his Head of Department that he had volunteered to help with the running of events on those days when he was not competing, the Head of Department should be reminded that it was Government policy not to provide special paid leave to volunteers. Moreover, Government employees when not competing could not have acted as officials given that officials must be selected and trained for their roles in advance of the games. I further explained, that officials were

imperative for the organisation of the games and needed to be dependable; they could not have been participants whose availability was uncertain or dependent on their progress within their competitions. Similarly, officials on special paid leave could not have acted as volunteers at the games on those days on which they were not officiating. The Senior Executive Officer replied to me on 25 September 2020, informing me that they had already established contact with the Heads of Department, as suggested, in order to notify them of these findings and they had been asked to confirm whether the employees concerned would be taking annual leave or unpaid leave on the dates on which they did not compete in their respective events, or find out whether they did in fact report to duty on those dates.

- 3.5.6** On 15 March 2021, the Human Resources Manager wrote to me, explaining that a thorough investigation had been carried out, specifically on those officers that had continued on special paid leave on days on which they had not participated as competitors in the Gibraltar 2019 International Island Games. These irregularities had been communicated to the respective Heads of Department and they were notified that special paid leave would have to be revoked and the dates in question would have to be taken as annual or unpaid leave. The Human Resources Manager confirmed that there were only two cases where the officers had agreed for the period to reckon as annual leave. He added that in all other cases there had been strong representations made by the individuals and their respective sporting associations confirming that although they had not competed in their corresponding events, the officers had still partaken in other various official roles and capacities. The Human Resources Manager informed that in one particular case, the irregularity had been brought to the attention of the Minister for Sport, who had indicated that it had been agreed prior to the Games, that special paid leave would be granted to all competitors and officials.
- 3.5.7** The Human Resources Manager further informed that he had raised this matter with the Chief Secretary who had acknowledged that when the Island Games are hosted abroad, special paid leave is granted for the duration of the event, irrespective of whether officers do not compete on any particular day, or whether they do not qualify for further competition. It was therefore exceptionally agreed by the Chief Secretary, that on the basis that the International Island Games were hosted in Gibraltar, all officers concerned should be allowed to take special paid leave during the full period. I replied to the Human Resources Manager on 30 March 2021, expressing my surprise at the decision taken by the Chief Secretary, considering that the situation regarding officers that are awarded special paid leave when attending the Island Games abroad is evidently different inasmuch as participants all generally travel together the inbound and outbound journeys, and so they need to stay the entire duration of the Games, regardless of whether they are not competing on any particular date, or they do not qualify for further competition. This is obviously not the case when the games are hosted in Gibraltar, and so I informed the Human Resources Manager that I failed to understand the logic of allowing special paid leave to all government employees participating in the Gibraltar 2019 International Island Games, irrespective of their day(s) of competition.
- 3.5.8 Cost to Government of Awarding Special Paid Leave** - On 29 September 2020, I wrote to the Human Resources Manager informing him that an audit exercise had been undertaken to ascertain the cost to Government of awarding special paid leave to civil servants, public servants and Gibraltar Development Corporation officers under the provisions of General Orders. The period of audit selected was the 2018 calendar year (it was decided not to select the year 2019 because of the exceptional circumstances of holding the 2019 International Island Games in Gibraltar in that year).
- 3.5.9** I explained to the Human Resources Manager that the costing was performed by extracting all cases of special paid leave approved by the Human Resources Department and by statutory authorities, agencies and the Gibraltar Development Corporation during 2018 and thereafter multiplying the number of days of special leave granted by the daily rate of basic salary/wage of the officer awarded the special leave. The table in Figure 66 below

summarises the special paid leave awarded during the year 2018, broken-down by the number of days taken under each category and the cost of this by category:

Figure 66

| Reason for Awarding Special Paid Leave | Number of Cases Awarded Special Paid Leave | Number of Special Paid Leave Days Approved | Cost of Special Paid Leave Awarded |
|--|--|--|------------------------------------|
| Medical | 382 | 2,136 | £207,807 |
| Sports/Culture | 76 | 432 | £45,055 |
| Training * | 30 | 166 | £16,622 |
| Other * | 8 | 25 | £2,344 |
| | 496 | 2,759 | £271,828 |

* 'Training' includes volunteer reserve forces training and cadet training (£7,839).

* 'Other' includes bereavement (£856); courts service (£787); and, non-specified (£701).

- 3.5.10** For the purposes of this study, the calculations were based on the officers' basic salaries/wages and did not include any allowances received by an officer whilst on special leave; nor did it include any additional substitution allowance costs payable as a result of the officer's absence. Moreover, in those instances where the special paid leave approval stated that an individual was granted 'up to a maximum period of 10 days Special Paid Leave' without confirming a return date, an assumption of 10 days Special Paid Leave was used.
- 3.5.11** The information in Figure 66 shows that a total of 496 periods of special paid leave were approved in 2018, made up of 2,759 days, representing a total cost to Government of £271.8k in the year. There were 382 periods of special paid leave awarded for medical reasons in the year, consisting of 2,136 days and accounting for 77% of the total special leave approved, which amounted to £208k. Significantly, a total of 76 periods of special leave were awarded for sporting/cultural reasons in the year, comprising 432 days of paid leave which represented a cost to Government of £45k. To a lesser extent comparably, there were 30 cases of special paid leave approved for training, representing 166 days and amounting to a cost of £17k in the year; however, approximately half of this cost (47%) relates to special paid leave awarded for non-government related training, i.e. volunteer reserve forces training and cadet training.
- 3.5.12** Aside from special paid leave awarded for medical reasons, which I consider justified, the study shows that the Gibraltar Government, unlike most employers in the private sector, is very generous in allowing its employees to take special leave with pay for the purposes of participating in sporting and cultural events. However, if a comparison is made with another official employer, such as the UK Ministry of Defence, the latter has a strict cap on the aggregate amount of annual leave/special paid leave that an employee can take in a year – this is restricted to 10 days in a 12-month period– which is in addition to an individual's annual leave entitlement.
- 3.5.13** I informed the Human Resources Manager that I believed the number of applications for special paid leave received by his department that relate to participation in sports and other international events, had increased substantially from the position when General Orders were drafted in 1981, as had also the range of international events, that can entail any sporting event which includes a foreign side. In the circumstances, I recommended that consideration be given to re-examine the criteria under which such special paid leave applications received from employees are granted, with a view of determining whether the policy should be reviewed.

- 3.5.14** The Human Resources Manager replied to me on 15 March 2021, explaining that in 2012 a policy decision was taken to grant special paid leave to individuals that requested this but who did not meet the criteria set out in General Orders. The Human Resources Manager added that after a number of years, his department had drawn attention to Government on the notable increase in special paid leave granted for sporting events that had taken place since 2012, a good number from officers participating in international football matches; nevertheless, at the time the Government wanted to support the Gibraltar Football Association. The Human Resources Manager informed me that the Government had now agreed to amend the eligibility criteria for awarding special paid leave for participation in international sporting events which would be more restrictive than what had been in place since 2012. There will be liaison with the human resources division responsible for statutory authorities and agencies so that there is consistency across the Public Service. He added that, one of the proposals is also that individuals who are paid by their sporting associations for competing should not be allowed to access special paid leave; in these circumstances unpaid leave should be granted.
- 3.5.15 Special Paid Leave Awarded to Government Employees who are Semi-Professional Football Players** - On 17 November 2020, I wrote to the Human Resources Manager and to the Head of Health and Care Human Resources highlighting what I considered to be an anomalous situation where government employees, who undertake private work as semi-professional football players, are awarded special leave with pay under the provisions of General Orders in order to represent their football club in an international tournament, or the national side in international football matches when these individuals already receive remuneration (not insignificant income when representing the Gibraltar national football side) on those occasions when they participate with their football club or national team.
- 3.5.16** I told the Human Resources Manager and the Head of Health and Care Human Resources that in my view, these government employees should not be awarded special paid leave as they already receive payment when representing their club or national side. This situation is tantamount to an officer being awarded special paid leave to enable him to undertake a paid occupation (private work) outside his normal civil service duties during working hours – this would evidently be unacceptable. I added that the majority of officers who participate in sporting activities evidently do so on an amateur basis and so there is no conflict in approving special paid leave in this capacity. However, in the case of football it is only in the last few years where the sport locally at Gibraltar National League level has now become professional, or semi-professional, where a possible anomaly arises when awarding special paid leave to semi-professional players working in Government. I further added that I was aware that under General Orders special leave with pay is awarded to officers who undertake camp training in the Volunteer Reserve Forces and they do get remunerated by way of a 'bounty'; however, this is considered acceptable given that the training received under the Volunteer Reserve Forces is in the national interest in terms of any possible military conflict that could arise.
- 3.5.17** I reiterated to the Human Resources Manager and the Head of Health and Care Human Resources that any applications for special paid leave awarded under General Orders should only be approved if it is in a non-remunerated capacity when participating in an international event, as otherwise the employee is benefitting financially on both counts, i.e. receiving his public service pay and additionally being paid separate wages/bonus by the private entity when undertaking the sporting activity, which in effect is a paid secondary employment.
- 3.5.18** The Head of Health and Care Human Resources replied to me on the same day, agreeing with me and stating that in her view it definitely did not seem right that employees should be getting paid by Government to do an alternative paid occupation. The Human Resources Manager replied on 20 November 2020 also agreeing with my views and informing me, as aforementioned in paragraph 3.5.14, that he had previously tried to change this policy, precisely because of the reasons highlighted in audit, but at the time the Government wanted

to support the Gibraltar Football Association and therefore disregarded his recommendations. The Human Resources Manager informed me that the Government had now agreed to amend the eligibility criteria for awarding special paid leave for participation in international sporting events which would be more restrictive than what had been in place since 2012. There will be liaison with the human resources division responsible for statutory authorities and agencies so that there is consistency across the Public Service. He added that, one of the proposals is also that individuals who are paid by their sporting associations for competing should not be allowed to access special paid leave; in these circumstances officers will be required to take unpaid leave. The Human Resources Manager informed me that his department would be making the necessary amendments to General Orders.

3.5.19 On 5 March 2021, I again wrote to the Human Resources Manager informing him that I had undertaken an audit examination of special leave granted by the Human Resources Department to civil servants who undertake private work as football players and the following observations had been noted:

- There are occasions when employees apply for special paid leave in order to play an international football match and, because permission is denied on the grounds that the officer has exceeded the allowable 10-working days of special paid leave in a period of 12 months, the officers may be granted special unpaid leave, also pursuant to General Orders. In these instances, I informed the Human Resources Manager, I understood officers were able to make a claim to the Gibraltar Football Association or their local football club for loss of earnings from their primary employment (i.e. in respect of the sum deducted from their Government salary in relation to the corresponding days of special unpaid leave); and
- On examining the special leave records at the Human Resources Department and in the individual departments of those Government employees who undertake private work as semi-professional football players, numerous errors and discrepancies were noted in relation to the maintenance of these records. I therefore recommended to the Human Resources Manager that a review should be undertaken of the records of special leave awarded to Government employees who participate as footballers, with a view of determining their accuracy.

At the close of this report, the Human Resources Manager had not yet replied to the audit queries raised.

3.5.20 Civil Servants Involvement in Private Work - In my last report I informed that I had requested the Human Resources Manager on 23 May 2017 to provide me with details of all government employees, on full-time, or part-time service, who had requested and been granted permission, under the provisions of General Orders to undertake any form of private employment or private practice of any profession or occupation. The Human Resources Manager replied to me on 4 April 2018, providing a list detailing 92 government employees involved with private business. The Human Resources Manager explained that the information provided had revealed that there were numerous officers who are involved in private business who had not formally requested permission to do so as prescribed by General Orders. He added that he would be requesting these officers to formally request permission. The Human Resources Manager also said that he would be issuing a Bulletin of Circulars reminding officers that they need to formally request their intention to undertake private business before committing themselves with third parties.

3.5.21 I replied to the Human Resources Manager on 10 April 2018, highlighting the fact that the list that he had supplied of government employees involved with private business did not include numerous professional teachers that work in the Education Department, teachers, I added, that are well known in the community as undertaking private teaching lessons after school hours, some of which have been doing this private work for many years. I asked the Human Resources Manager if this meant that these teachers are undertaking private employment without official permission as otherwise it would seem very odd considering that

schools generally know which teacher gives private lessons – certainly in the case of the most popular teachers undertaking this private work. In which case, I said, the Department of Education was clearly not enforcing the provisions of General Orders.

3.5.22 I also pointed out to the Human Resources Manager that there were no doctors on the list he had provided to me, yet I believed that some doctors in the Gibraltar Health Authority do undertake private work.

3.5.23 I also highlighted to the Human Resources Manager that there was a government employee as a company director on the list. I reminded the Human Resources Manager at the time, that this was in clear conflict with General Orders that does not allow officers working in Government to engage directly or indirectly in a trading or commercial activity, or be a director of a company engaging in such activity.

3.5.24 The Human Resources Manager replied to me on 6 June 2018 informing me that they were pursuing the matters raised and would be reverting with a reply shortly. On 11 September 2018 I received correspondence from the Human Resources Manager which did not address the issues that I had previously raised in my communication to him but which contained an updated detailed list of civil servants undertaking private work that had the prerequisite approval of the Human Resources Manager. An analysis of the initial list supplied by the Human Resources Manager, together with the update submitted on 11 September 2018 and the latest update provided on 16 June 2021 is shown in Figure 67.

Figure 67

| Government Employees having Additional Private Employment | Number of Employees as at 4 April 2018 | Number of Employees as at 11 Sept. 2018 | Number of Employees as at 16 June 2021 |
|--|---|--|---|
| Teaching Grades | 29 | 29 | 39 |
| Executive and Administrative Grades | 25 | 22 | 32 |
| Uniformed Grades | 11 | 14 | 10 |
| Industrial Grades | 18 | 4 | 3 |
| Technical Grades | 3 | 3 | 6 |
| Support Grades | - | - | 1 |
| Medical/Clinical Grades | 4 | 3 | 3 |
| Nursing Grades | 2 | 2 | 2 |
| Total | 92 | 77 | 96 |

3.5.25 On 29 July 2021, I wrote to the Human Resources Manager reminding him that I had not received a substantive reply to my email of 10 April 2018, solely an updated list of civil servants undertaking private work on 11 September 2018 and a further updated list submitted on 16 June 2021 (at my request), an analysis of which is shown in Figure 67.

3.5.26 In my correspondence with the Human Resources Manager I acknowledged that an amendment to General Orders, that deals with civil servants' involvement in private business, had been issued by the Human Resources Department via an internal Circular to Heads of Department on 10 June 2021. The amended sections in General Orders provide clearer guidelines in relation to declarations by government employees of any involvement in financial interests, business activities, private work and private trading. In the Circular, Heads of Department were informed that they must ensure that all employees acquaint themselves with the contents of the policy, and ensure that the content is complied with and that staff must declare any involvement in financial interests, business activities, private work and private trading.

- 3.5.27** I informed the Human Resources Manager that after enquiring in his department, I was aware that there had been very few, if any, new applications by government employees seeking permission or making a declaration in respect of financial interests, business activities, private work or making a private trading, under the provisions of General Order, despite the Human Resources Department Circular to departments. I added that, nevertheless, I was conscious that there were numerous civil servants undertaking private work that continued to do so without the relevant disclosure and Human Resources approval. The fact remains, that those officers who are knowingly doing private work without permission from the Government, as their employer, are doing so without due regard to the provisions of General Orders. This constitutes a clear contravention of these officers' contractual obligations with the Government given that when they were employed in the Government Service they signed an Offer of Appointment (in effect their employment contract) accepting the terms and conditions of their appointment which included adherence with the provisions of General Orders, amongst other Government Instructions and Regulations. Hence, not purposely seeking permission to work on a private basis, regardless of the requirements of General Orders and despite the Human Resources Manager's Circular requesting Heads of Department to ensure their staff abide by the provisions of these General Orders constitutes, in my view, a serious breach of public officers' contractual obligations.
- 3.5.28** I also have to report that I wrote to the previous Director of Education on 17 June 2021 informing her that I could not understand how there were school teachers, one of the prominent ones was already of pensionable age and receiving yearly extensions of service, who had been giving private lessons outside school hours for many years, in full knowledge of senior management of the Education Department, without the pertinent Government permission to do so. Also in June 2021, I spoke with the Commissioner of Income Tax after carrying out an audit examination of the income tax records of a number of school teachers undertaking private work that showed that most of them were not declaring the income derived from their business activity, contrary to the requirements of section 11 of the Income Tax Act 2010 and Schedule 1 Table B (2)(a) to this Act. Evidently, those government employees deriving gains from their business endeavours are liable to pay income tax on this income stream and having them formally registered as undertaking private work at the Human Resources Department would assist the Commissioner of Income Tax in ensuring these individuals were properly taxed, see paragraph 3.1.136 to 3.1.141.
- 3.5.29** I therefore recommended the Human Resources Manager to consider issuing a Circular Letter to all Heads of Department, requesting them to inform their employees that they must duly observe and adhere to the provisions of General Orders and advise staff that non-compliance with General Orders constitutes a breach of conduct, and more significantly a breach of contract, which is a serious behavioural offence and liable to disciplinary action under General Orders. I added that this would ensure that employees take a serious and formal attitude to the requirements of General Orders regarding any involvement in private business. I further recommended, that together with the Circular he encloses a questionnaire form to be completed by all Government employees, requesting that they must reply (by signalling a Yes/No) to the question posed as to whether they currently undertake private work. In this way, the Human Resources Manager would ensure that all employees specifically address the issue in hand and there is no case of employees flagrantly ignoring the provisions of General Orders, which some had clearly done up to now.
- 3.5.30** On 30 March 2023, the Human Resources Manager issued a Bulletin of Circulars requesting Heads of Department to remind their staff to acquaint themselves with the contents of the Involvement in Private Business Policy and informing them that they had a contractual obligation to abide by the provisions of General Orders regarding involvement in private business. Additionally, the Bulletin of Circulars required all employees to submit a declaration form directly via an online form link, including those employees who may have already been granted permission to undertake private work in any capacity. However, on the same day, I wrote to the Human Resources Manager, pointing out that I was not aware

that he intended to obtain the employees' response by means of online declaration (as opposed to a written declaration) which would evidently not go through the employee's Head of Department. I told the Human Resources Manager that I was therefore uncertain as to: (a) how would Heads of Department ensure and control that all his/her employees had indeed replied as requested, and whether to the Heads of Department's knowledge the employees had replied correctly and accurately; and (b) whether the online response served as a 'signed declaration' by the employee equivalent to a signed and written declaration on paper. The Human Resources Manager replied that once the response deadline had elapsed, he could provide Heads of Department with the total number of responses from their department in order for them to verify and confirm if all employees within their remit had replied correctly and accurately. The Human Resources Manager further informed that in his view, the online response served as a 'verified declaration' as the employee needs to submit full name and email address and his Head of Department would verify as previously explained.

3.5.31 On 31 March 2023, I further enquired from the Human Resources Manager that when he had said that the Human Resources Department would be providing Heads of Department with total number of responses, I presumed he was suggesting providing Heads of Department with full details of the responses, i.e. name of officer, email, grade, department and whether the officer is undertaking private work, etc. and not just total number of responses as he had stated in his email, as otherwise how would Heads of Department be in a position to verify and confirm the correctness and accuracy of staff responses. Additionally, I informed him that I had taken note that of his explanation that the online response served as a 'verified declaration' as the employee needed to submit full name and email address and the Head of Department would verify this when the Human Resources Department provides the Head of Department with the feedback from government employees. However, I told the Human Resources Manager that in my view a written and signed Declaration by an employee would, in my view, have been considered as being unquestionably from the employee concerned given that the officer would have signed the Declaration accordingly, and there would have been no doubt that the officer concerned had submitted it. However, I had my reservations as to whether an online response could be treated as being unquestionably from the officer concerned given that potentially another person could submit an online response on behalf of a specified officer. I told the Human Resources Manager that my apprehension was that an officer could, for example, state in an online response that he was not undertaking private work (when in fact he might be doing so) and when challenged by management that the officer had not complied with their contractual obligation to disclose if he undertook private work, the officer concerned could very well reply that he/she had not submitted the online reply. My concern was to make the declaration exercise as watertight as possible.

3.5.32 In his reply on 3 April 2023, the Human Resources Manager said he fully understood my concerns to make the exercise as sound as possible. He confirmed that the online form completed by staff members would provide Heads of Department with full details of their responses. They would then be in a better position to tally staff numbers to ensure that all members of their staff have been accounted for and also to confirm that the responses are correct and accurate. In regard to the issue relating to the 'verified declaration', the Human Resources Department had sought advice from the Information Technology and Logistics Department ("ITLD") as to whether an audit log could be captured from the 'back end' of the online program. The Human Resources Manager subsequently informed me that unfortunately ITLD had said an audit trail could not be carried out as all users need to fall within the gibraltar.gov.gi domain and seeing that this is not the case this facility was not activated at the time the Bulletin of Circulars was issued. The Human Resources Manager also discussed the matter with their in-house Counsel, who confirmed that a 'verified declaration' would also require the signature of a witness on the actual Form, as unfortunately an employee can still misrepresent/lie when completing the hard copy version of the Form. This, however, is an exercise that the Human Resources Department would prefer to steer away from due to the sheer volume of work this would entail. The Human

Resources Manager concluded by saying that given that they were in agreement with the need for this exercise to be as watertight as possible and in light of the aforementioned, they proposed that:

- Once all the officers' submissions were processed, they would send all Heads of Department their respective submissions to confirm that they are in fact correct and to ensure there are no omissions, which would serve as a form of verification;
- Issue an 'Involvement in Private Work Business' Circular once again next year, however, on this occasion they would use a more sophisticated online system for the Form that is auditable. Between now and then they will liaise with ITLD and Digital Services in order to facilitate this and would keep me informed; and
- Additionally, their legal Counsel had advised that a disclaimer can also be included in the next Circular to be issued to staff with a view of forewarning employees that any inaccurate or misleading information can render them liable to disciplinary action.

3.5.33 On 26 June 2023, I informed the Human Resources Manager that I was of course disappointed that an audit log could not be activated at the time the Bulletin of Circulars was issued. Given the situation, I agreed with his proposed course of action going forward, in all its aspects. Regarding the staff online submissions they had received, and once he had processed these and the respective Heads of Department had confirmed that they were correct, I looked forward to receiving the final data analysis and results from the feedback received. On 28 November 2023, as I had received no feedback, I wrote to the Human Resources Manager, enquiring if all employee online submissions had been processed by his department given that I had not received the Gibraltar Audit Office's staff submissions in order for me to confirm if these were correct and without omissions. I additionally reminded the Human Resources Manager that I required to see the final data analysis and results from the feedback received from all government employees. At the close of this report, the Human Resources Manager had not replied to the pending issues.

3.5.34 Pensionable Allowances - For many years my predecessor had reported, and I also highlighted it in my last report, that a revised Pensions (Allowances) Notice had still not been published, despite the fact that there were numerous allowances that were deemed pensionable. As a consequence, there were officers that were retiring from the public service in receipt of an allowance that had not yet been declared pensionable. In these circumstances, I was taking the view that the pension award should be processed and not delayed unduly because of the anomalous situation, on the strict premise that these allowances be declared pensionable without further delay. I am glad to report that the required piece of legislation, namely the Pensions (Allowances) Notice, 2020 was finally enacted on 23 January 2020.

3.5.35 Pensionable Posts - I also have to report that there is a similar need to enact a revised Pensionable Offices Notice, as there are many new offices within the public service that have not been declared to be a pensionable office for the purposes of the Pensions Act. Again, I have taken the view that the pension award of those retiring officers holding an office not yet declared to be a pensionable office be processed and not delayed unduly because of the irregular situation. However, I have done so on the strict premise that these public offices be declared pensionable without delay. To this end, I have written to the Human Resources Manager on a number of occasions reminding him on the need to revise the existing Pensionable Office Notice that dates back to 2015. I am glad to say that the Human Resources Department prepared a draft Pensionable Office Notice in December 2020 and was submitted to me for checking and for my comments before publication. However, there were numerous errors and queries that were highlighted to the Human Resources Department and which required to be amended. I am aware that most of the queries and errors have been corrected, but unfortunately, the position at the close of this report is that this piece of pension legislation had still not been enacted.

- 3.5.36 Pensions and Gratuities** - On 29 September 2021, I wrote to the Human Resources Manager informing him that that an examination of the pension award of the Captain of the Port, who was due to retire on 13 October 2021 at age 57, had revealed that the Government had approved that his pension would be exempt from the payment of income tax notwithstanding the fact that the Captain of the Port had not yet attained the age of 60 years. The income tax due to be paid on his pension until reaching age 60 would be paid as ex-gratia payments charged to the Ex-gratia subhead of Expenditure under the Human Resources Department.
- 3.5.37** I drew attention to the fact that the Captain of the Port was being treated similarly to other Heads of Essential Services departments (namely, a former Commissioner of Police, a former Chief Fire Officer and a former Superintendent of Prison) who had retired prior to attaining age 60 on the premise that the previous Government Administration would be amending the Pensions Act to reduce the compulsory retirement age of the posts of Commissioner of Police, Chief Fire Officer and Superintendent of Prison from 60 years to 55 years. However, the present Government thereafter decided in August 2014 not to proceed with the amendment to the law but nevertheless agreed, given the special circumstances of these three officers, who had been informed the legislation would be amended, to allow them to be paid their pensions without the deduction of income tax (this being one of the benefits of having the compulsory retirement age lowered) and that Government would pay the tax due by them by way of ex-gratia payments from the Consolidated Fund until they reached age 60. Government also agreed that the annual cost of living increases be applied to the pensions of the three officers (this being the other benefit of having the compulsory retirement age lowered). I further informed the Human Resources Manager that in May 2016 the Government had agreed that another Chief Fire Officer who had retired on 1 April 2015 on the same premise –strangely enough I must say, considering that Government had already informed that they would not be proceeding to reduce the compulsory retirement age of the Chief Fire Officer post to age 55 by amending the Pensions Act– was also allowed to receive his pension without deduction of income tax and the tax was again paid by Government as ex-gratia payments.
- 3.5.38** I informed the Human Resources Manager that in my view, if the Government wished to allow Heads of Essential Services Departments to retire at age 55, with all the benefit entitlements that are due as from age 60, the correct and proper course of action would be to reduce the compulsory retirement age of these posts by duly amending the Pensions Act. If, on the other hand, Government does not wish to amend the law, I question why it nevertheless continues to allow certain Heads of Essential Services Department to retire before they reach their compulsory age with the benefits that correspond to retirement at age 60. I told the Human Resources Manager that I could understand that in 2014, the three Heads of Essential Services were exceptionally allowed to retire early with these ‘benefits’ on the basis that they had retired with the expectation that the law would be amended, even though subsequently the Government decided not to change the law. However, I failed to understand how the same argument had been similarly applied two years after with another Chief Fire Officer, also allowing him to retire early with the same ‘benefits’ and again now, seven years later, with the Captain of the Port. I asked the Human Resources Manager if he did not agree that the fairest and non-discriminatory course of action would be to amend the law and in this way apply the same rule to all Heads of Essential Services Departments and not just to some officers. I further asked that, surely, other Heads of Essential Services departments (e.g. the Commissioner of Police and the Chief Fire Officer) who had retired recently before they had attained age 60 should have had the same beneficial conditions applied to them. I pointed out that of all five Essential Services entities, namely, Police, Fire Service, Prison, Port and Customs, it is only Customs (paradoxically, the last department to be established an ‘Essential Services’ organisation in 2018) that has the Head (Collector of Customs) with the compulsory retirement set at 55 years of age in sharp contrast to the rest of the Essential Services entities whose Heads have to retire at age 60. In this respect, I added that at the time, I had raised this apparent anomaly with the Human Resources Department, drawing attention to the fact that under section 2 of the Imports and Exports

Act, 1986 the definition of 'Customs Officer' includes the Collector of Customs and as a consequence under section 8(2) of the Pensions Act the compulsory retirement age for the Collector would be 55 years of age, as distinct to the other Heads of Essential Services. I was informed that this was not an anomaly and was indeed how Government wanted this.

- 3.5.39** I further informed the Human Resources Manager that I was aware that my predecessor in 2014 and 2016 had exceptionally agreed to the award of the pensions to the aforementioned officers under the conditions explained. The Principal Auditor at the time was of the view that because the intention to amend the law had not been proceeded with, the 'affected' officers should not be penalised. However, I concluded that as far as I was aware there was presently no exceptional reason(s) or circumstances to justify the award of such pension to the Captain of the Port under the conditions stated.
- 3.5.40** The Human Resources Manager replied to me on 13 October 2021, informing me that the matter had been referred to the Minister for Economic Development who had explained that the request to retire under these conditions had been originally received from the retiring Captain of the Port and it had been approved on the condition that there would be a saving, given that the post of Deputy Captain of the Port that would be left vacant on the promotion of the incumbent officer to Captain of the Port would not be filled. I replied that, although understanding that Government would derive savings from not filling the Deputy Captain of the Port post, there was still the aspect of discrimination, whereby some Heads of Essential Services are able to retire before age 60 without the payment of income tax and receiving the annual cost of living increases to their pension, whilst other Heads of Essential Services have to comply with the compulsory retirement age of 60 years and pay income tax and have their pension frozen if retiring before attaining 60 years in accordance with existing legislation. I added that I still required to learn if the Government had the intention to reduce the compulsory retirement age of the Heads of Essential Services departments (except the Collector of Customs who can already retire at 55 years of age, in line with the rest of his staff) by duly amending the Pensions Act. At the close of this report, I had still not received a reply to my query.
- 3.5.41** By agreement, all pensions and gratuities awarded under the provisions of the Pensions Act and the Parliament Act are pre-audited by the Gibraltar Audit Office.
- 3.5.42** During the financial year 2016-17, 114 pension awards and 34 revised pension awards, mainly arising from amendments to the pensionable emoluments, were submitted for audit examination. Of these, 32 (21.6%) were found to contain errors/discrepancies and were referred back to the Human Resources Department or the Treasury Department for correction prior to audit certification. While in the financial year 2017-18, 98 pension awards and 19 revised pension awards were submitted for audit examination. Of these, 22 (18.8%) were found to contain errors or discrepancies. There were 19 officers who retired on medical grounds during 2016-17. A total of 112 gratuities were awarded during the financial year in question, of which 105 related to commutation of pension awards, 4 gratuities were paid on resignation from the Government Service, 2 were paid to the next-of-kin of officers who died in service and one gratuity was paid on dismissal from the service following the recommendations of a Disciplinary Board. During the financial year 2017-18, there were 7 officers who retired on medical grounds. A total of 102 gratuities were awarded during the year, of which 92 related to commutation of pension awards, 7 gratuities were paid on resignation from the Government Service and 3 were paid to the next-of-kin of officers who died in service.
- 3.5.43** The Government of Gibraltar introduced Early Exit Scheme Agreements for government employees as from 2011. These Early Exit schemes allow the retirement, under the provisions of the Pensions Act, of employees of certain grades from a number of Government departments (including statutory authorities/agencies and Civil Service employees transferred to wholly-owned Government companies) with added benefits. The added benefits provided by the Early Exit Schemes (although not all schemes provide the

same conditions) include: enhancement of the years of service of officers who opt to take these schemes; payment of a lump-sum equivalent to two or three years of basic salary; and the chance for these employees to either retire early or otherwise retire beyond normal retirement age. On the other hand, those employees who benefit from these schemes are not eligible for future employment with the Government, or any Government company, authority or agency; nor are they eligible to register as unemployed in order to receive unemployment benefit or social assistance benefit. Nevertheless, these employees can obtain other employment. In the financial year 2016-17, 11 officers entitled to a pension award under the Pensions Act, retired under an Early Exit Scheme. Whilst in the year 2017-18, there were 26 officers entitled to a pension award under the Pensions Act, who retired under an Early Exit Scheme. I have commented further on Government Early Exit Schemes in paragraphs 5.2.1 to 5.2.40 of my report.

- 3.5.44** Expenditure on pension payments under the Pensions Act and the Parliament Act in the financial year 2016-17 amounted to £34.36m compared to £31.27m during the previous financial year. The rise of £3.09m (9.9%) is accounted for by a cost of living increase of 2.0% applied to pensions on 1 July 2016 and by a net increase of 35 pensioners during the financial year 2015-16. By comparison, in the financial year 2017-18, expenditure on pension payments amounted to £36.96m. The rise in pension payments of £2.60m (7.6%) from the previous year is accounted for by a cost of living increase of 2.3% applied to pensions on 1 July 2017 and by a net increase of 47 pensioners during the financial year 2017-18.
- 3.5.45** Expenditure on gratuity payments under the Pensions Act and the Parliament Act for the financial year ended 31 March 2017 totalled £0.53m compared to £0.18m during the financial year 2015-16. Whereas expenditure on gratuity payments during the financial year ended 31 March 2018 totalled £1.50m.
- 3.5.46** Under the Pensions (Widows and Orphans) Act ("WOPS"), 11 new pension awards were made during the financial year 2016-17, compared to one WOPS pension in the previous financial year. Of these 11, one was found to contain an error and was referred back to the Treasury Department for correction prior to audit certification. Expenditure on WOPS pension payments for the financial year 2016-17 amounted to £0.34m, compared to £0.22m in the previous year. There was an annual cost of living increase of 2.0% applied to WOPS pensions on 1 July 2016. By comparison, there were 7 new WOPS pension awards in the following financial year 2017-18. One of these WOPS pensions was found to contain an error and was referred back to the Treasury Department for correction prior to audit certification. Expenditure on WOPS pension payments for the financial year 2017-18 totalled £0.32m. There was an annual cost of living increase of 2.3% applied to WOPS pensions on 1 July 2017.
- 3.5.47** During the financial year 2016-17, 2 pension awards were made to former government employees, while in the previous financial year there were none. Expenditure on pension payments to former government employees for the financial year 2016-17 stood at £0.12m compared to £0.11m during the previous financial year. The annual cost of living increase applied to pensions on 1 July 2016, in respect of former government employees, was 2.0%. In the financial year 2017-18, there were no pension awards made to former government employees. Expenditure on pension payments to former government employees during 2017-18 amounted to £0.13m. The annual cost of living increase applied to pensions on 1 July 2017, in respect of former government employees, was 2.3%. No gratuity payments to former government employees were made during the financial years 2016-17 and 2017-18.
- 3.5.48 Pre-Audit of Pension and Gratuity Awards** - On 18 September 2023, I wrote to the Human Resources Manager in connection with the pre-audit of pensions and gratuities awarded under the provisions of the Pensions Act and the Parliament Act. I informed him that, as he was aware, the Principal Auditor had for many years undertaken the pre-audit of pensions and gratuities before these are paid to retiring officers, despite the pre-audit function not

being mandatory in accordance with the provisions of the Public Finance (Control and Audit) Act. I highlighted that section 55(2)(b) of the Public Finance (Control and Audit) Act prescribes that as Principal Auditor, I am not required to undertake the pre-audit of accounts that then precludes me from reporting, or giving an opinion or criticism on any accounting transaction after such transaction has been duly recorded in the Government books of accounts. I explained to the Human Resources Manager that this legal provision is of course understandable if one considers that the Principal Auditor is the external auditor to the Government of Gibraltar that reports to Parliament, and clearly not an internal auditor that reports to management. In my view, the process of pre-auditing pension awards was largely an internal audit function.

3.5.49 I further explained to the Human Resources Manager that aside from the above, the position which I had increasingly noted for a number of years is that the work emanating from the pre-audit of pensions had increased manifestly, not just in volume but more significantly in terms of complexity and legal technicalities, to such a point where not only was there an audit officer involved practically permanently with the examination of pensions, but also a large amount of time was spent by an Audit Manager (Senior Executive Officer) and by an Assistant Principal Auditor (Senior Officer), and even by me as Principal Auditor, in examining and discussing the intricate pension issues that come up. Added to this, was our substantial assistance with the drafting of pension legislation and side letter agreements, which obviously is not an external audit function. The excessive resources dedicated to the examination of pensions was clearly in detriment to other important audit work.

3.5.50 I explained to the Human Resources Manager that despite the good efforts by his department to train staff in government departments on how to prepare and submit the pension and gratuity form so that the information contained therein, together with supporting information, was accurate and complete, the fact was that departments continually failed to provide the information correctly. However, I informed him that more worryingly to me was the submission of pension awards where the governance and legality was not met and the Human Resources Department and the Treasury Department invariably, at times, did not detect such infringement. For example, the retirement of officers without the pertinent Governor's or Government approval; the service undertaken by transferred officers to other government entities to count as pensionable service on retirement when the law does not allow for this; the retention of allowances on a personal-to-holder basis by transferred officers when calculating the officer's pension award which at times does not meet the law, the revision of pension awards (on ministerial instructions) as a result of an increase to a pensionable allowance backdated to apply to retired officers, despite the effective date of the allowance increase being a subsequent date to the officers' dates of retirement, etc.

3.5.51 I further explained to the Human Resources Manager that the absence of adequate internal controls in the departments involved in processing pension payments that would assist in detecting many of these anomalies and inaccuracies, evidently increases the audit involvement in the examination of pensions. I told the Human Resources Manager that overall, I considered there was an over-reliance in the audit function being the ultimate safety net to detect any errors and anomalies in the pension submissions, or in actual fact, the only entity seen as capable of stopping any glaring contravention of the rules and the law, which, as he would agree should not be the case. This was clearly not what was intended decades ago when the Principal Auditor (at the time) agreed to undertake the pre-audit of pension awards, as every party involved in the process should exercise their function fully. This involves ensuring that the data submitted by departments is not only accurate and complete, but that it fully meets the provisions of the Pensions Act and Parliament Act, and indeed is fully compliant, and not in breach, of government rules and regulations.

3.5.52 In my email to the Human Resources Manager, I further informed him that a significant paradox in the whole process was that by undertaking a pre-audit of pension awards and highlighting relevant anomalies to the Human Resources Department and the Treasury Department, the discrepancies that were brought to light were customarily not included in

detail in my report to Parliament; which had the effect of not reflecting the extent and degree of audit work that goes in the process.

- 3.5.53** In conclusion, I informed the Human Resources Manager that as from 1 November 2023, I would discontinue the pre-audit of pension awards. I explained to him that just as other government revenue and expenditure transactions, pension payments would be subject to audit scrutiny and examination after the payments have been made. Any audit queries and observations would be initially raised with his department, and depending on the seriousness of the audit findings and the explanation(s) provided, might be included in my annual report to Parliament.
- 3.5.54** One of the Senior Executive Officers from the Human Resources Department replied to me on behalf of the Human Resources Manager, on 24 September 2023, stating that he had reviewed the contents of my email in great detail but with natural concern. He asked if I could reconsider my position or at least defer my decision to discontinue the pre-audit of pension awards. He said this had caught the Human Resources Manager by surprise and they required time to discuss their concerns with the Chief Secretary, Financial Secretary, Accountant General and with me without an immediate impending deadline. He said that discontinuing a process which had been in place for a good number of decades, would no doubt present an array of potential short, medium and long term adverse effects that they would have to address. Hence why he did not recommend that I should progress in this manner. The Senior Executive Officer appealed for me to reconsider my decision and remain part of what has always been an established working process. He added that employees on the Government final salary pension scheme were on the decrease and this workflow will eventually disappear when the last employee on this pension scheme retires or resigns. The Senior Executive Officer agreed that the complexity in processing pension awards; coupled with the shortages in staffing levels across all Civil Service departments; in addition to experienced officers leaving departments with no proper succession planning in place because of staff shortages; added to failures in management or increased workloads had all contributed to the shortfalls highlighted in my email. Hence why in his view, it was more important than ever to continue to work together in ensuring the best possible product to the end user, in this case the retiree. In his view, having the Gibraltar Audit Office continue to form part of this process not only ensures that they minimise an array of errors that would not have been detected but also avoids the possibility of having to recover monies overpaid from a retired employee.
- 3.5.55** The Chief Secretary commented that he couldn't empathise enough how deeply concerned he was about this and so he suggested discussing the matter further. Whilst the Financial Secretary agreed that having a 'round the table' meeting on the issue raised was the best way forward at this time. The acting Accountant General also agreed to have a meeting on the matter. She said it was obvious that they have all been struggling to maintain their heads above the water for some time now, but there was a need to work together on finding solutions to the problems highlighted. Solutions that will work to the benefit of all stakeholders and ultimately for the retiree who deserves to be paid correctly after a lifetime of public service.
- 3.5.56** On 26 September 2023, I wrote to all the aforementioned stakeholders involved in the processing of pension awards clarifying that my agreement to meet with all parties was to explain the audit position, as the decision to cease the pre-audit of pensions as from the end of October 2023 had already been taken and was irreversible.
- 3.5.57** The Chief Secretary replied immediately, saying that he did not think this was helpful in the sense that it did not allow the rest of the stakeholders to explain their deep concerns with the unilateral decision taken. He did, of course, agree that I should be checking that they do things correctly once these have been done; but, importantly, all parties involved have always welcomed, indeed hope to continue to welcome, the pre-checking function that has

always thus far guaranteed the extra layer of verification/validation ensuring correct payment.

3.5.58 I replied to the Chief Secretary on the same date, stating that it was precisely because the pre-audit function had become not 'the extra layer of verification/validation' as the Chief Secretary had said, but de facto practically, the only significant layer of verification to ensure correct payment that I had called a stop to this. In my view, all parties had invariably taken for granted that under the 'pre-audit function' the Gibraltar Audit Office was always there to prevent not only incorrect entries and computations but more importantly to stop irregular submissions. In essence, the Principal Auditor had become the gate-keeper. I stated that this was, of course, not the right way to proceed, as all parties should take due regard of their responsibilities and not over depend on the Gibraltar Audit Office as had been the case. Needless to say, the deep concerns that the Chief Secretary and others now had should have been there all along, regardless of the pre-audit function, and in this way many of the issues raised by the Gibraltar Audit Office in the past would have been averted, nipped in the bud or at the very least raised as a concern to Government way before the pension award reached the Gibraltar Audit Office.

3.5.59 I told the Chief Secretary that the cost to Government of having senior members of the Gibraltar Audit Office involved in the pre-audit of pensions was immense, as not only did we have an audit examiner doing the verification of pension awards on a daily basis, but also an Audit Manager (Senior Executive Officer equivalent) heavily involved in pension issues overseeing her work practically also daily, plus the Assistant Principal Auditor (senior officer) and myself (senior grade) also having a great involvement given the complexity of the pension issues that come up. In my view this did not represent value for money. I added that I had taken this 'unilateral' decision, as he described it, because it is only for me to take as Principal Auditor under the Gibraltar Constitution. In taking the decision, I have had to take stock that by spending such an enormous amount of time doing pre-audit of pensions the Gibraltar Audit Office is not doing other critical audit work. In this respect, I consider that I am failing as Principal Auditor if I don't take the necessary measures to change the audit dynamics to what is in essence my central function under the law, and that is to audit the public accounts of Gibraltar and of other statutory authorities and agencies. The payment of pensions, just as salaries and other critical payments, is included within the public accounts of Gibraltar, which I audit as part of the standard audit function. I added that I was hopeful that in the meeting to be arranged, he and the other stakeholders would understand at first hand, the issues involved and that the decision I had taken had not been taken lightly as it was something that has been in my mind for a long time, given the amount of time spent on this area of work to the detriment of other important audit work. I apologised to the Chief Secretary if I had come across as inflexible and unwilling to budge, but I had to be first and foremost honest and responsible with my primary duty as external auditor, which is to audit the public accounts of Gibraltar. If I cannot do this fully and in a timely manner because I am undertaking pre-audits, then these must stop.

3.5.60 The acting Accountant General wrote to me on 27 September 2023. She said that although she did not agree with the stance I had taken, she recognised it was my prerogative and she therefore had no other option than to accept the decision taken. Notwithstanding, she strongly disagreed with my comment that the Gibraltar Audit Office was 'de facto the only layer of verification'. She highlighted, for the record, that the Treasury Department had always taken financial responsibilities very seriously, especially when it comes to the computation of a retiree's pension and gratuity. She reiterated that this has always been the case, even whilst the section responsible for this has been critically under resourced.

3.5.61 I subsequently attended a meeting with the Human Resources Manager, the Financial Secretary and the acting Accountant General on 8 November 2023. My decision to discontinue the pre-audit of pension awards was discussed thoroughly and I had the opportunity to explain to all the stakeholders the reasoning behind the resolution I had taken. I provided the acting Accountant General with a document outlining the main risk areas

according to our experience and where errors and inaccuracies usually arise in the examination of pensions. I also handed her an inspection checklist used by the Gibraltar Audit Office to ensure all the different parts of the pension computations have been correctly examined and verified, to assist her staff in the examination of pension awards.

- 3.5.62 Commutation of Pensions and Early Exit Scheme Lump-Sum Payments Paid by the Government to Credit Finance Company Limited** - Public servants employed prior to 1 January 2012 enjoy pension rights under the Pensions Act. Under the provisions of regulation 26 of the Pensions Regulations, officers eligible to a pension may exercise an option to receive a reduced pension in addition to a commuted pension gratuity.
- 3.5.63** Pensions paid to government employees are charged to Consolidated Fund Charges Head 03, Subhead 1 Pensions, whilst commuted pension gratuities are paid out from Consolidated Fund Charges Head 03, Subhead 2 Gratuities under the Pensions Act and Parliament Act.
- 3.5.64** Prior to 1 April 2012, the gratuities were paid to retiring government employees directly by the Government of Gibraltar. However, on this date the Government of Gibraltar reached an agreement with Credit Finance Company Limited ("Credit Finance") –at the time, a wholly-owned Government company– whereby the amount of gratuity is paid to the officer concerned by Credit Finance by way of an agreement between this company, the officer concerned and the Government. The Government thereafter repays the gratuity to Credit Finance by way of monthly instalments over a period of time, chargeable to Consolidated Fund Charges Head 03, Subhead 1 Pensions.
- 3.5.65** Quite separately, employees retiring under a Government Early Exit Scheme who are eligible to receive a lump-sum payment equivalent to 2 or 3 years' annual basic salary, are also paid these payments by Credit Finance under an agreement between the officer concerned and Credit Finance and the Government. The Government similarly repays the lump-sum payment to Credit Finance in monthly instalments over a period of 10 years, chargeable to the Consolidated Fund under the Human Resources Head of Expenditure and Subhead Early Exit Schemes.
- 3.5.66** Towards the end of 2022, on perusing the accounts of Credit Finance, it became known that the Government was liable to pay 6.5% interest on the repayment of the gratuities in addition to early exit scheme payments. It was noted that the element of interest, forming part of the monthly sums paid to Credit Finance in respect of both gratuity payments and Early Exit Scheme payments, had been paid by Government to the company since 9 April 2012 and 29 November 2013 respectively, but had never been separately quantified and disclosed in the Government books of accounts, nor in the Public Accounts of Gibraltar.
- 3.5.67** Nonetheless, an inspection of the journal entries relating to the monthly repayment of gratuity payments by the Government, administered by the Treasury Department, to Credit Finance showed that the sums solely refer to the capital repayment of the gratuities with no reference to interest whatsoever. On the other hand, the journal entries in respect of the monthly repayment of early exit scheme lump-sum payments to Credit Finance, administered by the Human Resources Department, do account for both principal and interest.
- 3.5.68** Further examination of the individual written agreements between the three parties, i.e. the Government, Credit Finance and retiring employees to finance the commuted value of their pensions; in addition to similarly written agreements between the Government, Credit Finance and eligible employees that retire under an Early Exit Scheme for the payment of lump-sum payments that are payable under the various Schemes, revealed that whilst the latter individual agreements make reference to the application of interest at 6.5% on a reducing balance, the former individual agreements to finance the commuted pensions do not make reference to the application of interest on the repayment sums by the Government to Credit Finance.

3.5.69 On 2 February 2023, I wrote to the Financial Secretary, the acting Accountant General and the Human Resources Manager informing them that on the basis that Government enters into individual written agreements with Credit Finance and retiring employees to finance the commuted value of their pensions; in addition to similarly written agreements with Credit Finance and eligible employees that retire under an Early Exit Scheme for the payment of lump-sum payments that are payable under the various Schemes, I required to have sight of the principal agreement between the Government and Credit Finance regarding the repayment of commuted pensions and separately also the principal agreement regarding the repayment of Early Exit Scheme lump-sum payments. The acting Accountant General replied on 9 February 2023, confirming that she could not find any of the two principal agreements and further confirmed that the Human Resources Manager did not hold a copy of the Agreements either. The Accountant General explained that although there appears not to have been a principal agreement signed at the time the arrangement between the Government and Credit Finance was initiated on 1 April 2012, she had traced an original draft agreement on file which required some tweaking in order to have the agreement finalised.

3.5.70 On 30 June 2023, the Financial Secretary forwarded to me a copy of the principal Agreement between the Government of Gibraltar and Credit Finance for the financing of commuted pensions which was signed on the same date (30 June 2023). However, no principal Agreement has been provided to me in regard to the arrangement between the Government and Credit Finance for the financing of Early Exit Scheme lump-sum payments.

3.5.71 The salient points of the principal Agreement between the Government of Gibraltar and Credit Finance for the repayment of commuted pensions, dated 30 June 2023, are:

- Credit Finance shall only be entitled to receive the benefit of the commuted pension from the date commencing on the date of the individual Pension Commutation Agreement signed between the Government, Credit Finance and the retiring employee, up to the date ("the end date"), the commuted pension is paid out in full to Credit Finance following which the Government shall cease to make any payments to Credit Finance, including without limitation any equivalent payments (as defined below).
- The Government and Credit Finance agree that where a commuted pension ceases to be paid by the Government to Credit Finance on account of the death of the retired pensioner at any point within a period commencing on the date of the individual Pension Commutation Agreement and ending on the end date, the Government shall cease to make payments to Credit Finance under the individual Pension Commutation Agreement and, notwithstanding the death of the pensioner and the cessation of payments under the individual Pension Commutation Agreement, the Government shall make payments ("the equivalent payments") to Credit Finance that are equivalent to the commuted pension under the individual Pension Commutation Agreement and such equivalent payments shall be made by the Government to Credit Finance from the date of the retired pensioner's death up to the end date.
- All individual Pension Commutation Agreements will carry interest at the rate of 6.5%, or such other interest rate as may be set by Credit Finance.
- The Government and Credit Finance agree that the increase on any Equivalent Payments shall be the same rate of increase applied under Pension Commutation Agreements unless an alternative rate is agreed in writing between the Government and Credit Finance from time to time for the Pension Commutation Agreements or any one of them.
- Credit Finance shall maintain accounts evidencing the commutations described in the principal Agreement, in accordance with its usual practice. Entries in those accounts shall be prima facie evidence of the existence and amount of the commutations as recorded in them.

- A waiver of any right or remedy under the Agreement or by law, or any consent given under the Agreement, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

3.5.72 On 30 June 2023, the Financial Secretary further provided me with a copy of a Side Letter to the principal Agreement between the Government and Credit Finance for the repayment of commuted pensions. This Side Letter, dated 30 June 2023, is from Credit Finance, specifically from the Financial Secretary, in his capacity as Director of GDC (Directors) Limited acting on behalf of Credit Finance, to the Chief Secretary, acting on behalf of the Government of Gibraltar. In the Side Letter, the Director of GDC (Directors) Limited informs the Chief Secretary that further to the principal Agreement entered into by the Government and Credit Finance and notwithstanding the terms of this Agreement, the Government and Credit Finance agree that all 'equivalent payments' required to be made by the Government to Credit Finance pursuant to the principal Agreement on account of the death of retired pensioners at any point up to the date of the principal Agreement shall be waived in full. The Side Letter thereafter provides details in an Appendix of the capital sums that were outstanding since 1 April 2012 (when the Government of Gibraltar reached the agreement with Credit Finance for the payment of commuted pension gratuities) up to 30 June 2023 – the date the principal Agreement was signed, amounting in total to £5.78m, that were waived in respect of 32 officers who had passed away before the full repayment had been made.

3.5.73 Further to my comments in paragraph 3.5.66, I find it very odd that even though the filed accounts of Credit Finance show that since 2012 the company has been receiving from Government the repayment of the commuted pensions of retired officers plus 6.5% interest, in addition to the repayment of Early Exit Scheme lump-sum payments with interest also at 6.5%, in the Government books of accounts and in the Public Accounts of Gibraltar the element of interest has not been separately shown or disclosed since the arrangement commenced in 2012.

3.5.74 It is equally surprising that there is no reference to the payment of interest by the Government in the individual agreements relating to commuted pension payments, that retiring officers contract with Credit Finance and the Government. It was only after Treasury officials, including the acting Accountant General, were questioned in October 2022 as to whether there was an agreement between the Government and Credit Finance for the payment of interest on the commuted pension payments, that in due course the signed Agreement between both parties that provides for the payment of interest, was presented to me on 30 June 2023.

3.5.75 It is also relevant to point out that whereas in the repayment of the Early Exit Scheme lump-sum payments, the interest calculation is over a period of 10 years, with principal and interest clearly classified in the journal entries every month, in the case of the repayment of commuted pensions, the repayment instalments appear to have been calculated by Government on the (previously) standard 12.5 years' life expectancy in line with the calculation of statutory pensions to public servants, but apparently changed to an extended term beyond the set 12.5 years, once the element of interest was included (instead of increasing the repayment sum to take account of the interest). I am inclined to think that the methodology might have changed after Treasury was questioned as to whether the Government was paying interest on its repayment commuted pension instalments to Credit Finance.

3.5.76 On 12 May 2023, I requested the Financial Secretary to provide me with information regarding the repayment sums paid by the Government of Gibraltar to Credit Finance since the financing arrangement commenced on 1 April 2012, both for the payment of pension commutations and the payment of Early Exit Scheme lump-sum payments. The acting

Accountant General provided me with the information I requested on 24 June 2023, see Figures 68 and 69 below.

Figure 68

| Financial Year | Pension Commutation Repayment (Principal) | Pension Commutation Repayment (Interest) | Total Pension Commutation Repayments per year |
|-----------------------|--|---|--|
| 2012-2013 | £117,582 | £349,415 | £466,997 |
| 2013-2014 | £266,084 | £1,043,451 | £1,309,535 |
| 2014-2015 | £581,803 | £1,937,979 | £2,519,782 |
| 2015-2016 | £963,910 | £3,117,828 | £4,081,738 |
| 2016-2017 | £1,328,176 | £4,045,857 | £5,374,033 |
| 2017-2018 | £1,715,618 | £4,946,430 | £6,662,048 |
| 2018-2019 | £2,295,800 | £5,894,211 | £8,190,011 |
| 2019-2020 | £3,082,810 | £6,840,586 | £9,923,396 |
| 2020-2021 | £3,935,503 | £7,773,410 | £11,708,913 |
| 2021-2022 | £4,668,611 | £8,326,896 | £12,995,507 |
| 2022-2023 | £5,127,358 | £8,836,006 | £13,963,364 |

Figure 69

| Financial Year | Early Exit Scheme Lump-Sum Repayment (Principal) | Early Exit Scheme Lump-Sum Repayment (Interest) | Total Early Exit Scheme Lump-Sum Repayments per year |
|-----------------------|---|--|---|
| 2014-2015 | £59,557 | £52,355 | £111,912 |
| 2015-2016 | £222,755 | £185,894 | £408,649 |
| 2016-2017 | £295,037 | £218,745 | £513,782 |
| 2017-2018 | £401,290 | £272,158 | £673,448 |
| 2018-2019 | £583,473 | £379,059 | £962,532 |
| 2019-2020 | £739,189 | £439,717 | £1,178,906 |
| 2020-2021 | £901,725 | £486,470 | £1,388,195 |
| 2021-2022 | £1,074,019 | £521,731 | £1,595,750 |
| 2022-2023 | £1,228,091 | £520,358 | £1,748,449 |

3.5.77 I recommended to the acting Accountant General that she should incorporate a footnote in the Public Accounts of Gibraltar for the year ended 31 March 2017, under:

- Consolidated Fund Charges Head 03, Subhead 1 Pensions, disclosing that the sum of £34,364,821 paid in pensions by the Government of Gibraltar, includes £5,374,033 in respect of repayments of pension commutations to Credit Finance Company Limited, representing £1,328,176 of principal; and £4,045,857 in respect of interest paid to the company; and
- Consolidated Fund Head 7 Human Resources, Subhead 2(5) Early Exit Schemes, disclosing that the expenditure sum of £513,782, in respect of repayments of Early Exit Scheme lump-sum payments to Credit Finance Company Limited represents £295,037 of principal; and £218,745 in respect of interest paid to the company.

3.5.78 Similarly, I further recommended to the acting Accountant General that she should incorporate a footnote in the Public Accounts of Gibraltar for the year ended 31 March 2018, under:

- Consolidated Fund Charges Head 03, Subhead 1 Pensions, disclosing that the sum of £36,958,930 paid in pensions by the Government of Gibraltar, includes £6,662,048 in respect of repayments of pension commutations to Credit Finance Company Limited, representing £1,715,618 of principal; and £4,946,430 in respect of interest paid to the company; and
- Consolidated Fund Head 6 Human Resources, Subhead 2(5) Early Exit Schemes, disclosing that the expenditure sum of £673,448 in respect of repayments of Early Exit Scheme lump-sum payments to Credit Finance Company Limited represents £401,290 of principal; and £272,158 in respect of interest paid to the company.

3.5.79 I also asked the acting Accountant General why the expenditure relating to the repayments in respect of the Early Exit Scheme lump-sum payments made to Credit Finance, charged to the Human Resources Head of expenditure under Subhead Early Exit Schemes, include individuals who were employed in Government-owned companies who had never been civil servants. I told the Accountant General that I did not consider this expenditure to be a proper charge on the Consolidated Fund as these payments were made on the basis of an Early Exit Scheme relating to Government-owned companies. The Accountant General replied that the decision to charge the Consolidated Fund with payments in respect of individuals who were non-civil servants was in line with the individual agreements contracted by the employees with the Government of Gibraltar and Credit Finance. I replied to the Accountant General telling her that I was aware that the employees who received the Early Exit Scheme lump-sum payments had entered into an agreement with the Government and Credit Finance whereby the Government would repay the Early Exit Scheme monthly instalments to Credit Finance, yet I insisted that this arrangement was flawed and improper given that Government was accepting a liability (inclusive of interest) which does not correspond to it, as in my view this liability should be a charge on the companies' books. I added that to make matters worse, the financial arrangement is not disclosed in any way, so the reader of the Public Accounts of Gibraltar would never be aware that the expenditure under the Human Resources Head of Expenditure, Subhead Early Exit Schemes includes payments made in respect of employees of Government-owned companies.

Gibraltar Courts Service

3.6.1 I wrote to the Chief Executive of the Gibraltar Courts Service detailing a number of observations brought to light during an audit inspection carried out in the Gibraltar Courts Service to May 2018 and hereunder draw attention to the salient points together with the Chief Executive's comments.

3.6.2 Admiralty Marshal - I informed the Chief Executive that since June 2013, no Admiralty Marshal funds placed in Bank Deposits in respect of arrested ships had been included by the Gibraltar Courts Service in their monthly submission to Treasury. The exclusion of the separate Bank Deposit spreadsheets and attachment of Bank Deposit statements was not corrected until July 2020 after the discrepancy with Treasury records had been identified by the Treasury Department. After an audit review of the procedures and controls in operation it was noted that although this was an oversight by a Court officer, all internal records were correctly balanced and adequately maintained by the Admiralty Marshal. Nevertheless, this omission meant that the Government Trusts Fund - Admiralty Marshal Sub-Fund for the financial years 2013-14, 2014-15 and 2015-16, that forms part of the Public Accounts of Gibraltar compiled by the Treasury Department and already tabled in Parliament, were significantly understated, potentially by millions of pounds. I requested the Chief Executive that the monies pertaining to the Admiralty Marshal Account that were held in Bank Deposits during those financial years should be quantified. The Chief Executive replied that the Admiralty Marshal had noted my request and an exercise would be carried out to quantify

the monies held on deposit during the financial years in question and the information provided to the Treasury Department.

3.6.3 I additionally informed the Chief Executive that the anomaly arising from the monies held in Bank Deposits could also have an impact in the accounts of the Government Trusts Fund - Admiralty Marshal Sub-Fund for the financial years 2016-17, 2017-18, 2018-19 and 2019-21, and if so, would require to be amended to reflect any amounts understated. I recommended that the Admiralty Marshal obtain all the relevant bank statements pertaining to the years in question in order to properly reconcile the accounts and with a view of including any bank deposits held by the Admiralty Marshal that might not have been stated originally. The Chief Executive subsequently informed me that the information was obtained from the banks and forwarded to Treasury in July 2021. It was thereafter established by Treasury that the Admiralty Marshal Trust Fund for 2016-17 had been understated by £11.55m. Treasury further confirmed that the anomaly from the monies held in Bank Deposits did not have a material impact in the accounts for the financial years 2017-18, 2018-19 and 2019-21.

3.6.4 Public Trustee Ledger - I informed the Chief Executive that no legacy payments from the Estate of Angela Morello had been made since March 2004, despite the provisions in Ms Morello's Will to do so. The reason for this appears to be that there is difficulty by the Public Trustee in nominating suitable persons in need with a view of making payments in accordance with the Will. I highlighted that this issue had been raised on numerous occasions by my predecessor with repeated reminders directly to the Public Trustee to no avail. I am also aware that the Accountant General similarly submits periodical reminders to the Public Trustee to this effect without success. I informed her that I found it extremely surprising that no headway had been made in 17 years to find needy persons in Gibraltar. I told her that surely the Public Trustee could contact the Head of the Care Agency directly and explain the situation to him with a view of identifying persons in need so that they can benefit from the legacy funds that are available. The Chief Executive informed me that the matter had been brought to the attention of the Chief Justice who requested the Public Trustee to remedy the issue immediately. As a consequence of the Chief Justice's call to the Public Trustee, the latter arranged, via a senior court official, for two needy persons to be identified so that they would receive the relevant legacy payments forthwith. Moreover, the Public Trustee instructed that arrangements with the Care Agency be actioned systematically every year so that the legacy payments are processed without any undue delay.

3.6.5 Integrated Criminal Justice System - In paragraphs 2.12.19 to 2.12.21 of my report on the public accounts for the financial year 2015-16, I reported that I had written to the Chief Executive of the Gibraltar Courts Service enquiring on the progress made in replacing the Magistrates' Court's computer database and in relation to the development of the proposed Integrated Criminal Justice System. The Chief Executive informed me in May 2018 that the software developers were working on the development of the 'Courts Module' of the Integrated Criminal Justice Platform which consisted of:

- Court Case Management;
- Fines Ledger;
- Cash Deposit and Compensation Ledger; and
- Family Maintenance Ledger.

3.6.6 The Chief Executive further explained that the Gibraltar Courts Service staff had met and discussed with the software developers all aspects of their work and taken them through Court processes and working practices in order to assist the developers in understanding the functions of the Courts so that the new application system fully met their requirements. She added that progress had been made but there was clearly still a lot of work to be done. At the time she was waiting for the software developers to update the system with the

latest agreed amendments/changes to the Court Case Management application so that Court staff could once again carry out extensive re-testing of all their processes within this application to ensure these worked properly. Once senior management was satisfied with the final product of this application, the software developers would work on developing the three other applications. Work on Supreme Court and Court of Appeal processes would then subsequently follow.

- 3.6.7** On 8 October 2020, I again enquired on the progress made on this software development project. The Chief Executive informed me that in late November 2019, she had expressed her disappointment to the software developers in that the Gibraltar Courts Service had yet to appreciate any of the purported efficiencies which had been assured by the development team. I subsequently wrote to the Project Manager of the Integrated Criminal Justice System, enquiring the latest position on the Gibraltar Courts side of the project. On 26 October 2020, the Project Manager provided me with an update on the activities completed during the previous twelve months in relation to both the Gibraltar Courts Service and the Royal Gibraltar Police sides of the project. He informed me that no progress had been made on the Courts application. He explained that new solutions had been identified by the software developer, especially in terms of using it as the basis of renewed development work, but this required agreement with the Gibraltar Courts Service as to a new version of the software. The Project Manager's explanations on the Royal Gibraltar Police side of the project is covered in paragraphs 3.7.21 to 3.7.22 of this report. It is relevant to note that the total cost to Government of this software development project (encompassing all departments benefitting from the software) stood at £3.18m, as at 5 September 2023.

Police

- 3.7.1** A number of observations were noted during an audit inspection carried out at the Royal Gibraltar Police ("RGP") to June 2018. I wrote to the Commissioner of Police ("the Commissioner") on 8 December 2020 and hereunder draw attention to more salient matters together with the Commissioner of Police's views and comments.
- 3.7.2** **Travel Expenses** - An exercise conducted on a sample of payments to verify whether official travel expenses had been correctly claimed and reimbursed, showed that there were a number of payment vouchers that were missing proper supporting documentation; three instances where there was an overpayment of subsistence allowance; and one occasion where the rate of subsistence allowance applied was incorrect.
- 3.7.3** A further test was performed on a selection of 5 trips abroad by RGP officers to examine the expenses relating to each case. The examination showed that a former Commissioner of Police, at the time extended his official stay in a hotel in San Diego, California, USA by 4 nights (during the period 19 October 2016 to 23 October 2016) and was accompanied by his wife, following his attendance at an International Association of Chiefs of Police (IACP) conference between 15 October 2016 and 18 October 2016. However, no evidence was found of a subsequent reimbursement by the former Commissioner equivalent to £1,112 relating to the cost of the additional days of hotel accommodation for himself and his wife. I asked the current Commissioner if the cost of the former Commissioner of Police's additional hotel accommodation in California had been reimbursed, and if so, to provide evidence to this effect.
- 3.7.4** I informed the Commissioner that, in general, the sample of payment vouchers examined did not contain sufficient supporting documentation to be properly examined, contrary to the requirements of Government Accounting Instructions which states that payment vouchers must contain the necessary information to enable them to be checked by the department and paid by the Treasury without reference to any other document. I therefore recommended to the Commissioner that the required documentation should always be included with each payment voucher. Additionally, I also advised that the department should maintain a register where details of each official trip, including the individual police officers' names; the period

away on official business; the purpose of the trip; the flight and accommodation costs; and other related particulars, in addition to a cross-reference to the relevant payment vouchers should be duly recorded.

- 3.7.5** The Commissioner replied that many of the payment vouchers sampled did have the supporting documentation but it was attached to the departmental copy of the payment vouchers. He was satisfied that there had been no overpayment of subsistence allowance as they had received instructions from the Human Resources Department as to where the police grades fall within the subsistence rates payable given that due to the police officer salary maximum being higher than the Higher Executive Officer salary maximum in the Civil Service, police officers were granted the Senior Executive Officer rate of subsistence allowance. The Commissioner confirmed that they had also adopted audit recommendations and had introduced a Travel Register. Regarding the hotel accommodation that had apparently not been reimbursed by the former Commissioner, the Commissioner confirmed that this money had never been recovered, as a consequence of an oversight on the RGP side. The hotel accommodation had been paid with the Commissioner of Police credit card and the bank statement usually took a few months to be handed in for processing. The bank statement would have been checked against the travel itinerary provided, in which there had been no mention of the 'extended days'; this had been provided in a separate email. He assured me that the Commissioner of Police credit card is no longer used to book flights and accommodation for any family members travelling with the Commissioner. The Commissioner said that he had introduced more accountable and transparent measures.
- 3.7.6** I replied to the Commissioner on 16 June 2023, noting his confirmation of the sum overpaid to the former Commissioner of Police as a consequence of his extended stay in San Diego, California and that the money was never recovered. In this regard, I questioned what did he propose to do to recover the sum of £1,112 overpaid to the ex-Commissioner of Police. I informed him that aside from recovering the overpayment, the amount overpaid requires to be brought to account immediately, by debiting an Advance Account and crediting Revenue Head 6 Other Fees and Receipts, Subhead 5 Other Reimbursements. Once the overpaid sum is recovered, the Advance Account can be closed. Furthermore, the overpayment of public funds needs to be reported immediately to the Financial Secretary, copied to the Accountant General and Principal Auditor, in accordance with Accounting Instructions – something which has still not been done.
- 3.7.7** I recommended to the Commissioner of Police that, on those occasions where a police officer on official travel wishes to extend his stay or have a family member accompany him/her, the police officer on official travel should pay for all the travel expenses (within a strict economic budget), obtaining documentary evidence at the time of booking, and thereafter he can claim from the RGP the reimbursement of the official travel costs (on presentation of the relevant documentation); instead of the reverse practice currently in place. I acknowledged from the Commissioner's explanations that the Commissioner of Police credit card is no longer used and that the department has introduced more accountable and transparent measures. In this respect, I questioned what were the new measures that had been introduced. However, at the close of this report no reply had been received from the Commissioner of Police.
- 3.7.8** As a consequence of the aforementioned non-recovery of travel expenses, a further review was carried out on a sample of travel expenses incurred by the former Commissioner of Police between the financial years 2013-14 to 2018-19. The relevant information was extracted from the departmental vote books as well as the Commissioner of Police's travel lists and the Commissioner of Police credit card payments summaries. The following observations were noted:
- (a) There were 12 instances of the Commissioner of Police credit card being used to pay for expenses which were additional to the Commissioner of Police's work-travel requirements and should therefore have been reimbursed by the

Commissioner. However, the department could only provide evidence of reimbursement by the Commissioner in 6 of the 12 cases examined.

- (b) The 6 expenses for which the RGP could not present proof of reimbursement of costs by the Commissioner were in relation to the following non-work related outgoings:
 - (i) An extended non-work related stay by the Commissioner of 2 nights at a hotel in Beijing in 2017 (total cost £233.47);
 - (ii) Four occasions (costs not quantifiable from the documentation available), during the period 2015-2017, where hotel breakfasts had been paid for a guest of the Commissioner in Athens, Bruges, San Diego, California and Rome. In 2 of these instances (in Bruges and Rome), additional City Tax was also paid for the Commissioner's guest; and
 - (iii) One US Customs ESTA application for the Commissioner's spouse in 2015 (cost £9.52).

At the close of this report no reply had been received from the Commissioner of Police.

3.7.9 Found Property - A sample of items from the Found Property Register selected to be agreed to the physical items, and vice versa, revealed the following concerns:

- (a) Found property is collected from the various RGP premises once every fortnight, at the same time as the relating information is recorded in the Found Property Register Microsoft Excel database. This can result in omissions in the database, e.g. if the owner of the found property claims and recovers the item soon after being handed-in and before it has been collected and recorded in the system electronically. I therefore recommended that the Found Property Register database is updated immediately upon receipt of any found property at any of the RGP premises;
- (b) Notwithstanding the fortnightly updating procedure, the audit examiner was informed at the time of the audit inspection, in February 2018, that the Found Property Register had not been updated since the second quarter of 2017, a delay of approximately 8 months;
- (c) It was observed that monies which were noted as having remained unclaimed since the fourth quarter of 2016, had not been credited to Government Revenue until the first quarter of 2018, contrary to the established nine months' period allowable by the RGP;
- (d) Details of disposal are recorded in the Found Property Register database when the items are disposed of, however, no formal document is produced certifying or detailing the disposals; and
- (e) One of the sampled Found Property items was inside a sealed exhibit bag where the contents had been very briefly documented on it. In order to properly identify the item without having to break the sealed exhibit bag and to enable the proper record of the item in the Found Property Register database, I recommended to the Commissioner that a more detailed description of the found item and its contents should be recorded on the item.

3.7.10 The Commissioner informed me that found property is now collected on a regular basis and promptly recorded in the database. He explained that if an item is handed in and claimed by the owner, prior to being collected by the police officer, this information is found in the Found Property Register and signed by the claimant. With regard to the Register not being updated on a timely basis, the Commissioner explained that unfortunately the previous police officer was frequently absent from work and this caused delays within the process with the Register not being kept up-to-date. However, he confirmed that currently this has been rectified and the Register is now up-to-date. Regarding found monies unclaimed not being promptly credited to Government Revenue, the Commissioner replied that

they had changed the procedure and found monies are now credited to Government Revenue when they are handed in. He added that any subsequent claims from owners or finders, that are placed within the established 9 months' period, are paid back, with a debit made to the Revenue Head. The Commissioner further explained, in regard to the brief description being recorded in the exhibit bag and in the database, that this was a problem that they had already identified and were trying to resolve through a better IT System that would manage this. The Integrated Criminal Justice System software team together with a UK based software company were currently addressing the matter.

3.7.11 Exhibits and Confiscated Items - On checking a sample of items from the Dutch Magazine Warehouse and from the Exhibits Store at the New Mole House RGP Headquarters against the Exhibits Database, and vice versa, it was noted that there were two cases where the name of the officer who had originally produced the exhibit was not recorded in the computer database. Instead, the name of the officer who had deposited the exhibit had been recorded in the database. Additionally, it was noted that one of these exhibits had the incorrect seal number recorded in the database. The Commissioner replied that, on occasions, this will be the case when the person exhibiting is not within the organisation and is a member of the public. However, this issue will be resolved once the Integrated Criminal Justice System software program goes live. I thereafter told the Commissioner that his reply was not entirely satisfactory as the audit query referred to the names of the police officers being in error, whilst your reply adduces that the problem occurs when the person exhibiting is a member of the public. At the close of this report no further reply had been received from the Commissioner of Police.

3.7.12 The level of internal control over the safe deposit and disposal of exhibits by the RGP was reviewed and the following weaknesses noted, together with the Commissioner of Police's reply:

- (a) There were no security cameras installed over a section of the warehouse where large items confiscated outside of working hours, such as tobacco, are kept. Due to the nature of the items stored, I recommended that the whole warehouse should be under constant CCTV surveillance. The Commissioner replied that the tobacco now kept in their store is minimum and it is always under CCTV;
- (b) Small items which are confiscated outside of working hours are stored overnight inside lockers assigned to each of the shift teams until the following working day when the items are collected by the Exhibits Officer, who will subsequently update the exhibits database. However, the audit examiners were informed that confiscated items may sometimes remain inside the lockers for weeks before they are collected by the Exhibits Officer. In order to reduce the risk of confiscated items being misplaced and to allow for the proper update of items recorded in the database, I recommended to the Commissioner that it was essential that the Exhibits Officer collects and records the confiscated items in a prompt and timely manner. The Commissioner explained that it is up to the Sergeant of each shift to ensure that the exhibits from their respective shift exhibits locker are deposited in stores promptly. This issue will also be resolved when the Integrated Criminal Justice System software program goes live, as each officer will have to process their own exhibits at the time. I thereafter asked the Commissioner if the problem would be addressed before the software program goes live;
- (c) Confiscated weapons are kept in a store which although securely locked does not have intruder alarms installed. Additionally, the officer in charge of armoury, who is responsible for confiscated weapons, was not providing details of confiscated weapons to the Exhibits Officer via email so that these can be recorded in the database. It is important that these requirements are seriously followed if confiscated weapons are to be securely stored and an up-to-date record adequately kept in the database. The Commissioner replied that the matter had now been resolved and there was a good working relationship with the Armed Response Unit. I told the

Commissioner I did not consider his reply to be sufficiently informative and did not fully address the audit queries raised;

- (d) Redundant exhibits are not disposed of in a timely manner but are instead unnecessarily kept in storage because the Exhibits Officer is not recurrently informed when exhibits are no longer required. I recommended to the Commissioner that the Exhibits Officer should be notified immediately when exhibits can be returned or alternatively destroyed, so that exhibits are not kept unduly for long periods of time beyond their need and in this way storage space can be effectively managed. The Commissioner explained that there is a process in place whereby the exhibits officer gets daily notifications from the Criminal Justice Unit informing him of the court outcomes so that exhibits may be disposed of or returned in a timely manner. I told the Commissioner that from his reply it was not clear to me whether this was a new procedure that had been implemented as a result of the audit observation raised, or that he was asserting, despite the audit query, that the system in place is as such; and
- (e) The Exhibits database program allows information to be amended or deleted without leaving a log or history of changes. This is a significant control weakness and I therefore strongly recommended that the database be programmed so that data is protected and there is an adequate audit trail of changes effected. The Commissioner replied that this matter will be resolved once the Property Module within the Criminal Justice System software program goes live.

3.7.13 The audit examiners were informed that the new Integrated Criminal Justice System software program was being developed to improve the recording of exhibits as well as various other policing matters. However, as mentioned in paragraph 3.7.21 of this report, the development of this software has surprisingly been ongoing for a number of years now and has still not been completed. The Commissioner replied that he was hopeful that the new software program will go live shortly.

3.7.14 I highlighted to the Commissioner that not all confiscated armoury is recorded in the Exhibits Database and that the Exhibits Officer is not always informed of the items of armoury which get confiscated. Moreover, the RGP is in the process of implementing new procedures and a new register for confiscated armoury, however, this had still not been finalised at the time of the audit inspection and could therefore not be tested. At a later date I asked the Commissioner whether this system was now in place and whether the Exhibits Officer was being furnished with the Firearms and Ammunition Depositing Forms which, the audit examiners were informed, are required to be completed by the officer in charge of the confiscated armoury and which allows for the Exhibits Database to be updated accordingly. The Commissioner confirmed that all weapon exhibits are now in the Exhibits Database.

3.7.15 Firearms Licences - I informed the Commissioner that an examination of the database for firearms licences had shown that the information held therein is inaccurate and not up-to-date and consequently was considered unreliable. According to the system, there were 313 individual weapons with expired licences, yet the officer responsible for firearms and their licences, informed the audit examiner that the information held in the database was not reliable as it appears there is a software bug in the computer system. Reminder letters for the payment of expired licences are sent to firearm owners every quarter. However, this is done by looking at the hardcopy of the licence rather than using the expired licence list extracted from the computer database, as this is not up-to-date. I recommended to the Commissioner that the computer database should be examined by an IT specialist as a matter of priority and, once cleansed, the records held therein be checked and updated to ensure that there is a complete and accurate database to ensure firearm holders are correctly licenced.

3.7.16 The Commissioner informed me that an in-depth exercise had been conducted and the database has been reconciled with all current files and records, with all pending applications having been processed. There are still nine records that show some disparity with the

database and this, he said, is being looked into further. Nevertheless, the Commissioner was confident that the exercise undertaken had significantly reduced the audit queries and errors that had been identified. The Commissioner added that they were now exploring having a bespoke database created solely for firearms licencing. If achieved, they would be able to streamline the process and have a more efficient working procedure.

3.7.17 Litter Tickets - A sample test of three Litter Ticket books, which were recorded as having been issued to RGP officers, was randomly selected; however, the audit test could not be carried out because the police officers to whom the Litter Ticket books had been issued were unable to locate the books. I requested the Commissioner to locate the Litter Ticket books at the earliest opportunity to make these available for audit examination.

3.7.18 A further five randomly selected Litter Tickets were selected, which had been issued by officers from Environmental Agency Ltd and which remained unpaid for more than 15 days, subsequently being passed from the company to the RGP for prosecution. The RGP records showed that four of the Litter Tickets had been forwarded to the Gibraltar Courts and one Litter Ticket could not be accounted for; however, the test showed that the RGP does not have any information in relation to the final outcome of the unpaid Litter Tickets which it receives for prosecution from Environmental Agency Ltd.

3.7.19 In addition, the RGP's Records Section was unable to provide the audit examiners with any information relating to the number of litter offenders for whom a warrant of arrest had been issued or how many of them had been arrested.

3.7.20 The Commissioner replied that they did not have information on the officers who hold the Litter Ticket books required for audit inspection as these are not recorded anywhere. I informed the Commissioner that the lack of control over the issue of litter ticket books which has led to there being no record of who the litter ticket books were issued to is most unsatisfactory. I questioned the Commissioner what action had been taken to strengthen the level of internal control in this area. Additionally, I reminded the Commissioner that he had not yet replied to the audit queries detailed in paragraphs 3.7.18 and 3.7.19. At the close of this report no reply had been received from the Commissioner of Police.

3.7.21 Integrated Criminal Justice System - As mentioned in paragraphs 3.6.5 to 3.6.7 of this report, in regard to the Integrated Criminal Justice System, I wrote to the Project Manager on 12 October 2020 requesting an update on the activities completed during the previous twelve months in relation to both the RGP and the Gibraltar Courts Service sides of the project. The Project Manager replied to me on 26 October 2020 informing that:

Case Management Module

A number of actions for development were carried out and have been deployed to the Test environment. Case Management is live for Charging events, and Office of Criminal Prosecutions & Litigation civil cases and RGP Professional Standards Department, however its full functionality is ready and waiting for users to prepare cases for court. The software developers intend to have a focused working group to support users on the full functionality operation.

Probation Module

The Probation application module is awaiting testing. In the mean-time the software developers have updated the software and these enhancements have also been deployed to the Test environment. The software developers are awaiting completion of testing before going live.

Road Traffic Collisions Module

The Road Traffic Collisions module is being tested and will be ready to go live when the RGP deem the time to be right.

Markers

The software developers have included the ability to view warning markers when searching for a nominal. This is an enhancement that draws the users attention to that nominal.

Firearms Module

The 'Person History' has been adapted to include more specific Firearms information. This now provides the ability to record different firearms licences, details of the firearms and of ammunition.

Cautions

RGP requested some changes to the way cautions are handled within the application system and the software developers have been working with the RGP to find an effective solution, although the work is still in progress.

Cautions Template

RGP requested some changes to the Cautions Template and this has been implemented.

Property Module

The software developers have worked with the RGP to provide a Property application module and this has been deployed to the Test environment and is awaiting testing. Provision has been made to use barcodes within the system; and the RGP have purchased barcode scanners for this purpose.

Domestic Violence

The RGP have requested the software developers to provide for the ability to record Domestic Violence information within Crime. The software developers have worked with the RGP on establishing the requirements. There were policy changes, so the RGP will inform the developers when these are complete so that provision can be made for this within the system.

Offences

Work was undertaken to include all the road traffic collisions within the system, for them only to apply in the appropriate applications and this has been completed.

Detention Clock

RGP requested a further change to the Detention Clock within the Custody application and this work has been completed.

Live-scan

The software developers have worked with the Information Technology and Logistics Department to implement Live-scan for fingerprint recognition and this has now been implemented.

Aggrieved Contact Details in Crime

The RGP have requested a modification to the Crime Wizard to include a different method of recording the Aggrieved details for the Victim Support Unit. The requirements for this have been established and the method of implementation; however, this is awaiting development.

- 3.7.22** In concluding his progress report on the software application project, the Project Manager informed me that the last twelve months had clearly been subject to the restrictions arising from the Covid-19 pandemic. The software developers were looking to visit Gibraltar once Covid-19 restrictions were relaxed to assist stakeholders with the outstanding tasks and for decisions to be taken. Specifically, (i) getting the investigation/prosecution agencies forward in terms of full Case Management; (ii) getting the Probation module live with their application; (iii) getting the Road Traffic Collisions application live; (iv) getting the Firearms module live; (v) assisting the RGP to get the Property application configured correctly so that testing can commence; and, (vi) give a demonstration of the latest technology platform with a view to receiving feedback.

Environment

3.8.1 On 9 July 2020, I wrote to the Chief Executive (Environment) informing her that an audit review had been carried out on the level of overtime earned in the Government Service, including the wider public service, during the 12-month period ending on 31 October 2019 (prior to the Covid-19 pandemic) which included all civil servants and public servants (non-industrial and industrial) employed in Government departments, statutory authorities and agencies. The study had revealed that three supervisory officers (managers) that worked together within a specific section of the Environment Department, were in the top 13 highest overtime earners in Government, see Figure 70.

Figure 70

| Ranking in Top Overtime Earners | Department | Officer | Grade | Total Basic Salary Paid (Nov 2018 to Oct 2019) | Total O/T Paid (Nov 2018 to Oct 2019) | Total Gross Pay (Nov 2018 to Oct 2019) | % of O/T to Basic Pay |
|---------------------------------|-------------|-----------|-------|--|---------------------------------------|--|-----------------------|
| 1 | Environment | Officer A | SPTO | £58,118 | £113,709 | £171,827 | 196% |
| 9 | Environment | Officer B | PTO | £40,028 | £47,215 | £87,243 | 118% |
| 13 | Environment | Officer C | PTO | £40,028 | £39,461 | £79,489 | 99% |

3.8.2 I highlighted to the Chief Executive that the overtime earned by the SPTO during the 12-month period November 2018 to October 2019 amounted to £113,709, representing a staggering 196% of his basic salary in overtime. This officer, who was the top overtime earner in the entire civil service during the aforementioned 12-month period, was significantly higher than the overall second highest overtime earner in Government, who worked in another department, who had earned £73,362 in comparison.

3.8.3 I pointed out to the Chief Executive that further examination of the emoluments earned by the SPTO during the last 12 financial years, and of the two PTOs in the last 8 financial years since their appointment to the Department, revealed that their overtime earnings have consistently remained at an exceedingly high level throughout. A summary of the officers' earnings is shown in Figures 71, 72 and 73 below.

Figure 71

OFFICER A (SPTO)

| Tax Year | Basic Salary | Overtime | Total | % of O/T to Basic Pay |
|----------|--------------|----------|----------|-----------------------|
| 2008-09 | £33,721 | £49,493 | £83,214 | 147% |
| 2009-10 | £36,180 | £55,514 | £91,694 | 153% |
| 2010-11 | £37,895 | £54,837 | £92,732 | 145% |
| 2011-12 | £38,991 | £60,446 | £99,437 | 155% |
| 2012-13 | £40,019 | £57,823 | £97,842 | 144% |
| 2013-14 | £41,153 | £64,658 | £105,811 | 157% |
| 2014-15 | £42,236 | £75,944 | £118,180 | 180% |
| 2015-16 | £48,970 | £88,775 | £137,745 | 181% |
| 2016-17 | £54,345 | £106,765 | £161,109 | 196% |
| 2017-18 | £55,683 | £96,959 | £152,642 | 174% |
| 2018-19 | £57,111 | £109,617 | £166,728 | 192% |
| 2019-20 | £58,496 | £116,185 | £174,681 | 199% |

Figure 72

OFFICER B (PTO)

| Tax Year | Basic Salary | Overtime | Total | % of O/T to Basic Pay |
|----------|--------------|----------|---------|-----------------------|
| 2012-13 | £33,529 | £21,084 | £54,613 | 63% |
| 2013-14 | £34,610 | £37,003 | £71,613 | 107% |
| 2014-15 | £35,520 | £40,187 | £75,707 | 113% |
| 2015-16 | £36,468 | £43,818 | £80,286 | 120% |
| 2016-17 | £37,470 | £43,586 | £81,056 | 116% |
| 2017-18 | £38,501 | £44,482 | £82,983 | 116% |
| 2018-19 | £39,495 | £46,327 | £85,822 | 117% |
| 2019-20 | £40,376 | £44,147 | £84,523 | 109% |

* Officer B commenced working in the Environment Department on 18 June 2012.

Figure 73

OFFICER C (PTO)

| Tax Year | Basic Salary | Overtime | Total | % of O/T to Basic Pay |
|----------|--------------|----------|---------|-----------------------|
| 2012-13 | £29,755 | £25,018 | £54,773 | 84% |
| 2013-14 | £30,599 | £33,881 | £64,480 | 111% |
| 2014-15 | £31,404 | £37,706 | £69,110 | 120% |
| 2015-16 | £32,242 | £40,027 | £72,269 | 124% |
| 2016-17 | £33,129 | £39,195 | £72,324 | 118% |
| 2017-18 | £34,040 | £39,924 | £73,964 | 117% |
| 2018-19 | £37,995 | £39,355 | £77,350 | 104% |
| 2019-20 | £40,376 | £42,781 | £83,157 | 106% |

* Officer C commenced working in the Environment Department on 14 March 2012.

3.8.4 I further highlighted to the Chief Executive that the allocated expenditure budgets of the section of the Environment Department where these officers work, for the financial year 2018-19, showed all expenditure had practically been contained within the budgets, with the exception of the overtime expenditure relating to the managerial staff where the approved estimate for the year was fully taken up by the overtime paid to Officer A (SPTO) in that financial year. As a result of the extremely high level of overtime paid to all three managers, the overtime budget exceeded the annual budget by £85,299.

3.8.5 I reminded the Chief Executive that Officer A (SPTO), who is conditioned to 37 hours of work per week, consistently claimed an additional 39.75 hours every week (17.75 hours of overtime from Monday to Friday payable at time and a half; plus 22 hours of overtime on weekends payable at double time), equating to a total of 70.63 payable overtime hours every week. The two PTOs, who are also conditioned to 37 hours of work per week, consistently worked an additional 44.75 hours every fortnight (22.75 hours of overtime payable at time and a half; plus 22 hours of overtime payable at double time). As the two officers alternate working overtime each week, this equates to an average of 39.06 payable overtime hours by each PTO every week. Considering the exorbitant amount of overtime pay claimed every month, year after year, I asked the Chief Executive the reason(s) for these officers having to work so many additional hours beyond their conditioned hours and whether such level of overtime was justified. I also pointed out that the 'reason for overtime' which needs to be recorded in the overtime claim form by all government employees that make a claim to

overtime, had not been stated in any of the claim forms pertaining to the three managers that had been examined in audit.

- 3.8.6** Moreover, I expressed my concern that Officer A SPTO had managed to earn close to a million pounds (£979,470) in overtime pay in the last 12 years, representing average overtime earnings of over £78,000 per year without taking into account the effect of inflation. In the last two years alone, earning well over £100,000 per annum in overtime pay, representing twice his basic salary in overtime. This, in my view, was completely unacceptable in terms of work efficiency and particularly in light of Government's drive to ensure efficiencies in the public service, not to mention the lack of control in public expenditure.
- 3.8.7** I told the Chief Executive that the department should evidently explore other operational arrangements in the section of the department where these officers worked, in order to reduce, or altogether stop, the apparent abuse in overtime working. I suggested to the Chief Executive that perhaps the department could implement a system where staff are not required to work additional hours after 16:30 and in the event that there is a requirement to attend work because of an emergency, overtime would be payable on the basis of a call-out. Alternatively, I suggested, Government could also consider the feasibility of contracting the services performed by these officers. This option would, in my view, certainly produce cost savings to the public purse.
- 3.8.8** In order to contain public expenditure, I recommended to the Chief Executive that whilst Government reviewed and considered the organisational arrangements in this section of the department, there could just be one manager and not two managers simultaneously undertaking after-hours' duties as had been the practice for the last eight years. Such a move would radically reduce overtime expenditure by half and enable savings of around £100,000 per annum.
- 3.8.9** I lastly told the Chief Executive that I was aware that in the past she, and indeed her predecessor, had raised their serious concerns to the Government on the inordinate level of overtime earned by this management team, nevertheless, for reasons unbeknown to me the situation had been allowed to continue uncontrolled. Although I did meet with the Chief Executive at her request, where she provided me with some explanations on the issues raised, at the close of this report, and despite a number of reminders, the Chief Executive had still not provided me with a formal written response.
- 3.8.10 Upper Rock Cash Surpluses** - On 26 October 2022, I wrote to the Chief Executive (Environment) informing her that an audit review had been carried out on the numerous cash surpluses reported by the Upper Rock Section of the Department of the Environment during the financial year 2021-22. The exercise focused on the cash surpluses arising from an irregularity in the electronic credit/debit card reader payment terminal from the ticket sales office located at one of the ticket offices in the Upper Rock Nature Reserve. I hereunder draw attention to the issues raised together with the reply from the Senior Executive Officer of the Department of the Environment, who replied on behalf of the Chief Executive.
- 3.8.11** I reported to the Chief Executive (Environment) that, in April 2021 an official from her department identified an irregularity in the electronic payment system at the Jews' Gate entry point. It was found that contactless card payments made by tourists and persons attending this ticket office would occasionally appear not to have been charged, producing a 'not authorised' notification. In such instances, the individuals would subsequently resort to pay electronically by introducing the credit/debit card via the payment terminal card slot. However, the Department of the Environment thereafter discovered from its bank account statements that some of the contactless ticket sales had in fact been successful, with the electronic payment transactions actually taking place. Thus incurring a 'double payment' for the Nature Reserve tickets which represents a surplus of revenue to the Government.

- 3.8.12** In total, there were 110 instances in which the Electronic Payment System irregularity occurred during the financial year 2021-22, resulting in an aggregate sum of £2,481 in surpluses to Government. As a consequence, visitors to the Upper Rock Nature Reserve were overcharged an average 'double payment' of £22.55 on each of these transactions during the course of the financial year. This irregularity further resulted in added costs and resources in having to identify, quantify and report these surpluses to the Financial Secretary.
- 3.8.13** The £2,481 in surpluses, arising from the irregularity in the electronic payment system, represents 87% of the total surpluses (£2,858) reported by the Department of the Environment in the financial year, as there were an additional £377 (13%) of other surpluses, unrelated to the anomaly in the payment system, sustained in different areas of this department, such as the beaches, bathing pavilions, Europa swimming pool, etc. during the same period.
- 3.8.14** I further informed the Chief Executive (Environment) that during the financial year 2022-23, specifically from 1 April 2022 to 12 June 2022, there had been 21 further instances in which the Electronic Payment System irregularity had occurred, resulting in £598 of surplus to Government.
- 3.8.15** The audit examiners were informed at the time of the review in March 2022 that a new Electronic Payment System was going to replace the current Streamline (Worldpay) and that this might result in the rectification of the revenue collecting irregularity. I told the Chief Executive (Environment) that I was aware that a new electronic payment provider (Paystrax) had been introduced in June 2022. However, according to cash discrepancies reports submitted by the Department of the Environment to the Financial Secretary in September and October 2022, further cash surpluses had been sustained in June and July 2022 respectively, thus indicating that despite the change in service provider the problems had still not been resolved and the irregularities continued to occur.
- 3.8.16** The Senior Executive Officer replied that throughout the period in question, this irregularity had been thoroughly investigated. Gibtelecom had been called in on a couple of occasions as the wireless connectivity was down on many occasions. The department suspected that the 'not authorised' notification, through the contactless function of the card reader, was as a consequence of the wireless connection failing for a split second, despite the payments going through later. The Senior Executive Officer added that it was subsequently decided to go back to a cable connection, which eventually resulted in the problem becoming less frequent. She further explained that Paystrax had also investigated the problem and in their view the problem was as a consequence of the card being removed from the chip slot before the transaction was approved, thereby generating an auto-reversal, which is then declined most likely because the type of payment card does not support online reversals. The JURA point-of-sale system (which is integrated to Paystrax) has now been updated to prevent this from happening. Paystrax will now warn the site officer that a duplicate payment is suspected and asks the officer to confirm whether he wishes to continue with the transaction. The Senior Executive Officer informed me that since the introduction of this warning notice there had been a noticeable reduction in double payments; the only odd occasions when double payments go through are when the site officer does not heed the warning.
- 3.8.17** The audit examiners had been informed that as the irregularity only occurred when tickets were purchased using the contactless function within the electronic credit/debit card reader payment terminal, the Nature Reserve site officers had been advised by the department's Accounts Office staff, as a precaution, to dissuade clients from paying by means of a contactless card. Nevertheless, when the audit examiners attended the Jews' Gate ticket office they observed that visitors to the Nature Reserve, wishing to pay for their tickets with their debit/credit card, were not being recommended to pay for their tickets using the chip and pin method but were instead using the contactless function on the card machine to make payment. In her reply, the Senior Executive Officer explained that the department had

instructed staff on numerous occasions to comply with management directions. However, the staff either forgot or they were just not bothered to follow these instructions.

- 3.8.18** The Senior Executive Officer informed me that the new payment gateway had been introduced in June 2022 primarily to improve on the existing credit card setup, which had been operating with no immediate support available and with numerous double payments of Nature Reserve tickets on a daily basis. Changing the payment gateway, and at the same time integrating this into the software, had of course not been an easy task and there were some initial teething problems which were to be expected. As at June 2023, a total of 35,872 transactions amounting to £1.49m had been processed by the new payment gateway which required no human input (under the previous system it was not unusual for staff to charge the wrong fees to clients as they were required to input the sum manually on the terminal).
- 3.8.19** The Senior Executive Officer pointed out that the department had only had 42 queries out of the circa 36,000 transactions to June 2023, a statistic which they considered remarkable as it represented just 0.12% of all transactions. She confirmed that the contracted electronic payment provider was constantly working to improve the system, and further measures were being put in place as well as working with the main tour operator responsible for the credit card payments, i.e. the Gibraltar Taxi Association. A custom software has been designed that will take payments directly from a taxi drivers credit account with the Gibraltar Taxi Association by the use of a pre-payment card issued by Jura. According to the Senior Executive Officer, this should result in cost savings to the Gibraltar Government, due to a reduction in credit card transactions of as much as 80%, which will also see a decrease in credit card queries and a reduction in bank charges. The Senior Executive Officer said that the irregularities in the electronic payment system were now nearly non-existent since the introduction of the new payment gateway.
- 3.8.20** Aside from my alarm at the high number of surpluses sustained, I told the Chief Executive (Environment) that I was also concerned at the considerable delays in reporting the cash surpluses to the Financial Secretary, mainly owing to the time taken by the Treasury Department to send the corresponding bank statements to the Department of the Environment, but also as a consequence of the additional time taken by the department to subsequently identify the surpluses. Such delays are not in keeping with the provisions of Government Accounting Instructions which requires any loss or surplus to be reported immediately to the Financial Secretary. I highlighted that the delays in reporting the surpluses ranged from 8 days to 248 days (8 months), which was highly unsatisfactory.
- 3.8.21** In her reply, the Senior Executive Officer explained that the lifting of Covid restrictions and the implementation of the electronic cashbooks had occurred more or less at the same time. A steady increase of tourism was seen at a time when the system would ideally have benefitted from Treasury sending on a daily basis the Department's bank statements containing the Nature Reserve card machines transactions. Although the bank statements were requested often and the Senior Executive Officer had personally intervened, these were not forthcoming from Treasury. It was established that the only official allowed to contact World Pay was the Higher Executive Officer from the Treasury Payments Section. The Senior Executive Officer requested permission to contact World Pay directly herself but was not allowed to do so. It was only after she expressed her concerns to the Accountant General that the bank statements started to be provided on a weekly basis. She pointed out that bank statements for the period April 2021 to August 2021 had been received in September 2021; and bank statements for the period September 2021 to January 2022 had been received at the end of January 2022; this obviously explained the delay in reporting the cash surpluses to the Financial Secretary.
- 3.8.22** In my letter, I highlighted to the Chief Executive (Environment) that the aforementioned delays in identifying the cash surpluses also resulted in the cash books being submitted to the Treasury Payments Section up to 4 or 5 months late, which is also contrary to the requirements of Government Accounting Instructions, which prescribes that Receivers of

Revenue will submit their cashbooks to the Treasury Payments Section on a frequent basis. The effect of delaying the submission of the cashbooks to Treasury is that the revenue collected remains unaccounted for in the main Government books of account during the deferred period, which is completely unacceptable. The Senior Executive Officer replied that all efforts were made to get up to date with the cashbooks as it was something which the department was very conscious of. It was not until the beginning of 2022, when the officer responsible for the departmental cashbook cleared the backlog and she has since tried to maintain this as much as possible. However, the Senior Executive Officer pointed out that there are instances where the submission of cashbooks takes longer, due to the delay in the submission of reports by site officers who have incurred a cash discrepancy, and might not be back on the same shift until a week or two after the irregularity is identified.

3.8.23 I also told the Chief Executive (Environment) that the audit examiners had been made aware that on occasions the merchant receipts that are printed from the electronic credit/debit card reader at the Nature Reserve had been omitted from the end-of-day documents sent to the Department of the Environment's Accounts Office. I informed the Chief Executive (Environment) that it was essential that the officers at the Nature Reserve ticket offices include all sales receipts which are required by the Accounts Office at the end of each day. The Senior Executive Officer informed me that this had been highlighted at the time to the site officers and an improvement seen. However, as from 6 June 2022, when Paystrax (the new electronic payment provider) was introduced, the Merchant receipt is kept in the system and can be seen through landpoint by the officer preparing the cashbooks; this eliminates the misplacement or loss of merchant receipts.

3.8.24 I further informed the Chief Executive (Environment) that VIP tickets (for which there is no monetary charge) had been occasionally issued at the Nature Reserve ticket offices to clients who had shown evidence of instant notifications on their mobile telephone devices, at the point of sale, proving that the Nature Reserve tickets had indeed been charged to their bank accounts, despite the ticket offices' electronic credit/debit card reader having produced a 'not authorised' notification. Unfortunately, the Nature Reserve site officers had not been instructed to collect any documentary evidence in support of the issue of the VIP tickets relating to those individuals that had been granted VIP access into the Nature Reserve, which is a significant control weakness. The Senior Executive Officer replied that staff has since been instructed to keep records of all VIP tickets issued. In addition, all VIP tickets other than those issued to local ID cardholders require prior approval from the department's senior management. A new policy has been issued where only Government officials, Press officials, etc. are eligible to receive a free ticket to enter the Upper Rock Nature Reserve. These VIP tickets will need to be approved prior to their issue. Another initiative will be the introduction of a reduced-price ticket for the guests of local companies and businesses who wish to visit the Nature Reserve. A record of these will be kept by the Jura system.

3.8.25 The audit examiners were informed that tourists and visitors to the Upper Rock Nature Reserve who have been overcharged for their entrance tickets can request a refund from the Department of the Environment. This, as previously mentioned, may take several months, as the amounts to be refunded cannot be determined until the department receives the corresponding bank statements, which are sent by Treasury, and the resulting surpluses have been reported to the Financial Secretary. I informed the Chief Executive (Environment) that there was no doubt that tourists who got overcharged for their tickets and end up waiting for months to obtain a refund (that is, if they are able to get in contact with the Department first, from their respective countries) would feel aggrieved and disappointed, thereby spoiling their Gibraltar tourist experience. Some of the affected tourists might even resort to expressing their discontent publically, which will tarnish Gibraltar's reputation as a tourist destination. I emphasised to the Chief Executive the dire need to solve this revenue collecting problem, not only because of the difficulties it was creating in the department, but

primarily to bring to an end the bad image being portrayed to visitors to Gibraltar and in this way improve the overall experience for tourists.

- 3.8.26** The Senior Executive Officer informed me that the department is fully aware of the negative effects this could have on the tourism industry. However, given the unfortunate delays which they experienced in receiving the bank statements from Treasury, as explained previously, this had been inevitable. She explained that if 'double payments' are confirmed within the day, a refund of the sum overpaid can be made by the shift supervisors. Nevertheless, as the problem with contactless card payments is no longer an issue, the need for refunds is negligible. She emphasised that the department does, however, in such circumstances keep in touch with the tourists concerned and assures them that they will receive their refund as soon as practicably possible.
- 3.8.27** In my letter to the Chief Executive (Environment), I highlighted that at the same time as the cash surpluses irregularity had been occurring, there had also been additional discrepancies with the Electronic Payment Systems at the ticket sales offices located at Devil's Gap which had resulted in cash shortages. In these instances, the Electronic Payment System had recorded the payments as valid and produced a corresponding receipt, with the ticket machine issuing the corresponding number of entrance tickets into the Nature Reserve. However, the department had later discovered from its bank account statements that these transactions had in fact not gone through with the money not reaching the bank account, thus representing a shortage of revenue to Government.
- 3.8.28** The Senior Executive Officer replied that cash shortages had also been significantly reduced with the new electronic payment gateway. Senior management continue to issue instructions to site officers on the importance of reconciling their till accounts at the end of the day and on the need to properly account for tickets sold. The Senior Executive Officer highlighted that as a Department they try and encourage best practice throughout. She highlighted that with the new ticketing system, together with the elimination of cash usage and the introduction of cashless cards, the department had greatly reduced the element of human error which previously used to be a main factor in the number of cash discrepancies sustained.

Education

- 3.9.1 Arrears of Scholarship Fees – Reimbursements** - The arrears due in respect of Reimbursements of Scholarship Fees as at 31 March 2017 amounted to £720,631, representing a year-on-year increase of £116,862.
- 3.9.2** During the financial year 2016-17, there were 44 new scholarship debts whilst 16 students finalised the repayment of their debt. The overall number of student debtors increased year-on-year by 28 (18.9%) from 148 student debtors to 176; and the scholarship debt increased during the year by 19.4%. By the end of the financial year on 31 March 2017, 16 (10.8%) students had paid back all of their debt and 78 (52.7%) students had paid back part of their debt to the Department of Education. By contrast, 54 (36.5%) student debtors had not made a single payment during the year.
- 3.9.3** The position as at 31 March 2018 was that arrears had again increased year-on-year by £136,146 to £857,777; and the number of scholarship debtors also increased by 11 (6.3%) from 176, as at 31 March 2017, to 187 students by the end of the following financial year. During 2017-18, there were 40 new scholarship debts whilst 29 (16.5%) of students had paid back all of their debt and 100 (56.8%) students had paid back part of the debt. In contrast, 48 (27.3%) student debtors did not make a single payment during 2017-18.
- 3.9.4** Scholarship Fees - Reimbursements arrears as at 31 March 2019 amounted to £910,516 representing a year-on-year increase of £52,739. During the financial year 2018-19, there were 20 new scholarship debts. The overall number of student debtors decreased year-on-

year by one (0.5%) from 187 student debtors to 186; and the scholarship debt increased during the year by 6.15%. By the end of the financial year on 31 March 2019, 21 (11.2%) students had paid back all of their debt and 121 (64.7%) students had paid back part of their debt. On the other hand, 45 (24.1%) student debtors had not made a single payment during the year.

3.9.5 The position as at 31 March 2020 was that arrears had again increased year-on-year by £149,184 to £1,059,700; and the number of scholarship debtors also increased by 2 (1.1%) from 186 as at 31 March 2019 to 188 students by the end of the following financial year. During 2019-20, there were 28 new scholarship debts whilst 26 (14.0%) students had paid back all of their debt and 118 (63.5%) students had paid back part of the debt. On the other hand, 41 (22.0%) student debtors had not made a single payment during the year and one (0.5%) student, although repaying towards the debt, increased her debt overall.

3.9.6 Figure 74 shows the number of scholarship debtors and the corresponding arrears outstanding over the last six financial years-ends.

Figure 74

| Position as at: | Number of Scholarship Debtors | Outstanding Arrears |
|-----------------|-------------------------------|---------------------|
| 31 March 2015 | 141 | £492,005 |
| 31 March 2016 | 148 | £603,769 |
| 31 March 2017 | 176 | £720,631 |
| 31 March 2018 | 187 | £857,777 |
| 31 March 2019 | 186 | £910,516 |
| 31 March 2020 | 188 | £1,059,700 |
| 31 March 2021 | 181 | £984,519 |
| 31 March 2022 | 188 | £1,127,029 |
| 31 March 2023 | 236 | £1,612,690 |

3.9.7 However, I must highlight that during the last 12 months, the Department of Education has carried out an internal exercise to reconcile prospective student scholarship debts related to the final outcome arising from the students' higher education studies at University. As a result of this exercise 'new debts' amounting to £653,619, spanning the financial years 2010-11 to 2021-22, were identified by the department, as shown in Figure 75. Because these identified new debts have not yet been formally reported by the Director of Education to the Accountant General by way of revised Returns of Arrears of Revenue, the Statement of Aggregate Arrears of Revenue for the Financial years 2016-17 and 2017-18 compiled by the Treasury Department have not yet been amended to duly reflect the increase in arrears of Scholarship Fees – Reimbursements.

Figure 75

| Financial Year | New Debts Identified |
|----------------|----------------------|
| 2010-11 | £3,050 |
| 2011-12 | - |
| 2012-13 | £10,650 |
| 2013-14 | £18,580 |
| 2014-15 | £5,498 |
| 2015-16 | £72,789 |
| 2016-17 | £12,252 |
| 2017-18 | £28,414 |

| | |
|---------|----------|
| 2018-19 | £79,627 |
| 2019-20 | £45,119 |
| 2020-21 | £156,928 |
| 2021-22 | £220,712 |
| Total | £653,619 |

- 3.9.8** As a consequence, of the identification of the new Scholarship Fees debts detailed in Figure 75, the arrears figures shown in Figure 74 have been amended to reflect the tentative arrears of Scholarship Fees – Reimbursements. These revised arrears are shown in Figure 76, subject to formal revised Returns of Arrears of Revenue being submitted to this effect by the Director of Education.

Figure 76

| Position as at: | Outstanding Arrears | Revised Arrears after Identification of New Debts |
|-----------------|---------------------|---|
| 31 March 2015 | £492,005 | £529,783 |
| 31 March 2016 | £603,769 | £714,336 |
| 31 March 2017 | £720,631 | £843,451 |
| 31 March 2018 | £857,777 | £1,009,010 |
| 31 March 2019 | £910,516 | £1,141,377 |
| 31 March 2020 | £1,059,700 | £1,335,680 |
| 31 March 2021 | £984,519 | £1,417,427 |
| 31 March 2022 | £1,127,029 | £1,780,649 |

At the close of this report, I am informed that the Scholarship Fees – Reimbursements arrears position as at 31 March 2023 stands at £1,670,892.

- 3.9.9** Arrears of Scholarship Fees - Reimbursements – Aged Debtors Analysis - Figure 77 shows an aged debtors analysis of the outstanding scholarship fees reimbursements as at 31 March 2020. As can be seen, the greater part of the arrears as at this date were debts of under 5 years, amounting to £775,001 (73.1%), owed by 101 debtors (53.7%). Nevertheless, there were eight debtors owing scholarship arrears for over 20 years, of these, one debt - albeit small- had been owing for over 30 years. Approximately a third of the debtors, 57 (30.3%) had amounts outstanding, in the aggregate sum of £160,719 (15.2%), for over 10 years. Of the 57 debtors, there were 26 (45.6%) who had not made a single payment during the financial year 2019-20 and 22 debtors (38.6%) who had not made a payment towards their debt in more than 3 years.

Figure 77

| Scholarship Fees Reimbursement Arrears: | Number of Scholarship Debtors | Outstanding Arrears |
|--|-------------------------------|---------------------|
| Owing for over 30 years | 1 | £789 |
| Owing for over 25 years but less than 30 years | 1 | £164 |
| Owing for over 20 years but less than 25 years | 6 | £6,879 |
| Owing for over 15 years but less than 20 years | 23 | £77,109 |
| Owing for over 10 years but less than 15 years | 26 | £75,778 |
| Owing for over 5 years but less than 10 years | 30 | £123,979 |
| Owing for 5 years | 10 | £47,047 |
| Owing for 4 years | 21 | £114,829 |

| | | |
|---|-----|------------|
| Owing for 3 years | 28 | £182,808 |
| Owing for 2 years | 14 | £132,303 |
| Owing during the current year (2019-20) | 28 | £298,015 |
| Total | 188 | £1,059,700 |

3.9.10 Scholarship Debts greater than £10,000 - There were 38 debtors owing more than £10,000 each as at 31 March 2020, which collectively owed £546,942. This represents more than half (51.6%) of the total debt owed by only 20.2% of the debtors.

3.9.11 Scholarship Arrears Repayment Agreements - During the financial year ended 31 March 2020, a total of 30 new arrears repayment agreements, amounting to debts totalling £321,787, were arranged by the Department of Education. A review of these 30 arrears repayment agreements as at 28 February 2021 revealed that 4 debtors had fully repaid their debts; 16 were up-to-date with the repayment instalments; 6 were behind on payments; whilst 4 debtors had not made a single payment towards clearing their outstanding debts. Of the 30 new arrears repayment agreements owing £321,787 during the financial year 2019-20, a total sum of £74,072 (23.0%) had been repaid as at 28 February 2021; whilst £57,726 (17.9%) of arrears instalments remained unpaid by the 4 debtors that had not made a single payment, despite these debtors having entered into a contractual arrangement with the Government to do so.

3.9.12 A review of the Department of Education's management of Arrears of Scholarships Fees – Reimbursements was carried out in the early part of 2021. I wrote to the Director of Education on 1 October 2021 highlighting the following audit observations:

3.9.13 **Arrears of Revenue – Departmental Management Information** - I informed the Director that the primary record of information maintained by the Department of Education for recording and controlling arrears outstanding owed by student debtors, in respect of scholarship fees reimbursements, continues to be a Microsoft Excel spreadsheet, which in my view, is not an adequate software for the department to hold such important and sensitive information. As detailed further in this report, there were many errors noted in the input of information onto the spreadsheet; payments are not automatically linked to the relevant debtor to produce the required management information; and figures are being overwritten resulting in loss of data. All this amounts to additional time and effort in keeping the arrears data as accurately as possible which inevitably leads to inefficiencies. Moreover, this also shows that not enough internal checking is being carried out to minimise the level of errors. It is clear that a simple MS Excel spreadsheet is easily subject to manipulation leaving no audit trail or accountability.

3.9.14 During the course of the audit inspection there were numerous typos, errors and inconsistencies noted in the detailed statement of scholarship fees arrears accompanying the periodical return of arrears of revenue submitted by the department to the Accountant General, in accordance with Accounting Instructions. These were brought to the attention of the Higher Executive Officer who subsequently amended these. One of the anomalies consisted in the complete omission of a particular debtor. This was coincidentally noticed during the audit inspection and should this not have taken place, this error would almost certainly have gone undetected and the debt to Government entirely lost. Like this, many other errors could go unnoticed.

3.9.15 A breakdown of the detailed statement of scholarship fees arrears requested from the department in an MS Excel format revealed that each time a debtor paid off his/her debt, the whole entry was removed completely from the spreadsheet. Consequently, previous years' comparators are compromised resulting in the arrears totals of these past years being distorted. In the absence of a dedicated arrears database, I strongly recommended to the Director that for management purposes and clarity, and in order to avoid possible confusion, either a new spreadsheet is opened for each financial year, or alternatively that each time

an arrears statement is produced, the rows should not be deleted in order not to distort the total arrears figures and allow for individual debtor comparisons. I suggested that if any rows holding fully-paid debtors are no longer required for the latest yearly statement, that these be 'hidden' (not removed) so as to not to flood the spreadsheet with unnecessary figures but at the same time not compromising total arrears figures.

3.9.16 I further informed the Director that the arrears database being developed for the department, as it presently stands, does not meet the requirements of the department and that in order for it to do so, the computer database program would need to be re-written. I highlighted to the Director that the time, money and resources that had been invested on this project, apparently in vain, was a matter of concern to me. I reiterated that it was of the upmost importance that an appropriate computer application system for the management of scholarship arrears was put in place as a matter of priority. This would ensure that there is a complete and accurate record of all scholarship debts owed to Government and would produce the necessary management information to control the level of debt. At the same time, a dedicated database would prevent the high incidence of errors which at present the MS Excel spreadsheet is susceptible to. I drew attention to the fact that it was my understanding that there was already a database in place in the department which records details of all students. I therefore suggested that perhaps consideration could be given to expand this database to include a record of outstanding student debts.

3.9.17 Return of Arrears of Revenue - I reminded the Director that whilst Accounting Instruction requires Receivers of Revenue to submit a return of arrears of revenue (an aged-debtors' analysis) as at the end of each financial year to the Accountant General, and copied to the Principal Auditor, showing the amount of arrears owing in respect of the financial year just ended together with the debts still outstanding from the preceding years, in addition to a detailed breakdown of the outstanding arrears, there is also a requirement for the following information to be provided with regard to the status of the arrears:

- (i) the level of arrears considered irrecoverable and the reason(s) why the Receiver of Revenue considers these arrears irrecoverable, with proposals for write-off action;
- (ii) the level of arrears considered unlikely to be recovered and the reason(s) why the Receiver of Revenue considers these arrears unlikely to be collected, and how this is being dealt with; and
- (iii) the level of arrears considered recoverable, and the action being taken to collect these arrears, i.e. through court action, repayment by instalment agreement, or through reminding action.

I highlighted to the Director that notwithstanding the aforementioned requirements, the return of arrears of revenue periodically submitted by her department solely provided a breakdown of the arrears owed by each student. There is no other information included with the return, as stipulated by Accounting Instructions. Information on the arrears being tackled by the Central Arrears Unit, or the debtors with repayment agreements, or the arrears deemed to be irrecoverable is not provided. I therefore recommended that the provisions of Accounting Instructions be fully complied with.

3.9.18 Debtors with Agreements - I informed the Director that a list of debtors who are 'on agreement' had been requested from the Department of Education. The arrears agreements that had been prepared during the financial years 2018-19 and 2019-20 were analysed and compared against the individual Debtors Spreadsheet maintained by the department, and the following discrepancies were noted:

- (i) Some figures entered under the 'Amount Paid' column did not agree to that stated in the Debtors Spreadsheet. Of the 31 new agreements created during financial year 2018-19, there were 5 cases where the figure recorded by the department under

'amount paid' was incorrect. In one particular case, the debt had been fully repaid, yet the departmental records stated the amount paid as zero;

- (ii) In the Debtors Spreadsheet, under the column named 'Currently Paying', there were 12 instances where this had been left blank by the department (meaning that the debtors were not paying), yet of these there were 8 cases where this was incorrect and the debtors had indeed made payments towards their debts;
- (iii) In the Agreements Debtors Record it was noted that there were two debtors with the same name. However, upon closer examination, on verifying the debtor file number, it was noted that the name of one of them was erroneous and should have been a different debtor;
- (iv) In the Debtors Folios there were numerous debtors classified as 'Non-Paying Debtors' when in fact they all had their agreement payments up to date;
- (v) Furthermore, in the Debtors Folio spreadsheet, some of the figures calculated at the bottom of each debtor's account – representing the total amount paid, were incorrect;
- (vi) There were inconsistencies in the spelling of some of the debtors' names on the separate spreadsheets. Although this might not appear to be a significant issue, it can lead to administrative errors and misallocations; and
- (vii) In the detailed Arrears statement submitted, as well as the Debtors folios, the amount outstanding for one particular student debtor was incorrect. The spreadsheet formula on the debtor's folio failed to pick up tuition fees refunded of £4,625.

I explained to the Director that the above observations were indicative of a lack of general controls over the input and recording of data relating to scholarship debts. There is a clear need to incorporate a checking function by an independent officer as an essential control feature to ensure that data is at all times accurate and complete.

3.9.19 Waiving of Scholarship Debts - I informed the Director that it had come to my attention that there is a departmental policy where student debts arising from the non-completion of a scholarship, due to medical or other genuine reasons, are not required to be written-off by the Financial Secretary but are instead waived by a Panel Board. This practice clearly contravenes the provisions of Accounting Instruction which states that, '*No irrecoverable amounts of revenue, debts, or overpayments may be abandoned or losses or deficiencies of public moneys, or the value of lost, deficient, condemned, unserviceable or obsolete stores, be written off, until the requisite authorisation has been communicated to the Controlling Officer concerned by the Financial Secretary*'. Indeed, under section 66 of the Public Finance (Control and Audit) Act it is the Financial Secretary who is statutorily empowered to abandon irrecoverable amounts of revenue, debts or over-payments; and to write-off losses or deficiencies of public moneys. I therefore strongly recommended to the Director that this policy be revoked and that all cases where there are genuine reasons to write-off debts be submitted to the Financial Secretary with the relevant departmental recommendation in consonance with the law and Accounting Instructions.

3.9.20 I informed the Director that a sample of debtors' files had been examined to verify whether proper procedures for waiving scholarship debts were being followed and to ensure that the number of debtors identified were complete. The following issues had been noted:

- (i) Debtor A - It was observed that the debt pertaining to this student amounting to £9,589.80 incurred during the financial year 2019-20 had been 'waived' on 23 January 2020. On examining the student file, it was noted that the Panel Board agreed on 10 July 2018 that due to the lack of medical evidence the debtor would be liable to reimburse the scholarship debt. The case was taken to the Panel Board again on 22 February 2019 but the decision remained unchanged. Nevertheless, there is an email sent by the previous Director of Education to the debtor's parent stating that, '*Having sought higher authorisation and presenting the medical mitigating circumstances I am*

pleased to inform you that we are now in a position to waive this debt so that the debtor will be able to apply for funding to attend University next September.' In the circumstances, I asked the Director:

- why the decision of the Panel Board had been disregarded, particularly since the Panel reached the same conclusion on two occasions, and bearing in mind that the reason for having a Panel to decide whether or not the debt should be waived is to abide by its decision. Consequently, I failed to understand how anyone could go above the Panel's decision;
 - who was the 'higher authorisation' who advised the Director of Education that the debt would be waived; and
 - how this student debtor was allowed to change his university course completely, with further scholarship funding provided, notwithstanding the fact that the original debt had not been repaid.
- (ii) Debtor B - This student's debt of £11,541 is composed of two separate university courses dating back to academic years 2002-03 and 2003-04. Since then there have been numerous attempts to contact the student via letters, to no avail. Only since the Central Arrears Unit resurfaced this case in February 2019 did the student respond via email. He claimed that his debt had been waived by the Minister and the Director of Education at the time; however, nothing to this effect was found on file. The Department of Education only found out that the student had left the course after they received notice from the University that he had withdrawn from the course. The student met with the Minister on 12 March 2019 in which he recalled having met with him years ago. It appears that the student had returned to Gibraltar some time in 2004, the reason being primarily motivated by family bereavements. The then Minister informed the student that he would not have to repay the scholarship grants awarded to him. Subsequently, the succeeding Minister also gave the view that this debt should not be pursued. I enquired from the Director:
- why this student was given additional funding for the academic year 2003-04 when his previous debt had not been cleared. My understanding is that for additional scholarship funding to be approved, any other scholarship debts must be repaid;
 - how the decision to waive the outstanding debt was given by a Minister or Ministers and this was accepted by the department, notwithstanding that the Panel Board is vested to waive the debts of students, although in my view it is solely the Financial Secretary who is authorised to write-off debts.
- (iii) Debtor C - This student has an outstanding debt of £2,147 since September 2018. He claims that his debt was waived by the Minister due to mental health issues, and applied for a Discretionary Grant. The student was informed that repayment towards his original debt needed to continue until the Panel Board met to discuss the new application as well as make a decision regarding the waiving of the debt. The grant was approved but he was informed that repayments to his original debt would have to resume. However, since then, the student has made no further payments towards his debt even though further funding has been provided, which should not be the case. I questioned the Director what action was being taken to recover the amount outstanding.

3.9.21 Accounting Practices - In my letter to the Director, I highlighted that when a student discontinues his studies, any amounts outstanding from scholarship fees are not immediately recognised as debts to Government, nor recorded in the return of arrears of revenue as such. It is only after the Panel Board meet and discuss the circumstances of the particular student who has discontinued his studies, that a decision is made as to whether or not the debt should be recognised. If it is agreed that the amount due should be waived, the debt is never recorded in the MS Excel Spreadsheet where scholarship arrears are maintained, nor in the return of arrears of revenue submitted to the Accountant General. As

a consequence, the outstanding sum is never recognised as a debt due to Government that has been waived. The same applies if a student decides to repay his debt in one lump sum payment; this is never recorded initially as a debt which has subsequently been repaid. I explained to the Director that I did not consider these procedures to be sound accounting practices. I informed her that it is best practice for a debt to be recognised immediately after a student decides to terminate his studies for whatever reason that may be. In these circumstances, an advance account needs to be opened in the student's name and the sum due debited to this advance account. The corresponding credit should be made against Expenditure Head 17 Subhead 2(16) Scholarship Expenses (or a credit to General Revenue in the case of previous years' debts). If the Panel Board decides the debt should be waived, then a request for write-off should be made to the Financial Secretary in accordance with Accounting Instructions. If the students repay the debt in full or over a period of time, the sums repaid should be credited to the Advance Account. This means that at any point in time the aggregate sum of all ex-student advance accounts should equal the outstanding scholarship debt to Government recorded in the database and in the return of arrears of revenue.

3.9.22 I explained to the Director, that although the officer responsible for scholarships confirmed that she undertakes periodical reconciliations of the scholarship debts outstanding, there was no evidence of such reconciliations being performed. I recommended to the Director that it is best practice, when performing a reconciliation, to produce a formal reconciliation statement in support of the reconciliation carried out. This means that at least yearly, if not quarterly or more often, the officer responsible should record in a statement the arrears brought forward from the previous period, to which should be added any new debts due to Government, and from this deducted any payments made by the debtors towards their debts. This should equal the balance of arrears at the close of the period of account as per the MS Excel Spreadsheet, which should also match the overall debit balances in the students' advance accounts (see paragraph 3.9.21). I recommended that the reconciliation statement should be signed by the officer performing the reconciliation and by a supervisory officer who shall ensure that the reconciliation is correct. Additionally, the reconciliation statements should be retained on file for audit purposes.

3.9.23 Student Agreements - Having reviewed the existing Agreement that students (and guarantors) sign when awarded a scholarship under the Scholarship Award Scheme, I informed the Director that in my opinion the Agreement is sufficiently tight (legally) to ensure that either the student, or his guarantor, are liable on demand to repay the whole of the amount due to the Government. I therefore informed the Director that I could not understand the enormous difficulties encountered by the Department of Education in ensuring that a student repays any scholarship grants and expenses that are owed to the Government as a result of being in breach of the Agreement. I questioned why the department could not enforce the repayment of the debts simply by contacting the debtor or his guarantor and demanding payment, and whether the department has recourse to legal action, either directly or via the Central Arrears Unit. Moreover, I suggested that if the department is encountering difficulties in recovering any sums outstanding from students, perhaps the existing Agreement should be referred to the Government Law Offices for legal advice on how to further tighten up the Agreement, if that is possible, to ensure that any liability on the part of the student/guarantor is met forthwith.

3.9.24 General - I informed the Director that the department does not have access to the Civil Status' ID Card system, nor to ERASMUS – the Department of Employment's application system, which would go a long way in assisting the department to identify and locate scholarship debtors and guarantors. I was aware that the department had tried to obtain access to the ID Card system in the past without success. I strongly recommended that access to these systems be requested again from the two relevant Heads of Department. I further informed her that the Chief Secretary, whom I had contacted, fully supported such a move.

- 3.9.25** At the close of this report, despite various reminders to which I had received holding replies, the Director of Education had not replied to the issues raised with her.

Gibraltar Parliament

- 3.10.1** A number of observations were noted during an audit inspection carried out at the Gibraltar Parliament to August 2021. I wrote to the Clerk to the Parliament on 26 July 2023 and hereunder draw attention to the more salient matters.
- 3.10.2** Gibraltar Joinery and Building Services Limited were contracted to carry out the works in relation to the preparations for the General Elections 2019 without going through a procurement tender process. The cost of the works amounted to £85,881. I strongly recommended to the Clerk to the Parliament that a suitable procurement process must be followed and documented on all occasions when tendering, in line with local procurement tender thresholds under the Government purchasing and procurement policy. I emphasised the need to adhere to this process in order to encourage wider competition with the aim of achieving the best possible value at the lowest possible cost.
- 3.10.3** Two payments of £500 each were made to the Gibraltar Amateur Swimming Association and the Guide Association Gibraltar Branch respectively in June 2019 as donations in return for the use of their premises as polling stations for the General and European Parliamentary Elections. Historically, the donations in relation to the use of the premises were £250. This was later increased to £400 in 2012 and has since increased further to the current fee of £500 per premises used. As reported by my predecessor in a previous audit inspection in June 2012, there is still no written policy governing the setting and payment of donations to entities for the use of their premises. I therefore once again recommended to the Clerk to the Parliament that the procedure for undertaking these payments be duly formalised by way of a written policy.
- 3.10.4** The Gibraltar Parliament engages the International Hansard Services from the Isle of Man Parliament Office for the production of Hansard. However, a copy of a signed contract could not be provided by the department and therefore the audit examiner was unable to establish whether the expenditure and conditions relating to Hansard services were correct as per agreed stipulations and requirements. International Hansard Services has been providing these services for eleven years since 2012. There have since been significant increases in fees over the years, including extra costs in relation to additional work carried out. However, to date no formal contract or written agreement has ever been signed, and all increases in fees have been communicated and approved by the department via email. I therefore strongly recommended to the Clerk to the Parliament that a formal contract be drawn up and duly signed by both parties, detailing the full extent of the services provided and stating the agreed fees, including the costs of any additional work required.
- 3.10.5** I informed the Clerk to the Parliament that in the financial period 2019-21, there were payments made to private individuals (who were not Government employees and hence not under the Treasury payroll system) in connection with the Register of Electors and the Parliamentary Election. These payments were charged to Head 5 Parliament, Subhead 2(5)(a) Staff Remuneration, and Subhead 2(6)(a) Staff Remuneration respectively. However, copies of the payment vouchers relating to these payments were not forwarded to the Income Tax Office so that the taxpayer's records of the individuals concerned could be updated accordingly. I recommended to the Clerk to the Parliament that copies of these payments vouchers, in addition to other payments there might have been up to the present time, be submitted to the Income Tax Office without delay, and going forward the department should strictly implement the practice of duly informing the Income Tax Office of payments made to individuals for work done for Government.
- 3.10.6** In my letter to the Clerk to the Parliament, I informed him that an examination of expenditure relating to the cost of travel by Parliament staff on official business showed there was no evidence of more than one quote being obtained from different travel agents before

purchasing flight tickets for official travel. I strongly recommended to the Clerk to the Parliament that a 'price only quotation process' (3-quote selective tender) be obtained prior to booking flights and that the selection process be appropriately documented with supporting documentation kept on file as evidence.

- 3.10.7** I further recommended that all details relating to travel expenditure should be recorded in a departmental 'Official Travel Register'. The register should include details such as: date of travel; the name of the officers who have travelled; purpose of travel; cost of travel; the class of travel (i.e. economy or business class); if travelling via business class the reason(s) for this; expenses incurred (including flights, subsistence, hotels, meals, cost of transport); and travel agent used, etc.
- 3.10.8** I recommended to the Clerk to the Parliament that even though Members of Parliament do register their interests in the Register of Members' Financial Interests once the first new parliament is held, and thereafter the Registrar of Members' Interest reminds Members of Parliament when acknowledging and confirming their Declaration of Interests that any changes in their financial interests needs to be notified to him, the Registrar should additionally issue an annual written reminder to Members of Parliament that any change in registrable interests which a Member of Parliament has, or any changes in benefit which he or she receives, which others might reasonably consider to influence his or her actions or words as a Member of Parliament, needs to be formally communicated to the Registrar within 28 days, as stipulated in paragraph 13 of section V of the Code of Conduct for Members of the Gibraltar Parliament.
- 3.10.9** At the close of this report, the Clerk to the Parliament had not yet replied to the issues raised in the audit inspection, understandably due to his involvement as Returning Officer in the run up to, and during the, General Elections. Subsequently, the Clerk to the Parliament was transferred from his post and there was a new senior officer appointed in his place.

Customs

- 3.11.1** On 11 December 2019 I wrote to the Collector of Customs informing him of the findings following an audit inspection carried out at HM Customs in 2017. The more salient points raised are detailed hereunder together with the Collector of Customs explanations and comments which I received on 10 August 2020.
- 3.11.2 Cash Book** - It was observed that, for reasons of expediency in relation to the relatively high volume of submissions of declarations by importers/exporters/agents each day, most receipts were not made out at the time Import Duty was collected, which is contrary to the provisions of Accounting Instructions and which raises the question as to how the importer is allowed to import the goods without immediate payment of the corresponding import duty. The Collector explained that this matter had now been rectified. In September 2017, HM Customs started the rollout of ASYCUDAWorld (the new Automated System for Customs Data - ASYCUDA) an automated customs clearance system. A staggered introduction was effected with traders, fuel operators and bonded store operators connected at different times to ensure the system coped well with the load. The process was completed in June 2018 with the migration of bond operators. During the transitional period both ASYCUDA systems (old and new) were used. In the old ASYCUDA, the customs declaration processing was not linked to accounting and payments, in terms of interdependency between the associated processing flows. In the new ASYCUDA all the payments of customs duties are carried out only through the ASYCUDA prepayment accounts created for each customs agent and/or economic operator (importer/exporter). The system blocks the registration of a customs declaration if the balance of the prepayment account referred on the declaration does not cover the duty owed for the current declaration and all declarations registered and not assessed. In such a context the payment of the customs declaration is done at the moment of its assessment.

3.11.3 I informed the Collector that the prepayment account balances held by companies are not being monitored in compliance with the requirements of clause 3.18c of the Import Duty (Integrated Tariff) Regulations 2003, which states that: *'prepayment accounts should have sufficient funds to cover the estimated duty payable in any period of one month'*. I suggested to the Collector that a possible solution to ensure importers have adequate levels of prepayment sums in place would be for the ASYCUDA system to automatically monitor the balance of funds held by companies and issue a warning when funds fall below the set threshold. The Collector informed me that, as explained in paragraph 3.11.2, clearance will only be allowed whilst there is a positive balance in the prepayment account. Lack of funds will automatically stop clearance. Unauthorised release of goods without appropriate prior clearance remains an offence and is actioned by the Customs Entry Processing Unit ("EPU").

3.11.4 I nevertheless informed the Collector that an exercise performed on a selection of 10 companies that held prepayment accounts with HM Customs for the payment of import duties, revealed that none of the 10 companies selected had sufficient funds, on a random day selected, to cover the average monthly import duties paid over the chosen period. As an example, the first company tested, which had an account balance of £9,747 on the day randomly selected (17 January 2017), showed that the company's import duty payments each month between July 2016 and December 2016 were calculated as being on average £24,912, i.e. £15,165 more than the balance on 17 January 2017. The Collector replied that again, as mentioned in paragraph 3.11.2, this had now been resolved with the new ASYCUDA system. The Collector further explained that the comparison of an extracted single day balance against an average monthly period payment total is a misrepresentation of how the system worked. Ebb and flows between importations and payments depending on supply and demand cannot be matched against a random day balance containing enough for all past or future unforeseen demands. In his view, choosing a date on which a large payment for duty may have been extracted from the account and using that figure before the next payment arrives does not give an accurate representation if matched against an average monthly figure.

3.11.5 Import Duties General - An audit test carried out on a sample of 84 Customs Declarations revealed that:

- 64 of the Declaration entries did not have any supporting documentation;
- 9 of the Declaration entries included items that had been charged using an incorrect commodity code, of which 6 would have resulted in a change in the rate of Import Duty; and
- There were 6 cases where the freight charges in the Customs Declaration had been omitted from the import duty calculation.

The Collector replied that unfortunately he was unable to verify the queries raised as the documentation was no longer available. The department only retains the electronic declaration form but, at the time, in the old ASYCUDA the department could not attach documentation electronically. The Collector explained that the new ASYCUDA does not allow any operation on the customs declaration electronic document without certifying that the required attached documents (invoice, package list, licences) are attached as electronic copies to the entry.

3.11.6 Temporary Imports - I again raised the following issues with the Collector which my predecessor had brought to his attention in previous audit inspection reports and which he was assured were going to be dealt with, but unfortunately appeared not to be the case:

- (a) Cheques received in connection with temporary imports continue to be insecurely kept in a metal card index box inside an unlocked office. In addition, three other cheques were found lying behind the cabinet where the metal card index box is located. It was

further noted at the time of the audit inspection that many of the cheques were several years old;

- (b) Of the 612 cheques held in hand by the department, a few were found to have either not been signed by the payer or not made payable to the Government General Account. Additionally, 59 cheques were found which did not specify the payee, of which 43 cheques were undated and, of the remaining 16 cheques, only one of them showed the sum payable;
- (c) It was noted that only one cheque per company or individual is required by HM Customs as a guarantee for the payment of import duty in respect of temporary importations, irrespective of the number of temporary importations made by the company or individual during the same period. This means that a new cheque needs to be requested each time a cheque is used to pay for the import duty that becomes chargeable on outstanding temporary importations, in the case that the company or individual has other active temporary importations. There is hence a weakness in that the value of the cheque will not cover the number of importations in the case of a company having multiple importations over a period of time;
- (d) The control weaknesses reported in previous audit memorandums in relation to the manning of the commercial gates into Gibraltar remains unchanged, except for the introduction of an officer stationed at the commercial gates until 18:30. Although there is an on-call officer to attend to any importations or exportations at the commercial gates after office hours, there is still a high risk of a vehicle being able to enter or exit Gibraltar through this channel without notification or challenge from a Customs Officer. I told the Collector that I was concerned that this continues to be the case, bearing in mind that my predecessor had raised this issue with him in a previous audit memorandum and particularly taking into account the significant recruitment of officers by HM Customs;
- (e) In order to assess the controls in place for temporary importations, a test was performed on a sample of 30 Authorised Export Licences ("AELs"), which were at least 6 months old and should therefore have already either been exported from Gibraltar; have extended the temporary Import Licence; or, have paid the required import duty. The test revealed that:
 - there were 4 AELs for which their corresponding reference numbers could not be found either in the 'Cheque Register' or on the reverse of a cheque (where reference numbers used to be recorded before the introduction of the Cheque Register); and
 - There were 5 AELs which were recorded as being outstanding (i.e. over 6 months old) and had not been stamped as either having left Gibraltar, obtained a temporary importation extension, or paid the required import duty.
- (f) A light inspection of the Cheque Register revealed that there were AEL T-numbers which corresponded to cheques dating as far back as 2005 that were still recorded as being active (i.e. they were not crossed as having been exported from Gibraltar, having their temporary Import Licence extended or having paid the required import duty).

3.11.7 In his reply, the Collector informed me, in regard to cheques and their safe keeping, the department clear goods via prepayment accounts which are primarily credited via bank transfer or direct payments via the EPU cashier, other than temporary imports. These are now kept in a locked cabinet in the cashier's office. Such cheques are all made out to Government General Account to cover all duty liability. Whilst the department still has an on-call officer to clear goods outside normal working hours, the staff manning the controls barriers have, for a number of years, been working from 8am until the closure of the commercial gates, usually around 9.30pm. Whilst acknowledging the problems highlighted in the report at the time, in the new ASYCUDA system, the department has implemented

strict controls of the timelines granted for the temporary customs procedures. The controls are mainly based on inventory reports that highlight the entries which require attention.

3.11.8 Transit Shed Rents - In my letter to the Collector, I highlighted that at the time of the audit inspection, there were twelve companies with active contracts with HM Customs for the use of their own premises as Transit Shed operators. These were checked for compliance with the conditions set out in their contracts with HM Customs. The following observations were made:

- (a) Six of the companies were noted as not having renewed their Transit Shed insurance and not forwarding copies of their insurance cover to the Collector of Customs; one company's Transit Shed insurance had expired during 2016; three companies' insurances had not been renewed since 2014; another company's insurance was only valid until 2013; and there was one company which had failed to renew its insurance since 2011;
- (b) There was one case where a Transit Shed operator had furnished HM Customs with a Transit Shed insurance policy which, although not expired, did not provide indemnity cover for 'the import duty element of stock' or the interests of 'HM Customs'; and
- (c) There was one company for which it could not be determined whether its insurance cover had expired, since a copy of its insurance documents had not been filed with HM Customs.

3.11.9 The Collector largely agreed with the audit findings that five of the quoted companies did not have Transit Shed insurance at the time of the audit inspection. However, according to him, two of the highlighted companies apparently did have the requisite insurance cover. In respect of one of the companies, the copy of the general policy covering both the Bonded Store and the Transit Shed had been filed in the company's bonded store file; whilst in another company, the Collector simply replied that the company has insurance cover for the period under audit review, without providing any explanations why a copy of the insurance policy was not held on file.

3.11.10 The Collector did not provide a reply to the fact that one Transit Shed operator, although having transit shed insurance cover did not have indemnity cover for the import duty element of stock.

3.11.11 Bonded Stores - I highlighted to the Collector that an examination carried out on 2 December 2016 on all Bonded Store Holders (64 in total) to assess the level of insurance cover they held to cover unpaid import duty for all goods held within their bond, revealed the following anomalies:

- (a) Fourteen bond holders had failed to furnish the Collector of Customs with a copy of their renewed insurance policy;
- (b) There were eight bond holders whose insurance policies had expired;
- (c) On five occasions the certificate number quoted in respect of the interest of the Collector of Customs did not match the certificate number of the insurance policy and related to a period already expired;
- (d) There were four cases where the insurance policy and the interest of the Collector of Customs were not provided by one and the same insurance provider. In these cases, the interest of the Collector of Customs related to a period already expired;
- (e) There was no specific mention of the interest of the Collector of Customs in one of the insurance policies. Instead, the Interested Parties to the insurance policy included the Government of Gibraltar; and
- (f) The insurance policy cover-note for one bond holder did not include the expiry date of the insurance policy.

It was additionally noted that there were three companies which had submitted an insurance policy for their parent company as it included insurance cover for its associated and/or subsidiary companies. I recommended to the Collector that such policies are only accepted if he was satisfied that the companies were in fact associates and/or subsidiary companies of the parent company.

3.11.12 The Collector nevertheless replied that of the 33 bond holders listed as having anomalies, 32 did have valid insurance documents for the period under review, although he accepted that seven of these made no mention of the duty aspect in their insurance policies, which he admitted the department needed to pursue. The Collector informed me that most of the issues raised in paragraph 3.11.11 (a) to (f) could be explained if one considered that:

- in many cases, bond operators have one general insurance policy to cover any general loss or liability, and another to cover the duty interest of HM Customs;
- a certificate from the insurance company stating the policy number, the name of the insured party, the insurance cover dates confirming the duty interests of HM Customs, is perfectly acceptable to the department in lieu of a copy of the entire policy document; and
- some of the insurance policies/certificates may have been submitted late to HM Customs.

3.11.13 The Collector explained that the department's Bond Officer was satisfied that the companies under a parent company were in fact subsidiaries which had provided the necessary cover.

3.11.14 The Collector informed me that Transit Sheds and Bonded Stores will now have to submit a copy of their insurance policy, stating provision for the duty element in the event of any loss, upon their annual renewal.

3.11.15 Register of Detentions - I further informed the Collector that an examination was carried out on the Detention Registers at the EPU, Four Corners and Outfield sections. However, the audit examiner could not perform a proper test at the Outfield Section as it did not maintain a Detention Register. The Collector replied that the Outfield Section had always maintained and operated its own independent Detention Book until Enforcement (Outfield and Four Corners) were merged in September 2017 to facilitate storage of detained goods which were primarily stored at Four Corners (vehicles excluded).

3.11.16 The following additional discrepancies were noted:

- (a) Detention Receipt No.8913 at the EPU was signed by the owner/agent of the detained goods under the section 'Particulars of Disposal - Received the articles'. However, the audit examiner physically verified that the items were still held at HM Customs and had therefore not been returned to the owner/agent as the corresponding signature would otherwise imply;
- (b) Detention Receipt No.10012 at the Four Corners Section was missing the signature of the Customs Officer who had made the detention; and
- (c) Detention Receipt Nos.9319, 9320 and 9321, which were selected from a Detention Receipt Book at Outfield, were not signed by the owner/agent of the detained goods as having received the articles, however, the audit examiner was unable to physically verify the goods at the section.

3.11.17 The Collector provided the following explanations:

- (a) Detention Receipt No.8913 displays particulars listing 'prohibited import'. These were seized and were not for return. Items remained with HM Customs until scheduled destruction at a later date.

- (b) After checking Detention Receipt 10012 at Four Corners and confirming that the signature of the customs officer was missing, the department cross referenced it with Four Corners Detention Book 13 Entry No. 382 and have been able to identify the officer concerned, who made the entry. It was an experienced officer and the Collector could only conclude it was an oversight on his part.
- (c) The department checked all three detention receipts (9319, 9320, 9321) issued by the Outfield Section. All three were issued for the detention of radio transceivers (which can only be operated by persons in possession of a Radio Operators Licence) to three different individuals and were 'detained pending the production of a valid Radio Operators Licence'. The officer issuing all three receipts was coincidentally the same officer and he made the same mistake in all three receipts by entering the comment 'detained pending the production of a valid licence under the Particulars of Disposal instead of under the Particulars of Detention'. These three receipts had not been signed by the 'Owner Agent' as these transceivers were not returned to the persons from which they were detained. The department has cross referenced the receipts to the Outfield Detention Book No. 13 Entry Nos: 620 dated 29/12/14; 625 dated 12/01/15; and 626 dated 12/01/15; and confirmed that all three transceivers were transferred to the Radio Officers Store at Customs House, which is the reason the audit examiner was unable to physically verify the goods at the section.

The Collector added that following this exercise, guidelines reminding officers on how to correctly complete a detention receipt and the corresponding entry in the detention book would be put in place.

3.11.18 Import and Export of Privately Owned Motor Vehicles - I informed the Collector that a review carried out on a sample of 15 motor vehicle importations had revealed that one motor vehicle had been valued according to the sales invoice and the remaining 14 motor vehicles did not have any workings or supporting documentation to show how their value had been arrived at. Details of the 15 importations are shown in Figure 78.

Figure 78

| Date | Entry No. | Import Duty | Importer | Value Calculation |
|------------|-----------|-------------|------------------------|-------------------|
| 27/10/2015 | E68605 | £2,444.85 | Company | Sales Invoice |
| 29/04/2015 | E25826 | £70.00 | Company | No workings |
| 26/06/2015 | E39031 | £90.00 | Private Individual | No workings |
| 26/05/2015 | E32742 | £30.00 | Private Individual | No workings |
| 05/06/2015 | E34899 | £90.00 | Royal Gibraltar Police | No workings |
| 03/07/2015 | E40812 | £690.00 | Private Individual | No workings |
| 22/07/2015 | E46199 | £150.00 | Private Individual | No workings |
| 06/08/2015 | E50613 | £350.00 | Private Individual | No workings |
| 23/12/2015 | E83217 | £210.00 | Private Individual | No workings |
| 21/01/2016 | E04653 | £300.00 | Private Individual | No workings |
| 03/03/2016 | E16694 | £525.00 | Company | No workings |
| 06/05/2016 | E31708 | £90.00 | Private Individual | No workings |
| 28/10/2016 | E85303 | £35.00 | Private Individual | No workings |
| 08/11/2016 | E88127 | £455.00 | Private Individual | No workings |
| 09/11/2016 | E88597 | £270.00 | Private Individual | No workings |

3.11.19 I further highlighted that none of the 15 motor vehicle importations selected were dated and only one of them (Entry No. E50613) had been signed by the customs examining officer. Furthermore, there were two instances (Entry Nos. E68605 and E31708) where the vehicles' mileage had been omitted from the Customs Declaration; and in the case of Entry No. E68605, the examining officer had also failed to provide details of the vehicle's cubic capacity, registration number and colour. The Collector replied that he was unable to verify

the items raised as the documentation was no longer available. The department's documentation retention period is three years. However, he was able to explain that EPU officers use an internal Vehicle Valuation Form, separate from the declaration due to size limits, where vehicle/person documentation checks along with pertinent notes are made. These include import duty workings using Glasses Guide figures and necessary adjustments for vehicle specification, mileage, internal/external condition and any damage. These were available had they been requested. These documents are now scanned and attached to the form.

3.11.20 Direct Trade Input - Using the same sample of 68 assessments that were selected for the Cash Book audit test, an additional exercise was performed to identify the oldest declarations in each assessment. This test involved comparing the date the assessment was processed against the dates the declarations were made, in order to provide an indication of the delays being experienced by the department. The following is a summary of the findings:

- (a) In total, 53 out of the 68 assessments examined were found to have at least one declaration that was late by more than a day;
- (b) Out of the 53 late declarations, 2 of them were disproportionately out of time: one being 644 days late and the other being 330 days late; and
- (c) The average time delay for the remaining 51 (out of the 53 declarations examined) was found to be 13 days (i.e. not taking into account the 2 declarations mentioned in point (ii) which are not representative of the sample and, if included, would have distorted the result).

The Collector replied that he was unable to verify the audit findings as the documentation was no longer available.

3.11.21 Tobacco Licences - A test carried out on a sample of ten Tobacco Licence records revealed the following exceptions:

- (a) Tobacco Licence No. 351/09 had been renewed by a trader in the year 2015 who was different to the applicant who renewed the licence in the year 2016. Every individual who is trading under the same business name should be signing each renewal application form;
- (b) The renewal of Tobacco Licence Nos. 373/10, 119/98, 134/98 and 385/11 for the year 2015 had been signed by applicants who had not stated their name under their signatures. As a consequence, the identity of those who had signed the application forms was unknown;
- (c) In addition, the renewal form for the year 2016 in respect of Tobacco Licence No. 119/98 stated the Name of the Applicant in the place where the Business Name should be, and vice versa;
- (d) The renewal for the year 2015 of Tobacco Licence No. 341/06 was not supported with a copy of the relevant Licence to the Application; and
- (e) The Application for a Tobacco Transportation Licence for the year 2015 regarding Tobacco Licence No. 385/11 was in respect of two specified motor vehicle registration numbers. However, one of the copies of the two motor vehicle licences attached to the application form related to a motor vehicle which was not included on the application.

3.11.22 The Collector provided the following explanations:

- (a) Tobacco Licence No. 351/09 is under three names - this is the historical situation and explains why another signatory applied for the renewal on one specific occasion.
- (b) Form No 6 (RENEWAL FORM) under the Tobacco Licensing (Forms and Fees) Regulations only provides for the signature and not the name in block capitals.

- (c) This was due to an administrative oversight which should have been rectified at the time.
- (d) This was due to an administrative oversight which should have been rectified at the time. However, it should be noted that although the requirement to submit a copy of the relevant motor vehicle licence with the renewal application is stated in the renewal form, none of the renewal applications in fact do so, nor does the department ask them to do so, as all the relevant licences are on the system and the department would be merely duplicating paperwork.
- (e) This was due to an administrative oversight. Licence applications are checked for clerical errors. Errors of the type listed in (c) & (e) above are normally identified by the Customs Officer prior to processing the application.

3.11.23 Drugs Special Exercise - An inspection of the security measures and controls and the maintenance of records for confiscated drugs at each of HM Customs' sections was carried out, and the audit findings and recommendations forwarded to the Collector of Customs. However, given the sensitive and confidential aspects of the issues raised, I do not consider it appropriate that I should make the audit findings public in this report for obvious reasons. Suffice to say that the Collector replied, informing me of the measures he had immediately taken to mitigate the weaknesses identified and to improve the security controls in this area.

3.11.24 Land Frontier at Four Corners Section – Import Duty - I informed the Collector that an exercise was carried out to establish how many import duty declarations had been assessed by HM Customs at the frontier on goods imported from Spain by private vehicles during the financial year 2018-19. The total number of Gibraltar-registered vehicles entering Gibraltar through the land frontier at Four Corners was compared to the relating number of occasions when import duty was collected at the Four Corners' cash tills over the financial year, producing the results shown in Figure 79.

Figure 79

| Month | Local Vehicles entering Gibraltar | No. of Declarations | Declarations as a Percentage of vehicles | Import Duty Collected at Four Corners | Vehicles Per Declaration |
|------------------|-----------------------------------|---------------------|--|---------------------------------------|--------------------------|
| Apr-18 | 42,389 | 603 | 1.42% | £14,631 | 70 |
| May-18 | 42,737 | 679 | 1.59% | £18,661 | 63 |
| Jun-18 | 44,588 | 650 | 1.46% | £16,964 | 69 |
| Jul-18 | 44,432 | 587 | 1.32% | £18,605 | 76 |
| Aug-18 | 44,282 | 634 | 1.43% | £18,115 | 70 |
| Sep-18 | 39,936 | 551 | 1.38% | £14,014 | 72 |
| Oct-18 | 39,275 | 633 | 1.61% | £16,463 | 62 |
| Nov-18 | 38,430 | 781 | 2.03% | £18,612 | 49 |
| Dec-18 | 39,051 | 777 | 1.99% | £20,383 | 50 |
| Jan-19 | 37,491 | 526 | 1.40% | £13,262 | 71 |
| Feb-19 | 33,144 | 522 | 1.57% | £16,229 | 63 |
| Mar-19 | 42,401 | 633 | 1.49% | £17,340 | 67 |
| Total FY 2018/19 | 488,156 | 7,576 | 1.55% | £203,279 | 64 |

Note: In order to provide a more accurate and representative assessment of the information collated, solely those days when the shops were open for business in Spain and therefore, when dutiable items were most likely to have been imported, were taken into account. Consequently, Sundays and Spanish Holidays were excluded from the exercise altogether.

3.11.25 Figure 79 shows there was an average of 1.55% of cars making declarations over the year. In other words, an average of one declaration was made for every 64 cars crossing the frontier. This is the same as saying that only 3 cars out of every 200 local cars returning to Gibraltar from Spain during the financial year 2018-19 paid import duty on declarations made. There was even one day in the year, namely, Saturday 14 April 2018, where there was no revenue collected in relation to the assessment of import duty.

3.11.26 I highlighted to the Collector that the audit study showed that the total import duty collected in the financial year 2018-19 at the Four Corners entry-point amounted to just over £200k largely relating to approximately half a million cars. I informed the Collector that in my view, even allowing for people travelling/commuting to work and those solely travelling on leisure, the statistics indicate a very low number of persons making declarations and hence paying import duty to Government.

3.11.27 In his reply, the Collector afforded me with the following comments provided by the Senior Customs Officer Enforcement on the audit concerns I had raised:

- (a) *'I have read with interest the exercise the Gibraltar Audit Office has compiled to establish the number of duty declarations in relation to the number of locally privately registered vehicles entering Gibraltar over a twelve-month period. It clearly demonstrates the total number of vehicles entering the jurisdiction and the corresponding number of declarations and then further quantifies the duties collected against these receipts.'*
- (b) *It highlights that this exercise has taken into account commuters and solely travelling for leisure the figures appear low. In reply I would like to highlight the following comments:*
- (c) *Has this exercise taken into account the vast number of Gibraltarians who go on a weekly basis to procure food and groceries and return with little or no items which attract import duty? After years of searching vehicles with 'food shops' the vast majority of people are honest and might only bring three or four low value items that attract duty and invariable the duty amounts to less than a pound.*
- (d) *The audit exercise is based on the belief that most people are dishonest and fail to declare goods, and as a result underestimates the number of persons travelling for recreational purposes. It also seems to fail to understand that large purchases like purchasing furniture, replacing a kitchen or bathroom entails numerous visits to numerous establishments over a prolonged period of time, and you also have to factor in tiles and other accessories. A prime example of this is a wedding. Last year I crossed into Spain well over 50 times to arrange one wedding but only had to stop and pay import duty on four or five occasions for clothing (wedding dress, etc.) which only pays 3% import duty.*
- (e) *Government budget measures also influence greatly the items that attract import duty. The majority of items that are brought in through Four Corners are Audio Visual, IT, electronics (mobile phones/tablets), electro-domestic products (white goods), furniture, clothing, food stuffs, alcohol, toiletries, and cleaning products. Most of the high valued goods are now zero rated. White goods are imported occasionally but due to their size they are fairly obvious (as is furniture). Building materials also come through in small quantities. Any large consignment of these items usually comes in through the commercial gate to avoid the payment of IVA (VAT) at source on the Spanish side.*
- (f) *The audit study then attempts to correlate number of declarations against the amounts of duty collected. Again this is greatly impacted by the fact that nearly all goods that are imported through Four Corners are zero rated or attract small amounts of import duty.*

- (g) *I have also undertaken an exercise, in December 2019, officers at Four Corners started gathering statistics on the number of vehicles stopped and searched for dutiable goods. Whilst searches of this type have been carried out on a daily basis since the frontier opened in 1982 these figures have never been collected. From 17 December 2019 up to 27 March 2020 (when lock-down as a result of Covid-19 affected all movement through the frontier), approximately three months, a total of 6,092 were stopped and searched. Using your figure of 488,156 local registered vehicles entering Gibraltar I have divided this figure by four to obtain the average vehicle movement for a three-month period, which equates to 122,039 local registered vehicles in the three-month period. The number of searches represents 4.99% of vehicles being searched. I then compared how many compromise penalties had been issued for evasion of duty payment (failing to declare dutiable goods). Of the 6,092 vehicles checked, only 17 penalties were issued (or 0.27%) which means either our officers are very bad at detecting evasion or people are genuinely more honest than what they are given credit for. I must point out, however, that the freedom of movement of individuals is paramount and that officers are fully cognisant of this. Therefore, all searches must be carried out within the parameters permitted by law, and an officer must have reasonable grounds to suspect prior to performing the search of a vehicle.*
- (h) *I meet regularly with senior Spanish Customs Officials on official matters and from time to time we discuss VAT claims on the Spanish side. I find that most of the VAT claims are for goods for which there were (at the time of the audit inspection) no import duty charges in Gibraltar, e.g. foodstuffs, phones, mobile tablets, television sets, etc. The reality is that successive administrations at budget time reduce or eliminate import duty on a wide range of 'high street' products to the extent that duty collections are mainly reliant on a much reduced number of commodities most of which are outside that which a 'personal' importer might need to declare at the land frontier.*
- (i) *Officers at the land frontier, whilst mindful of their revenue collection responsibilities have been much more engaged with prohibitions and restrictions such as controlled drugs and imports of cash. However, the very recent imposition of a flat 10% import duty rate on personal imports means we have issued instructions to staff to be extra vigilant and have tasked the FAST (Flexible Anti-Smuggling Team) to assist frontier staff where possible and are seeing the revenue collected substantially increased at the frontier.*
- (j) *Overriding everything else, is the requirement to comply with the law whereby we can only stop and search a vehicle at the land frontier if we have reasonable grounds to suspect that an offence has or will be committed. We cannot, despite this being the norm for many years, search a vehicle without suspicion.'*

PART 4 - STATUTORY AND OTHER AUDITS

Audit and Certification of Accounts of Statutory and Other Bodies

- 4.1.1 Certified Accounts of Statutory Bodies** - The accounts of the entities listed in Figure 80 below have been audited and certified since the completion of my report on the public accounts of Gibraltar for the financial year 2015-16.

Figure 80

| Organisation | Accounts for the Year-Ended |
|-----------------------------|-----------------------------|
| Borders & Coastguard Agency | 31 March 2014 |
| British Protestant Trust | 31 December 2018 |
| British Protestant Trust | 31 December 2019 |
| British Protestant Trust | 31 December 2020 |
| British Protestant Trust | 31 December 2021 |
| Care Agency | 31 March 2014 |
| Care Agency | 31 March 2015 |
| Gibraltar Health Authority | 31 March 2013 |
| Gibraltar Port Authority | 31 March 2016 |
| Gibraltar Savings Bank | 31 March 2019 |
| Gibraltar Savings Bank | 31 March 2020 |
| Gibraltar Savings Bank | 31 March 2021 |
| Gibraltar Savings Bank | 31 March 2022 |
| Gibraltar Savings Bank | 31 March 2023 |
| Housing Works Agency | 31 March 2016 |
| Housing Works Agency | 31 March 2017 |
| Housing Works Agency | 31 March 2018 |

- 4.1.2 Accounts not yet Certified** - The accounts of the entities detailed in Figure 81 had not been certified by me by the close of this report for the reasons explained in paragraphs 4.1.3 to 4.1.12.

Figure 81

| Organisation | Accounts for the Year/Period-Ended |
|---------------------------------------|------------------------------------|
| Borders & Coastguard Agency | 31 March 2015 |
| Borders & Coastguard Agency | 31 March 2016 |
| Borders & Coastguard Agency | 31 March 2017 |
| Borders & Coastguard Agency | 31 March 2018 |
| Care Agency | 31 March 2016 |
| Care Agency | 31 March 2017 |
| Care Agency | 31 March 2018 |
| Gibraltar Culture and Heritage Agency | 31 March 2013 |
| Gibraltar Culture and Heritage Agency | 31 March 2014 |
| Gibraltar Culture and Heritage Agency | 31 March 2015 |
| Gibraltar Culture and Heritage Agency | 24 June 2015 |
| Gibraltar Development Corporation | 31 March 1997 |
| Gibraltar Development Corporation | 31 March 1998 |
| Gibraltar Development Corporation | 31 March 1999 |
| Gibraltar Development Corporation | 31 March 2000 |
| Gibraltar Development Corporation | 31 March 2001 |
| Gibraltar Development Corporation | 31 March 2002 |

| | |
|--|---------------|
| Gibraltar Development Corporation | 31 March 2003 |
| Gibraltar Development Corporation | 31 March 2004 |
| Gibraltar Development Corporation | 31 March 2005 |
| Gibraltar Development Corporation | 31 March 2006 |
| Gibraltar Development Corporation | 31 March 2007 |
| Gibraltar Development Corporation | 31 March 2008 |
| Gibraltar Development Corporation | 31 March 2009 |
| Gibraltar Development Corporation | 31 March 2010 |
| Gibraltar Development Corporation | 31 March 2011 |
| Gibraltar Development Corporation | 31 March 2012 |
| Gibraltar Development Corporation | 31 March 2013 |
| Gibraltar Development Corporation | 31 March 2014 |
| Gibraltar Development Corporation | 31 March 2015 |
| Gibraltar Development Corporation | 31 March 2016 |
| Gibraltar Development Corporation | 31 March 2017 |
| Gibraltar Development Corporation | 31 March 2018 |
| Gibraltar Electricity Authority | 31 March 2017 |
| Gibraltar Electricity Authority | 31 March 2018 |
| Gibraltar Garrison Library Trust | 31 March 2012 |
| Gibraltar Garrison Library Trust | 31 March 2013 |
| Gibraltar Garrison Library Trust | 31 March 2014 |
| Gibraltar Garrison Library Trust | 31 March 2015 |
| Gibraltar Garrison Library Trust | 31 March 2016 |
| Gibraltar Garrison Library Trust | 31 March 2017 |
| Gibraltar Garrison Library Trust | 31 March 2018 |
| Gibraltar Health Authority | 31 March 2014 |
| Gibraltar Health Authority | 31 March 2015 |
| Gibraltar Health Authority | 31 March 2016 |
| Gibraltar Health Authority | 31 March 2017 |
| Gibraltar Health Authority | 31 March 2018 |
| Gibraltar Heritage Trust | 31 March 2017 |
| Gibraltar Heritage Trust | 31 March 2018 |
| Gibraltar Port Authority | 31 March 2017 |
| Gibraltar Port Authority | 31 March 2018 |
| Gibraltar Sports and Leisure Authority | 31 March 2010 |
| Gibraltar Sports and Leisure Authority | 31 March 2011 |
| Gibraltar Sports and Leisure Authority | 31 March 2012 |
| Gibraltar Sports and Leisure Authority | 31 March 2013 |
| Gibraltar Sports and Leisure Authority | 31 March 2014 |
| Gibraltar Sports and Leisure Authority | 31 March 2015 |
| Gibraltar Sports and Leisure Authority | 31 March 2016 |
| Gibraltar Sports and Leisure Authority | 31 March 2017 |
| Gibraltar Sports and Leisure Authority | 31 March 2018 |

4.1.3 Borders & Coastguard Agency - The draft accounts of the Borders & Coastguard Agency for the financial year 2014-15 was submitted to me on 8 February 2017 and the draft accounts for the financial years 2015-16, 2016-17 and 2017-18 were submitted to me on 1 July 2022. The accounts for the Agency for the financial years 2014-15, 2015-16 and 2016-17 have been examined and are due to be certified by me shortly. The audit review of the 2017-18 accounts is nearing completion.

- 4.1.4** Care Agency - The draft accounts of the Care Agency for the financial year 2015-16 were submitted to me on 26 May 2023, and the audit review is nearing completion. As of the close of this report, the accounts for the financial years 2016-17 and 2017-18 have not been submitted for audit examination and certification.
- 4.1.5** Gibraltar Culture and Heritage Agency - The accounts of the Gibraltar Culture and Heritage Agency for the financial years 2012-13 and 2013-14 have been examined and are due to be certified by me shortly. The accounts for the financial year ended 31 March 2015 and for the financial period to cessation ended 24 June 2015 had not been presented to me at the close of this report.
- 4.1.6** Gibraltar Development Corporation - The accounts of the Gibraltar Development Corporation for the financial years 1996-97 to 2000-01 are currently under review. However, on 7 June 2019, I wrote to the Accountant General informing him that the 5 sets of accounts had been prepared in a combination of cash accounting and accruals and therefore required to be amended to a single basis of accounting and re-submitted to me for audit examination. Since then, the acting Accountant General has met with me and my staff, and written to me several times as there are difficulties in the preparation of these accounts in the required format. At the close of this report, the Gibraltar Development Corporation accounts for the financial years 1996-97 to 2000-01 had not yet been re-submitted to me for examination, nor had the accounts for the financial years 2001-02 to 2017-18 been presented to me for audit examination and certification.
- 4.1.7** Gibraltar Electricity Authority - The draft accounts for the Gibraltar Electricity Authority for the financial years 2016-17 and 2017-18 were submitted to me on 15 November 2018 and 8 November 2021, respectively. While the accounts for the year ended 31 March 2017 had been initially examined, the newly appointed Financial Director prompted the Authority to resubmit these accounts on 27 October 2023. Consequently, a re-examination is now required of these revised accounts. Although the draft accounts for the financial year 2017-18 had been examined, given the Authority's decision to resubmit the 2016-17 accounts, it is anticipated that the 2017-18 accounts may also undergo resubmission by the Gibraltar Electricity Authority.
- 4.1.8** Gibraltar Garrison Library Trust - The draft accounts of the Gibraltar Garrison Library Trust for the financial years ended 31 March 2012 and 31 March 2013 have been examined and will soon be certified by me. The draft accounts for the subsequent financial years (2013-14, 2014-15, 2015-16, 2016-17, and 2017-18) were submitted to me on 16 May 2019. The audit review for the financial year ended 31 March 2014 has been completed, but audit certification of these accounts is pending until the prior financial years ended 31 March 2012 and 31 March 2013 are also completed.
- 4.1.9** Gibraltar Health Authority - The audit examination of the draft accounts of the Gibraltar Health Authority for the financial years 2013-14 and 2014-15 is nearing completion and these accounts will shortly be certified by me. The draft accounts for the financial years 2015-16, 2016-17 and 2017-18 were submitted to me on 27 July 2023 and the 2015-16 and 2016-17 accounts are currently being examined.
- 4.1.10** Gibraltar Heritage Trust - The draft accounts of the Gibraltar Heritage Trust for the financial years 2016-17 and 2017-18 were submitted to me on 20 September 2017 and 14 December 2018, respectively. While these accounts have been fully examined, an audit adjustment is required for the prior year accounts (the accounts for 2015-16) before I can proceed with certification.
- 4.1.11** Gibraltar Port Authority - The draft accounts of the Gibraltar Port Authority for the financial years 2016-17 and 2017-18 were submitted to me on 27 July 2020 and 21 June 2023, respectively. The audit review for these accounts is nearing completion, with a slight delay due to the need for additional information. Certification of these accounts is now imminent.
- 4.1.12** Gibraltar Sports and Leisure Authority - As my predecessor and I have previously commented, the Gibraltar Sports and Leisure Authority had again not complied with the

provisions of section 15(2) of the Gibraltar Sports and Leisure Authority Act, 2002 in that the accounts of the Authority are not submitted to me for the purpose of auditing and certification within seven months after the end of the financial year to be audited. The accounts for the financial years 2009-10 to 2013-14 had not been submitted to me for examination and certification at the close of this report, despite repeated reminders. Nevertheless, the accounts for the financial years ended 2014-15, 2015-16, 2016-17 and 2017-18 were submitted to me on 17 February 2023. However, I am unable to proceed with the audit of these accounts unless the prior years' accounts for the financial years 2009-10 to 2013-14 are submitted to me by the Gibraltar Sports and Leisure Authority.

4.1.13 Non-Submission of Accounts to the Principal Auditor by the Statutory Date - Although there is a requirement for the accounts of all Government statutory authorities and agencies to be submitted to the Principal Auditor by a set date stipulated in each individual authorities' and agencies' legislation, in actual fact none of the authorities and agencies are complying with the statutory requirement. As a consequence, on 31 March 2023, I wrote to the Financial Secretary, highlighting that all the statutory authorities and agencies were not complying with the requirement to submit their signed accounts to the Principal Auditor by the mandatory date as prescribed in each of the entities' legislation. I added that this was resulting in statutory authorities' and agencies' accounts not being audited in a timely manner and in effect creating a backlog in the submission of accounts to Parliament.

4.1.14 I provided the Financial Secretary with a table summarising the statutory dates by which each authority or agency is required to submit their signed accounts to the Principal Auditor for audit examination and certification, see Figure 82.

Figure 82

| Statutory Entity | Statutory Submission of Accounts to the Principal Auditor |
|--|--|
| Borders & Coastguard Agency | Accounts to be submitted to the Principal Auditor within 7 months after the end of each financial year (<i>section 13(2) of the Borders & Coastguard Agency Act 2011 refers</i>) |
| Care Agency | Accounts to be prepared within 6 months (or such longer period as the Minister shall exceptionally allow) after the end of each financial year (<i>section 15(1) of the Care Agency Act 2009 refers</i>) |
| Gibraltar Electricity Authority | Accounts to be submitted to the Principal Auditor within 4 months after the end of each financial year (<i>section 25(4) of the Gibraltar Electricity Authority Act 2003 refers</i>) |
| Gibraltar Health Authority | Accounts to be prepared within 9 months (or such longer period as the Government shall allow) after the end of each financial year (<i>section 15(1) of the Medical (Gibraltar Health Authority) Act, 1987 refers</i>) |
| Gibraltar Port Authority | Accounts to be prepared within 3 months after the end of each financial year (<i>section 14(1) of the Gibraltar Port Authority Act 2005 refers</i>) |
| Gibraltar Sports and Leisure Authority | Accounts to be submitted to the Principal Auditor within 7 months after the end of each financial year (<i>section 15(2) of the Gibraltar Sports and Leisure Authority Act, 2002 refers</i>) |

| | |
|----------------------|---|
| Housing Works Agency | Accounts to be prepared within 6 months (or such longer period as the Minister shall exceptionally allow) after the end of each financial year (<i>section 15(1) of the Housing Works Agency Act 2011 refers</i>) |
|----------------------|---|

- 4.1.15** I further provided the Financial Secretary with a table, see Figure 83, summarising the accounts still pending to be submitted by the different authorities and agencies to the Principal Auditor for audit examination and certification.

Figure 83

| Statutory Entity | Accounts still pending to be submitted for Audit Examination |
|--|---|
| Borders & Coastguard Agency | Accounts for the financial years 2019-20; 2020-21, 2021-22 (and now 2022-23) |
| Care Agency | Accounts for the financial years 2016-17; 2017-18; 2018-19; 2019-21, 2021-22 (and now 2022-23) |
| Gibraltar Electricity Authority | Accounts for the financial years 2018-19; 2019-20; 2020-21, 2021-22 (and now 2022-23) |
| Gibraltar Health Authority | Accounts for the financial years 2018-19; 2019-21, 2021-22 (and now 2022-23) |
| Gibraltar Port Authority | Accounts for the financial years 2018-19; 2019-20; 2020-21, 2021-22 (and now 2022-23) |
| Gibraltar Sports and Leisure Authority | Accounts for the financial years 2009-10; 2010-11; 2011-12, 2012-13; 2013-14, 2014-15; 2015-16; 2016-17; 2017-18; 2018-19; 2019-21, 2021-22 (and now 2022-23) |
| Housing Works Agency | Accounts for the financial years 2019-21, 2021-22 (and now 2022-23) |

- 4.1.16 Non-Submission of Audited Accounts by Ministers to Parliament** - I also informed the Financial Secretary that there were numerous sets of accounts of statutory authorities and agencies that had been audited and certified and returned to the relevant entities many years ago which contrary to the legal provisions governing the statutory authority or agency had not yet been laid in Parliament, details are as follows:

➤ Gibraltar Health Authority (“GHA”)

The Accounts of the Gibraltar Health Authority for the financial years 2009-10, 2010-11, 2011-12 and 2012-13 were audited and certified on the dates shown hereunder. However, contrary to the provisions of section 15(5) of the Medical (Gibraltar Health Authority) Act, 1987, the audited accounts have, at the close of this report, not yet been laid in Parliament.

- GHA Accounts for the financial year 2009-10 - accounts certified on 21 September 2015.
- GHA Accounts for the financial year 2010-11 - accounts certified on 21 September 2015.
- GHA Accounts for the financial year 2011-12 - accounts certified on 14 August 2017.
- GHA Accounts for the financial year 2012-13 - accounts certified on 8 October 2019.

➤ Gibraltar Port Authority ("GPA")

The Accounts of the Gibraltar Port Authority for the financial year 2015-16 were audited and certified on the date shown hereunder. However, contrary to the provisions of section 14(5) of the Gibraltar Port Authority Act 2005, the audited accounts had not yet been laid in Parliament.

- GPA Accounts for the financial year 2015-16 - accounts certified on 21 January 2022.

➤ Care Agency ("CA")

The Accounts of the Care Agency for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 were audited and certified on the dates shown hereunder. However, contrary to the provisions of section 15(5) of the Care Agency Act 2009, the audited accounts have, at the close of this report, not yet been laid in Parliament.

- CA Accounts for the financial year 2010-11 - accounts certified on 21 September 2011.
- CA Accounts for the financial year 2011-12 - accounts certified on 13 March 2013.
- CA Accounts for the financial year 2012-13 - accounts certified on 27 October 2017.
- CA Accounts for the financial year 2013-14 - accounts certified on 6 April 2022.
- CA Accounts for the financial year 2014-15 - accounts certified on 6 April 2022.

➤ Housing Works Agency ("HWA")

The Accounts of the Housing Works Agency for the financial years 2011-12, 2012-13, 2013-14 and 2014-15 were audited and certified on the dates shown hereunder. However, contrary to the provisions of section 15(5) of the Housing Works Agency Act 2011, the audited accounts have, at the close of this report, not yet been laid in Parliament.

- HWA Accounts for the financial year 2011-12 - accounts certified on 18 March 2013.
- HWA Accounts for the financial year 2012-13 - accounts certified on 3 September 2013.
- HWA Accounts for the financial year 2013-14 - accounts certified on 11 November 2014.
- HWA Accounts for the financial year 2014-15 - accounts certified on 25 May 2016.

➤ Borders & Coastguard Agency ("BCA")

The Accounts of the Borders and Coastguard Agency for the financial years 2011-12, 2012-13 and 2013-14 were audited and certified on the dates shown hereunder. However, contrary to the provisions of section 13(5) of the Borders & Coastguard Agency Act 2011, the audited accounts have, at the close of this report, not yet been laid in Parliament.

- BCA Accounts for the period ended 31 March 2012 - accounts certified on 13 November 2013.
- BCA Accounts for the financial year 2012-13 - accounts certified on 13 November 2013.
- BCA Accounts for the financial year 2013-14 - accounts certified on 5 January 2021.

4.1.17 Additionally, I have been reminding the Chief Executive Officers of all the statutory authorities and agencies on the need for the ministers of their respective entities to table the accounts of their authorities or agencies in Parliament. As a result, the Minister responsible for the Gibraltar Port Authority did table the Authority's accounts for the financial year 2015-16 in Parliament in May 2023. Moreover, after my correspondence with the Financial Secretary I have further certified the accounts of the Housing Works Agency for the financial years 2015-16, 2016-17 and 2017-18 on 19 September 2023. Consequently, there are now 19 sets of statutory accounts that require to be laid in Parliament in accordance with the requirements of the law.

4.1.18 I am hopeful that the Financial Secretary will reply to my email dated 31 March 2023, to inform me that he has taken the necessary action, together with the respective Chief Executive Officers of the authorities and agencies, to ensure that the remaining accounts have been tabled in Parliament.

Audits of Government Agencies and Authorities

4.2.1 The audit inspection of two Government Statutory Authorities were carried out since my last report. I hereunder draw attention to observations brought to the attention of the respective Heads of those entities which in my view merited an explanation.

Gibraltar Health Authority

4.3.1 As mentioned in past reports, the audit inspection of the Gibraltar Health Authority (GHA) is conducted on an on-going “rolling” basis, due to:

- the magnitude and complexity of the operation;
- the diversity of the services provided;
- the budget holders across the different hospital specialities controlling their respective expenditure;
- recurrent expenditure totalling £120.32m and capital expenditure of £1.12m during the financial year ended 31 March 2018; and
- a staff complement of over 1,300 including staff of the Elderly Residential Services.

4.3.2 Drugs and Pharmaceuticals - On 31 January 2022, I wrote to the acting Medical Director of the GHA informing him that as a result of a review of payments made to suppliers of the GHA Pharmacy section, it had been noted that one of the suppliers is a retail pharmacy based in London, United Kingdom. An examination of the GHA accounts expenditure item 17 – Drugs and Pharmaceuticals and item 19 – Medical and Surgical Appliances showed that a total of £3.18m had been paid to this UK company during the financial period 1 April 2019 to 31 March 2021.

4.3.3 In my correspondence with the acting Medical Director, I drew attention to the fact that unlike other suppliers of the GHA Pharmacy who are mainly local and UK wholesaler pharmaceutical companies, this supplier is a small family-run high street pharmacy business in London; and even though at times the GHA Pharmacy does procure from small local pharmacies, the extent of these purchases are minimal. Figure 84 shows a breakdown of pharmaceutical expenditure analysed under Drugs and Pharmaceuticals and Medical and Surgical Appliances and highlights the number of suppliers within the two-year period mentioned above. As can be seen, the bulk of the purchases made by the GHA Pharmacy Section is from local wholesalers - £17.36m (66%), followed by UK wholesalers - £5.33m (20%). However, the purchases procured from this one UK retail pharmacy, amounting to £3.18m (12%), stands out significantly in comparison with the rest of the suppliers.

Figure 84

| Category of Supplier | No. of Suppliers | Drugs and Pharmaceuticals Expenditure | No. of Suppliers | Medical and Surgical Appliances Expenditure | Total Expenditure |
|-------------------------|------------------|---------------------------------------|------------------|---|--------------------|
| Local Wholesalers | 3 | £13,149,854 | 2 | £4,209,192 | £17,359,046 |
| Local Retail Pharmacies | 5 | £8,632 | 1 | £100,857 | £109,489 |
| UK Wholesalers | 12 | £4,265,584 | 8 | £1,067,511 | £5,333,095 |
| UK Manufacturers | - | - | 8 | £92,217 | £92,217 |
| UK Retail Pharmacies | 1 | £2,935,821 | 1 | £246,740 | £3,182,561 |
| UK Retail Outlet | - | - | 1 | £121 | £121 |
| UK Hospitals | 1 | £5,000 | 1 | £700 | £5,700 |
| Spanish Wholesalers | - | - | 7 | £123,307 | £123,307 |
| Spanish Manufacturer | - | - | 1 | £394 | £394 |
| Other EU Manufacturers | - | - | 4 | £37,507 | £37,507 |
| Delivery Expenses | | £139,237 | | £14,529 | £153,766 |
| Total | | £20,504,128 | | £5,893,075 | £26,397,203 |

Note: The above expenditure does not include journal adjustments that might thereafter have been effected.

- 4.3.4** In the circumstances, I enquired from the acting Medical Director the reason(s) why the GHA had purchased a wide range of medicinal items from a retail pharmacy in the UK as opposed to the more customary and economical form of procuring these items from larger, more conventional pharmaceutical wholesale suppliers, bearing in mind the retail mark-up added to items by a retail outlet. The acting Chief Pharmacist replied on 11 February 2022 on behalf of the acting Medical Director, explaining that this particular UK pharmacy was in fact an approved wholesaler by the Medicines and Healthcare Products Regulatory Agency (MHRA), so indeed was not just a pharmacy. He added that as a fully authorised wholesaler they are as credible a supplier as any of the larger pharmaceutical wholesalers from which the GHA Pharmacy procures supplies; he considered this UK pharmacy to be one of the best and most reliable wholesale suppliers from the UK as they could usually solve problems other pharmaceutical suppliers gave up on. The acting Chief Pharmacist added that this pharmacy also supplies, and the GHA pays for, all medicines for sponsored patients staying at Calpe House in London, whilst receiving treatment in UK hospitals.
- 4.3.5 Pathology Department** - On 29 August 2023, I wrote to the Director General of the GHA highlighting the observations noted during the course of an audit inspection of the Pathology Department to 31 March 2023. I hereunder draw attention to the areas I consider of greater significance, together with the Director General's response.
- 4.3.6 Staff Leave Files** - As a general comment, I reported to the Director General that, from the findings detailed in paragraphs 4.3.7 to 4.3.37, all staff leave records in the Pathology Department are extremely poorly managed.
- 4.3.7** On requesting the staff leave files in order to carry out the pertinent audit testing, the audit examiner was informed by one of the senior officers in the Pathology Department (the reference to 'one of the senior officers in the department' in this report, refers to the same individual), that a previous administrative staff member of the Pathology Department had apparently shredded all physical annual leave application forms and sick leave medical certificates/uncertificated sick leave forms in respect of the period prior to July 2020. As a result, no audit tests could be carried prior to July 2020. I informed the Director General that I was gravely concerned that an officer(s) should be allowed to destroy administrative records without the necessary authority; it was completely unacceptable. I strongly recommended that the GHA Human Resources Section look into this irresponsible deed and take the necessary action.
- 4.3.8 Annual Leave Records** - It was particularly concerning to note that the administration and management of annual leave is not undertaken in adherence to General Orders. A sample of the annual leave records of ten officers were selected for testing and all ten cases were found to contain major discrepancies. In general terms these were:
- (i) Incorrect number of days recorded in regard to the dates specified, resulting in annual leave balances being overstated;
 - (ii) Although it was observed that a number of annual leave entries in the Annual Leave Record sheet had been cancelled, the corresponding annual leave application form had not;
 - (iii) A high percentage of annual leave application forms examined did not have the balance of leave box filled-in but had instead been left blank;
 - (iv) In most cases there was no referencing between the Annual Leave Record sheet and the corresponding leave application forms;
 - (v) Several of the annual leave application forms sampled had not been signed by the applicant;
 - (vi) In several application forms there was no date entered in respect of the day the annual leave application had been made;

- (vii) The applicant had signed the annual leave application form but also recommended and approved the application themselves;
- (viii) Half days taken do not state whether the period was AM or PM. In addition, it is unknown whether a half day, contained in a period of days applied for, relates to the first or last day of the annual leave period;
- (ix) Days of special leave taken were recorded in the Annual Leave Record sheet; and
- (x) Amendments made in the Annual Leave Record sheet were on occasions not initialled by the officer making the amendment.

4.3.9 It was also noted that the electronic MS Excel spreadsheet being used (as from 18 July 2020) by the department does not comply with the format of the Annual Leave Record sheet as per the requirements of General Orders. The form's official wording has been changed. It does not include all the necessary columns i.e. differentiation between the leave balances and the file reference column.

4.3.10 All Annual Leave Record sheets examined show an additional 2.5 days of annual leave added to the brought forward leave balance. One of the senior officers in the department explained that these extra 2.5 days relate to 'added Christmas leave'. According to him, the Pathology Department has an agreement whereby the laboratory remains open during the Christmas break but instead of deducting the compulsory 2 days of annual leave that officers are required to take in respect of the Christmas period, each officer gets these days added to their leave balance at the beginning of each calendar year. I understand that as from 2021 onwards, these extra days of annual leave appear to be given to staff as Time Off In Lieu ("TOIL") instead of annual leave. However, in a meeting held with the GHA Human Resources Section on 31 March 2023, GHA HR confirmed that they were not aware of this arrangement. To their knowledge, this arrangement has never been formally approved and there is no written agreement which governs these conditions. The Executive Director of Workforce, mentioned, although unconnected to the Pathology Department, the fact that nurses do get an allowance (pre-Agenda For Change) for working during the Christmas period in the form of 'Extra Days' but this is separate to annual leave and treated differently.

4.3.11 Recommendations:

The following were my recommendations on the audit observations relating to annual leave records highlighted in paragraphs 4.3.8 to 4.3.10:

- (i) The Pathology Department should cease using the incorrect Annual Leave Record sheet format implemented in July 2020. The correct format shown, as per General Orders should be adopted and the leave of all staff as from this date should be transposed to this record sheet format;
- (ii) All annual leave application forms together with the record sheet pertaining to each officer should be appropriately referenced by being sequentially numbered on file;
- (iii) The supervisory officer that approves the annual leave application must check and ensure that each application form has been correctly entered on the Annual Leave Record sheet, and once satisfied that the record sheet has been correctly updated must initial each entry accordingly;
- (iv) From discussions with staff of the Pathology Department, the audit examiners established that many officers did not know their balance of annual leave and were surprised to learn the substantial amount of annual leave they had accumulated. There were numerous officers that were carrying over more than the permitted 10 days almost every year without the necessary approval from the Head of Department being sought, which is contrary to the provisions of General Orders;
- (v) The Human Resources Department confirmed that pursuant to HR Bulletin HRD 309(v2) dated 1 April 2020, a concession allowing civil servants to exceptionally carry over untaken annual leave into the next two leave years was granted as a

consequence of the Covid-19 pandemic. At the time of the audit inspection in March 2023, the Human Resources Department had not yet received any request for carry-over of leave for the year 2023 as this would still be managed at departmental level. Nevertheless, considering the high outstanding leave balances of many of the officers of the Pathology Department, these officers should be reminded that the carry-over of leave into the third year is when they need to seek approval and the Head of Department has to inform the GHA HR of the need to carry over any extra days above the permitted number of days; and

- (vi) The practice of recording special leave in the Annual Leave Record sheet needs to stop, as special leave has to be recorded in its own corresponding Special Leave Record sheet.

4.3.12 Sick Leave Records - I informed the Director General that just as with the annual leave records, the administration and management of sick leave by the Pathology Department is very poorly kept and likewise not undertaken in adherence to General Orders. This again, is cause for concern. Not least because sick leave is also the basis for the payment of the annual attendance bonus payment (max. £1,000), so there are financial consequences if records are inadequately managed. Moreover, erroneous sick leave balance calculations can have ramifications for pay (when an officer on sick absence may enter half pay or no pay); in addition to the effects it can have on the calculation of an officer's pension award on retirement under the Pensions Act.

4.3.13 As reported in paragraph 4.3.7, supporting documentation in respect of sick leave prior to July 2020 (i.e. sick notes, medical certificates and uncertificated sick leave forms) could not be examined. Pathology administration staff confirmed that they do not hold leave records prior to this date. The hard copies of Sick Leave Record sheets were obtained from the GHA Salaries Section. As a consequence, audit testing was quite limited. For example, it was not possible to verify if the Sick Leave Record sheet of one of the senior officers in the department was correct. This officer went from having sick absences every year from 2014 to 2019 represented by a 4-year running balance of 98 days' sick leave on 4 February 2019 (incorrectly recorded in his record sheet as 86 days), to having only one certificated sick leave period of 2 days in January 2023.

4.3.14 A sample of ten officers' sick leave records was selected for audit testing and all ten cases were found to contain major discrepancies. These consisted in general terms of the following:

- (a) Most officers of the Pathology Department have an incorrect balance of sick leave;
- (b) In two cases, sick days relating to Covid-19 leave were recorded in the Sick Leave Record sheet instead of being recorded in a separate Covid-19 Record sheet, as prescribed in Bulletin of Circulars HRD No. 36/2020;
- (c) There were no file reference numbers allocated to Sick Leave notes/certificates and USL forms and the corresponding cross-reference with the Sick Leave Record sheet;
- (d) In the Sick Leave Record sheet actual days taken and recorded did not agree with the days stated in the running totals. This meant that running balances were incorrect;
- (e) Electronic Sick Leave Record sheets do not record the number of sick leave days taken, nor the 4-year running total of sick days; and
- (f) The hard copies of the Sick Leave Record sheets held by the GHA Salaries Section did not agree with the electronic Sick Leave Record sheets.

4.3.15 Sick Leave Record sheets maintained by the GHA Salaries Section did not comply with the format requirements of General Orders in terms of having columns for the breakdown of full pay, half pay and no pay. I recommend that the outdated record sheet in use be replaced with the latest version prescribed by the central Human Resources Department which also

includes columns for 'Days Uncertificated in 12 Months'; 'Total Sick Days in 4 Years'; 'Breakdown of Sick Period'; and 'Running Total of Sick Days in 4 Years'.

- 4.3.16** The electronic Sick Leave Record sheet maintained by the Pathology Department does not contain any sick leave balances. Instead it contains a column that states 'Certificated Sick Leave/Uncertificated Sick Leave Remaining' which seems to follow the concept of deducting days from a total (as is the case in the Annual Leave Record sheet) instead of having an accumulating balance format.

4.3.17 Recommendations:

The following were my recommendations on the audit observations relating to sick leave records highlighted in paragraphs 4.3.12 to 4.3.16:

- (a) All sick notes, medical certificates and uncertificated sick leave forms should be appropriately referenced by being sequentially numbered on file; and
- (b) The supervisory officer that approves the sick leave absence must check and ensure that each sick absence has been correctly entered in the Sick Leave Record sheet; and once satisfied that the record sheet has been updated correctly and that all column balances have been properly calculated, must initial each entry accordingly.

- 4.3.18** Special Leave - I expressed my concern to the Director General that special leave is on occasions not sent to the GHA Human Resources for approval. Furthermore, as mentioned in paragraph 4.3.11(vi), it was noted that special leave is generally recorded in the same record sheet as annual leave. This is contrary to the requirements of General Orders which prescribes that, '*Heads of Department should ensure that all special leave is recorded in the prescribed form...*'. I therefore recommended that the prescribed form, as detailed in Appendix 3A to General Orders, be implemented for recording the special leave that is granted to officers.

- 4.3.19** A sample of ten officers was selected for testing. A summary of the findings is as follows:

- (a) None of the officers' records examined had a Special Leave Record sheet;
- (b) One officer did not have his special leave recorded at all despite applying for it and obtaining approval from GHA Human Resources;
- (c) Two officers had their special leave recorded in their Annual Leave Record sheet; and
- (d) One officer appears to have taken more than the allowed 10 days of special paid leave for sports-related activities.

4.3.20 Recommendations:

The following are my recommendations on the audit observations relating to special leave records highlighted in paragraphs 4.3.18 to 4.3.19:

- (a) All requests for special leave should be referred to the GHA HR Manager for approval;
- (b) It is recommended that, as part of every officer's leave records a Special Leave Record sheet is kept for all officers, regardless if they have taken special leave or not; and
- (c) Any officer found to have exceeded 10 days' special paid leave over a 12-month rolling period in connection with a sport-related activity should have the difference deducted from his annual leave balance, or alternatively taken as unpaid leave.

- 4.3.21** Time Off In Lieu ("TOIL") - The Pathology Department's TOIL records were examined and a review of the department's adherence to GHA TOIL policies during the period January 2020 to 31 December 2022 was performed, with the observations detailed in paragraphs 4.3.22 to 4.3.37.

- 4.3.22** A sample of seven Pathology Department staff TOIL records sheets were selected for examination, being those officers that perform (or have recently performed) Pathology On-Call duties and IT On-Call duties. From the seven officers selected, six had a substantial amount of TOIL accumulated as at 28 April 2023 (balance per Pathology Department Record Sheet) with no approval system in place. Figure 85 shows the number of accumulated TOIL hours of each of the sampled officers, who I shall herewith refer to Pathology Officers A to G, in order of the highest balance of TOIL hours first.

Figure 85

| Name of Officer | Hours |
|---------------------|--------|
| Pathology Officer A | 591.25 |
| Pathology Officer B | 525.00 |
| Pathology Officer C | 467.75 |
| Pathology Officer D | 434.25 |
| Pathology Officer E | 104.25 |
| Pathology Officer F | 84.75 |
| Pathology Officer G | 0 |

As can be seen in Figure 85, five of the seven officers sampled had a balance of over 100 hours of TOIL, with one case – that of one of the senior officers in the department, who had the highest number of accumulated TOIL hours (i.e. 591 hours and 15 minutes as at 1 December 2022). Aside from the cases sampled, it is my understanding that there are other officers within the Pathology Department with substantial levels of accrued TOIL hours as well. I told the Director General that I was especially concerned at the lack of controls in the management and authorisation/approval of TOIL that might lead to the overstatement of TOIL hours. As a result of the audit findings detailed in paragraphs 4.3.23 to 4.3.37, I recommended that the accrued balances of TOIL held by officers in the Pathology Department should be looked into and any excess or unjustified days that have been acquired be cancelled.

- 4.3.23** Under the provisions of Agenda for Change Appendix 4, Section 1.2, officers are not allowed to accumulate TOIL, and must normally take TOIL within the same working month, preferably within twelve weeks of the extra hours being worked and only under exceptional circumstances (to be approved by the relevant Director) can TOIL be taken after twelve weeks and within the same financial year. Under no circumstances will TOIL be permitted to be carried over into the following financial year. Furthermore, if this timescale is not adhered to, the member of staff will be paid for the hours accumulated at the end of twelve weeks. Nevertheless, it was noted that TOIL arising from the Covid-19 pandemic, i.e. from March 2020 to September 2022, would have been exceptionally accrued, under the GHA Major Incident Protocol, and consequently exceptionally accumulated. Hence, the Agenda for Change TOIL policy is only applicable to TOIL accrued prior to March 2020 and after September 2022.
- 4.3.24** Despite the exception arising from the Covid-19 pandemic, the noted accumulation of TOIL days by some officers of the Pathology Department, both prior and post the pandemic, substantially exceeded the TOIL limits stipulated under Agenda for Change, and therefore the Pathology Department, led by one of the senior officers in the department, have not been correctly applying and enforcing the rules under Agenda for Change. It should be noted that under Agenda for Change Appendix 4, Section 3.3, the amount of TOIL accrued (owed) must not normally exceed 40 hours unless approved by the relevant Director or Deputy Director.
- 4.3.25** Agenda for Change Appendix 4, Section 2.1 stipulates the standard GHA TOIL form that must be used to record TOIL worked and TOIL taken. However, the Pathology Department

have not been using the prescribed form. The Pathology Department's TOIL record sheets do not include all the required columns (such as the TOIL accrued balance).

- 4.3.26** Under Agenda for Change Appendix 4, Section 3.5, line managers (this includes senior officers) are responsible for monitoring levels of TOIL and ensuring it is properly recorded and managed. It therefore seems that one of the senior officers in the department has not rightfully performed his duty by adhering to these policies, thus resulting in the inaccurate recording of TOIL hours taken; inaccurate additions and deductions of TOIL hours; TOIL balances regularly and substantially exceeding the stipulated Agenda for Change limits; and failing to accurately administer and manage TOIL records using the appropriate TOIL form prescribed in Agenda for Change.
- 4.3.27** Agenda for Change Appendix 4, Section 3.2 provides that TOIL must be taken at a time when it does not interfere with operational needs and may be refused on the grounds of the needs of the service. However, due to the significant accumulation of TOIL hours that far exceeds the limits and timescales stipulated under Agenda for Change, it would appear that no such refusal of TOIL hours has been made, but instead accrued TOIL balances are not being appropriately reviewed and monitored.
- 4.3.28** It was noted that Pathology Department staff accrue TOIL through the Christmas period and concession holidays, a time during which the majority of Government departments are closed. However, during these dates the Pathology Laboratory is not closed, hence officers are compensated with TOIL. Whilst the practice of granting TOIL would appear to be reasonable during the Christmas period or during concession holidays, we were unable to ascertain if there was an agreement or directive that allows TOIL to be granted to Pathology Department staff during these periods. This arrangement, if approved by the GHA, should be formally documented by way of an agreement or change to conditions of service, as agreed and formally authorised by the GHA, prior to being implemented and applied in the Pathology Department.
- 4.3.29** In addition to the TOIL accrued during the Christmas period, as noted in paragraph 4.3.28, a sample of seven Pathology Department staff TOIL records further revealed that:
- (i) Certain entries in the TOIL record sheets of five pathology officers who performed Pathology on-call duties at the time, were recorded as an aggregate number of hours, without a breakdown of the dates, hours and reasons for which those TOIL hours had been granted. Such instances include:
 - '2020 - 14 Extra Days' for 416 hours and 15 minutes of TOIL; which equates to an average of 29.73 TOIL hours being granted per day. The audit examiners were unable to ascertain the breakdown of these hours or how these TOIL hours were calculated.
 - '2021 - 12 Extra Days' for 90 hours of TOIL; which equates to an average of 7.5 TOIL hours being granted per day, which although might appear to be reasonable, should be looked in conjunction with other TOIL recorded of 12 days during 2021. As the audit examiners were unable to ascertain the breakdown of the '12 Extra Days' given the lack of information in the record sheet, nor the reasons for granting these TOIL hours, there is a possibility that these TOIL hours could have been recorded twice and hence the accrued TOIL balances could be significantly overstated.
 - (ii) Some TOIL hours have been accrued by Pathology staff for dates that do not correspond with any official Government public holiday or concession holidays. An example of this is the TOIL hours accrued on 27 April 2022, by Pathology Officer E, which was a standard working day - one day before Workers' Memorial Day on 28 April 2022. The audit examiner was unable to ascertain the reasons for granting these TOIL hours.

- 4.3.30** The TOIL record of Pathology Officer A, similarly showed that certain entries in his TOIL record sheet were recorded as an aggregate number of hours, without a breakdown of the dates, hours and reasons for which those TOIL hours had been granted. Such instances included the '2020 - 14 Extra Days' for 416 hours and 15 minutes of TOIL; and the '2021 - 12 Extra Days' for 90 hours of TOIL, previously mentioned. But in addition to these entries, this officer also had further one line entries – '01/04/2020 to 30/04/2020' with 172 hours 45 minutes of TOIL; and – '01/05/2020 to 31/05/2020' with 121 hours 45 minutes of TOIL recorded. However, given the absence of information to show the actual dates the TOIL was earned, the audit examiners were unable to ascertain the reasons for granting these TOIL hours and whether there was a possibility that these TOIL hours could have been recorded twice and hence the accrued TOIL balances could be significantly overstated.
- 4.3.31** I pointed out to the Director General that Pathology Officer A, one of the senior officers in the department, was the only officer from the Pathology Department to have received the additional 172 hours 45 minutes and 121 hours 45 minutes TOIL hours during the aforementioned periods in 2020. Therefore, overall, this officer had a total of 710 hours 45 minutes of TOIL hours recorded in his TOIL record sheet for which there is only an aggregate number of hours for each respective period recorded. There is no information regarding the breakdown of the dates, the calculation of the hours accrued nor of the reasons for which these TOIL hours had been granted. The audit examiners were not able to ascertain any further information.
- 4.3.32** It was noted that when officers are awarded a half-day of TOIL, or use a half-day of TOIL, the half day added/deducted to/from the officer's TOIL records is taken to be 3 hours and 45 minutes. However, the only instance where a half-day of TOIL usage would equate to 3 hours and 45 minutes is when an officer does the Government Tier 2 working hours, and specifically only for PM leave during winter hours. I highlighted that, generally, the half-day TOILs taken referred to AM, where workings hours would always be 4 hours if on Tier 1 or, if on Tier 2, 4 hours during winter hours or 3 hours and 15 minutes during summer hours. It therefore appears that when a half-day of TOIL has been earned or an officer has taken a half-day of TOIL, these instances are being calculated as half of the conditioned hours of a work day set at 7.5 hours, i.e. 3 hours and 45 minutes is being added/deducted to/from an officer's TOIL record regardless of the actual half-day hours the half-day represents.
- 4.3.33** A sample of the TOIL records of seven Pathology Department staff revealed that on numerous occasions, the dates recorded for TOIL taken on the officer's record sheet did not agree to the corresponding hours recorded when earned nor to the number of hours deducted from the officer's accrued TOIL balance. No further information was provided on the TOIL record sheets to indicate whether dates were partially worked, however, these often included periods of multiple days and weeks being taken, therefore making it unlikely the officer had worked at any stage during the said period. Furthermore, there were instances where the hours recorded were both under and over the hours that would correspond with the dates recorded on the TOIL record sheet. Some of these instances include:
- (a) Pathology Officer A's TOIL Record States: '07/12/20(pm) - 10/12/20' – Hence, per description, 3.5 working days of TOIL has been used, equating to 26 hours. However, number of hours deducted from TOIL balance = 18 hours 30 minutes;
 - (b) Pathology Officer A's TOIL Record States: '11/04/22 - 14/04/22' – Hence, per description, 4 working days of TOIL has been used, equating to 30 hours. However, number of hours deducted from TOIL balance = 26 hours 15 minutes;
 - (c) Pathology Officer B's TOIL Record States: '24/05 - 27/05' (recorded under 2021) – Hence, per description, 4 working days of TOIL has been used, equating to 30 hours. However, number of hours deducted from TOIL balance = 15 hours;

- (d) Pathology Officer B's TOIL Record States: '05/09/22 - 23/09/22' – Hence, per description, 14 working days of TOIL has been used, equating to 105 hours. However, number of hours deducted from TOIL balance = 112 hours 30 minutes;
- (e) Pathology Officer D's TOIL Record States: '16/08/21 - 20/08/21' – Hence, per description, 5 working days of TOIL has been used, equating to 37 hours 30 minutes. However, number of hours deducted from TOIL balance = 32 hours 30 minutes;
- (f) Pathology Officer E's TOIL Record States: '25/11/20 - 27/11/20' – Hence, per description, 3 working days of TOIL has been used, equating to 22 hours 30 minutes. However, number of hours deducted from TOIL balance = 15 hours;
- (g) Pathology Officer E's TOIL Record States: '10/05/21 - 10/06/21' – Hence, per description, 23 working days of TOIL has been used, equating to 172 hours 30 minutes. However, number of hours deducted from TOIL balance = 131 hours 30 minutes; and
- (h) Pathology Officer F's TOIL Record States: '16/08/21 - 27/08/21' – Hence, per description, 10 working days of TOIL has been used, equating to 75 hours. However, number of hours deducted from TOIL balance = 65 hours.

4.3.34 A sample of seven Pathology Department staff TOIL records examined revealed that on numerous occasions the hours taken (as recorded on the officer's TOIL record sheet) did not agree to the corresponding number of hours deducted from the officer's accrued TOIL balance. Some of these instances include:

- (a) Pathology Officer A's TOIL Record States: '01/04/21 (am) - 3 hours 45 minutes' – However, number of hours deducted from TOIL balance = 2 hours 45 minutes;
- (b) Pathology Officer D's TOIL Record States: '03/06/21 - 3 hours 45 minutes' – However, number of hours deducted from TOIL balance = 4 hours 15 minutes;
- (c) Pathology Officer E's TOIL Record States: '10/05/21 - 10/06/21 - 131 hours 15 minutes' – However, number of hours deducted from TOIL balance = 131 hours 30 minutes; and
- (d) Pathology Officer F's TOIL Record States: '02/03/21 - 7 hours 30 minutes' – However, number of hours deducted from TOIL balance = 7 hours.

4.3.35 There was more than one instance where an officer's TOIL record sheet had TOIL hours added to the officer's TOIL balance within the TOIL taken columns, rather than being recorded in the TOIL earned columns. Furthermore, with some of these instances, the balance is only shown as an addition from one TOIL taken entry to another with no separate entry or corresponding dates, hours or reasons for the inclusion of those TOIL hours (for example, the case of Pathology Officer E where a TOIL taken entry for 3 hours showed the TOIL balance unexplainably increase by 83 hours 30 minutes, rather than being reduced by the 3 hours taken). Some of these instances include:

- (i) Pathology Officer A's TOIL Record Sheet during 2022 had 22 hours 30 minutes added to the TOIL balance under the TOIL taken column, which appeared to correspond to 22 hours 30 minutes recorded under the TOIL earned column;
- (ii) Pathology Officer A's TOIL Record Sheet during 2022 had 37 hours 30 minutes added to the TOIL balance under the TOIL taken column, which appeared to correspond to 37 hours 30 minutes recorded under the TOIL earned column;
- (iii) Pathology Officer B's TOIL Record Sheet during 2022 had 112 hours 30 minutes added to the TOIL balance under the TOIL taken column, which appeared to correspond to 112 hours 30 minutes recorded under the TOIL earned column;
- (iv) Pathology Officer C's TOIL Record Sheet during 2022 had 22 hours 30 minutes added to the TOIL balance under the TOIL taken column, which appeared to correspond to 22 hours 30 minutes recorded under the TOIL earned column;

- (v) Pathology Officer D's TOIL Record Sheet during 2022 had 30 hours added to the TOIL balance under the TOIL taken column, which appeared to correspond to 30 hours recorded under the TOIL earned column;
- (vi) Pathology Officer E's TOIL Record Sheet during 2021 had 86 hours 30 minutes added to the TOIL balance under the TOIL taken column only;
- (vii) Pathology Officer F's TOIL Record Sheet during 2022 had 80 hours added to the TOIL balance under the TOIL taken column, which appeared to correspond to 80 hours recorded under the TOIL earned column; and
- (viii) Pathology Officer G's TOIL Record Sheet during 2022 had 30 hours added to the TOIL balance under the TOIL taken column, which appeared to correspond to 30 hours recorded under the TOIL earned column.

4.3.36 All seven Pathology Department staff TOIL records examined showed instances of TOIL earned by Pathology staff being recorded under a year subsequent to the one in which the TOIL was earned. It therefore appears that instances of TOIL may have been granted retrospectively, or that accrued TOIL is not being recorded in officers' record sheets in a timely manner, thus not maintaining accurate and up-to-date records. This may also increase the risk of duplication of TOIL entries, as noted previously with the '2021 - 12 Extra Days' entries on officers' TOIL record sheets. For example, TOIL earned during the dates 24 and 29-31 December 2020 were recorded under the year 2021 for all seven reviewed records. Additionally, TOIL earned between four and fifteen separate dates during 2021 were recorded under the year 2022 in the seven TOIL record sheets reviewed.

4.3.37 It was noted that when an officer is on a commission session day they are "off" the following day. Furthermore, if carried out on a public holiday or weekend they additionally receive 7.5 hours as TOIL. A Laboratory commission day, which in effect is on-call paid as fixed overtime, is paid at a substantial rate and should not carry TOIL. Officers in other Government Departments are not granted TOIL for on-call duties. I pointed out to the Director General that it is inconceivable that an officer who might not be called to come in to work should earn TOIL and additionally have the following day off (a costing of this is detailed in paragraph 4.3.51). I told the Director General that this arrangement needed to be stopped immediately.

4.3.38 Pathology On-call Sessional Commissions - On-call Commissions, which are paid per session, are remunerated to officers from the Pathology Department who work after hours. These sessional commissions are paid under the term 'overtime' for salaries purposes. The three different types of commissions paid are:

- Primary Commission;
- Secondary Commission; and
- Biomedical Assistance Commission.

Officers who carry out these sessional commissions are also paid an on-call laboratory allowance.

4.3.39 It was noted that Primary Commission sessions were incremented from £485.06 to £625.28 (29% increase) during the Covid-19 pandemic period. Both the Secondary and the Biomedical Assistance Commissions were implemented during the Covid-19 pandemic, specifically with effect from May 2020 and August 2021 respectively (as per Salaries records). Considering that mass testing for Covid-19 via the drive-through clinic has ceased and the medical advice is for the population at large to carry out their own Covid-19 rapid lateral flow tests at home, I informed the Director General that I was of the view that even if there was still some testing for Covid-19 and other types of testing, that these remuneration arrangements should cease immediately and primary sessions changed back to their original amounts.

- 4.3.40** It is noted that upon promotion from Biomedical Scientist to Senior Medical Scientist, an officer may subsequently be included in the Pathology On-Call roster (upon completing the on-call training required). As a result, a Pathology officer at present may enjoy a very substantial remuneration increase of approximately 170%.
- 4.3.41** Officers from the Pathology Department on on-call duties receive a 'rest day' on the Friday before being on on-call on a Saturday, and when the officer is called out on any other day of the week, the rest day is granted on the subsequent day. Whilst the practice of granting a rest day after being called out all night would appear operationally reasonable due to tiredness and fatigue, the audit examiners were unable to ascertain any agreement or pay directive that allows for rest days to be granted on the preceding day. This arrangement is unique to the Pathology Department as it does not exist in any other department within the GHA, for example, in the Radiology Department where staff members are also on on-call duties. I told the Director General that if this arrangement had the approval of GHA senior management, then it should be formally documented in an agreement, as otherwise there is no authority governing this practice.
- 4.3.42** It was further noted that as a consequence of introducing the Biomedical Assistance Commissions on 16 July 2021, Biomedical Assistants, although having a lower basic salary, on average receive a higher remuneration than Biomedical Scientists despite the latter grade being more senior and more qualified personnel. The reason for this is that Biomedical Scientists do not undertake any on-call duties and thus do not receive on-call sessional commissions.
- 4.3.43** An examination of the salaries of fourteen Pathology Department officers revealed that there were three officers whose basic salary is in excess of the set threshold stipulated in Agenda for Change of £52,492.82 for eligibility to overtime payments, and therefore not entitled to receive overtime payments, but yet these officers are still claiming and receiving overtime payments. Instead, Agenda for Change stipulates that time off in lieu at plain time rates in accordance with the GHA TOIL policy should be taken instead of overtime payments.
- 4.3.44** In accordance with Agenda for Change Section 3.4.2, relating to working or providing emergency cover outside normal working hours with on-call arrangements, staff who are called into work during a period of on-call will receive payment for the period they are required to attend, or alternatively may choose to take time off in lieu in accordance with the GHA's TOIL policy. However, contrary to the provisions of Agenda for Change, officers from the Pathology Department receive on-call payments in the form of the Pathology On-Call Sessional Commissions, regardless of whether the officer is required to attend work or not. In addition, rather than alternatively, the officers also receive one working day of TOIL in accordance with their conditioned working hours. I informed the Director General that this arrangement is excessive and needs to be corrected as a matter of urgency.
- 4.3.45** A review of the remuneration of one of the senior officers in the department revealed that during the 3-year period 2020 to 2022, this officer's gross salary increased significantly during the Covid-19 pandemic, initially seeing an average 53.4% monthly increase that, although appearing reasonable at first glance, considering the exceptional circumstances at the time, shows that post-pandemic (taken as being since May 2022 when the public Covid drive-through closed) this officer's average gross salary has not returned to pre-pandemic levels and remains significantly higher.
- 4.3.46** The GHA Pathology Primary On-Call Sessional Commission is currently fixed at £625.28 per session, with the secondary on-call allowance payable at 55% of the primary on-call allowance, both regardless of an officer's basic salary. As previously mentioned, the commissions were increased from £485.06 per session to the current rate on 16 July 2021, as approved by the acting GHA Medical Director in order 'to compensate for the extra callouts and workload increase estimated on current numbers of 6 – 17 Covid PCR tests performed on admissions and transfers'. The increase in sessional payments was therefore

due to the Covid-19 pandemic, which also required continuous 24-hour laboratory service. I recommended to the Director General that the pre-Covid rates be reinstated for the Primary Commission and a GHA review be carried out to determine whether the Secondary Commission and/or Biomedical Assistance Commission is needed operationally now that the impact of Covid-19 is relatively minor.

- 4.3.47** I further recommended to the Director General that as the Secondary Commission was implemented during the Covid-19 pandemic, if it is still needed operationally, then a decrease in rate, in line with the decrease of the Primary Commission should be carried out. The change of Pathology On-Call Sessional Commissions to their pre-Covid rate would result in an approximate saving of £108,000 per annum for the GHA, for Pathology Primary and Secondary Sessional Commissions. This would be in addition to further savings from the Pathology Biomedical Assistance On-Call Sessional Commission, as this would decrease from £271.44 to £194.32, with the Biomedical Assistance Commission rate maintaining the same difference to the current Secondary rate.
- 4.3.48** I highlighted to the Director General that one of the senior officers in the department is regularly on dual on-call duties on the same date. This being for IT duties and Pathology Laboratory duties. During the three months reviewed, i.e. May, August and October 2022, of the days this officer was available to work (not being on annual or sick leave), he was on, at least, on-call duty on 71% of working days, and was on double on-call duties on 42% of working days. On days when this officer is on double on-call duties, he receives Pathology On-Call Commissions, Lab IT On-Call payment and Lab IT Call-Outs (Overtime) payments, along with the monthly IT 10% allowance, 7.5 hours of TOIL for being Pathology On-Call, and the rest day post Pathology On-Call night (or day prior if on-call on a Saturday).
- 4.3.49** It was further noted that on every occasion when this senior officer of the department is on Pathology on-call duties, he is also on IT On-Call. There was no occasion, during the three months reviewed of May, August and October 2022, when this officer was solely on Pathology On-Call duties.
- 4.3.50** An analysis of the income of one of the senior officers in the department revealed that the maximum remuneration he can receive for being one night/day on on-call duties would be on the occasions where he is on-call duty on a Sunday or Public Holiday, and he is also on Lab IT On-Call (receiving 3 separate IT call-outs), and additionally on Pathology Primary On-Call. On such occasions, this officer will receive approximately £1,795 of direct payments relating to on-call duties, in addition to £19.42 indirectly from the IT allowance, plus the added cost of approximately £538 in hours not subsequently worked due to TOIL (granted on public holidays only), and also the 'rest day' given. This equates to a maximum total cost to the GHA of approximately £2,352 for one night of being on on-call duties.
- 4.3.51** During the three months reviewed, being May, August and October 2022, the maximum on-call cost to the GHA, of approximately £2,352 per day, occurred on two Public Holidays, these being on 15 April 2022 and 12 September 2022; and similarly occurred (without the TOIL granted) on two Sundays (being 13.3% of Sundays/Public Holidays during the months reviewed), these being on 3 April 2022 and 18 September 2022. The total cost to the GHA of these two noted Sundays would have been approximately £2,083 for each of these Sundays. In addition to the above noted four occasions where this senior officer was on Lab IT On-Call and Pathology Primary On-Call on a Sunday or Public Holiday, the officer was also on dual on-call duties on the following higher earning occasions:
- (i) There were three Saturdays (being 25% of Saturdays during the months reviewed) where the officer was on both Lab IT On-Call and Pathology Primary On-Call. The total cost to the GHA of these three days would have been approximately £1,953 for each of these Saturdays; and
 - (ii) There were six Saturdays/Sundays (being 27.3% of Saturdays/Sundays during the months reviewed) where the officer was on both Lab IT On-Call and Pathology

Secondary On-Call. The total cost to the GHA would have been approximately £1,391 for each of these Saturdays and approximately £1,521 for each of these Sundays.

4.3.52 It was noted that on the occasions detailed below, being dates during the aforementioned three months reviewed, one of the senior officers in the department claimed Lab IT Call-Outs during conditioned working hours when the officer is working and not entitled to claim or receive call-out payments. Additionally, this officer also claimed Lab IT Call-outs during TOIL time taken away from work.

- (i) It was noted that on one occasion (13 April 2022), the senior officer took a full day of TOIL, but the officer claimed 3 hours IT On-Call (08:06 to 11:06) carried out during conditioned working hours; hence these hours should not have been claimed as a call-out. The officer should have cancelled his relevant TOIL as per actual hours worked instead of claiming IT On-call, where regardless of working under an hour he was paid the 3 hour on-call amount; and
- (ii) There were four occasions (1st, 6th, 8th and 15th July 2022) where the officer claimed 3 hours IT On-Call that started during conditioned working hours; hence these hours should not have been claimed as a call-out.

I informed the Director General that I found it extremely worrying that this senior officer was incorrectly claiming for call outs during conditioned working hours. I highlighted that this officer seemed to be claiming extra additional hours as he pleased. I therefore strongly recommended to the Director General that the GHA HR should carry out a thorough investigation to establish if more hours have been claimed than this officer is entitled to.

4.3.53 In my letter to the Director General, I drew attention to the fact that the current Pathology Primary On-Call Commission and the Secondary On-Call Commission rates do not appear to be the most economically beneficial options for the GHA. If the GHA were to amend these commissions by introducing a primary on-call remuneration and a secondary on-call remuneration based on on-call rates and an hourly rate per call-out (as applied for IT On-Call), in line with GHA overtime policies, the GHA's Pathology costs would decrease whilst still remaining reasonable and fair for Pathology officers on on-call duties.

4.3.54 Information Technology ("IT") On-call Allowance - From the Pathology Department, one of the senior officers in the department and another officer, receive both an IT allowance and IT call-out remuneration. A review of the IT call-outs showed that many of these call-outs are in reference to log-in problems, mainly password access related. In addition, this senior officer affirmed that approximately 90% of the IT call-out jobs he does from home without the need to physically attend the Pathology Department.

4.3.55 An inspection of the IT On-call forms revealed that on every occasion that the senior officer and his colleague undertook on-call duties it related to just one specific job for every three hours they got paid. It seems very odd that there was never an occasion when these officers carried out two or more jobs during the time of the 3 hours of the call-out. It was observed that the senior officer is sometimes paid for 3 call-outs of 3 hours in one day which never overlap.

4.3.56 I told the Director General that in my view, it is irrational that one of the senior officers in the department should be carrying out IT call-out duties. I recommended that this remuneration should cease immediately and these duties should be transferred to the GHA IT Department who are already paid standard call-out rates and are mostly likely better equipped to deal with IT related matters.

4.3.57 Based on the above, the maximum remuneration this senior officer (who has 10 different remuneration streams in any month) would receive in one day would be whilst on Pathology Primary On-Call on a Sunday or Public Holiday, and at the same time be on Lab IT On-Call – receiving three separate IT call-outs.

- 4.3.58** Of the 3 months sampled it was observed that on the occasions this officer was on Primary On-Call he always had three IT call-outs (this happened on 3rd and 15th April 2022, and on 12th and 18th September 2022). Therefore, taking Monday 12 September 2022 as an example, on just this one single day this officer earned a staggering £2,007.62. As he was on-call, and the three IT call-outs could presumably be carried out from home, there is the possibility that this officer could have earned this remuneration without having attended the laboratory. Figure 86 shows a breakdown of this officer's remuneration for that particular day.

Figure 86

1 Day Remuneration (12/09/22)

Fixed Emoluments

| | |
|------------------|---------|
| Salary | £191.56 |
| IT Allowance | £19.16 |
| Mobile Allowance | £0.40 |
| Attendance Bonus | £1.39 |

Variable Emoluments for 12/09/22

| | |
|---|------------------|
| Lab IT On-call weekend & Public Holiday | £24.35 |
| IT Call-outs | £520.20 |
| Commissions | £1,250.56 |
| Total | <u>£2,007.62</u> |

Additionally, this officer would get the following day off, plus accumulate 7.5 hours of TOIL. Therefore, if these additional benefits were converted to monetary value (daily basic pay = £191.56 x 2 days) and added to the aforementioned remuneration, the cost to the GHA of this officer working on Monday 12 September 2022 amounted to £2,391.

- 4.3.59** Service Contracts - When the audit examiners requested to be provided with all Service Contracts, they were informed by one of the senior officers in the department that some of the contracts were missing. No valid reason was provided by this officer on the reason(s) for this. Although this officer did provide the audit examiners with some contracts, he mentioned that some had expired and had not yet been renewed. I therefore recommended to the Director General that a review be carried out of all services contracted out by the Pathology Department in order to determine exactly which contracts are missing, so that copies of these can be requested from the contractor, and also to establish those contracts that are expired with a view of either formally renewing these, or alternatively exploring other contractual options.
- 4.3.60** Arrears/Pathology Income - The Pathology Department provides services to several local medical clinics. It was noted that as at 31 March 2023, the GHA had arrears of £443,060 pertaining to these services, with one medical clinic owing the bulk (91%) of the amounts outstanding at £402,750. I informed the Director General that the oldest arrears pertain to this clinic in respect of two invoices dated 8/06/2021 and 23/06/2021 respectively, in aggregate amounting to £100,305. I highlighted that these arrears were now 1 year and 9 months old. An aged debtors table on the arrears owed by this clinic as at 31 March 2023, shown in Figure 87, shows that the majority of the arrears £377,880 (94%) owed were over one-year-old.

Figure 87

| Invoice Date | Amounts Owed | Period Invoices Outstanding |
|--------------|--------------|-----------------------------|
| June 2021 | £100,305 | 1 year 9 months |
| January 2022 | £245,025 | 1 year 2 months |

| | | |
|---------------|----------|----------------|
| February 2022 | £24,180 | 1 year 1 month |
| March 2022 | £8,370 | 1 year |
| May 2022 | £24,870 | 10 months |
| Total | £402,750 | |

- 4.3.61** When queried why this particular clinic had such a substantial sum of arrears outstanding for such a long time, the audit examiner was informed by the GHA Finance Section that this was because one of the senior officers in the department had come to an arrangement with the clinic whereby they would have 6 months to settle their invoices. The GHA Finance Section added that additionally outstanding invoices were not being chased much by the Pathology Department. I told the Director General that the arrangement entered into by this senior officer was completely unacceptable. In my opinion, it made no economic sense for the GHA to allow a prolonged period of time for an established private clinic to settle payment for services provided by the GHA, whilst the clinic on the other hand charges its clients and receives immediate payment for this service. I further told the Director General that in my view this senior officer had over-stepped his authority, as responsibility for financial arrangements lies with the GHA Finance Section and not with the Pathology Department.
- 4.3.62** I am glad to report that the GHA Finance Section has recently modified this credit period arrangement, and I believe local clinics now have 3 months in which to settle outstanding invoices. I strongly recommended to the Director General that all outstanding arrears are actively chased and the GHA liaises with the Central Arrears Unit for those arrears that are not easily recoverable.
- 4.3.63** Pathology Department Stores - In my letter to the Director General, I informed him that in the financial year 2022-23, the Pathology Department spent a total of £4.5m (this sum does not include purchases of items separately financed by the Covid-19 Special Fund), in laboratory equipment, scientific apparatus, solutions/reagents, testing equipment, etc. These items are held in stock in the Pathology Department stores. However, according to one of the senior officers in the department, no departmental stock control is exercised over these items of stock in that no stores inventory records are held showing details of the receipt, location and issue/disposal of store items, contrary to the requirements of Stores Instruction. Consequently, there is no way of fully knowing the quantities of each item held in stock. The audit examiners were informed that items are purchased as and when a staff member notices that stocks are running low from looking at the store shelves. I told the Director General that it was therefore not possible to carry out any valid audit tests. I added that it was vital that an officer be appointed to be in charge of the Pathology Department stores. The designated officer should ensure there is a proper stock control system in place where store items purchased are recorded in a stock ledger (preferably a computerised stock ledger) immediately when they are received. When stock items are required, these should be issued by the designated officer responsible for stores on a 'first in-first out' basis, with the officer requesting the stock item(s) signing a stores requisition for the items issued to him. Control over the stock levels should be maintained by the appointed officer with the computerised stock ledger flagging up whenever items need reordering (taking the lead time element between ordering and receiving the goods). There should also be periodic documented inventory checks conducted by an independent officer to ensure the accuracy and completeness of the stores items held in stock.
- 4.3.64** A physical examination of stock items showed an apparent overspend in goods as the store rooms were all full up and there were boxes of purchased goods (mostly lateral flow tests) left in boxes outside the location of the store, which increases the likelihood of stock getting lost, damaged or astray. In fact, the stock items insecurely lying outside the store room area are easily accessible to anyone, be it, other GHA employees or members of the public, that can walk into the garage area of the building, where the stores are situated, without any problem.

- 4.3.65** I further told the Director General that I was very concerned that a lot of the purchased items held on stock have expiry dates of which a significant amount were expiring before use. There is clearly no adequate inventory management over the Pathology stores that ensures the right products at the right time in the right quantity and in the right condition. Tracking and managing the shelf life of stock items requires policy, planning, documentation and system controls to guard against wastage and financial loss caused by going past the best-before dates of any perishable product. I emphasised to the Director General that this lack of control over the shelf life of stock items is completely unacceptable.
- 4.3.66** I highlighted to the Director General that overall the stores held by the Pathology Department are extremely poorly kept and not in keeping with the requirements of Stores Instructions. Not having a proper stock control system in place opens up the GHA to theft, pilfering, damage, wastage and loss of public assets. Accurate and updated stock records are essential to good inventory management. I therefore recommended that an adequate stock control system be implemented as a matter of priority, with periodic stock-taking carried out to reduce the risk of fraud.
- 4.3.67** Pathology Department Budget - Given the inherent demand-driven nature of laboratory testing by the Pathology Department, and the fact that one of the senior officers in the department as sub-budget holder can purchase without the formal approval of the GHA Controlling Officer, GHA Finance informed the audit examiner that overspend beyond the approved budget is a recurring scenario. I strongly recommended to the Director General that this senior officer should be made actively responsible and accountable when this occurs. The officer should assume a more proactive role in managing potential overspend, by predicting when this will occur and seeking financial approval beforehand. This can be achieved by implementing a system that monitors running cost totals, monthly trends and promptly flags any escalating testing costs.
- 4.3.68** I further recommended to the Director General that formalised service level agreements be established with external service providers. This measure serves to safeguard costs and maintain adherence to predetermined budgetary constraints. Consistently maintaining open and productive lines of communication with the GHA Finance Director is essential to proactively pinpoint areas that are susceptible to overspending.
- 4.3.69** General - To summarise, I told the Director General that I believed the significant anomalies outlined in paragraphs 4.3.5 to 4.3.68 had arisen primarily whilst one of the senior officers in the department had been heading the Pathology Department for a prolonged period, and stemmed largely from inadequate management supervision and a poor control environment. The findings were also generally symptomatic of a failure to observe the provisions of government rules and regulations. I further informed the Director General that in my view, the Pathology Department had been managed carelessly and irresponsibly, as evidenced by the sub-standard running of the most basic of administrative practices. This situation was completely unacceptable and a matter of grave concern to me. In my opinion there is an urgent need to put in place arrangements to strengthen the managing function, improve the standard of record-keeping, secure effective supervision and control and ensure compliance with regulatory requirements. The Executive Director of Workforce (Designate) replied to me on behalf of the Director General of the GHA, on 4 September 2023, notifying me that he would be following up on the recommendations I had made. He confirmed that he was commissioning an investigation into the concerns highlighted and thereafter he would be informing me on the outcome of the investigation. The Director General also wrote to me, on 8 September 2023, expressing his deep concern with the audit findings on the Pathology Department. He confirmed that he would be working with members of his team in addressing all of the issues raised in the audit inspection and ensuring that these issues are being considered by all the Directors across the GHA.

Gibraltar Health Authority - Elderly Residential Services

- 4.4.1** I wrote to the Care Manager with Nursing Responsibility (“Care Manager”), who is the Head of the Gibraltar Health Authority - Elderly Residential Services (“ERS”), on 20 March 2020 highlighting the observations noted during an audit review on the procurement practices in the ERS. I hereunder draw attention to the areas I consider of greater significance, together with the Care Manager’s response.
- 4.4.2 Local Tenders** - I informed the Care Manager that upon examining six completed works projects, which exceeded the £20,000 tender threshold, in order to verify whether its procurement was directed through the Government’s Procurement Office, I was concerned to note that none of the six projects had gone through the central procurement process thereby foregoing the skills and expertise afforded by the Procurement Office in awarding public contracts. The Care Manager informed me that ERS had historically always done its own procuring using a ‘three-quote system’ and it was not until 28 March 2019 when the Chief Secretary issued a circular to all Controlling Officers and Heads of Departments to ensure compliance with the procedures set out in the Purchasing and Procurement Policy that they commenced their procurements via the Government’s Procurement Office and abiding with the stipulated tender thresholds. Prior to this, they were under the impression that statutory authorities and agencies were excluded from central procuring procedures.
- 4.4.3** I highlighted to the Care Manager that the Purchasing and Procurement Policy also clearly stated that dispensations from tender procedures must be approved by the Head of Procurement and ‘urgency’ was not a valid reason to avoid going through a tender process unless approved by the Head of Procurement. This included the need to contact the Procurement Office for all requirements above the tender thresholds and to include the Procurement Office as early on in the procuring process as possible. I further recommended that all officers involved in the procurement process should thoroughly familiarise themselves with the Chief Secretary’s instructions on the procurement policy and tender thresholds. In her reply, the Care Manager informed me that all ERS staff involved in procurement had been briefed on the thresholds and policies to abide by in accordance with the Purchasing and Procurement Policy.
- 4.4.4 Requests for Quotations** - I brought to the Care Manager’s attention that in April 2018, a company was contracted to install new floor covering on the ground floor dining hall, whilst in June 2018, the same company was contracted to install new flooring on the second floor dining hall. The audit examiner was informed that quotes were not sought from other suppliers because the works were an add-on to the main kitchen refurbishment project. I highlighted to the Care Manager that Regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016 allows for modification of contracts during the term of the contract. However, the regulations were not adhered to when awarding the initial contract to refurbish the kitchen; therefore, quotes should rightly have been obtained for the two flooring works. The Care Manager explained that they had erroneously not been abiding by Procurement regulations and instead sourcing their capital works via the three-quote system.
- 4.4.5** In August 2017, ERS contracted a cleaning company to undertake painting works at Mount Alvernia. ERS explained that the reason for engaging a cleaning company to undertake this work was that alternative quotes obtained from painting contractors registered under the Approved Contractors List were deemed to be prohibitively expensive. I informed the Care Manager that I was unable to express an opinion as to whether a financial saving, if any, had been achieved as the description of the works undertaken, as per the contracted cleaning company’s invoice on this, differed from the scope of works quoted by the competing contractors and it was therefore not possible to compare these equitably and fairly. I added that perhaps the cleaning company’s use of unskilled labour and the lack of adequate professional supervision may have given rise to a perceived short-term saving

resulting from inferior workmanship and quality control. The Care Manager replied that due note had been taken of my observations.

- 4.4.6** I further noted that there had also been confusion and disagreement regarding the invoiced labour and production of timesheets which led to the cleaning company submitting three (very) different invoices. I pointed out to the Care Manager that this would seem to indicate that neither the scope of works, its breakdown or applicable rates had been agreed prior to the commencement of works. I informed the Care Manager that in my opinion, the officer from ERS responsible for this project and for contracting the successful company had exercised very poor judgement and control over the award of these particular works. I reminded the Care Manager that if budget constraints had determined the award of the painting works to a cleaning company, this could have been avoided by adhering to Accounting Instructions whereby a Controlling Officer may make an application to the Financial Secretary for the reallocation of funds in order to incur expenditure in excess of the authorised provision under a particular subhead, or on a service not provided for in the Departmental Estimates. The painting works could alternatively have been postponed to the following financial year and budgeted for accordingly. The Care Manager explained that, *'no supplementary funding was requested as the ERS were at the time awaiting approval from the Ministry as to what and when they should settle payment of the outstanding invoice from the cleaning company'*. She added that there was financial provision in the financial year when the works were completed, however, payment was postponed due to the subsequent investigation carried out and instructions to pay were received during the following financial year 2018-19.
- 4.4.7** I further highlighted to the Care Manager that the contracted cleaning company undertook the painting works without a valid trade licence as required under Section 66 of Part 9 of the Fair Trading Act 2015, thereby putting the ERS and, by de facto, the Government of Gibraltar, at unnecessary reputational risk. The Care Manager replied that she had taken note of the recommendation and explained that the works had been commissioned in a non-cognisant manner to try and reduce costs and improve the façade for the benefit of the residents.
- 4.4.8** **Quality Control** - I expressed my concern to the Care Manager at the level of control over timesheets submitted by contracted companies. Specifically, two invoices submitted by the cleaning company, in respect of cleaning services rendered, were certified correct by the checking officer despite being supported by timesheets containing a number of errors. The Care Manager replied that their Finance Section does not verify all invoices if they have already been certified correct by the relevant section, but instead check these on an ad-hoc basis as part of their quality control. Nevertheless, they would now be verified in a more methodical manner to prevent the risk of errors.
- 4.4.9** **Service Level Agreement** - On 24 October 2017, ERS signed a Service Level Agreement ("SLA") with a contracted company to provide electrical and maintenance services at Mount Alvernia and the John Mackintosh Wing. The service fee consists of a £50,000 annual charge and excludes the cost of materials required in the provision of services. Additionally, the agreement provides that further services, specified as *'New works (projects) and overtime'*, would be undertaken on request with these being chargeable on a time and materials basis. I informed the Care Manager that I was concerned that the SLA had not been tendered through the Government Procurement Office despite exceeding the tender threshold for the procurement of services. The Care Manager explained that at the time of signing the SLA, ERS had not yet been instructed to abide by Government procurement policy. Nevertheless, she confirmed that at the end of March 2020, when the contract expired, they had issued a tender notice inviting companies to bid through the Government Procurement Office.
- 4.4.10** I further informed the Care Manager that an examination of payments made to the contracted company against the terms of the SLA had revealed that ERS had been invoiced

for services which in my opinion were specified under schedule 1 of the SLA, and consequently came under the annual fee. I further informed her that in my view the contracted company should only have sought reimbursement of materials purchased by them to undertake the works as per clause 7.2 (b) of the SLA. This was the conclusion drawn following an examination of payments made during the financial year 2018-19 and highlights poor oversight over the management of the agreement. The following are examples:

- In May 2018, the sum of £2,200 was paid to the contracted company in respect of works done on the third floor dining areas of Mount Alvernia. According to the invoice for the works, these consisted of *'urgent repairs to damaged wall and making good electrics and associated works and painting throughout'*.
- In June 2018, payment of £4,436 was made to the contracted company. This included a £90 payment for *'urgent repairs to catering equipment'* at the Mount Alvernia kitchen.
- In July 2018, payment of £8,775 to the contracted company included the sum of £3,600 for *'Relamping of all emergency lights at John Mackintosh Wing as per instructed and reported, in addition to making good system in view of certification requirements urgently needed'*.

In her reply, the Care Manager informed me that they had already discussed with the contractor that the wording drafted on the invoices did not reflect the actual works undertaken. She explained that when works are done out of hours they need to be invoiced out of contract.

4.4.11 I also recommended that ERS should insist that the contracted company provide copies of invoices from third parties in respect of materials purchased for the provision of services so that these may be reimbursed accordingly. In her reply the Care Manager informed me that the contracted company is registered to supply equipment and registered as a preferred supplier in the Government's tender supplier list. She explained that they had tried to follow the aforementioned approach but had then realised they would need to request copies of invoices from all other suppliers that provide equipment as intermediaries. I confirmed to her that this was a requirement in adherence to best practice procedures.

4.4.12 Supporting Documentation and Certifications - A review of documentation surrounding the procurement of provisions revealed that the use of local purchase orders as an internal control was on occasions overlooked. This was evident in several of the purchase orders examined where the description of provisions ordered and their unit price had been omitted on the actual purchase order at the time of completing the form. Instead, the officer placing the order had solely recorded the related invoice number and the total cost of the purchase. The audit examiner had been informed that this was done to save time when placing large orders. I pointed out to the Care Manager that such practice does not enable ERS staff to effectively reconcile goods ordered to goods received and invoiced and therefore compromises a fundamental control over the receipt and payment of goods. The Care Manager replied that they would be reviewing the procurement procedures and make sure this does not re-occur. She added that the audit observations had already been notified to their Procurement and Facilities officers and would be reiterated again.

Gibraltar Port Authority

4.5.1 I wrote to the former Captain of the Port on 29 April 2020 after having undertaken an audit review of travel expenditure incurred by the Gibraltar Port Authority ("GPA") during the financial years 2017-2018 and 2018-19. I hereunder draw attention to the observations raised, together with the former Captain of the Port's response.

4.5.2 Travel Costs - the GPA Collective Agreement 2009, signed on 9 July 2009, stipulates in clause 26(1) that: *'When an Employee is authorised to travel on behalf of the Authority the cost of the most economic appropriate fare will be paid by the Authority.'* Notwithstanding this requirement, the use of business class flights may exceptionally be allowed on long haul

flights where an employee is required to work shortly after arrival or there is no seat availability in economy class and time constraints prevent the booking of alternative dates, and also, where facilities provided in economy class do not meet the employee's needs due to being pregnant or disabled. However, it was noted from an audit sample selected, that there were two instances in which GPA employees flew business class without apparent justifiable reason. Namely;

- (a) It was noted that flights by the Captain of the Port and the Bunkering Superintendent from Gibraltar to Singapore to attend the IBIA Annual Convention between 6 and 10 November 2017, amounting to £9,064, were booked in business class. The GPA's Finance Manager confirmed that the outgoing flights were booked business class due to the employees having to attend a welcome reception immediately upon arrival in Singapore. However, the return flights from Singapore to London on Thursday 9 November 2017 and the onward flight to Gibraltar on the following day were also on business class; and
- (b) Similarly, flights by the Deputy Captain of the Port from Gibraltar to Singapore to attend the Singapore International Bunkering Conference (SIBCON) and a subsequent marketing visit to Hong Kong between 30 September 2018 to 10 October 2018, amounting to £4,898, were all booked in business class. The flight to Singapore was a scheduled 13-hour trip on 30 September 2018 and arrived at its destination over a day before the conference began on 3 October 2018.

In his reply, the former Captain of the Port, explained that it is probable that single flights each way would have been more expensive than the return ticket as arranged, although it was difficult to confirm this now but generally return flight's work out a lot cheaper than single flights. The Captain pointed out that this trip had taken place shortly after the departure of the previous Captain of the Port so there was less time to make the appropriate flight arrangements which resulted in higher costs for the flights overall. The Captain further highlighted that meetings with prospective partners were arranged on arrival and also on the days leading up to the conference to make the best use of time in the region.

4.5.3 I strongly recommended to the Captain of the Port that greater control over expenditure should be exercised when purchasing air fares to ensure that the provisions of the Collective Agreement are strictly adhered to and that business/club class travel is only used under the allowed criteria, as the cost of the class upgrade is often very significant and may be perceived as an abuse from a public perspective. The Captain of the Port replied that my comments were noted but he did not believe there had been an abuse of funds. He assured me the GPA would be adhering to the Government's recently issued travel policy going forward until such time as the GPA's travel policy is in place which will of course incorporate the Government's policy on business travel.

4.5.4 I also informed the Captain of the Port that a payment made to the Deputy Captain of the Port relating to his attendance at the Portugal Shipping Week held in Lisbon from 17 September 2018 to 19 September 2018 included settlement of mileage allowance amounting to £548. However, I pointed out my concern that a further reimbursement of €155 (£138 approximately) was made to him for fuel costs incurred on his trip when this expense had already been met through the mileage allowance payment of £548. I requested his confirmation that the overpayment of £138 would be recovered. The Captain of the Port confirmed that the overpaid sum would be recovered and I subsequently confirmed that the £138 had indeed been fully repaid.

4.5.5 Accommodation Costs - I pointed out to the Captain of the Port that clause 26(5) of the GPA Collective Agreement prescribes that: '*The Authority [GPA] shall set a maximum reimbursement rate for accommodation, taking into account an Employee's rank*'. However, I further explained that in the absence of a documented policy by the GPA, and in order to establish the reasonableness of the expenditure incurred, the Worldwide Subsistence Rates

as published from time to time by the UK Government, in addition to the Gibraltar Government's official subsistence rates for Inner London and the UK had been used in audit as the basis for determining reasonableness. I highlighted to the Captain a total of 17 instances, identified from the sample selected, where I considered excessive accommodation costs had been incurred by GPA staff whilst travelling on official business. In subparagraphs (a) to (e) below, I list 5 examples of unduly high accommodation costs (the remaining 12 instances of excessive accommodation costs ranged from £25 to £127 per night in excess of the Worldwide Subsistence Rates as published from time to time by the UK Government, or the Gibraltar Government's official subsistence rates). In his reply, the former Captain of the Port explained that the GPA's approach in relation to accommodation is to normally stay at the same place as the event being attended if the trip is event-based. He explained that this substantially reduces additional travel costs and allows more efficient use of time for meetings and other networking opportunities. He added that event organisers will try to secure the best possible accommodation rates for its delegates and while the fixed rate [*Worldwide Subsistence Rates*] for a country may be surpassed, GPA budgetary considerations are always taken into account and often invisible savings are made when it comes to accommodation versus other expenses. I replied to the former Captain of the Port, informing him that although noting his explanations, I nevertheless still recommended that the overriding consideration that he should bear in mind, after taking into account the factors he mentioned, was that of obtaining the most economical rates of accommodation, as ultimately it was his duty as Controlling Officer to look after the public funds under his responsibility.

- (a) A payment to M H Bland Ltd for £970 relating to the former Captain of the Port's attendance at the Monaco Yacht Show held from 27 September 2017 to 29 September 2017 showed that an overnight stay at Sofitel London Heathrow on 26 September 2017 had cost £290. This is £131.37 in excess of the subsistence rate of £158.63 per night for Senior Officers travelling to inner London (as stipulated by the Gibraltar Government's HRD Circular No. 6/2017). The former Captain of the Port explained that he had travelled together with the Minister responsible for the Port and his accompanying party, and as a consequence his travel arrangements mirrored those of all the group to ensure they all travelled together and with the same itinerary.
- (b) A payment to M H Bland Ltd for £5,839 relates to costs in respect of the former Captain of the Port, the Bunkering Superintendent and another Port Officer's attendance at Posidonia Shipping Exhibition 2018 in Athens, Greece during 3 June to 7 June 2018. The payment included 5-nights' accommodation at the 5-star Intercontinental Athenaeum at a cost of £5,094 or £339.60 per person per night. This significantly exceeds (by £204.95 per night) the applicable Worldwide Subsistence rate of €153.50 (approximately £134.65 per night). It should also be noted that the hotel was located 39.6km away from the Athens Metropolitan Expo conference venue. The former Captain of the Port explained that while this hotel is 39.6km away it should be noted that the shipping exhibition is situated well outside of Athens, near to the airport, where there is extremely limited hotel capacity nearby. The former Captain further explained that this hotel is also in the centre of Athens, affording a suitable venue from which to hold other networking and partner meetings with appropriate savings in transportation costs. The former Captain added that this is a global exhibition and accommodation costs are automatically increased by hotels due to increase in demand. He was of the view that it would therefore be virtually impossible to secure accommodation at the rates quoted unless one booked at least a year in advance which was not always possible. This hotel has been used by the GPA and its partners for the last few exhibitions and costs arising as part of this event are factored into the Port's budgets. I replied to the former Captain of the Port saying that in view that the Posidonia Shipping Exhibition in Athens is held every two years and is regularly attended by the GPA, he should endeavour to book the hotel accommodation a year in advance, as he suggested, and thus secure a far more

economical hotel rate. I added that to say that '*costs arising as part of this event are factored into the Port's budgets*' was no excuse given that as Controlling Officer responsible for public funds he should always strive to get the most reasonable and economic hotel rates possible and paying more than double the Worldwide Subsistence rate in hotel accommodation, i.e. £339.60 per person per night instead of £134.65, was hardly the case. The former Captain of the Port replied that he did not believe that my suggestion was reasonable as bookings cannot be made so far in advance for operational reasons, i.e. decisions on participants are made on their availability nearer to the time of the event so flexibility is required.

- (c) In addition to the above payment, there was an additional expense in respect of a further night's stay in Athens by the aforementioned officers, relating to the Posidonia Shipping Exhibition 2018. The cost of the additional night for the three officers on 8 June 2018 was £1,173, or £391 per room. The cost of accommodation for this additional night significantly exceeded (by £256.35 per room per night) the applicable Worldwide Subsistence rate. In his reply, the former Captain of the Port informed me that due to unforeseen important meetings arising, an additional night had to be secured at a higher cost due to the nature of the booking.
- (d) A payment to M H Bland Ltd for £2,075 relates to the Bunkering Superintendent's attendance at the Axelrod World Fuels Summit in Limassol, Cyprus during 15 May 2018 to 17 May 2018. He stayed in the 4-star Crown Plaza Limassol at a significant cost of £235 per night. The cost is well in excess (by £164 per night) of the room rate of €81 (approximately £71 per night) for Cyprus 'Other', i.e. 75% of the Nicosia rate, as stipulated by the Worldwide Subsistence Rates. The former Captain of the Port explained that this hotel was also the conference hotel and it was therefore selected to reduce other travel costs. The Captain said it should also be noted that staying at the same venue as the conferences provides significant and valuable networking opportunities with other attendees for Gibraltar Port and the value of this should also be considered when reviewing costs.
- (e) The former Captain of the Port attended the MedCruise General Assembly during 22 May 2018 to 25 May 2018. He stayed in the 5-star Hilton Malta Hotel at £235 per night. Although the conference was held in the hotel, the cost exceeded (by £133 per night) the room rate of €116 (approximately £102) for Malta as stipulated by the Worldwide Subsistence Rates. The former Captain of the Port informed me that he was part of a group representing Gibraltar who attended this conference and all representatives from Gibraltar stayed at the Hilton Malta hotel; and while there was another hotel option, this hotel was selected by the party lead and deemed the better option for networking and avoiding additional transportation costs.

4.5.6 I informed the former Captain of the Port that an analysis of the expenditure charged to the Advertising, Marketing and Travel subhead of expenditure for the financial years 2017-18 and 2018-19 showed that the GPA incurred expenditure totalling £117,247 and £119,701 respectively in each financial year. By adhering to the Gibraltar Government's official subsistence rates for Inner London and the UK, and to the applicable Worldwide Subsistence Rates for other countries, it was calculated that the GPA would have made savings in accommodation costs of at least £9,505 in the two-financial year period. In his reply, the former Captain of the Port informed me that while he agreed that the GPA had not always met the applicable rates for travel accommodation it should be noted that there would not have been the cost savings quoted by Audit when taking into account all the additional factors for each visit, such as transport costs, some of which would not have been on public transport due to the location and timings of events and trips. He believed it was relevant to factor this in to my comments. He emphasised that the GPA had kept within the overall budget provided for this subhead. In my subsequent reply to the former Captain, I informed him that even accepting to a certain extent that the cost savings in accommodation quoted by Audit of £9,505 would perhaps not have been to that level if we had factored in additional transport costs that could have been incurred if the accommodation costs had been in line with the applicable subsistence rates, I was still of the view that there would have

been overall significant savings to the public purse. I added that in my view, keeping within the budget for this subhead of expenditure was no justification for incurring higher accommodation costs, as he should always strive –as Controlling Officer– to obtain the most economical and favourable rates.

4.5.7 Transport Costs - I informed the former Captain of the Port that Clause 26(6) of the GPA Collective Agreement prescribes that: 'transport abroad should, other than in exceptional cases, be by public transport'. Nevertheless, a review of expenditure relating to transport costs revealed that GPA employees that travel abroad on official business regularly use private taxi services, as detailed hereunder:

- (a) A payment of £7,115 in April 2017 relating to expenses in respect of the then Captain of the Port's marketing visit with the Minister responsible for the Port to Shanghai during 11 March 2017 to 16 March 2017, revealed that the payment included return transfer costs from Shanghai Pudong Airport amounting to £280. I informed the former Captain of the Port that an internet search revealed that the hotel where they were accommodated offered an airport shuttle service for CNY 800 (£95) each way and that pre-booked transfers from similar service providers in the area were also available for around £82 return. The former Captain of the Port replied that they were not able to comment on this as his predecessor was travelling with the Minister and was therefore part of his party. He added that it might have also been necessary for the then Captain to make certain arrangements 'on site' during his trip; and it might also not have been that easy to shop around for the best rates, bearing in mind the location was in China.
- (b) A payment of £767 in May 2017 relating to expenses incurred on the NatWest corporate credit card, included £70 of private transport costs for return transfers from Heathrow Airport to central London in respect of the then Captain of the Port's attendance at IBIA Board Meetings during 18 April 2017 to 21 April 2017. I informed the former Captain of the Port that the Heathrow Express provides a transfer service from Heathrow Airport to Paddington at the more economical cost of £37 return. The former Captain of the Port replied that instructions had been given by the then Captain of the Port to book a taxi, he could not offer any further comment.
- (c) A payment of £1,702 in June 2017 relating to expenses incurred on the NatWest corporate credit card which included four separate payments totalling DKK1,213 (£143) for taxi services in respect of the then Captain of the Port's attendance at the SGMF European LNG Forum and marketing trip to Copenhagen during 2 May 2017 to 5 May 2017. The former Captain of the Port replied that he could provide very little explanation other than his predecessor would have made his own travel arrangements on site between meetings.
- (d) A payment of £1,292 in October 2018 relating to the reimbursement of the Marine Officer's transport costs in respect of his attendance at SIBCON in Singapore and subsequent marketing visit to Hong Kong during 30 September 2018 to 10 October 2018, included ten taxi payments amounting to SGD116 (£64) in Singapore and HKD760 (£74) in Hong Kong. The former Captain of the Port said he believed that taxis between meetings would have afforded the most efficient use of time and also may have been the best form of travel in both locations.
- (e) A payment of £180 in November 2018 relating to the reimbursement of taxi expenses in respect of return airport transfers from Heathrow Airport to central London for two port officials, despite there being more economical travelling options such as the Heathrow Express and London Underground being available. The former Captain of the Port replied that he was not aware why taxis had been used, as transport arrangements were made 'on site'. He could not offer any further comment.

With regard to sub-paragraph (e) above, I pointed out to the former Captain of the Port that, as Controlling Officer, he could surely question the relevant two officers from the GPA to provide the reasons why more economical travel options like the

Heathrow Express or the Underground had not been used instead of the more expensive taxi transport. To which the former Captain of the Port replied that I needed to be aware that on occasions they travel with a limited amount of time to get to meetings and conferences, hence why they opt to use other forms of transport which are more effective given that CEOs of International companies don't take lightly being left waiting.

4.5.8 I informed the former Captain of the Port that the observations highlighted in paragraph 4.5.7 (a) to (e) did not constitute an exhaustive list of occasions on which taxi services were used and only serve to highlight their extensive use by GPA officers travelling on official business. I reiterated that even though the use of taxi services may be necessary in exceptional situations they should only be used when public transport is not a viable option. I added that while travelling on official business, the GPA must ensure adherence to the provisions of clause 26(6) of the Collective Agreement in that the most efficient and economic form of travel is used unless justified by other reason(s). In doing so, the GPA will not only exercise better control of expenditure but also be consistent with the Government's environmental commitment in reducing its carbon footprint. The former Captain of the Port replied that he would take note of my comments and advice.

4.5.9 Subsistence Allowance - I informed the former Captain of the Port that clause 26(3) of the GPA Collective Agreement prescribes that: 'Employees on official business away from Gibraltar shall be paid the basic salary and a subsistence allowance equivalent to 20% of basic daily salary rate for each full day and night spent away from home'. Nevertheless, the following observations were noted from a sample review of expenditure incurred on official travel:

- (a) Individual subsistence payments were made to two Vessel Traffic Service ("VTS") Operators for their attendance during September/October 2018 at a VTS training course held in the UK. Both Officers were paid a subsistence allowance at the rate of £93.32 per day, as per Gibraltar Government's HRD Circular No. 6/2017, instead of one of the officers being paid at the daily rate of £25.49 and the other at £24.69 per day, being 20% of their basic daily salary as stipulated in clause 26(3) of the GPA Collective Agreement.
- (b) A payment of £350 in May 2018 included a £343 subsistence allowance to a Marine Officer in respect of attendance at the Axelrod World Fuel Oil Summit in Cyprus during 15 to 20 May 2018. However, contrary to the provisions of clause 26(3) of the GPA Collective Agreement, the workings attached to the payment voucher showed that a subsistence allowance rate of £119.06 was used as per Gibraltar Government's HRD No. 12/2018 in respect of the London portion of this officer's travel itinerary; and the Worldwide Subsistence Rates (effective 1 October 2014) for Nicosia was used for the purpose of calculating his subsistence allowance for his travel to Cyprus, instead of calculating the allowance at 20% of his basic daily salary. This resulted in the Marine Officer being paid an excess of £165 in subsistence allowance.
- (c) Moreover, it was noted that the summit in Cyprus was held in Limassol which is approximately 85km from Nicosia. Therefore, even if the Marine Officer had been entitled to receive the subsistence allowance as per the Worldwide Subsistence Rates, the rate for 'Cyprus (Elsewhere)' should have been applied, thus resulting in an overpayment of £61.
- (d) A payment of subsistence allowance was made to the same Marine Officer when attending the Portugal Shipping Week in Lisbon from 17 September 2018 to 19 September 2018. Again, contrary to the provisions of clause 26(3) of the GPA Collective Agreement, the subsistence workings attached to the payment voucher showed that the Worldwide Subsistence Rates for Portugal, Lisbon were used. This resulted in the Marine Officer receiving a subsistence allowance of €64

(approximately £56) per day as opposed to £34.16, as prescribed under the provisions of the GPA Collective Agreement, representing an overpayment of £31 in subsistence allowance.

With regard to sub-paragraph (c) above, the former Captain of the Port agreed that this had been an error on the GPA's part. They had checked this and they informed that the sum of £61 would be duly recovered. I subsequently confirmed that the amount overpaid had been fully repaid. In regard to sub-paragraphs (a), (b) and (d) above, the former Captain explained that the GPA pays its employees when on official travel as per the worldwide subsistence rates, which cover meals, etc. The 20% of basic salary which is stated in the GPA Collective Agreement is an *additional* amount for the employee being away from home. The former Captain stated that they had never once paid this amount to any employee since the Agreement was signed in 2009 as it has never been approved in the budget submissions. I replied to the former Captain reiterating that the GPA Collective Agreement, which defines the terms and conditions of employment of GPA employees, under clause 26(3) clearly outlines the subsistence allowance payable to employees travelling on official business and specifically states: *'Employees on official business away from Gibraltar shall be paid the basic salary and a subsistence allowance equivalent to 20% of basic daily salary rate for each full day and night spent away from home'*. I explained that there was no provision under the GPA Collective Agreement to pay employees who travel on official business the worldwide subsistence rate as has clearly been the practice. I emphasised that the Collective Agreement did not stipulate, as the former Captain was stating, that the 20% of basic salary is an additional amount [which he inferred was aside from the worldwide subsistence rates being paid] for the employee being away from home. I therefore suggested that clause 26(3) of the Collective Agreement should be amended by incorporating that the Government subsistence rates be used for travel in the UK and the worldwide subsistence rates be used when travelling to countries other than the UK. The current provision to pay subsistence allowance of 20% of basic salary should consequently be repealed. The former Captain of the Port replied, insisting that there still appeared to be confusion over this, as in his opinion the subsistence rate paid is separate to the 20% allowance stipulated in the GPA Collective Agreement. In my view, there is no confusion on the matter. The GPA Collective Agreement is very explicit on what constitutes the subsistence allowance payable to port officers. Consequently, if the GPA is applying Government subsistence rates for travel in the UK and the worldwide subsistence rates for travel to countries other than the UK, then this is what should be reflected in the Collective Agreement.

4.5.10 Tonnage Dues - On 25 November 2020 I wrote to the Principal Secretary (Digital Services and Financial Services) in his capacity as the Receiver of Revenue for revenue relating to port services and activities (although acknowledging that at the time of the audit query he was not the Receiver of Revenue), informing him of an anomaly noted in the collection of tonnage dues which I hereunder provide the relevant details.

4.5.11 As part of the audit of the financial statements of the Gibraltar Port Authority for the financial year ended 31 March 2016 the revenue collected by the Gibraltar Port Authority from Tonnage Dues was examined and it was noted that the then Captain of the Port and Chief Executive granted, on request by port clients/shipping agents, a flat rate daily fee of £100 to vessels anchoring at the Eastern Anchorage without there being any legal provision under Schedule 4 of the Port Rules to award such a discounted fee. As a consequence, a total of £129,234 was undercharged in Government revenue during the financial year 2015-16. Although the decision taken by the Captain of the Port to reduce Tonnage Dues in the Eastern Anchorage was to incentivise anchorage activity, which in turn would generate greater economic activity in other sectors within Gibraltar - and undoubtedly the move by the Captain was done in the best economic interests of Gibraltar- the reality is that the Captain acted outside the provisions of the law, as the Port Rules do not provide for the reduced fee rate awarded, nor has the legislation been amended to reflect this.

- 4.5.12** As a consequence of the discounted rate awarded, a total of £917,697 was undercharged in Government revenue during the period that the pilot scheme was running (August 2015 to January 2018). The total sum undercharged in Tonnage Dues, broken down by financial years is shown in Figure 88.

Figure 88

| Financial Year | Tonnage Dues Undercharged |
|-----------------------|----------------------------------|
| 2015-16 | £129,234 |
| 2016-17 | £404,024 |
| 2017-18 | £384,439 |
| Total | £917,697 |

- 4.5.13** I informed the Principal Secretary (Digital Services and Financial Services) that I would be reporting this significant issue in my report on the financial statements of the Gibraltar Port Authority for the financial year ended 31 March 2016, as well as in the Authority's financial statements for the subsequent two financial year-ends (i.e. 31 March 2017 and 31 March 2018).
- 4.5.14** I further informed the Principal Secretary that, in the context of the audit of the Public Accounts of Gibraltar and in my audit opinion thereof, the decision to award what is tantamount to an 'illegal' discount (as the law does not allow such a concession) on Tonnage Dues, in substance constitutes a material under-collection of revenue relative to the Tonnage Dues subhead. Accordingly, I recommended to the Accountant General that the under-collection of revenue should be fully disclosed as a note under Revenue Head 5 Departmental Fees and Receipts, Subhead 31 Tonnage Dues in the Public Accounts for the year ended 31 March 2017; and Revenue Head 5 Departmental Fees and Receipts, Subhead 55 Tonnage Dues in the Public Accounts for the year ended 31 March 2018. Additionally, I further recommended the Accountant General to inform of the under-collection of revenue in her report on the Public Accounts for both financial years. The Accountant General agreed with my recommendation and included the pertinent notes in the Public Accounts for the year ended 31 March 2017 and 31 March 2018. The Accountant General also commented on the under-collection of revenue in his report on the Public Accounts for each of the financial years.
- 4.5.15** In my letter to the Principal Secretary, I further highlighted that from a value for money perspective, I was gravely concerned at the loss of Government revenue resulting from the action taken by the Captain of the Port, particularly because the pilot scheme, although well-intentioned, was run over a period of 30 months without there being any performance indicators or feedback from the shipping agents to show that the initiative had generated additional economic activity in other sectors. This was confirmed by a Port Circular issued by the Captain of the Port to shipping agents on 3 April 2017, where he informed them that no information had been forthcoming from the shipping agents who had benefitted from the initiative. The discounts ceased immediately after the Captain's successor, the Deputy Captain of the Port was appointed Captain of the Port in January 2018, as this officer had always advised against this initiative in his capacity as Deputy Captain of the Port. At the close of this report the Principal Secretary (Digital Services and Financial Services) had still not replied to my letter despite various reminders.

Examination of Liquidators' Accounts

- 4.6.1** Since the completion of my last report on the annual accounts for the financial year 2015-16 on 14 January 2019, the liquidators' accounts of companies in compulsory liquidation as listed in Figure 89 have been examined, up to the dates indicated, in accordance with the provisions of Section 245(3) of the repealed Companies Act.

Figure 89

| Company | Accounts Audited Up To |
|--|-------------------------------|
| Aladdin's Treasure Cave Limited | 15 June 2023 |
| Aldgate Insurance Company Limited | 27 July 2023 |
| Bespoke Finance Limited | 15 April 2021 |
| Cabor Trustees Limited | 30 June 2023 |
| Chesterdale Corporation Limited | 23 February 2022 |
| Eurolife Assurance (International) Limited | 30 June 2023 |
| Fairlann Trading Limited | 15 April 2021 |
| Fiduciare ITP Limited | 10 August 2023 |
| Gibland Secretarial Services Limited | 30 June 2023 |
| Globe Trading Company Limited | 29 October 2023 |
| Greville Investments Limited | 15 November 2019 |
| Kristy Secretarial Services Limited | 17 March 2021 |
| Lemma Europe Insurance Company Limited | 31 December 2022 |
| Overseas Motors (Gibraltar) Limited | 27 February 2020 |
| Reclaim Limited | 31 March 2021 |
| Rosork Holdings Limited | 15 April 2021 |
| Sandvik Marine Electronics Limited | 16 October 2023 |
| Star Poland Limited | 23 April 2021 |
| Steel Frame Systems Limited | 15 April 2021 |
| Wardor Trading Limited | 27 September 2018 |
| Winson Properties Limited | 24 October 2022 |

Examination of Official Trustees' Accounts

- 4.7.1** Since the completion of my last report on the annual accounts for the financial year 2015-16 on 14 January 2019, the official trustees' accounts of bankrupt individuals as listed in Figure 90 have been examined, up to the dates indicated, in accordance with the provisions of Section 82(3) of the repealed Bankruptcy Act.

Figure 90

| Debtor | Accounts Audited Up To |
|---------------------|-------------------------------|
| Benjamin J Marrache | 30 October 2014 |
| Issac S Marrache | 4 November 2014 |
| Solomon S Marrache | 30 October 2014 |

PART 5 - VALUE FOR MONEY AUDITS

5.1 General

5.1.1 Value for Money ("VFM") is about obtaining the maximum benefit with the resources available. VFM is a key principle in the management arrangements regarding the overall quality and the level of service provided to users by the organisation. In particular, it is vital that appropriate policies are developed and that the correct processes are in place to achieve the right quality and level of service. Achieving VFM underpins responsible financial management. Therefore, achieving an appropriate quality and level of service is a fundamental part of demonstrating a public body's responsibility to deliver VFM.

5.1.2 Since the completion of the report on the public accounts of Gibraltar for the financial year 2015-16, a total of five Value for Money (VFM) reviews have been conducted. These consisted of:

- Costing of Government Early Exit Schemes
- A review of the Contingency Plans for Business Continuity in Government Departments and Statutory Authorities and Agencies
- A review of the Procurement Procedures for the Provision of Health Care for the Elderly in Gibraltar
- Inadequacies in Procurement, Governance and Financial Management in connection with the renovation works in an abandoned Tunnel under the Europa Point Sports Hall
- Allowances Earned by Public Officers

5.1.3 The background to the VFM reviews, the findings and the recommendations of the studies are detailed hereunder.

5.2 Costing of Government Early Exit Schemes

5.2.1 On 1 December 2023, I wrote to the Human Resources Manager following an audit review undertaken to ascertain the cost to Government in awarding Early Exit Schemes to government employees up to 31 October 2023. The scope of the study included all public servants who retired under an Early Exit Scheme within the government departments, authorities and agencies detailed in paragraph 5.2.3. For the purposes of this costing exercise, all individuals employed in Government-owned companies and the Gibraltar Development Corporation have been excluded; with the exception of civil servants transferred to Government-owned companies and then retired under an Early Exit Scheme, who have been included in the study on the basis that the individuals were civil servants before the transfer, and were only transferred to the Government-owned companies to enable these officers to benefit from the Early Exit Scheme. The contents of the report I submitted to the Human Resources Manager and detailed in paragraphs 5.2.2 to 5.2.39.

5.2.2 On 4 February 2011, the Government of Gibraltar entered into an Agreement with the Union, in order to restructure and reform the then Buildings and Works Department and set up the Housing Works Agency ("HWA"). As part of the restructure, the Government made an Early Exit Scheme available to the department's industrial workforce and technical grades who were over the age of 52 years. It was envisaged that the Scheme would remain open for three years after the date of the agreement in order to allow those employees who were below the age of 52 on the day of the agreement to apply when they reached the aforementioned age. There were subsequent Side Letters made to the Agreement during the years 2013 to 2021 that changed the conditions of the Early Exit Scheme, including: making the Early Exit Scheme available to HWA support grades and staff of the Technical and Design department of the Ministry of Housing on transfer to the HWA; and keeping the Scheme open indefinitely. The Government made it known in the Side Letter effective 1 April 2014 that all posts vacated by staff taking up the Early Exit Scheme would not be replaced by new employees.

5.2.3 The Government later introduced further Early Exit Schemes in different areas in the public sector, as follows:

- Gibraltar Mechanical & Electrical Services Ltd ("GMESL") - Agreements dated 19 April 2013 and 17 December 2014 [Re. Technical Services Department Garage and Workshop Section Industrial and Technical Staff and Government employees seconded to AquaGib Ltd respectively];
- Technical Services Department - Agreement dated 29 April 2014 [Re. Government Infrastructure and Sewers Section Industrial Grades];
- HM Customs - Agreement dated 22 May 2014 [to equate years of service of Customs officers to other uniformed essential services];
- Gibraltar General Support Services Ltd ("GGSSL") - Agreement dated 20 February 2017;
- Gibraltar Port Authority ("GPA") - Agreement dated 24 January 2017 [to equate years of service of Port officers to other uniformed essential services]; and
- Royal Gibraltar Post Office - Agreement dated 4 April 2019.

5.2.4 A number of the original Early Exit Scheme agreements included numerous side letters subsequently issued, relating to exceptions, amendments, addendums and extensions. Not all the Early Exit Schemes introduced by the Government are the same, as the provisions contain varying types and level of benefits granted to eligible employees. The following is a summary of the various benefits contained in the Early Exit Schemes:

- (a) Ability to retire, with a deferred pension, before reaching pensionable age.
- (b) Enhancement of years of public service, dependent on age and whether industrial or non-industrial and capped at the maximum overall service permitted for pension purposes, i.e. 400 months, or 33⅓ years.
- (c) Award of a lump-sum payment which varies depending on the age of the employee or whether the employee is in a contributory or non-contributory pension scheme.
- (d) An increase in basic salary, awarded solely on the last day of service just before retirement, with a view of augmenting the pension and gratuity.

In return, employees (with the exception of those from HM Customs and the GPA) taking up the offer and benefitting from the Early Exit Scheme were not eligible for future employment in the Government, or any Government Company, Agency or Authority, nor were they eligible to register as unemployed, for unemployment benefit or income support.

5.2.5 I must highlight the general lack of management costings or assessment studies carried out prior to the introduction of the Early Exit Schemes, in addition to a marked absence of post scheme reviews/analysis to evaluate the success, or otherwise, of Government's initiative of introducing the Early Exit Schemes.

5.2.6 I enquired from the Head of the Housing Works Agency, the Chief Executive, Technical Services Department and the Director of Postal Services if a costing of the Early Exit Scheme prior to its introduction in each of the three individual government entities had been carried out, in addition to a post implementation evaluation review. The following are the responses received from the three Heads of Department:

- (a) The Head of the Housing Works Agency informed me that the implementation of the Early Exit Scheme in his organisation was carried out in 2011 and was administered and managed by his predecessors. The Early Exit Scheme was introduced as part of the restructure and reform of the Buildings and Works Department and in the consequential set up of the Housing Works Agency. Unfortunately, there was very little information that he could provide on the scheme

other than on the staff numbers prior to the scheme being introduced and the staff complement after the Housing Works Agency was set up.

- (b) The Chief Executive of Technical Services Department invited my staff to examine a number of files in his possession relating to the Early Exit Schemes of the Garage and Workshop and the Sewers Section. An inspection of these records revealed an internal memorandum from the Senior Infrastructure Engineer to the Chief Executive, dated 25 April 2013, highlighting expected savings of £449,327 in recurrent direct labour costs by the introduction of the Early Exit Scheme. However, from the file records examined it was noted that no costings had been performed on capital expenditure savings, or the expected costs to Government if the service hitherto provided by the Garage and Workshop and the Sewers Section was procured from other sources. It was established that since the early exit schemes commenced there has been no post implementation review.
- (c) The Director of Postal Services informed me that he had been appointed after the introduction of the Early Exit Scheme in his department and had therefore not been involved in the process. Nevertheless, he informed me from information obtained from the Human Resources Department that, although various costing exercises were conducted during the process of the Royal Gibraltar Post Office Management Review, a costing specifically on the Early Exit Scheme had not been carried out. From the information available, the Director of Postal Services explained that the scheme had been introduced to regularise the staff complement of the Mail Centre and to enable the modernising of practices which would reduce the number of employees who were recipients of the final salary pension scheme within the Royal Gibraltar Post Office. It was envisaged that this would reduce future costs to the Government as these officers would not have been in a position to retire without the provisions to make two allowances pensionable and the availability of the exit package, and thus may have remained in employment seeking extensions of service beyond their normal retirement age. The Director of Postal Services added that no post-Early Exit Scheme evaluation had been carried out.

5.2.7 I should point out, with regard to the Early Exit Scheme agreements relating to HM Customs and the GPA mentioned in paragraph 5.2.3, that these two Early Exit Schemes were only introduced in order to harmonise the retirement age of staff belonging to these two entities with other uniformed essential services employees in the Government Service. Previously, the normal retirement age of employees in HM Customs and GPA officers was 60, with voluntary early retirement possible as from age 55. In contrast, the compulsory retirement age of Royal Gibraltar Police, HM Prison and Gibraltar Fire Service officers is 55 with voluntary early retirement possible as from age 50. In order to achieve this harmonisation, a staggered retirement process with service enhancement for pension purposes was agreed for HM Customs and GPA officers in the years prior to the effective dates of their new retirement age. Under Regulation 4(1) of the Pensions Act, pensionable service for each completed month between the 21st year of service and the 27th year of service for a police officer, a fire officer, a prison officer, a port officer (as from 1 January 2018) and a customs officer (as from 1 April 2018) counts as double when calculating their pension award entitlement. During the period between the commencement of the staggered retirement process (i.e. 1 April 2014 for HM Customs officers and 1 April 2016 for GPA officers) and the effective dates of the introduction of the new retirement age as mentioned above, retiring officers had their pensionable service enhanced up to a maximum of 400 months (i.e. full service). The enhancement of pensionable service was dependent on the age of the officers and the year in which they retired as stipulated in their respective Early Exit Scheme agreements. The cost of this enhancement of pensionable service was calculated and the findings are detailed in paragraph 5.2.21.

5.2.8 With regard to the other Early Exit Scheme agreements, the costing exercise required extracting the pension award and lump-sum payment calculation sheets of each individual public servant who elected to retire under an Early Exit Scheme. For each retiree, the

hypothetical pension they would have received had the Early Exit Scheme not been awarded was calculated to work out the additional annual pension cost to Government as a consequence, where applicable, of the pension enhancement (i.e. extra years of service and/or salary increase awarded on transfer to a Government-owned company on the last day of service prior to retirement). I must highlight that, for simplicity of calculation purposes, the additional annual pension cost to Government does not take into account the salary increment granted to staff of both the Building and Works Department and the Technical Services Garage Section in accordance with their Collective Agreements on transfer to the Housing Works Agency and GMESL respectively. Therefore, the cost to Government of the Early Exit Schemes afforded to the Buildings and Works Department and Technical Services Garage Section is somewhat greater than stated.

- 5.2.9** In addition to the general absence of management costings and post scheme reviews on the part of the relevant Government departments involved in the Early Exit Schemes, highlighted in paragraph 5.2.5, I must also express my serious concern at the lack of basic management information in support of the Early Exit Schemes introduced by the Government. The little information that is available is scattered throughout different government departments and entities, showing there is no real ownership in terms of centrally administering and managing the Early Exit Schemes. It was impossible to acquire a complete and accurate population list of all public servants who have retired under an Early Exit Scheme, as none of the lists obtained from the various departments were complete. Incomplete data lists initially extracted from the Human Resources Department and the Treasury Department had to be used in addition to information held by the Department of Social Security on those retired Government employees that are listed as being unable to apply for social benefits as a consequence of having retired under an Early Exit Scheme. Therefore, this partial information in conjunction with additional incomplete data obtained from some of the departments and government entities directly involved in the Early Exit Schemes had to be used in order to piece together a population list for the purposes of the study. This is far from a satisfactory approach when seeking to obtain simple management information. I should also mention that the population list was constantly added to as the audit review progressed, from varying pieces of information found on the Treasury Accounting System.
- 5.2.10** Besides the lack of management information, I must also report the generally inadequate level of documentation standards. This was evident when requesting, what I consider, an essential piece of information required for the exercise, i.e. the pension award and the Early Exit Scheme lump-sum payment calculation sheets for each employee. I have to say that this documentation was largely unobtainable. In 81 instances (42%) out of a total of 192 individuals that were awarded an Early Exit Scheme, the supporting documentation for the pension award and/or the lump-sum payments was not provided for audit inspection. This information was not readily available in either the Human Resources Department or in Treasury, or even in the pertinent Government entities directly involved in the Early Exit Schemes.
- 5.2.11** In the absence of supporting documentation, some of the required information was obtained from the Treasury payroll system and recalculations were made based on the terms outlined in the applicable Early Exit Scheme in order to establish the benefits received by the retiring employees. This approach is not ideal as not only did it waste time and resources, but there is a risk of potential inaccuracies in the audit recalculation considering the number of exceptions and amendments to the Early Exit Schemes. As aforementioned in paragraph 5.2.9, numerous additions to the population list were found using the Treasury Accounting System, further corroborating that the final list compiled in audit might not be fully complete.
- 5.2.12** For the purposes of simplifying the costing process, all pensions awards of officers who retired under an Early Exit Scheme were calculated at 100% pension (i.e. with no commutation of pension to receive a gratuity). Additionally, no account was made of the salary savings of the employees who took up the Early Exit Schemes and retired from the

Public Service. In the same way, the cost of outsourcing the services previously performed by government employees who retired under the Early Exit Schemes was not quantified.

5.2.13 Figure 91 provides a summary of the total number of government employees who applied for and retired under an Early Exit Scheme by department/government entity. The table also provides a breakdown of the annual added pension cost of awarding additional years of service and/or a salary increase on transfer to a Government-owned company on the last day of service before retirement; in addition to the one-off lump-sum payment costs to employees retiring under the Early Exit Schemes; and further shows, the number of employees who retired under an Early Exit Scheme but had nevertheless already reached the earliest possible voluntary retirement age under the Pensions Act:

Figure 91

Number of employees who received a benefit under an Early Exit Scheme, together with the recurring annual pension costs arising from the Early Exit Schemes; and the lump-sum payment costs, together with the number of employees who had already reached the earliest possible voluntary retirement age.

| Department/Government Entity | Number of Employees Awarded an EES | Annual Recurring added Pension Costs arising from EES enhancements | Lump-Sum Payment Costs from EES | No. of Employees who had reached Earliest Possible Retirement Age |
|---------------------------------|------------------------------------|--|---------------------------------|---|
| Housing Works Agency | 144 | £184,779 | £9,803,843 | 58 |
| GMESL - Technical Services | 17 | * £31,708 | £1,208,447 | 9 |
| GGSSL - Government Depts. | 15 | * £2,169 | £1,309,540 | 12 |
| Royal Gibraltar Post Office | 11 | - | £575,555 | 11 |
| GMESL - Seconded to AquaGib Ltd | 5 | £4,653 | £719,874 | 5 |
| | 192 | £223,309 | £13,617,259 | 95 |

* Of the GMESL Technical Services' Annual Pension Cost of £31,708, £15,652 relates to a 12% salary increase on the last day of service for seven employees.

* GGSSL Government Departments' Annual Pension Cost amounting to £2,169 relates entirely to a 15% salary increase on the last day of service for one employee.

5.2.14 The information in Figure 91 above shows that, at the date of this report, there were a total of 192 government employees who had applied and retired under the various Early Exit Schemes, as follows:

- The majority of employees, 144 (75%), that retired under an Early Exit Scheme were from the Housing Works Agency;
- In accordance with the Technical Services Department's Collective Agreements, 5 industrial grades and one non-industrial officer in the Infrastructure and Sewers Section (6 in total) of this department were transferred to GMESL on their last working day prior to retirement; whilst 11 employees, both industrial and technical grades, from the Garage Section transferred to GMESL on the date of the Collective Agreement (i.e. 20 October 2011). These 17 individuals (9%), although retiring from a Government-owned company, have been included in the study as they were previously employed as public servants, with the majority of their service worked in Government;
- Another 15 employees (8%), made up of individuals who retired after previously having transferred to GGSSL from various unrelated departments (10 from the Government Training Centre, under the Economic Development Department; 2 from the Gibraltar Sports and Leisure Authority; one from the Ministry of Sports, Leisure and Youth; one from the Gibraltar Health Authority; and one civil servant seconded to the Environmental Agency Ltd, a private limited company), who were similarly employed as public servants

during all their careers and only transferred to GGSSL on their last working day for the purpose of retiring under an Early Exit Scheme;

- There were 11 postal grade employees (6%) that retired under the Royal Gibraltar Post Office Early Exit Scheme; and
- A further 5 employees (3%) retired under an Early Exit Scheme agreement with GMESL. These individuals were Government employees who had been seconded to AquaGib Limited.

5.2.15 As can be seen in Figure 91 above, the total cost to the public purse of awarding lump-sum payments under the different Early Exit Schemes to the 192 retiring employees at the date of this report, amounted to £13.62m. Further to this, the annual recurring additional pension costs arising from the enhancement of pensionable service (i.e. awarding of additional years of public service) and the salary increase awarded on transfer to a Government-owned company on the last day of service before retirement, amounts to £0.22m which is further augmented each year in accordance with the Pensions (Increase) Act.

5.2.16 The lump-sum payment payable under some of the Early Exit Schemes introduced by the Government was payable to retiring employees in 10 equal instalments over a ten-year period. This took effect as from December 2013. However, all employees opted to receive the full lump-sum payment up-front via a financing arrangement with Credit Finance Company Ltd as from this date. Credit Finance Company Ltd entered into individual agreements with the Gibraltar Government and each eligible retiring employees whereby these individuals assigned the lump-sum payments receivable to Credit Finance Company Ltd in exchange for an up-front full lump-sum payable by the company. The Government then pays the assigned Early Exit Scheme lump-sum payments to Credit Finance Company Ltd over a period of ten years. The company charges the Government interest at 6.5% on the outstanding balance until this is repaid in full. Therefore, aside from the £13.62m lump-sum payment costs, one must take account of the interest costs paid by the Government, which as at 30 September 2023 amounted to £3.34m and in the total 10-year lifecycle will amount to £5.02m (this final cost is calculated only for officers who had retired by 30 September 2023).

5.2.17 The last column in Figure 91 depicts the number of employees who were already at an age where they could have voluntarily retired under the Pensions Act, when they were nevertheless offered the incentive to 'retire early' under an Early Exit Scheme. This represents 40% of the Housing Works Agency's total number of employees that retired under the Early Exit Scheme; 53% of the GMESL - Technical Services Department's Early Exit Schemes; 80% of the GGSSL - other Government departments/entities Early Exit Scheme; and 100% of both the Royal Gibraltar Post Office's Early Exit Scheme and the Early Exit Scheme for Government employees who were seconded to AquaGib Limited. In total, the data in the table highlights that approximately half (49%) of the total number of employees who were awarded an Early Exit Scheme by the Government had already attained voluntary retirement age and could have retired regardless of the Early Exit Scheme and therefore without the added and significant cost to Government.

5.2.18 Whilst the annual recurring additional pension costs to Government arising from the introduction of the Early Exit Schemes has been calculated to be £223,309 per annum (as shown in Figure 91), if the retired employees had remained in service (without any enhancement of service and/or salary increase on the last day of service) until the earliest voluntary retirement age, the overall annual pension costs resulting from the individuals' retirement would have been reduced by £143,112 as depicted in Figure 92.

5.2.19 Figure 92 summarises the total annual pension cost taking into account actual public service and enhancement of service granted under the Early Exit Schemes. The table also depicts the total hypothetical annual pension cost had each individual not retired under the Early Exit Scheme, and instead retired at the earliest possible date under the provisions of the Pensions Act, in order to establish the added annual pension costs to Government as a result of offering the Early Exit Schemes. The hypothetical pension cost calculation (based

on 100% pension) is based on the salary at retirement date and the assumption that each individual would retire at the earliest possible voluntary age in accordance with the Pensions Act, which is age 55 for non-industrial grades and age 60 for industrial grades, unless an employee was already of pensionable age on the date of retirement, in which case the pension calculation was based on his actual years of service at the retirement date.

Figure 92

Number of employees who retired under the Early Exit Schemes and the resulting added annual pension cost to Government on the assumption that these employees would have retired at their earliest voluntary retirement age.

| Department/Government Entity | Number of Employees with Beneficial Pension Enhancement from EES | (A) Annual Pension Cost based on Actual Public Service + Pension Enhancement under EES | (B) Hypothetical Annual Pension Cost at Earliest Retirement Date without EES Enhancement | Added Annual Pension Costs arising from EES (A minus B) |
|------------------------------|--|---|---|---|
| Housing Works Agency | 46 | £760,117 | £650,709 | £109,408 |
| GMESL - Technical Services | 10 | £190,565 | £163,683 | £26,882 |
| GGSSL - Government Depts. | 1 | £16,630 | £14,461 | £2,169 |
| Seconded to AquaGib Ltd | 2 | £82,712 | £78,059 | £4,653 |
| | 59 | £1,050,024 | £906,912 | £143,112 |

5.2.20 As can be seen from the Figure 92, a significant amount of the added pension cost is in respect of the 46 employees who retired from the Housing Works Agency, representing 76% of the total added cost. Furthermore, despite only 10 individuals having retired from GMESL - Technical Services Department, the added pension costs arising from this Early Exit Scheme makes up 19% of the total. This is, primarily, as a consequence of the Side Letter of Agreement, effective 21 July 2014, which provides for all staff within the Technical Services' Infrastructure and Sewers Section who take up the Early Exit Scheme to receive a 12% increase in salary upon transferring to GMESL on the last day of service before retirement.

5.2.21 Figure 93 provides a summary of the total number of officers from HM Customs and the Gibraltar Port Authority, who applied and retired under their respective Early Exit Scheme. The table provides a breakdown of the annual recurring additional pension costs to Government of awarding additional years of service to officers retiring under the Early Exit Schemes. The last three columns of the table show the total annual pension costs taking into account actual public service and enhancement of service granted under the Early Exit Schemes, against the total hypothetical annual pension cost (calculated on the same assumptions as detailed in paragraph 5.2.19) had the Early Exit Schemes not been introduced and instead officers retired at the compulsory retirement age under the provisions of the Pensions Act), in order to establish the added annual pension costs to Government as a result of offering the Early Exit Schemes.

Figure 93

Number of HM Customs and Gibraltar Port Authority officers who retired under the Early Exit Schemes, together with the recurring added annual pension costs arising from the Early Exit Schemes; and the resulting added annual pension cost to Government on the assumption that these officers would have retired at their compulsory retirement age.

| Department/ Government Entity | Number of Employees Awarded an EES | Recurring Added Annual Pension Costs from EES enhancement | (A) Annual Pension Cost based on Actual Public Service + Pension Enhancement under EES | (B) Hypothetical Annual Pension Cost at Compulsory Retirement Age without EES enhancement | Added Annual Pension Costs arising from EES (A minus B) |
|----------------------------------|---|---|--|--|--|
| HM Customs | 5 | £9,882 | £122,926 | £116,999 | £5,927 |
| Gibraltar Port Authority | 2 | £3,003 | £56,679 | £53,676 | £3,003 |
| | 7 | £12,885 | £179,605 | £170,675 | £8,930 |

5.2.22 As can be seen from Figure 93 above, the total annual recurring added pension costs arising from awarding additional years of service (as per the staggered retirement process stated in agreements) as a result of the Early Exit Schemes of HM Customs and Gibraltar Port Authority amounted to £12,885. This added annual pension cost has taken into account all officers who met the criteria stated in the agreements and retired between the commencement dates of the agreements and the effective dates of the new retirement age, as detailed in paragraph 5.2.7.

5.2.23 The total hypothetical annual pension cost for these seven officers had the Early Exit Schemes not been introduced would have been £170,675, whereas the actual annual total pension cost under the Early Exit Schemes was £179,605. Therefore, the added yearly pension costs to the Government (excluding future index-linked pension increases) for these two Early Exit Schemes' staggered retirement processes is £8,930 per annum.

5.2.24 I must also draw attention to the fact that the two port officers from the Gibraltar Port Authority, although benefitting from receiving added years of service as part of the staggered retirement process arrangements under the Gibraltar Port Authority's Early Exit Scheme, dated 24 January 2017, also received a severance payment equivalent to their salary for weeks remaining to their 61st birthday, subject to a maximum of 3 years and a minimum of 1 year's payment. As a consequence, one of the port officers, aged 60 years, received a lump-sum payment amounting to £62,098 and the other port employee, aged 56 years, received £159,681 representing 3 years of pay. These severance payments were made under the provisions of two separate confidential agreements between the Government of Gibraltar and each of the two employees, titled 'Voluntary Separation Agreement' both dated 20 April 2016 and signed by the Chief Minister on behalf of the Government, and the Union. The agreements do not specify the reason(s) for the Government offering this voluntary separation package to these two employees. It should be noted that the Gibraltar Port Authority's Early Exit Scheme was introduced with a view of harmonising the retirement age of all staff in uniformed essential services bodies in the public service, and accordingly a staggered retirement process with service enhancement for pension purposes was agreed. However, the payment of severance payments to employees retiring under the Gibraltar Port Authority's Early Exit Scheme is not covered under this Scheme and indeed no officer in this Authority has received such payments other than these two officers.

5.2.25 Figure 94 provides a summary of the staff complement prior to, and after, the introduction of the Early Exit Schemes for each of the main Government Departments/Entities in question, with regard to the affected sections/grades. This information was extracted largely from the Government of Gibraltar Approved Estimates of Revenue and Expenditure:

Figure 94

Number of Staff per Department/Entity prior to, and after, each respective Early Exit Scheme.

| Department/Government Entity | Staff Numbers before the introduction of the EES | Staff Numbers After the introduction of the EES | Reduction in Staff Numbers |
|---|--|---|----------------------------|
| Housing Works Agency | 234 ¹ | 131 ² | 103 |
| Technical Services Department | 20 ³ | 8 ⁴ | 12 |
| Royal Gibraltar Post Office – Mail Centre | 44 ⁵ | 42 ⁶ | 2 |

¹ Figure taken from Government of Gibraltar Approved Estimates of Revenue and Expenditure 2009-10.

² Figure taken from Government of Gibraltar Approved Estimates of Revenue and Expenditure 2019-20.

³ Figure taken from Government of Gibraltar Approved Estimates of Revenue and Expenditure 2014-15, Industrials only.

⁴ Figure taken from the Fourth Schedule of the Collective Agreement dated 29 April 2014.

⁵ Figure taken from Government of Gibraltar Approved Estimates of Revenue and Expenditure 2018-19, affected grades only.

⁶ Information on the Royal Gibraltar Post Office current staff complement for the affected grades was obtained directly from this department in November 2020 and agreed to the Government of Gibraltar Approved Estimates of Revenue and Expenditure 2021-22.

5.2.26 The information in Figure 94 above shows that there has been a significant decrease in staff at the Housing Works Agency and at the Technical Services Department following the introduction of the Early Exit Schemes. Nevertheless, with regards to the Royal Gibraltar Post Office, even though a total of eleven postal grades retired under the Early Exit Scheme (as detailed in Figure 91) yet the overall decrease in staff numbers has only been two. Furthermore, according to a subsequent Side Letter Agreement with the Royal Gibraltar Post Office, dated 13 May 2020, those leaving under the Early Exit Scheme would be replaced into the new complement of 41 postal workers in the Mail Centre. Hence, if employees applying and retiring under an Early Exit Scheme are due to be replaced and staff numbers are not reduced, in my view one of the purported aims of the scheme is lost and the value and purpose of introducing such a scheme is therefore questionable.

5.2.27 It is also relevant to note that the reduction in staff at the Housing Works Agency, as a consequence of the Early Exit Scheme, has not necessarily meant a reduction in the Agency's overall expenditure. The tasks previously undertaken by the Housing Works Agency staff are now outsourced to Gibraltar General Construction Company Ltd and Gibraltar Joinery and Building Services Ltd, at a cost based on the standard rates (taken from the Housing Works Agency's estimates) plus a 15% management fee. Given this recurring added expenditure, the rationale for introducing an Early Exit Scheme is therefore again unclear as a detailed costing study has not been performed.

5.2.28 In the same way, due to the introduction of the Early Exit Schemes at the Technical Services Department there was a reduction of staff (five industrial grades and one non-industrial officer) from the Infrastructure and Sewers Section, in addition to technical grades and industrial grades (11 staff members) from the Garage and Workshop Section of this department. Nevertheless, despite this, and because the Government's vehicle fleet remains practically the same, there is the need now to outsource the servicing/maintenance of the majority of Government vehicles. This is also the case in respect of the maintenance of public sewers. Consequently, the need and cost for servicing and maintaining Government vehicles and maintaining public sewers, traditionally undertaken in-house by these sections, remain present, which again brings into question whether the anticipated cost savings envisaged with the introduction of the Early Exit Scheme have been met.

5.2.29 As mentioned in paragraph 5.2.14, there were fifteen government employees who were transferred to GGSSL from various unrelated Government departments on their last working day, and who retired under this company's Early Exit Scheme with a view of deriving the benefits that come under the scheme. In these cases, there is no apparent reason or clear

rationale, in terms of cost savings, to justify Government's decision to approve the retirement of these employees under the company's Early Exit Scheme, with the significant cost that this represented to Government.

5.2.30 In clause 4 of the GGSSL agreement dated 20 February 2017, it states '*all posts vacated by employees taking up the Early Exit Scheme will be abolished*'. However, it is not entirely certain that this clause has been strictly adhered to in all the 15 posts vacated by the retirees in their respective department when they were transferred to GGSSL. Of the seven instructional officer and managerial grades, employed in the Government Training Centre and transferred to GGSSL on their last working day, who retired under the Early Exit Scheme, four of these posts have been replaced (of which one post was internally replaced from Gibraltar Car Parks Ltd) and two other posts were advertised internally in the Government Service in September 2022, although there were no applicants to the posts. The same two vacant posts of Instructional Officers were again advertised internally and in the local press on 22 November 2023. When questioned, the rationale given for the internal replacement from Gibraltar Car Parks Ltd was that the post within the Gibraltar Car Parks Ltd would be abolished. Even in such circumstances, this rationale is in my view nonsensical as it contravenes the Early Exit Scheme agreement and again brings into question the very rationale behind introducing such a scheme in the first place, which was to reduce staff numbers solely in GGSSL and not employees from other Government departments or the Gibraltar Development Corporation. If Government wished to reduce employees in departments across the public service it would have been more appropriate to introduce an Early Exit Scheme specifically for this and not transferring selected individuals to GGSSL in order to benefit from the company's Early Exit Scheme.

5.2.31 The exercise also revealed a number of anomalies, the observations of which are summarised as follows:

- (a) There was one employee who was more than 65 years of age as at the date of the HWA's Collective Agreement and was therefore not eligible to retire under the HWA's Early Exit Scheme conditions.
- (b) There were seven employees whose lump sum payments were incorrect as they were not in agreement with the provisions of the HWA's Early Exit Scheme.
- (c) There was one employee from the HWA who was employed by Government for a short period of time subsequent to his retirement under the Early Exit Scheme, contrary to the provisions of the HWA's Early Exit Scheme, which prescribes, inter-alia, that once retired under the Scheme the retiring officer is disallowed future employment in the public service.

5.2.32 It was further noted that the date of retirement of 26 employees who were awarded an Early Exit Scheme package, in total amounting to £1.84m was past the cut-off date specified in the applicable Early Exit Scheme Agreement. However, no explanations for the inclusion of these officers in the Early Exit Schemes were provided to the audit examiner.

5.2.33 I wish to report that outside the scope of this audit review, which as previously mentioned focused primarily in Early Exit Schemes introduced in the Civil Service and Statutory Authorities and Agencies, there have been two other Early Exit Schemes introduced by the Government, namely in Gibraltar Industrial Cleaners Ltd and Gibraltar General Support Services Ltd, which also includes Gibraltar Cleansing Services Ltd – the latter being a scheme for the employees of these two Government-owned companies (this is a separate Early Exit Scheme to the one mentioned in paragraph 5.2.3).

5.2.34 The Early Exit Scheme introduced by the Government for Gibraltar Industrial Cleaners Ltd ("GIC"), dated 11 March 2015, in addition to a Side Letter to the Agreement that became effective on 20 February 2017, is largely modelled on the other Government Early Exit Schemes in that it pays out a lump-sum payment which varies depending on the age of the retiring employee, but is subject to a maximum of 3 years of basic salary. One of the

provisions of the Early Exit Scheme is that it will remain open indefinitely for all the company's eligible employees over the age of 52 years. From the information obtained, which could be incomplete, there were a total of 16 employees from GIC that retired under the Early Exit Scheme at a cost of £1.69m in lump-sum payments. One of the salient provisions of the GIC Early Exit Scheme is that the Government is committed to maintain the current (at the date of the Agreement) established manning levels within the company and will not replace any supernumerary posts. All vacant established posts made available as a consequence of GIC employees taking up the Early Exit Scheme will be filled from within the public sector and Government-owned companies, and where possible posts will not be backfilled. The GIC Early Exit Scheme further prescribes that the Agreement is put forward on the basis that there will be some reduction in posts from within the Civil Service, the Gibraltar Development Corporation ("GDC"), Government-owned companies, agencies or authorities. It should be noted that as at 14 February 2023, there were 9 vacancies in GIC (8 employees who had left on retirement and one on resignation), none of which had been replaced.

5.2.35 The Early Exit Scheme introduced by the Government for Gibraltar General Support Services Ltd ("GGSSL") and Gibraltar Cleansing Services Ltd ("GCSL"), dated 4 December 2015 is for its retiring employees who are contributors to a government contributory pension scheme (as distinct to the companies' other Early Exit Scheme Agreement dated 20 February 2017, which has been applied to retiring employees from GGSSL that belong to the government final salary non-contributory pension scheme (see paragraph 5.2.3). From the information obtained, which could be incomplete, there were a total of 9 employees from GGSSL that retired under the Early Exit Scheme (5 employees in December 2015 and 4 employees during the period 2020 to 2022), at a cost of £619,165 in lump-sum payments. Whilst in GCSL, there were similarly 9 employees that retired under the Early Exit Scheme (7 in December 2015 and 2 in 2017) at a total cost of £351,376.

5.2.36 Additionally, and also outside the scope of this report, there are 4 individuals of GMESL (that were TUPE transferred under an Agreement with the MOD as part of the transfer of the MOD Electricity Generation and HV Distribution Undertaking and the Wholesale Supply of Electricity to the MOD) who belonged to the Gibraltar Defence Estates Pension Scheme and retired on 31 January 2023 under the GMESL's Early Exit Scheme Agreement dated 9 January 2023. These individuals received a total of £271,838 in lump sum payments. Given the fact all these individuals were over the age of 60 and two of them were over the age of 65, brings into question the reasons for allowing these employees to benefit from the Early Exit Scheme as they had already attained retirement age and could have retired regardless of the Early Exit Scheme and therefore without the added and significant cost to the taxpayer.

5.2.37 Moreover, although not considered to be Early Exit Schemes as such, but deemed to be incentive payments to retire/resign, there have been, what has been termed, 'Terminal Payments' consisting of lump sum payments of one year's basic salary made to officers who retired/resigned from the GDC. I informed the Human Resources Manager of 5 GDC officers who I was aware had received these terminal payments amounting in total to £202,977.

5.2.38 However, as I required confirmation that these were the only terminal payments that had been made, I wrote to the Secretary of the GDC on 7 February 2023 requesting to know details of all those GDC officers who had received a terminal payment on retirement or resignation from service under the Corporation. Aside from wanting to learn details of the name of the officers concerned, their grade, department, date of retirement/resignation, Terminal payment sum received, of the utmost importance was to find out the reason(s) why the GDC was making these payments. After a number of holding replies ending with her response on 24 November 2023, the GDC Secretary explained she was having enormous difficulties in obtaining the information requested as she was relying on other departments to provide her with the relevant data. The information she had was incomplete and she was still awaiting details from various departments. On 30 November 2023 the GDC Secretary,

assisted by the Private Secretary of the Ministry of Economic Development, confirmed that the above 5 cases were the only terminal payments incurred. The GDC Secretary further informed me that, *'The rationale behind the lump-sum payments is tied to ill health and early retirement assistance, in some instances due to a change of role within the officers' respective departments. Such changes have subsequently led to the elimination of the necessity to fill these positions'*. I replied to the GDC Secretary telling her that in my opinion, not all of the cases where lump-sum payments had been made were tied to ill health. However, if some of the officers concerned were indeed suffering from serious ill health, then they should have been medically boarded as per General Orders just as other officers in the Service with a medical condition have been. In such circumstances, there is no financial compensation to the retiring officers. Moreover, the provisions in the contributory pension schemes to which they belong are also quite clear in that employees are solely entitled to their accumulated pension fund as a lump sum payment. I further informed the GDC Secretary that I did not understand how a change of role within the officers' respective departments could also have triggered a compensatory terminal payment to the departing officer.

5.2.39 In addition to the two voluntary severance payments mentioned in paragraph 5.2.24, there was a further payment of this type made to another officer under a confidential voluntary separation agreement, dated 25 October 2023, signed by the Chief Secretary on behalf of the Government and by the individual concerned. The officer a Senior Professional and Technology Officer ("SPTO") in the Department of Employment, received the sum of £117,928 (equivalent to 2 years' basic pay), prior to his retirement on 1 November 2023. The agreement does not specify the reason(s) for the Government offering this voluntary separation package to this employee. However, it is relevant to note that this officer was 61 years of age on retirement and therefore could have retired as he was above the normal age of retirement.

5.2.40 I requested the Human Resources Manager to provide me with his views and comments on the observations raised in the Early Exit Schemes Costing report. At the close of this report I had not received any reply from the Human Resources Manager, although understandably the audit study had been forwarded to him very near to the completion of this report and therefore he did not have the necessary time to evaluate the contents of the review and submit his comments in time for inclusion in this report. His reply will therefore be included in my report on the public accounts for the year ended 31 March 2019.

5.3 A review of the Contingency Plans for Business Continuity in Government Departments and Statutory Authorities and Agencies

5.3.1 Background to the Review - The scope of this review was to determine how ready Government Departments and Statutory Authorities and Agencies were in mitigating the effects of prolonged impacts to their operations with appropriate and structured contingency plans in accordance with best practice and standards. This includes following the principles and techniques of Business Continuity Management, the use of risk-based analysis and the formulation of proper Business Continuity Plans.

5.3.2 Many services delivered by Gibraltar Government Departments, Authorities and Agencies are essential to Gibraltar's economic and social prosperity. A failure to deliver these services could have significant consequences for all stakeholders and for Gibraltar as a whole. Although some services may not be essential, a prolonged disruption to these can nonetheless result in inconvenience and inefficiency, and have serious economic, social, and ultimately reputational costs to the Government.

5.3.3 Government Departments, Authorities and Agencies face a range of events with inherent risks that may lead to a significant and prolonged disruption to their operations and the services that they provide. Figure 95 lists the events that may disrupt and impact any Government organisation.

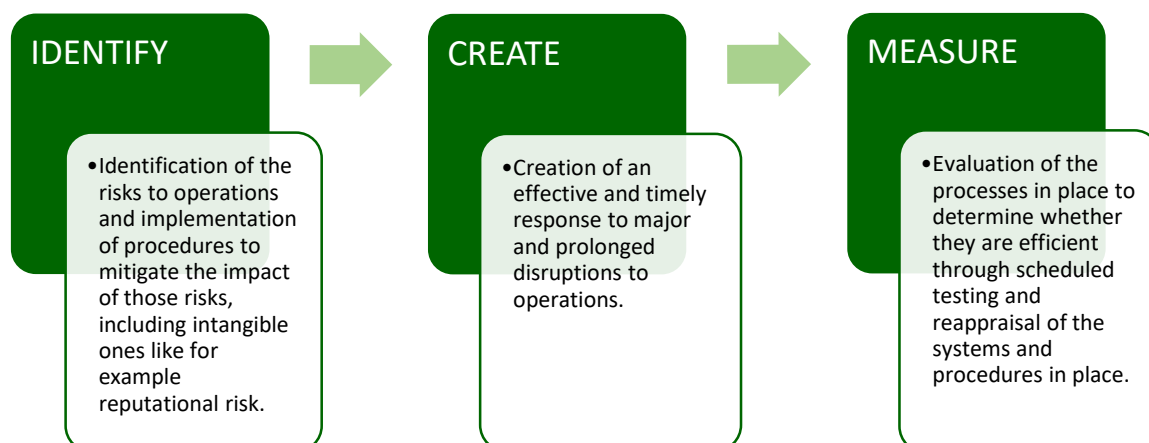
Figure 95



5.3.4 Furthermore, in today's interconnected world an increasing number of services are dependent on a constant and uninterrupted supply of electricity and resilient IT infrastructure. In response to such disruption, the public sector must have measures in place to support the continuation and/or resumption of essential and critical services with a view to maintaining normal operations. Often these measures will need to operate alongside emergency or disaster management arrangements to ensure the safety of public officers and Government assets.

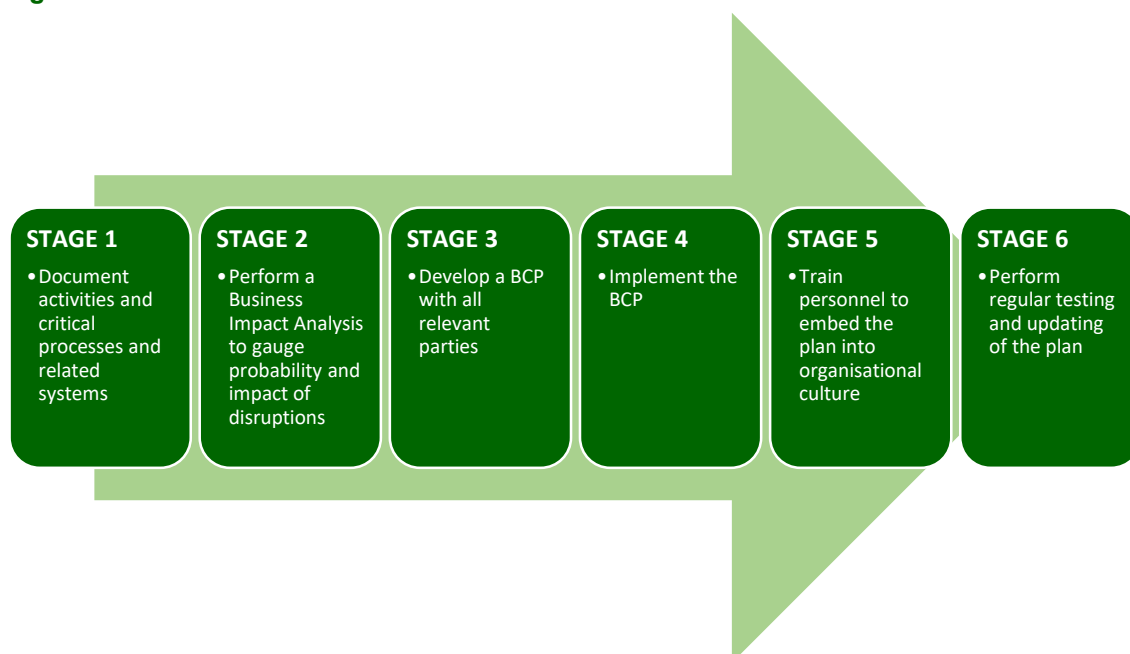
5.3.5 Consequently, effective contingency planning, will allow Government Departments, Authorities and Agencies to effectively perform the functions outlined in Figure 96.

Figure 96



- 5.3.6** Linked to effective contingency planning is the process of Business Continuity Management. This is the development, implementation and maintenance of strategies and policies, frameworks and programmes, to assist an organisation to manage a disruption to its operations and services, as well as build resilience to the disruption. As such, Business Continuity Management is an important element of good governance and can form part of an approach to effective risk management. It also provides a mechanism that assists in preventing, preparing for, responding to, managing and recovering from the impacts of a prolonged disruptive event.
- 5.3.7** Effective Business Continuity Management leads to the development of a Business Continuity Plan which implements the policies, procedures and mechanisms outlined as part of the Business Continuity Management strategy. Development of a Business Continuity Plan is, at a glance, a six stage process as can be seen in Figure 97:

Figure 97



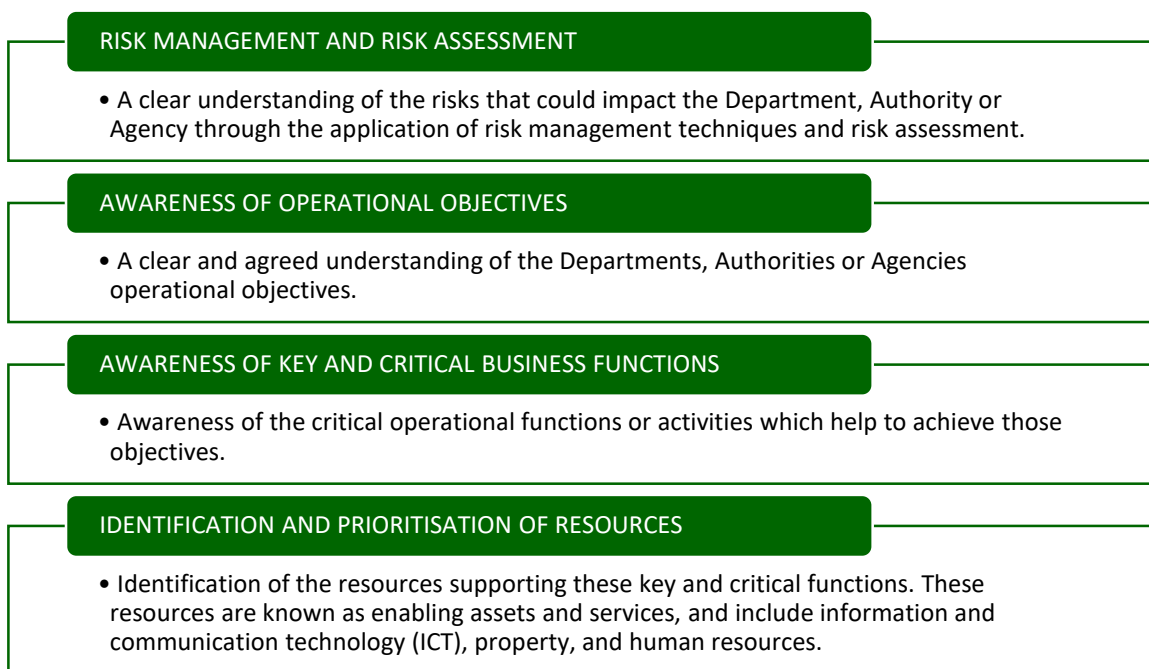
- 5.3.8** Crucially, Business Continuity Management is also a cyclical process pointing to the fact that it is constantly evolving and adapting to the changing risks being encountered, as can be seen in Figure 98.

Figure 98



- 5.3.9** In order to ensure that effective contingency management procedures and processes are put in place by Government Departments, Authorities and Agencies, it is crucial to have the key stages detailed in Figure 99.

Figure 99



- 5.3.10** Finally, effective contingency planning must have the full support of Heads of Department, CEOs and senior management. This is vital to give the necessary direction and prominence to it. It is also fundamental for the principles behind its implementation to propagate throughout the whole of the organisation effectively.
- 5.3.11 Methodology and Scope** - The audit review follows the issue of a Circular to all Heads of Department in 2008, by the Office of the Chief Secretary, stating that it was essential that all Government Departments should have established contingency plans to deal with power cuts and IT failures. Furthermore, in July 2011, these contingency plans were requested to be updated and copies sent to the Office of the Chief Secretary.
- 5.3.12** Examination of records at No.6 Convent Place suggests that the original circular was issued in response to a recommendation by the Director of the Information, Technology and Logistics Department ("ITLD") at the time, to the then Chief Minister, stating:
- "There are very few contingency plans in place in government departments to cater for prolonged power cuts or computer systems breakdown. The Income Tax Office, for example, does not have emergency manual systems to collect monies when systems are down. Departments should therefore be encouraged to prepare manual contingency plans."*
- 5.3.13** This recommendation formed part of a report submitted by the Director of the ITLD to the Chief Minister, dated 8 September 2008. This report was about an incident which occurred on 31 August 2008, which affected the ITLD's main computer room and which resulted in IT service downtime. A failure of two air-conditioning units at the ITLD main computer room, due to a power outage, caused this interruption to the IT service provided to Government departments by the ITLD.
- 5.3.14** As part of the audit review, the contingency plans submitted to No.6 Convent Place in 2011 were examined and Departments, Authorities and Agencies were asked whether the plans, as submitted in 2008 and 2011, had ever been revisited and updated.

- 5.3.15** The review also examined the potential impact on Government operations, in terms of revenue collection as a result of a prolonged disruption to its services. This was done on a low level basis with the purpose of simply highlighting the importance of having properly structured contingency plans to deal with major disruptions.
- 5.3.16** Furthermore, due to the outbreak and impact of the Covid-19 pandemic on Gibraltar's public services, the decision was taken to extend the scope of the review with a view of assessing the Covid-19 contingencies put into place across the public sector. This was done to assess how well, or otherwise, delivery of services and operations had been able to continue during the lockdown period in Gibraltar. Public sector entities were requested to supply, albeit as brief as practically possible, their Covid-19 contingency plans.
- 5.3.17** Contingency plans were examined in accordance with six criteria with a consideration as to whether these criteria had been: (a) fully applied; (b) applied albeit with limitations; or (c) not applied at all. This is described in Figure 100.

Figure 100

| 6 CRITERIA FOR ANALYSIS OF THE CONTINGENCY PLANS SUBMITTED BY DEPARTMENTS, AGENCIES AND AUTHORITIES FOR THE REVIEW | FULLY APPLIED / LIMITED APPLICATION / NOT APPLIED |
|--|--|
| | 1. Was a risk-based approach used? |
| | 2. Were critical operational functions identified? |
| | 3. Were roles and responsibilities clearly defined? |
| | 4. Were procedures and communication lines clearly defined? |
| | 5. Is there a testing structure for the contingency plan? |
| | 6. Is there a reviewing and change control structure for the contingency plan? |

- 5.3.18 Potential Impact to Government Revenue** - As stated previously, a failure of Government Departments, Authorities and Agencies to deliver their services could have significant consequences for all stakeholders and for the general public. Moreover, an extended disruption to these services, both those considered essential and those considered as non-essential could result in inconvenience and inefficiency, with serious economic, social, and ultimately reputational costs.
- 5.3.19** With many public sector organisations now delivering services online, the ability to continue providing these services in the event of a disruption is even more critical. This is especially so for Government Departments, Authorities and Agencies with revenue collecting responsibilities.
- 5.3.20** A projected loss of revenue, or delay in revenue collection for the Government would significantly impact the ability of the public sector to operate effectively and efficiently. This, in turn, affects service provision to its customers and service users, and, ultimately leads to negative public opinion as a response to the loss of service.
- 5.3.21** At the time of the review, for the financial year 2019-20, total Government revenue, not taking into account Public Debt borrowing, was approximately £676m. This figure represents, amongst other things, fees, taxes and charges collected by various public sector organisations and ministries under Revenue Heads 1 to 6 of the Consolidated Fund.

- 5.3.22** Figure 101 is a low level summary, of the Consolidated Fund Revenue, detailing the total revenue collected in the financial year 2019-20, per Revenue Head, and stratified into a monthly, weekly, and daily collection. This stratification represents a *potential equivalent collection figure* for each of the time periods highlighted. It is worth highlighting that daily, weekly and monthly Government revenue streams vary in terms of amounts collected for any given period, as in some instances more money could be collected at any time when compared to another.

Figure 101

| CONSOLIDATED FUND REVENUE HEAD | ACTUAL REVENUE | POTENTIAL EQUIVALENT REVENUE | | |
|---------------------------------------|---------------------|------------------------------|--------------------|-------------------|
| | | MONTHLY REVENUE | WEEKLY REVENUE | DAILY REVENUE |
| 1. Income Taxes | £322,980,812 | £26,915,068 | £6,211,169 | £884,879 |
| 2. Duties, Taxes and Other Receipts | £177,746,012 | £14,812,168 | £3,418,192 | £486,975 |
| 3. Gambling Charges, Fees and Lottery | £12,773,391 | £1,064,449 | £245,642 | £34,996 |
| 4. Rates and Rents | £30,776,927 | £2,564,743 | £591,865 | £84,320 |
| 5. Departmental Fees and Receipts | £127,272,588 | £10,606,049 | £2,447,550 | £348,693 |
| 6. Government Earnings | £5,296,785 | £441,399 | £101,861 | £14,511 |
| TOTALS | £676,846,515 | £56,403,876 | £13,016,279 | £1,854,374 |

Note: Figures supplied as per the Treasury Accounting System as at the time of the review.

- 5.3.23** Given the figures outlined above, a disruption to Government operations due to any number of events, including a loss of power, could potentially cost the Government, or delay revenue inflows, by approximately £1.85m for each day of disruption. Prolong that to a week and the impact is of approximately an equivalent of £13.02m. A catastrophic month-long disruption could imply approximately an equivalent of £56.40m of lost or delayed revenue to the Government if not properly mitigated. However, I should point out that these potential losses are a reflection of all of the public sector being affected.

- 5.3.24** Using a more targeted approach, Figure 102 highlights what a disruption to the collection of Government revenue could potentially signify, in terms of loss or delay in the collection of revenue, for the main revenue collecting subheads of the Consolidated Fund Revenue for the financial year 2019-20.

Figure 102

| REVENUE SUBHEAD | ACTUAL REVENUE | MONTHLY EQUIVALENT | WEEKLY EQUIVALENT | DAILY EQUIVALENT | % TOTAL REVENUE |
|---|----------------|--------------------|-------------------|------------------|-----------------|
| 1.1 Income Tax | £189,405,508 | £15,783,792 | £3,642,414 | £518,919 | 28% |
| 2.1 Import Duties | £164,758,115 | £13,729,843 | £3,168,425 | £451,392 | 24% |
| 1.2 Company Tax | £133,575,304 | £11,131,275 | £2,568,756 | £365,960 | 20% |
| 5.39 Group Practice Medical Scheme | £57,207,573 | £4,767,298 | £1,100,146 | £156,733 | 8% |
| 4.1 General Rates and Salt Water Charges | £27,653,218 | £2,304,435 | £531,793 | £75,762 | 4% |
| 5.15a Sale of Electricity to Consumers: Billed Charges to Consumers | £25,515,134 | £2,126,261 | £490,675 | £69,904 | 4% |

Note: Figures supplied as per the Treasury Accounting System as at the time of the review.

- 5.3.25** The above six revenue subheads highlighted represent approximately 88% of the total Consolidated Fund Revenue collected for the year 2019-20. Collection of this revenue is split between the public sector organisations detailed in Figure 103.

Figure 103

| DEPARTMENT/AGENCY/AUTHORITY RESPONSIBLE FOR COLLECTION OF REVENUE | REVENUE SUBHEAD | % TOTAL REVENUE FOR SUBHEADS |
|---|---|------------------------------|
| Income Tax Office | 1.1 - Income Tax 1.2 - Company Tax 5.39 - Group Practice Medical Scheme | 56% |
| HM Customs | 2.1 - Import Duties | 24% |
| Land Property Services Ltd | 4.1 - General Rates and Salt Water Charges | 4% |
| Gibraltar Electricity Authority | 5.15a - Sale of Electricity to Consumers: Billed Charges to Consumers | 4% |

5.3.26 As can be seen in Figure 103, a potential prolonged disruption to the operations of the Income Tax Office could affect approximately 56% of the revenue collecting capacity of the Government. This translates to an approximate monthly revenue of £31.68m, a weekly equivalent of approximately £7.31m, and daily collection of £1.04m of revenue. This carries a significant amount of risk if the impact is not properly mitigated with the appropriate contingencies.

5.3.27 Similarly, disruption affecting the operations of HM Customs affects approximately 24% of the revenue collecting capability of the Government. This potentially could equate to monthly, weekly and daily figures of £13.73m, £3.17m and £0.45m respectively, based on the Import Duties revenue figures for the financial year 2019-20.

5.3.28 When examining solely the Departmental Fees and Receipts Head of Revenue, the top ten revenue earning subheads in the financial year 2019-20 are highlighted in Figure 104.

Figure 104

| REVENUE SUBHEAD | ACTUAL REVENUE | MONTHLY EQUIVALENT | WEEKLY EQUIVALENT | DAILY EQUIVALENT |
|--|----------------|--------------------|-------------------|------------------|
| 39 - Group Practice Medical Scheme | £57,207,573 | £4,767,298 | £1,100,146 | £156,733 |
| 15a - Sale of Electricity to Consumers: Billed Charges to Consumers | £25,515,134 | £2,126,261 | £490,676 | £69,904 |
| 19 - Tourist Sites Receipts | £6,141,053 | £511,754 | £118,097 | £16,825 |
| 52 - Tonnage Dues | £3,938,615 | £328,218 | £75,743 | £10,791 |
| 40 - Medical Services to Non-Entitled Patients | £2,650,342 | £220,862 | £50,968 | £7,261 |
| 76 - Licences and Fees | £2,394,711 | £199,559 | £46,052 | £6,561 |
| 8 - Fees and Concessions | £2,121,180 | £176,765 | £40,792 | £5,811 |
| 18 - Commercial Works | £2,080,229 | £173,352 | £40,004 | £5,699 |
| 7 - Airport Departure Tax | £1,889,720 | £157,477 | £36,341 | £5,177 |
| 43 - Residents Contributions | £1,848,463 | £154,039 | £35,547 | £5,064 |

Note: Figures supplied as per the Treasury Accounting System as at the time of the review.

5.3.29 The levels of revenue shown in Figure 104 highlight that entities such as the Income Tax Office, the Gibraltar Electricity Authority, the Department of the Environment, the Gibraltar Port Authority, Aviation, Gibraltar Health Authority (GHA), GHA Elderly Residential Services

and the Gibraltar Regulatory Authority all carry significant risk, and a consequent impact to the Government's overall revenue collecting capability if their operations are disrupted and they fail to have the appropriate contingencies in place to continue their operations.

5.3.30 Review Findings - The review highlighted that, despite the time elapsed between the requests of the Office of the Chief Secretary in 2008 and 2011 and the date of this review, in terms of business continuity management and risk-based management techniques, many Departments, Authorities and Agencies did not have the necessary expertise to produce plans, policies and procedures to the required minimum standards. Furthermore, these were not given the necessary prominence. Many of the plans seen, with a few exceptions, did not follow established criteria for properly structured, risk-based, business continuity plans.

5.3.31 Figure 105 summarises the results of the criteria and their application, overall, for contingency plans submitted in 2011 by the various Government Departments, Authorities and Agencies.

Figure 105

| APPLICATION/CRITERIA | RESULTS OF THE REVIEW FOR CONTINGENCY PLANS SUBMITTED IN 2011 | | | | | |
|---|---|---|--|--|-------------------|--------------------------------------|
| | RISK-BASED APPROACH | CRITICAL OPERATIONAL FUNCTIONS IDENTIFIED | ROLES & RESPONSIBILITIES CLEARLY DEFINED | PROCEDURES & COMMUNICATION LINES CLEARLY DEFINED | TESTING STRUCTURE | REVIEWING & CHANGE CONTROL STRUCTURE |
| FULLY APPLIED <i>% of total plans submitted</i> | 0 0% | 0 0% | 0 0% | 0 0% | 0 0% | 0 0% |
| LIMITED APPLICATION <i>% of total plans submitted</i> | 3 10% | 0 0% | 4 13% | 9 29% | 0 0% | 0 0% |
| NOT APPLIED <i>% of total plans submitted</i> | 28 90% | 31 100% | 27 87% | 22 71% | 31 100% | 31 100% |
| TOTAL | 31 | 31 | 31 | 31 | 31 | 31 |

5.3.32 More recently for contingency plans submitted during the course of this audit review in 2020, the results are summarised in Figure 106.

Figure 106

| APPLICATION/CRITERIA | RESULTS FOR CONTINGENCY PLANS SUBMITTED DURING THE COURSE OF THE AUDIT REVIEW IN 2020 | | | | | |
|---|---|---|--|--|-------------------|--------------------------------------|
| | RISK-BASED APPROACH | CRITICAL OPERATIONAL FUNCTIONS IDENTIFIED | ROLES & RESPONSIBILITIES CLEARLY DEFINED | PROCEDURES & COMMUNICATION LINES CLEARLY DEFINED | TESTING STRUCTURE | REVIEWING & CHANGE CONTROL STRUCTURE |
| FULLY APPLIED <i>% of total plans submitted</i> | 2 9% | 2 9% | 2 9% | 2 9% | 1 5% | 1 5% |
| LIMITED APPLICATION <i>% of total plans submitted</i> | 1 5% | 3 14% | 7 32% | 16 73% | 0 0% | 0 0% |
| NOT APPLIED <i>% of total plans submitted</i> | 19 86% | 17 77% | 13 59% | 4 18% | 21 95% | 21 95% |
| TOTAL | 22 | 22 | 22 | 22 | 22 | 22 |

5.3.33 I have to report that many contingency plans had not been updated since 2011, with many public sector entities submitting revised plans to the Gibraltar Audit Office purely as a result of the requests for information as part of this review even though this was not the original premise of the review conducted.

- 5.3.34** Overall, 22 contingency plans were forwarded to the Gibraltar Audit Office as a consequence of the original request for information, in respect of the contingency plans submitted in response to the Circular to Heads of Department of 4 July 2011. The departments and entities that submitted an updated contingency plan in 2020 are listed in Figure 107.

Figure 107

DEPARTMENTS THAT SUBMITTED A REVISED CONTINGENCY PLAN IN 2020

- Treasury Department
- Borders and Coastguard Agency - contingency plan did not cover HQ/Administration. Plan covering Air Terminal also submitted.
- Care Agency
- Civil Status and Registration Office
- Department of Employment
- Department of the Environment
- Driver, Vehicle and Licensing Department
- Office of the Financial Secretary
- Gibraltar Electricity Authority
- Gibraltar Fire and Rescue Service
- Gibraltar Health Authority - Hospital Engineering Services Resilience
- Gibraltar Port Authority
- Gibraltar Sports and Leisure Authority
- Gibraltar Tourist Office
- HM Customs
- HM Prison
- Housing Department
- Human Resources Department
- Office of the Chief Secretary
- Procurement Office
- Royal Gibraltar Police
- Statistics Office

- 5.3.35** Furthermore, of the total number of public sector entities contacted as part of this review and following the Gibraltar Audit Office request for information, four entities confirmed that they did not have contingency plans in place. These departments are listed in Figure 108, although it must be said that these departments were established post-2011, or were not part of the Chief Secretary's original list of departments contacted in 2011.

Figure 108

DEPARTMENTS THAT DID NOT HAVE A CONTINGENCY PLAN IN PLACE

- Gambling Division
- Ministry of Business and Tourism
- Office of Fair Trading
- Town Planning and Building Control

- 5.3.36** Of all Government departments contacted, the Gibraltar Parliament failed to acknowledge whether the plan as submitted in 2011 had been updated or otherwise. On 24 February 2020, acknowledgement was received from the Clerk to the Parliament of the original request for information of 17 February 2020. The Clerk to the Parliament informed that he was in the midst of organising a referendum and would deal with the request once the referendum was finalised. However, no further acknowledgement nor reply was received from Parliament despite subsequent reminders being sent to the Clerk.

- 5.3.37** The results of the evaluation and review of the contingency plans received show that the contingency plans submitted primarily focused on contingencies for power cuts and IT systems failures, which although reasonable to a certain degree, does not go far enough in terms of identifying all possible risks facing the organisation through the application of risk management techniques and risk assessments; a clear and agreed understanding of the

organisation's operational objectives; awareness of key critical operational functions or activities which help to achieve those objectives; and, identification and prioritisation of the resources supporting these key and critical functions. It is recommended that the contingency plans must follow the recommended structure and evolution as recommended by best practice and proper procedure.

- 5.3.38** Overall, the results of the review show that 59% of the contingency plans submitted did not have clear and fully defined roles and responsibilities; furthermore, 95% of the plans did not implement a proper testing structure nor a reviewing and change control structure.
- 5.3.39** As can also be seen from Figure 106, 77% of the plans did not have their respective departments/agencies or authorities' critical operational functions identified; whilst 86% of the plans did not follow a risk-based approach. A risk-based approach, encompassing risk assessment and risk management is fundamental to proper contingency planning.
- 5.3.40** However, it must be said that as an example of good practice and established procedure, the Gibraltar Fire and Rescue Service had a contingency plan which was a very close approximation of fulfilling the standard requirements of what a properly structured contingency plan should adhere to. This plan followed a risk-based approach, identified critical operational functions, had clearly defined roles and responsibilities with clearly defined procedures and communication lines, outlined a testing structure, and gave details of a review and change control structure.
- 5.3.41** As was the case in 2011, the main mitigating contingencies seen in the plans submitted during the course of this review mainly focused around the use of generators, UPS devices, and for the duration of the service disruption a reliance on manual systems (such as the use of manual physical files and the issue of manual receipts) and contact via telephone lines. Some entities also outlined the procedure of taking down customers' details with a view of contacting these individuals once services were resumed.
- 5.3.42** Differing factors from the contingency plans submitted in 2011 are the ability to direct service users to a website to make requests, query for information and make submissions via the use of online forms available on the departmental website, or on the main Government website itself. Additionally, with the wide-scale rollout of the Government intranet across the public sector, manual backups are no longer performed because of the daily automatic backups carried out by the ITLD. Some public bodies have contracted external IT contractors to manage their IT infrastructure and these contracted firms undertake the backup service as part of their obligations.
- 5.3.43** Additionally, the use of laptops, mobile telephones and the propagation of Virtual Private Network (VPN) technology, and the ability to view email correspondence via browser based applications, were named as mitigating factors to reduce the impact of a disruption to service continuity.
- 5.3.44** Despite the changes in technology and the ability to have many services available online, as in the case with the contingency plans submitted to the Office of the Chief Secretary in 2011, a large proportion of the contingency plans submitted in 2020 were not compiled, structured, nor evaluated following best practice guidelines, for example using the ISO 22301 standard on Business Continuity Management Systems. Although some public sector bodies, as a result of this audit review, did commit to revisiting, reformulating or formulating a contingency plan (if they did not have one), the reality is that with little knowledge or guidance on how contingency plans should be structured, these would most likely fall short of the required standards.
- 5.3.45 Covid-19 Pandemic Contingencies** - During the course of the audit review the Public Sector, and Gibraltar as a whole, was impacted by the Covid-19 pandemic. This drove the Government and its organisations to examine, and put into place, appropriate operational

contingency measures to mitigate the effects of the pandemic on the delivery of its services both interdepartmentally and to Gibraltar's citizens.

- 5.3.46** The Government announced a total social lockdown of Gibraltar on 22 March 2020, under the measures prescribed for legally, via the Civil Contingencies Act 2007. Previously, on 15 March 2020, the Office of the Chief Secretary, via Bulletin of Circulars 10 of 2020, requested all Heads of Department and public sector bodies to prepare and put into effect contingency measures. This was done in order to allow operations to continue as normal as practically possible. Furthermore, all public facing counters were officially closed with effect from 16 March 2020.
- 5.3.47** Following on from these unprecedented events, the scope of the audit review was expanded, to some extent, to see how well the contingency measures put into place mitigated the effects of the lockdown and ensured service delivery. Public sector bodies were requested by the Gibraltar Audit Office to provide a brief overall summary of the measures put in place in order to curb the effects of the pandemic on day-to-day operations, and how well or otherwise, the measures activated ensured that these were minimally affected.
- 5.3.48** The Chief Secretary's Bulletin of Circulars 10 of 2020 requested Heads of Department and Chief Executives of public sector bodies to prepare and put into effect the following contingency measures:
- **A minimum of 30% to a maximum of 50% of staff to work from home** - If possible, this could be implemented on a rotational basis. Heads of Department were given relative autonomy to devise plans which best suited their departments' operational needs;
 - **Implementation of flexible working patterns** - More specifically for officers that remained working in their place of work, Heads of Department were requested to allow officers to have flexible starting and finishing times again with the necessary autonomy to consider departmental operational requirements; and
 - **A revised Departmental organogram** - This included providing each staff member's name, grade and whether civil servant or Gibraltar Development Corporation employee, and any areas of expertise that the officer might have (even if not work-related).
- 5.3.49** The first two requests were to be submitted to the Office of the Chief Secretary by 17 March 2020, whilst the last request was deemed as more urgent and was to be submitted by 16 March 2020.
- 5.3.50** Figure 109 summarises the main Covid-19 contingency measures put in place, from the responses received from the public sector organisations contacted.

Figure 109

| COVID-19 CONTINGENCY MEASURES ACTIVATED BY PUBLIC SECTOR ENTITIES | Provision of online services. |
|--|---|
| | A physically placed drop box for document collection at the premises. |
| | Suspension of services. |
| | Extension of services. |
| | Downloadable forms and documents from website. |
| | Posting of forms and documents. |
| | Remote working facilities. |
| | Staff rotation. |
| | Use of video links for meetings. |
| | Online/Bank Transfer/Phone payments. |
| | Use of Personal Protective Equipment (PPE) and Sanitising Equipment. |

- 5.3.51** From the responses received, it can be said that many of the alternative operational arrangements highlighted in Figure 109 above, allowed service delivery to continue, albeit

with inevitable limitations. The Departments, Authorities and Agencies contacted indicated a positive response in regard to contingency measures put in place being able to ensure service delivery as much as practically possible including the collection of Government revenue.

5.3.52 Nevertheless, some of the operational services for which Departments, Authorities and Agencies are responsible were affected by the imposition of restrictions by the Government under the Civil Contingencies Act 2007. The public services that were suspended, according to the Covid-19 contingency plans submitted by public sector entities, are summarised in Figure 110.

Figure 110

| DEPARTMENT/AGENCY/AUTHORITY | EXAMPLES OF PUBLIC SERVICES SUSPENDED AS OUTLINED IN COVID-19 CONTINGENCIES SUBMITTED |
|--|---|
| Treasury Department | Reduction of accessibility in the Gibraltar Savings Bank reception area. |
| Care Agency | No cash handling or deliveries. |
| Civil Status and Registration Office | No Marriage and Civil Partnership Ceremonies. |
| Department of Employment | All relevant fees waived for 2 nd quarter 2020. |
| Department of Social Security | Restriction on cash counters opening times. |
| Department of Transport | No Roadworthiness Tests (MOTs) & Driving Tests. |
| Economic Development | No face-to-face interviews/Gibraltar General Construction Company works/face-to-face appointments. |
| Gibraltar Fire and Rescue Service | No building sites inspections and visits/Fire Safety courses. |
| Gibraltar Sports and Leisure Authority | Most services suspended – all sporting events cancelled. |
| Gibraltar Tourist Board | All offices were closed – all travel and tourism suspended. |
| HM Prison | Reduced shift rosters/No classes for inmates. |
| Housing Department | Housing applications Annual Review Process suspended. |
| Housing Works Agency | All services suspended, except normal/routine works. |
| Human Resources Department | Staff was split to handle normal operational day-to-day activities and COVID-19 support operations/No selection boards. |
| Office of the Chief Secretary | Chief Secretary suspended all face-to-face meetings – these were held only on an exceptional basis and maintaining social distancing. |
| Royal Gibraltar Post Office | Reduced counter hours/one officer per vehicle out on postal rounds. |
| Statistics Office | No data collection exercises for the April 2020 Retail Price Index. |
| Supreme Court | Registry closed/Civil Actions stays ceased. |

Technical Services Department

Only emergency and essential services continued.

Town Planning and Building Control

Construction lockdown - Site visits reduced and limited.

- 5.3.53** Overall, the Covid-19 contingency plans, as outlined and submitted by the public sector entities reviewed, also showed little indication that they had been conducted using established risk assessment protocols, or that the measures put in place formed part of an overall contingency plan for the relevant Department, Authority and Agency. However, three of the Covid-19 contingency plans seen, i.e. those submitted by the Human Resources Department, the Gibraltar Maritime Administration and the Gibraltar Health Authority seemed to incorporate risk-based practices in their plans.
- 5.3.54** The Gibraltar Maritime Administration's Covid-19 plan, amongst other things, detailed relevant procedures to follow, document control outlines, relevant roles, responsibilities and distribution lists, plan activation protocols, departmental operational critical activities and measures to mitigate the impact of prolonged loss of staff due to sickness.
- 5.3.55** The Gibraltar Health Authority, in respect of their Finance and Procurement administration, submitted a risk assessment detailing responses and control measures for pandemic mitigation measures.
- 5.3.56** The Human Resources Department, submitted a copy of their internal policy document, dated 1 June 2020, titled "Unlocking HR – Unlocking our Future and our Potential". This document detailed, amongst other things, a Covid-19 risk assessment; guidance on reducing the risk of spreading Coronavirus; allocation of alternative duties/work; guidance on flexible working hours and remote working from home; guidance on performance management whilst working remotely; guidance on working from home for teams; and guidance on the obligations as a public servant.
- 5.3.57** Other than the three plans/guidance documents mentioned above, for the most part the brief outlines and plans submitted by the Departments, Authorities and Agencies contacted, alluded to the fact that they did not form part of a departmental overall contingency strategy policy or formal document. Plans for mitigating the effects of the Covid-19 pandemic, were largely drawn up only as a response to the request from the Chief Secretary.
- 5.3.58** In an ideal scenario, this is not in accordance with best practice. Despite the many uncertainties and variables encountered, the impact of the Covid-19 pandemic on staff, procedures, operations and other critical and non-critical operations should have been catered for and addressed in each public entity's overall risk-based contingency plans. These plans should not have materialised as a consequence of the factors facing the public sector as a result of the pandemic. The contingency plans should have already been in existence with all risk factors, analyses and mitigating procedures, including those to deal with a reduction in staffing levels, considered.
- 5.3.59** Finally, as part of the review the Civil Contingencies Coordinator was asked whether, in his role, he had come across or had been involved in any contingency plans for business continuity in the Government service, with the aim of reducing the impact of any prolonged and major disruptions to the public sector's delivery of services and operations arising from unforeseen major incidents or emergencies. In his reply, the Civil Contingencies Coordinator stated that, when he joined the Civil Contingencies Department in September 2017, this was not something that had been brought to his attention in his role of Civil Contingencies Coordinator. He added that on the basis of the 2008 and 2011 correspondence on file, he suspected that this had been coordinated by the Office of the Chief Secretary. However, he confirmed that as part of the initial Covid-19 preparations, he had asked departments to produce Business Continuity Plans to operate with 75%, 50% and 25% staffing levels. However, I do not consider these plans to have been requested and produced with a full

Business Continuity Plan in mind, but only sought to deal with the risk at hand, which was the Covid-19 pandemic, and therefore outside the scope of this review.

5.3.60 Information Technology and Logistics Department – Contingencies for IT Service Disruption - As part of the review, the ITLD was contacted in October 2019 in order to gain an insight into the business continuity and contingency arrangements that the ITLD have in place to minimise the risk of IT service disruption. The importance of this being that many Government Departments, Authorities and Agencies rely on the IT services and infrastructure provided by the ITLD for their day- to-day operations. Following on from this, an update was requested in early 2022 of the latest position regarding the ITLD's contingencies for IT service disruption. In respect of the measures in place for business continuity and contingency arrangements for the ITLD and the IT services that they provide, the Director and the Deputy Director of the ITLD confirmed the following:

- Continent 8 Technologies - Continent 8 Technologies are a worldwide, award winning, ISO certified IT service provider which offers highly reliable managed hosting, security and global network solutions for online business-critical platforms. Continent 8 Technologies were contracted by the ITLD to provide hosting services for the Government's IT infrastructure with the service being located in two physically separated data centre sites. Twenty racks are allocated, ensuring hardware resilience for the Government's IT infrastructure.
- Support Level - With regards to minimising the risk of IT service interruption, a Tier 4 category support level is used that is provided by Continent 8 Technologies. According to the ITLD, this represents the top level tier in terms of support. This provides industry standard coverage guaranteeing minimum IT service downtime disruption; uptime rates are 99% or even higher. Furthermore, this also ensures the full spectrum of physical security for IT.
- IT infrastructure - In terms of infrastructure, ITLD has their own private fibre structure pushed out to all Government Departments from that central point. An almost fully meshed topology is utilised whereby traffic can be re-routed to any part of the Government network.
- Automated System for Customs Data (ASYCUDA) - ASYCUDA is a computerised application system designed by the United Nations Conference on Trade and Development (UNCTAD), to aid in administering a country's customs. Used by over 90 countries worldwide, ASYCUDA covers most foreign trade procedures and the primary purpose of ASYCUDA is to help countries facilitate trade by strengthening the capacity of customs administrations to carry out their operations more effectively. Therefore, ASYCUDA accelerates customs clearance and simplifies procedures through computerisation. Gibraltar's local ASYCUDA service is hosted 50% in the data centre and 50% in the Customs Entry Processing Unit ("EPU") for resilience. Backups of the system are currently sited in the Customs EPU. However, at the time of the review, the location of the backups was likely to be moved to the data halls located in the Gibraltar Airport.
- Gibraltar Airport - For the Gibraltar Airport, services are catered for onsite and replicated on two separate data hosts. Furthermore, at the Airport in terms of Internet service there is a dedicated connection for the airlines – SITA, which is for baggage and passenger information.
- Government of Gibraltar Schools - As stated previously, the schools are connected via direct fibre to the data centre. Internet connection resilience is provided by using the services of Gibtelecom and Umea. These two telecommunications providers route internet traffic through mainland Spain with Gibtelecom having a connection established to the Europe India Gateway (EIG) submarine communications cable. This gives service resilience in case services on the traffic being routed through Spain are affected and disrupted.

- **Disaster Recovery Plan** - At the time of the review, the ITLD did have a documented Disaster Recovery Plan, although it required updating. A copy of the Disaster Recovery Plan was subsequently forwarded to this office, and under the Director of the ITLD's own admission, the plan is not a comprehensive one [quote]: *'The framework is not intended to be a detailed, step by step series of instructions to follow - it is intended to help/point out contacts for the team to recover from an incident. The document describes a base line disaster recovery actions that we [ITLD] can refer to in the event that a disaster affects department operations and services.'*
- **IT Infrastructure Resilience** - ITLD were looking at an alternative location for their off-site backup infrastructure resilience.
- **Cybersecurity** - The ITLD currently employs a variety of cybersecurity counter measures that protect the integrity of the Government Network and the systems within.
- **Power failure** - Power failure is the biggest risk currently facing the resilience of Government services to a disruption. The Deputy Director acknowledged that across much of Government there are currently no mitigating controls to avert the risk of a power grid failure for Government departments. In his own words, *'In terms of provisioning IT services to Government entities, electricity supplier failure continues to be a major business continuity risk.'*

5.3.61 Security of Network and Information Systems - Computer Security Incidence Response Team (CSIRT) obligations under Schedule 3, pursuant to section 39, of the Civil Contingencies Act 2007 - The ITLD is the designated national computer security incident response team for Gibraltar ("the Gibraltar CSIRT") under section 39(1) of Part 7 of the Civil Contingencies Act 2007. Schedule 3 of the Civil Contingencies Act 2007 (pursuant to section 39 of the Act) outlines the requirements and tasks that the ITLD as the Gibraltar CSIRT must comply with in respect of its role as Gibraltar CSIRT:

"The Gibraltar CSIRT –

- (1) Must ensure a high level of availability of its communications services by avoiding single points of failure, and shall have several means for being contacted and for contacting others at all times.*
- (2) Must ensure its communication channels are clearly specified and well known to the constituency and cooperative partners.*
- (3) Must ensure that its premises and supporting information systems are located in secure sites.*
- (4) Must, in respect of business continuity:*
 - (a) be equipped with an appropriate system for managing and routing requests, in order to facilitate handovers;*
 - (b) be adequately staffed to ensure availability at all times;*
 - (c) only rely on an infrastructure the continuity of which is ensured, including the availability of redundant systems and backup working space.*
- (5) May participate in international cooperation networks.*
- (6) Must:*
 - (a) monitor incidents in Gibraltar;*
 - (b) provide early warning, alerts, announcements and dissemination of information to relevant stakeholders about risks and incidents;*
 - (c) respond to any incidents;*
 - (d) provide dynamic risk and incident analysis and situational awareness;*

- (e) participate and cooperate in the CSIRT's network.
- (7) Must establish cooperation relationships with the private sector.
- (8) Must facilitate cooperation by promoting the adoption and use of common or standardised practices for –
- (a) incident and risk-handling procedures;
- (b) incident, risk and information classification schemes.”

5.3.62 Furthermore, in accordance with section 39(2) of the Civil Contingencies Act 2007, the requirements and tasks that the ITLD, as the Gibraltar CSIRT, must comply with, as outlined in Schedule 3 of the Act, must cover at least the sectors and services as outlined in Schedule 4 of the Act (“Operators of Essential Services”) and Schedule 5 (“Types of Digital Services”) of the Act, which are summarised in Figure 111.

Figure 111

| SCHEDULE 4 UNDER PART 7 OF THE CIVIL CONTINGENCIES ACT 2007 - “TYPES OF OPERATORS OF ESSENTIAL SERVICES” | |
|---|--|
| SECTOR | SUBSECTOR |
| 1. Energy | a) Electricity |
| | b) Oil |
| | c) Gas |
| 2. Transport | a) Air Transport |
| | b) Rail Transport |
| | c) Water Transport |
| | d) Road Transport |
| 3. Banking | |
| 4. Financial Market Infrastructures | |
| 5. Health Sector | Health Care Settings (including hospitals and private clinics) |
| 6. Drinking Water Supply and Distribution | |
| 7. Digital Infrastructure | Internet Exchange Points |
| | Domain Name System Service Providers |
| | Top Level Domain Name Registries |
| SCHEDULE 5 UNDER PART 7 OF THE CIVIL CONTINGENCIES ACT 2007 - “TYPES OF DIGITAL SERVICES” | |
| 1. Online Marketplace | |
| 2. Online Search Engine | |
| 3. Cloud Computing Service | |

5.3.63 At the time of the review, the Director and the Deputy Director of the ITLD confirmed that the ITLD cannot fulfil its statutory obligations under the Civil Contingencies Act 2007 due to resourcing limitations. Moreover, on being questioned, on 28 February 2022, as to whether the ITLD had highlighted this important shortcoming to the Government, the Deputy Director of the ITLD confirmed that they had indeed informed the Gibraltar Government of the situation and they were awaiting (Digital Services was dealing with this) the publication of a national cyber security strategy that should encompass the CSIRT role and responsibilities under the Civil Contingencies Act 2007.

5.3.64 Report Conclusions and Recommendations - In terms of business continuity planning and risk-based management techniques the audit review has revealed that many Government Departments and Statutory Authorities and Agencies have not embraced its proper implementation fully. This is true for all levels of Government, from Senior Management right down to frontline staff.

- 5.3.65** Despite the time elapsed between the requests of the Office of the Chief Secretary in 2011 and the Gibraltar Audit Office review in 2020, it is clear that little prominence has been given to proper contingency planning. As time progressed, the business continuity plans requested initially should have been reviewed, updated and tested in a cyclical manner by the relevant public entities, under the overall responsibility of the Government. Additionally, more guidance should have been provided by the Office of the Chief Secretary on how to properly establish a risk-based Business Continuity Plan in accordance with the latest standards.
- 5.3.66** The effects of the Covid-19 pandemic have brought to light the importance of Business Continuity Planning dovetailed with risk-based management techniques and processes. It has proved that proper contingency planning is a must in order for Government to safeguard its critical operations and services and that the statement ‘it won’t happen to me’ is no longer valid. If there is a probability, no matter how low, that an event could impact operationally on a public sector entity, then plans must be formulated to mitigate its effects on operations accordingly.
- 5.3.67** Moreover, in regard to the Covid-19 specific plans, in an ideal scenario these should have been documented in the general contingency plans of each particular Department, Authority or Agency, giving a proper risk assessment and impact analysis of all the internal and external risks that could affect the relevant public sector organisation. Again, and taking into account the uncertainties caused by the effects of the pandemic, staffing, legislative, logistical and other operational risks should have been identified and mitigating circumstances activated as part of the plans themselves and not independently as a consequence of the request from the Office of the Chief Secretary.
- 5.3.68** The main issues highlighted as a result of the contingency plans examined are detailed in paragraph 5.3.69. Some recommendations are also outlined on how the Government can establish and nurture an effective risk-based Business Continuity Planning culture in the public sector. As part of the Audit review, an action plan was submitted providing a generic roadmap on how the Government might establish risk-based business continuity planning across its organisations. This generic roadmap should aim to achieve the following four primary objectives:
- Objective 1 - Foster and promote a discipline of risk management across the public sector;
 - Objective 2 - Raise awareness, educate and train all public officers on business continuity planning and risk-based techniques;
 - Objective 3 - Determine resources and readiness for business continuity planning with the aim of achieving compliance with ISO 22301; and
 - Objective 4 - Organisation Specific: Departments, Authorities and Agencies should establish their formal, documented, risk-based business continuity plans.
- 5.3.69 Main Issues Identified** - The audit review of the contingency plans for business continuity in Government Departments and Statutory Authorities and Agencies identified the following key issues:
- (a) Reliance on Manual Systems is not Ideal - Reliance on manual systems to mitigate the impact of a prolonged disruption is not the most appropriate solution. Manual systems, although offering some temporary resilience are less efficient than their electronic online equivalents. Moreover, there is then the added problem of having to transpose all data recorded manually over the course of the disruption back in the relevant electronic system or application when it is restored.
 - (b) The Solutions Presented Are Suitable Only in the Short Term - Most of the solutions presented in the contingency plans examined can mitigate the effects of a disruption to the operations of a public sector operation effectively in the short term. This includes

the reliance on manual systems described above. However, effective and efficient contingency planning must encompass a strategic perspective that takes into consideration short, medium and long term effects that may impact upon operations, including service delivery.

- (c) Unclear Central Guidance - The guidance on contingency planning provided by the Office of the Chief Secretary in 2011 was unclear as to the structure of the plans to be submitted. It is imperative that the Government, perhaps through the Chief Secretary as Head of the Civil Service, take the lead in guiding and providing support and assistance to public sector entities in formulating proper Business Continuity Plans.
- (d) No Overall Government Strategy - There is a need for an overall contingency plan for the entire public service to which all individual Departmental, Authority and Agency plans should dovetail into. This should perhaps also be led centrally, by the Office of the Chief Secretary, and it would guarantee, albeit with operational differences, a consistent direction for all the public sector to ensure the continuity of operational critical functions.
- (e) Government Policy for Business Continuity Planning Should be All-Encompassing - Again, despite the time elapsed since the original requests from the Office of the Chief Secretary, there should have been a request to establish proper structured, and formulated, risk-based Business Continuity Plans covering all operational aspects and not just limited to power and/or IT failures.
- (f) Initial Emphasis Should be on Awareness and Training - Training should be provided to all staff tiers (from Senior Management down to operational frontline staff) on contingency planning and risk assessment. This would ensure the adoption, promotion and maintenance of proper Business Continuity Planning processes and procedures within individual Departments, Authorities and Agencies. Structured training both on risk-based management techniques and Business Continuity Planning would also raise awareness of the importance of having such plans in force.
- (g) Many Plans Reviewed were not in accordance with Best Practice Guidance and Established Standards - The plans and documentation reviewed, showed they did not follow best practice guidelines and recommendations for contingency planning and related processes. In order to ensure adherence to best practice for risk-based Business Continuity Planning it is recommended that departments should prepare and establish relevant plans and encompassing systems in accordance with established standards, namely the ISO 22301 standard on Business Continuity Management Systems. The review highlighted that the contingency plans submitted by departments in 2011, many of which were not subsequently updated, had:
 - No risk assessment/business impact analysis done;
 - No identification of key and critical departmental operations and processes;
 - No identification of key roles, responsibilities and key personnel; and
 - No testing and review regimes identified.
- (h) No Prominence Given to Risk-Based Contingency Plans - The format and detail of the contingency plans submitted in 2011 highlight the lack of prominence given to the formulation of the plans at the time. Business Continuity Planning is a top down endeavour; this is necessary to allow the importance of the planning undertaken and its related techniques and procedures to permeate all levels of the organisation concerned. The lack of importance given to the contingency planning exercise was also apparent in relation to the non-adherence by some Departments, Authorities and Agencies to the deadline given for the submission of the contingency plans requested.
- (i) Legislation Governing the Protection of National Information Systems Infrastructure (Part 7 of the Civil Contingencies Act 2007) - When it comes to the protection of Information Systems infrastructure, Part 7 of the Civil Contingencies Act 2007 (as is

the case in the UK with the Network and Information Systems Regulations 2018) outlines relevant legislative provisions to ensure the protection of critical national information systems infrastructure. It is recommended that priority be given to this, with a view of ensuring business continuity of Government information systems. One of the effects of the Covid-19 lockdown measures imposed by the Government in March 2020, in terms of the public sector, was that many Government services moved online within the space of approximately two weeks. Because of this, and the increased reliance on electronic systems, it is now essential to have the necessary contingencies in place to mitigate the impact of information technology failures on operational service delivery for the Government.

- (j) Risk Management and Risk Assessment - The review has highlighted the need for risk-based techniques and analysis to be incorporated throughout the public service and fully ingrained in its culture. Risk-based management is at the core of all effective contingency planning and disruption mitigation processes. It allows for a more efficient, effective, structured and informed analysis and dissection of all operational functions, not only in Business Continuity Planning, but in many other operational processes as well. It is recommended that all aspects of Risk Management be introduced and established across the public service, including the adoption of departmental risk registers. The Government should also consider supporting this with the necessary regulatory framework to reinforce its adoption as is the case with the Orange Book in the United Kingdom, which is a document for all the public sector published by the UK Government, providing guidance on the management of risk.
- (k) The Information Technology and Logistics Department (ITLD) and Digital Services' Prominence has now Increased Significantly - The audit review revealed that the role of the ITLD and Digital Services are central in ensuring business continuity and the delivery of service to the public. As a consequence of many public sector services and processes moving online, the ITLD, together with Digital Services, are now the custodians of many critical operations relating to the Government and the provision of public services. It is recommended that the Government examines and reviews the impact that this has had on the ITLD and Digital Services, and assesses the necessary resources to allow these departments to be fully capable of delivering the services required overall, and with respect to Disaster Recovery Planning, in order to properly mitigate prolonged disruptive impacts. It is further recommended that disaster recovery procedures, tied into the overall Business Continuity Plans, be tested regularly. Importantly, the Government must also guarantee that the ITLD are capable of fully complying with their requirements and tasks in accordance with Schedule 3 of the Civil Contingencies Act 2007. This is also a legal requirement for the Government, as it is the Minister for Civil Contingencies' responsibility to ensure that the ITLD has the necessary resources to allow it to carry out its statutory tasks as set out in Schedule 3 of the Civil Contingencies Act 2007. Section 39(3)(a) of the Act prescribes:
*"(3) The Minister must ensure that –
(a) the Gibraltar CSIRT has access to adequate resources with which to effectively carry out its tasks as set out in Schedule 3;"*
- (l) Cyber Resilience - With many Government services and applications now online, cyber resilience (apart from cybersecurity) also has to be considered a critical component of the public sector's contingency planning. Cyber resilience, in contrast to cyber security, is the ability to handle and recover from a prolonged disruption to everyday operations and services and accepting that IT disruption is inevitable. Following on from paragraph 5.3.69(i) above, it is recommended that the Government reviews and assesses its cyber resilience capability, in liaison with the ITLD and other relevant stakeholders, even more closely. This is due to the increasing online presence of Government services, such as for example, the eGov portal.
- (m) Senior Management's Role is Essential in IT Security and Resilience - Senior management must be involved at all levels when considering IT security and

resilience; it is not solely the domain of IT specialists and technicians. As mentioned previously, it is essential and recommended that coordination amongst all the interested parties be established. In terms of overall contingency planning, it is recommended that coordinating roles be established; like for example, the appointment of Departmental Business Continuity Directors, in addition to Business Continuity Managers and Business Continuity Executives (forums) to support them.

- 5.3.70** On 14 December 2022 I forwarded a copy of the audit review to the Chief Secretary, in his capacity as Head of the Civil Service, given that the initial request for the submission of business continuity plans by Gibraltar Government Departments and Statutory Authorities and Agencies had originated from the Office of the Chief Secretary; and the fact that any prolonged impacts to public services delivered Government-wide would come under the responsibility of the Chief Secretary. The Chief Secretary acknowledged receipt and undertook to review the issues raised.
- 5.3.71** On 21 June 2023, the Director for Strategic Development at No.6 Convent Place replied to me on behalf of the Chief Secretary. The Director for Strategic Development said it was important to highlight at the outset that it is acknowledged that having proper and effectively implemented business continuity plans will allow the Government Departments, Authorities and Agencies to protect the services offered, manage its communications, and get back up and running as quickly as possible thereby proactively managing and minimising potential losses and reputational damages to the Government. This will enable each Department, Authority and Agency to maintain its operations and avoid suffering detrimental consequences in the case of unplanned incidents interrupting its operations. The audit review highlights explicitly in paragraph 5.3.20 the significant consequences which could arise due to the failure of government departments to deliver their services. This is particularly concerning and emphasises the importance of having these measures in place.
- 5.3.72** The Director for Strategic Development stressed that it was essential to note the elapsed time between the first circular issued by the Office of the Chief Secretary in 2008 and 2011 and the date the Review was published (November 2022). He said it was pleasing to note that the contingency plans submitted during the course of the review in 2020 provide a slightly more positive change in the application of some departments' contingency plans compared to the examination of the contingency plans submitted in 2011. However, the fact that some departments had not updated their contingency plans since 2011 and 4 public sector entities do not have any contingency plans in place was particularly concerning.
- 5.3.73** The Director for Strategic Development agreed with the report that 'after the effects of the COVID-19 pandemic, it was now the perfect opportunity to revise and review the Government's contingency plans for disruption to its services.' It is acknowledged that revised business continuity plans and risk-based management techniques in many Government Departments, Authorities and Agencies are required and necessary. This will ensure maintenance of the Government's operations when unplanned incidents interrupt the ability to operate. Thus, after COVID-19, the Government now has the opportunity to reflect on the contingency measures put in place in the event of an emergency and evaluate what lessons it has learned and what measures could proactively be implemented to fully implement business continuity measures.
- 5.3.74** In his reply, the Director for Strategic Development further commented that Figure 95 lists a wide range of events that it is believed may disrupt any Government organisation. Although it is acknowledged that Government Departments, Authorities and Agencies face a range of events with inherent risks, their plans need not address an exhaustive list of possible risks, but the risks should be representative of what each entity may face. Instead, it would be more appropriate and feasible to build a set of flexible response components for handling each risk that can be mixed and matched to address expected and unexpected crises. For example:

- (a) a business continuity plan could be based on a worst-case scenario, which will then enable each department to scale down its reaction to a proportionate response, where appropriate.
- (b) Alternatively, each Department, Authority and Agency could tailor its business continuity plan with reference to its own risk analysis evaluating the impact of disruption on the services being provided. Risks could be assessed according to the likelihood that they will occur and the impacts they might have on the services being provided and the public.
- (c) Fundamentally, this plan should be reviewed annually to ensure that it remains fit for purpose and reflects changes that have taken since the last review or implementation.

5.3.75 The Director for Strategic Development added that although the audit review identifies that the Office of the Chief Secretary should have requested a Business Continuity Plan which covers all operational aspects and is not just limited to power and/or IT failures, the review should also acknowledge that this was one of the most prominent risk factors at the time, and at times continues to be, which was why this, in particular, was being requested. Government Departments, Agencies and Authorities are more likely to experience disruptions and impacts due to power outages and IT failures rather than for example Earthquakes and Landslides, thus it would be more suitable to ensure the Government has proper and robust contingency measures concerning disruptive events which are more likely to impact government entities. However, the Director for Strategic Development acknowledged that there should also be an overall contingency plan which accounts for worst-case scenarios and measures in place on what functions should be adopted if these occur. This will ensure government departments can account for any and every disruptive account to minimise the impact and reputational damages as much as possible. It should be noted that although in an ideal scenario there should have been documented general contingency plans of each department, there will always be unprecedented circumstances which will not be able to be accounted for. This was the case with the pandemic and closing of counters. Therefore, Government should ensure that departments implement contingency plans in accordance with the relevant standards to enable them to be able to mitigate and minimise all disruptive impacts as much as possible.

5.3.76 The Director for Strategic Development said that after careful observation of the details and findings of the audit review and the accompanying action plan, he suggested that the Office of the Chief Secretary, the Director of Civil Contingencies and the Human Resources Management organise a meeting to discuss the next steps and how best to approach the implementation of an effective risk-based Business Continuity Plan to mitigate the effects of prolonged disruptive impacts. These meetings will also include the Director of the Information Technology and Logistics Department ("ITLD") and Digital Services due to the recent technological advances that have resulted in many public sector services and processes moving to online platforms. He further suggested that it might be an idea to use the services of professionals at a later stage that could assist the Government to prepare ISO standard contingency plans. Indeed, as highlighted in the review, many Government services have moved online, and there is an increased reliance on electronic systems; therefore, priority has been given to the ITLD and Digital Services. The Director for Strategic Development said the ITLD is currently a fully resourced department, it uses the latest cybersecurity technology and has also recently completed an assessment with the UK Home Office to further improve the Government's IT security landscape. The ITLD is also utilising the services of external organisations which are performing penetration tests (Pen-test) to identify weaknesses within the systems and mitigate against them. Recently, the Government embarked on a data protection exercise involving all departments. This, therefore, provides the Government with the opportunity to ensure the protection of critical national information systems infrastructure as per Part 7 of the Civil Contingencies Act 2008 and proves the ITLD has the necessary resilience measures in place to mitigate the impact of information technology failures on operational service

delivery for the Government as per the concerns raised in paragraph 5.3.69(i). However, the Director for Strategic Development pointed out that even the US Government, multinational corporations and major banks are under constant threat of attacks and at times there are failures in the system. Consequently, a consistent and continuous review of the Government information systems must be implemented to mitigate any disruptive impacts as far as possible. It is not a question of 'if' but 'when' it comes to cyber-attacks.

- 5.3.77** The Director for Strategic Development understood that the full support of Government, Heads of Departments, CEOs, and Senior management was essential for the effectiveness of Business Continuity Plans and to provide the necessary direction and prominence. Thus, to ensure full support is obtained from the outset, a Government Circular explaining the importance of having effective business continuity plans must be re-issued to all Heads of Departments. It is essential that all Heads of Department ensure to produce a new plan and send it to the Office of the Chief Secretary, the Director of Civil Contingencies and Human Resources Management, who will liaise to review the plans and ensure adequate measures are in place. Due to the lack of prominence by Heads of Departments as highlighted in the audit review, it is important to stipulate a non-negotiable deadline which must be adhered to with consequences attached for those who do not conform with the instructions. Furthermore, the Office of the Chief Secretary was planning a Head of Department Forum where it could highlight the need for efficient business continuity plans and stress the importance of implementing these measures.
- 5.3.78** The Director for Strategic Development pointed out that although the audit review highlighted a lack of prominence from the Heads of Department of certain departments, agencies and authorities, it should be noted that many of them did not comply with this due to not having sufficient guidance and knowledge as to what was being asked of them. Therefore, he suggested that a brief set of guidelines be drafted stipulating the scope, aims and objectives of having a Business Continuity Plan and what the plans should address. He noted that many of the Heads of Departments in 2008 and 2011 would now be retired, and a suitable handover might not have occurred. Therefore, instead of reviving the historic business continuity plan, it might be worthwhile to start anew. Especially considering the fact that the 2020 report mainly focused on a pre-pandemic scenario as it was conducted a month prior to COVID-19 (17 February 2020) and since then departments have become more knowledgeable and aware of the significance of being prepared for the unexpected.
- 5.3.79** The Director for Strategic Development said it was essential that the Government adopts brief, albeit clear, and appropriately detailed guidelines and/or checklists as to what is expected from government departments, agencies and authorities in relation to their contingency plans and measures which must be implemented. These should not be exhaustive but rather flexible so that each department can adopt these whilst tailoring their approach concerning their heightened risk factors.
- 5.3.80** The Director for Strategic Development added that in paragraph 5.3.69(g) it states that 'many plans reviewed were not in accordance with Best Practice Guidance and Established Standards'. To comply with these standards, it must be ensured that when outlining the guidelines and/or checklists for adequate Business Continuity Plans expected from government departments, agencies and authorities this follows the Best Practice Guidance and the international business continuity standard ISO 22301. This will ensure the Business Continuity Plans implemented and established will protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from all disruptive incidents. An appropriate Best Practice Guidance in accordance with the relevant ISO 22301 standards is key to success. Therefore, due to the importance of this exercise, he suggested it might be prudent to engage professionals in preparing the guidance notes.
- 5.3.81** In determining the next steps, the Director for Strategic Development said the Government recognises the financial effects the pandemic has had on the economy. Gibraltar PLC is not in a position to take further risks due to not being suitably prepared, and therefore it is

paramount that protective measures are in place to avoid additional stress to the economy. Managing and implementing a professional business Continuity Plan across all public-sector departments, agencies and authorities is more critical than ever before, especially in light of my comments that a disruption to the entire Government operations due to any number of events can cost the Government or delay revenue by approximately £1.85 million per day, or £13.02 million per week.

- 5.3.82** The Director for Strategic Development concluded saying that alike the ongoing Brexit Meetings and the possibility of a Non-Negotiated Outcome (“NNO”) that is organised by the Civil Contingency team, it is right and proper that the same approach is used and importance given, so that the Government is proactive rather than reactive. He suggested to meet up and discuss in an open and constructive manner how best to prepare and deliver suitable contingency plans for Business Continuity in Government departments, statutory authorities and agencies that will be relevant for the next 5-10 years and most importantly will be a live document that is continually edited and updated.
- 5.3.83** On 3 July 2023, I replied to the Director of Strategic Development, informing him that I had taken good note of his views on the findings of the audit review, and in paragraphs 5.3.84 to 5.3.90 I reproduce my further comments to his response.
- 5.3.84** I told the Director of Strategic Development that his assertion that Business Continuity Plans 'need not address an exhaustive list of possible risks' was perhaps questionable, as the effects of the COVID-19 pandemic can attest, i.e. this was a 'black swan' event with an overreaching extreme impact, that prior to the pandemic would in all probability not have been included as a possible risk in any departmental Business Continuity Plan. This is why, in my view, Business Continuity Plans by their very nature should be as comprehensive as possible. However, as a starting point it may be feasible to start with a risk analysis of the more immediate threats that a particular Government entity could potentially encounter and then move on from there.
- 5.3.85** I agreed with the Director of Strategic Development in that power failure was, and continues to be, a prominent risk factor with a higher likelihood of impacting a government department than a natural disaster. This was confirmed by the Deputy Director, ITLD who stated that it was the biggest risk facing service disruption with no mitigating controls, see last bullet point in paragraph 5.3.60. Nevertheless, since 2008 the Government has not addressed, or partly addressed this risk. If proper and structured contingency planning had been conducted at the time this should have been identified and mitigating risk control should have been established - like for example the use of backup power generators for Government offices. I told the Director of Strategic Development that the whole purpose of a Business Continuity Plan is to avoid as much as possible dealing with 'unprecedented circumstances' - this is done through risk management and risk analysis. The suggestion of a meeting with all stakeholders was a good and positive initiative. The suggested forum must have the objective of formulating a process by which risk management and risk analysis will be implemented and form an integral part of decision-making in the public service. I suggested to the Director of Strategic Development that the initial step should be to address the proposed Action Plan contained in the audit review document. This would start the ball rolling in terms of how to tackle the major issues highlighted. The use of professionals to work towards the achievement of ISO standards would certainly ensure the implementation of properly structured Business Continuity Plans. I agreed with the Director of Strategic Development that it might be beneficial to have a brief overview of the assessment conducted by the UK Home Office, as well as the penetration tests conducted by external contractors.
- 5.3.86** I pointed out to the Director of Strategic Development that his statement that, 'the ITLD is currently a fully resourced department' stands in sharp contrast to the audit findings as reported in the review, and detailed in paragraph 5.3.63, where I state that at the time of the review, the Director and the Deputy Director of the ITLD had confirmed that the ITLD could

not fulfil its statutory obligations under the Civil Contingencies Act 2007 ("the Act") due to resourcing limitations. It may be the case that since the issue of my report last year, the ITLD has now been fully resourced. If this is indeed the case, the ITLD, as the statutory CSIRT (Computer Security Incidence Response Team) for Gibraltar, must fully comply with the requirements of section 39 of the Act. The need for the Gibraltar CSIRT to have access to adequate resources cannot be underestimated, and is an important statutory obligation to be complied by the Minister responsible for Civil Contingencies. I further said to the Director of Strategic Development that although he had stated that the ITLD had the necessary resilience measures in place to mitigate the impact of information technology failures on operational service delivery for the Government, he did not address fully the need for the ITLD to strictly meet its obligations under the law. In terms of the requirements of Schedule 3 pursuant to section 39 of the Act, I am of the view that the ITLD should perform a risk assessment/evaluation of how well their department presently stands with a view of complying with their statutory requirements as per Schedule 3 of the Act.

5.3.87 I continued saying to the Director of Strategic Development that the proposed issue of a circular to all government departments must certainly be accompanied by adequate guidance, as many Heads of Department and CEOs have a limited grasp of the concepts and requirements behind structured risk-analysis, risk-management and business continuity planning.

5.3.88 In my communication with the Director of Strategic Development, I highlighted that, as he was aware, one of the findings of the audit review was that the Government had not supplied clear guidance to departments on how to properly arrange a Business Continuity Plan, see paragraph 5.3.69(c). Guidance should be as comprehensive as possible to eliminate any uncertainty in respect of formulating the plans and to give the relevant parties the confidence to do so; departments should still have the flexibility to deal with their own particular departmental needs when faced with a prolonged business disruption and respective risk environments.

5.3.89 I agreed with the Director of Strategic Development in that ISO 22301 standards should be applied when preparing the Best Practice Guidance for Business Continuity Plans to be issued out to departments. In this way, when departments formulate their plans these are in adherence to the highest industry standards. In any event, achievement of an internationally recognised standard practice, such as ISO 22301, should be viewed as the end of an evolutionary, or gradual development process. The progression to achieve this standard should adopt an iterative/incremental approach with alignment to the core requirements as much as possible. As the Director of Strategic Development was aware, the plans as submitted in 2011 did not have the correct structure, as highlighted in the bullet points at the end of paragraph 5.3.69(g). Consequently, as a starting point, and for guidance, the Business Continuity Plans must, at the very least, adhere to the 4 basic requirements as recommended by best practice guidance and established standards, that is:

- (a) a risk assessment/business impact analysis being conducted;
- (b) identification of key and critical departmental operations and processes;
- (c) identification of key roles, responsibilities and key personnel; and,
- (d) identification of testing and review regimes.

5.3.90 As already communicated to the Director of Strategic Development, I welcomed the idea to meet and discuss the way forward, as he had suggested. However, as I had previously said, this would be to provide guidance and advice on final courses of action, but not to be part of the actual decision-making process, evidently because of my independence as Principal Auditor. Nevertheless, I strongly recommended to the Director of Strategic Development that he first provide me with the completed action plan contained in the audit review document. In this way there is a formal record as to whether he agreed, or otherwise, with the audit observations raised in the review. The Director of Strategic Development thanked me for my further comments and said he would be reviewing these and reverting accordingly.

5.4 A review of the Procurement Procedures for the Provision of Health Care for the Elderly in Gibraltar

5.4.1 Background - Over a period of three years ranging from 2015 to 2018, the Gibraltar Health Authority (“GHA”) and the Care Agency undertook a process of outsourcing its provision of health care for the elderly. This provision of healthcare is provided over three different sites – two residential facilities and a day centre. These are the Hillside Dementia Residential Centre (“Hillsides”), the John Mackintosh Wing of the old St Bernard’s Hospital (“JMW”) and the Bella Vista Dementia Day Centre (“Bella Vista”). The initial tender issued by the GHA was for the provision of health workers, both carers and registered nurses. All three tenders were awarded to MedDoc Ltd (“MedDoc”).

5.4.2 The Government of Gibraltar’s own local procurement tender rules and regulations and equally (at the time of the review) those of the European Union (“EU”) are to ensure that the most is made of public money through procuring services by means of open and fair competition. The role of the Government’s Procurement Office (“Procurement Office”) is to ensure that the procurement of public services and goods comply with all local and (at the time) European Union procurement legal requirements and to obtain value for money. The objective of the audit study was therefore to review the procurement processes followed by the GHA in meeting the Government’s and EU’s procurement standards and determine if the correct procedures in the procurement process had been undertaken. The scope of the review did not include a focus on the delivery of the service provided. Information in relation to this audit study was requested in November 2017, and the review commenced in late 2018, but because of the enormous difficulties in obtaining information the review was finalised in March 2019.

5.4.3 Key Findings - The process of procuring the successful contractor for the provision of health care for the elderly was not coordinated through the Procurement Office, but by the GHA for Bella Vista and JMW; and the Care Agency in the case of Hillsides. In deciding not to tender through the Procurement Office, the GHA lost the opportunity to acquire key knowledge and expertise in the field of public procurement.

5.4.4 Although regulation 42(1) of the Procurement (Public Sector Contracts) Regulations 2016 provides that, ‘*The technical specifications [of a contract] as defined in regulation 2, must be set out in the procurement documents, and the technical specifications must lay down the characteristics required of works, services or supplies.*’ the only procurement document setting out detailed technical specifications that was provided to the Gibraltar Audit Office was the procurement document for the tender of the Bella Vista site. No such procurement documents were provided for either Hillsides or JMW.

5.4.5 Furthermore, even though regulations 49 to 51 of the Procurement (Public Sector Contracts) Regulations 2016 prescribe the manner and time frame in which contract notices must be published, in a meeting held on 25 February 2019 with the Senior Executive Officer at the Ministry of Health, the audit examiner was informed that such contract notices had not been published.

5.4.6 The value of the contracts awarded, in all three cases, was higher than the Gibraltar Government Tender threshold requirements for the provision of supplies and services which stood at £181,302 in January 2018. As regards the EU tender thresholds, procurement processes for social and other specific services had a different threshold and requirements, as per EU Directive 2014/24/EU. The EU threshold was set (at the time) at €750,000. Hence, the value of the three contracts awarded were also higher than the EU tender threshold requirements for the provision of social and other specific services.

5.4.7 The provision for social and other specific services, which is covered both under EU Procurement Regulations and regulation 74 of the Procurement (Public Sector Contracts) Regulations 2016, stipulates that even though there is no need to comply with the full tender requirements, there are however certain procedures which must be adhered to. This would

have required the GHA, when seeking interest from suppliers, to publish a notice that contained a description on the types of contracts' services, indicating that the contracts would be awarded without further publication and inviting interested economic operators to express their interest in writing.

- 5.4.8** No documentation or evidence was provided to the Gibraltar Audit Office to demonstrate that the requirements under the Procurement (Public Sector Contracts) Regulations 2016 had been complied with in any of the three cases. This was confirmed by the Senior Executive Officer of the Ministry of Health in the meeting of 25 February 2019.
- 5.4.9** Notwithstanding the requirement for Government agencies, authorities and departments (at the time) to adhere to EU tender procedures, provided they are captured by the provisions of the relevant regulations of the Procurement (Public Sector Contracts) Regulations 2016, which prescribes the criteria for the classification of a Contracting Authority in addition to local tender procedures, there was no evidence to suggest that the EU Tender procedures were adhered to.
- 5.4.10** As can be seen in Figure 112, the contracts awarded by the GHA and the Care Agency for all three healthcare facilities for the elderly were higher than the thresholds for public service contracts for social and other specific services.

Figure 112

| | |
|--|-----------------|
| Gibraltar Government Tender Threshold | £181,302 |
| EU Tender Threshold | €750,000 |

Value of Contracts Awarded:

1. Hillsides
 - MedDoc Bid £2,210,381 ✓ Awarded
2. Bella Vista
 - MedDoc Bid £1,425,558 ✓ Awarded
3. John Mackintosh Wing
 - MedDoc Bid £1,205,328 ✓ Awarded

- 5.4.11 Documentation Provided to Audit** - The Gibraltar Audit Office had been requesting information in regard to the tender process and tender submissions since November 2017. No formal written record of the stages of the internal tender procedures were made available to the audit examiner, and a number of documents relating to the tender process were never provided.
- 5.4.12** There are no signed formal contracts in place for any of the three healthcare tenders awarded. The Senior Executive Officer at the Ministry of Health informed the audit examiner that the tender submissions in themselves, constituted a contract offer, and that upon the GHA accepting and awarding the tenders, the tender submissions became legally and contractually binding. I must say that such informal contractual agreements put at risk the continuation of vital care services to elderly and vulnerable citizens, as the supplier –without a termination clause in the contract– could be able to terminate the contract without sufficient notice to enable the GHA to put in place alternative care provision.
- 5.4.13 Hillsides** - The closing date for the submission of tenders for the running of the Hillsides facility was 22 June 2015. However, after the closing date there was still correspondence between a senior official of the GHA and one of the tenderers – Grand Home Care Ltd ("Grand Home Care") in relation to the tender bid. From an e-mail dated 10 August 2015, it would appear that the original tender documentation produced by the bidding company was not detailed enough in terms of the services required by the Care Agency and the number

not detailed enough in terms of the services required by the Care Agency and the number of staff required. In this correspondence the senior GHA official refers to a meeting the previous Friday 7 August 2015, and she lists the numbers of staff required to man the unit. This level of detail should have been included at the initial stage of the tender when the preliminary tender document was prepared, where the information would have been presented to the potential providers of the service at the beginning of the process before the submission of the bids. The failure to draft an accurate specification in line with the service required can lead to unwanted consequences when the tender is awarded.

5.4.14 Two weeks after the original closing date for the submission of tenders, the requirements of the tender were changed. The change consisted in that providers were now expected to provide consumable items required for the running of the service, and additionally be responsible for the telephone and water bills. Best practice prescribes that when changing the requirements of a tender prior to awarding it, the contracting authority should ask itself:

- (i) Would a provider who elected not to submit a tender or expression of interest have been interested in this procurement, had this change been in place from the start? If the answer to this is yes, the contracting authority should most likely have to start the tendering process all over again; and
- (ii) Would a provider excluded from the process by the contracting authority (for example, at pre-qualification) have passed the relevant stage had this change been in place at the time? If the answer is yes, it might have been necessary to restart the procurement, or at least "un-pick" it back to the relevant stage.

If the answer to both questions is no, the contracting authority might be able to make the change and carry on with the procurement process, however, specific legal advice should be sought as there might be a risk of a challenge to the procurement process.

No evidence was provided to the Gibraltar Audit Office that legal advice was sought prior to the change in specifications or the rationale for making said changes to the tender.

5.4.15 The only correspondence supplied to the Gibraltar Audit Office in connection with the Hillsides tender, other than a letter from the GHA to MedDoc dated 8 February 2017, informing the company that they were the preferred supplier, is between the GHA and Grand Home Care. In fact, the sole tender submission supplied to the audit examiner is the one by Grand Home Care. I therefore cannot obtain any assurance that the most competitive bid was the one selected.

5.4.16 Although Grand Home Care were originally awarded the contract, the contract was subsequently removed from them and re-awarded to MedDoc. On questioning the reason(s) for this decision, the Senior Executive Officer from the Ministry of Health verbally informed the audit examiner that the contract was removed from Grand Home Care because they owed the Government arrears in Income Tax and Social Insurance Contributions. This may imply that a new procurement process should have been held in order to select the preferred service provider, once the offer to Grand Home Care had been withdrawn.

5.4.17 The GHA was unable to provide any documentary evidence to support the level of arrears owed by Grand Home Care to the Government, or formal minutes documenting the management decision taken to remove the offer of the tender from Grand Home Care, due to the arrears owing to the Government, and instead awarding the tender to MedDoc. On account of this, the Central Arrears Unit was contacted in November 2018, with a view of obtaining confirmation on possible government arrears owing, or that had been owed, by Grand Home Care. The Head of the Central Arrears Unit confirmed in November 2018 that the company did not have any current Income Tax and Social Insurance Contributions arrears. However, the Head of the Central Arrears Unit explained that the Tax application system is a live system and as such it is not possible to verify if there were any arrears owing by an entity other than as at the actual day when the enquiry is made. In other words, the system does not allow the user to verify the tax position on a past date. In the absence of

documentation from the GHA, as contracting authority, in support of the decision taken, I have no assurance that Grand Home Care did have at the time arrears of revenue owing to the Government when the offer of the tender was withdrawn from them.

5.4.18 Bella Vista - In 2016 the GHA produced a detailed document inviting expressions of interest for the running of the Bella Vista Dementia Day Centre for a period of two years. This document provided detailed instructions on the application process, the terms of the contract, the job descriptions of the staff required and the pricing schedule. The closing date for applications was 15 September 2016. On 3 January 2017, the GHA informed MedDoc that their tender offer of £1,425,558 had been successful.

5.4.19 The only complete tender submission supplied to the audit examiner was the one by ADA Company Ltd ("ADA"). I cannot therefore obtain any assurance that the most competitive bid was the one selected by the GHA. In the documentation provided to the Gibraltar Audit Office there were three different figures in the (incomplete) submission by MedDoc, namely £1,591,743, £1,623,575 and £1,425,558.

5.4.20 A worksheet provided to the Gibraltar Audit Office, which compared the submissions by the different bidding companies, i.e. ADA, AURA Care and Health Ltd ("AURA") and MedDoc disclosed that the MedDoc bid was £1,623,575 which is comprised of the £1,591,743 bid mentioned in paragraph 5.4.19, plus 2% in respect of insurance cover, i.e. £1,623,575. It is therefore not clear where the figure of £1,425,558 also mentioned in paragraph 5.4.19, and which is the amount for which the tender was awarded to MedDoc came from.

5.4.21 A number of variations were made on the original contract, resulting in a net increment to the contract of £931,034. This contravenes the provisions of regulation 72(1)(e) of the Procurement (Public Sector Contracts) Regulations 2016, which states, *'Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases-*

(e) where the modifications, irrespective of their value, are not substantial within the meaning of subregulation (7).'

Subregulation 72(7) goes on to define 'substantial' as follows:

"(7) A modification of a contract or a framework agreement during its term must be considered substantial for the purposes of subregulation (1)(e) where one or more of the following conditions is met-

(a) the modification renders the contract or the framework agreement materially different in character from the one initially concluded;

(b) the modification introduces conditions which, had they been part of the initial procurement procedure, would have-

(i) allowed for the admission of other candidates than those initially selected;

(ii) allowed for the acceptance of a tender other than that originally accepted; or

(iii) attracted additional participants in the procurement procedure;

(c) the modification changes the economic balance of the contract or the framework agreement in favour of the contractor in a manner which was not provided for in the initial contract or framework agreement;

(d) the modification extends the scope of the contract or framework agreement considerably;

(e) a new contractor replaces the one to which the contracting authority had initially awarded the contract in cases other than those provided for in subregulation (1)(d)."

5.4.22 The majority of the variations to this tender, which consisted of the acquisition of two new vehicles and the addition of extra staff (namely, Administrative Clerk, Dementia Centre

Manager, Dementia Centre Deputy Manager, Nursing Co-ordinator, Labourer/Handyman, Domestic/Cleaners, Physiotherapist, Occupational Therapist, Speech and Language Therapist, Psychologist, Day Care Receptionist and Registered General Nurses) for the duration of the contract, and also reducing the number of Care Assistants by three, were materially different to the original specifications which only required the provision of registered nurses and care assistants. These extra requirements evidently extend the scope of the contract considerably as defined in subregulation 72(7)(d) of the Procurement (Public Sector Contracts) Regulations 2016, thus making them substantial and therefore in my opinion, a new procurement tender should have been undertaken.

- 5.4.23** Furthermore, the audit examiner was informed by the Senior Executive Officer at the Ministry of Health in November 2018 and again in February 2019 that the Government intended to fully outsource the running of the facilities in all of the three sites, rather than just the provision of health workers. Under this new arrangement, MedDoc would be responsible for providing all consumables, be they healthcare related, cleaning materials or catering provisions. To this end, the GHA were already in negotiations with MedDoc and had assigned a lawyer to draft contracts to reflect the full out-sourcing of each facility.
- 5.4.24** If the Government intended to fully outsource the running of the facilities then, pursuant to regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016, all three contracts should have been re-tendered. Separate legal advice should have been sought to ascertain whether the provisions of regulation 74 of the Procurement (Public Sector Contracts) Regulations 2016, which pertains to social and other specific services, applied fully since many of the services offered would not have been of a health, social and related nature as per Annex XIV of the Public Sector Directive.
- 5.4.25** **John Mackintosh Wing** - No detailed tender document by the contracting authority was provided to the Gibraltar Audit Office for this project, the only document which was made available by the GHA is an e-mail from the Senior Executive Officer at the Ministry of Health to Grand Home Care, dated 23 January 2018, which stated that the facility would cater for 56 elderly residents over three floors and that the minimum staffing levels and skill mix should be commensurate with UK guidelines for similar facilities. There is no mention of how long the contract would be for. This e-mail further stated that the closing date for the submission of applications would be 30 January 2018.
- 5.4.26** There were 4 companies who bid for this tender comprising a total of 13 offers. The submissions for this tender provided to the audit examiner by the GHA were those of AURA, Grand Home Care and MedDoc; the submission by Rainbow Ltd was not provided to the Gibraltar Audit Office. The only information that I obtained on the Rainbow Ltd submission is that contained in a worksheet that summarises all the proposed bids provided by the GHA. It should be noted that neither the submission from MedDoc nor the one from Grand Home Care were dated.
- 5.4.27** The submission by MedDoc includes 5 different proposals with different staff numbers and staff ratios. The bid that was eventually selected was the highest bid that MedDoc had submitted for £1,205,328 per annum. The original submission by AURA was sent on 1 February 2018, after the closing date. This bid was for £999,775. There was no information on the skill mix of the staff or how many staff members would be on duty at any given time. When asked for clarification, AURA sent an e-mail to the Senior Executive Officer at the Ministry of Health on 2 February 2018 with two different quotes, one for £1,506,183 and one for £1,846,272, both substantially higher than the original quote of £999,775.
- 5.4.28** There was correspondence between the GHA and Grand Home Care on 7 February 2018, a week after the deadline day for the submission of bids, with the Senior Executive Officer at the Ministry of Health advising Grand Home Care that they would need to apply a 12.5% reduction on their final offer of £1,388,016, and that their final bid should be £1,214,514. Given that this correspondence occurred after the closing date for submissions, it could be

assumed that, by this point the GHA would have known what the other tender submissions were, although the tender submission from MedDoc is undated. When questioned why Grand Home Care had been asked to lower their bid, the Senior Executive Officer at the Ministry of Health explained that he was just bringing to the attention of Grand Home Care an apparent error in their submission.

5.4.29 The GHA provided a worksheet which shows the MedDoc bid of £1,205,328 per annum for floors 1, 2 and 3. This worksheet then lists additional services of £558,418, made up of £90,990 for an additional carer and £467,428 for unspecified additional services. There is no information on when these additional services were requested, what they are, or when they were agreed.

5.4.30 **Conclusion** - From the limited documentation provided to the audit examiner and the information provided at the meeting held with the Senior Executive Officer at the Ministry of Health, it is evident that the applicable provisions of the Procurement (Public Sector Contracts) Regulations 2016 have not been adhered to from the beginning to the end of the process. The specific legal provisions which have not been complied with, relate to:

- The technical specifications and procurement documents for the services required (regulation 42(1));
- The publication of contract notices (regulations 49 to 51);
- The threshold requirements and procedures for social and other specific services (regulation 74); and
- The requirements when there is a variation in a contract (regulations 72(1)(e) and 72(7)(d).

5.4.31 There were variations in service for both Bella Vista and JMW. Under regulation 72 of the Procurement (Public Sector Contracts) Regulations 2016, both these contracts should have been re-tendered. In the case of Hillside, after Grand Home Care had been chosen as the preferred bidder, the offer was withdrawn from them and the contract awarded to MedDoc. European case law at the time suggests that this contract should have been re-tendered as well.

5.4.32 There was no complete written documentation of the tender process provided to the Gibraltar Audit Office in any of the three tenders. Examples of important documentation which was not supplied for audit examination includes:

- A tender document with detailed specifications in the case of Hillside and JMW;
- The level of arrears owed by Grand Home Care to Government considering that this aspect was the basis of the decision to withdraw the offer of a contract from Grand Home Care and instead award it to MedDoc;
- All the different tender bids received in all three tenders. In the case of Hillside, only the proposal of Grand Home Care was provided. For Bella Vista, the only complete tender bid received was that of ADA. In the case of JMW, of the four bids received only three bids were provided to the Gibraltar Audit Office;
- Minutes of the board meetings held in order to assess the bids and select the successful service providers. Such minutes were only received in the case of Hillside.

5.4.33 The documentation provided to the Gibraltar Audit Office is also unclear and somewhat misleading in terms of the tender bid amounts submitted. For example, in the case of Bella Vista, two different figures in respect of the same bid by MedDoc were noted within the documentation provided; one of the figures obtained from a worksheet provided by the GHA summarising the tender submissions was different to the actual figure in the tender submission. In the case of JMW, there is a mention of additional services in a worksheet provided, but there is no explanation as to what these additional services consisted of.

- 5.4.34** I must stress the important requirement that the GHA, as contracting authority, should have abided by, in terms of keeping all the documentation relating to the procurement tender selection process (i.e. original submissions by the tenderers and the selection board's management decisions) for two primary reasons. Firstly, because the detailed documentation provides transparency and an assurance that the correct decision has been taken in the public interest. Secondly, it affords the contracting party protection in the event of a possible dispute arising, and a losing bidder deciding to pursue legal action. In the absence of official tender documentation, I am unable to conclude that the contracts for the provision of healthcare services for the elderly in the three sites were awarded to the best tender submission bids in all three cases.
- 5.4.35** In the documentation provided, there is evidence of submissions accepted after the closing dates, and of correspondence between the GHA and different bidders discussing tender bids after the closing date. Although, in law there are regulations for the administration of a tender procedure, best practice should always be followed. By making use of the expertise of the Government Procurement Office, and following best practice such occurrences could have been avoided.
- 5.2.36 Recommendations** - The GHA must ensure that all Gibraltar procurement regulations and procedures are strictly adhered to. This includes the publication of all required notices, both the initial advertisement of the tender notice and the announcement of the successful tender bids.
- 5.4.37** The Government, its agencies and authorities must strive to maximise the use of their resources in terms of knowledge, expertise and logistics, and employ or obtain advice from the Government Procurement Office whenever undergoing a procurement process.
- 5.4.38** All the different stages of the procurement process must be documented, whether electronically or manually, in order to: (i) promote good corporate governance in terms of transparency of the selection process; (ii) be accountable for the selection process; and (iii) be able to justify the tender selection outcome. This is particularly important if decisions are challenged either administratively, or even through the Courts of Law.
- 5.4.39** On 14 December 2023, I forwarded a copy of the audit study to the Director General of the Gibraltar Health Authority. However, given the imminent submission of this report to Parliament, I recognise that the Director General would not have the necessary time to review the contents of the report in detail and provide me with his views and comments before I finalised my report. I will therefore be providing the Director General's comments in my report to Parliament for the financial year 2018-19.

5.5 Inadequacies in Procurement, Governance and Financial Management in connection with the renovation works in an abandoned tunnel under the Europa Point Sports Hall

Executive Summary

- 5.5.1** An audit review was conducted on the government-funded capital project undertaken by Construction and Maintenance Ltd, commissioned by the Minister for Housing, Employment, Youth and Sport¹. The project, involving the renovation of an abandoned tunnel near Europa Point, incurred a cost of £248,086. Government officials informed the audit examiner that the project's purpose was to enhance facilities for the Island Games 2019. The audit examined adherence to tender regulations, payment verification, project documentation, planning, project management, invoice alignment, project completion validation, and accountability and transparency in governance. The audit revealed

¹ For ease of reference, the name of the Ministry of Housing, Employment, Youth and Sport has been consistently kept throughout the review even though at times the title of the Ministry changed during the period of 5 years covered by this review.

significant irregularities and lack of oversight, raising concerns about procurement fairness, financial propriety and value for money.

5.5.2 The following are the salient key findings of the audit review:

5.5.3 Adherence to Tender Regulations - The project, initially quoted at £85,430, did not pass through proper government procurement tender procedures despite exceeding local tender thresholds. The reasons cited for non-competitive procurement were highly questionable, indicating a lack of fairness, competitiveness and transparency.

5.5.4 Verification of Payments - The contracted company, Construction and Maintenance Ltd, was overpaid by £44,285 due to duplicated invoices and lack of proper scrutiny. Invoices lacked supporting technical endorsement in the form of interim certificates confirming the completion of the staged project works, leading to erroneous payments and highlighting a failure in financial controls.

5.5.5 Examination of Project Documentation - Crucial project documentation, such as a detailed schedule of works and estimated project cost, was not provided, hindering effective assessment of project planning and management.

5.5.6 Evaluation of Planning and Project Management - The project lacked clear planning and budgeting. The absence of project documentation raised concerns about transparency and accountability, potentially leading to cost overruns.

5.5.7 Alignment of Invoices with a Contracted Schedule of Works - There was no formal contract governing the project between the Ministry of Housing, Employment, Youth, and Sport or the Gibraltar Sports and Leisure Authority ("GSLA") and Construction and Maintenance Ltd. This did not allow the audit examiner to agree invoices to a contracted schedule of works. The absence of a contract specifying a schedule of works undermines the two parties' responsibilities and obligations and could have placed the Government in a precarious position if the contracted company had failed to undertake part or some of its responsibilities.

5.5.8 Validation of Project Completion and Value for Money Assessment - There was no independent technical team overseeing the project neither whilst the project was actively in progress nor on conclusion of the works. There is therefore no evidence to confirm that the contracted project was successfully completed or that the works carried out by Construction and Maintenance Ltd aligns with the description on the invoices. In the absence of this information it was not possible to determine whether the government obtained value for money in this capital project.

5.5.9 Lack of Accountability, Governance and Transparency - The cost of the project was charged to the Improvement and Development Fund under the subhead 'Island Games', the Controlling Officer being the Chief Executive Officer of the Gibraltar Sports and Leisure Authority ("GSLA CEO"). However, the GSLA CEO had no involvement in the project, leading to an absence of departmental controls, with even the GSLA CEO's refusal to certify invoices for payment resulting in payments being made without proper verification. A significant lack of accountability was evident as neither the GSLA, the Ministry of Housing, Employment, Youth and Sport, nor the Office of the Chief Minister –who were authorising the invoices– took responsibility for contractor oversight, invoice scrutiny, or project completion. Furthermore, certain responsibilities of Controlling Officers, outlined in the draft Ministerial Code, were not fulfilled nor were there concerns raised with the Financial Secretary and the Principal Auditor. Transparency was lacking, with officials from the relevant departments being unable to provide the necessary information to the audit examiner.

- 5.5.10** In conclusion, the audit review underscores critical gaps in applying procurement procedures, payment verification, planning, oversight and transparency. In addition to governance and financial management control failures within the GSLA and the relevant ministries. Addressing these issues is paramount to ensuring efficient utilisation of public funds, fair procurement processes and successful project outcomes. Immediate action is recommended to rectify the identified shortcomings, strengthen governance and uphold the principles of accountability and transparency in government projects.

Introduction

- 5.5.11 Background to the Review** - This audit review sought to evaluate the expenditure made by the GSLA in relation to the renovation of an abandoned tunnel near Europa Point. The project, contracted to Construction and Maintenance Ltd costing a total of £248,086, spanned six financial years, from July 2017 to July 2022.
- 5.5.12** The initial scope of the audit was to verify a payment made to a contractor for works that exceeded local tender thresholds. However, as the investigation into the payment progressed, additional payments and anomalies related to the invoices were discovered, leading to the expansion of the audit scope.
- 5.5.13** In light of the findings, it was deemed necessary to extend the audit scope. A comprehensive assessment of the entire project's financial transactions and processes was conducted. The aim was to ensure governance, transparency and accountability in the utilisation of public funds.
- 5.5.14 Scope** - The scope of the audit review encompassed the following aspects:
- Assessment of Adherence to Tender Regulations: Verification of compliance with local procurement and tender regulations in the awarding of contracts.
 - Verification and Approval of Payments: Confirmation that payments made to the contractor aligned with the agreed invoices and were approved and certified correct.
 - Examination of Project Documentation: Determination of the existence of a comprehensive schedule of works, including the agreed total cost of the project.
 - Evaluation of Planning and Project Management Methods: Assessment of the application of effective planning and project management methods throughout the project duration.
 - Alignment of Invoices with a Contracted Schedule of Works: Confirmation that the invoices submitted by the contractor aligned with a documented schedule of works.
 - Validation of Project Completion and Value for Money Assessment: Evaluation of whether the project and associated costs provided value for money.
 - Accountability, Governance and Transparency: Determine whether the principals of accountability, governance and transparency were adhered to throughout the project.

Review Findings

- 5.5.15 Adherence to Tender Regulations** - During the period of audit covered by this review, the Office of the Chief Secretary revised the Government's local procurement tender thresholds once. The last revision was published in a circular to all Heads of Department and Chief Executives of Authorities and Agencies on 28 March 2019. This circular revised previous thresholds as published on 30 March 2016. Details of local tender thresholds are summarised in Figure 113.

Figure 113

| Government Local Tender Thresholds | | |
|--|--------------------------|-------------------------------------|
| | Thresholds March 2016 | Revised Thresholds March 2019 |
| Supply (for one item) | £1,500 | £2,500 |
| Supply (for a number of the same item) | £3,000 | £5,000 |
| Services | £4,000 | £10,000 |
| Works | £20,000 | £20,000 |

- 5.5.16** The tendering process would include the development of a detailed specification for the works, an invitation to tender and a sealed bidding process.
- 5.5.17** The initial cost of the works project, initially quoted as £85,430, exceeded the Government's local procurement tender thresholds and should have been subject to Government local procurement tender procedures. However, the Procurement Office confirmed that the project commissioned to Construction and Maintenance Ltd did not go through Government local procurement tender procedures.
- 5.5.18** When questioned why the contract for these works had not been put out for public tender, the Senior Executive Officer at the Ministry of Housing, Employment, Youth, and Sport responded on behalf of the Minister, explaining that 'the project could not be put out to tender due to the imminent commencement of the Island Games 2019 and the necessity to complete the works in time for these events'.
- 5.5.19** The affirmation by the Minister for Housing, Employment, Youth and Sport that the project was not put out to tender due to the imminent commencement of the Island Games 2019 and the need to complete works in time for those events, is a cause for concern as it raises questions about the fairness, competitiveness and transparency of the procurement process. In any event, the first payment to the contracted company was in July 2017, i.e. 2 years before the Island Games took place, so it is highly questionable whether there was insufficient time to put the project out to public tender.
- 5.5.20 Verification of Payments** - Figure 114 shows the breakdown of invoices submitted by Construction and Maintenance Ltd and the payments made to the company.

Figure 114

| Document Date | Document Number | Description | Invoice Amount | Balance due to Company / (Govt.) |
|---------------|-----------------|---|----------------|----------------------------------|
| 01/07/2017 | 01 | Proforma Invoice for Communication Tunnel | £84,430 | £84,430 |
| 19/07/2017 | PV2341 | 50% Payment for invoice 01 | (£42,715) | £41,715 |
| 26/09/2017 | PV3094 | Payment for Invoice 01 | (£20,000) | £21,715 |
| 30/01/2018 | PV3755 | Payment for Invoice 01 | (£23,000) | (£1,285) |
| 28/06/2018 | 02 | Second-hand crane | £20,000 | £18,715 |
| 27/07/2018 | PV3848 | Payment for invoice 02 | (£20,000) | (£1,285) |
| 23/01/2019 | 03 | Equipment and Labour | £43,600 | £42,315 |
| 19/02/2019 | PV2785 | Payment for invoice 03 | (£43,600) | (£1,285) |
| 07/01/2020 | PV0191 | Payment for duplicate invoice 03 | (£43,000) | (£44,285) |
| 26/10/2020 | 04 | Further works in the tunnel | £9,555 | (£34,730) |
| 18/12/2020 | PV2212 | Payment for invoice 04 | (£9,555) | (£44,285) |
| 06/07/2021 | 05 | Works including labour and hire of crane | £10,500 | (£33,785) |
| 29/09/2021 | PRF P11828 | Payment of invoice 05 | (£10,500) | (£44,285) |
| 21/03/2022 | 06 | Proforma invoice for further tunnel works | £80,000 | £35,715 |
| 29/06/2022 | PRF P31030 | 50% payment towards invoice 06 | (£40,000) | (£4,285) |

5.5.21 As indicated in the table above, an examination of the invoices submitted by the contractor, Construction and Maintenance Ltd, revealed an overpayment of £44,285 on 7 January 2020. This overpayment was acknowledged by the Office of the Financial Secretary and the GSLA on 14 December 2022 after being informed by the audit examiner on 20 October 2022. Subsequently, the overpaid sum was offset against an outstanding invoice of £40,000, leaving an overpaid balance of £4,285 which is still owed to the Government.

5.5.22 The observations and anomalies noted on the invoices and payment vouchers highlighted in Figure 114 above are summarised in Figure 115.

Figure 115

| Payment Voucher | Date | Amount | Purpose | Issues/Comments |
|------------------------|----------------|---------------|--|---|
| PV2341 | July 2017 | £42,715 | Payment for Invoice 01 | <ul style="list-style-type: none"> - Casting error in the invoice total. - No unique identification number on the invoice. - Supporting documentation included email from Minister confirming the existence of an in-house technical team; however, when questioned later, the Minister contradicted himself by stating the technical team was provided by the contractor. |
| PV3094 | September 2017 | £20,000 | 2 nd Payment for Invoice 01 | <ul style="list-style-type: none"> - No verification or certification by technical team of completed stage of works. |
| PV3755 | January 2018 | £23,000 | 3 rd Payment for Invoice 01 | <ul style="list-style-type: none"> - No verification or certification by technical team of completed stage of works. - Exceeds initial invoice sum with no challenge. |
| PV3848 | July 2018 | £20,000 | Payment for Invoice 02 | <ul style="list-style-type: none"> - Purchase of second-hand crane. - GSLA's CEO refusal to pay without Financial Secretary's authorisation. - Invoice approval signed by Chief Minister. |
| PV2785 | February 2019 | £43,600 | Payment for Invoice 03 (Phase 2) | <ul style="list-style-type: none"> - No verification or certification by technical team of completed stage of works. - Invoice approval signed by Chief Minister. |
| PV0191 | January 2020 | £43,000 | Payment for Duplicate Invoice 03 | <ul style="list-style-type: none"> - Invoice was a duplicate of Invoice 03. - Invoice approval signed by Chief Minister. |
| PV2212 | December 2020 | £9,555 | Payment for Invoice 04 | <ul style="list-style-type: none"> - Lack of unique identification number on the invoice. - No verification or certification by technical team of completed stage of works. |
| PRF P11828 | September 2021 | £10,500 | Payment for Invoice 05 | <ul style="list-style-type: none"> - Invoice approval signed by Chief Minister. - Lack of unique identification number on the invoice. - No verification or certification by technical team of completed stage of works. |
| PRF P31030 | June 2022 | £40,000 | Payment for Invoice 06 (50% partial) | <ul style="list-style-type: none"> - Partial payment based on a quote. - There was no budgetary provision for these works. |

5.5.23 In summary, Construction and Maintenance Ltd were overpaid by £44,285 due to the following reasons:

- (a) The Director of Construction and Maintenance Ltd had partly duplicated an invoice for £85,430 dated 1 July 2017 (which was overstated by £1,000), by issuing two further invoices dated 10 September 2017 and 4 January 2018 for £20,000 and £23,000 respectively. The sum of £42,715 was settled in July 2017; £20,000 was paid in September 2017; and £23,000 was paid in January 2018. Overall the company was overpaid by **£1,285**.
- (b) Separately, the Director of Construction and Maintenance Ltd had duplicated an invoice for £43,600 dated 23 January 2019, by issuing another invoice with a different date (26 September 2019) and amount (£43,000). The first invoice for £43,600 was paid in February 2019 (PV2785 of February 2019 refers) and the second invoice for £43,000 was paid in January 2020 (PV0191 of January 2020 refers). The company was overpaid by **£43,000**.
- (c) The Office of the Financial Secretary, the Gibraltar Sports and Leisure Authority, the Ministry of Housing, Employment, Youth and Sport and the Private Secretary of the Chief Minister were informed by the audit examiner of this overpayment in October 2022. On 14 December 2022, the GSLA CEO confirmed that Construction and Maintenance Ltd were overpaid by £44,285.
- (d) Further payments are not expected to be made to Construction and Maintenance Ltd. In fact, after taking into account the final payment that was made on the ProForma invoice dated 21 March 2022 for £40,000, the contracted company owes Government **£4,285**, which at the date of this report still needed to be reimbursed.

5.5.24 Examination of Project Documentation - The audit examiner went to great lengths to obtain documentation on the project.

- Schedule of Works Request
The audit examiner requested a Schedule of Works. Subsequently, a response was received from the Senior Executive Officer from the Ministry of Housing, Employment, Youth and Sport. The reply attributed to the Minister for Housing, Employment, Youth and Sport's stated that, "The schedule of works is for the contractor to provide".
- Lack of Crucial Project Documentation
Despite the persistent efforts of the audit examiner to obtain essential project documentation, including the detailed schedule of works, estimated project cost, and a timeline outlining the project's duration, none of this information could be provided because it did not exist. The absence of this documentation significantly impeded the audit examiner's ability to effectively assess the project's planning and management.
- Contradiction of Project Concepts
Included in the supporting documentation for a paid invoice was an email referencing two pending invoices. Upon the audit examiner's request, copies of the pending invoices were sought. One invoice pertained to a survey and architectural plans conducted by AKS Architects & Engineers Ltd. The audit examiner specifically requested a copy of the survey.

Upon examination, the survey revealed that architectural plans for the tunnels were developed in March and April 2018, following instructions from the minister. These plans unveiled two distinct concepts: the conversion of the tunnels into a tourist attraction and their potential transformation into a performance centre. Notably, the conceptualisation made no reference to the Island Games 2019.

These documents were not found in the possession of the departments mentioned in this report, nor did the GSLA have any knowledge of these architectural plans. Due to the lack of knowledge about the existence of these plans, no government official could provide information on whether either of the two concepts would materialise.

5.5.25 Evaluation of Planning and Project Management Methods - The project's lack of proper planning and awareness was revealed in an email dated 20 June 2022 from the GSLA CEO

to a senior official of the Office of the Financial Secretary. In the correspondence, the GSLA CEO stated, 'The I&DF Estimates for the Island Games Facilities Subhead were done collectively with the Chief Technical Officer, and he never mentioned any works to these tunnels either'.

- 5.5.26** The Minister for Housing, Employment, Youth, and Sport informed the audit examiner that it was impossible to ascertain the final estimate for the works due to the project's nature. This lack of clarity in planning, budgeting, and cost estimation is a significant concern. It may have contributed to the escalation of costs, given that the initial project cost was £84,430, which eventually rose to £248,086.
- 5.5.27** Due to the lack of fundamental project documentation, the evaluation of project management aspects was severely limited. The absence of documented project details raised significant concerns on the transparency and accountability of the project management process, casting a shadow over the overall project integrity.
- 5.5.28 Alignment of Invoices with a Contracted Schedule of Works** - A fundamental challenge arose from the absence of a formal contract, containing the schedule of works, governing the project between the GSLA or the Ministry of Housing, Employment, Youth, and Sport and Construction and Maintenance Ltd. This lack of a contract hindered our ability to establish the agreed-upon scope of work for the project, financial obligations, and other essential parameters crucial for a thorough audit evaluation.
- 5.5.29 Validation of Project Completion and Value for Money Assessment** - On 18 August 2022, the audit examiner sought information from the Ministry of Housing, Employment, Youth and Sport on who had inspected the project works before invoices were authorised for payment.
- 5.5.30** A written reply from the Senior Executive Officer from the Ministry of Housing, Employment, Youth and Sport was received on 18 October 2022, containing the Minister for Housing, Employment, Youth and Sport's response which was that *'not all works are inspected before payment and the final work product will be viewed, once finished, by the Government technical team'*.
- 5.5.31** However, the Ministry had no information about the technical team assigned to the project. The audit examiner requested this information from the Private Secretary to the Chief Minister, but no reply was received. Subsequently, the audit examiner checked with the Technical Services Department to see if they were engaged in the project, but they confirmed they had not been involved. Further inquiry was made with the Chief Technical Officer regarding their role in overseeing or inspecting the conversion works of the tunnel. The Chief Technical Officer confirmed that neither he nor his team had been involved in this capital project.
- 5.5.32** In an unplanned meeting with the Director of Construction and Maintenance Ltd, who requested to meet with the audit examiner after hearing of the audit review being conducted, the Director of the company openly admitted that government officials had not visited the project site, except when the audit examiner had begun to ask questions as part of the review. This admission strongly highlights the lack of oversight over the project and the absence of controls over the verification of invoices received from the contracted company.
- 5.5.33** There is hence no independent documentary evidence from a technical official to confirm that the contracted project has been successfully completed or that the works carried out by Construction and Maintenance Ltd aligns with the description on the invoices.
- 5.5.34** Due to the absence of a tendering process and insufficient data on the project's purpose, completion status, and usage, a comprehensive evaluation to determine its value for money was impossible. The lack of information impeded the audit examiner's ability to assess the

project's economy, efficiency, and effectiveness, making it challenging to provide a conclusive judgement on whether it achieved value for money.

- 5.5.35 Accountability, Governance and Transparency** - It was very concerning to note that the GSLA CEO, who is the Controlling Officer for the Improvement and Development Head 102 Projects, Subhead 4 (zzl) Island Games Facilities, was initially presented with an invoice by the contractor without being aware that these capital works had been commissioned.
- 5.5.36** It came to light from a review of emails sent by the GSLA CEO to the Minister for Housing, Employment, Youth and Sport, that the GSLA CEO did not possess knowledge or control over the project, its management and the associated costs. The primary responsibility of the GSLA CEO was limited to processing the payments due to Construction and Maintenance Ltd.
- 5.5.37** The lack of technical oversight resulted in the GSLA CEO refusing to certify the invoices presented by the contracted company. The GSLA CEO advised the Minister for Housing, Employment, Youth and Sport on 11 July 2018 that he would only be processing invoices for payment on the condition that the invoices were approved by the Financial Secretary. A prime example of this was when the GSLA CEO refused to sign off the invoice presented by the contractor for the purchase of a second-hand crane. Nonetheless, this invoice and all others that followed (with the exception of two invoices that were approved by the Private Secretary to the Chief Minister) were approved for payment by the Chief Minister.
- 5.5.38** As part of the project, the contractor acquired a second-hand crane. However, it raises significant concerns that the Government paid Construction and Maintenance Ltd £10,000 for the purchase of the crane, along with an additional £5,000 for associated costs such as transport, insurance, and delivery. Given these circumstances, it seems more prudent for the Government to have retained ownership of the crane, rather than facilitating its purchase by the contractor for the projected works.
- 5.5.39** Although the GSLA CEO, as Controlling Officer, made efforts to secure authority from the Ministry of Housing, Employment, Youth, and Sport and from the Office of the Chief Minister for processing payments to Construction and Maintenance Ltd, he failed to notify the Financial Secretary and the Principal Auditor. His concerns were that despite not being involved in the project, he had to approve payments to the contracted company. In accordance with section 5.4 of the draft Ministerial Code², a Controlling Officer bears the responsibility of ensuring financial propriety and regularity, as well as prudent and economical administration. A Controlling Officer must provide appropriate advice to Ministers and raise objections if necessary and should, on no account, process payments to the contractor based solely on the strength of the invoices being approved by the Chief Minister.
- 5.5.40** Furthermore, section 5.5 of the draft Ministerial Code³ outlines the process for Controlling Officers when they have expressed their concern about proposed actions or value for money and the pertinent Minister nevertheless decides to proceed with his course of action. In such situations, the Controlling Officer must seek written instructions from the Minister to take the requested action and notify the Financial Secretary and the Principal Auditor if his objections to the Minister are overruled.

² Section 5.4 of the draft Ministerial Code – 'Controlling Officers have a particular responsibility to see that appropriate advice is tendered to Ministers on all matters of financial propriety and regularity and more broadly as to all considerations of prudent and economical administration, efficiency and effectiveness and value for money. If a Minister in charge of a department is contemplating a course of action which would involve a transaction which the Controlling Officer considers would breach the requirements of propriety or regularity, the Accounting Officer will set out in writing his or her objections to the proposal, the reasons for the objection and the duty to inform the Financial Secretary and Principal Auditor should the advice be overruled'.

³ Section 5.5 of the draft Ministerial Code – 'If the Minister decides nonetheless to proceed, the Controlling Officer will seek a written instruction to take the action in question. The Controlling Officer is obliged to comply with the instructions and send relevant papers to the Financial Secretary and the Principal Auditor. A similar procedure applies where the Controlling Officer has concerns about whether a proposed course of action offers value for money. This notification process enables the Financial Secretary and the Principal Auditor to see that the Controlling Officer does not bear personal responsibility for the actions concerned'.

- 5.5.41** During the audit review, personnel from the Ministry of Housing, Employment, Youth, and Sport, along with staff from the Office of the Chief Minister, asserted that they had no knowledge of the project either. As the audit progressed, it was clear that neither department had information about the project. When the audit examiner inquired about the project, both parties redirected the examiner to each other. However, only after much insistence, the Minister for Housing, Employment, Youth and Sport himself replied to questions posed by the audit examiner. On 18 October 2022, a written reply from the Senior Executive Officer from the Ministry of Housing, Employment, Youth and Sport was received containing the Minister for Housing, Employment, Youth and Sport's replies to the audit examiner's queries.
- 5.5.42** The inability from officials in the Ministry of Housing, Employment, Youth and Sport and the Office of the Chief Minister to provide information and explanations to the audit queries posed followed by the anomalies found on invoices paid, demonstrates the lack of transparency, governance, management and administration of public funds in the project.

Conclusions

- 5.5.43** The affirmation by the Minister for Housing, Employment, Youth and Sport that the project was not put out to tender due to the imminent commencement of the Island Games 2019, and the need to complete works in time for those events, is a cause for concern as it raises questions about the fairness and competitiveness of the procurement process. In any event, the first payment to the contracted company was in July 2017, i.e. 2 years before the Island Games took place, so it is highly questionable whether there was insufficient time to put the project out to public tender.
- 5.5.44** Based on the replies from the Minister, there is no evidence to indicate the formal appointment of a government technical official tasked to oversee the project. Furthermore, a noticeable absence of established project management methods, including defined milestones outlining roles and project expectations between the Government and the contracted company, is evident.
- 5.5.45** The Director of Construction and Maintenance Ltd confirmed that government officials had not conducted any site visits. Consequently, payments to the company were made without the mandated inspections to ensure the satisfactory completion of various project phases.
- 5.5.46** In essence, all parties involved did not take accountability or responsibility for supervising the contractor or scrutinising the invoices presented and ensuring the satisfactory completion of the works. This lack of oversight has contributed to the escalation of costs, as detailed below:
- (a) Prior to the project's commencement, there was no agreement on the estimated costs of the works between the Ministry of Housing, Employment, Youth, and Sport and the contractor;
 - (b) A schedule or scope of works was not established from the project's outset;
 - (c) Works were not inspected to ensure satisfactory completion before invoices were signed off for payment;
 - (d) Invoices were not adequately scrutinised before payments were made; and
 - (e) The contractor was not supervised at any stage of the works.
- 5.5.47** In my opinion, the Chief Minister should not be involved in approving and certifying the correctness of invoices for payment.
- 5.5.48** On 18 December 2023, I submitted the audit review to the CEO GSLA, in his capacity as Controlling Officer of the subhead of the Improvement and Development Fund from which the expenditure of this capital project was expended. I also forwarded copies of the report to the Office of the Ministry for Industrial Relations, Civil Contingencies and Sport; the Office

of the Chief Minister; and to the Financial Secretary. Given the imminent submission of this report to Parliament, I did not anticipate that the CEO GSLA would have the necessary time to review the contents of the report in detail and provide me with his views and comments before I finalised my report. So my intention was to include the CEO GSLA's comments in my report to Parliament for the financial year 2018-19. However, the CEO GSLA did reply within a few hours after receiving the report, to say that, *'Thanks for the report the contents of which are noted. I have no further comments to make at this time.'* I immediately replied to the CEO GSLA asking, *'When he had said that he had no further comments to make at this time, did he mean he would be providing me with a substantive reply in due course after he had gone over the report in more detail? Or alternatively, did he mean that he had no further comments to make on the contents of the report at all?'* I explained to him that I needed to be clear on this as the audit study would be included in my report to Parliament and I had to know exactly what he meant in order to accurately convey his views in my report. However, at the close of this report the CEO GSLA had not replied to my query, nor had he provided me with a substantive reply with his comments in regard to the audit review.

5.5.49 The Private Secretary to the Chief Minister also replied to me on the same day, informing me that he had been instructed by the Chief Minister to comment on my report as follows:

- (a) *"All invoice approvals provided by the Chief Minister were approved in his capacity as Minister for Public Finance. In that respect, the Minister for Public Finance will have approved invoices based on conversations with the relevant Minister [Minister for Housing, Employment, Youth and Sport]."*
- (b) *"In this case, the Chief Minister's recollection is that the works were required urgently as different stages of the development of works at the Europa sports facility were progressing. It appears that disputes arose between Gibraltar Joinery and Building Services Ltd and the contractor chosen by the Ministry for Sport for the tunnel works. For that reason, the Minister [Minister for Housing, Employment, Youth and Sport] sought the direct approval of the Minister for Public Finance of some invoices."*
- (c) *"It should also be noted that the Ministerial Code which is referred to in various parts of the Report did not apply until March 2023."*

5.5.50 I immediately replied to the Private Secretary to the Chief Minister, informing him that I had taken note of his explanations as to why some of the invoices were approved by the Chief Minister. As regards the fact that the Ministerial Code had not come into effect until March 2023, I told the Private Secretary that this should not have prevented the Controlling Officer, in expressing his concerns that he had to approve the payments to the contracted company despite not being involved in managing the capital project, to have conveyed his concerns to the Financial Secretary (and also copying me, as Principal Auditor) on the strength of the draft Ministerial Code, which is the basis of best practice. In other words, when the Controlling Officer was concerned he could have reported the matter to the Financial Secretary regardless of the Ministerial Code not yet being in place. I added, for the record, that sections 5.4 and 5.5 of the draft Ministerial Code, which are the sections quoted in my report, were exactly the same as in the final version of the Code.

5.6 Allowances Earned by Public Officers

5.6.1 An audit study was undertaken to analyse the extent and cost of the different allowances earned by public officers in the Public Service (includes statutory authorities and agencies), which form part of the Payroll expenditure under each government departments' Head of Expenditure in the Government Estimates of Revenue and Expenditure.

5.6.2 Introduction - Whilst the cost of basic salaries (and other personal emoluments such as overtime and allowances) of government employees and other public officers are shown under each Head of Expenditure in the Government Estimates of Revenue and Expenditure and further analysed by individual government grade in an Appendix to the Government Estimates of Revenue and Expenditure, there is no information available to the general

public on the number, type and value of each individual allowance earned by numerous public servants.

5.6.3 The general thinking may be that the major part of a government employee's earnings is the basic pay. Although this is the case in a good part of the employees, there is also a significant number of employees that earn one or multiple allowances on a permanent basis. In broad terms, allowances are paid by the Government to its employees in compensation for a given specialism in their work, or specific skill, or for working on shift hours, to name but a few examples on the type of existing allowances. In total, there are over one hundred different types of allowances currently paid to public officers, costing several million pounds a year. Most of the allowances are subject to an annual increase, which is generally in line with the revision carried out on basic salaries. Thirty-six of these allowances are pensionable, in regard to final salary employees, pursuant to the Pensions (Allowances) Notice 2020. The effect of earning a pensionable allowance is that on retirement the occupational pension benefits are calculated taking into account not only the basic salary of the retiring officer, but additionally all pensionable allowance(s) enjoyed by the officer concerned, thereby augmenting the retiring officer's pension benefits significantly.

5.6.4 The figures analysed in this study are based on the tax year 2018-19. The selection of this year for the study was based on the fact that it is the final complete tax year before the COVID-19 pandemic affected Gibraltar. The study analyses the different allowances by department, detailing the number of employees in receipt of the allowances and the cost of each allowance, in an effort to reflect the true Government payroll cost. The data for this report has been extracted from the Treasury Payroll System and the Gibraltar Health Authority ("GHA") Salary System –which also includes the staff of the Gibraltar Health Authority-Elderly Residential Services ("GHA ERS")– which operates separately to the main Treasury Payroll Application System. The observations highlighted have been split between Government Allowances, GHA Allowances and the GHA ERS Allowances and Government Industrial Grades Allowances, since the core data extracted from the two payroll application systems was provided to the Gibraltar Audit Office under these three broad categories, with many of the allowances earned by employees from these three sectors being different.

5.6.5 **Government Allowances** - In the tax year 2018-19, there were 2,490 salaried officers employed in the Government Service (this includes all government departments and statutory authorities and agencies, except the GHA and the GHA ERS which is reported separately in paragraphs 5.6.12 and 5.6.17 respectively). A total of 104 different types of allowances were paid to government employees during the year, amounting to £11.43m.

5.6.6 Certain emoluments, which are classified as 'Allowances' in the Treasury Payroll System but are not truly allowances for the purposes of this exercise have been omitted. The discarded 'allowances', which total £2.79m in the tax year 2018-19, are the following:

- Back Pay Allowance.
- Cover Day Refuse Collection.
- EU Elections staff remuneration.
- Gratuity.
- Members of Parliament Salary.
- Payment for days in lieu of annual leave.
- Payment for Time in Lieu not taken.
- Register of Electors' staff remuneration.
- Secretarial Assistance Allowance.
- Substitution Allowance.
- Temporary Promotion.
- Tourist Survey Payment.

5.6.7 Figure 116 shows a list of the 104 types of allowances paid in the Government Service in the tax year 2018-19, extracted from the Treasury Payroll System, detailing the number of public officers in receipt of each allowance and the total cost of each allowance in the year.

Figure 116

| Allowance | Department/Agency/Authority | No. of Officers in Receipt of Allowance | Cost of Allowance in 2018-19 |
|---|------------------------------------|--|-------------------------------------|
| Shift Disturbance Allowance | Multiple Departments | 604 | £2,945,749 |
| Saturday and Sunday Premium | Multiple Departments | 173 | £1,305,386 |
| Teaching/Learning Allowance | Education | 201 | £1,127,828 |
| Firefighter Fixed Overtime Allowance | GFRS & AFRS | 105 | £783,480 |
| Continued Professional Development | GFRS, AFRS & BCA | 221 | £614,884 |
| On-Call Allowance | Multiple Departments | 497 | £466,794 |
| Premium Hours | HM Prison | 57 | £351,564 |
| Bonus | Housing Works Agency | 39 | £324,421 |
| Attendance Related Bonus | Authorities/Agencies & Govt. Co.s. | 463 | £316,296 |
| Recruitment And Retention Allowance | Education | 114 | £309,417 |
| Rent Allowance Tax Free | Police | 226 | £296,326 |
| Principal Legal Advisor Allowance | Government Law Offices | 1 | £288,059 |
| Productivity Bonus | Post Office | 49 | £245,000 |
| Professional Accounting Qualification Allowance | Multiple Departments | 43 | £172,240 |
| Rummage Allowance | Customs & BCA | 252 | £167,296 |
| Investigation Allowance | Customs | 9 | £156,177 |
| Threshold Allowance | Police | 81 | £85,521 |
| Ambulance/Duty Allowance | GFRS | 54 | £84,577 |
| Protected Pensionable Salary Allowance | GM&ES Ltd | 4 | £75,440 |
| Flexible Duty System | GFRS & AFRS | 5 | £64,850 |
| Protected Non Pensionable Salary | GM&ES Ltd | 4 | £60,896 |
| Additional Christmas Daily Bonus | Post Office | 40 | £60,544 |
| Chief Justice Allowance | Gibraltar Law Courts | 1 | £57,583 |
| Individual Support Allowance | Education | 27 | £53,431 |
| House Rent Allowance | Gibraltar Law Courts | 2 | £51,627 |
| Loss Of Earnings Allowance | Multiple Departments | 3 | £48,252 |
| Special Needs Education Allowance | Education | 15 | £47,541 |
| Relocation Allowance (Brussels) | Government Law Offices | 1 | £44,867 |
| Erection/Dismantling of Lights Allowance | Gibraltar Electricity Authority | 9 | £40,568 |
| Challenging Behaviour Allowance 1.5% | Care Agency | 142 | £38,434 |
| Convenor Allowance | Police | 2 | £35,096 |
| Bonus & Special Priority Payment | Police | 64 | £33,722 |
| Public Holiday Allowance | Gib. Def. Est. & Gen. Serv. Ltd | 25 | £30,001 |
| Additional Responsibility Allowance | Multiple Departments | 4 | £27,983 |
| Relief Cover Allowance | Care Agency | 4 | £26,372 |
| Mobilisation of Ambulance | GFRS | 11 | £25,873 |
| Extra Responsibility Allowance | Multiple Departments | 5 | £25,835 |
| Cost of Living Allowance (Brussels) | Government Law Offices | 1 | £24,000 |
| Automatic Data Processing Allowance | Multiple Departments | 6 | £23,239 |
| Post Office Allowance | Post Office | 17 | £23,126 |
| Sewers Confined Spaces Allowance | Technical Services | 4 | £22,255 |
| Accommodation Allowance | Financial Services | 1 | £22,174 |
| Operations Control Centre Allowance | BCA | 10 | £21,944 |
| Construction Training Allowance | Economic Development | 9 | £21,825 |

PART 5 - VALUE FOR MONEY AUDITS

| | | | |
|--|---------------------------------|----|---------|
| Bonus Payment | GM&ES Ltd | 4 | £19,122 |
| Manager E Required Hours Addition | HM Prison | 3 | £18,998 |
| Exceptional Obnoxious Allowance | GM&ES Ltd | 33 | £18,191 |
| I.T. Allowance 12% | HM Customs | 4 | £17,741 |
| Special Projects Allowance | Post Office | 1 | £17,593 |
| Collection of Refuse Allowance | Multiple Departments | 6 | £16,702 |
| Pensionable Allowance GDC Senior Officer | No. 6 Convent Place | 1 | £16,200 |
| Typing Proficiency A Allowance | Multiple Departments | 13 | £16,053 |
| Advisory Allowance | Gibraltar Air Terminal Ltd | 1 | £15,000 |
| Single Operational Grade Allowance | Post Office | 15 | £13,562 |
| Trade Union Convenor Allowance | Gib. Def. Est. & Gen. Serv. Ltd | 1 | £11,731 |
| Exceptional Allowance | BCA | 1 | £11,427 |
| High Voltage Allowance | Gibraltar Electricity Authority | 9 | £11,103 |
| Sleep-In Allowance | Care Agency | 29 | £10,050 |
| Productivity Allowance | Gibraltar Law Courts | 1 | £9,715 |
| Senior Sergeant Allowance | Police | 27 | £9,656 |
| Senior Technician Allowance | Education | 2 | £9,000 |
| Forklift Instructor Allowance | Economic Development | 1 | £8,930 |
| Detective Duties Allowance | Police | 70 | £8,634 |
| Standby Allowance | Gibraltar Electricity Authority | 37 | £8,401 |
| Press Office Allowance | No. 6 Convent Place | 3 | £7,673 |
| Specialist Works Allowance | Police | 22 | £5,828 |
| Union Convenor Allowance | Treasury | 1 | £5,318 |
| Saturday Extra Duty Allowance | Social Security | 1 | £5,232 |
| I.T. Allowance 10% | Gibraltar Audit Office | 1 | £5,172 |
| Typing Proficiency Allowance – Audio | Multiple Departments | 4 | £5,012 |
| Ambulance Service – Management | GFRS | 4 | £4,620 |
| Sewers Authorised Person Allowance | Technical Services | 3 | £4,557 |
| Executive On-Call Allowance | Education | 1 | £4,500 |
| Weekday Extra Duty Allowance | Social Security | 1 | £4,406 |
| Driving Allowance Postman | Post Office | 5 | £4,218 |
| Typing Proficiency C Allowance | Multiple Departments | 8 | £4,193 |
| Recruitment & Retention Allowance | GM&ES Ltd | 2 | £4,000 |
| Police Federation Convenor Allowance | Police | 2 | £3,904 |
| Specialist Allowance (Hospital Officer) | HM Prison | 3 | £3,888 |
| Typing Proficiency B Allowance | Multiple Departments | 5 | £3,556 |
| Authorised Person High Voltage Allowance 50% | GM&ES Ltd | 3 | £3,508 |
| Radio Maintenance Officer 10% | BCA | 1 | £3,082 |
| Telephone Allowance | Multiple Departments | 10 | £3,060 |
| Interpreting Allowance 10% | Gibraltar Law Courts | 1 | £3,028 |
| Certificate Financial Advisor Allowance 2% | Multiple Departments | 3 | £2,905 |
| Audio Typing and Correction Allowance | Multiple Departments | 2 | £2,661 |
| Trades Allowance | HM Prison | 3 | £2,617 |
| Instructors Allowance | Police & Economic Development | 11 | £2,583 |
| Exceptional Obnoxious Non-Pensionable | GM&ES Ltd | 11 | £2,432 |
| Court Attendance Allowance | Gibraltar Law Courts | 9 | £2,322 |
| Typing Proficiency B & Audio Allowance | Multiple Departments | 3 | £1,959 |
| Reading & Checking Allowance | Human Resources | 3 | £1,698 |

PART 5 - VALUE FOR MONEY AUDITS

| | | | |
|---|-------------------------|----|--------------------|
| Supervisory Allowance 7.5% | GM&ES Ltd | 1 | £1,486 |
| Responsibility Allowance | Care Agency | 2 | £1,426 |
| Examination Allowance | Police | 23 | £1,113 |
| Non-Pensionable Allowance | Economic Development | 1 | £1,023 |
| Environment Allowance | HM Prison | 2 | £964 |
| Handling Empty Mail Bags | Post Office | 2 | £681 |
| Cons Pay Rise Allowance | GM&ES Ltd | 2 | £601 |
| Proficiency Allowance | Police | 2 | £536 |
| Authorised Persons Confined Space Allowance | GM&ES Ltd | 1 | £502 |
| Psychiatric Wards Allowance | Seconded to Environment | 1 | £338 |
| Towel Allowance | Education | 3 | £287 |
| School Laboratory Certificate Allowance | Education | 1 | £241 |
| Total | | | £11,433,432 |

* GM&ES Ltd stands for Gibraltar Mechanical and Electrical Services Ltd

* GFRS stands for Gibraltar Fire and Rescue Service

* AFRS stands for Airport Fire and Rescue Service

* BCA stands for Borders & Coastguard Agency

5.6.8 Figure 117 shows the top 10 types of allowances paid in the Government Service in the tax year 2018-19, in terms of the highest cost per officer.

Figure 117

| Allowance | Cost of Allowance in 2018-19 | No. of Officers in Receipt of Allowance | Cost Per Officer |
|--|-------------------------------------|--|-------------------------|
| Principal Legal Advisor Allowance | £288,059 | 1 | £288,059 |
| Accommodation Allowance | £57,583 | 1 | £57,583 |
| Relocation Allowance (Brussels) | £44,867 | 1 | £44,867 |
| House Rent Allowance | £51,627 | 2 | £25,814 |
| Cost of Living Allowance (Brussels) | £24,000 | 1 | £24,000 |
| Accommodation Allowance | £22,174 | 1 | £22,174 |
| Protected Pensionable Salary Allowance | £75,440 | 4 | £18,860 |
| Special Projects Allowance | £17,593 | 1 | £17,593 |
| Convenor Allowance | £35,096 | 2 | £17,548 |
| Investigation Allowance | £156,177 | 9 | £17,353 |

5.6.9 Figure 118 shows the top 10 individual officers in the Government Service who are recipients of allowances, showing the total amount in allowances they received as a percentage of their basic salary in the tax year 2018-19.

Figure 118

| Officer | Grade | Basic Salary | Cost of Allowances in 2018-19 | Allowances as a % of Salary |
|----------------|---------------------------------|---------------------|--------------------------------------|------------------------------------|
| Officer 1 | Judicial Grade | £134,737 | £288,059 | 213.8% |
| Officer 2 | Judicial Grade | £78,809 | £68,867 | 87.4% |
| Officer 3 | Judicial Grade | £146,626 | £57,583 | 39.3% |
| Officer 4 | Professional Technology Officer | £50,578 | £50,804 | 100.4% |

| | | | | |
|------------|---|---------|---------|--------|
| Officer 5 | Grade S2 (Gib. Electricity Authority) | £35,955 | £40,528 | 112.7% |
| Officer 6 | Distiller Plant Operator | £37,110 | £40,192 | 108.3% |
| Officer 7 | Distiller Plant Operator | £37,110 | £39,467 | 106.4% |
| Officer 8 | Distiller Plant Assistant | £34,228 | £38,886 | 113.6% |
| Officer 9 | Grade D4 (Gib. Electricity Authority) | £61,220 | £31,936 | 52.2% |
| Officer 10 | Systems Engineer (Gib. Electricity Authority) | £61,220 | £31,661 | 51.7% |

5.6.10 Figure 119 shows a list of the number of allowances paid in the Government Service in the tax year 2018-19 by department/agency/authority, with the number of public officers in receipt of allowance(s) per department, in addition to the cost of the allowances paid by department in the year.

Figure 119

| Department/Agency/Authority | No. of Allowances | No. of Officers in Receipt of Allowance | Cost of Allowances in 2018-19 |
|---|--------------------------|--|--------------------------------------|
| Borders & Coastguard Agency | 9 | 124 | £1,573,382 |
| Education | 14 | 255 | £1,562,494 |
| Gibraltar Fire & Rescue Service | 9 | 84 | £1,149,053 |
| Gibraltar Electricity Authority | 8 | 162 | £1,104,930 |
| HM Customs | 7 | 147 | £906,339 |
| Care Agency | 9 | 182 | £745,515 |
| Police | 15 | 255 | £539,380 |
| GM&ES Ltd | 16 | 39 | £470,050 |
| HM Prison | 7 | 61 | £391,535 |
| Government Law Offices | 9 | 6 | £387,005 |
| Post Office | 9 | 66 | £383,334 |
| Gib. Defence Estates & General Services Ltd | 5 | 29 | £369,295 |
| Housing Works Agency | 2 | 38 | £369,003 |
| Gibraltar Sports & Leisure Authority | 2 | 59 | £238,297 |
| Gibraltar Port Authority | 5 | 53 | £227,902 |
| Upper Rock Tourist Sites & Beaches | 2 | 45 | £133,352 |
| Gibraltar Law Courts | 6 | 28 | £126,550 |
| Gibraltar Audit Office | 2 | 18 | £104,105 |
| Gibraltar Air Terminal Ltd | 5 | 27 | £99,256 |
| Treasury | 8 | 30 | £62,744 |
| Economic Development | 10 | 16 | £50,390 |
| Technical Services | 5 | 14 | £47,420 |
| Drugs & Alcohol Awareness | 2 | 8 | £43,907 |
| Driver and Vehicle Licensing | 2 | 12 | £42,388 |
| Environment | 6 | 14 | £40,082 |
| Gibraltar Bus Company Ltd | 1 | 12 | £36,958 |
| No. 6 Convent Place | 7 | 14 | £36,933 |
| Tourism | 2 | 17 | £30,211 |
| Income Tax | 2 | 17 | £27,161 |
| Human Resources | 7 | 8 | £24,182 |
| Information Technology & Logistics Department | 5 | 20 | £22,726 |

| | | | |
|--|---|---|--------------------|
| Financial Services | 1 | 1 | £22,174 |
| Financial Secretary's Office | 2 | 3 | £12,569 |
| Gibraltar Car Parks Ltd | 1 | 2 | £7,571 |
| Social Security | 5 | 7 | £6,707 |
| Culture | 3 | 3 | £5,455 |
| GHA Elderly Residential Services (Clerical Grades) | 1 | 5 | £4,895 |
| Immigration & Civil Status | 2 | 8 | £4,637 |
| Maritime Services | 2 | 8 | £4,503 |
| Employment | 1 | 3 | £3,871 |
| Equality | 1 | 1 | £2,895 |
| Parliament | 2 | 1 | £2,506 |
| Office of The Deputy Chief Minister | 2 | 1 | £2,506 |
| Procurement Office | 1 | 1 | £2,301 |
| Digital Services | 2 | 1 | £1,810 |
| Town Planning & Building Control | 1 | 1 | £1,492 |
| Gambling Division | 1 | 1 | £875 |
| Heritage | 1 | 1 | £373 |
| Housing | 1 | 1 | £253 |
| Justice | 1 | 2 | £160 |
| Total | | | £11,433,432 |

- 5.6.11** Figure 120 shows the top 10 government department/statutory bodies in the Government Service with the highest cost of allowances in the tax year 2018-19. The total cost of allowances paid is also shown as a percentage of the total cost of basic salaries.

Figure 120

| Department/Authority/Agency | Total Cost of Salaries of Individuals in receipt of Allowances | Total cost of Allowances in the Organisation | Cost of Allowances as a % of Salaries |
|---------------------------------|--|--|---------------------------------------|
| Borders & Coastguard Agency | £3,809,381 | £1,573,382 | 41.3% |
| Education | £10,407,400 | £1,562,494 | 15.0% |
| Gibraltar Fire & Rescue Service | £3,040,916 | £1,149,053 | 37.8% |
| Gibraltar Electricity Authority | £6,275,558 | £1,104,930 | 17.6% |
| HM Customs | £4,689,497 | £906,339 | 19.3% |
| Care Agency | £3,626,272 | £743,404 | 20.5% |
| Police | £11,474,189 | £539,380 | 4.7% |
| GM&ES Ltd | £1,031,331 | £470,050 | 45.6% |
| Government Law Offices | £357,295 | £458,214 | 128.2% |
| HM Prison | £2,052,108 | £391,535 | 19.1% |

- 5.6.12 Gibraltar Health Authority Allowances** - In the tax year 2018-19, there were 1,204 salaried officers employed in the GHA. A total of 81 different types of allowances were paid to GHA employees during the year, amounting to £6,99m.

- 5.6.13** Just as Government allowances, certain emoluments, which are classified as 'allowances' in the GHA Payroll System but are not truly allowances for the purposes of this exercise have been omitted. The discarded 'allowances', which total £0.12m in the tax year 2018-19, are the following:

- Adjustment Overtime.
- Proposed Salary Change.
- Subsistence.
- Substitution.

5.6.14 Figure 121 shows a list of the 81 individual allowances paid in the GHA in the tax year 2018-19, extracted from the GHA Payroll System, detailing the number of public officers in the GHA in receipt of each allowance and the annual cost per allowance.

Figure 121

| Allowance | No. of Officers in Receipt of Allowance | Cost of Allowance in 2018-19 |
|---|--|---|
| Unsocial Hours Premium | 480 | £1,375,565 |
| Night Duty Allowance | 273 | £831,333 |
| Out of Hours Supplement | 33 | £786,539 |
| Shift Disturbance Allowance | 565 | £743,918 |
| On-Call Allowance | 207 | £439,579 |
| Extra Duty Allowance | 352 | £439,545 |
| Responsibility Allowance | 252 | £324,437 |
| Rented Accommodation Allowance | 52 | £231,524 |
| General Practitioners' Variable Pay Supplement | 25 | £228,005 |
| On-Call Commissions | 7 | £226,922 |
| Attendance Related Bonus | 442 | £151,342 |
| Meal Allowance | 330 | £139,645 |
| Psychiatric Wards Allowance | 112 | £81,275 |
| Stand-By Operating Theatre Allowance | 21 | £74,069 |
| Radiologist Extra Sessions Allowance | 4 | £63,660 |
| Anaesthetist Premium Hrs 13% | 2 | £63,103 |
| Cataract Initiative Allowance | 13 | £53,340 |
| Physician Cover Allowance KGV 20% | 2 | £49,093 |
| Forensic Medical Examiner Allowance | 3 | £48,000 |
| Consultants Recruitment and Retention Allowance | 10 | £43,280 |
| Medical Director Allowance | 2 | £36,834 |
| General Practitioners' Clinical Lead 10% | 4 | £34,927 |
| Mobile Telephone Allowance | 131 | £33,391 |
| Loss of Earnings Allowance | 2 | £27,295 |
| Quality Improvement Lead & Tertiary Allowance | 2 | £24,717 |
| Radiologists Travelling Allowance | 11 | £24,315 |
| Dialysis Unit Lead | 1 | £22,662 |
| Typist Medical Terminology Allowance | 14 | £21,163 |
| Emergency Duty Allowance | 6 | £19,916 |
| Union Convenor Allowance | 2 | £18,729 |
| Retention Premium Allowance | 4 | £18,147 |
| Venereal Disease Allowance | 8 | £16,022 |
| Clinical Director Allowance | 4 | £13,661 |
| Gynaecology and Obstetrics Lead | 1 | £13,454 |
| Geriatric Wards Allowance | 78 | £13,228 |
| Medical Educational Lead | 1 | £13,053 |
| Dementia Day Hospital Allowance 10% | 1 | £12,554 |

| | | |
|--|----|------------|
| Sleep Apnoea Service 10% Allowance | 1 | £12,297 |
| Car Mileage Allowance | 15 | £12,109 |
| Union Convenor Full-Time Official Allowance | 1 | £12,000 |
| PCC Dermatology Services Allowance 10% | 1 | £11,780 |
| Paediatric Department - Lead | 1 | £11,731 |
| Medical Assessments Allowance | 1 | £11,440 |
| Endoscopy List Extra Session Allowance 10% | 1 | £11,314 |
| Deputy Medical Director Allowance 10% | 1 | £11,226 |
| Radiologist Sonography Allowance 15% | 1 | £10,221 |
| Single-Handed 20% Basic Allowance | 1 | £9,854 |
| Urology Extra Session Allowance 10% | 1 | £8,846 |
| General Practitioners' Mileage Allowance | 29 | £8,510 |
| Mental Patients Allowance | 36 | £8,482 |
| I.T. Allowance (Pathology Department) | 2 | £8,158 |
| Director for Surgical Services Allowance | 1 | £8,132 |
| Vehicle Expenditure Allowance (Gen. Practitioners) | 29 | £7,992 |
| Dead Body Allowance | 21 | £7,463 |
| Surgical First Assistance Allowance | 7 | £6,676 |
| Psychiatry Department Lead | 1 | £5,766 |
| Typing Proficiency Allowance | 8 | £4,914 |
| Plaster Casting Duties Allowance | 1 | £4,390 |
| Consultant Cross Cover Allowance 18% | 1 | £4,027 |
| Picture Archiving Computer System Payment | 1 | £3,923 |
| Assisting Psychological Patients Allowance 10% | 1 | £3,241 |
| X-ray Reporting Services Allowance | 4 | £3,000 |
| Patient Escort Allowance | 15 | £2,990 |
| Psychiatric Allowance Post Allied to Medicine | 3 | £2,903 |
| Ambulance Service Coordinator Allowance | 10 | £2,596 |
| Maritime Allowance | 9 | £2,400 |
| Saturday Shift Allowance | 9 | £2,299 |
| Post Mortems & Inquest Attendance Allowance | 2 | £2,050 |
| Director of Anaesthesia & ICU Allowance 10% | 1 | £2,025 |
| Transfer Allowance | 1 | £1,800 |
| Radiology Forensic Fee | 4 | £1,669 |
| Professional Accounting Qualification Allowance | 1 | £1,473 |
| Supervisor of Midwives Allowance | 1 | £1,336 |
| Loss of Earnings Allowance | 2 | £1,148 |
| Sexually Transmitted Diseases Allowance | 1 | £829 |
| Ambulance Service Crew Leader Allowance | 3 | £561 |
| Telephone Allowance | 5 | £360 |
| Overtime Shift Premium | 1 | £221 |
| Emergency Ambulance Service Cover On Shift | 1 | £17 |
| Ophthalmologist - Additional Workload Allowance | 1 | £15 |
| Gynaecology Extra Session Allowance 10% | 1 | £10 |
| Total | | £6,992,436 |

5.6.15 Figure 122 shows the top 10 types of allowances paid in the GHA in the tax year 2018-19, in terms of the highest cost per officer.

Figure 122

| Allowance | Cost of Allowance in 2018-19 | No. of Officers in Receipt of Allowance | Cost Per Officer |
|--------------------------------------|------------------------------|---|------------------|
| On-Call Commissions | £226,922 | 7 | £32,417 |
| Anaesthetist Premium Hours 13% | £63,103 | 2 | £31,551 |
| Physician Cover Allowance KGV 20% | £49,093 | 2 | £24,547 |
| Out of Hours Supplement | £786,539 | 33 | £23,835 |
| Dialysis Unit - Lead | £22,662 | 1 | £22,662 |
| Medical Director Allowance | £36,834 | 2 | £18,417 |
| Forensic Medical Examiner Allowance | £48,000 | 3 | £16,000 |
| Radiologist Extra Sessions Allowance | £63,660 | 4 | £15,915 |
| Loss of Earnings Allowance | £27,295 | 2 | £13,647 |
| Gynaecology and Obstetrics Lead | £13,454 | 1 | £13,454 |

- 5.6.16** Figure 123 shows the top 10 individual officers in the GHA who are recipients of allowances, showing the total amount in allowances they received as a percentage of their basic salary in the tax year 2018-19.

Figure 123

| Officer | Grade | Basic Salary | Cost of Allowances in 2018-19 | Allowances as a % of Salary |
|------------|--------------------------------|--------------|-------------------------------|-----------------------------|
| Officer 1 | Non Consultant Hospital Doctor | £43,479 | £61,121 | 140.6% |
| Officer 2 | Non Consultant Hospital Doctor | £43,479 | £58,079 | 133.6% |
| Officer 3 | Non Consultant Hospital Doctor | £43,479 | £58,029 | 133.5% |
| Officer 4 | Non Consultant Hospital Doctor | £43,479 | £55,529 | 127.7% |
| Officer 5 | Consultant | £213,475 | £53,892 | 25.2% |
| Officer 6 | Non Consultant Hospital Doctor | £43,479 | £49,479 | 113.8% |
| Officer 7 | Non Consultant Hospital Doctor | £43,479 | £48,093 | 110.6% |
| Officer 8 | Senior Biomedical Scientist | £50,289 | £46,240 | 91.9% |
| Officer 9 | Non Consultant Hospital Doctor | £43,479 | £45,879 | 105.5% |
| Officer 10 | General Practitioner | £112,256 | £43,951 | 39.2% |

- 5.6.17 Gibraltar Health Authority – Elderly Residential Services Allowances** - In the tax year 2018-19, there were 300 salaried officers employed in the GHA - ERS. A total of 10 different types of allowances were paid to GHA ERS employees during the year amounting to £1.61m.

- 5.6.18** Alike Government allowances and GHA allowances, certain emoluments in the GHA ERS, which are classified as ‘allowances’ in the Payroll System but are not truly allowances for the purposes of this exercise have been omitted. The discarded ‘allowances’, which total £0.01m in the tax year 2018-19, are the following:

- Substitution Allowance.
- 10% Performance Related Pay.

- 5.6.19** Figure 124 shows a list of the 10 types of allowances paid in the GHA ERS in the tax year 2018-19, extracted from the Payroll System, detailing the number of public officers in the GHA ERS in receipt of each allowance and the cost per allowance.

Figure 124

| Allowance | No. of Officers in Receipt of Allowance | Cost of Allowance in 2018-19 |
|-----------------------------|---|------------------------------------|
| Unsocial Hours Premium | 300 | £693,867 |
| Night Duty Allowance | 194 | £452,024 |
| Shift Disturbance Allowance | 232 | £169,748 |
| Night Meal Allowance | 196 | £74,570 |
| Extra Duty Allowance | 50 | £73,802 |
| Geriatric Wards Allowance | 236 | £56,540 |
| Responsibility Allowance | 33 | £44,325 |
| Attendance Related Bonus | 94 | £25,458 |
| On-Call Allowance | 5 | £18,381 |
| Mental Patients Allowance | 1 | £50 |
| Total | | £1,608,765 |

5.6.20 Figure 125 shows the 10 types of allowances paid in the GHA ERS in the tax year 2018-19, in terms of the highest cost per officer.

Figure 125

| Allowance | Cost of Allowance in 2018-19 | No. of Officers in Receipt of Allowance | Cost Per Employee |
|-----------------------------|---------------------------------|---|----------------------|
| On-Call Allowance | £18,381 | 5 | £3,676 |
| Night Duty Allowance | £452,024 | 194 | £2,330 |
| Unsocial Hours Premium | £693,867 | 300 | £2,313 |
| Extra Duty Allowance | £73,802 | 50 | £1,476 |
| Responsibility Allowance | £44,325 | 33 | £1,343 |
| Shift Disturbance Allowance | £169,748 | 232 | £732 |
| Night Meal Allowance | £74,570 | 196 | £380 |
| Attendance Related Bonus | £25,458 | 94 | £271 |
| Geriatric Wards Allowance | £56,540 | 236 | £240 |
| Mental Patients Allowance | £50 | 1 | £50 |

5.6.21 Figure 126 shows the top 10 individual officers in the GHA ERS who are recipients of allowances, showing the total amount in allowances they received as a percentage of their basic salary in the tax year 2018-19.

Figure 126

| Officer | Grade | Basic Salary | Cost of Allowances in 2018-19 | Allowances as a % of Salary |
|------------|------------------------------|--------------|-------------------------------------|-----------------------------------|
| Officer 1 | Sister/Charge Nurse | £46,779 | £19,187 | 41.0% |
| Officer 2 | Clinical Nurse Manager | £94,152 | £18,613 | 19.8% |
| Officer 3 | Staff Nurse | £35,842 | £17,118 | 47.8% |
| Officer 4 | Staff Nurse | £37,313 | £16,633 | 44.6% |
| Officer 5 | Director of Nursing Services | £83,410 | £16,564 | 19.9% |
| Officer 6 | Staff Nurse | £36,488 | £15,437 | 42.3% |
| Officer 7 | Staff Nurse | £29,207 | £15,267 | 52.3% |
| Officer 8 | Staff Nurse | £37,387 | £15,168 | 40.6% |
| Officer 9 | Staff Nurse | £38,199 | £15,083 | 39.5% |
| Officer 10 | Staff Nurse | £36,488 | £14,889 | 40.8% |

5.6.22 Government, GHA and GHA ERS Allowances General - The audit study revealed there is a relatively high number of public officers who earn one or more allowances. Out of a total head count of 3,994 salaried officers in the public service, in the tax year 2018-19, 3,081 (77%) were in receipt of at least one allowance in addition to their basic salary. In summary, there were a total of 195 different allowances (Government - 104 allowances; GHA - 81 allowances; and GHA ERS - 10 allowances) paid by the Government of Gibraltar in that year, amounting to £20.03m in total (Government - £11.43m; GHA - £6.99m; and GHA ERS - £1.61m). The analysis further showed that certain posts/professions can cost Government more than double the officer's basic salary. At the time of finalising this report in December 2023, the level of allowances paid to government employees, GHA employees and GHA ERS employees continues to remain extremely high, comprising a high percentage of their basic salary.

5.6.23 This is why, when analysing Government payroll costs, it is important to recognise the high cost of allowances being paid. This is quite relevant, for example, in the context of two of the last pay reviews awarded to staff by the Government, as employer. Namely, the 2018 pay review where the pay increase consisted of the lower of 2.5% of an individual's basic pay or 60 pence per hour. In effect, the 60 pence per hour cap on the pay rise is triggered for those employees on basic salaries of over £46k per annum. This pay review was subsequently amended with the capping removed after trade union representation in the following year. The other occasion was the 2023 pay award where public sector pay was increased by way of a non-taxable lump-sum assistance payment that was payable at three different levels depending on the basic salary of the employee, i.e. £1,200 to those on a basic salary below £50,000; £900 to those employees on a basic salary between £50,000 and £75,000; £600 to those employees on a basic salary between £75,000 and £100,000; and no assistance payment for those employees with a basic salary above £100,000. In these two occasions it is clear, in the knowledge of the high level of income earned by a large number of public officers by way of allowances, that the Government's objective was not achieved in all cases as it did not recognise the additional income earned by many officers by way of allowances, in detriment to those on a higher basic salary that receive no allowance as part of their pay. Hence, in the two examples specified, the twofold Government objective of using public money to assist those on the lowest incomes and to reduce the gap between the higher and lower paid in the public sector, was largely lost by not taking account of the high level of additional payroll income received by many employees by way of allowances.

5.6.24 Industrial Employees - A similar exercise was conducted on all Government industrial employees. In the tax year 2018-19, there were 543 industrial employees working in Government, of whom 428 were in receipt of one or more of the 15 different types of allowances paid to industrial grades, amounting to £1.21m.

5.6.25 Certain emoluments, which are classified as 'Allowances' in the Treasury Payroll System but are not truly allowances for the purposes of this exercise have been omitted. The discarded 'allowances', which total £0.29m in the tax year 2018-19, are the following:

- 10% Temporary Promotion Allowance
- 2.5% Substitution Allowance
- 20% of Hours Worked
- 5% Temporary Promotion Allowance
- Acting Bus Company
- Annual Leave Payment
- AXA Equity Law Policies
- Bank Holiday Payments
- Housing Works Agency Substitution Transferring Employees
- Overtime
- Temporary Promotion

5.6.26 Figure 127 shows a list of the 15 individual allowances paid to industrial grades in the tax year 2018-19, extracted from the Treasury Wages Payroll System, detailing the number of industrial employees in receipt of each allowance and the annual cost per allowance.

Figure 127

| Allowance | Department/ Agency/ Authority | No. of Officers in Receipt of Allowance | Cost of Allowance in 2018-19 |
|-----------------------------------|-------------------------------|---|------------------------------|
| Refuse Collector Cover (Daily) | Multiple Departments | 43 | £460,961 |
| Bonus | Housing Works Agency | 66 | £221,793 |
| Driving Allowance | Multiple Departments | 71 | £211,180 |
| Attendance Related Bonus | Multiple Departments | 106 | £90,866 |
| Shift Disturbance Allowance | GHA ERS | 47 | £85,658 |
| Supervisory Allowance | Multiple Departments | 118 | £45,590 |
| On-Call Allowance | Multiple Departments | 39 | £42,513 |
| Obnoxious Conditions Allowance | Multiple Departments | 88 | £14,565 |
| Loss Of Earnings Allowance | Gibraltar Health Authority | 1 | £12,861 |
| Exceptionally Obnoxious Allowance | Multiple Departments | 44 | £12,019 |
| Stores Distribution Allowance | Gibraltar Health Authority | 5 | £7,321 |
| Leading Hand | Gibraltar Industrial Cleaners | 20 | £3,973 |
| Unconsolidated Bonus GHA Cooks | Gibraltar Health Authority | 2 | £1,086 |
| Psychiatric Wing Maids' Allowance | Gibraltar Health Authority | 23 | £806 |
| Split Duty Allowance | Education | 2 | £534 |
| Total | | | £1,211,726 |

5.6.27 Figure 128 shows the top 10 types of allowances paid to Industrial employees in the tax year 2018-19, in terms of the highest cost per individual.

Figure 128

| Allowance | Cost of Allowance in 2018-19 | No. of Industrials in Receipt of Allowance | Cost Per Employee |
|--------------------------------|------------------------------|--|-------------------|
| Loss of Earnings Allowance | £12,861 | 1 | £12,861 |
| Refuse Collector Cover (Daily) | £460,961 | 43 | £10,720 |
| Bonus (Housing Works Agency) | £221,793 | 66 | £3,360 |
| Driving Allowance | £211,180 | 71 | £2,974 |
| Shift Disturbance Allowance | £85,658 | 47 | £1,823 |
| Stores Distribution Allowance | £7,321 | 5 | £1,464 |
| On-Call Allowance | £42,513 | 39 | £1,090 |
| Attendance Related Bonus | £90,866 | 106 | £857 |
| Unconsolidated Bonus GHA Cooks | £1,086 | 2 | £543 |
| Supervisory Allowance | £45,590 | 116 | £393 |

5.6.28 Figure 129 shows a list of the number of allowances paid to Industrial grades in the tax year 2018-19 by department/agency/authority, with the number of Industrial employees in receipt of allowance(s) per department, in addition to the cost of the allowances paid by department in the year.

Figure 129

| Department/Agency/Authority | No. of Allowances | No. of Industrials in Receipt of Allowance | Cost of Allowances in 2018-19 |
|--------------------------------------|-------------------|--|-------------------------------|
| Gibraltar Industrial Cleaners Ltd | 5 | 48 | £658,194 |
| Housing Works Agency | 2 | 66 | £235,681 |
| GHA ERS | 6 | 67 | £120,999 |
| Gibraltar Health Authority | 9 | 91 | £66,719 |
| Gibraltar Bus Company Ltd | 3 | 59 | £52,327 |
| Education | 4 | 77 | £41,033 |
| GM&ES Ltd | 2 | 5 | £12,624 |
| Environment | 1 | 3 | £11,887 |
| Upper Rock Sites & Beaches | 3 | 4 | £5,651 |
| Gibraltar Car Parks Ltd | 1 | 1 | £2,335 |
| Gibraltar Sports & Leisure Authority | 1 | 1 | £1,425 |
| Police | 2 | 4 | £1,311 |
| Care Agency | 4 | 2 | £656 |
| Gibraltar Fire & Rescue Service | 1 | 2 | £884 |
| Total | | | £1,211,726 |

5.6.29 Figure 130 shows the top 10 industrial employees who are recipients of allowances, showing the total amount in allowances they received as a percentage of their basic salary in the tax year 2018-19.

Figure 130

| Officer | Industrial Grade | Basic Wage | Cost of Allowances in 2018-19 | Allowances as a % of Wage |
|------------|---|------------|-------------------------------|---------------------------|
| Officer 1 | Driver (Gib. Industrial Cleaners) | £11,454 | £13,521 | 118.0% |
| Officer 2 | Driver (Gib. Industrial Cleaners) | £44,331 | £29,722 | 67.0% |
| Officer 3 | Industrial Grade Skill Zone 2 | £19,494 | £13,065 | 67.0% |
| Officer 4 | Refuse Collector (Gib. Industrial Cleaners) | £41,408 | £27,696 | 66.9% |
| Officer 5 | Refuse Collector (Gib. Industrial Cleaners) | £41,408 | £27,547 | 66.5% |
| Officer 6 | Driver (Gib. Industrial Cleaners) | £44,331 | £29,238 | 66.0% |
| Officer 7 | Refuse Collector (Gib. Industrial Cleaners) | £41,408 | £25,727 | 62.1% |
| Officer 8 | Driver (Gib. Industrial Cleaners) | £44,331 | £27,086 | 61.1% |
| Officer 9 | Refuse Collector (Gib. Industrial Cleaners) | £41,408 | £23,345 | 56.4% |
| Officer 10 | Refuse Collector (Gib. Industrial Cleaners) | £41,408 | £23,197 | 56.0% |

5.6.30 Industrial Grades General - The audit study revealed there is a relatively high number of Industrial employees in the public service who earn one or more allowances. Out of a total head count of 543 Industrial employees in the public service, in the tax year 2018-19, 428 (79%) were in receipt of at least one allowance in addition to their basic wage. In summary, there were a total of 15 different allowances paid to Industrial employees by the Government of Gibraltar in that year, amounting to £1.21m in total. When discussing Government Industrial wages costs, it is important to recognise the high cost of allowances. At the time of finalising this report in December 2023, the level of allowances paid to government Industrial employees, continues to remain extremely high, comprising a high percentage of their basic wages.

PART 6 - GENERAL AUDIT MATTERS

Revision of Public Audit Legislation

- 6.1.1** In 1997, Mr Joseph L Morello, Principal Auditor, embarked on a review of the public audit legislation contained in Parts VIII and IX of the Public Finance (Control and Audit) Act with a view to modernising this legislation and submitting a draft of the proposed revised law for consideration by the Government.
- 6.1.2** It is important to emphasise that public audit legislation in Gibraltar has not seen any significant amendments since its enactment in 1977, notwithstanding that there have been important developments, internationally, in audit law and practice during the intervening years which could be usefully adapted locally. The Principal Auditor, therefore, prepared detailed proposals for improving the legal basis for public audit in Gibraltar in addition to strengthening the independent position of the Principal Auditor and that of the Gibraltar Audit Office generally. These proposals also included provision for promoting greater economy, efficiency and effectiveness in the use of public money by Government departments and other statutory authorities and agencies by way of performing value for money audits. On 17 March 1998, the Principal Auditor forwarded his revised audit legislation proposals for the consideration of the Government and commented that the Government had signified its agreement, in broad terms, to his proposals and that he was holding discussions with the Chief Secretary on the more detailed aspects of these proposals. The Principal Auditor nevertheless reported, at the time, that the Government might not yet be in a position to proceed with the proposed changes to the audit legislation given that there were a number of related issues which it was pursuing in the context of constitutional modernisation for Gibraltar.
- 6.1.3** Since then, Mr Morello and his successor – Mr James C Posso and myself have taken every opportunity to urge the Government in office to take the proposed new audit legislation to Parliament at the earliest opportunity, after carrying out numerous reviews and amendments to the draft legislation over the years.
- 6.1.4** I should mention that this topic that has been included in successive political manifestos of the present Government Administration in the lead up to past General Elections, including the last one in October 2023, where there is a commitment that if elected to Government, the Executive will bring the new legislation to Parliament. I am glad to say that during 2023 I have met and discussed with the Financial Secretary the final draft of the new Public Audit Act and I am very hopeful that this new legislation will be presented in Parliament very shortly.

UK Overseas Territories Project

- 6.2.1** In 2016, the UK branch of the Commonwealth Parliamentary Association formed a consortium with the UK National Audit Office and the UK Government Internal Audit Agency to deliver the UK Overseas Territories Project. This project works with parliamentarians, parliamentary and electoral officials, external auditors and internal auditors from across the overseas territories to share good practice and exchange ideas. The project activities focus on providing technical assistance, training and mentoring to support and encourage effective public financial management. The UK Overseas Territories Project is funded by the UK Government's Conflict Security and Stability Fund, administered through the Overseas Territories Directorate of the Foreign, Commonwealth and Development Office. The project has agreed programmes of activities in place with each relevant Overseas Territory, working in partnership on their identified priority areas. The UK Overseas Territories Project was officially launched in March 2017 and is currently in Phase II.
- 6.2.2** Since the launch of the project, there has been a programme of activities where the Gibraltar Audit Office has actively participated. This has entailed:
- Technical support for financial audit;
 - Updating the public audit manuals and subsequent training in the use of these manuals;

- Technical support and receiving training in performance audit;
- A short-term secondment of a senior auditor (from Audit Wales) to the Gibraltar Audit Office to support management with the aim of capacity building;
- Quarterly remote participation by the Principal Auditor in an Overseas Territories Leadership Group that was set up to improve external audit capacity and capability;
- Participation in a series of workshops and e-workshops; and
- Visit to the Gibraltar Audit Office by National Audit Office officers to provide a structured assessment based on international standards, proportionate for a small audit office. Its primary aim was to contribute to the Principal Auditor's improvement planning activity.

Public Accounts Committee

6.3.1 A Public Accounts Committee, appointed by the Gibraltar Parliament, was first set up in 1980 to inquire and examine the issues raised by the Principal Auditor in his reports to Parliament. This first Public Accounts Committee was made up of a Member of Parliament from the Opposition as Chairperson, together with three other Members of Parliament composed of two Government Ministers and one other Member of Parliament from the Opposition.

6.3.2 However, the meetings of the Public Accounts Committee were discontinued in 1984 due to concerns raised regarding the potential problems that can occur of having two Government Ministers serving in the Public Accounts Committee. It was pointed out that when the Public Accounts Committee criticises the administration of a Government department, other than specifically in respect of the Head of that department as such, their criticism could on occasions be held to reflect on the Minister responsible for that department. There was hence the possibility of one Government Minister criticising a fellow Government Minister, albeit under the auspices of the Public Accounts Committee.

6.3.3 Quite separately, in 1984, the Government directed that the previously functioning Expenditure Committee should be revived and on the basis of this Committee's close involvement with finance, it should also take on the role of the previously set up Public Accounts Committee. The Expenditure Committee's terms of reference aside from examining the full range of Government expenditure, was to consider, pursue and investigate the matters drawn to HE The Governor's attention in the Annual Report of the Principal Auditor, in addition to reporting to the Chief Minister and the Deputy Governor the results of the Committee's investigations in this regard. The Expenditure Committee was chaired by the Minister for Economic Development and Trade; and the committee members were the Minister for Health and Housing in addition to the Establishment Officer (Human Resources Manager) and the Finance Officer, with the Administrative Secretary (Chief Secretary) co-opted when the Expenditure Committee considered the Annual Report of the Principal Auditor. The Expenditure Committee's existence was however short-lived and ended a few years after.

6.3.4 In January 2013, a Commission on Democratic and Parliamentary Reform was established by the Government. The Commission was chaired by the Speaker of the Parliament, and included as members two former members of Parliament. This Commission considered whether a Public Accounts Committee should be re-introduced as it existed from 1980 to 1984. It reported that there had been varied views from responders but in the main there had been support for a Public Accounts Committee. and there had been suggestions that such a committee should be chaired by a 'Deputy Speaker' and that backbenchers should form the backbone of the committee. However, the Commission was of the view that the 1980-84 Public Accounts Committee proved ineffective, impractical and unworkable particularly because Ministers were expected to scrutinise and question senior executives of their ministerial colleagues' departments. The Commission added that if a Public Accounts Committee were to be set up, it would be essential for Government backbenchers to take the place of Ministers. The Commission concluded that there was no need to establish a Public Accounts Committee, given that Opposition Members have every opportunity to examine Government expenditure in detail as well as debating the report from the Principal Auditor on the Government accounts for every financial year.

- 6.3.5** As Principal Auditor, I cannot disagree more with the Commission on Democratic and Parliamentary Reform's conclusion and recommendation to Parliament. The Commission's view in that a Public Accounts Committee is unnecessary given that Opposition Members have the opportunity to examine Government expenditure and debate the Principal Auditor's report is, with the utmost respect to the Commission, fundamentally flawed. This is because in parliamentary debates, much as Opposition Members question Government Ministers on matters raised in my report, the issues are debated at a superficial level, in comparison to the probing and extensive scrutiny undertaken by a Public Accounts Committee. Although I appreciate there is a certain level of enquiry and debate in Parliament on the Principal Auditor's Report, this is not enough and does not go deep enough to scrutinise and report on the many issues raised and areas of concern highlighted in the Principal Auditor's report. As a result, Gibraltar continues to underperform when it comes to legislative scrutiny of audit reports.
- 6.3.6** In contrast, a Public Accounts Committee conducts regular in-depth hearings on the key findings of audit reports with Heads of Department, who have been appointed by the Financial Secretary to be Receivers of Revenue or Controlling Officers (a statutory designation which carries specific responsibility for the receipt of public monies and the disbursement of public money granted by Parliament to a department). These Public Accounts Committee sessions would of course include representatives from the Gibraltar Audit Office to explain the observations and audit findings, but more importantly, the Head of the audited entity and other senior civil servants would obviously give evidence to the Commission and be held accountable to Parliament. This would enable the Head of Department concerned to abide by an action plan determined by the Commission to correct and remedy the issue(s) reported by the Principal Auditor. The Public Accounts Committee would thereafter report their recommendations to Parliament.
- 6.3.7** Notwithstanding the Commission on Democratic and Parliamentary Reform recommendations to Parliament, it is my view that there is a critical need for a select committee in the form of a Public Accounts Committee to be established by the Gibraltar Parliament. I can truly say that this is not only my view, but has been the professional view of all five previous individual Principal Auditors during the last 40 years, whom I have had the privilege to work with.
- 6.3.8** If the reason for discontinuing to have a Public Accounts Committee was due to it being considered to be unworkable because Government Ministers appointed to the Committee were expected to scrutinise and question senior executives of their ministerial colleagues' department, then rather than altogether do away with the Public Accounts Committee, there should be efforts to seek a workable solution for such a select committee of the Gibraltar Parliament to exist. Perhaps, a realistic and practical solution could be for the Public Accounts Committee to be formed of either Government backbenchers or perhaps retired accountants or other professionals, or even ex-senior civil servants.
- 6.3.9** I therefore kindly urge Parliament to give serious consideration to the reinstatement of a standing committee of the House in the form of a Public Accounts Committee, following best practice in the United Kingdom, the Commonwealth and indeed every prominent state in the western world, to oversee government accounts and ensure transparency and accountability in government financial operations.

Government Involvement in Audit Matters

- 6.4.1 Concerns on Control over the Principal Auditor's Human Resources – Reduction of Pay for New Recruits** - On 28 August 2019, I wrote to the Chief Minister expressing my concern that the Human Resources Department had very informally communicated to me that the Government was considering the removal of the 12% pay lead element (included in the pay of all Gibraltar Audit Office staff) to new entrants to the Gibraltar Audit Office. I informed the Chief Minister that I did not know for certain if this was the case, even though in May 2017 when the vacant post of Audit Administrative Executive (support grade) in the Gibraltar Audit Office was advertised, the job advert came out with the 12% element

removed from the pay scale when previously this post attracted the 12% pay lead like all other posts in the Gibraltar Audit Office, with the exception, of course, of the post of Principal Auditor. I told the Chief Minister that I was certainly not in agreement with this decision at the time as it went against the core principle of compensating audit staff for being unable to transfer or promote to posts outside the Gibraltar Audit Office with a view of ensuring continuity – this being a key aspect of the retention arrangements and conditions that were embedded in the restructure of the Audit Department when setting up the Gibraltar Audit Office as a ring-fenced Government Office in the year 2000. In learning that Government might be considering the removal of the 12% pay lead altogether to all new entrants to the Gibraltar Audit Office, I immediately put forward my strong objection to such a move.

- 6.4.2** I further informed the Chief Minister that when a management review of the then Audit Department was undertaken in 1999, aimed at securing for the future a more efficient and independent external audit service for Gibraltar (alike the Exchequer and Audit Department's move to become the National Audit Office [NAO] in the UK), one of the key features of the restructure was to declare the newly set up Gibraltar Audit Office a 'closed' Office, i.e. staff transfers and promotions into and out of the organisation would not be allowed. In compensation for this, the staff would receive an enhancement of 12% of their basic salaries. The main aim of ring-fencing the Gibraltar Audit Office was to overcome the serious staff continuity problems faced by the department in the past and allow for a more professional external audit service for the future.
- 6.4.3** I highlighted that the potential removal of the 12% pay lead to new entrants to the Gibraltar Audit Office will have a serious negative impact in the recruitment and retention of professional audit staff of a high calibre, which I can proudly say we have successfully managed to do up to now under the new set-up. More importantly, this, in turn will have wide repercussions, primarily in my ability to effectively discharge my constitutional and statutory duties as Principal Auditor.
- 6.4.4** I emphasised to the Chief Minister that it was a matter of grave concern to me that despite all the hard work in setting up and establishing a more independent Audit Office with a view of gaining a highly professional and skilled audit service, the intended move now by Government would have the undesirable adverse effect of not being able to attract and retain the best auditor recruits for the Gibraltar Audit Office. I therefore appealed to Government to reconsider and abandon such thought or consideration, as such a move would definitely cause lasting damage to the public audit function going forward.
- 6.4.5** I told the Chief Minister that if, on the other hand, Government maintains its continued support of the Gibraltar Audit Office, regarding it as an independent body as it has consistently done, then this would not only ensure that Gibraltar develops and preserves an efficient and professional public audit service but, together with the (pending) introduction of the new Public Audit Act, it will most definitely provide the necessary elements to secure for the future an audit function that is essentially as independent, modern and effective as those found in other countries and territories.
- 6.4.6** In his reply dated 29 August 2019, the Chief Minister agreed to meet to discuss the issues raised and said that he was agreeable to the suggestions I had put forward.
- 6.4.7** On 2 March 2020, I met with the Chief Minister and I put across my concerns regarding the removal of the 12% pay lead to new entrants to the Gibraltar Audit Office. The Chief Minister confirmed that this was the new policy that the Government wanted to introduce not only in the Gibraltar Audit Office but in the other two 'ring-fenced' offices (Statistics Office and the Information Technology and Logistics Department ("ITLD")) who enjoy a similar pay lead incorporated into the basic pay. I mentioned that already one officer (Audit Administrative Executive) in 2017 had been recruited without the 12% pay lead and although she was a non-audit grade, she undertook some audits and had therefore been adversely affected by the decision. I explained to the Chief Minister the negative impact such a move would have in recruiting the best possible individuals to the Gibraltar Audit Office and thereafter retaining

them. The Chief Minister said that Government was concerned that officers generally in the Service were moving outside their departments and retaining their pay lead which was not cost effective to Government and therefore before he could agree for the Gibraltar Audit Office not to lose the pay lead for new entrants he had to analyse the number of officers that had moved. I replied that no officer from the Gibraltar Audit Office had moved, or wished to move outside to another Government department. The Chief Minister replied that he would give a reply once he had analysed the number of officers who had moved from ring-fenced departments.

6.4.8 As there was already a vacancy in the office for a year (since March 2020) and the Chief Minister had not issued a formal reply, a further meeting was requested with the Chief Minister. The meeting, which was held on 12 March 2021, also had the Chief Statistician and Director of Information Technology and Logistics Department in attendance given that the Government also intended to reduce the salary of the new entrants to these departments in addition to the IT staff of the Treasury Department (all four ring-fenced departments), by the removal of the 12% pay element within basic pay, even though there had been no formal communication from Government to this effect. The purpose of the meeting was to find out from the Chief Minister what exactly was the reason that Government had for reducing the basic salary of new entry grades to the four ring-fenced departments represented at the meeting.

6.4.9 The Chief Minister explained that officers employed in the ring-fenced departments received the added 12% element in their basic salaries to compensate for not being able to transfer or promote to other posts within the civil service. The reason for reducing by 12% the basic salary of new entry grades, and in this way remove the ring-fenced arrangements for new entrants to the four ring-fenced departments, was that the philosophy of the Government had changed inasmuch as it now wanted new officers recruited to the four departments to be transferable to the rest of the public service. The Chief Minister added that by removing the 12% pay element contained in the basic salary of new recruits, these officers would become transferable and other Government departments would benefit from these officers' knowledge, skills and experience. The Chief Minister stressed that the officers themselves would have the opportunity to enhance their career prospects by being able to move across the whole of the Service.

6.4.10 On hearing the explanations provided by the Chief Minister, I (as did the Heads of the three other ring-fenced departments) expressed my deep concern and presented multiple objections and arguments against the Government's intended move. The main concerns expressed to the Chief Minister were the following:

- (a) There had been no formal communication by the Human Resources Department, or anyone else, to formally inform the Principal Auditor (and the Heads of the three other ring-fenced departments) of Government's decision to reduce the basic salaries of new entrants. There had been both a complete lack of communication and consultation;
- (b) There had been no consideration for the demonstrated efficiencies and capabilities that had been brought about by the ring-fencing of the Gibraltar Audit Office;
- (c) The removal of the 12% pay element in pay breached the ring-fenced agreement in place in the Gibraltar Audit Office;
- (d) The removal of the 12% pay element in pay is being applied arbitrarily to the Gibraltar Audit Office (and the three other ring-fenced departments), yet the same criteria is not being considered with the staff of statutory authorities and agencies who all receive a pay lead in their basic pay of more than 15% for being ring-fenced;
- (e) The removal of the 12% pay element in basic pay, and in this way making the officers transferable, goes against the core principal of retaining and securing staff in the Gibraltar Audit Office to ensure continuity of key specialised staff;

- (f) The removal of the 12% pay element in basic pay will have a serious negative impact in the recruitment and retention of professional staff of a high caliber by the Gibraltar Audit Office, which up till now has successfully managed to do so;
- (g) In the majority of western countries specialised departments like the Gibraltar Audit Office have similarly moved away from being a general civil service department to become a dedicated and professional office with non-transferrable staff;
- (h) Employees recruited by the Gibraltar Audit Office are not general clerical grades but are highly qualified and professional staff that are non-transferable grades because of the unique nature of their jobs, just like engineers, lawyers or teachers are;
- (i) In removing the 12% pay element in the basic salaries of new entrants, and in this way making the officers transferable, the Gibraltar Audit Office will become a de facto training ground for the rest of the Civil Service;
- (j) The cost savings to Government of removing the 12% pay element in basic salaries is minimal, around £3k per annum per new entrant; and new employees are only recruited very infrequently (on average every 3 to 5 years);
- (k) The intended move will have serious and negative consequences for the Gibraltar Audit Office in terms of its ability to:
 - Recruit specialised and highly qualified staff;
 - Retain experienced and skilled officers in the Gibraltar Audit Office;
 - Ensure adequate succession planning; and very importantly
 - Maintain the current high level of service delivery.
- (l) At the end of the day, my prime consideration, and all that I ask is for the Gibraltar Audit Office to be able to continue working at the same optimum level that we have been doing since the office was ring-fenced and, as Principal Auditor, to benefit from the best resources at my disposal in order to enable me to discharge my duties and responsibilities to Parliament.

On hearing the concerns voiced by the Principal Auditor (and the other three Heads of Departments), the Chief Minister replied that he was not convinced by the arguments presented to him. Nevertheless, he requested that the concerns raised in the meeting be formally put to him in writing and this was done on 31 March 2021.

6.4.11 Since the last meeting with the Chief Minister on this matter, held in March 2021, there has been no reply or comeback from the Government and although there are two vacant posts in the office, with the consequent problems this creates in the long-term, I am reluctant to accept the change in conditions to new staff imposed by the Government on the human resources I have at my disposal for the reasons specified in paragraph 6.4.10.

6.4.12 On 3 May 2023, I again wrote to the Chief Minister informing him that I had noted from correspondence received in the Gibraltar Audit Office pertaining to staff appointments in the Civil Service, that the pay scales in respect of the two lower basic staff grades in the ITLD, namely that of IT Trainee Technician and IT Technician, had been reviewed as from 8 March 2023, changing them from the previous pay scales that incorporated the 12% element, to a new (what I would term) 'hybrid' type of pay scales for both individual grades. These two new pay scales contain points in the scale that have a mixture of spine points equivalent to the Administrative Assistant and Administrative Officer pay scales respectively together with spine points that are slightly higher than the corresponding Administrative Assistant and Administrative Officer pay scales. I further informed the Chief Minister that I considered the pay scales for these two IT grades to be a more reasonable option than that previously mooted for the ring-fenced departments, and inasmuch as it refers to the Gibraltar Audit Office, and specifically to the Audit Clerk grade (the Audit basic grade) and the Audit Administrative Executive grade (a support grade [personal secretary]), which pay scales had the entire 12% element removed from them and converted to equivalent Administrative Officer and Personal Secretary pay scales respectively. I told the Chief Minister that I was

writing to him in my understanding that he had been involved with the negotiations with the ITLD, and also because of my previous meetings with him on this matter. I kindly requested that favourable consideration be given to apply the same criteria, as has been applied to the two ITLD grades, to the Audit Clerk and Audit Administrative Executive grade, so that the pay scales of these two audit grades are similarly converted to a 'hybrid' type of pay scales which would produce cost savings to the Government in line with the two aforementioned ITLD staff grades. This would ensure uniformity in the criteria applied to the basic grades of the ITLD and the Gibraltar Audit Office, and at the same time preserve the ring-fencing arrangement of the Gibraltar Audit Office consistent with the ITLD. As the Chief Minister did not reply to me, I sent him another email on 26 May 2023, but he did not reply either.

- 6.4.13** In my opinion, if the Government requires professionally qualified accountants in the rest of the Civil Service, which in my view is needed, then they should directly recruit such qualified staff and not have to resort to transfer the auditors/accountants recruited by the Gibraltar Audit Office, and through such action cause significant disorder in this office.
- 6.4.14** I am firmly of the view that the decision taken by the Gibraltar Government impinges on my independence, as the Government is in effect deciding unilaterally what they can do with the human resources working for the Principal Auditor. This of course has wide repercussions, primarily in my ability to effectively discharge my constitutional and statutory duties as Principal Auditor.
- 6.4.15** **Concerns on Control over Human and Financial Resources available to the Principal Auditor** - The following are the salient points from correspondence I have raised with the Financial Secretary over the last two years, together with his views and comments, on the concerns I have expressed in regard to a perceived control over the human and financial resources that are available to me.
- 6.4.16** In 2021, upon seeing the final budget of the Gibraltar Audit Office for the financial year 2021-22 before these were laid in Parliament, I contacted the Financial Secretary and expressed my concern that aside from having had the budget submission under Discretionary Overtime (£20k) removed and replaced by a £1k token sum under Emergency Overtime; and the estimate bid under Professional Fees (£60k) similarly replaced by a £1k token sum, an existing vacant post of Audit Clerk had been completely removed from the Gibraltar Audit Office Establishment. The Financial Secretary explained that the reductions in the budget had come about because of a general Government policy in containing expenditure; and with regard to the vacant post he had informed me that there had been a last minute Government instruction to remove from departments' Establishment in the Estimates Book all existing vacant posts in departments that had arisen after the year 2019. Nevertheless, the Financial Secretary added that even though the Gibraltar Audit Office budget for the financial year 2021-22 had been reduced, if at any time I had reason to require additional funding in any expenditure subhead under my responsibility, there would be no problem in providing this. I told the Financial Secretary that even though I acknowledged that I could request additional funding if required, I still reiterated to him the fundamental principal that because the Principal Auditor is independent, Government should not control or direct my access to financial and human resources.
- 6.4.17** On 15 September 2022, I again wrote to the Financial Secretary, informing him that in the financial year 2022-23 I had again reason to express my deep concern and discontent at the fact that both the human and financial resources of the Gibraltar Audit Office had, for a second year in succession, been changed, reduced and restricted without any prior consultation with me and more importantly without due regard to the principal of independence of my constitutional office.
- 6.4.18** Human Resources - In regard to the human resources of the Gibraltar Audit Office, I told the Financial Secretary that even though the Establishment (staff complement) of the Gibraltar Audit Office as a whole had been restored in the financial year 2022-23 to the full complement of 20 officers (in the previous financial year it had been reduced to 19 officers),

that I was very disappointed to note that the vacant Audit Clerk post, that had been removed in the year 2021-22, had now been converted to an Administrative Assistant post, without any consultation or input on my side. I further highlighted to the Financial Secretary that the fact that the Executive Government can unilaterally decide to change the category of human resources I have at my disposal to undertake my statutory role, to the extent of replacing an audit grade, that can perform audit duties, with an administrative support grade, that cannot undertake audit duties – and which I have not requested and have absolutely no need of, was totally unacceptable to me. I explained to the Financial Secretary that as he could understand, removing an audit grade from the Gibraltar Audit Office Establishment and in its place allocate a general administrative grade, had a direct negative impact in my ability to effectively discharge my functions under the law.

- 6.4.19** The Financial Secretary replied to me on 9 January 2023, explaining that all departmental Establishments submitted to his office are verified by the Human Resources Department who confirm that these are correct and that any increase to the previous published establishment carries the necessary Government approval. He said that during an Estimates meeting they were advised by the Minister responsible for Economic Development, in the presence of the Human Resources Manager, that the full complement of the Gibraltar Audit Office was 20 officers, however, any 'new' recruited officer to the Gibraltar Audit Office would no longer be ring-fenced and as such, the vacant post of Audit Clerk was to be replaced with a vacant Administrative Assistant post. The Minister said that this did not mean that I cannot take on an individual at that level and train them with Audit skills to perform audit functions. Furthermore, when the Financial Secretary questioned this in anticipation of a possible written objection from me, he was advised that this had been done in consultation with the Principal Auditor at a meeting held with the Chief Secretary. The Financial Secretary suggested that I raise my concerns directly with both the Chief Secretary and the Human Resources Manager.
- 6.4.20** On 17 March 2023, I wrote to the Financial Secretary, and acknowledged that the Government was indeed imposing on me, against my objections, that new officers recruited to the Gibraltar Audit Office would no longer be ring-fenced, and as such the 12% element of their salary (for being ring-fenced) would be removed for new-entrants. However, I pointed out to the Financial Secretary that this did not mean that new recruits have become administrative grades. I added that this decision was altogether new to me and I absolutely rejected the assertion from the Minister responsible for Economic Development or the Human Resources Manager that I had been consulted at a meeting held with the Chief Secretary that the vacant post of Audit Clerk was to be replaced with a vacant Administrative Assistant. This was completely false.
- 6.4.21** I explained to the Financial Secretary that since Government decided in 2017-18 that new recruits to the Gibraltar Audit Office would no longer be ring-fenced, I have had a series of meetings with the Chief Minister, with the Chief Secretary present, where I argued strongly against such a move. The decision by Government was, nevertheless, simply to remove the 12% 'ring-fencing' element of new recruits' salaries so that these officers are no longer ring-fenced and are transferrable within the Civil Service. I further explained that the basic grade in the Gibraltar Audit Office was that of Audit Clerk (equivalent to Administrative Officer + 12%). Hence, the decision by Government, as communicated to me by the Chief Minister, was that new officers would be recruited at the Audit Clerk grade but with Administrative Officer salary. I underlined to the Financial Secretary that at no time was I ever told that the entry grade was also going to be changed to that of Administrative Assistant. In fact, if I had been consulted on this aspect, like the Financial Secretary was saying in his letter, I would have completely contested and rejected such a move, as not only would Government be making newly recruited officers to the Gibraltar Audit Office transferrable but also lowering the entry level into the Gibraltar Audit Office and converting the entry grade into an administrative grade instead of an audit grade, something which is completely unacceptable to me as Principal Auditor. I further told the Financial Secretary that I would most definitely be raising my deep concerns to the Chief Secretary and the Human Resources Manager.

- 6.4.22** On 24 March 2023, I wrote to the Chief Secretary and the Human Resources Manager enquiring, in regard to the Approved Estimates of the Gibraltar Audit Office, why the Minister responsible for Economic Development had decided to change the basic entry grade of the Gibraltar Audit Office from Audit Clerk to Administrative Assistant without there being any consultation with me or without my agreement. I reiterated that under the Gibraltar Constitution the Principal Auditor is independent and as such should not be subject to control or direction in terms of his access to appropriate and reasonable human, material, and monetary resources. I strongly emphasised to the Chief Secretary and the Human Resources Manager that in my view, it was clear that in both financial years 2021-22 and 2022-23, I had not had the necessary and reasonable human and financial resources made available to me.
- 6.4.23** The Chief Secretary replied to me on 19 April 2023. He explained that budgets have been reduced over the last few years in relation to vacant posts, although to his understanding the Financial Secretary has explained that if the posts are filled during the year, funding provision for such positions should immediately follow. The same does apply to other charges and costs, including professional fees, whereby funding would be available to the required level should the need arise.
- 6.4.24** In his reply, the Chief Secretary quoted section 74(3) of the Gibraltar Constitution, which states: 'In the exercise of his functions under the Constitution, the Principal Auditor shall not be subject to the direction or control of any other person or authority.' Hence, the Chief Secretary was of the view that the budget amendments should not impact the Principal Auditor's ability to exercise his functions, especially considering the Financial Secretary had confirmed in his letter of 9 January 2023 that additional funds would be unlocked should these be required.
- 6.4.25** The Chief Secretary further explained that government departments' establishments are decided at ministerial and not administrative level. His understanding from the 2021-22 Gibraltar Audit Office Establishment was that the Audit Clerk was replaced with an Administrative Assistant, so the basic entry grade changed. This was further confirmed the following year in Appendix Q of the 2022-23 Estimates, as the Audit Clerk post is no longer included. The Chief Secretary said, however, that he genuinely believed that a change to the most junior entry level to the Gibraltar Audit Office, i.e. from an Audit Clerk to an Administrative Assistant, could not be considered a clear disregard to the independence of the Principal Auditor under the Constitution. The Chief Secretary said that he yet had to discuss this in greater detail with the Minister for Economic Development as there might still be some room to change the grade from Administrative Assistant to Administrative Officer if this was communicated to me by the Chief Minister when the Government introduced as policy the removal of the 12% ring-fencing element for new entrants. The Chief Secretary added that the structure is fluid within reason and not completely inflexible.
- 6.4.26** In my reply to the Chief Secretary on 20 April 2023, I informed him that I was quite aware, as indicated in my email to him dated 24 March 2023 (see paragraph 6.4.22), that the departmental establishment had been decided at ministerial level.
- 6.4.27** In regard to the Chief Secretary's understanding of the issues I had raised, I respectfully pointed out to the Chief Secretary that it was not exactly as he had said. The facts were that in the financial year 2021-22 the Gibraltar Audit Office Establishment was amended by completely removing an existing vacant post of Audit Clerk. The following year, financial year 2022-23, the vacancy was reincorporated into the Gibraltar Audit Office Establishment, but what was previously an Audit Clerk post was replaced with an Administrative Assistant post. I stressed that both years' changes occurred without any consultation with me.
- 6.4.28** I told the Chief Secretary that I failed to understand how he did not consider that a change to the staff entry level to the Gibraltar Audit Office, without the Principal Auditor having a say or being in agreement, represented a clear disregard to the Principal Auditor's independence under the Constitution. I added, that the constitutional independence of my post signifies, inter-alia, that neither the Government, nor anyone else for that matter, can exert control or

impose direction over my staff, as logically I need access to appropriate and reasonable staff resources in order to effectively perform my role and duties. It follows, therefore, that any interference in limiting the number of my staff; the type (grade and level) of staff; and the remuneration of my staff can evidently have a negative impact on how I discharge my role. The decision regarding the entry level grades to the Gibraltar Audit Office, or essentially the type and roles of the different audit grades within the Gibraltar Audit Office can logically only be mine, as otherwise not only is my independence disregarded and compromised but effectively someone else outside the audit ambit and without knowledge of audit is having a say in the external public audit function, something which I consider unconstitutional. To sum it up, I told the Chief Secretary that the ministerial decision to replace a Gibraltar Audit Office audit grade with a general administrative grade is, with respect, completely outrageous, in that it does not take into account the requirements needed for the job, and indeed the requirements the Principal Auditor needs in terms of reasonable human resources in order for him to successfully fulfil his duties under the law.

6.4.29 I further highlighted to the Chief Secretary that, to say, as the Financial Secretary quoted the Minister for Economic Development as saying in his reply letter, dated 9 January 2023, that, *'...having an Administrative Assistant vacancy does not mean that I [as Principal Auditor] cannot take on an individual at that level and train them with audit skills to perform audit functions'*, is totally unacceptable bearing in mind the direction that the Gibraltar Audit Office is moving, in line with the introduction of the new Public Audit Law, to secure a more modern and efficient public audit service. I said to the Chief Secretary, to draw a comparison, the Government Law Offices does not recruit lawyers as Administrative Assistants, nor does the Technical Services Department recruit engineers or architects as Administrative Assistants to thereafter train them as professionals. The same happens with the Gibraltar Audit Office. I require to recruit professionally qualified accountants/auditors at Audit Clerk level – this is the professional basic entry level audit grade (currently the unfilled Audit Clerk grade has the salary of the Administrative Officer grade but without the 12% ring-fencing element previously included, the removal of which was imposed by Government despite my objections), but I certainly do not recruit an Administrative Assistant grade, nor even an Administrative Officer grade, which are general administrative support grades which I have no use of.

6.4.30 In a separate meeting with the Chief Minister, also in April 2023, in connection with the enactment of the draft Public Audit Law, I brought up my concerns regarding my access to appropriate and reasonable human and financial resources. The Chief Minister explained that because of his very busy schedule of work during the last two years, as a consequence of the Covid pandemic and Brexit, he had not been so involved in the annual Estimates. He considered my explanations and arguments and accepted that the Audit Clerk grade should not have been changed to Administrative Assistant. With regard to the Professional Fees the Chief Minister said there was no problem in providing such funding during the year if this was required.

6.4.31 The Financial Secretary wrote to me on 21 April 2023, and in response to my request for confirmation that the vacant Audit Clerk post in the 2023-24 Gibraltar Audit Office Estimates would be shown as such and not as an Administrative Assistant post (like in the previous year), he confirmed that after discussing the matter with the Chief Minister and the Minister for Economic Development at length, it had been exceptionally agreed to reinstate the Audit Clerk post (without the 12% ring-fencing element) and remove the Administrative Assistant post.

6.4.32 Financial Resources - Regarding financial resources, I informed the Financial Secretary in my letter dated 15 September 2022, that once again, the Gibraltar Audit Office's budget submission for 2022-23 had been amended and reduced, and although a few of the changes were small and some were in line with a general Government policy of not making budgetary provision for vacant posts and discretionary overtime, and instead limiting overtime to solely emergency overtime, I highlighted a most significant change – and that was the complete removal of the Professional Fees subhead of expenditure.

6.4.33 As I mentioned in paragraph 6.4.16, the Gibraltar Audit Office departmental budget submission for Professional Fees in the previous financial year 2021-22, in the sum of £60k, had been reduced to a £1k token sum, yet the actual expenditure subhead remained in place. However, I emphasised to the Financial Secretary that in the financial year 2022-23, not only had the £60k departmental budget submission I had requested not been allocated, but of more concern, the 'Professional Fees' expenditure subhead was completely removed. On further examining the rest of the Government Estimates of Expenditure, I noted that there were a total of eleven Government departments and three Statutory Agencies/Authorities where the 'Professional Fees' subhead of expenditure had remained with either an approved budget sum or a token sum allocated, see Figure 131, thus indicating that the removal of the Professional Fees subhead of expenditure in the Gibraltar Audit Office Head is an isolated case and not part of a general Government policy. I informed the Financial Secretary that the move to do away with requested funding as part of my budget submission without any prior consultation or discussion was, similarly unacceptable to me, as Principal Auditor, particularly, as I had specifically informed the Financial Secretary in my budget submission that I was providing a budget sum of £60k under 'Professional Fees' in order to undertake performance audits (VFM studies) as it was my firm intention to engage this professional service during the year 2022-23, having been unable to do so in the previous financial year due to the Covid-19 pandemic.

Figure 131

| Head of Expenditure | Subhead of Expenditure | Approved Estimate Sum |
|--|---------------------------------|-----------------------|
| Head 1 Treasury | Subhead 2(8) Professional Fees | £1k |
| Head 5 Income Tax | Subhead 2(6) Professional Fees | £7k |
| Head 10 Government Law Offices | Subhead 2(24) Professional Fees | £2.5m |
| Head 20 Driving & Vehicle Licensing | Subhead 2(11) Professional Fees | £1k |
| Head 24 Economic Development | Subhead 2(8) Professional Fees | £35k |
| Head 26 Justice – General Office | Subhead 2(6) Professional Fees | £1k |
| Head 26 Justice – Gibraltar Police Authority | Subhead 2(26) Professional Fees | £20k |
| Head 28 Policing | Subhead 2(18) Professional Fees | £1k |
| Head 44 Financial Services | Subhead 2(7) Professional Fees | £1k |
| Head 45 Gambling Division | Subhead 2(9) Professional Fees | £35k |
| Head 51 Business | Subhead 2(9) Professional Fees | £1k |
| Housing Works Agency | Subhead (29) Professional Fees | £10k |
| Care Agency | Subhead (27) Professional Fees | £30k |
| Gibraltar Electricity Authority | Subhead (34) Professional Fees | £480k |

6.4.34 I told the Financial Secretary that I looked forward to his response before I considered writing to the Chief Minister to inform him that given my independence under the Gibraltar Constitution and the Public Finance (Control and Audit) Act, I thought it was highly improper that the resources available to me, both human and financial, could be controlled, restricted and removed without any prior consultation and without due respect and consideration to the principal of independence of my constitutional office; in addition to the negative impact this has on my ability to undertake my statutory duties.

6.4.35 In his reply to me on 9 January 2023, the Financial Secretary noted my concerns regarding the removal of the Professional Fees subhead and understood my intention to undertake performance audits, having been unable to do so in the previous financial year due to the Covid-19 pandemic. He was aware that I had discussed this with his predecessor last year and he foresaw no issue in providing additional funding if this was required. The Financial Secretary nevertheless pointed out that as no professional fees expenditure had been incurred under the Gibraltar Audit Office Head for more than ten years, hence the instruction to remove the professional fees subhead. The Financial Secretary explained that the eleven departments and three statutory agencies/authorities which I had cited had retained the approved estimate did have some expenditure in the last 10 years. However, the Financial Secretary assured me, as communicated in the previous year, that if I did engage in undertaking performance audits, he did not foresee any problems in providing additional funding if required.

- 6.4.36** The Financial Secretary further explained that as part of the Estimates process the Government needs to ensure that they maintain recurrent annual public expenditure going forward to a level no greater than the amount approved in the Estimates book for the prior year. The Financial Secretary said that, as I well know, since the Covid-19 pandemic hit, it has not only had an adverse effect on Government expenditure but also on Government revenue, an effect, he pointed out, that largely continues to this day. He further explained that Government revenue collection had decreased as a consequence and Government therefore could not sustain growth in recurrent expenditure as if there had been no pandemic. The Financial Secretary added that unquestionably I was perfectly aware of this situation and he had no doubts that I would endorse the approach taken.
- 6.4.37** The Financial Secretary said that the budgetary reduction to the Estimates submission by the Gibraltar Audit Office, as I explained in paragraph 6.4.33, was in no way related to my independence as Principal Auditor under the Gibraltar Constitution and the Public Finance (Control and Audit) Act of which he was fully aware of and he therefore failed to understand why this was regularly brought to his attention and that of his predecessor.
- 6.4.38** In my reply to the Financial Secretary on 17 March 2023, and in regard to the removal of the Professional Fees subhead of expenditure from the Gibraltar Audit Office Expenditure budget on the basis that no expenditure had been incurred under this subhead in the last ten years, I informed the Financial Secretary that I considered this criterion to be flawed. My reasoning being that if the basis of assessing whether a subhead needs to be retained within an Expenditure Vote, is by determining if expenditure has been incurred in past years, then this might lead Controlling Officers to incur some amount of expenditure, notwithstanding the real needs of the department, solely to avert the expenditure subhead being altogether removed. I explained to the Financial Secretary that in contrast, my predecessor and I had acted prudently and had not incurred expenditure as there had evidently been no need for this in past years and in doing so was now getting ‘penalised’ by the removal of the Professional Fees subhead.
- 6.4.39** I informed the Financial Secretary that I fully agreed with the Government policy of ensuring that recurrent annual public expenditure is maintained going forward to a level no greater than the amount approved in the Estimates book for the prior year. However, I pointed out that in adherence to this policy, if Government did not wish to increase the approved budget sum under Professional Fees from that of the previous year (which was £1k), I honestly failed to see how maintaining the £1k token budget within Professional Fees could significantly have increased the overall annual public expenditure of the Government. I told the Financial Secretary that quite frankly, I did not see this as a valid and legitimate reason for removing the Professional Fees subhead altogether, given that at the very least, if the departmental bid of £60k was discarded, then the £1k token budget should have been preserved and in this way the Government policy of not increasing the approved budget sum from that of the previous year would have been maintained. Indeed, preserving the £1k token budget of Professional Fees would have allowed me the opportunity, if the need arose during the year to contract professional services, by either utilising savings from other subheads within the Gibraltar Audit Office Expenditure Vote and/or alternatively seeking supplementary funding.
- 6.4.40** I further informed the Financial Secretary that I was very surprised at his statement, detailed in paragraph 6.4.37, that the budgetary reduction to the Estimates submission by the Gibraltar Audit Office was in no way related to my independence as Principal Auditor under the Gibraltar Constitution and the Public Finance (Control and Audit) Act of which he was fully aware of and he therefore failed to understand why this was regularly brought to his attention and that of his predecessor. In my view, it is patently clear that any move to reduce or change the Gibraltar Audit Office budget without any prior consultation or discussion with me evidently impinges in my independence as Principal Auditor.
- 6.4.41** I explained to the Financial Secretary that the Principal Auditor, and I said this with the humblest respects, although a Controlling Officer in his own right just as other Heads of

Department, is quite distinct to the majority of other Controlling Officers in that he is independent of the Executive Government. Consequently, the Government although evidently free to apply its policies and directives across all the public service, should not be able to control or direct the Principal Auditor's access to both financial and human resources. If it does so, then this can have a significant impact on the Principal Auditor's ability to carry out his constitutional and statutory duties. There should hence be a process of communication and dialogue where the Principal Auditor needs to be consulted in any steps relating to budgetary and human resources that might have an impact or encroach on his role, and in this way preserve his independence at all times. This, I said to the Financial Secretary, is something that is patently lacking and the reason why I keep bringing this issue up with him and previously with his predecessor.

6.4.42 Consequently, and in accordance with best practice, the Gibraltar Audit Office's budget should not be negotiated with government officers, which the Gibraltar Audit Office also audits. There has to be a process in place that allows for the appropriate funding for the Gibraltar Audit Office to be determined objectively, without any real or perceived influence. I pointed out to the Financial Secretary that this is why in the draft Public Audit Bill, which is awaiting enactment by the Government, there is provision for the budget estimate presented by the Principal Auditor to the Financial Secretary, to be determined by Resolution of the Parliament. If the Principal Auditor believes, after the proposed draft Resolution is referred to him, that the extent of financial resources for the Gibraltar Audit Office in any proposed Resolution before the Parliament is insufficient, he can write a report through the Chief Minister which is then laid in Parliament before the Resolution on the Gibraltar Audit Office's budget is considered and passed by Parliament. I told the Financial Secretary that, as he could appreciate, this process will allow the Principal Auditor to have a say in the budget allocated to him.

6.4.43 The Financial Secretary wrote to me on 21 April 2023, in response to my request for confirmation that the provision of £60k under Professional Fees would be included in the Gibraltar Audit Office budget for 2023-24. The Financial Secretary said that this was being included in a similar manner as had been included in the Approved Estimates from 2015-16 to 2021-22, i.e. showing a token sum of £1k, but with the understanding that if the budget was exceeded, additional funding would be provided.

Delay in Finalising and Presenting the Audit Report to Parliament

6.5.1 I acknowledge that there has been a considerable delay in the finalisation and submission of my Audit Report on the Public Accounts of Gibraltar for the years ended 31 March 2017 and 31 March 2018 to the Gibraltar Parliament. There are various reasons for this, which I shall explain hereunder and which explanations I already provided to the Government on several occasions in response to questions from Members of Parliament from the Opposition.

6.5.2 I do, of course, agree that the audit reports on the Public Accounts of Gibraltar to be presented to Parliament need to be submitted on a timely basis. However, there are a number of important factors that have contributed to the delay in finalising my report. These constraints have been:

- (a) **Delay in enacting the Supplementary Appropriation Legislation** - The Public Accounts of Gibraltar could not be finalised until the corresponding supplementary appropriation legislation had been approved by Parliament. Consequently, the audit of the 2016-17 and 2017-18 public accounts could not be completed until the Supplementary Appropriation (2016-17) Act and the Supplementary Appropriation (2017-18) Act had been taken to Parliament and approved. This took place on 27 July 2021. It is precisely because of the delay in enacting the supplementary appropriation legislation, that I decided to undertake jointly the audit of the two sets of public accounts, as otherwise my report on the public accounts for the year ended 31 March 2017 would already have been finalised and tabled in Parliament.

- (b) **Coronavirus (Covid-19) Pandemic** - The onslaught of the Covid-19 Pandemic had a significant effect in the ability to carry out the audit work. The limitation on audit staff resources due to (non-audit) redeployment duties to other areas in Government; in addition to those staff members that contracted the virus; added to the absence of key staff in departments due to Covid; plus, the difficulties in liaising with staff from other departments being audited as a consequence of the pandemic, had an overall extremely negative impact in our performance.
- (c) **Staff Shortages** - The Gibraltar Audit Office has had (and continues to have) 2 unfilled vacant middle management posts (one Assistant Auditor post and one Auditor post) for a long period of time (one for over 3½ years and the other close to a year respectively). Additionally, there is another unfilled post in respect of an Assistant Auditor that was deployed to Digital Services over 3 years ago in order to assist the Gibraltar Government with the implementation of e-Government services and the new Government accounting system. The consequences of having 3 vacant posts for a prolonged period in a small office set up clearly has a detrimental effect on the on-going audit programme and inevitably has impacted on the timely completion of the Principal Auditor's report to Parliament.
- (d) **A significant increase in the level of advice and support requested by Government Departments** - Although traditionally the Principal Auditor and his staff have always provided advice and assistance to government departments as part of the audit function, in the last few years the non-audit requests by government departments for guidance, professional advice, support and drafting of legislation/agreements by staff of the Gibraltar Audit Office has increased significantly. I believe this is due, generally, to a noticeable drop in certain skills, relevant knowledge and expertise across the Civil Service. The burden placed on staff of the Gibraltar Audit Office is considerable and evidently detracts the Principal Auditor from being able to meet his primary statutory and constitutional role in a well-timed manner.
- (e) **Delays in effecting changes to audited Public Accounts** - There have been substantial delays in carrying out changes to the two sets of financial statements by the Treasury Department, arising from the audit of these accounts. I believe these delays stem from a noticeable level of staff shortages that this department has endured for a number of years.

Acknowledgement

- 6.6.1** I will be retiring on 3 April 2024 and wish to express my appreciation and sincere gratitude to the loyal staff of the Gibraltar Audit Office for their excellent and unstinted support all throughout my tenure. I also wish my successor, Mr Sergio Braz, who at present is one of my two Assistant Principal Auditors, a successful term as Principal Auditor. I have no doubt that he will excel in his new appointment, just as he has done up to now in his audit career.
- 6.6.2** I am also very grateful to the Financial Secretary, the Chief Secretary, the Accountant General, all Heads of Departments, Controlling Officers and Receivers of Revenue, and their respective members of staff, for the co-operation, assistance and courtesy extended to staff of the Gibraltar Audit Office during the course of the performance of the audit function.



A R Sacramento
Principal Auditor
Gibraltar Audit Office
21 December 2023

AUDIT OPINION

Certificate of the Principal Auditor to Parliament on the Public Accounts of Gibraltar

I certify that I have audited the public accounts of Gibraltar for the year ended 31 March 2017 as required by the provisions of section 74 (1) of the Constitution of Gibraltar. These comprise the statements of accounts as specified in Section 52 of the Public Finance (Control and Audit) Act, 1977. I have also audited the information in the Accountant General's Report, the Statement of the financial position of the Government of Gibraltar and the related notes. These public accounts have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Accountant General, Controlling Officers, Receivers of Revenue and the Principal Auditor

The Accountant General has statutory responsibility for the compilation, management and supervision of the accounts of the Government and for the conduct of the treasury; and within a period of nine months after the close of each financial year shall sign and transmit to the Principal Auditor accounts showing fully the financial position of the Government of Gibraltar at the end of such financial year.

The Government of Gibraltar's policy is to prepare the public accounts on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than earned, and expenses are recognised when paid rather than when incurred.

Controlling Officers are the chief accounting officers in respect of, and are personally accountable for, all public monies disbursed and all stores held, issued or received or used by or on account of the department or service for the head of expenditure for which they are the controlling officer.

Receivers of Revenue are statutorily responsible for the collection of, and accounting for, all monies received for the credit of items of revenue for which they are appointed receivers of revenue for any financial year.

My constitutional responsibility is to audit, certify and report on the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government. I conducted my audit in accordance with generally accepted government auditing standards.

Scope of the audit of the Public Accounts

An audit involves obtaining evidence about the amounts and disclosures in the public accounts sufficient to give reasonable assurance that the public accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Government of Gibraltar's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the public accounts. In addition, I read all the financial and non-financial information contained in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes in her report to identify material inconsistencies with the audited public accounts. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am also required to obtain evidence sufficient to give reasonable assurance that the revenue and expenditure recorded in the public accounts have been applied to the purposes intended by

Parliament and the financial transactions recorded in the public accounts conform to the authorities that govern them.

Opinion on Regularity

Except for the relevant comments contained in my report, in my opinion, in all material respects, monies which have been appropriated and disbursed have been applied to the purposes for which they were appropriated and the expenditure recorded in the public accounts conform to the authorities that govern them.

Opinion on the Public Accounts

Except for the relevant comments contained in my report, in my opinion, the public accounts on pages 394 to 609 properly present the revenue collected and expenditure paid during the financial year ended 31 March 2017 and the assets and liabilities as at the end of that period.

Opinion on Other Matters

In my opinion, the information given in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are consistent with the audited public accounts.

Matters on which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the public accounts, the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are not in agreement with the accounting records or returns; or
- information regarding transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

My report provides observations and comments on the public accounts and on the regularity of expenditure.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

21 December 2023



GOVERNMENT OF GIBRALTAR

**ACCOUNTANT GENERAL'S REPORT ON THE PUBLIC
ACCOUNTS OF GIBRALTAR**

For The Financial Year Ended

31 March 2017

Treasury Department



GOVERNMENT OF GIBRALTAR
Accountant General's Report on the Public Accounts of Gibraltar
For The Year Ended 31 March 2017

These accounts have been prepared bearing in mind the Government's policy to promote transparency and accountability in the public finances.

The Government's accounting system is primarily 'cash-based', which means that the books reflect receipts and expenditure actually paid in and paid out during the year and no account is taken of amounts owed by or due to the Government at the year-end, with the exception of return on investments, as well as investments, which are accounted for on an accrual basis. Physical assets held by Government, such as the value of buildings, vehicles and other non-financial assets are not reflected in the accounts. Details of arrears of Government revenues are shown in a separate statutory statement of account – The Statement of Aggregate Arrears of Revenue by Subheads.

As regards expenditure, the established principle is that authority to spend Government money lapses at each year-end. An annual appropriation act is therefore required. However, there are certain payments, for example those related to Government occupational pensions and public debt servicing costs, for which the authority to spend is derived from the Constitution and by specific legislation.

Tessa Perera
Accountant General (ag)
28th November 2023

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2017
Financial Position of the Government of Gibraltar on 31 March 2017

Source of Finance

Overall Cash Reserves

| | | | |
|--|----------|-----------|-----------|
| Opening Reserves on 1 April 2016 | (Note 1) | £'Million | £'Million |
| | | | 105.3 |
| <u>Revenue Account</u> | | | |
| Recurrent revenue during the year | (Note 2) | 655.7 | |
| Recurrent expenditure during the year | (Note 3) | (550.7) | |
| Contribution to Government-Owned Companies | | (25.0) | |
| Surplus for 2016/2017 | | | 80.0 |
| Exceptional Non-recurrent Revenue | | 0.0 | |
| Exceptional Non-recurrent Expenditure | | 0.0 | |
| | | | 0.0 |
| Transfer of Government Surplus to Social Assistance Fund | | | (20.0) |
| <u>Capital Investment - Improvement and Development</u> | | | |
| Capital receipts during the year - excluding borrowing | (Note 4) | 9.9 | |
| Capital investment during the year | | (47.3) | |
| | | | (37.4) |
| <u>Public Debt</u> | | | |
| Public Sector borrowing during the year | | 0.0 | |
| Repayments during the year | | 0.0 | |
| Net Repayments during the Year | | 0.0 | |
| Less repayments met by the General Sinking Fund | | 0.0 | |
| | | | 0.0 |
| Net increase in cash balances held by: | | | |
| Government-owned companies | | 189.8 | |
| Gibraltar Development Corporation-owned companies | | (6.4) | |
| GSBA Limited | | (0.9) | |
| | | | 182.5 |
| Closing Reserves on 31 March 2017 | | | 310.4 |

Other Government Balances Held For Specific Purposes

| | | | |
|--|----------|-----------|-------|
| Contingencies Fund | | | 0.4 |
| Statutory Benefits Fund | (Note 5) | 0.1 | |
| Social Assistance Fund | | 0.2 | |
| Note Security Fund | | 40.6 | |
| General Sinking Fund | | 5.2 | |
| Other Special Funds | | 143.2 | |
| | | | 189.3 |
| Deposit Accounts | | 15.0 | |
| Advance Accounts | | (14.3) | |
| Unretired Imprests | | (1.6) | |
| | | | (0.9) |
| <u>Gibraltar Savings Bank</u> | | | |
| Investments held on behalf of the Bank | (Note 6) | 1,359.1 | |
| Less amount due to depositors | | (1,327.0) | |
| Reserve | | | 32.1 |
| | | | 531.3 |

Employment of Finance

| | | | |
|-------------------------------------|--|--|-------|
| Cash in Hand | | | 0.1 |
| Bank Deposits and other investments | | | 531.2 |
| | | | 531.3 |

The above statement does not include the following:

| | | |
|--|--|-----------|
| (i) Public Debt | | £'Million |
| Closing Aggregate Public Debt on 31 March 2017 | | 442.5 |

| | |
|-------------------------------|----------|
| (ii) Government Shareholdings | (Note 7) |
|-------------------------------|----------|



T Perera
Accountant General (ag)
28 November 2023

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2017

Notes on Financial Position of the Government of Gibraltar on 31 March 2017

Note 1

Government Reserves

The Government Reserves represent the surplus funds that are available to be drawn upon by the Government subject to the limitations prescribed under the Public Finance (Borrowing Powers) Act 2008, as amended by the Public Finance (Borrowing Powers) Act 2016.

The maximum authorised Net Public Debt for the financial year ending 31 March 2017 was £762.8 million, that is, forty per cent of Gibraltar's Gross Domestic Product forecast published for March 2017 (GDP forecast £1,907.0 million).

The Aggregate Public Debt stood at £442.5 million on 31 March 2017 compared to £446.0 million on 31 March 2016. There was no borrowing or repayment during the year; the £3.5 million decrease is the result of a corresponding increase in the balance of the General Sinking Fund for the year.

Cash Reserves stood at £127.6 million at the year-end (total cash held in Consolidated Fund and Improvement and Development Fund) compared to £105.0 million on 31 March 2016.

The Net Public Debt stood at £314.9 million at the year-end (Aggregate Public Debt less Cash Reserves).

With the authorised ceiling for Net Public Debt at £762.8 million, the total Cash Reserves of £127.6 million at the year-end was available to be drawn upon by the Government.

The Consolidated Fund made a contribution of £25.0 million to the Government-owned companies on 31 March 2017. The year-end position of the Government-owned companies reflected a net increase of £182.5 million in the Government's overall cash reserves.

A contribution of £25.0 million was made to the Improvement and Development Fund for the year. The Improvement and Development Fund year-end balance stood at £7.9 million.

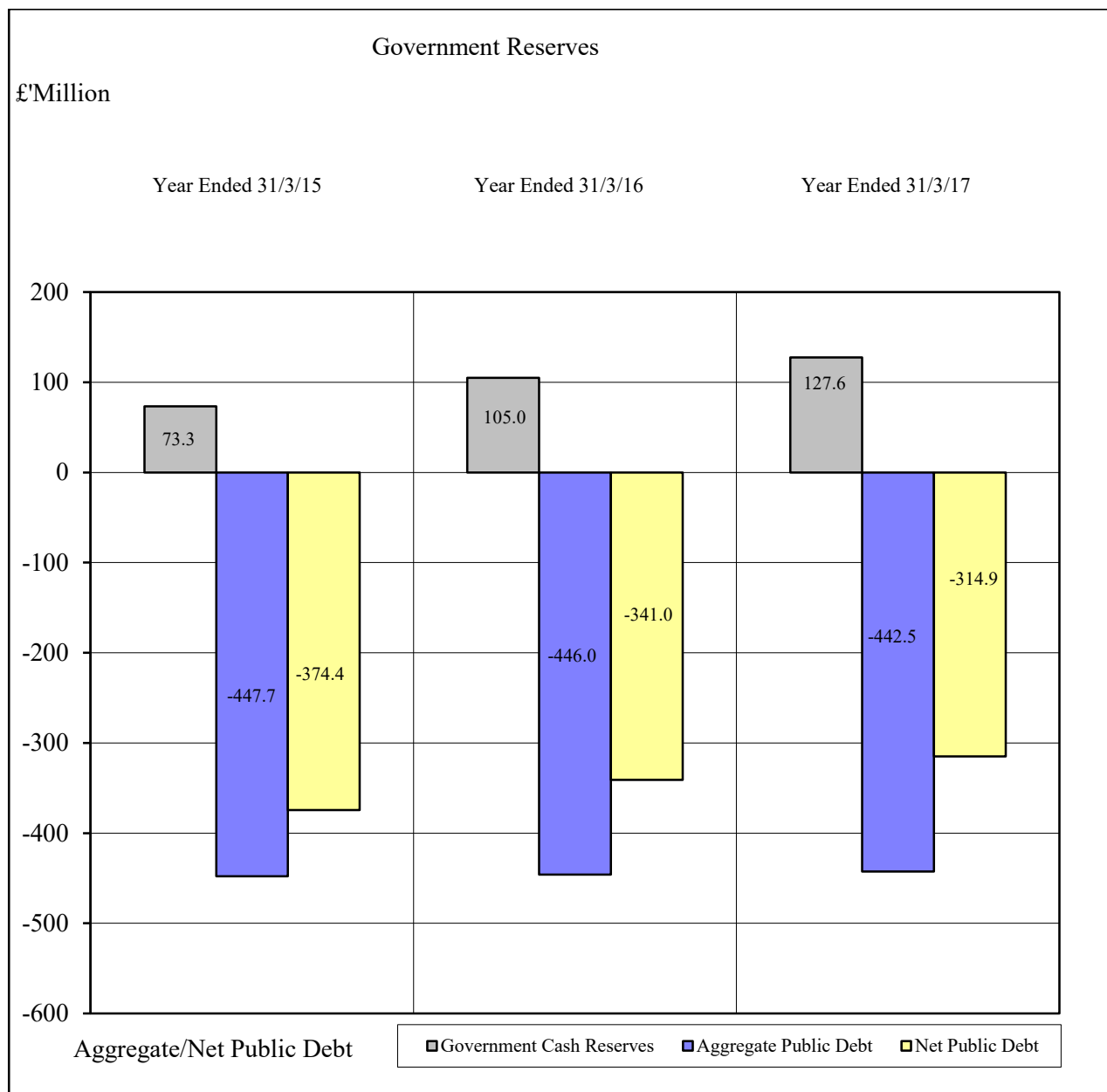
The surplus on the recurrent revenue and expenditure account was £80.0 million. A transfer of £20.0 million was made from the Consolidated Fund to the Social Assistance Fund.

| <u>Government Reserves</u> | | | |
|-----------------------------------|--|--|--|
| | <u>Reserves on</u> <u>31 March 2015</u> | <u>Reserves on</u> <u>31 March 2016</u> | <u>Reserves on</u> <u>31 March 2017</u> |
| | <u>£'Million</u> | <u>£'Million</u> | <u>£'Million</u> |
| Consolidated Fund | 62.1 | 84.7 | 119.7 |
| Improvement and Development Fund | 11.2 | 20.3 | 7.9 |
| Cash Reserves | 73.3 | 105.0 | 127.6 |
| Net Companies Deposits | 60.7 | 0.3 | 182.8 |
| Social Assistance Fund | 0.0 | 0.0 | 0.0 |
| Overall Cash Reserves | 134.0 | 105.3 | 310.4 |

cont...

Note 1 (cont)

The balance of the Aggregate Public Debt as at 31 March 2017 was made up of £247.7 million of Government of Gibraltar Debentures and £200.0 million of drawings from revolving bank loan facilities and the balance of the General Sinking Fund which stood at £5.2 million.



Note:

Aggregate Public Debt means total amount of Public Debt owing by the Government less any amount held in any sinking fund established by the Financial Secretary to provide for the repayment of such Public Debt.

Note 2**Recurrent Revenue**

| Government Recurrent Revenue | | |
|---|--------------------------|----------------------|
| During the year ended 31 March 2017 | | |
| | <u>Y/e 31 March 2017</u> | <u>Previous year</u> |
| | <u>£'Million</u> | <u>£'Million</u> |
| <u>Recurrent Revenues</u> | | |
| Import Duties | 166.5 | 151.9 |
| Income Tax | 154.8 | 148.1 |
| Company Tax | 135.7 | 109.2 |
| General Rates and Salt Water Charges | 24.6 | 23.9 |
| Stamp Duties | 19.7 | 4.9 |
| Gambling Charges and Fees | 15.3 | 14.9 |
| Aviation | 7.1 | 5.0 |
| Tourism | 4.1 | 4.1 |
| Ground and Sundry Rents | 3.2 | 3.0 |
| Companies House Fees | 3.1 | 2.9 |
| Judiciary – Fines and Forfeitures and Court Fees | 2.7 | 1.4 |
| House Rents | 2.4 | 3.0 |
| Postal Services Receipts | 2.1 | 2.1 |
| Telecommunications Licences and Fees | 2.1 | 1.9 |
| Culture and Heritage Miscellaneous Receipts | 1.5 | 1.6 |
| Ship and Yacht Registration Fees | 1.2 | 1.4 |
| Driver and Vehicle Licences | 0.9 | 0.7 |
| Currency and Coinage Receipts | 0.7 | 0.8 |
| Gaming Licences | 0.7 | 0.7 |
| Education | 0.7 | 0.6 |
| Immigration and Civil Status Fees | 0.7 | 0.6 |
| Government Lottery – Surplus | 0.6 | 0.7 |
| Dividends from Government Shareholdings | 0.6 | 2.1 |
| Interest on Consolidated Fund Investments | 0.1 | 0.1 |
| Other Miscellaneous Receipts | 7.7 | 5.2 |
| | 558.8 | 490.8 |
| <u>Other Recurrent Revenues</u> | | |
| <u>Gibraltar Health Authority</u> | | |
| Group Practice Medical Scheme | 53.6 | 51.5 |
| Miscellaneous Receipts | 4.6 | 4.9 |
| | 58.2 | 56.4 |
| <u>Gibraltar Electricity Authority</u> | | |
| Electricity Charges to Consumers | 29.1 | 25.2 |
| Commercial Works | 2.9 | 2.6 |
| | 32.0 | 27.8 |
| <u>Gibraltar Health Authority – Elderly Residential Services Section</u> | | |
| Residents' Contributions | 1.6 | 1.6 |
| | | |
| <u>Gibraltar Sports and Leisure Authority – Miscellaneous Receipts</u> | 0.1 | 0.1 |
| | | |
| <u>Gibraltar Development Corporation</u> | | |
| Miscellaneous Receipts | 0.3 | 0.4 |
| | 0.3 | 0.4 |

cont...

Note 2 (cont)

| | <u>Y/e 31 March 2017</u> | <u>Previous year</u> |
|---|--------------------------|----------------------|
| | <u>£'Million</u> | <u>£'Million</u> |
| <u>Gibraltar Port Authority</u> | | |
| Tonnage Dues (i) | 2.6 | 2.5 |
| Berthing Charges | 0.6 | 0.5 |
| Bunkering Charges | 0.6 | 0.4 |
| Port Arrival and Departure Tax | 0.3 | 0.4 |
| Port, Operator and Harbour Craft Licences | 0.3 | 0.4 |
| Miscellaneous Charges | 0.3 | 0.2 |
| | 4.7 | 4.4 |
| <u>Grand Total – Recurrent Revenue</u> | 655.7 | 581.5 |

Note:

(i) Tonnage Dues collections for the year ended 31 March 2017 are undercharged by £0.4 million (£0.1 million for the year ended 31 March 2016) due to the application of a discounted fee by the Captain of the Port to vessels anchoring at the Eastern Anchorage.

Recurrent Revenue

Government recurrent revenue during the year amounted to £655.7 million. This figure includes recurrent revenues of Government Agencies and Authorities, in accordance with the Public Finance (Control and Audit) (Amendment) Act 2011.

Social Insurance contributions (£22.6 million), which were credited directly to the Statutory Benefits Fund, are not included in the recurrent revenue figure. The receipts channelled through this Fund are shown in a separate statement under Note 5.

Note 3
Recurrent Expenditure

| Government Recurrent Expenditure During the year ended 31 March 2017 | | |
|---|--|--|
| | Y/e 31 March 2017 £'Million | Previous year £'Million |
| <u>Consolidated Fund Charges</u> (Payments provided for in legislation) | | |
| Government Pensions (i) | 35.3 | 31.8 |
| Public Debt Charges | 26.4 | 20.0 |
| Revenue Repayments | 10.1 | 6.6 |
| Employer's Social Insurance Contributions | 4.0 | 3.9 |
| Judicature | 1.2 | 1.0 |
| Statutory Offices | 0.7 | 0.7 |
| Public Services Ombudsman | 0.4 | 0.4 |
| Sub-total Consolidated Fund Charges | 78.1 | 64.4 |
| <u>Other Consolidated Fund Expenditure</u> | | |
| Departmental Payroll Costs – Non-industrial Staff | 88.4 | 82.7 |
| Departmental Payroll Costs – Industrial Staff | 4.0 | 3.7 |
| Sub-total Payroll Costs | 92.4 | 86.4 |
| Contracted-Out Services | 32.9 | 31.3 |
| Departmental Other Charges (see below for Consolidated Fund contributions) (ii) | 90.1 | 86.5 |
| Payment to Social Assistance Fund – Import Duty | 7.9 | 7.6 |
| Contribution to Statutory Benefits Fund | 7.0 | 7.0 |
| | 308.4 | 283.2 |
| <u>Gibraltar Health Authority</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 58.2 | 56.4 |
| Additional Contribution from Consolidated Fund | 56.3 | 49.5 |
| | 114.5 | 105.9 |
| <u>Gibraltar Electricity Authority</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 32.0 | 27.8 |
| Additional Contribution from Consolidated Fund | 22.1 | 24.4 |
| | 54.1 | 52.2 |
| <u>Gibraltar Health Authority – Elderly Residential Services Section</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 1.6 | 1.5 |
| Additional Contribution from Consolidated Fund | 16.1 | 14.5 |
| | 17.7 | 16.0 |
| <u>Care Agency</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.0 | 0.0 |
| Additional Contribution from Consolidated Fund | 15.0 | 15.0 |
| | 15.0 | 15.0 |
| <u>Gibraltar Development Corporation</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.3 | 0.4 |
| Additional Contribution from Consolidated Fund | 16.3 | 18.1 |
| | 16.6 | 18.5 |
| <u>Gibraltar Sports and Leisure Authority</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.1 | 0.1 |
| Additional Contribution from Consolidated Fund | 5.2 | 4.9 |
| | 5.3 | 5.0 |
| <u>Gibraltar Port Authority</u> | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 4.7 | 4.4 |
| Additional Contribution from Consolidated Fund | 0.8 | 0.9 |
| | 5.5 | 5.3 |
| <u>Housing Works Agency – Contribution from Consolidated Fund</u> | 7.6 | 7.4 |
| <u>Borders and Coastguard Agency – Contribution from Consolidated Fund</u> | 6.0 | 5.4 |
| Grand Total – Recurrent Expenditure | 550.7 | 513.9 |

cont...

Note 3 (cont)

Note:

(i) In accordance with regulation 26(1) of the Pensions Regulations, officers retiring from the Civil Service may opt to commute up to 100% of their pension and receive a gratuity in lieu of such pension.

Pursuant to a Pension Commutation Agreement, between HM Government of Gibraltar (HMGOG) and Credit Finance Company Limited (the company) that came into effect on 1 April 2012, the retiring officer receives a gratuity by way of a lump sum payment equivalent to 12.5 times the Commuted Pension and the Government pays the commuted part of the pension to the company in monthly equal instalments over a period of time until the commuted pension is paid out in full to the finance company.

Government Pensions amounting to £35.3 million includes the repayment of commuted pensions (£1.3 million) plus interest (£4.0 million) at 6.5% per annum on a reducing balance basis paid to the company, pursuant to the provisions of the pension commutation agreement.

The table below provides a breakdown of the commuted pension repayments made by the Government to the company from 1 April 2012 to 31 March 2017:

| <u>Commuted Pension Repayments made by the Government to</u> <u>Credit Finance Company Limited</u> <u>1 April 2012 to 31 March 2017</u> | | | |
|--|--------------------------|----------------------|-------------------|
| <u>Financial Year</u> | <u>Capital Repayment</u> | <u>Interest Paid</u> | <u>Total Paid</u> |
| 2012/2013 | £117,582 | £349,415 | £466,997 |
| 2013/2014 | £266,084 | £1,043,451 | £1,309,535 |
| 2014/2015 | £581,803 | £1,937,979 | £2,519,782 |
| 2015/2016 | £963,910 | £3,117,828 | £4,081,738 |
| 2016/2017 | £1,328,176 | £4,045,857 | £5,374,033 |

(ii) With effect from 15 February 2011, eligible retiring employees entitled to receive a lump-sum payment under an Early Exit Scheme were paid the lump-sum payment by HM Government of Gibraltar (HMGOG) with the payments charged to Head 16 Exceptional Expenditure, Subhead 1(d) Early Exit Package. As from the financial year 2011/12, Early Exit Scheme payments have been charged to the Human Resources Head of Expenditure. Since 6 December 2013, eligible retiring employees entitled to receive a lump-sum payment under an Early Exit Scheme enter into an Early Exit Scheme Agreement with HMGOG and Credit Finance Company Limited (the company). Pursuant to an Early Exit Scheme Agreement the retiring employee, entitled to receive from HMGOG a lump-sum payment in 10 equal instalments over a 10-year period, receives the full lump-sum payment up front via a financing arrangement with the company and assigns the 10 lump-sum instalments, together with interest at 6.5% on a reducing balance basis, to be paid by HMGOG to the company on a monthly basis over a period of 10 years.

The table below provides a breakdown of early exit scheme repayments made by the Government to the company from 29 November 2013 to 31 March 2017:

| <u>Early Exit Scheme Repayments made by the Government to</u> <u>Credit Finance Company Limited</u> <u>29 November 2013 to 31 March 2017</u> | | | |
|---|--------------------------|----------------------|-------------------|
| <u>Financial Year</u> | <u>Capital Repayment</u> | <u>Interest Paid</u> | <u>Total Paid</u> |
| 2013/2014 | £2,229 | £1,998 | £4,227 |
| 2014/2015 | £59,557 | £52,355 | £111,912 |
| 2015/2016 | £222,755 | £185,894 | £408,649 |
| 2016/2017 | £295,037 | £218,745 | £513,782 |

cont...

Note 3 (cont)

Recurrent Expenditure

Government recurrent expenditure during the year amounted to £550.7 million (previous year £513.9 million). This includes all amounts charged to the Consolidated Fund including the contribution required by Public Undertakings from revenues received plus the additional contribution from the Consolidated Fund, but excludes the contributions from the Consolidated Fund to the Government-owned companies (£25.0 million) and a transfer of £20.0 million to Gibraltar Community Care via the Social Assistance Fund from the Consolidated Fund's surplus for the year. The statement also excludes the contribution of £25.0 million from the Consolidated Fund to the Improvement and Development Fund.

Of the total recurrent expenditure, almost 17 per cent (£92.4 million) was in respect of payroll and payroll related costs. 6 per cent (£32.9 million) were payments for services that have been contracted out. 6 per cent (£35.3 million) was spent on Government pensions. Public debt charges accounted for around 5 per cent of the total (£26.4 million), inclusive of a contribution of £10.0 million to the General Sinking Fund. Nearly 18 per cent (£96.9 million) was in respect of the contribution by the Consolidated Fund to Public Undertakings from revenues received and 26 per cent (£145.4 million) was the additional contribution required from the Consolidated Fund. Contributions to the Social Assistance Fund (£7.9 million) and Statutory Benefits Fund (£7.0 million) accounted for 3 per cent. Departmental and other charges accounted for the remaining 19 per cent (£106.5 million).

The annual contribution of £7.0 million from the Consolidated Fund to the Statutory Benefits Fund is included as part of the recurrent expenditure figure. Although the main source of funding for payments of state pensions and other benefits from the Statutory Benefits Fund is from social insurance contributions, which are credited directly to the Statutory Benefits Fund. The payment of Social Insurance pensions and other benefits are not included as part of the recurrent expenditure figure. The payment of Spanish pensions is funded by the United Kingdom Government. The payments channelled through this Fund are shown in a separate statement under Note 5.

Note 4

Capital Investment

Capital receipts and payments are accounted for through the Improvement and Development Fund. Capital investment by the Government during the year amounted to £47.3 million (previous year £98.2 million).

The main sources of funding were from the sale of Government properties and other premia (£8.8 million) and sundry reimbursements (£1.1 million). A contribution of £25.0 million was also made from Consolidated Fund Reserves.

The Improvement and Development Fund stood at £7.9 million at the year-end (previous year £20.3 million).

| <u>Government Capital Investment – Improvement and Development Fund</u> | |
|--|--|
| <u>During the year ended 31 March 2017</u> | |
| | <u>Y/e 31 March 2017</u> <u>£'Million</u> |
| Balance b/fwd | 20.3 |
| <u>Capital Investment</u> | |
| Relocation Costs | 9.1 |
| Roads and Tunnel Projects | 7.5 |
| Housing - Works and Repairs | 4.6 |
| Agencies and Authorities – Works and Equipment | 4.0 |
| Old Naval Hospital Conversion and Refurbishment Works | 2.3 |
| Education – Works and Equipment | 1.7 |
| Environment and Roads | 1.7 |
| Wellington Front | 1.5 |
| Government Computerisation Programme | 1.0 |
| St Bernard's Catering Facility | 1.0 |
| Cladding and Other Improvements to Housing Estates | 1.0 |
| New Power Station – Infrastructure Works | 0.9 |
| Essential Services – Equipment | 0.9 |
| Infrastructure Provision for Housing Projects | 0.7 |
| Gorham's Cave Complex Renovation – World Heritage Status Bid | 0.6 |
| Criminal Justice Integrated IT System | 0.6 |
| Gibraltar Broadcasting Corporation | 0.5 |
| Tourism | 0.4 |
| Other capital expenditure | 5.5 |
| <u>Funding</u> | |
| The University of Gibraltar | 1.8 |
| | 47.3 |
| <u>Sources of Funding</u> | |
| Sale of Government Properties and Other Premia | 8.8 |
| Sundry Reimbursements | 1.1 |
| | 9.9 |
| Contribution from Consolidated Fund - Reserve | 25.0 |
| | 34.9 |
| | |
| Balance c/fwd | 7.9 |

Note 5**Statutory Benefits Fund**

The Statutory Benefits Fund is accounted for separately from the Government Reserves. The purpose of this Fund is to meet the cost of state pensions and other benefits provided for under the social security legislation. These payments are funded directly from Government receipts in the form of social insurance contributions collected from current employers and employees. In addition, the Government makes an annual contribution to the Statutory Benefits Fund. This year the Consolidated Fund also advanced £6.1 million to the Statutory Benefits Fund. Such advance is recoverable from the Fund through an increased apportionment of social insurance contributions provided for by the Social Security (Insurance) Act (Amendment of Apportionment) Order 2017.

| <u>Receipts and Payments channelled through the Statutory Benefits Fund</u> | | |
|--|---|--|
| <u>During the year ended 31 March 2017</u> | | |
| | <u>Y/e March 2017</u> <u>£'Million</u> | <u>Previous year</u> <u>£'Million</u> |
| <u>Opening Balance:</u> | | |
| Statutory Benefits Fund | 0.8 | 7.0 |
| | 0.8 | 7.0 |
| <u>Statutory Benefits Fund - Receipts</u> | | |
| Social Insurance Contributions | 22.5 | 22.0 |
| Contribution from the Consolidated Fund | 7.0 | 7.0 |
| Grant by Her Majesty's Government for Spanish Pensions | 0.1 | 0.1 |
| | 29.6 | 29.1 |
| <u>Statutory Benefits Fund – Payments</u> | | |
| Social Insurance Pensions | 33.9 | 32.6 |
| Short-Term Benefits | 1.6 | 1.6 |
| Other Payments | 0.5 | 0.5 |
| Employment Injuries Benefits | 0.4 | 0.5 |
| Spanish Pensions | 0.1 | 0.1 |
| Insolvency Claims | 0.0 | 0.0 |
| | 36.5 | 35.3 |
| <u>Advance from the Consolidated Fund</u> | 6.1 | 0.0 |
| | 6.1 | 0.0 |
| <u>Closing Balance:</u> | | |
| Statutory Benefits Fund | 0.0 | 0.8 |
| | 0.0 | 0.8 |

Note 6

Gibraltar Savings Bank

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Net income from operations during the year ended 31 March 2017 was £6.21 million, compared with net income of £6.76 million during the previous year. There was a net capital gain on the fund's investments of £0.07 million.

Crown Agents investment management charges totalled around £0.34 million (0.2% of the fund assets managed in UK).

The net increase in reserves during the year was £6.28 million. The end of year reserves stood at £32.11 million.

At the year-end, the deposits of the bank, excluding £3.41 million of accrued interest, stood at £1,323.63 million. The previous year-end figure totalled £987.10 million. Deposits as at 31 March 2017 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | <u>£'m</u> | <u>Year</u> |
| | | <u>£'m</u> |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 84.7 | 85.1 |
| On-Call Investment Accounts | 9.8 | 4.7 |
| Pensioners' Monthly Income Debentures | 15.3 | 10.0 |
| Special Issue of Pensioners' Monthly Income Debentures 01/09/17 | 53.7 | 56.9 |
| Monthly Income Debentures | 32.0 | 27.9 |
| Special Issue of Fixed Term Monthly Income Debentures 28/02/17 | 0.0 | 47.3 |
| Special Issue of Monthly Income Debentures | 2.6 | 2.8 |
| 3-Year Fixed Term Monthly Income Debentures | 33.3 | 38.7 |
| 5-Year Fixed Term Monthly Income Debentures | 653.3 | 543.7 |
| 10-Year Accumulator Bonds | 5.5 | 5.5 |
| 10-Year Pensioner Accumulator Bonds | 5.1 | 5.4 |
| Children's Bond | 3.1 | 1.9 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 63.2 | 35.5 |
| Other Debentures (Special Issues) | 0.1 | 0.1 |
| Gibraltar Provident Trust Fund Bonds | 8.7 | 8.4 |
| Guaranteed Superannuation Fund Bond | 46.0 | 35.6 |
| | <u>1,016.4</u> | <u>909.5</u> |
| <u>Government Deposits</u> | | |
| On-Call Investment Accounts | 307.2 | 77.6 |
| | <u>1,323.6</u> | <u>987.1</u> |

The level of overall non-Government Deposits stood at £1,016.44 million. The increase of £106.96 million over the previous year is mainly the result of the issue of Gibraltar Savings Bank debentures.

Government deposits in the Gibraltar Savings Bank were up by 295.9% reflecting an increase in the level of Government liquid reserves held by the bank.

The following is a summary of interest rates payable to depositors by the bank during the period April 2016 to March 2017:-

| | | |
|---|-----------|-----------|
| Ordinary Deposits | 1% | per annum |
| Monthly Income Debentures | 1.5% / 2% | per annum |
| Pensioners' Monthly Income Debentures | 2% | per annum |
| 3-Year Fixed Term Pensioners' Monthly Income Debentures | 3% | per annum |

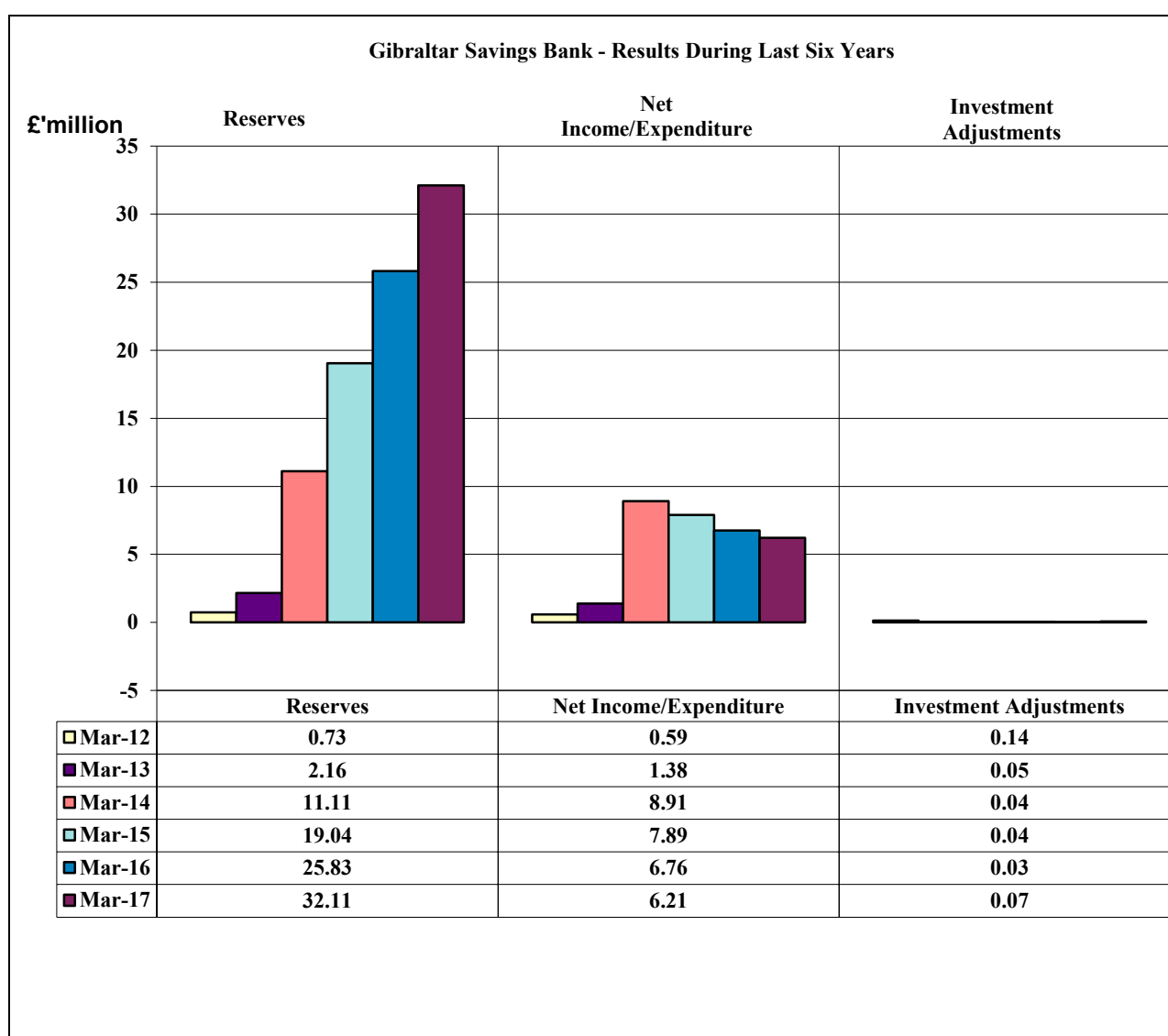
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Note 6 (cont)

Gibraltar Savings Bank

| | | |
|---|-----------|-----------|
| 3-Year Fixed Term Monthly Income Debentures | 2.5% / 3% | per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 5% | per annum |
| 5-Year Fixed Term Monthly Income Debentures | 4% / 5% | per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/09/17 | 3.5% | per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5% | per annum |
| Children's Bond | 5% | per annum |

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds depend on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and this rate increases by 1% per annum in each subsequent year to reach an interest rate of 11% payable in the tenth year that the investment is held.



Note 7**Government Shareholdings**

| Government Shareholdings as at 31 March 2017 | | |
|---|---|--------------------------|
| | <u>Shares Held (As percentage of total shares)</u> | <u>Remarks</u> |
| <u>Shares held directly by Government</u> | | |
| Gibraltar Investment (Holdings) Ltd | 100% | Holding Company |
| Gibraltar International Bank Ltd | 100% | Trading Company |
| AquaGib Ltd | 33.3% | Joint Venture |
| <u>Shares held through Gibraltar Investment (Holdings) Ltd</u> | | |
| Gibraltar Investment (Directors) Ltd | 100% | Corporate Director |
| Gibraltar Industrial Cleaners Ltd | 100% | Trading Company |
| Gibraltar Joinery and Building Services Ltd | 100% | Trading Company |
| Europa Incinerator Company Ltd | 100% | Trading Company |
| Gibraltar Community Projects Ltd | 100% | Other |
| Gibraltar Bus Company Ltd | 100% | Trading Company |
| Gibraltar Cleansing Services Ltd | 100% | Trading Company |
| Gibraltar General Support Services Ltd | 100% | Trading Company |
| Gibraltar Land (Holdings) Ltd | 100% | Property Holding Company |
| Gibraltar Defence Estates and General Services Ltd | 100% | Other |
| Gibraltar Mechanical and Electrical Services Ltd | 100% | Other |
| Gibraltar Air Terminal Ltd | 100% | Trading |
| Gibraltar Facilities Management Ltd | 100% | Other |
| Gibraltar Freeview Ltd | 100% | Trading Company |
| ES Ltd | 100% | Trading Company |
| Gibraltar Home Loans Company Ltd | 100% | Trading Company |

cont...

Note 7 (cont)

| | | |
|---|------|--------------------------|
| <u>Shares held through Gibraltar Land (Holdings) Ltd</u> | | |
| Gibraltar Residential Properties Ltd | 100% | Property Holding Company |
| Gibraltar Commercial Property Company Ltd | 100% | Property Holding Company |
| KIJY Parkings Ltd | 100% | Not Trading |
| <u>Shares held through Gibraltar Residential Properties Ltd</u> | | |
| Gibraltar Co-Ownership Company Ltd | 100% | Property Holding Company |
| Westside Two Co-Ownership Company Ltd | 100% | Property Holding Company |
| Brympton Co-Ownership Company Ltd | 100% | Property Holding Company |
| GRP Management Company Ltd | 100% | Other |
| Gibraltar Residential Properties Aerial Farm Ltd | 100% | Property Holding Company |
| Gibraltar Residential Properties Bishop Fitzgerald Ltd | 100% | Property Holding Company |
| Gibraltar Residential Properties Coach Park Ltd | 100% | Property Holding Company |
| <u>Shares held through Gibraltar Commercial Property Company Ltd</u> | | |
| GCP Investments Ltd | 100% | Property Holding Company |
| Gibraltar Car Parks Limited | 100% | Property Holding Company |
| Kings Bastion Leisure Centre Company Ltd | 100% | Other |
| Gibraltar Strand Property Company Ltd | 100% | Property Holding Company |
| Gibraltar Manchester Property Company Ltd | 100% | Property Holding Company |
| GAR Ltd | 100% | Property Holding Company |
| <u>Shares held through Gibraltar Strand Property Company Ltd</u> | | |
| Gibraltar Strand Management Company Ltd | 100% | Other |
| Strand Credit Finance Company Ltd | 100% | Not Trading |

cont...

Note 7 (cont)**Statement of Shareholdings by Government as at 31 March 2017**

| Description of Shares | Authorised Share Capital | Issued Share Capital | Nominal Value of Shares held by Government | Cost of Shares |
|--|-------------------------------------|---------------------------------|---|------------------------|
| Gibraltar Investment (Holdings) Limited | £271,116,428.00 | £271,116,428.00 | £271,116,428.00 | £271,116,428.00 |
| Gibraltar Investment (Holdings) Limited – Redeemable Preference Shares | £135,500,000.00 | £25,000,000.00 | £25,000,000.00 | £26,141,470.00 |
| Gibraltar International Bank Limited | £50,000,000.00 | £25,000,000.00 | £25,000,000.00 | £25,000,000.00 |
| AquaGib Limited | £4,500,000.00 | £4,500,000.00 | £1,500,000.00 | £1,500,000.00 |
| | £461,116,428.00 | £325,616,428.00 | £322,616,428.00 | £323,757,898.00 |

Note:

The Government's legal interest in £7,500 Class A Ordinary Shares and £7,500 Class B Ordinary Shares of £1 each in Gibtelecom Ltd (100% of total shares issued by the company) has not been reflected under Government Shareholdings as the beneficial interest in these shares is held by the Savings Bank Fund.



Treasury Department
HM Government of Gibraltar

Principal Auditor

Your ref:

Our ref:

28 July 2021

PUBLIC ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

I herewith enclose the public accounts for the financial year ended 31 March 2017, in accordance with the requirements of Section 52 (1) of the Public Finance (Control and Audit) Act.

Charles Santos
Accountant General



GOVERNMENT OF GIBRALTAR
Public Accounts of Gibraltar

For The Financial Year Ended

31 March 2017



Treasury Department

GOVERNMENT OF GIBRALTAR
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2017

ASSETS

| | | <i>Previous Year</i> |
|----------------------------|------------------------|------------------------|
| GOVERNMENT LIQUID RESERVES | £309,045,876.18 | £109,539,979.72 |
| ADVANCES | £14,411,086.87 | £29,021,653.08 |
| UNRETIRED IMPRESTS | £1,573,966.96 | £1,653,927.96 |
| | <u>£325,030,930.01</u> | <u>£140,215,560.76</u> |

FINANCED BY

| | | |
|--|--------------------------|--------------------------|
| SPECIAL FUNDS (As per Special Funds Summary) | £191,067,551.15 | £171,785,861.72 |
| (Add) Advances from the Consolidated Fund | £6,095,000.00 | £0.00 |
| (Less) Investments | <u>(£189,099,067.25)</u> | <u>(£151,222,625.62)</u> |
| Net due in respect of Special Funds | £8,063,483.90 | £20,563,236.10 |
| DEPOSITS | £197,924,529.98 | £35,767,399.50 |
| (Less) Investments | <u>(£1,074,983.61)</u> | <u>(£1,193,321.57)</u> |
| | £196,849,546.37 | £34,574,077.93 |
| CONTINGENCIES FUND | £400,000.00 | £400,000.00 |
| CONSOLIDATED FUND | | |
| Balance on 1 April 2016 | £84,678,246.73 | |
| Recurrent Revenue | £558,788,050.86 | |
| Revenue Public Undertakings | <u>£96,936,382.98</u> | |
| | £655,724,433.84 | |
| (Less) Recurrent Expenditure | (£312,445,397.85) | |
| Contributions to Public Undertakings from: | | |
| Revenues Collected | (£96,936,382.98) | |
| Consolidated Fund | <u>(£141,303,000.00)</u> | |
| | (£550,684,780.83) | |
| Contribution to Government-Owned Companies | <u>(£25,000,000.00)</u> | |
| Surplus for 2016/2017 | £80,039,653.01 | |
| Exceptional Expenditure | £0.00 | |
| Contribution to Improvement and Development Fund | (£25,000,000.00) | |
| Transfer of Government Surplus to Social Assistance Fund | <u>(£20,000,000.00)</u> | |
| | <u>(£45,000,000.00)</u> | |
| Consolidated Fund Balance on 31 March 2017 | <u>£119,717,899.74</u> | <u>£84,678,246.73</u> |
| | <u>£325,030,930.01</u> | <u>£140,215,560.76</u> |

Notes:

1. This statement does not include the following:

- Government Shareholdings.
- The Assets and Liabilities of the Savings Bank Fund.

2. Public Debt of Gibraltar - Aggregate £442.5m; Cash Reserves £127.6m; Net Public Debt £314.9m.

3. This statement, and other Balance Sheets under the Special Funds, do not reflect any physical assets held by Government such as the value of buildings, vehicles and other non-financial assets, as the financial statements are prepared on a cash basis.

3. The Consolidated Fund Recurrent account includes the Recurrent Revenues of Government Agencies and Authorities and the Expenditure by such entities funded from the Revenues in accordance with the Public Finance (Control and Audit) (Amendment) Act 2011.



T Perera
Accountant General (ag)
28 November 2023

Notes to the Accounts

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments is accounted for on an 'accrual basis'.

Investments

Bonds, Securities and shares are valued at fair value.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|---|---------------------------------|------------------------|------------------------------|
| CONSOLIDATED FUND | | | |
| SUMMARY OF REVENUE | | | |
| 1 :- INCOME TAXES | £255,000,000 | £290,522,791.48 | £35,522,791.48 |
| 2 :- DUTIES, TAXES AND OTHER RECEIPTS | £175,284,000 | £190,150,484.17 | £14,866,484.17 |
| 3 :- GAMBLING CHARGES, FEES AND LOTTERY | £14,749,000 | £16,615,453.54 | £1,866,453.54 |
| 4 :- RATES AND RENTS | £26,501,000 | £28,134,553.63 | £1,633,553.63 |
| 5 :- DEPARTMENTAL FEES AND RECEIPTS | £115,866,000 | £124,198,553.40 | £8,332,553.40 |
| 6 :- GOVERNMENT EARNINGS | £3,386,000 | £6,102,597.62 | £2,716,597.62 |
| Total Recurrent Revenue | £590,786,000 | £655,724,433.84 | £64,938,433.84 |
| 7 :- PUBLIC DEBT | £0 | £0.00 | £0.00 |
| TOTAL REVENUE | £590,786,000 | £655,724,433.84 | £64,938,433.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|-------------------------------|---------------------------------|------------------------|---------------------------------|
| HEAD 1 :- INCOME TAXES | | | |
| 1 Income Tax | £150,000,000 | £154,840,061.77 | £4,840,061.77 |
| 2 Company Tax | £105,000,000 | £135,682,729.71 | £30,682,729.71 |
| TOTAL INCOME TAXES | £255,000,000 | £290,522,791.48 | £35,522,791.48 |

HEAD 2 :- DUTIES, TAXES AND OTHER RECEIPTS

| | | | |
|---|---------------------|------------------------|-----------------------|
| 1 Import Duties | £150,000,000 | £166,492,897.06 | £16,492,897.06 |
| 2 Tobacco Licences | £70,000 | £76,000.00 | £6,000.00 |
| 3 Transit and Bonded Stores Operators Fees | £54,000 | £59,500.00 | £5,500.00 |
| 4 Stamp Duties | £22,000,000 | £19,650,640.30 | (£2,349,359.70) |
| 5 Land Registration Fees | £260,000 | £632,875.00 | £372,875.00 |
| 6 Companies House Fees | £2,800,000 | £3,136,051.81 | £336,051.81 |
| 7 Other Receipts | £100,000 | £102,520.00 | £2,520.00 |
| TOTAL DUTIES, TAXES AND OTHER RECEIPTS | £175,284,000 | £190,150,484.17 | £14,866,484.17 |

HEAD 3 :- GAMBLING CHARGES, FEES AND LOTTERY

| | | | |
|---|--------------------|-----------------------|----------------------|
| 1 Gambling Charges and Fees | £14,000,000 | £15,266,368.61 | £1,266,368.61 |
| 2 Gambling Licences | £650,000 | £659,224.23 | £9,224.23 |
| 3 Government Lottery - Management Expenses | £98,000 | £98,000.00 | £0.00 |
| 4 Government Lottery - Surplus | £1,000 | £591,860.70 | £590,860.70 |
| TOTAL GAMBLING CHARGES, FEES AND LOTTERY | £14,749,000 | £16,615,453.54 | £1,866,453.54 |

HEAD 4 :- RATES AND RENTS

| | | | |
|--|--------------------|-----------------------|----------------------|
| 1 General Rates and Salt Water Charges | £24,000,000 | £24,576,489.30 | £576,489.30 |
| 2 Ground and Sundry Rents (i) | £2,500,000 | £3,240,915.61 | £740,915.61 |
| 3 Assignments on Premiums | £1,000 | £317,148.72 | £316,148.72 |
| TOTAL RATES AND RENTS | £26,501,000 | £28,134,553.63 | £1,633,553.63 |

Note:

(i) The revenue derived from Ground and Sundry Rents has been offset by £73,082.55 being ground rent deductions afforded to private housing estates in relation to the embellishment, maintenance and improvements works carried out on their respective housing estates during the year.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|-------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| ADMINISTRATION | | | |
| <i>Immigration and Civil Status</i> | | | |
| 1 Passport Fees | £200,000 | £197,910.50 | (£2,089.50) |
| 2 Naturalisation Fees | £55,000 | £24,576.00 | (£30,424.00) |
| 3 British Nationality Fees | £3,000 | £2,350.00 | (£650.00) |
| 4 Immigration Fees | £20,000 | £40,584.00 | £20,584.00 |
| 5 Document Legalisation Fees | £160,000 | £146,670.80 | (£13,329.20) |
| 6 Civil Status Fees | £190,000 | £239,081.26 | £49,081.26 |
| <i>Aviation</i> | | | |
| 7 Airport Departure Tax | £2,200,000 | £2,454,619.20 | £254,619.20 |
| 8 Fees and Concessions | £2,100,000 | £2,523,908.83 | £423,908.83 |
| 9 Airport Landing Fees | £530,000 | £813,329.66 | £283,329.66 |
| 10 Recovery of Airport Fire & Rescue Service Costs - MOD | £1,106,000 | £1,282,746.81 | £176,746.81 |
| HEALTH AND ENVIRONMENT | | | |
| <i>Gibraltar Health Authority</i> | | | |
| 11 Group Practice Medical Scheme | £52,000,000 | £53,632,721.63 | £1,632,721.63 |
| 12 Medical Services to Non-Entitled Patients | £2,650,000 | £2,650,000.00 | £0.00 |
| 13 Other Receipts | £420,000 | £465,464.53 | £45,464.53 |
| 14 Services provided to MOD | £1,361,000 | £1,500,412.32 | £139,412.32 |
| <i>Environment</i> | | | |
| 15 Public Health and Environmental Fees | £230,000 | £389,874.66 | £159,874.66 |
| 16 Cemetery Fees | £14,000 | £13,709.00 | (£291.00) |
| 17 Litter Control Fees | £2,000 | £5,950.00 | £3,950.00 |
| 18 Animal Welfare Charges | £21,000 | £6,500.00 | (£14,500.00) |
| UTILITIES | | | |
| <i>Gibraltar Electricity Authority</i> | | | |
| 19(a) Sale of Electricity to Consumers: Billed Charges to Consumers | £25,300,000 | £25,258,427.52 | (£41,572.48) |
| 19(b) Sale of Electricity to Consumers: Arrears | £180,000 | £390,215.62 | £210,215.62 |
| 19(c) Sale of Electricity to Consumers: Other Revenue | £0 | £3,347,502.57 | £3,347,502.57 |
| 20 Consumers' Connection Fees | £70,000 | £84,130.00 | £14,130.00 |
| 21 Miscellaneous | £1,000 | £25,295.52 | £24,295.52 |
| 22 Fuel Hedge Contract Receipts | £1,000 | £0.00 | (£1,000.00) |
| 23 Commercial Works | £4,000,000 | £2,896,877.78 | (£1,103,122.22) |
| <i>Gibraltar Health Authority - Elderly Residential Services Section</i> | | | |
| 24 Residents' Contributions | £1,600,000 | £1,604,115.21 | £4,115.21 |
| 25 Miscellaneous Income | £3,000 | £686.64 | (£2,313.36) |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|-------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| TRAFFIC | | | |
| <i>Driver and Vehicle Licences</i> | | | |
| 26 Vehicle Licences and Fees | £450,000 | £379,528.00 | (£70,472.00) |
| 27 Vehicle Testing | £253,000 | £339,325.00 | £86,325.00 |
| 28 Vehicle Registrations | £115,000 | £87,885.00 | (£27,115.00) |
| 29 Driving Tests | £75,000 | £85,439.00 | £10,439.00 |
| <i>Public Transport</i> | | | |
| 30 Road Service Licences | £30,000 | £33,250.00 | £3,250.00 |
| <i>Gibraltar Port Authority</i> | | | |
| 31 Tonnage Dues (ii) | £2,600,000 | £2,623,865.45 | £23,865.45 |
| 32 Berthing Charges | £500,000 | £595,340.59 | £95,340.59 |
| 33 Small Boat Moorings | £6,000 | £3,585.00 | (£2,415.00) |
| 34 Port Arrival and Departure Tax | £480,000 | £285,989.20 | (£194,010.80) |
| 35 Port, Operator and Harbour Craft Licences | £350,000 | £256,997.90 | (£93,002.10) |
| 36 Bunkering Charges | £500,000 | £620,643.04 | £120,643.04 |
| 37 Miscellaneous Receipts | £200,000 | £264,739.12 | £64,739.12 |
| <i>Town Planning and Building Control</i> | | | |
| 38 Town Planning and Building Control Fees | £120,000 | £234,167.23 | £114,167.23 |
| ECONOMIC DEVELOPMENT | | | |
| 39 EU Grant - European Social Fund | £1,000 | £52,568.63 | £51,568.63 |
| 40 EU Grant - European Regional Development Fund | £120,000 | £149,138.14 | £29,138.14 |
| 41 EU Grant - Interreg | £1,000 | £0.00 | (£1,000.00) |
| 42 Hostel Fees | £100,000 | £96,076.25 | (£3,923.75) |
| <i>Gibraltar Development Corporation</i> | | | |
| 43 Contribution by European Social Fund | £120,000 | £0.00 | (£120,000.00) |
| 44 Contribution by Government-Owned Companies - Staff Services | £325,000 | £332,196.65 | £7,196.65 |
| EQUALITY AND SOCIAL SERVICES | | | |
| <i>Care Agency</i> | | | |
| 45 Miscellaneous Income | £9,000 | £9,662.46 | £662.46 |
| <i>Tourism</i> | | | |
| 46 Tourist Sites Receipts | £3,450,000 | £3,691,198.95 | £241,198.95 |
| 47 Miscellaneous Receipts | £7,000 | £117,744.79 | £110,744.79 |
| 48 Revenues Received - Literary Festival | £285,000 | £291,254.20 | £6,254.20 |
| <i>Coach Terminal</i> | | | |
| 49 Coach Terminal Fees | £60,000 | £78,637.48 | £18,637.48 |
| <i>Housing</i> | | | |
| 50 House Rents | £2,000,000 | £2,417,230.59 | £417,230.59 |
| BUSINESS AND EMPLOYMENT | | | |
| <i>Employment</i> | | | |
| 51 Miscellaneous | £150,000 | £228,940.00 | £78,940.00 |
| 52 Fines | £60,000 | £46,750.00 | (£13,250.00) |
| <i>Trade Licences</i> | | | |
| 53 Trade Licences | £200,000 | £319,335.00 | £119,335.00 |
| 54 Liquor Licences | £85,000 | £89,111.59 | £4,111.59 |

Note:

(ii) Tonnage Dues for the year ended 31 March 2017 was undercharged by £404,024 (£129,234 for the year ended 31 March 2016) due to the application of a discounted fee by the Captain of the Port to vessels anchoring at the Eastern Anchorage.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|---|---------------------------------|------------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| BUSINESS AND EMPLOYMENT | | | |
| <i>Postal Services</i> | | | |
| 55 Postal Services Receipts | £1,800,000 | £2,136,878.84 | £336,878.84 |
| EDUCATION AND JUSTICE | | | |
| <i>Education</i> | | | |
| 56 Gibraltar College | £7,000 | £26,630.00 | £19,630.00 |
| 57 Adult Education Fees | £70,000 | £82,468.00 | £12,468.00 |
| 58 MOD Fees for Government Schools | £500,000 | £481,272.33 | (£18,727.67) |
| 59 Scholarship Fees - Reimbursements | £75,000 | £107,717.17 | £32,717.17 |
| 60 Non Resident's School Fees | £2,000 | £8,279.16 | £6,279.16 |
| <i>Justice</i> | | | |
| 61 Fines and Forfeitures | £700,000 | £881,021.01 | £181,021.01 |
| 62 Court Fees | £250,000 | £1,805,703.42 | £1,555,703.42 |
| SPORT, LEISURE, CULTURE AND HERITAGE | | | |
| <i>Gibraltar Sports and Leisure Authority</i> | | | |
| 63 Fund Raising | £30,000 | £5,500.00 | (£24,500.00) |
| 64 Miscellaneous | £10,000 | £30,024.34 | £20,024.34 |
| 65 Advertising Revenue | £130,000 | £19,700.00 | (£110,300.00) |
| 66 Events | £30,000 | £32,289.89 | £2,289.89 |
| <i>Culture and Heritage</i> | | | |
| 67 Museum Entrance Charges | £25,000 | £69,663.69 | £44,663.69 |
| 68 John Mackintosh Hall Receipts | £10,000 | £3,713.90 | (£6,286.10) |
| 69 Ince's Hall Receipts | £7,000 | £3,960.00 | (£3,040.00) |
| 70 Other Cultural Facilities Receipts | £2,000 | £605.00 | (£1,395.00) |
| 71 Garrison Library Fees | £40,000 | £0.00 | (£40,000.00) |
| 72 Kings Bastion Leisure Centre | £550,000 | £0.00 | (£550,000.00) |
| 73(a) Revenues Received: Mega Concert | £1,000,000 | £1,413,913.49 | £413,913.49 |
| 73(b) Revenues Received: Jazz Festival | £3,000 | £20,130.00 | £17,130.00 |
| 73(c) Revenues Received: Other Events | £0 | £13,500.00 | £13,500.00 |
| MARITIME | | | |
| 74 Ship Registration Fees | £1,400,000 | £1,184,375.97 | (£215,624.03) |
| 75 Yacht Registration Fees | £50,000 | £62,347.00 | £12,347.00 |
| GIBRALTAR REGULATORY AUTHORITY | | | |
| 76 Frequency Co-ordinator Reimbursements | £86,000 | £62,366.43 | (£23,633.57) |
| 77 Licences and Fees | £2,020,000 | £2,016,634.44 | (£3,365.56) |
| HEALTH AND ENVIRONMENT | | | |
| <i>Environment</i> | | | |
| 78 Marine Licensing | £0 | £1,600.00 | £1,600.00 |
| TOTAL DEPARTMENTAL FEES AND RECEIPTS | £115,866,000 | £124,198,553.40 | £8,332,553.40 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|-----------------|---------------------------------|-------------------|---------------------------------|
|-----------------|---------------------------------|-------------------|---------------------------------|

HEAD 6 :- GOVERNMENT EARNINGS

Interest

| | | | |
|---------------------------|----------|-------------|------------|
| 1 Consolidated Fund (iii) | £100,000 | £146,411.53 | £46,411.53 |
|---------------------------|----------|-------------|------------|

Other Fees and Receipts

| | | | |
|--|------------|---------------|---------------|
| 2 Widows' and Orphans' Pension Scheme Contributions | £1,000 | £901,971.79 | £900,971.79 |
| 3 Spouses' and Children's Pension Scheme Contributions | £0 | £0.00 | £0.00 |
| 4 MOD - Police Pensions | £220,000 | £277,712.52 | £57,712.52 |
| 5 Services Performed by Public Officers | £70,000 | £108,541.53 | £38,541.53 |
| 6 Other Reimbursements | £1,500,000 | £3,365,516.79 | £1,865,516.79 |
| 7 Loan Repayments | £1,000 | £0.00 | (£1,000.00) |
| 8 Transfer of Accrued Pension Rights, as provided under the Pensions Act | £0 | £0.00 | £0.00 |

Currency and Coinage

| | | | |
|---|----------|-------------|---------------|
| 9 Commemorative Coin Sales | £27,000 | £37,043.00 | £10,043.00 |
| 10 Royalties on Coin Sales | £45,000 | £45,000.00 | £0.00 |
| 11 Circulating Coinage | £800,000 | £601,298.40 | (£198,701.60) |
| 12 Note Security Fund - Surplus | £1,000 | £0.00 | (£1,000.00) |
| 13 Note Security Fund - Demonetisation of Notes | £1,000 | £0.00 | (£1,000.00) |

Licences

| | | | |
|---------------------------|---------|------------|---------|
| 14 Miscellaneous Licences | £19,000 | £19,102.06 | £102.06 |
|---------------------------|---------|------------|---------|

Dividends from Government Shareholdings

| | | | |
|------------------------|----------|-------------|-------------|
| 15 AquaGib Ltd | £600,000 | £600,000.00 | £0.00 |
| 16 Gibtelecom Ltd (iv) | £1,000 | £0.00 | (£1,000.00) |

| | | | |
|----------------------------------|-------------------|----------------------|----------------------|
| TOTAL GOVERNMENT EARNINGS | £3,386,000 | £6,102,597.62 | £2,716,597.62 |
|----------------------------------|-------------------|----------------------|----------------------|

HEAD 7 :- PUBLIC DEBT

| | | | |
|------------------|----|-------|-------|
| 1 Net Borrowings | £0 | £0.00 | £0.00 |
|------------------|----|-------|-------|

| | | | |
|-----------------------------|-----------|--------------|--------------|
| TOTAL NET BORROWINGS | £0 | £0.00 | £0.00 |
|-----------------------------|-----------|--------------|--------------|

Note:

(iii) Includes £88.37 retained by the Government of Gibraltar from Interest Earned from monies held in respect of the Financial Services Resolution and Compensation Committee (FSRCC) Funds.

(iv) The Government's legal interest in 7,500 Class A Ordinary Shares and 7,500 Class B Ordinary Shares of £1 each in Gibtelecom Ltd (100% of total shares issued by the company) has not been reflected under the Government Shareholdings (see Note 7 to the Accountant General's Report on the Public Accounts for the financial year ended 31 March 2017) as the beneficial interest in these shares was transferred to the Gibraltar Savings Bank during the financial year 2015/16. Therefore, no dividends were received in the financial year ended 31 March 2017 and the revenue account has been completely removed from the public accounts as from financial year 2017/18.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| <u>SUMMARY</u> | | | | | |
| <u>CONSOLIDATED FUND CHARGES</u> | | | | | |
| 01 :- STATUTORY OFFICES | £697,000 | £14,239 | £711,239 | £711,237.74 | £1.26 |
| 02 :- JUDICATURE | £1,281,000 | £7,742 | £1,288,742 | £1,231,313.65 | £57,428.35 |
| 03 :- PENSIONS | £34,523,000 | £1,403,091 | £35,926,091 | £35,346,858.72 | £579,232.28 |
| 04 :- EMPLOYER'S CONTRIBUTIONS | £4,000,000 | £0 | £4,000,000 | £3,984,973.96 | £15,026.04 |
| 05 :- PUBLIC DEBT CHARGES | £26,400,000 | £54,266 | £26,454,266 | £26,400,000.00 | £54,266.00 |
| 06 :- PUBLIC SERVICES OMBUDSMAN | £471,000 | £1,501 | £472,501 | £405,068.54 | £67,432.46 |
| 07 :- REVENUE REPAYMENTS | £10,000,000 | £64,369 | £10,064,369 | £10,064,368.69 | £0.31 |
| 08 :- CHARITIES ACT | £1,000 | £0 | £1,000 | £283.22 | £716.78 |
| 09 :- PUBLIC DEBT | £0 | £0 | £0 | £0.00 | £0.00 |
| | £77,373,000 | £1,545,208 | £78,918,208 | £78,144,104.52 | £774,103.48 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| CONSOLIDATED FUND CHARGES - RECURRENT | | | | | |
| 01 :- STATUTORY OFFICES | | | | | |
| PERSONAL EMOLUMENTS | | | | | |
| 1(a) Salaries | £604,000 | £10,764 | £614,764 | £614,763.53 | £0.47 |
| 1(b) Allowances | £93,000 | £3,475 | £96,475 | £96,474.21 | £0.79 |
| TOTAL STATUTORY OFFICES | £697,000 | £14,239 | £711,239 | £711,237.74 | £1.26 |
| 02 :- JUDICATURE | | | | | |
| 1 Legal Aid and Assistance | £700,000 | £0 | £700,000 | £675,897.12 | £24,102.88 |
| 2 Court of Appeal Expenses | £100,000 | £0 | £100,000 | £69,351.25 | £30,648.75 |
| 3 Salaries of Other Supreme Court Judges | £380,000 | £6,787 | £386,787 | £386,787.96 | (£0.96) |
| 4 Gratuities and Allowances | £84,000 | £838 | £84,838 | £83,161.20 | £1,676.80 |
| 5 Awards for Courage | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 6 Pension Contributions | £16,000 | £117 | £16,117 | £16,116.12 | £0.88 |
| TOTAL JUDICATURE | £1,281,000 | £7,742 | £1,288,742 | £1,231,313.65 | £57,428.35 |
| 03 :- PENSIONS | | | | | |
| 1 Pensions (i) | £33,000,000 | £1,364,821 | £34,364,821 | £34,364,820.93 | £0.07 |
| 2 Gratuities under the Pensions Act and Parliament Act | £1,000,000 | £0 | £1,000,000 | £526,286.42 | £473,713.58 |
| 3 Pensions (Widows and Orphans) | £300,000 | £38,270 | £338,270 | £338,269.34 | £0.66 |
| 4 Pensions (Spouses and Children's) | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5 Pensions - Former Government Employees | £120,000 | £0 | £120,000 | £117,482.03 | £2,517.97 |
| 6 Gratuities - Former Government Employees | £100,000 | £0 | £100,000 | £0.00 | £100,000.00 |
| 7 Pension Rights Transfers | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 8 Refund of WOPS Contributions | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| TOTAL PENSIONS | £34,523,000 | £1,403,091 | £35,926,091 | £35,346,858.72 | £579,232.28 |
| 04 :- EMPLOYER'S CONTRIBUTIONS | | | | | |
| 1 Social Insurance | £4,000,000 | £0 | £4,000,000 | £3,984,973.96 | £15,026.04 |
| TOTAL EMPLOYER'S CONTRIBUTIONS | £4,000,000 | £0 | £4,000,000 | £3,984,973.96 | £15,026.04 |
| 05 :- PUBLIC DEBT CHARGES | | | | | |
| 1 Bank Interest and Other Costs | £8,100,000 | £0 | £8,100,000 | £8,045,734.83 | £54,265.17 |
| 2 Government Debentures - Interest | £8,300,000 | £54,266 | £8,354,266 | £8,354,265.17 | £0.83 |
| 3 Contribution to General Sinking Fund | £10,000,000 | £0 | £10,000,000 | £10,000,000.00 | £0.00 |
| TOTAL PUBLIC DEBT CHARGES | £26,400,000 | £54,266 | £26,454,266 | £26,400,000.00 | £54,266.00 |

(i) Pensions expenditure includes the repayment of commuted pensions amounting to £1,328,176 in capital, plus £4,045,857 in interest paid to Credit Finance Company Limited pursuant to the provisions of the pension commutation agreement between HM Government of Gibraltar and Credit Finance Company Limited.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| CONSOLIDATED FUND CHARGES - RECURRENT | | | | | |
| 06 :- PUBLIC SERVICES OMBUDSMAN | | | | | |
| PERSONAL EMOLUMENTS | | | | | |
| 1(1) Salaries | £341,000 | £0 | £341,000 | £318,358.09 | £22,641.91 |
| 1(2)(i) Overtime - Conditioned | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(ii) Overtime - Emergency | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(iv) Overtime - Discretionary | £4,000 | £0 | £4,000 | £2,435.32 | £1,564.68 |
| 1(3) Allowances | £4,000 | £0 | £4,000 | £249.09 | £3,750.91 |
| 1(4) Employer's Contributions | £14,000 | £0 | £14,000 | £12,001.08 | £1,998.92 |
| 1(5) Pension Contributions | £52,000 | £0 | £52,000 | £30,576.14 | £21,423.86 |
| TOTAL PERSONAL EMOLUMENTS | £415,000 | £0 | £415,000 | £363,619.72 | £51,380.28 |
| OTHER CHARGES | | | | | |
| Office Expenses | | | | | |
| 2(6) General Expenses | £3,000 | £195 | £3,195 | £3,194.87 | £0.13 |
| 2(7) Electricity and Water | £2,000 | £0 | £2,000 | £1,240.33 | £759.67 |
| 2(8) Printing and Stationery | £4,000 | £1,255 | £5,255 | £5,254.31 | £0.69 |
| 2(9) Telephone Service | £5,000 | £0 | £5,000 | £4,084.50 | £915.50 |
| 2(10) Contracted Services: Office Cleaning | £5,000 | £0 | £5,000 | £3,710.70 | £1,289.30 |
| Operational Expenses | | | | | |
| 2(11) Publications | £1,000 | £0 | £1,000 | £825.00 | £175.00 |
| 2(12) Conferences, Training and Travelling Expenses | £9,000 | £0 | £9,000 | £7,321.11 | £1,678.89 |
| 2(13) Computer and Office Equipment | £4,000 | £51 | £4,051 | £4,050.01 | £0.99 |
| 2(14) Clinical Assessors | £10,000 | £0 | £10,000 | £4,403.78 | £5,596.22 |
| 2(15) CHS Office (St Bernard's Hospital) | £7,000 | £0 | £7,000 | £3,827.75 | £3,172.25 |
| 2(16) Relief Cover | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 2(17) IOI Conference in Thailand | £5,000 | £0 | £5,000 | £3,536.46 | £1,463.54 |
| TOTAL OTHER CHARGES | £56,000 | £1,501 | £57,501 | £41,448.82 | £16,052.18 |
| TOTAL PUBLIC SERVICES OMBUDSMAN | £471,000 | £1,501 | £472,501 | £405,068.54 | £67,432.46 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|

CONSOLIDATED FUND CHARGES - RECURRENT

07 :- REVENUE REPAYMENTS

| | | | | | |
|---------------------------------|--------------------|----------------|--------------------|-----------------------|--------------|
| 1 Repayment of Revenue | £10,000,000 | £64,369 | £10,064,369 | £10,064,368.69 | £0.31 |
| TOTAL REVENUE REPAYMENTS | £10,000,000 | £64,369 | £10,064,369 | £10,064,368.69 | £0.31 |

08 :- CHARITIES ACT

| | | | | | |
|----------------------------|---------------|-----------|---------------|----------------|----------------|
| 1 Miscellaneous Expenses | £1,000 | £0 | £1,000 | £283.22 | £716.78 |
| TOTAL CHARITIES ACT | £1,000 | £0 | £1,000 | £283.22 | £716.78 |

CONSOLIDATED FUND CHARGES - NON-RECURRENT

09 :- PUBLIC DEBT

| | | | | | |
|--------------------------|-----------|-----------|-----------|--------------|--------------|
| 1 Net Repayments (a) | £0 | £0 | £0 | £0.00 | £0.00 |
| TOTAL PUBLIC DEBT | £0 | £0 | £0 | £0.00 | £0.00 |

Note

- (a) Total Borrowing during the year - £0
Total Repayments during the year - (£0)

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------|------------------------------------|-----------------------|-----------------------|
| <u>SUMMARY</u> | | | | | | |
| <u>CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE</u> | | | | | | |
| <u>CHIEF MINISTER</u> | | | | | | |
| 1 :- TREASURY | £22,774,000 | £0 | £0 | £22,774,000 | £21,835,570.96 | £938,429.04 |
| 2 :- NO. 6 CONVENT PLACE | £10,289,000 | £0 | £1,640,930 | £11,929,930 | £11,929,856.68 | £73.32 |
| 3 :- CUSTOMS | £9,164,000 | £0 | £0 | £9,164,000 | £9,007,025.90 | £156,974.10 |
| 4 :- BROADCASTING | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | £6.96 |
| 5 :- INCOME TAX | £2,819,000 | £0 | £0 | £2,819,000 | £2,748,177.95 | £70,822.05 |
| 6 :- PARLIAMENT | £1,637,000 | £0 | £84,775 | £1,721,775 | £1,721,747.71 | £27.29 |
| 7 :- HUMAN RESOURCES | £2,197,000 | £0 | £0 | £2,197,000 | £2,141,734.50 | £55,265.50 |
| 8 :- IMMIGRATION AND CIVIL STATUS | £7,284,000 | £0 | £189,250 | £7,473,250 | £7,473,240.31 | £9.69 |
| 9 :- FINANCIAL SECRETARY'S OFFICE | £790,000 | £0 | £0 | £790,000 | £757,431.41 | £32,568.59 |
| 10 :- PROCUREMENT OFFICE | £305,000 | £0 | £0 | £305,000 | £291,472.15 | £13,527.85 |
| 11 :- GOVERNMENT LAW OFFICES | £4,383,000 | £0 | £1,510,440 | £5,893,440 | £5,893,394.71 | £45.29 |
| <u>DEPUTY CHIEF MINISTER</u> | | | | | | |
| 12 :- OFFICE OF THE DEPUTY CHIEF MINISTER | £3,433,000 | £0 | £75,250 | £3,508,250 | £3,508,232.06 | £17.94 |
| 13 :- CIVIL AVIATION | £5,687,000 | £0 | £0 | £5,687,000 | £5,333,868.52 | £353,131.48 |
| <u>MINISTER FOR HEALTH, THE ENVIRONMENT, ENERGY AND CLIMATE CHANGE</u> | | | | | | |
| 14 :- HEALTH | £100,270,000 | £0 | £15,209,270 | £115,479,270 | £115,479,258.89 | £11.11 |
| 15 :- ENVIRONMENT | £13,738,000 | £0 | £56,490 | £13,794,490 | £13,794,439.97 | £50.03 |
| 16 :- UTILITIES | £56,922,000 | £0 | £3,174,600 | £60,096,600 | £60,096,593.22 | £6.78 |
| 17 :- COLLECTION AND DISPOSAL OF REFUSE | £6,243,000 | £0 | £474,550 | £6,717,550 | £6,717,512.59 | £37.41 |
| 18 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION | £18,096,000 | £0 | £0 | £18,096,000 | £17,744,801.85 | £351,198.15 |
| <u>MINISTER FOR TRANSPORT, TRAFFIC AND TECHNICAL SERVICES</u> | | | | | | |
| 19 :- TECHNICAL SERVICES | £4,186,000 | £0 | £0 | £4,186,000 | £3,930,172.50 | £255,827.50 |
| 20 :- DRIVER AND VEHICLE LICENSING | £1,698,000 | £0 | £0 | £1,698,000 | £1,579,472.35 | £118,527.65 |
| 21 :- PORT | £5,543,000 | £0 | £0 | £5,543,000 | £5,495,160.30 | £47,839.70 |
| 22 :- TOWN PLANNING AND BUILDING CONTROL | £1,231,000 | £0 | £0 | £1,231,000 | £1,077,263.22 | £153,736.78 |
| <u>MINISTER FOR ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GIBRALTAR SAVINGS BANK</u> | | | | | | |
| 23 :- STATISTICS OFFICE | £386,000 | £0 | £0 | £386,000 | £335,275.85 | £50,724.15 |
| 24 :- ECONOMIC DEVELOPMENT | £17,018,000 | £0 | £0 | £17,018,000 | £16,357,855.44 | £660,144.56 |
| <u>MINISTER FOR TOURISM, HOUSING, EQUALITY AND SOCIAL SERVICES</u> | | | | | | |
| 25 :- EQUALITY AND SOCIAL SERVICES | £17,109,000 | £0 | £0 | £17,109,000 | £15,881,277.44 | £1,227,722.56 |
| 26 :- TOURISM | £5,682,000 | £0 | £0 | £5,682,000 | £5,368,242.22 | £313,757.78 |
| 27 :- HOUSING - ADMINISTRATION | £11,412,000 | £0 | £0 | £11,412,000 | £10,619,190.42 | £792,809.58 |
| <u>MINISTER FOR BUSINESS, EMPLOYMENT, SKILLS AND TRAINING</u> | | | | | | |
| 28 :- BUSINESS | £1,172,000 | £0 | £0 | £1,172,000 | £953,684.46 | £218,315.54 |
| 29 :- EMPLOYMENT | £1,684,000 | £0 | £0 | £1,684,000 | £1,291,269.79 | £392,730.21 |
| 30 :- SOCIAL SECURITY | £24,271,000 | £0 | £0 | £24,271,000 | £16,948,476.26 | £7,322,523.74 |
| 31 :- POSTAL SERVICES | £3,065,000 | £0 | £51,180 | £3,116,180 | £3,116,158.97 | £21.03 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------------------|------------------------------------|------------------------|-----------------------|
| SUMMARY | | | | | | |
| CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE | | | | | | |
| MINISTER FOR EDUCATION AND JUSTICE & INTERNATIONAL EXCHANGE OF INFORMATION | | | | | | |
| 32 :- EDUCATION | £46,655,000 | £0 | £683,890 | £47,338,890 | £47,338,838.21 | £51.79 |
| 33 :- POLICING | £15,630,000 | £0 | £0 | £15,630,000 | £15,378,494.40 | £251,505.60 |
| 34 :- PRISON | £2,849,000 | £0 | £63,410 | £2,912,410 | £2,912,397.01 | £12.99 |
| 35 :- GIBRALTAR LAW COURTS | £2,003,000 | £0 | £0 | £2,003,000 | £1,797,179.72 | £205,820.28 |
| 36 :- JUSTICE | £1,205,000 | £0 | £0 | £1,205,000 | £1,113,847.99 | £91,152.01 |
| 37 :- FIRE AND RESCUE SERVICE | £5,010,000 | £0 | £85,460 | £5,095,460 | £5,095,445.05 | £14.95 |
| 38 :- CIVIL CONTINGENCY | £193,000 | £0 | £0 | £193,000 | £180,558.34 | £12,441.66 |
| MINISTER FOR SPORTS, CULTURE, HERITAGE AND YOUTH | | | | | | |
| 39 :- SPORT AND LEISURE | £4,806,000 | £0 | £516,730 | £5,322,730 | £5,322,705.94 | £24.06 |
| 40 :- CULTURE AND HERITAGE | £6,498,000 | £0 | £2,540,820 | £9,038,820 | £9,038,776.98 | £43.02 |
| 41 :- YOUTH | £574,000 | £0 | £0 | £574,000 | £557,709.08 | £16,290.92 |
| MINISTER FOR FINANCIAL SERVICES AND GAMING | | | | | | |
| 42 :- FINANCIAL SERVICES | £3,741,000 | £0 | £922,580 | £4,663,580 | £4,663,556.45 | £23.55 |
| 43 :- GAMBLING DIVISION | £719,000 | £0 | £0 | £719,000 | £709,785.26 | £9,214.74 |
| 44 :- MARITIME SERVICES | £1,269,000 | £0 | £87,470 | £1,356,470 | £1,356,435.05 | £34.95 |
| GIBRALTAR AUDIT OFFICE | | | | | | |
| 45 :- GIBRALTAR AUDIT OFFICE | £1,085,000 | £0 | £0 | £1,085,000 | £1,084,592.69 | £407.31 |
| GIBRALTAR REGULATORY AUTHORITY | | | | | | |
| 46 :- GIBRALTAR REGULATORY AUTHORITY | £1,875,000 | £0 | £20 | £1,875,020 | £1,875,012.50 | £7.50 |
| Total Departmental Expenditure | £459,100,000 | £0 | £27,554,605 | £486,654,605 | £472,540,676.31 | £14,113,928.69 |
| SUPPLEMENTARY PROVISION | | | | | | |
| 47 :- SUPPLEMENTARY PROVISION | £9,000,000 | £18,700,000 | (£27,554,605) | £145,395 | £0.00 | £145,395.00 |
| Total Supplementary Provision | £9,000,000 | £18,700,000 | (£27,554,605) | £145,395 | £0.00 | £145,395.00 |
| CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES | | | | | | |
| 48 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| Total Contribution to Government-Owned Companies | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| TRANSFER FROM GOVERNMENT SURPLUS | | | | | | |
| 49 :- TRANSFER FROM GOVERNMENT SURPLUS | £1,000 | £19,999,000 | £0 | £20,000,000 | £20,000,000.00 | £0.00 |
| Total Transfer From Government Surplus | £1,000 | £19,999,000 | £0 | £20,000,000 | £20,000,000.00 | £0.00 |
| CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 50 :- CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | £7,500,000 | £17,500,000 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| Total Contribution to the Improvement and Development Fund | £7,500,000 | £17,500,000 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| Total Consolidated Fund - Expenditure | £500,601,000 | £56,199,000 | £0 | £556,800,000 | £542,540,676.31 | £14,259,323.69 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £2,660,000 | £0 | £0 | £2,660,000 | £2,506,451.67 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £250,000 | £0 | £0 | £250,000 | £236,731.97 | |
| 1(1)(c) Allowances | £100,000 | £0 | £0 | £100,000 | £167,284.11 | |
| 1(1)(d) Temporary Assistance | £40,000 | £0 | £0 | £40,000 | £58,768.32 | |
| 1(1)(e) Pension Contributions | £114,000 | £0 | £0 | £114,000 | £91,001.53 | |
| Total Personal Emoluments | £3,164,000 | £0 | £0 | £3,164,000 | £3,060,237.60 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £3,164,000 | £0 | £0 | £3,164,000 | £3,060,237.60 | £103,762.40 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £30,000 | £0 | £0 | £30,000 | £29,870.27 | |
| 2(1)(b) Electricity and Water | £30,000 | £0 | £0 | £30,000 | £26,941.36 | |
| 2(1)(c) Telephone Service | £45,000 | £0 | £0 | £45,000 | £43,889.15 | |
| 2(1)(d) Printing and Stationery | £49,000 | £0 | £0 | £49,000 | £32,943.59 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £33,000 | £0 | £0 | £33,000 | £30,137.26 | |
| Total Office Expenses | £187,000 | £0 | £0 | £187,000 | £163,781.63 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Staff Medical Services | £1,000 | £0 | £0 | £1,000 | £65.00 | |
| 2(2)(b) Banking and Related Services | £185,000 | £0 | £0 | £185,000 | £210,166.73 | |
| 2(2)(c) Computer Running Expenses | £50,000 | £0 | £0 | £50,000 | £48,791.74 | |
| 2(2)(d) Accountancy and Legal Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(e) Security Expenses | £7,000 | £0 | £0 | £7,000 | £6,690.25 | |
| 2(2)(f) Postage Expenses | £23,000 | £0 | £0 | £23,000 | £11,254.54 | |
| 2(2)(g) Contracted Services: Security Services | £25,000 | £0 | £0 | £25,000 | £24,090.31 | |
| Total Operational Expenses | £292,000 | £0 | £0 | £292,000 | £301,058.57 | |
| 2(3) Insurance Premiums and Claims | £1,050,000 | £0 | £0 | £1,050,000 | £602,297.04 | |
| Total | £1,050,000 | £0 | £0 | £1,050,000 | £602,297.04 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| 2(4) Official Receiver Expenses | £10,000 | £0 | £0 | £10,000 | £1,000.00 | |
| Total | £10,000 | £0 | £0 | £10,000 | £1,000.00 | |
| 2(5) Property Services, Rents, Rates and Stamp Duty - Land Property Services Ltd - Contracted Services | £2,824,000 | £0 | £0 | £2,824,000 | £2,759,918.26 | |
| Total | £2,824,000 | £0 | £0 | £2,824,000 | £2,759,918.26 | |
| <i>Circulating and Commemorative Coinage Expenses</i> | | | | | | |
| 2(6)(a) Circulating Coinage Expenses | £365,000 | £0 | £0 | £365,000 | £61,144.63 | |
| 2(6)(b) Purchase of Commemorative Coins | £13,000 | £0 | £0 | £13,000 | £731.08 | |
| Total Circulating and Commemorative Coinage Expenses | £378,000 | £0 | £0 | £378,000 | £61,875.71 | |
| 2(7) Ex-Gratia Payments | £8,000 | £0 | £0 | £8,000 | £10,793.21 | |
| Total | £8,000 | £0 | £0 | £8,000 | £10,793.21 | |
| 2(8) Provisions for Workmen's Wages Roundings | £1,000 | £0 | £0 | £1,000 | £798.81 | |
| Total | £1,000 | £0 | £0 | £1,000 | £798.81 | |
| 2(9) Government Offices - Rent and Services Charges | £8,560,000 | £0 | £0 | £8,560,000 | £8,625,931.31 | |
| Total | £8,560,000 | £0 | £0 | £8,560,000 | £8,625,931.31 | |
| 2(10) Government Buildings - General Rates | £5,190,000 | £0 | £0 | £5,190,000 | £5,268,467.37 | |
| Total | £5,190,000 | £0 | £0 | £5,190,000 | £5,268,467.37 | |
| 2(11) Gibraltar Savings Bank - Children's Bond Account | £240,000 | £0 | £0 | £240,000 | £189,500.00 | |
| Total | £240,000 | £0 | £0 | £240,000 | £189,500.00 | |
| 2(12) Government Insurance Fund | £600,000 | £0 | £0 | £600,000 | £600,000.00 | |
| Total | £600,000 | £0 | £0 | £600,000 | £600,000.00 | |
| 2(13) Contribution to Pension Rights and Gratuity Transfers | £200,000 | £0 | £0 | £200,000 | £0.00 | |
| Total | £200,000 | £0 | £0 | £200,000 | £0.00 | |
| 2(14) Relief Cover | £70,000 | £0 | £0 | £70,000 | £189,081.45 | |
| Total | £70,000 | £0 | £0 | £70,000 | £189,081.45 | |
| 2(15) Losses of Public Funds | £0 | £0 | £0 | £0 | £830.00 | |
| Total | £0 | £0 | £0 | £0 | £830.00 | |
| TOTAL OTHER CHARGES | £19,610,000 | £0 | £0 | £19,610,000 | £18,775,333.36 | £834,666.64 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| 1 :- TREASURY SUMMARY | | | | | | |
| Personal Emoluments | £3,164,000 | £0 | £0 | £3,164,000 | £3,060,237.60 | £103,762.40 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £3,164,000 | £0 | £0 | £3,164,000 | £3,060,237.60 | £103,762.40 |
| Other Charges | £19,610,000 | £0 | £0 | £19,610,000 | £18,775,333.36 | £834,666.64 |
| TOTAL TREASURY | £22,774,000 | £0 | £0 | £22,774,000 | £21,835,570.96 | £938,429.04 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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2 :- NO. 6 CONVENT PLACE

PAYROLL

Personal Emoluments - General Office

| | | | | | |
|---|-------------------|-----------|------------------|-------------------|----------------------|
| 1(1)(a) Salaries | £1,945,000 | £0 | (£63,844) | £1,881,156 | £1,758,221.79 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £300,000 | £0 | £0 | £300,000 | £232,801.68 |
| 1(1)(c) Allowances | £50,000 | £0 | £0 | £50,000 | £74,594.39 |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £11,613.34 |
| 1(1)(e) Pension Contributions | £44,000 | £0 | £0 | £44,000 | £45,910.06 |
| 1(1)(f) Gratuities | £1,000 | £0 | £0 | £1,000 | £0.00 |
| Total Personal Emoluments - General Office | £2,340,000 | £0 | (£63,844) | £2,276,156 | £2,123,141.26 |

Personal Emoluments - Technical Division

| | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|
| 1(1)(g) Salaries | £58,000 | £0 | £0 | £58,000 | £58,268.53 |
| 1(1)(h)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(h)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(h)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(h)(iv) Overtime - Discretionary | £6,000 | £0 | £0 | £6,000 | £5,451.13 |
| 1(1)(i) Allowances | £1,000 | £0 | £0 | £1,000 | £324.13 |
| 1(1)(j) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 |
| Total Personal Emoluments - Technical Division | £66,000 | £0 | £0 | £66,000 | £64,043.79 |

Personal Emoluments - Information Technology and Logistics Unit

| | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|
| 1(1)(k) Salaries | £1,026,000 | £0 | £0 | £1,026,000 | £1,098,183.71 |
| 1(1)(l)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iv) Overtime - Discretionary | £60,000 | £0 | £0 | £60,000 | £124,874.69 |
| 1(1)(m) Allowances | £25,000 | £0 | £0 | £25,000 | £32,736.65 |
| 1(1)(n) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(o) Pension Contributions | £64,000 | £0 | £0 | £64,000 | £70,575.12 |
| Total Personal Emoluments - Information Technology and Logistics Unit | £1,175,000 | £0 | £0 | £1,175,000 | £1,326,370.17 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 2 :- NO. 6 CONVENT PLACE | | | | | | |
| <i>Industrial Wages - General Office</i> | | | | | | |
| 1(2)(a) Basic Wages | £60,000 | £0 | £0 | £60,000 | £63,275.82 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £12,000 | £0 | £0 | £12,000 | £13,087.16 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £3,229.90 | |
| Total Industrial Wages - General Office | £76,000 | £0 | £0 | £76,000 | £79,592.88 | |
| TOTAL PAYROLL | £3,657,000 | £0 | (£63,844) | £3,593,156 | £3,593,148.10 | £7.90 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses - General Office</i> | | | | | | |
| 2(1)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £15,025.82 | |
| 2(1)(b) Electricity and Water | £10,000 | £0 | £748 | £10,748 | £26,512.14 | |
| 2(1)(c) Telephone Service | £100,000 | £0 | £0 | £100,000 | £94,095.10 | |
| 2(1)(d) Printing and Stationery | £30,000 | £0 | £0 | £30,000 | £17,112.80 | |
| Total Office Expenses - General Office | £152,000 | £0 | £748 | £152,748 | £152,745.86 | |
| <i>Operational Expenses - General Office</i> | | | | | | |
| 2(2)(a) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £838.17 | |
| 2(2)(b) Equipment Maintenance | £25,000 | £0 | £0 | £25,000 | £26,431.44 | |
| 2(2)(c) The Mount Expenses | £5,000 | £0 | £0 | £5,000 | £2,400.73 | |
| 2(2)(d) Rent and Service Charges | £7,000 | £0 | £0 | £7,000 | £6,771.99 | |
| 2(2)(e) Security Expenses | £80,000 | £0 | £9,887 | £89,887 | £91,442.70 | |
| Total Operational Expenses - General Office | £118,000 | £0 | £9,887 | £127,887 | £127,885.03 | |
| 2(3) Governor's Office Expenses | £60,000 | £0 | £0 | £60,000 | £57,139.32 | |
| Total | £60,000 | £0 | £0 | £60,000 | £57,139.32 | |
| <i>Office Expenses - Technical Division</i> | | | | | | |
| 2(4)(a) General Expenses | £1,000 | £0 | £0 | £1,000 | £615.57 | |
| 2(4)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(4)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £2,540.21 | |
| 2(4)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £1,329.43 | |
| Total Office Expenses - Technical Division | £5,000 | £0 | £0 | £5,000 | £4,485.21 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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2 :- NO. 6 CONVENT PLACE

Information Technology and Logistics Unit

| | | | | | |
|--|------------|----|----|------------|---------------|
| 2(5)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £3,148.50 |
| 2(5)(b) Electricity and Water | £18,000 | £0 | £0 | £18,000 | £15,072.48 |
| 2(5)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £17,351.38 |
| 2(5)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,285.72 |
| 2(5)(e) Computer Expenses | £7,000 | £0 | £0 | £7,000 | £7,219.10 |
| 2(5)(f) Maintenance Agreements and Licences | £1,400,000 | £0 | £0 | £1,400,000 | £1,374,541.64 |

Contracted Services

| | | | | | |
|---|----------|----|----|----------|-------------|
| 2(5)(g) Electronic Data Communication - Gibtelecom | £645,000 | £0 | £0 | £645,000 | £467,094.14 |
| 2(5)(h) Office Cleaning - Government Cleaning Scheme | £10,000 | £0 | £0 | £10,000 | £9,984.00 |

| | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|
| Total Information Technology and Logistics Unit | £2,093,000 | £0 | £0 | £2,093,000 | £1,895,696.96 |
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|---|----------|----|----|----------|-------------|
| 2(6) Electrical Services - Gibraltar Electricity Authority | £690,000 | £0 | £0 | £690,000 | £639,130.02 |
|---|----------|----|----|----------|-------------|

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|--------------|-----------------|-----------|-----------|-----------------|--------------------|
| Total | £690,000 | £0 | £0 | £690,000 | £639,130.02 |
|--------------|-----------------|-----------|-----------|-----------------|--------------------|

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|---|----------|----|---------|----------|-------------|
| 2(7) Government Communication, Information and Lobbying | £600,000 | £0 | £53,209 | £653,209 | £798,077.24 |
|---|----------|----|---------|----------|-------------|

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|--------------|-----------------|-----------|----------------|-----------------|--------------------|
| Total | £600,000 | £0 | £53,209 | £653,209 | £798,077.24 |
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Protocol, Travel and Entertainment

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|---------------------------------------|----------|----|----|----------|-------------|
| 2(8)(a) Protocol and Entertainment | £150,000 | £0 | £0 | £150,000 | £137,868.38 |
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| 2(8)(b) Travel | £500,000 | £0 | £0 | £500,000 | £700,649.66 |
|----------------|----------|----|----|----------|-------------|

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|---|-----------------|-----------|-----------|-----------------|--------------------|
| Total Protocol, Travel and Entertainment | £650,000 | £0 | £0 | £650,000 | £838,518.04 |
|---|-----------------|-----------|-----------|-----------------|--------------------|

Grants

| | | | | | |
|----------------------------|---------|----|----|---------|------------|
| 2(9)(a) Gibraltar Regiment | £70,000 | £0 | £0 | £70,000 | £55,702.95 |
|----------------------------|---------|----|----|---------|------------|

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|---------------------------------------|----------|----|----------|----------|-------------|
| 2(9)(b) Other Grants and Donations | £420,000 | £0 | £508,870 | £928,870 | £943,154.79 |
|---------------------------------------|----------|----|----------|----------|-------------|

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|---------------------|-----------------|-----------|-----------------|-----------------|--------------------|
| Total Grants | £490,000 | £0 | £508,870 | £998,870 | £998,857.74 |
|---------------------|-----------------|-----------|-----------------|-----------------|--------------------|

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|---|---------|----|----|---------|------------|
| 2(10) Commonwealth Foundation Membership | £18,000 | £0 | £0 | £18,000 | £15,779.00 |
|---|---------|----|----|---------|------------|

| | | | | | |
|--------------|----------------|-----------|-----------|----------------|-------------------|
| Total | £18,000 | £0 | £0 | £18,000 | £15,779.00 |
|--------------|----------------|-----------|-----------|----------------|-------------------|

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| 2(11) Research, Development Studies and Professional Fees | £500,000 | £0 | £294,030 | £794,030 | £794,018.07 |
|--|----------|----|----------|----------|-------------|

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|--------------|-----------------|-----------|-----------------|-----------------|--------------------|
| Total | £500,000 | £0 | £294,030 | £794,030 | £794,018.07 |
|--------------|-----------------|-----------|-----------------|-----------------|--------------------|

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| 2(12) Civic Awards Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 |
|-----------------------------|--------|----|----|--------|-------|

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|--------------|---------------|-----------|-----------|---------------|--------------|
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 |
|--------------|---------------|-----------|-----------|---------------|--------------|

Contribution to Gibraltar Development Corporation - Staff Services

| | | | | | |
|--------------------------------|----------|----|----|----------|-------------|
| 2(13)(a) Staff Services - No.6 | £290,000 | £0 | £0 | £290,000 | £313,873.28 |
|--------------------------------|----------|----|----|----------|-------------|

| | | | | | |
|---|----------|----|----|----------|-------------|
| 2(13)(b) Staff Services - Technical Division | £127,000 | £0 | £0 | £127,000 | £126,383.60 |
|---|----------|----|----|----------|-------------|

| | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|
| Total Contribution to Gibraltar Development Corporation - Staff Services | £417,000 | £0 | £0 | £417,000 | £440,256.88 |
|---|-----------------|-----------|-----------|-----------------|--------------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

2 :- NO. 6 CONVENT PLACE

| | | | | | | |
|---|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| 2(14) Government General Advertising and Official Notices | £500,000 | £0 | £0 | £500,000 | £268,623.40 | |
| Total | £500,000 | £0 | £0 | £500,000 | £268,623.40 | |
| 2(15) Media Monitoring Services | £180,000 | £0 | £97,470 | £277,470 | £424,530.61 | |
| Total | £180,000 | £0 | £97,470 | £277,470 | £424,530.61 | |
| 2(16) Contract Officers | £80,000 | £0 | £0 | £80,000 | £79,311.92 | |
| Total | £80,000 | £0 | £0 | £80,000 | £79,311.92 | |
| 2(17) Ex-Gratia Payments | £50,000 | £0 | £740,560 | £790,560 | £790,546.30 | |
| Total | £50,000 | £0 | £740,560 | £790,560 | £790,546.30 | |
| 2(18) Project Search | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| Total | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| 2(19) Co-Ordination of the Fight Against Illegal Drugs | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(20) Relief Cover | £17,000 | £0 | £0 | £17,000 | £11,106.98 | |
| Total | £17,000 | £0 | £0 | £17,000 | £11,106.98 | |
| TOTAL OTHER CHARGES | £6,632,000 | £0 | £1,704,774 | £8,336,774 | £8,336,708.58 | £65.42 |

2 :- NO. 6 CONVENT PLACE

SUMMARY

| | | | | | | |
|----------------------------------|--------------------|-----------|-------------------|--------------------|-----------------------|---------------|
| Personal Emoluments | £3,581,000 | £0 | (£63,844) | £3,517,156 | £3,513,555.22 | £3,600.78 |
| Industrial Wages | £76,000 | £0 | £0 | £76,000 | £79,592.88 | (£3,592.88) |
| Total Payroll | £3,657,000 | £0 | (£63,844) | £3,593,156 | £3,593,148.10 | £7.90 |
| Other Charges | £6,632,000 | £0 | £1,704,774 | £8,336,774 | £8,336,708.58 | £65.42 |
| TOTAL NO. 6 CONVENT PLACE | £10,289,000 | £0 | £1,640,930 | £11,929,930 | £11,929,856.68 | £73.32 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 3 :- CUSTOMS | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £5,203,000 | £0 | £0 | £5,203,000 | £5,204,952.49 | |
| 1(1)(b)(i) Overtime - Conditioned | £1,718,000 | £0 | £0 | £1,718,000 | £1,727,693.31 | |
| 1(1)(b)(ii) Overtime - Emergency | £90,000 | £0 | £0 | £90,000 | £113,192.39 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £115,000 | £0 | £0 | £115,000 | £174,990.63 | |
| 1(1)(c) Allowances | £1,035,000 | £0 | £0 | £1,035,000 | £887,091.07 | |
| 1(1)(d) Temporary Assistance | £70,000 | £0 | £0 | £70,000 | £94,707.14 | |
| 1(1)(e) Pension Contributions | £293,000 | £0 | £0 | £293,000 | £224,058.65 | |
| Total Personal Emoluments | £8,524,000 | £0 | £0 | £8,524,000 | £8,426,685.68 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £19,000 | £0 | £0 | £19,000 | £7,034.52 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £5,000 | £0 | £0 | £5,000 | £175.31 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages | £25,000 | £0 | £0 | £25,000 | £7,209.83 | |
| TOTAL PAYROLL | £8,549,000 | £0 | £0 | £8,549,000 | £8,433,895.51 | £115,104.49 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £24,607.92 | |
| 2(1)(b) Electricity and Water | £68,000 | £0 | £0 | £68,000 | £57,691.23 | |
| 2(1)(c) Telephone Service | £53,000 | £0 | £0 | £53,000 | £52,941.77 | |
| 2(1)(d) Printing and Stationery | £12,000 | £0 | £0 | £12,000 | £11,996.79 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(e) Cleaning of Offices and Entry Points - Government Cleaning Scheme | £73,000 | £0 | £0 | £73,000 | £84,038.00 | |
| 2(1)(f) Security Services | £22,000 | £0 | £0 | £22,000 | £21,249.10 | |
| Total Office Expenses | £253,000 | £0 | £0 | £253,000 | £252,524.81 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 3 :- CUSTOMS | | | | | | |
| Operational Expenses | | | | | | |
| 2(2)(a) Enforcement Expenses | £35,000 | £0 | £0 | £35,000 | £34,279.30 | |
| 2(2)(b) Investigation Expenses | £25,000 | £0 | £0 | £25,000 | £25,138.17 | |
| 2(2)(c) Uniforms | £75,000 | £0 | £0 | £75,000 | £74,998.69 | |
| 2(2)(d) Computer Running Expenses | £20,000 | £0 | £0 | £20,000 | £19,980.36 | |
| 2(2)(e) Official Visits | £6,000 | £0 | £0 | £6,000 | £5,993.60 | |
| 2(2)(f) Training Courses | £70,000 | £0 | £0 | £70,000 | £34,880.09 | |
| 2(2)(g) Marine Expenses | £80,000 | £0 | £0 | £80,000 | £89,939.29 | |
| 2(2)(h) Dog Section Costs | £15,000 | £0 | £0 | £15,000 | £0.00 | |
| 2(2)(i) Contracted Services: Radio Communication System - Gibtelecom Ltd | £29,000 | £0 | £0 | £29,000 | £28,936.57 | |
| Total Operational Expenses | £355,000 | £0 | £0 | £355,000 | £314,146.07 | |
| 2(3) Destruction of Confiscated Tobacco | £6,000 | £0 | £0 | £6,000 | £5,980.80 | |
| Total | £6,000 | £0 | £0 | £6,000 | £5,980.80 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £478.71 | |
| Total | £0 | £0 | £0 | £0 | £478.71 | |
| TOTAL OTHER CHARGES | £615,000 | £0 | £0 | £615,000 | £573,130.39 | £41,869.61 |

3 :- CUSTOMS

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £8,524,000 | £0 | £0 | £8,524,000 | £8,426,685.68 | £97,314.32 |
| Industrial Wages | £25,000 | £0 | £0 | £25,000 | £7,209.83 | £17,790.17 |
| Total Payroll | £8,549,000 | £0 | £0 | £8,549,000 | £8,433,895.51 | £115,104.49 |
| Other Charges | £615,000 | £0 | £0 | £615,000 | £573,130.39 | £41,869.61 |
| TOTAL CUSTOMS | £9,164,000 | £0 | £0 | £9,164,000 | £9,007,025.90 | £156,974.10 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
| 4 :- BROADCASTING | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| <u>OTHER CHARGES</u> | | | | | | |
| 2(1) Contribution to Gibraltar Broadcasting Corporation | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | |
| Total | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | |
| TOTAL OTHER CHARGES | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | £6.96 |
| 4 :- BROADCASTING | | | | | | |
| <u>SUMMARY</u> | | | | | | |
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | £6.96 |
| TOTAL BROADCASTING | £4,500,000 | £0 | £187,490 | £4,687,490 | £4,687,483.04 | £6.96 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 5 :- INCOME TAX | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £2,256,000 | £0 | £0 | £2,256,000 | £2,192,797.96 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £130,000 | £0 | £0 | £130,000 | £130,624.05 | |
| 1(1)(c) Allowances | £136,000 | £0 | £0 | £136,000 | £145,452.60 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £59,000 | £0 | £0 | £59,000 | £50,811.30 | |
| Total Personal Emoluments | £2,581,000 | £0 | £0 | £2,581,000 | £2,519,685.91 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £2,581,000 | £0 | £0 | £2,581,000 | £2,519,685.91 | £61,314.09 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £25,118.96 | |
| 2(1)(b) Electricity and Water | £13,000 | £0 | £0 | £13,000 | £9,913.49 | |
| 2(1)(c) Telephone Service | £24,000 | £0 | £0 | £24,000 | £22,426.56 | |
| 2(1)(d) Printing and Stationery | £40,000 | £0 | £0 | £40,000 | £34,339.98 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £23,000 | £0 | £0 | £23,000 | £21,339.64 | |
| Total Office Expenses | £125,000 | £0 | £0 | £125,000 | £113,138.63 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Computer Running Expenses | £14,000 | £0 | £0 | £14,000 | £11,834.99 | |
| 2(2)(b) Professional Fees | £5,000 | £0 | £0 | £5,000 | £3,928.29 | |
| 2(2)(c) Banking and Related Expenses | £1,000 | £0 | £0 | £1,000 | £532.15 | |
| 2(2)(d) Postage Expenses | £45,000 | £0 | £0 | £45,000 | £49,089.86 | |
| Total Operational Expenses | £65,000 | £0 | £0 | £65,000 | £65,385.29 | |
| 2(3) Relief Cover | £48,000 | £0 | £0 | £48,000 | £49,751.70 | |
| Total | £48,000 | £0 | £0 | £48,000 | £49,751.70 | |
| 2(4) Losses of Public Funds | £0 | £0 | £0 | £0 | £216.42 | |
| Total | £0 | £0 | £0 | £0 | £216.42 | |
| TOTAL OTHER CHARGES | £238,000 | £0 | £0 | £238,000 | £228,492.04 | £9,507.96 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|------------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 5 :- INCOME TAX | | | | | | |
| 5 :- INCOME TAX SUMMARY | | | | | | |
| Personal Emoluments | £2,581,000 | £0 | £0 | £2,581,000 | £2,519,685.91 | £61,314.09 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £2,581,000 | £0 | £0 | £2,581,000 | £2,519,685.91 | £61,314.09 |
| Other Charges | £238,000 | £0 | £0 | £238,000 | £228,492.04 | £9,507.96 |
| TOTAL INCOME TAX | £2,819,000 | £0 | £0 | £2,819,000 | £2,748,177.95 | £70,822.05 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 6 :- PARLIAMENT | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £163,000 | £0 | £1,990 | £164,990 | £167,068.15 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £14,000 | £0 | £0 | £14,000 | £14,564.83 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £3,350.06 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £183,000 | £0 | £1,990 | £184,990 | £184,983.04 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £183,000 | £0 | £1,990 | £184,990 | £184,983.04 | £6.96 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £2,410.59 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £3,174.02 | |
| 2(1)(c) Telephone Service | £3,000 | £0 | £0 | £3,000 | £3,538.38 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £1,264.40 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | £0 | £5,000 | £4,896.00 | |
| Total Office Expenses | £19,000 | £0 | £0 | £19,000 | £15,283.39 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Commonwealth Parliamentary Association Expenses | £40,000 | £0 | £0 | £40,000 | £34,194.47 | |
| 2(2)(b) Secretarial Assistance to the Leader of the Opposition | £500 | £0 | £0 | £500 | £500.04 | |
| 2(2)(c) Select Committees | £500 | £0 | £0 | £500 | £0.00 | |
| 2(2)(d) Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £4,731.12 | |
| 2(2)(e) Postage Expenses | £1,000 | £0 | £0 | £1,000 | £105.44 | |
| 2(2)(f) Contracted Services: Recording Equipment | £26,000 | £0 | £0 | £26,000 | £23,626.23 | |
| Total Operational Expenses | £73,000 | £0 | £0 | £73,000 | £63,157.30 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 6 :- PARLIAMENT | | | | | | |
| Elected Members | | | | | | |
| 2(3)(a) Member's Allowances | £623,000 | £0 | £0 | £623,000 | £634,103.28 | |
| 2(3)(b) Minister's and Office Holder's Allowances | £713,000 | £0 | £0 | £713,000 | £725,933.48 | |
| Total Elected Members | £1,336,000 | £0 | £0 | £1,336,000 | £1,360,036.76 | |
| 2(4) Hansard Production Costs | £23,000 | £0 | £0 | £23,000 | £12,126.51 | |
| Total | £23,000 | £0 | £0 | £23,000 | £12,126.51 | |
| Referendum Expenses | | | | | | |
| 2(5)(a) Staff Remuneration | £1,000 | £0 | £34,185 | £35,185 | £35,559.36 | |
| 2(5)(b) Other Costs | £1,000 | £0 | £48,600 | £49,600 | £49,591.35 | |
| Total Referendum Expenses | £2,000 | £0 | £82,785 | £84,785 | £85,150.71 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7) General Elections - Other Costs | £0 | £0 | £0 | £0 | £1,010.00 | |
| Total | £0 | £0 | £0 | £0 | £1,010.00 | |
| TOTAL OTHER CHARGES | £1,454,000 | £0 | £82,785 | £1,536,785 | £1,536,764.67 | £20.33 |

6 :- PARLIAMENT

SUMMARY

| | | | | | | |
|-------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £183,000 | £0 | £1,990 | £184,990 | £184,983.04 | £6.96 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £183,000 | £0 | £1,990 | £184,990 | £184,983.04 | £6.96 |
| Other Charges | £1,454,000 | £0 | £82,785 | £1,536,785 | £1,536,764.67 | £20.33 |
| TOTAL PARLIAMENT | £1,637,000 | £0 | £84,775 | £1,721,775 | £1,721,747.71 | £27.29 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 7 :- HUMAN RESOURCES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,292,000 | £0 | (£101,473) | £1,190,527 | £1,172,589.68 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £50,000 | £0 | £0 | £50,000 | £23,589.04 | |
| 1(1)(c) Allowances | £60,000 | £0 | £0 | £60,000 | £45,124.70 | |
| 1(1)(d) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £25,000 | £0 | £0 | £25,000 | £31,441.49 | |
| 1(1)(f) Allowances - Union Convenor | £33,000 | £0 | £0 | £33,000 | £32,522.64 | |
| Total Personal Emoluments | £1,461,000 | £0 | (£101,473) | £1,359,527 | £1,305,267.55 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(2)(b) Overtime | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL PAYROLL | £1,462,000 | £0 | (£101,473) | £1,360,527 | £1,305,267.55 | £55,259.45 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £10,739.21 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,600.24 | |
| 2(1)(c) Telephone Service | £13,000 | £0 | £0 | £13,000 | £11,477.85 | |
| 2(1)(d) Printing and Stationery | £7,000 | £0 | £0 | £7,000 | £8,106.21 | |
| 2(1)(e) Rent and Service Charges | £26,000 | £0 | £0 | £26,000 | £25,936.98 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £16,000 | £0 | £0 | £16,000 | £15,073.90 | |
| Total Office Expenses | £80,000 | £0 | £0 | £80,000 | £76,934.39 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Computer and Office Equipment | £12,000 | £0 | £0 | £12,000 | £11,610.61 | |
| 2(2)(b) Recruitment Expenses | £10,000 | £0 | £0 | £10,000 | £14,056.49 | |
| 2(2)(c) Medical Examinations | £4,000 | £0 | £0 | £4,000 | £7,930.00 | |
| 2(2)(d) Residential Properties Rents and Service Charges | £7,000 | £0 | £0 | £7,000 | £7,200.00 | |
| Total Operational Expenses | £33,000 | £0 | £0 | £33,000 | £40,797.10 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 7 :- HUMAN RESOURCES | | | | | | |
| 2(3) Repatriation Costs | £1,000 | £0 | £0 | £1,000 | £3,159.13 | |
| Total | £1,000 | £0 | £0 | £1,000 | £3,159.13 | |
| 2(4) Funding for University Students - Summer Jobs | £120,000 | £0 | £0 | £120,000 | £98,371.42 | |
| Total | £120,000 | £0 | £0 | £120,000 | £98,371.42 | |
| 2(5) Early Exit Schemes (ii) | £500,000 | £0 | £0 | £500,000 | £513,781.69 | |
| Total | £500,000 | £0 | £0 | £500,000 | £513,781.69 | |
| 2(6) Relief Cover | £1,000 | £0 | £13,592 | £14,592 | £15,542.57 | |
| Total | £1,000 | £0 | £13,592 | £14,592 | £15,542.57 | |
| 2(7) Ex-Gratia Payments | £0 | £0 | £87,881 | £87,881 | £87,880.65 | |
| Total | £0 | £0 | £87,881 | £87,881 | £87,880.65 | |
| TOTAL OTHER CHARGES | £735,000 | £0 | £101,473 | £836,473 | £836,466.95 | £6.05 |

7 :- HUMAN RESOURCES

SUMMARY

| | | | | | | |
|------------------------------|-------------------|-----------|-------------------|-------------------|----------------------|-------------------|
| Personal Emoluments | £1,461,000 | £0 | (£101,473) | £1,359,527 | £1,305,267.55 | £54,259.45 |
| Industrial Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| Total Payroll | £1,462,000 | £0 | (£101,473) | £1,360,527 | £1,305,267.55 | £55,259.45 |
| Other Charges | £735,000 | £0 | £101,473 | £836,473 | £836,466.95 | £6.05 |
| TOTAL HUMAN RESOURCES | £2,197,000 | £0 | £0 | £2,197,000 | £2,141,734.50 | £55,265.50 |

- (ii) The expenditure incurred under Early Exit Schemes represents Early Exit Scheme repayments, amounting to £295,037 in capital and £218,745 in interest payments to Credit Finance Company Limited pursuant to the provisions of Early Exit Scheme agreements between HM Government of Gibraltar, Credit Finance Company Limited and eligible retiring employees.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

8 :- IMMIGRATION AND CIVIL STATUS

PAYROLL

Personal Emoluments

| | | | | | |
|--|-----------------|-----------|------------------|-----------------|--------------------|
| 1(1)(a) Salaries | £745,000 | £0 | (£44,693) | £700,307 | £694,032.05 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £29,377.37 |
| 1(1)(c) Allowances | £16,000 | £0 | £0 | £16,000 | £24,315.95 |
| 1(1)(d) Overtime - Marriage Ceremonies | £15,000 | £0 | £0 | £15,000 | £16,600.00 |
| 1(1)(e) Pension Contributions | £23,000 | £0 | £0 | £23,000 | £14,979.52 |
| Total Personal Emoluments | £824,000 | £0 | (£44,693) | £779,307 | £779,304.89 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

TOTAL PAYROLL

| | | | | | | |
|----------------------|-----------------|-----------|------------------|-----------------|--------------------|--------------|
| TOTAL PAYROLL | £824,000 | £0 | (£44,693) | £779,307 | £779,304.89 | £2.11 |
|----------------------|-----------------|-----------|------------------|-----------------|--------------------|--------------|

OTHER CHARGES

Office Expenses

| | | | | | |
|------------------------------------|----------------|-----------|-----------|----------------|-------------------|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £8,489.56 |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £5,742.94 |
| 2(1)(c) Telephone Service | £14,000 | £0 | £0 | £14,000 | £18,541.49 |
| 2(1)(d) Printing and Stationery | £17,000 | £0 | £0 | £17,000 | £17,069.03 |
| Total Office Expenses | £48,000 | £0 | £0 | £48,000 | £49,843.02 |

Operational Expenses

| | | | | | |
|---|----------|----|----|----------|-------------|
| 2(2)(a) Rebinding of Registers | £1,000 | £0 | £0 | £1,000 | £640.00 |
| 2(2)(b) EU Format Passports | £15,000 | £0 | £0 | £15,000 | £15,009.75 |
| 2(2)(c) Identity and Residence Cards | £126,000 | £0 | £0 | £126,000 | £118,927.81 |
| 2(2)(d) Marriages | £1,000 | £0 | £0 | £1,000 | £90.00 |
| 2(2)(e) 2nd Generation Passports | £350,000 | £0 | £0 | £350,000 | £306,830.22 |
| 2(2)(f) Postage Expenses | £3,000 | £0 | £0 | £3,000 | £0.00 |

Total Operational Expenses

| | | | | | |
|-----------------------------------|-----------------|-----------|-----------|-----------------|--------------------|
| Total Operational Expenses | £496,000 | £0 | £0 | £496,000 | £441,497.78 |
|-----------------------------------|-----------------|-----------|-----------|-----------------|--------------------|

| | | | | | |
|--|---------|----|----|---------|------------|
| 2(3) Asylum Seeker and Refugee Expenses | £20,000 | £0 | £0 | £20,000 | £22,167.39 |
|--|---------|----|----|---------|------------|

Total

| | | | | | |
|--------------|----------------|-----------|-----------|----------------|-------------------|
| Total | £20,000 | £0 | £0 | £20,000 | £22,167.39 |
|--------------|----------------|-----------|-----------|----------------|-------------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 8 :- IMMIGRATION AND CIVIL STATUS | | | | | | |
| Joshua Hassan House: Contracted Services | | | | | | |
| 2(4)(a) Security Services | £46,000 | £0 | £0 | £46,000 | £41,627.30 | |
| 2(4)(b) Upkeep of Planted Areas | £3,000 | £0 | £0 | £3,000 | £2,460.00 | |
| Total Joshua Hassan House: Contracted Services | £49,000 | £0 | £0 | £49,000 | £44,087.30 | |
| 2(5) Contribution to Borders and Coastguard Agency | £5,780,000 | £0 | £193,943 | £5,973,943 | £6,012,000.00 | |
| Total | £5,780,000 | £0 | £193,943 | £5,973,943 | £6,012,000.00 | |
| 2(6) Contribution to Gibraltar Development Corporation - Staff Services | £35,000 | £0 | £0 | £35,000 | £34,255.58 | |
| Total | £35,000 | £0 | £0 | £35,000 | £34,255.58 | |
| 2(7) Relief Cover | £32,000 | £0 | £0 | £32,000 | £50,084.35 | |
| Total | £32,000 | £0 | £0 | £32,000 | £50,084.35 | |
| 2(8) Compensation and Legal Costs | £0 | £0 | £40,000 | £40,000 | £40,000.00 | |
| Total | £0 | £0 | £40,000 | £40,000 | £40,000.00 | |
| TOTAL OTHER CHARGES | £6,460,000 | £0 | £233,943 | £6,693,943 | £6,693,935.42 | £7.58 |

8 :- IMMIGRATION AND CIVIL STATUS

SUMMARY

| | | | | | | |
|---|-------------------|-----------|------------------|-------------------|----------------------|--------------|
| Personal Emoluments | £824,000 | £0 | (£44,693) | £779,307 | £779,304.89 | £2.11 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £824,000 | £0 | (£44,693) | £779,307 | £779,304.89 | £2.11 |
| Other Charges | £6,460,000 | £0 | £233,943 | £6,693,943 | £6,693,935.42 | £7.58 |
| TOTAL IMMIGRATION AND CIVIL STATUS | £7,284,000 | £0 | £189,250 | £7,473,250 | £7,473,240.31 | £9.69 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 9 :- FINANCIAL SECRETARY'S OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £433,000 | £0 | £0 | £433,000 | £402,629.18 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £40,000 | £0 | £0 | £40,000 | £42,628.47 | |
| 1(1)(c) Allowances | £7,000 | £0 | £0 | £7,000 | £5,777.45 | |
| 1(1)(d) Temporary Assistance | £76,000 | £0 | £0 | £76,000 | £77,356.68 | |
| 1(1)(e) Pension Contributions | £10,000 | £0 | £0 | £10,000 | £9,669.56 | |
| Total Personal Emoluments | £566,000 | £0 | £0 | £566,000 | £538,061.34 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £566,000 | £0 | £0 | £566,000 | £538,061.34 | £27,938.66 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £883.40 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £3,000.00 | |
| 2(1)(c) Telephone Service | £7,000 | £0 | £0 | £7,000 | £7,374.18 | |
| 2(1)(d) Printing and Stationery | £13,000 | £0 | £0 | £13,000 | £12,135.40 | |
| 2(1)(e) Office Cleaning | £1,000 | £0 | £0 | £1,000 | £52.35 | |
| Total Office Expenses | £26,000 | £0 | £0 | £26,000 | £23,445.33 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Publications | £2,000 | £0 | £0 | £2,000 | £1,734.00 | |
| 2(2)(b) Computer and Office Equipment | £6,000 | £0 | £0 | £6,000 | £5,551.58 | |
| 2(2)(c) Training and Conferences | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Operational Expenses | £9,000 | £0 | £0 | £9,000 | £7,285.58 | |
| 2(3) Secondment | £187,000 | £0 | £0 | £187,000 | £188,639.16 | |
| Total | £187,000 | £0 | £0 | £187,000 | £188,639.16 | |
| 2(4) Supervision of Financial Businesses (Anti- Money Laundering) | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

9 :- FINANCIAL SECRETARY'S OFFICE

| | | | | | | |
|----------------------------|-----------------|-----------|-----------|-----------------|--------------------|------------------|
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £224,000 | £0 | £0 | £224,000 | £219,370.07 | £4,629.93 |

9 :- FINANCIAL SECRETARY'S OFFICE

SUMMARY

| | | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| Personal Emoluments | £566,000 | £0 | £0 | £566,000 | £538,061.34 | £27,938.66 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £566,000 | £0 | £0 | £566,000 | £538,061.34 | £27,938.66 |
| Other Charges | £224,000 | £0 | £0 | £224,000 | £219,370.07 | £4,629.93 |
| TOTAL FINANCIAL SECRETARY'S OFFICE | £790,000 | £0 | £0 | £790,000 | £757,431.41 | £32,568.59 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 10 :- PROCUREMENT OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £268,000 | £0 | £0 | £268,000 | £261,638.09 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £9,162.40 | |
| 1(1)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £5,385.68 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments | £288,000 | £0 | £0 | £288,000 | £276,186.17 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £288,000 | £0 | £0 | £288,000 | £276,186.17 | £11,813.83 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,982.51 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,544.39 | |
| 2(1)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £1,944.68 | |
| 2(1)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,002.95 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £4,000 | £0 | £0 | £4,000 | £3,744.00 | |
| 2(1)(f) Office Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £5,067.45 | |
| Total Office Expenses | £16,000 | £0 | £0 | £16,000 | £15,285.98 | |
| 2(2) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £17,000 | £0 | £0 | £17,000 | £15,285.98 | £1,714.02 |
| 10 :- PROCUREMENT OFFICE | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £288,000 | £0 | £0 | £288,000 | £276,186.17 | £11,813.83 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £288,000 | £0 | £0 | £288,000 | £276,186.17 | £11,813.83 |
| Other Charges | £17,000 | £0 | £0 | £17,000 | £15,285.98 | £1,714.02 |
| TOTAL PROCUREMENT OFFICE | £305,000 | £0 | £0 | £305,000 | £291,472.15 | £13,527.85 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

11 :- GOVERNMENT LAW OFFICES

PAYROLL

Personal Emoluments: Office of Criminal Prosecutions and Litigation

| | | | | | | |
|--|-----------------|-----------|-----------------|-------------------|----------------------|--|
| 1(1)(a) Salaries | £797,000 | £0 | £133,760 | £930,760 | £930,754.47 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £2,000 | £0 | £0 | £2,000 | £1,310.24 | |
| 1(1)(c) Allowances | £10,000 | £0 | £1,600 | £11,600 | £17,427.38 | |
| 1(1)(d) Temporary Assistance | £127,000 | £0 | £0 | £127,000 | £130,620.68 | |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f) Pension Contributions | £61,000 | £0 | £0 | £61,000 | £59,218.67 | |
| Total Personal Emoluments: Office of Criminal Prosecutions and Litigation | £997,000 | £0 | £135,360 | £1,132,360 | £1,139,331.44 | |

Personal Emoluments: Advisory and Parliamentary Counsel Offices

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--|
| 1(1)(g) Salaries | £1,243,000 | £0 | £0 | £1,243,000 | £1,263,545.82 | |
| 1(1)(h)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iv) Overtime - Discretionary | £17,000 | £0 | £0 | £17,000 | £17,421.83 | |
| 1(1)(i) Allowances | £76,000 | £0 | £0 | £76,000 | £70,909.17 | |
| 1(1)(j) Pension Contributions | £104,000 | £0 | £0 | £104,000 | £82,844.06 | |
| Total Personal Emoluments: Advisory and Parliamentary Counsel Offices | £1,440,000 | £0 | £0 | £1,440,000 | £1,434,720.88 | |

Industrial Wages: Advisory and Parliamentary Counsel Offices

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 1(2)(a) Basic Wages | £23,000 | £0 | £0 | £23,000 | £21,277.93 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages: Advisory and Parliamentary Counsel Offices | £23,000 | £0 | £0 | £23,000 | £21,277.93 | |

| | | | | | | |
|----------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| TOTAL PAYROLL | £2,460,000 | £0 | £135,360 | £2,595,360 | £2,595,330.25 | £29.75 |
|----------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|

OTHER CHARGES

Office Expenses - Office of Criminal Prosecutions and Litigation

| | | | | | | |
|-------------------------------|---------|----|----|---------|-----------|--|
| 2(1)(a) General Expenses | £7,000 | £0 | £0 | £7,000 | £6,550.89 | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £4,463.31 | |
| 2(1)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £7,631.03 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 11 :- GOVERNMENT LAW OFFICES | | | | | | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £4,113.91 | |
| Total Office Expenses - Office of Criminal Prosecutions and Litigation | £27,000 | £0 | £0 | £27,000 | £22,759.14 | |
| Operational Expenses - Office of Criminal Prosecutions and Litigation | | | | | | |
| 2(2)(a) Law Books | £90,000 | £0 | £0 | £90,000 | £84,832.69 | |
| 2(2)(b) Private Sector Prosecution Fees | £20,000 | £0 | £0 | £20,000 | £475.00 | |
| 2(2)(c) Witnesses | £20,000 | £0 | £0 | £20,000 | £19,699.91 | |
| Total Operational Expenses - Office of Criminal Prosecutions and Litigation | £130,000 | £0 | £0 | £130,000 | £105,007.60 | |
| 2(3) Briefing Out - Specialist Matters | £15,000 | £0 | £0 | £15,000 | £4,780.00 | |
| Total | £15,000 | £0 | £0 | £15,000 | £4,780.00 | |
| 2(4) Conferences | £15,000 | £0 | £0 | £15,000 | £7,946.26 | |
| Total | £15,000 | £0 | £0 | £15,000 | £7,946.26 | |
| Office Expenses - Advisory and Parliamentary Counsel Offices | | | | | | |
| 2(5)(a) General Expenses | £18,000 | £0 | £0 | £18,000 | £16,532.62 | |
| 2(5)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £5,149.71 | |
| 2(5)(c) Telephone Service | £30,000 | £0 | £0 | £30,000 | £22,282.69 | |
| 2(5)(d) Printing and Stationery | £188,000 | £0 | £0 | £188,000 | £147,116.40 | |
| Total Office Expenses - Advisory and Parliamentary Counsel Offices | £243,000 | £0 | £0 | £243,000 | £191,081.42 | |
| Operational Expenses - Advisory and Parliamentary Counsel Offices | | | | | | |
| 2(6)(a) Publications | £31,000 | £0 | £0 | £31,000 | £28,394.96 | |
| 2(6)(b) Training | £11,000 | £0 | £0 | £11,000 | £10,445.41 | |
| 2(6)(c) Courier Services | £4,000 | £0 | £0 | £4,000 | £3,489.78 | |
| 2(6)(d) Postage Expenses | £2,000 | £0 | £0 | £2,000 | £365.78 | |
| 2(6)(e) Contracted Services: Security | £22,000 | £0 | £0 | £22,000 | £9,622.69 | |
| Total Operational Expenses - Advisory and Parliamentary Counsel Offices | £70,000 | £0 | £0 | £70,000 | £52,318.62 | |
| 2(7) Legal Consultancy Services including Private Sector Fees for Legal Advice | £1,345,000 | £0 | £1,375,080 | £2,720,080 | £2,812,240.39 | |
| Total | £1,345,000 | £0 | £1,375,080 | £2,720,080 | £2,812,240.39 | |
| 2(8) Marketing, Promotions and Conferences | £61,000 | £0 | £0 | £61,000 | £88,775.17 | |
| Total | £61,000 | £0 | £0 | £61,000 | £88,775.17 | |
| 2(9) Relief Cover | £17,000 | £0 | £0 | £17,000 | £13,155.86 | |
| Total | £17,000 | £0 | £0 | £17,000 | £13,155.86 | |
| TOTAL OTHER CHARGES | £1,923,000 | £0 | £1,375,080 | £3,298,080 | £3,298,064.46 | £15.54 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
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11 :- GOVERNMENT LAW OFFICES

11 :- GOVERNMENT LAW OFFICES

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| Personal Emoluments | £2,437,000 | £0 | £135,360 | £2,572,360 | £2,574,052.32 | (£1,692.32) |
| Industrial Wages | £23,000 | £0 | £0 | £23,000 | £21,277.93 | £1,722.07 |
| Total Payroll | £2,460,000 | £0 | £135,360 | £2,595,360 | £2,595,330.25 | £29.75 |
| Other Charges | £1,923,000 | £0 | £1,375,080 | £3,298,080 | £3,298,064.46 | £15.54 |
| TOTAL GOVERNMENT LAW OFFICES | £4,383,000 | £0 | £1,510,440 | £5,893,440 | £5,893,394.71 | £45.29 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 12 :- OFFICE OF THE DEPUTY CHIEF MINISTER | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments: Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £150,000 | £0 | £3,630 | £153,630 | £167,042.72 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £40,000 | £0 | £0 | £40,000 | £41,260.13 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £3,821.59 | |
| 1(1)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments: Ministry | £197,000 | £0 | £3,630 | £200,630 | £212,124.44 | |
| <i>Personal Emoluments: Archives</i> | | | | | | |
| 1(1)(e) Salaries | £91,000 | £0 | £0 | £91,000 | £77,655.74 | |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £12,783.91 | |
| 1(1)(g) Allowances | £0 | £0 | £0 | £0 | £60.91 | |
| 1(1)(h) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments: Archives | £102,000 | £0 | £0 | £102,000 | £90,500.56 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £299,000 | £0 | £3,630 | £302,630 | £302,625.00 | £5.00 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,413.41 | |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(c) Telephone Service | £8,000 | £0 | £0 | £8,000 | £11,234.28 | |
| 2(1)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £2,734.46 | |
| Total Office Expenses | £11,000 | £0 | £0 | £11,000 | £15,382.15 | |
| <i>Overseas Offices</i> | | | | | | |
| 2(2)(a) London Office - Gibraltar Strand Management Company Limited | £1,137,000 | £0 | £71,620 | £1,208,620 | £1,333,904.76 | |
| 2(2)(b) Brussels Office | £200,000 | £0 | £0 | £200,000 | £250,574.06 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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12 :- OFFICE OF THE DEPUTY CHIEF MINISTER

| | | | | | | |
|---|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| 2(2)(c) Hong Kong Office | £400,000 | £0 | £0 | £400,000 | £455,960.12 | |
| 2(2)(d) UK Parliamentary Consultancy | £65,000 | £0 | £0 | £65,000 | £68,282.29 | |
| Total Overseas Offices | £1,802,000 | £0 | £71,620 | £1,873,620 | £2,108,721.23 | |
| 2(3) Government Communication, Information and Lobbying | £300,000 | £0 | £0 | £300,000 | £222,489.77 | |
| Total | £300,000 | £0 | £0 | £300,000 | £222,489.77 | |
| 2(4) Lands Advertising and Official Notices | £100,000 | £0 | £0 | £100,000 | £70,599.00 | |
| Total | £100,000 | £0 | £0 | £100,000 | £70,599.00 | |
| 2(5) Archives - General Expenses | £30,000 | £0 | £0 | £30,000 | £29,508.70 | |
| Total | £30,000 | £0 | £0 | £30,000 | £29,508.70 | |
| 2(6) Self Determination Seminar and Promotion | £100,000 | £0 | £0 | £100,000 | £18,995.90 | |
| Total | £100,000 | £0 | £0 | £100,000 | £18,995.90 | |
| 2(7) Frontier Monitoring Expenses | £700,000 | £0 | £0 | £700,000 | £703,073.80 | |
| Total | £700,000 | £0 | £0 | £700,000 | £703,073.80 | |
| 2(8) Land and Property Management | £90,000 | £0 | £0 | £90,000 | £36,836.51 | |
| Total | £90,000 | £0 | £0 | £90,000 | £36,836.51 | |
| 2(9) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £3,134,000 | £0 | £71,620 | £3,205,620 | £3,205,607.06 | £12.94 |

12 :- OFFICE OF THE DEPUTY CHIEF MINISTER

SUMMARY

| | | | | | | |
|--|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £299,000 | £0 | £3,630 | £302,630 | £302,625.00 | £5.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £299,000 | £0 | £3,630 | £302,630 | £302,625.00 | £5.00 |
| Other Charges | £3,134,000 | £0 | £71,620 | £3,205,620 | £3,205,607.06 | £12.94 |
| TOTAL OFFICE OF THE DEPUTY CHIEF MINISTER | £3,433,000 | £0 | £75,250 | £3,508,250 | £3,508,232.06 | £17.94 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 13 :- CIVIL AVIATION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £102,000 | £0 | £0 | £102,000 | £103,033.90 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Gratuities | £26,000 | £0 | £0 | £26,000 | £25,351.74 | |
| 1(1)(f) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments | £129,000 | £0 | £0 | £129,000 | £128,385.64 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £129,000 | £0 | £0 | £129,000 | £128,385.64 | £614.36 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Running of Airport</i> | | | | | | |
| 2(1)(a) Contribution towards Aerodrome Running Expenses | £2,645,000 | £0 | £0 | £2,645,000 | £2,301,927.16 | |
| 2(1)(b) Gibraltar Airport Fire and Rescue Service | £2,466,000 | £0 | £0 | £2,466,000 | £2,573,439.28 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(c) Terminal Management Ltd | £164,000 | £0 | £0 | £164,000 | £166,444.05 | |
| 2(1)(d) Aviation Security | £82,000 | £0 | £0 | £82,000 | £81,399.96 | |
| Total Running of Airport | £5,357,000 | £0 | £0 | £5,357,000 | £5,123,210.45 | |
| 2(2) General Expenses | £12,000 | £0 | £0 | £12,000 | £4,918.38 | |
| 2(3) Regulatory Support | £83,000 | £0 | £0 | £83,000 | £77,354.05 | |
| 2(4) Aviation Projects | £105,000 | £0 | £0 | £105,000 | £0.00 | |
| Total | £200,000 | £0 | £0 | £200,000 | £82,272.43 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £5,558,000 | £0 | £0 | £5,558,000 | £5,205,482.88 | £352,517.12 |
| 13 :- CIVIL AVIATION | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £129,000 | £0 | £0 | £129,000 | £128,385.64 | £614.36 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £129,000 | £0 | £0 | £129,000 | £128,385.64 | £614.36 |
| Other Charges | £5,558,000 | £0 | £0 | £5,558,000 | £5,205,482.88 | £352,517.12 |
| TOTAL CIVIL AVIATION | £5,687,000 | £0 | £0 | £5,687,000 | £5,333,868.52 | £353,131.48 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

14 :- HEALTH

PAYROLL

Personal Emoluments

| | | | | | | |
|---------------------------|----|----|----|----|-------|-------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority

| | | | | | | |
|--|--------------|----|-------------|--------------|----------------|--------|
| 2(1)(a) Contribution from Revenues Received | £56,431,000 | £0 | £1,817,600 | £58,248,600 | £58,248,598.48 | |
| 2(1)(b) Additional Contribution | £42,809,000 | £0 | £13,391,670 | £56,200,670 | £56,273,000.00 | |
| Total Contributions from the Consolidated Fund to the Gibraltar Health Authority | £99,240,000 | £0 | £15,209,270 | £114,449,270 | 114,521,598.48 | |
| 2(2) Electronic Health Records Recurrent Costs | £205,000 | £0 | £0 | £205,000 | £303,504.42 | |
| Total | £205,000 | £0 | £0 | £205,000 | £303,504.42 | |
| 2(3) Hepatitis B Vaccination Programme | £55,000 | £0 | £0 | £55,000 | £36,978.00 | |
| Total | £55,000 | £0 | £0 | £55,000 | £36,978.00 | |
| 2(4) Grants | £770,000 | £0 | £0 | £770,000 | £617,177.99 | |
| Total | £770,000 | £0 | £0 | £770,000 | £617,177.99 | |
| TOTAL OTHER CHARGES | £100,270,000 | £0 | £15,209,270 | £115,479,270 | 115,479,258.89 | £11.11 |

14 :- HEALTH

SUMMARY

| | | | | | | |
|---------------------|--------------|----|-------------|--------------|-----------------|--------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £100,270,000 | £0 | £15,209,270 | £115,479,270 | £115,479,258.89 | £11.11 |
| TOTAL HEALTH | £100,270,000 | £0 | £15,209,270 | £115,479,270 | £115,479,258.89 | £11.11 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

15 :- ENVIRONMENT

PAYROLL

Personal Emoluments: Ministry

| | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|
| 1(1)(a) Salaries | £62,000 | £0 | £0 | £62,000 | £62,253.15 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £11,763.27 |
| 1(1)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £2,001.32 |
| 1(1)(d) Pension Contributions | £3,000 | £0 | £0 | £3,000 | £3,586.27 |
| Total Personal Emoluments: Ministry | £81,000 | £0 | £0 | £81,000 | £79,604.01 |

Personal Emoluments: Environment

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(e) Salaries | £677,000 | £0 | £0 | £677,000 | £672,250.43 |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(iv) Overtime - Discretionary | £43,000 | £0 | £0 | £43,000 | £33,100.18 |
| 1(1)(g) Allowances | £20,000 | £0 | £0 | £20,000 | £13,276.55 |
| 1(1)(h) Pension Contributions | £30,000 | £0 | £0 | £30,000 | £22,762.74 |
| Total Personal Emoluments: Environment | £770,000 | £0 | £0 | £770,000 | £741,389.90 |

Personal Emoluments: Cemeteries

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(i) Salaries | £123,000 | £0 | £0 | £123,000 | £124,944.00 |
| 1(1)(j)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(iv) Overtime - Discretionary | £180,000 | £0 | £0 | £180,000 | £189,545.20 |
| 1(1)(k) Allowances | £7,000 | £0 | £0 | £7,000 | £4,341.96 |
| 1(1)(l) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 |
| Total Personal Emoluments: Cemeteries | £311,000 | £0 | £0 | £311,000 | £318,831.16 |

Personal Emoluments: Cleansing Section

| | | | | | |
|--|----------|----|-----------|----------|-------------|
| 1(1)(m) Salaries | £208,000 | £0 | (£30,009) | £177,991 | £177,990.09 |
| 1(1)(n)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(iv) Overtime - Discretionary | £40,000 | £0 | (£9,580) | £30,420 | £22,646.49 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 15 :- ENVIRONMENT | | | | | | |
| 1(1)(o) Allowances | £2,000 | £0 | £0 | £2,000 | £4,132.72 | |
| 1(1)(p) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments: Cleansing Section | £251,000 | £0 | (£39,589) | £211,411 | £204,769.30 | |
| Personal Emoluments: Enforcement | | | | | | |
| 1(1)(q) Salaries | £190,000 | £0 | (£24,456) | £165,544 | £165,543.30 | |
| 1(1)(r)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(iv) Overtime - Discretionary | £118,000 | £0 | (£51,432) | £66,568 | £66,567.98 | |
| 1(1)(s) Allowances | £40,000 | £0 | (£22,967) | £17,033 | £17,032.78 | |
| 1(1)(t) Pension Contributions | £14,000 | £0 | £0 | £14,000 | £4,832.64 | |
| Total Personal Emoluments: Enforcement | £362,000 | £0 | (£98,855) | £263,145 | £253,976.70 | |
| Industrial Wages - Cleansing Section | | | | | | |
| 1(2)(a) Basic Wages | £18,000 | £0 | £0 | £18,000 | £18,870.72 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages - Cleansing Section | £20,000 | £0 | £0 | £20,000 | £18,870.72 | |
| Industrial Wages - Cemeteries | | | | | | |
| 1(2)(e) Basic Wages | £207,000 | £0 | £0 | £207,000 | £210,732.60 | |
| 1(2)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(iv) Overtime - Discretionary | £110,000 | £0 | £0 | £110,000 | £147,115.04 | |
| 1(2)(g) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(h) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages - Cemeteries | £318,000 | £0 | £0 | £318,000 | £357,847.64 | |
| Industrial Wages - Apes Management | | | | | | |
| 1(2)(i) Basic Wages | £45,000 | £0 | £0 | £45,000 | £46,415.18 | |
| 1(2)(j)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 15 :- ENVIRONMENT | | | | | | |
| 1(2)(j)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(j)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(j)(iv) Overtime - Discretionary | £36,000 | £0 | £0 | £36,000 | £36,565.22 | |
| 1(2)(k) Allowances | £10,000 | £0 | £0 | £10,000 | £7,382.26 | |
| 1(2)(l) Pension Contributions | £8,000 | £0 | £0 | £8,000 | £7,890.58 | |
| Total Industrial Wages - Apes Management | £99,000 | £0 | £0 | £99,000 | £98,253.24 | |
| TOTAL PAYROLL | £2,212,000 | £0 | (£138,444) | £2,073,556 | £2,073,542.67 | £13.33 |

OTHER CHARGES

Office Expenses

| | | | | | | |
|---|---------|----|----|---------|------------|--|
| 2(1)(a)(i) General Expenses - Ministry | £10,000 | £0 | £0 | £10,000 | £9,411.74 | |
| 2(1)(a)(ii) General Expenses - Environment | £10,000 | £0 | £0 | £10,000 | £8,860.14 | |
| 2(1)(a)(iii) General Expenses - Enforcement | £45,000 | £0 | £0 | £45,000 | £45,728.68 | |
| 2(1)(a)(iv) General Expenses - Diving Section | £5,000 | £0 | £0 | £5,000 | £5,091.01 | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £2,753.14 | |
| 2(1)(c) Telephone Service | £35,000 | £0 | £0 | £35,000 | £34,768.23 | |
| 2(1)(d) Printing and Stationery | £10,000 | £0 | £0 | £10,000 | £9,555.66 | |
| 2(1)(e) Cleansing Section - Rent and Service Charges | £3,000 | £0 | £0 | £3,000 | £2,945.49 | |

Contracted Services

| | | | | | | |
|--|--------|----|----|--------|-----------|--|
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £8,000 | £0 | £0 | £8,000 | £6,531.84 | |
| 2(1)(g) Maintenance of Air Conditioning Units | £3,000 | £0 | £0 | £3,000 | £858.28 | |

| | | | | | | |
|------------------------------|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total Office Expenses | £134,000 | £0 | £0 | £134,000 | £126,504.21 | |
| 2(2) Cemeteries Expenses | £17,000 | £0 | £0 | £17,000 | £16,803.94 | |
| Total | £17,000 | £0 | £0 | £17,000 | £16,803.94 | |

Natural Environment and Animal Welfare

| | | | | | | |
|---------------------------------------|---------|----|----|---------|-----------|--|
| 2(3)(a) Public Awareness Programme | £10,000 | £0 | £0 | £10,000 | £9,699.53 | |
|---------------------------------------|---------|----|----|---------|-----------|--|

Contracted Services

| | | | | | | |
|--|------------|----|----|------------|---------------|--|
| 2(3)(b) Environmental Health - Environmental Agency Ltd | £1,456,000 | £0 | £0 | £1,456,000 | £1,567,110.72 | |
| 2(3)(c) Air Quality Monitoring - Environmental Agency Ltd | £375,000 | £0 | £0 | £375,000 | £360,074.46 | |
| 2(3)(d) Natural History - Trust for Natural History and Helping Hand Trust | £60,000 | £0 | £0 | £60,000 | £30,000.00 | |
| 2(3)(e)(i) Wildlife Ltd - Running of Alameda Gardens | £1,000,000 | £0 | £0 | £1,000,000 | £1,105,277.32 | |
| 2(3)(e)(ii) Wildlife Ltd - Upper Rock Contract | £355,000 | £0 | £0 | £355,000 | £193,684.07 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 15 :- ENVIRONMENT | | | | | | |
| 2(3)(f) Apes Management Expenses, Health Care and Food | £375,000 | £0 | £0 | £375,000 | £358,081.18 | |
| 2(3)(g) Animal Welfare and Conservation - Animal Welfare Centre | £165,000 | £0 | £0 | £165,000 | £135,192.07 | |
| 2(3)(h) Control of Seagulls - GONHS | £260,000 | £0 | £0 | £260,000 | £239,447.38 | |
| 2(3)(i) Surveillance, Monitoring and Other Compliance with Environmental Directives | £345,000 | £0 | £0 | £345,000 | £343,159.70 | |
| 2(3)(j) Automated Public Toilets - Call Centre Charges | £5,000 | £0 | £0 | £5,000 | £5,400.00 | |
| 2(3)(k) Obligations under Radiation Regulations 2004 | £1,000 | £0 | £0 | £1,000 | £1,389.00 | |
| 2(3)(l) Conservation Measures | £15,000 | £0 | £0 | £15,000 | £13,263.07 | |
| 2(3)(m) Environmental Security Services | £90,000 | £0 | £146,114 | £236,114 | £296,322.00 | |
| 2(3)(n) ICCAT, Waste and Other Associated Costs | £115,000 | £0 | £0 | £115,000 | £114,999.96 | |
| Total Natural Environment and Animal Welfare | £4,627,000 | £0 | £146,114 | £4,773,114 | £4,773,100.46 | |
| Public Highways - Cleansing and Plants | | | | | | |
| 2(4)(a) Protective Clothing | £4,000 | £0 | £0 | £4,000 | £3,768.30 | |
| 2(4)(b) Litter Control and Cleaning Expenses | £1,000 | £0 | £0 | £1,000 | £1,242.00 | |
| 2(4)(c) Upkeep of Public Places - Materials and Sundry Costs | £85,000 | £0 | £0 | £85,000 | £94,292.92 | |
| Contracted Services | | | | | | |
| 2(4)(d) Street Cleansing | £5,400,000 | £0 | £0 | £5,400,000 | £5,482,682.50 | |
| 2(4)(e) Upkeep of Planted Areas | £700,000 | £0 | £0 | £700,000 | £700,512.27 | |
| 2(4)(f) Commonwealth Park | £450,000 | £0 | £0 | £450,000 | £387,314.49 | |
| Total Public Highways - Cleansing and Plants | £6,640,000 | £0 | £0 | £6,640,000 | £6,669,812.48 | |
| 2(5) Contribution to Gibraltar Development Corporation - Staff Services | £78,000 | £0 | £34,000 | £112,000 | £117,019.27 | |
| Total | £78,000 | £0 | £34,000 | £112,000 | £117,019.27 | |
| 2(6) Relief Cover | £30,000 | £0 | £0 | £30,000 | £2,839.41 | |
| Total | £30,000 | £0 | £0 | £30,000 | £2,839.41 | |
| 2(7) Secondment | £0 | £0 | £14,820 | £14,820 | £14,817.53 | |
| Total | £0 | £0 | £14,820 | £14,820 | £14,817.53 | |
| TOTAL OTHER CHARGES | £11,526,000 | £0 | £194,934 | £11,720,934 | £11,720,897.30 | £36.70 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--------------------------------------|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 15 :- ENVIRONMENT | | | | | | |
| 15 :- ENVIRONMENT SUMMARY | | | | | | |
| Personal Emoluments | £1,775,000 | £0 | (£138,444) | £1,636,556 | £1,598,571.07 | £37,984.93 |
| Industrial Wages | £437,000 | £0 | £0 | £437,000 | £474,971.60 | (£37,971.60) |
| Total Payroll | £2,212,000 | £0 | (£138,444) | £2,073,556 | £2,073,542.67 | £13.33 |
| Other Charges | £11,526,000 | £0 | £194,934 | £11,720,934 | £11,720,897.30 | £36.70 |
| TOTAL ENVIRONMENT | £13,738,000 | £0 | £56,490 | £13,794,490 | £13,794,439.97 | £50.03 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 16 :- UTILITIES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority

| | | | | | | |
|--|--------------------|-----------|-------------------|--------------------|-----------------------|--------------|
| 2(1)(a) Contribution from Revenues Received | £25,552,000 | £0 | £3,174,600 | £28,726,600 | £29,105,571.23 | |
| 2(1)(b) Contribution from Revenues Received - Commercial Works | £4,000,000 | £0 | £0 | £4,000,000 | £2,896,877.78 | |
| 2(1)(c) Additional Contribution | £21,285,000 | £0 | £0 | £21,285,000 | £22,043,000.00 | |
| Total Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority | £50,837,000 | £0 | £3,174,600 | £54,011,600 | £54,045,449.01 | |
| 2(2) Public Lighting | £280,000 | £0 | £0 | £280,000 | £288,081.54 | |
| Total | £280,000 | £0 | £0 | £280,000 | £288,081.54 | |
| <i>Water</i> | | | | | | |
| 2(3) Contribution in Lieu of Water Tariff Increases - AquaGib Ltd | £500,000 | £0 | £0 | £500,000 | £319,659.25 | |
| Total Water | £500,000 | £0 | £0 | £500,000 | £319,659.25 | |
| 2(4)(a) Salt Water System: Contract - AquaGib Ltd | £5,300,000 | £0 | £0 | £5,300,000 | £5,443,403.42 | |
| 2(4)(b) Salt Water System: Additional Maintenance Charges | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| Total | £5,305,000 | £0 | £0 | £5,305,000 | £5,443,403.42 | |
| TOTAL OTHER CHARGES | £56,922,000 | £0 | £3,174,600 | £60,096,600 | £60,096,593.22 | £6.78 |

16 :- UTILITIES

SUMMARY

| | | | | | | |
|------------------------|--------------------|-----------|-------------------|--------------------|-----------------------|--------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £56,922,000 | £0 | £3,174,600 | £60,096,600 | £60,096,593.22 | £6.78 |
| TOTAL UTILITIES | £56,922,000 | £0 | £3,174,600 | £60,096,600 | £60,096,593.22 | £6.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

17 :- COLLECTION AND DISPOSAL OF REFUSE

PAYROLL

Personal Emoluments

| | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|

OTHER CHARGES

Refuse Services: Collection Services provided by Gibraltar Industrial Cleaners Ltd

| | | | | | |
|---|-------------------|-----------|-----------------|-------------------|----------------------|
| 2(1)(a)(i) Wages | £2,140,000 | £0 | £215,950 | £2,355,950 | £2,434,418.07 |
| 2(1)(a)(ii) Overtime | £166,000 | £0 | £0 | £166,000 | £193,332.33 |
| 2(1)(a)(iii) Allowances | £57,000 | £0 | £0 | £57,000 | £72,650.81 |
| 2(1)(a)(iv) Employer's Contributions | £350,000 | £0 | £0 | £350,000 | £348,070.44 |
| 2(1)(a)(v) Other Costs | £65,000 | £0 | £0 | £65,000 | £35,452.84 |
| 2(1)(a)(vi) Finance Repayment | £90,000 | £0 | £0 | £90,000 | £0.00 |
| Total Refuse Services: Collection Services provided by Gibraltar Industrial Cleaners Ltd | £2,868,000 | £0 | £215,950 | £3,083,950 | £3,083,924.49 |

Refuse Disposal: Contracted Services

| | | | | | |
|---|-------------------|-----------|-----------------|-------------------|----------------------|
| 2(1)(b)(i) Disposal of Refuse | £1,725,000 | £0 | £0 | £1,725,000 | £1,627,084.11 |
| 2(1)(b)(ii) Disposal of Other Items | £1,650,000 | £0 | £258,600 | £1,908,600 | £2,006,503.99 |
| Total Refuse Disposal: Contracted Services | £3,375,000 | £0 | £258,600 | £3,633,600 | £3,633,588.10 |

| | | | | | | |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| TOTAL OTHER CHARGES | £6,243,000 | £0 | £474,550 | £6,717,550 | £6,717,512.59 | £37.41 |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|

17 :- COLLECTION AND DISPOSAL OF REFUSE

SUMMARY

| | | | | | | |
|--|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £6,243,000 | £0 | £474,550 | £6,717,550 | £6,717,512.59 | £37.41 |
| TOTAL COLLECTION AND DISPOSAL OF REFUSE | £6,243,000 | £0 | £474,550 | £6,717,550 | £6,717,512.59 | £37.41 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

18 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

PAYROLL

Personal Emoluments

| | | | | | |
|------|----|----|----|----|-------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 |
|------|----|----|----|----|-------|

| | | | | | |
|---------------------------|----|----|----|----|-------|
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 |
|---------------------------|----|----|----|----|-------|

Industrial Wages

| | | | | | |
|------|----|----|----|----|-------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
|------|----|----|----|----|-------|

| | | | | | |
|------------------------|----|----|----|----|-------|
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |
|------------------------|----|----|----|----|-------|

| | | | | | | |
|---------------|----|----|----|----|-------|-------|
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|---------------|----|----|----|----|-------|-------|

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section

| | | | | | |
|---|------------|----|----|------------|---------------|
| 2(1)(a) Contribution from Revenues Received | £1,603,000 | £0 | £0 | £1,603,000 | £1,604,801.85 |
|---|------------|----|----|------------|---------------|

| | | | | | |
|---------------------------------|-------------|----|----|-------------|----------------|
| 2(1)(b) Additional Contribution | £16,493,000 | £0 | £0 | £16,493,000 | £16,140,000.00 |
|---------------------------------|-------------|----|----|-------------|----------------|

| | | | | | |
|---|-------------|----|----|-------------|----------------|
| Total Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section | £18,096,000 | £0 | £0 | £18,096,000 | £17,744,801.85 |
|---|-------------|----|----|-------------|----------------|

| | | | | | | |
|---------------------|-------------|----|----|-------------|----------------|-------------|
| TOTAL OTHER CHARGES | £18,096,000 | £0 | £0 | £18,096,000 | £17,744,801.85 | £351,198.15 |
|---------------------|-------------|----|----|-------------|----------------|-------------|

18 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

SUMMARY

| | | | | | | |
|---------------------|----|----|----|----|-------|-------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|---------------------|----|----|----|----|-------|-------|

| | | | | | | |
|------------------|----|----|----|----|-------|-------|
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|------------------|----|----|----|----|-------|-------|

| | | | | | | |
|---------------|----|----|----|----|-------|-------|
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|---------------|----|----|----|----|-------|-------|

| | | | | | | |
|---------------|-------------|----|----|-------------|----------------|-------------|
| Other Charges | £18,096,000 | £0 | £0 | £18,096,000 | £17,744,801.85 | £351,198.15 |
|---------------|-------------|----|----|-------------|----------------|-------------|

| | | | | | | |
|---|-------------|----|----|-------------|----------------|-------------|
| TOTAL GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION | £18,096,000 | £0 | £0 | £18,096,000 | £17,744,801.85 | £351,198.15 |
|---|-------------|----|----|-------------|----------------|-------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

19 :- TECHNICAL SERVICES

PAYROLL

Personal Emoluments - Ministry

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(a) Salaries | £174,000 | £0 | £0 | £174,000 | £159,793.32 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £20,000 | £0 | £0 | £20,000 | £27,609.73 |
| 1(1)(c) Allowances | £5,000 | £0 | £0 | £5,000 | £7,259.35 |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(e) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £3,639.39 |
| Total Personal Emoluments - Ministry | £203,000 | £0 | £0 | £203,000 | £198,301.79 |

Personal Emoluments - General

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(f) Salaries | £550,000 | £0 | £0 | £550,000 | £556,604.08 |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iv) Overtime - Discretionary | £26,000 | £0 | £0 | £26,000 | £26,372.45 |
| 1(1)(h) Allowances | £14,000 | £0 | £0 | £14,000 | £8,086.56 |
| 1(1)(i) Temporary Assistance | £3,000 | £0 | £0 | £3,000 | £335.81 |
| 1(1)(j) Pension Contributions | £12,000 | £0 | £0 | £12,000 | £5,284.19 |
| Total Personal Emoluments - General | £605,000 | £0 | £0 | £605,000 | £596,683.09 |

Personal Emoluments - Engineering and Design

| | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(k) Salaries | £802,000 | £0 | £0 | £802,000 | £744,325.74 |
| 1(1)(l)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(ii) Overtime - Emergency | £11,000 | £0 | £0 | £11,000 | £12,976.70 |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iv) Overtime - Discretionary | £66,000 | £0 | £0 | £66,000 | £47,744.58 |
| 1(1)(m) Allowances | £19,000 | £0 | £0 | £19,000 | £26,378.31 |
| 1(1)(n) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 1(1)(o) Pension Contributions | £18,000 | £0 | £0 | £18,000 | £15,749.37 |
| Total Personal Emoluments - Engineering and Design | £917,000 | £0 | £0 | £917,000 | £847,174.70 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 19 :- TECHNICAL SERVICES | | | | | | |
| Personal Emoluments - Highways | | | | | | |
| 1(1)(p) Salaries | £308,000 | £0 | £0 | £308,000 | £288,399.06 | |
| 1(1)(q)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(ii) Overtime - Emergency | £10,000 | £0 | £0 | £10,000 | £11,517.66 | |
| 1(1)(q)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £18,928.63 | |
| 1(1)(r) Allowances | £15,000 | £0 | £0 | £15,000 | £27,178.85 | |
| 1(1)(s) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(t) Pension Contributions | £15,000 | £0 | £0 | £15,000 | £11,099.82 | |
| Total Personal Emoluments - Highways | £373,000 | £0 | £0 | £373,000 | £357,124.02 | |
| Personal Emoluments - Sewers | | | | | | |
| 1(1)(u) Salaries | £340,000 | £0 | £0 | £340,000 | £325,001.52 | |
| 1(1)(v)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(v)(ii) Overtime - Emergency | £48,000 | £0 | £0 | £48,000 | £56,233.58 | |
| 1(1)(v)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(v)(iv) Overtime - Discretionary | £70,000 | £0 | £0 | £70,000 | £24,904.38 | |
| 1(1)(w) Allowances | £42,000 | £0 | £0 | £42,000 | £34,788.32 | |
| 1(1)(x) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(y) Pension Contributions | £6,000 | £0 | £0 | £6,000 | £0.00 | |
| Total Personal Emoluments - Sewers | £506,000 | £0 | £0 | £506,000 | £440,927.80 | |
| Industrial Wages - Engineering and Design | | | | | | |
| 1(2)(a) Basic Wages | £30,000 | £0 | £0 | £30,000 | £18,870.72 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £983.58 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages - Engineering and Design | £32,000 | £0 | £0 | £32,000 | £19,854.30 | |
| TOTAL PAYROLL | £2,636,000 | £0 | £0 | £2,636,000 | £2,460,065.70 | £175,934.30 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

19 :- TECHNICAL SERVICES

OTHER CHARGES

Ministry

| | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £5,377.93 |
| 2(1)(b) Telephone Service | £9,000 | £0 | £0 | £9,000 | £8,802.93 |
| 2(1)(c) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £2,192.79 |
| 2(1)(d) Publications | £1,000 | £0 | £0 | £1,000 | £702.00 |
| 2(1)(e) Electricity and Water | £0 | £0 | £0 | £0 | £368.17 |
| 2(1)(f) Office Rent and Service Charges | £0 | £0 | £0 | £0 | £14,826.32 |
| 2(1)(g) Contracted Service: Office Cleaning | £0 | £0 | £0 | £0 | £2,109.59 |
| Total Ministry | £15,000 | £0 | £0 | £15,000 | £34,379.73 |

Office Expenses

| | | | | | |
|---------------------------------|---------|----|----|---------|------------|
| 2(2)(a) General Expenses | £14,000 | £0 | £0 | £14,000 | £10,846.38 |
| 2(2)(b) Electricity and Water | £20,000 | £0 | £0 | £20,000 | £13,572.37 |
| 2(2)(c) Telephone Service | £32,000 | £0 | £0 | £32,000 | £30,088.89 |
| 2(2)(d) Printing and Stationery | £4,000 | £0 | £0 | £4,000 | £2,767.82 |

Contracted Services

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 2(2)(e) Office Cleaning - Government Cleaning Scheme | £50,000 | £0 | £0 | £50,000 | £45,657.20 |
| 2(2)(f) Payroll Services | £2,000 | £0 | £0 | £2,000 | £1,423.57 |
| 2(2)(g) Rent and Services Charges | £11,000 | £0 | £0 | £11,000 | £9,438.54 |
| Total Office Expenses | £133,000 | £0 | £0 | £133,000 | £113,794.77 |

Operational Expenses

| | | | | | |
|--|--------|----|----|--------|-----------|
| 2(3)(a) Protective Clothing | £8,000 | £0 | £0 | £8,000 | £5,607.53 |
| 2(3)(b) Office Equipment and Drawing Materials | £6,000 | £0 | £0 | £6,000 | £5,822.29 |
| 2(3)(c) Computer Running Expenses | £9,000 | £0 | £0 | £9,000 | £9,007.08 |
| 2(3)(d) Materials Laboratory | £7,000 | £0 | £0 | £7,000 | £5,580.00 |
| 2(3)(e) Geographic Information System | £1,000 | £0 | £0 | £1,000 | £497.50 |

Garages and Workshops

| | | | | | |
|----------------------------------|----------|----|----|----------|-------------|
| 2(3)(f)(i) Electricity and Water | £15,000 | £0 | £0 | £15,000 | £12,932.78 |
| 2(3)(f)(ii) Telephone Service | £4,000 | £0 | £0 | £4,000 | £3,282.29 |
| 2(3)(f)(iii) Cleaning Services | £9,000 | £0 | £0 | £9,000 | £14,060.80 |
| 2(3)(f)(iv) Fuel and Lubricants | £200,000 | £0 | £0 | £200,000 | £185,659.26 |
| 2(3)(f)(v) Materials | £150,000 | £0 | £0 | £150,000 | £214,814.07 |
| 2(3)(f)(vi) Other Costs | £11,000 | £0 | £0 | £11,000 | £7,830.34 |
| 2(3)(g) Highways Inspectorate | £4,000 | £0 | £0 | £4,000 | £3,206.32 |
| 2(3)(h) Sewers Inspectorate | £4,000 | £0 | £0 | £4,000 | £3,912.71 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 19 :- TECHNICAL SERVICES | | | | | | |
| 2(3)(i) Maintenance of Public Clocks | £10,000 | £0 | £0 | £10,000 | £6,052.00 | |
| 2(3)(j) Contracted Service: Cleaning of Street Gullies | £100,000 | £0 | £0 | £100,000 | £99,270.99 | |
| Total Operational Expenses | £538,000 | £0 | £0 | £538,000 | £577,535.96 | |
| Services provided by Gibraltar Mechanical and Electrical Services Ltd | | | | | | |
| 2(4)(a) Salaries | £175,000 | £0 | £0 | £175,000 | £134,002.32 | |
| 2(4)(b) Wages | £360,000 | £0 | £0 | £360,000 | £316,885.41 | |
| 2(4)(c) Overtime | £230,000 | £0 | £0 | £230,000 | £220,487.47 | |
| 2(4)(d) Allowances | £25,000 | £0 | £0 | £25,000 | £30,147.28 | |
| 2(4)(e) Employer's Contributions | £45,000 | £0 | £0 | £45,000 | £34,051.71 | |
| 2(4)(f) Bonus Payments | £8,000 | £0 | £0 | £8,000 | £4,000.00 | |
| Total Services provided by Gibraltar Mechanical and Electrical Services Ltd | £843,000 | £0 | £0 | £843,000 | £739,574.19 | |
| 2(5) Compensation and Legal Costs | £20,000 | £0 | £0 | £20,000 | £0.00 | |
| Total | £20,000 | £0 | £0 | £20,000 | £0.00 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £4,822.15 | |
| Total | £1,000 | £0 | £0 | £1,000 | £4,822.15 | |
| TOTAL OTHER CHARGES | £1,550,000 | £0 | £0 | £1,550,000 | £1,470,106.80 | £79,893.20 |

19 :- TECHNICAL SERVICES

SUMMARY

| | | | | | | |
|---------------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £2,604,000 | £0 | £0 | £2,604,000 | £2,440,211.40 | £163,788.60 |
| Industrial Wages | £32,000 | £0 | £0 | £32,000 | £19,854.30 | £12,145.70 |
| Total Payroll | £2,636,000 | £0 | £0 | £2,636,000 | £2,460,065.70 | £175,934.30 |
| Other Charges | £1,550,000 | £0 | £0 | £1,550,000 | £1,470,106.80 | £79,893.20 |
| TOTAL TECHNICAL SERVICES | £4,186,000 | £0 | £0 | £4,186,000 | £3,930,172.50 | £255,827.50 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 20 :- DRIVER AND VEHICLE LICENSING | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £738,000 | £0 | £0 | £738,000 | £697,226.79 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £60,000 | £0 | £0 | £60,000 | £62,895.28 | |
| 1(1)(c) Allowances | £14,000 | £0 | £0 | £14,000 | £13,075.77 | |
| 1(1)(d) Pension Contributions | £20,000 | £0 | £0 | £20,000 | £23,352.97 | |
| Total Personal Emoluments | £832,000 | £0 | £0 | £832,000 | £796,550.81 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £832,000 | £0 | £0 | £832,000 | £796,550.81 | £35,449.19 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £4,217.78 | |
| 2(1)(b) Electricity and Water | £11,000 | £0 | £0 | £11,000 | £8,479.57 | |
| 2(1)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £9,849.12 | |
| 2(1)(d) Printing and Stationery | £20,000 | £0 | £0 | £20,000 | £10,972.80 | |
| 2(1)(e) Certificate of Professional Competence | £20,000 | £0 | £0 | £20,000 | £10,198.50 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £20,000 | £0 | £0 | £20,000 | £18,550.40 | |
| Total Office Expenses | £91,000 | £0 | £0 | £91,000 | £62,268.17 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Repairs and Maintenance | £20,000 | £0 | £0 | £20,000 | £12,010.43 | |
| 2(2)(b) Uniforms | £5,000 | £0 | £0 | £5,000 | £7,215.28 | |
| 2(2)(c) Driving Licences | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| 2(2)(d) Membership Fees - European Licensing Authorities | £5,000 | £0 | £0 | £5,000 | £4,711.50 | |
| 2(2)(e) Professional Fees | £2,000 | £0 | £0 | £2,000 | £960.00 | |
| 2(2)(f) Postage Expenses | £7,000 | £0 | £0 | £7,000 | £4,319.66 | |
| Total Operational Expenses | £49,000 | £0 | £0 | £49,000 | £29,216.87 | |
| 2(3) Training and Related Expenses | £3,000 | £0 | £0 | £3,000 | £170.00 | |
| Total | £3,000 | £0 | £0 | £3,000 | £170.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 20 :- DRIVER AND VEHICLE LICENSING | | | | | | |
| 2(4) Motorcycle Safety Campaign Expenses | £6,000 | £0 | £0 | £6,000 | £0.00 | |
| Total | £6,000 | £0 | £0 | £6,000 | £0.00 | |
| 2(5) Incentive Scheme - Importation of Hybrid Vehicles | £50,000 | £0 | £0 | £50,000 | £60,150.00 | |
| Total | £50,000 | £0 | £0 | £50,000 | £60,150.00 | |
| 2(6) Tachograph Cards | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7) Contribution to Gibraltar Development Corporation - Staff Services | £52,000 | £0 | £0 | £52,000 | £53,413.73 | |
| Total | £52,000 | £0 | £0 | £52,000 | £53,413.73 | |
| 2(8) Supply Driving and Vehicle Examiners | £40,000 | £0 | £0 | £40,000 | £60,970.77 | |
| Total | £40,000 | £0 | £0 | £40,000 | £60,970.77 | |
| 2(9) Contribution to Gibraltar Development Corporation - Staff Services - Transport Inspectors | £420,000 | £0 | £0 | £420,000 | £239,281.91 | |
| Total | £420,000 | £0 | £0 | £420,000 | £239,281.91 | |
| 2(10) Contribution to Gibraltar Development Corporation - Staff Services - Tow Truck Drivers | £98,000 | £0 | £0 | £98,000 | £220,503.81 | |
| Total | £98,000 | £0 | £0 | £98,000 | £220,503.81 | |
| 2(11) Consultancy Service | £50,000 | £0 | £0 | £50,000 | £49,999.92 | |
| Total | £50,000 | £0 | £0 | £50,000 | £49,999.92 | |
| 2(12) E Reg Conference | £5,000 | £0 | £0 | £5,000 | £695.00 | |
| Total | £5,000 | £0 | £0 | £5,000 | £695.00 | |
| 2(13) Relief Cover | £1,000 | £0 | £0 | £1,000 | £6,251.36 | |
| Total | £1,000 | £0 | £0 | £1,000 | £6,251.36 | |
| TOTAL OTHER CHARGES | £866,000 | £0 | £0 | £866,000 | £782,921.54 | £83,078.46 |

20 :- DRIVER AND VEHICLE LICENSING

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £832,000 | £0 | £0 | £832,000 | £796,550.81 | £35,449.19 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £832,000 | £0 | £0 | £832,000 | £796,550.81 | £35,449.19 |
| Other Charges | £866,000 | £0 | £0 | £866,000 | £782,921.54 | £83,078.46 |
| TOTAL DRIVER AND VEHICLE LICENSING | £1,698,000 | £0 | £0 | £1,698,000 | £1,579,472.35 | £118,527.65 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

21 :- PORT

PAYROLL

Personal Emoluments

| | | | | | | |
|--------------------------------|----|----|----|----|-------|-------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contribution from the Consolidated Fund to the Gibraltar Port Authority

| | | | | | | |
|---|------------|----|----|------------|---------------|------------|
| 2(1)(a) Contribution from Revenues Received | £4,636,000 | £0 | £0 | £4,636,000 | £4,651,160.30 | |
| 2(1)(b) Additional Contribution | £907,000 | £0 | £0 | £907,000 | £844,000.00 | |
| Total Contribution from the Consolidated Fund to the Gibraltar Port Authority | £5,543,000 | £0 | £0 | £5,543,000 | £5,495,160.30 | |
| TOTAL OTHER CHARGES | £5,543,000 | £0 | £0 | £5,543,000 | £5,495,160.30 | £47,839.70 |

21 :- PORT

SUMMARY

| | | | | | | |
|---------------------|------------|----|----|------------|---------------|------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £5,543,000 | £0 | £0 | £5,543,000 | £5,495,160.30 | £47,839.70 |
| TOTAL PORT | £5,543,000 | £0 | £0 | £5,543,000 | £5,495,160.30 | £47,839.70 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 22 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £680,000 | £0 | £0 | £680,000 | £675,652.66 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £75,000 | £0 | £0 | £75,000 | £57,395.35 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £11,298.99 | |
| 1(1)(d) Pension Contributions | £19,000 | £0 | £0 | £19,000 | £21,675.91 | |
| 1(1)(e) Temporary Assistance | £80,000 | £0 | £0 | £80,000 | £13,247.91 | |
| Total Personal Emoluments | £860,000 | £0 | £0 | £860,000 | £779,270.82 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £860,000 | £0 | £0 | £860,000 | £779,270.82 | £80,729.18 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £6,000 | £0 | £0 | £6,000 | £4,324.17 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £1,699.57 | |
| 2(1)(c) Telephone Service | £14,000 | £0 | £0 | £14,000 | £14,039.35 | |
| 2(1)(d) Printing and Stationery | £8,000 | £0 | £0 | £8,000 | £4,565.55 | |
| 2(1)(e) Office Rent and Services Charges | £175,000 | £0 | £0 | £175,000 | £130,468.17 | |
| 2(1)(f) Vehicle Maintenance / Insurance | £3,000 | £0 | £0 | £3,000 | £0.00 | |
| 2(1)(g) Books and Subscriptions | £5,000 | £0 | £0 | £5,000 | £3,151.90 | |
| 2(1)(h) Contracted Services: Office Cleaning - Government Cleaning Scheme | £8,000 | £0 | £0 | £8,000 | £8,112.00 | |
| Total Office Expenses | £225,000 | £0 | £0 | £225,000 | £166,360.71 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Protective Clothing | £3,000 | £0 | £0 | £3,000 | £75.00 | |
| 2(2)(b) Town Planning Geographical Information System | £62,000 | £0 | £0 | £62,000 | £59,864.64 | |
| Total Operational Expenses | £65,000 | £0 | £0 | £65,000 | £59,939.64 | |
| 2(3) Conferences / Development and Planning Commission Expenses | £15,000 | £0 | £0 | £15,000 | £12,950.00 | |
| Total | £15,000 | £0 | £0 | £15,000 | £12,950.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 22 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £65,000 | £0 | £0 | £65,000 | £58,742.05 | |
| Total | £65,000 | £0 | £0 | £65,000 | £58,742.05 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £371,000 | £0 | £0 | £371,000 | £297,992.40 | £73,007.60 |

22 :- TOWN PLANNING AND BUILDING CONTROL

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £860,000 | £0 | £0 | £860,000 | £779,270.82 | £80,729.18 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £860,000 | £0 | £0 | £860,000 | £779,270.82 | £80,729.18 |
| Other Charges | £371,000 | £0 | £0 | £371,000 | £297,992.40 | £73,007.60 |
| TOTAL TOWN PLANNING AND BUILDING CONTROL | £1,231,000 | £0 | £0 | £1,231,000 | £1,077,263.22 | £153,736.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 23 :- STATISTICS OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £285,000 | £0 | £0 | £285,000 | £270,713.71 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £9,000 | £0 | £0 | £9,000 | £4,749.50 | |
| 1(1)(c) Allowances | £4,000 | £0 | £0 | £4,000 | £941.71 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £10,000 | £0 | £0 | £10,000 | £4,344.49 | |
| Total Personal Emoluments | £308,000 | £0 | £0 | £308,000 | £280,749.41 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £308,000 | £0 | £0 | £308,000 | £280,749.41 | £27,250.59 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £4,959.31 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,310.40 | |
| 2(1)(c) Telephone Service | £4,000 | £0 | £0 | £4,000 | £2,640.24 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £3,480.17 | |
| 2(1)(e) Statistical Surveys | £27,000 | £0 | £0 | £27,000 | £11,934.00 | |
| 2(1)(f) Office Rent and Service Charges | £3,000 | £0 | £0 | £3,000 | £3,215.40 | |
| 2(1)(g) Computer Running Expenses | £1,000 | £0 | £0 | £1,000 | £362.00 | |
| 2(1)(h) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | £0 | £5,000 | £3,403.20 | |
| Total Office Expenses | £52,000 | £0 | £0 | £52,000 | £31,304.72 | |
| 2(2) Postage Expenses | £2,000 | £0 | £0 | £2,000 | £1,743.60 | |
| Total | £2,000 | £0 | £0 | £2,000 | £1,743.60 | |
| 2(3) Relief Cover | £24,000 | £0 | £0 | £24,000 | £21,478.12 | |
| Total | £24,000 | £0 | £0 | £24,000 | £21,478.12 | |
| TOTAL OTHER CHARGES | £78,000 | £0 | £0 | £78,000 | £54,526.44 | £23,473.56 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
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23 :- STATISTICS OFFICE

23 :- STATISTICS OFFICE

SUMMARY

| | | | | | | |
|--------------------------------|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| Personal Emoluments | £308,000 | £0 | £0 | £308,000 | £280,749.41 | £27,250.59 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £308,000 | £0 | £0 | £308,000 | £280,749.41 | £27,250.59 |
| Other Charges | £78,000 | £0 | £0 | £78,000 | £54,526.44 | £23,473.56 |
| TOTAL STATISTICS OFFICE | £386,000 | £0 | £0 | £386,000 | £335,275.85 | £50,724.15 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
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24 :- ECONOMIC DEVELOPMENT

PAYROLL

Personal Emoluments

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|----------------------|
| 1(1)(a) Salaries | £215,000 | £0 | £0 | £215,000 | £1,206,916.57 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £9,000 | £0 | £0 | £9,000 | £9,740.35 |
| 1(1)(c) Allowances | £5,000 | £0 | £0 | £5,000 | £54,525.97 |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(e) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £34,382.16 |
| Total Personal Emoluments | £230,000 | £0 | £0 | £230,000 | £1,305,565.05 |

Personal Emoluments - Training

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------|
| 1(1)(f) Salaries | £674,000 | £0 | £0 | £674,000 | £0.00 |
| 1(1)(g)(i) Overtime - Conditioned | £8,000 | £0 | £0 | £8,000 | £0.00 |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iv) Overtime - Discretionary | £5,000 | £0 | £0 | £5,000 | £0.00 |
| 1(1)(h) Allowances | £35,000 | £0 | £0 | £35,000 | £0.00 |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £0.00 |
| Total Personal Emoluments - Training | £726,000 | £0 | £0 | £726,000 | £0.00 |

Personal Emoluments - European Union Programmes Secretariat

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------|
| 1(1)(k) Salaries | £230,000 | £0 | £0 | £230,000 | £0.00 |
| 1(1)(l)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iv) Overtime - Discretionary | £11,000 | £0 | £0 | £11,000 | £0.00 |
| 1(1)(m) Allowances | £5,000 | £0 | £0 | £5,000 | £0.00 |
| 1(1)(n) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(o) Pension Contributions | £22,000 | £0 | £0 | £22,000 | £0.00 |
| Total Personal Emoluments - European Union Programmes Secretariat | £268,000 | £0 | £0 | £268,000 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 24 :- ECONOMIC DEVELOPMENT | | | | | | |
| Personal Emoluments - Invest Gibraltar Unit | | | | | | |
| 1(1)(p) Salaries | £93,000 | £0 | £0 | £93,000 | £0.00 | |
| 1(1)(q)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iv) Overtime - Discretionary | £7,000 | £0 | £0 | £7,000 | £0.00 | |
| 1(1)(r) Allowances | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| 1(1)(s) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(t) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Invest Gibraltar Unit | £106,000 | £0 | £0 | £106,000 | £0.00 | |
| Industrial Wages | | | | | | |
| 1(2)(a) Basic Wages | £68,000 | £0 | £0 | £68,000 | £59,884.91 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £279.12 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages | £70,000 | £0 | £0 | £70,000 | £60,164.03 | |
| TOTAL PAYROLL | £1,400,000 | £0 | £0 | £1,400,000 | £1,365,729.08 | £34,270.92 |

OTHER CHARGES

Office Expenses

| | | | | | |
|--|---------|----|----|---------|------------|
| 2(1)(a) General Expenses | £32,000 | £0 | £0 | £32,000 | £32,900.24 |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £5,098.43 |
| 2(1)(c) Telephone Service | £27,000 | £0 | £0 | £27,000 | £35,949.36 |
| 2(1)(d) Printing and Stationery | £10,000 | £0 | £0 | £10,000 | £12,508.94 |
| 2(1)(e) Office Rent and Service Charges | £3,000 | £0 | £0 | £3,000 | £2,804.40 |

Contracted Services

| | | | | | |
|--|---------|----|----|---------|------------|
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £31,000 | £0 | £0 | £31,000 | £32,001.44 |
| 2(1)(g) Security and Messenger Services | £12,000 | £0 | £0 | £12,000 | £14,822.30 |
| 2(1)(h) Database and Website Expenses | £0 | £0 | £0 | £0 | £6,355.43 |
| 2(1)(i) Audit Fees | £0 | £0 | £0 | £0 | £26,938.75 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
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24 :- ECONOMIC DEVELOPMENT

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|----------------------------------|----|----|----|----|------------|--|
| 2(1)(j) Contract Officer | £0 | £0 | £0 | £0 | £65,020.86 | |
| 2(1)(k) Marketing and Promotions | £0 | £0 | £0 | £0 | £35,510.79 | |

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|------------------------------|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total Office Expenses | £120,000 | £0 | £0 | £120,000 | £269,910.94 | |
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Operational Expenses

| | | | | | | |
|----------------------------------|---------|----|----|---------|--------|--|
| 2(2)(a) Maintenance of Equipment | £12,000 | £0 | £0 | £12,000 | £53.70 | |
| 2(2)(b) Transport Expenses | £3,000 | £0 | £0 | £3,000 | £20.00 | |

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|-----------------------------------|----------------|-----------|-----------|----------------|---------------|--|
| Total Operational Expenses | £15,000 | £0 | £0 | £15,000 | £73.70 | |
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Gibraltar Development Corporation

| | | | | | | |
|---|----------|----|----|----------|-------------|--|
| 2(3)(a) Contribution from Revenues Received | £445,000 | £0 | £0 | £445,000 | £332,196.65 | |
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| 2(3)(b) Additional Contribution | £12,404,000 | £0 | £0 | £12,404,000 | £12,200,000.00 | |
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| 2(3)(c) Staff Services | £801,000 | £0 | £0 | £801,000 | £637,695.59 | |
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| Total Gibraltar Development Corporation | £13,650,000 | £0 | £0 | £13,650,000 | £13,169,892.24 | |
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European Union Programmes Secretariat

| | | | | | | |
|--------------------------|--------|----|----|--------|-------|--|
| 2(4)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £0.00 | |
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| 2(4)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £0.00 | |
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| 2(4)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £0.00 | |
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| 2(4)(d) Printing and Stationery | £4,000 | £0 | £0 | £4,000 | £0.00 | |
|---------------------------------|--------|----|----|--------|-------|--|

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|---------------------------------------|--------|----|----|--------|-------|--|
| 2(4)(e) Database and Website Expenses | £9,000 | £0 | £0 | £9,000 | £0.00 | |
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| 2(4)(f) Marketing and Promotions | £20,000 | £0 | £0 | £20,000 | £0.00 | |
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| 2(4)(g) Audit Fees | £13,000 | £0 | £0 | £13,000 | £0.00 | |
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| Total European Union Programmes Secretariat | £55,000 | £0 | £0 | £55,000 | £0.00 | |
|--|----------------|-----------|-----------|----------------|--------------|--|

Invest Gibraltar Unit

| | | | | | | |
|--------------------------|--------|----|----|--------|-------|--|
| 2(5)(a) General Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
|--------------------------|--------|----|----|--------|-------|--|

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| 2(5)(b) Electricity and Water | £1,000 | £0 | £0 | £1,000 | £0.00 | |
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|---------------------------|--------|----|----|--------|-------|--|
| 2(5)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £0.00 | |
|---------------------------|--------|----|----|--------|-------|--|

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| 2(5)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £0.00 | |
|---------------------------------|--------|----|----|--------|-------|--|

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|----------------------------------|---------|----|----|---------|-------|--|
| 2(5)(e) Marketing and Promotions | £20,000 | £0 | £0 | £20,000 | £0.00 | |
|----------------------------------|---------|----|----|---------|-------|--|

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|--------------------------|---------|----|----|---------|-------|--|
| 2(5)(f) Contract Officer | £40,000 | £0 | £0 | £40,000 | £0.00 | |
|--------------------------|---------|----|----|---------|-------|--|

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| Total Invest Gibraltar Unit | £72,000 | £0 | £0 | £72,000 | £0.00 | |
|------------------------------------|----------------|-----------|-----------|----------------|--------------|--|

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|---------------------------------------|----------|----|----|----------|-------------|--|
| 2(6) Workers Hostels Running Expenses | £220,000 | £0 | £0 | £220,000 | £231,281.35 | |
|---------------------------------------|----------|----|----|----------|-------------|--|

| | | | | | | |
|--------------|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total | £220,000 | £0 | £0 | £220,000 | £231,281.35 | |
|--------------|-----------------|-----------|-----------|-----------------|--------------------|--|

Services provided by Gibraltar General Support Services Ltd

| | | | | | | |
|------------------|----------|----|----|----------|-------------|--|
| 2(7)(a) Salaries | £165,000 | £0 | £0 | £165,000 | £164,635.36 | |
|------------------|----------|----|----|----------|-------------|--|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 24 :- ECONOMIC DEVELOPMENT | | | | | | |
| 2(7)(b) Wages | £340,000 | £0 | £0 | £340,000 | £351,481.77 | |
| 2(7)(c) Overtime | £230,000 | £0 | £0 | £230,000 | £165,190.60 | |
| 2(7)(d) Allowances | £60,000 | £0 | £0 | £60,000 | £35,103.19 | |
| 2(7)(e) Employer's Contributions | £134,000 | £0 | £0 | £134,000 | £122,805.53 | |
| 2(7)(f) Materials | £5,000 | £0 | £0 | £5,000 | £2,312.18 | |
| 2(7)(g) Other Costs | £94,000 | £0 | £0 | £94,000 | £78,430.59 | |
| Total Services provided by Gibraltar General Support Services Ltd | £1,028,000 | £0 | £0 | £1,028,000 | £919,959.22 | |
| Services provided by Gibraltar Cleansing Services Ltd | | | | | | |
| 2(8)(a) Wages | £290,000 | £0 | £0 | £290,000 | £244,385.06 | |
| 2(8)(b) Overtime | £60,000 | £0 | £0 | £60,000 | £62,487.20 | |
| 2(8)(c) Allowances | £28,000 | £0 | £0 | £28,000 | £24,662.32 | |
| 2(8)(d) Employer's Contributions | £79,000 | £0 | £0 | £79,000 | £65,015.18 | |
| Total Services provided by Gibraltar Cleansing Services Ltd | £457,000 | £0 | £0 | £457,000 | £396,549.76 | |
| 2(9) Relief Cover | £1,000 | £0 | £0 | £1,000 | £4,459.15 | |
| Total | £1,000 | £0 | £0 | £1,000 | £4,459.15 | |
| TOTAL OTHER CHARGES | £15,618,000 | £0 | £0 | £15,618,000 | £14,992,126.36 | £625,873.64 |

24 :- ECONOMIC DEVELOPMENT

SUMMARY

| | | | | | | |
|-----------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £1,330,000 | £0 | £0 | £1,330,000 | £1,305,565.05 | £24,434.95 |
| Industrial Wages | £70,000 | £0 | £0 | £70,000 | £60,164.03 | £9,835.97 |
| Total Payroll | £1,400,000 | £0 | £0 | £1,400,000 | £1,365,729.08 | £34,270.92 |
| Other Charges | £15,618,000 | £0 | £0 | £15,618,000 | £14,992,126.36 | £625,873.64 |
| TOTAL ECONOMIC DEVELOPMENT | £17,018,000 | £0 | £0 | £17,018,000 | £16,357,855.44 | £660,144.56 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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25 :- EQUALITY AND SOCIAL SERVICES

PAYROLL

Personal Emoluments

| | | | | | |
|--|----------|----|----|----------|-------------|
| 1(1)(a) Salaries | £428,000 | £0 | £0 | £428,000 | £394,655.15 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £9,849.65 |
| 1(1)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £17,103.50 |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(e) Pension Contributions | £14,000 | £0 | £0 | £14,000 | £10,712.76 |

| | | | | | |
|----------------------------------|-----------------|-----------|-----------|-----------------|--------------------|
| Total Personal Emoluments | £476,000 | £0 | £0 | £476,000 | £432,321.06 |
|----------------------------------|-----------------|-----------|-----------|-----------------|--------------------|

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| TOTAL PAYROLL | £476,000 | £0 | £0 | £476,000 | £432,321.06 | £43,678.94 |
|----------------------|-----------------|-----------|-----------|-----------------|--------------------|-------------------|

OTHER CHARGES

| | | | | | |
|------------------------------------|----------------|-----------|-----------|----------------|-------------------|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £6,634.53 |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 |
| 2(1)(c) Telephone Service | £11,000 | £0 | £0 | £11,000 | £8,655.88 |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,636.58 |
| Total | £24,000 | £0 | £0 | £24,000 | £17,926.99 |

| | | | | | |
|--------------------------------|-----------------|-----------|-----------|-----------------|--------------------|
| 2(2) Grant to Women in Need | £220,000 | £0 | £0 | £220,000 | £220,000.00 |
| Total | £220,000 | £0 | £0 | £220,000 | £220,000.00 |

| | | | | | |
|---------------------------|----------------|-----------|-----------|----------------|-------------------|
| 2(3) Marriage Counselling | £11,000 | £0 | £0 | £11,000 | £11,000.00 |
| Total | £11,000 | £0 | £0 | £11,000 | £11,000.00 |

| | | | | | |
|--------------------------|----------------|-----------|-----------|----------------|-------------------|
| 2(4) Clubhouse Gibraltar | £35,000 | £0 | £0 | £35,000 | £35,000.00 |
| Total | £35,000 | £0 | £0 | £35,000 | £35,000.00 |

Contributions from the Consolidated Fund to the Care Agency

| | | | | | |
|--|--------------------|-----------|-----------|--------------------|-----------------------|
| 2(5)(a) Contribution from Revenues Received | £9,000 | £0 | £0 | £9,000 | £9,662.46 |
| 2(5)(b) Additional Contribution | £16,165,000 | £0 | £0 | £16,165,000 | £14,974,000.00 |
| Total Contributions from the Consolidated Fund to the Care Agency | £16,174,000 | £0 | £0 | £16,174,000 | £14,983,662.46 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 25 :- EQUALITY AND SOCIAL SERVICES | | | | | | |
| 2(6) Equality | £100,000 | £0 | £0 | £100,000 | £90,599.22 | |
| Total | £100,000 | £0 | £0 | £100,000 | £90,599.22 | |
| 2(7) Contribution to Gibraltar Development Corporation: Staff Services | £68,000 | £0 | £0 | £68,000 | £66,513.20 | |
| Total | £68,000 | £0 | £0 | £68,000 | £66,513.20 | |
| 2(8) Relief Cover | £1,000 | £0 | £0 | £1,000 | £24,254.51 | |
| Total | £1,000 | £0 | £0 | £1,000 | £24,254.51 | |
| TOTAL OTHER CHARGES | £16,633,000 | £0 | £0 | £16,633,000 | £15,448,956.38 | £1,184,043.62 |

25 :- EQUALITY AND SOCIAL SERVICES

SUMMARY

| | | | | | | |
|---|--------------------|-----------|-----------|--------------------|-----------------------|----------------------|
| Personal Emoluments | £476,000 | £0 | £0 | £476,000 | £432,321.06 | £43,678.94 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £476,000 | £0 | £0 | £476,000 | £432,321.06 | £43,678.94 |
| Other Charges | £16,633,000 | £0 | £0 | £16,633,000 | £15,448,956.38 | £1,184,043.62 |
| TOTAL EQUALITY AND SOCIAL SERVICES | £17,109,000 | £0 | £0 | £17,109,000 | £15,881,277.44 | £1,227,722.56 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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26 :- TOURISM

PAYROLL

Personal Emoluments - Sites

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--|
| 1(1)(a) Salaries | £836,000 | £0 | £0 | £836,000 | £831,429.82 | |
| 1(1)(b)(i) Overtime - Conditioned | £205,000 | £0 | £0 | £205,000 | £198,666.35 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £30,000 | £0 | £0 | £30,000 | £49,548.57 | |
| 1(1)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £92.76 | |
| 1(1)(c) Allowances | £107,000 | £0 | £0 | £107,000 | £111,917.25 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £120,000 | £0 | £0 | £120,000 | £121,604.48 | |
| Total Personal Emoluments - Sites | £1,298,000 | £0 | £0 | £1,298,000 | £1,313,259.23 | |

Personal Emoluments - Main Office

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 1(1)(f) Salaries | £282,000 | £0 | £0 | £282,000 | £276,083.51 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £20,000 | £0 | £0 | £20,000 | £11,354.51 | |
| 1(1)(h) Allowances | £9,000 | £0 | £0 | £9,000 | £12,427.87 | |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(j) Pension Contributions | £41,000 | £0 | £0 | £41,000 | £41,817.97 | |
| Total Personal Emoluments - Main Office | £352,000 | £0 | £0 | £352,000 | £341,683.86 | |

Personal Emoluments - Upper Rock and Beaches Department

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 1(1)(k) Salaries | £255,000 | £0 | £0 | £255,000 | £246,790.57 | |
| 1(1)(l)(i) Overtime - Conditioned | £14,000 | £0 | £0 | £14,000 | £5,615.24 | |
| 1(1)(l)(ii) Overtime - Emergency | £1,000 | £0 | £0 | £1,000 | £495.71 | |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(l)(iv) Overtime - Discretionary | £30,000 | £0 | £0 | £30,000 | £23,224.17 | |
| 1(1)(m) Allowances | £6,000 | £0 | £0 | £6,000 | £6,337.97 | |
| 1(1)(n) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(o) Pension Contributions | £43,000 | £0 | £0 | £43,000 | £40,135.49 | |
| Total Personal Emoluments - Upper Rock and Beaches Department | £349,000 | £0 | £0 | £349,000 | £322,599.15 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

26 :- TOURISM

Personal Emoluments - Terminals

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 1(1)(p) Salaries | £67,000 | £0 | £0 | £67,000 | £67,741.19 | |
| 1(1)(q)(i) Overtime - Conditioned | £31,000 | £0 | £0 | £31,000 | £24,061.43 | |
| 1(1)(q)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r) Allowances | £8,000 | £0 | £0 | £8,000 | £10,686.42 | |
| 1(1)(s) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(t) Pension Contributions | £11,000 | £0 | £0 | £11,000 | £11,515.95 | |
| Total Personal Emoluments - Terminals | £117,000 | £0 | £0 | £117,000 | £114,004.99 | |

Industrial Wages - Sites

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 1(2)(a) Basic Wages | £162,000 | £0 | £0 | £162,000 | £167,743.10 | |
| 1(2)(b)(i) Overtime - Conditioned | £80,000 | £0 | £0 | £80,000 | £59,459.93 | |
| 1(2)(b)(ii) Overtime - Emergency | £2,000 | £0 | £0 | £2,000 | £4,104.84 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £7,202.85 | |
| 1(2)(d) Pension Contributions | £28,000 | £0 | £0 | £28,000 | £24,770.41 | |
| Total Industrial Wages - Sites | £281,000 | £0 | £0 | £281,000 | £263,281.13 | |

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| TOTAL PAYROLL | £2,397,000 | £0 | £0 | £2,397,000 | £2,354,828.36 | £42,171.64 |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|

OTHER CHARGES

Office Expenses

| | | | | | | |
|--|---------|----|----|---------|------------|--|
| 2(1)(a) General Expenses | £13,000 | £0 | £0 | £13,000 | £12,890.93 | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £3,966.43 | |
| 2(1)(c) Telephone Service | £22,000 | £0 | £0 | £22,000 | £18,523.96 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,946.59 | |
| 2(1)(e) Office Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £4,400.00 | |

Contracted Services

| | | | | | | |
|--|--------|----|----|--------|-----------|--|
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £7,000 | £0 | £0 | £7,000 | £5,160.14 | |
| 2(1)(g) Upkeep of Plants | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| | | | | | | |
|------------------------------|----------------|-----------|-----------|----------------|-------------------|--|
| Total Office Expenses | £56,000 | £0 | £0 | £56,000 | £47,888.05 | |
|------------------------------|----------------|-----------|-----------|----------------|-------------------|--|

Operational Expenses

| | | | | | | |
|----------------------------|--------|----|----|--------|-----------|--|
| 2(2)(a) Transport Expenses | £2,000 | £0 | £0 | £2,000 | £2,362.57 | |
|----------------------------|--------|----|----|--------|-----------|--|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 26 :- TOURISM | | | | | | |
| 2(2)(b) Repairs and Maintenance | £2,000 | £0 | £0 | £2,000 | £1,281.28 | |
| 2(2)(c) Uniforms | £7,000 | £0 | £0 | £7,000 | £6,242.92 | |
| 2(2)(d) Official Functions | £2,000 | £0 | £0 | £2,000 | £1,876.45 | |
| 2(2)(e) General Embellishment Works | £4,000 | £0 | £0 | £4,000 | £0.00 | |
| Total Operational Expenses | £17,000 | £0 | £0 | £17,000 | £11,763.22 | |
| Marketing, Promotions and Conferences | | | | | | |
| 2(3)(a) Gibraltar Tourist Board | £710,000 | £0 | £0 | £710,000 | £708,318.08 | |
| 2(3)(b) London Office | £42,000 | £0 | £0 | £42,000 | £47,516.53 | |
| 2(3)(c) Consultancy | £80,000 | £0 | £0 | £80,000 | £79,914.24 | |
| Total Marketing, Promotions and Conferences | £832,000 | £0 | £0 | £832,000 | £835,748.85 | |
| Gibraltar Tourist Board | | | | | | |
| 2(4)(a) Hotel Grading | £6,000 | £0 | £0 | £6,000 | £6,016.00 | |
| 2(4)(b)(i) Contribution to Gibraltar Development Corporation: Staff Services | £414,000 | £0 | £0 | £414,000 | £348,409.35 | |
| 2(4)(b)(ii) Contribution to Gibraltar Development Corporation: Temporary Assistance | £366,000 | £0 | £0 | £366,000 | £226,841.15 | |
| Total Gibraltar Tourist Board | £786,000 | £0 | £0 | £786,000 | £581,266.50 | |
| 2(5) Contracted Services: Advertising Management Services | £105,000 | £0 | £0 | £105,000 | £85,541.60 | |
| Total | £105,000 | £0 | £0 | £105,000 | £85,541.60 | |
| 2(6) Contribution to Gibraltar Development Corporation - Staff Services | £130,000 | £0 | £0 | £130,000 | £133,704.40 | |
| Total | £130,000 | £0 | £0 | £130,000 | £133,704.40 | |
| Office Expenses - Sites | | | | | | |
| 2(7)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £4,556.63 | |
| 2(7)(b) Electricity and Water | £49,000 | £0 | £0 | £49,000 | £47,090.65 | |
| 2(7)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £11,584.92 | |
| 2(7)(d) Printing and Stationery | £12,000 | £0 | £0 | £12,000 | £9,271.12 | |
| Contracted Services | | | | | | |
| 2(7)(e) Office Cleaning - Government Cleaning Scheme | £15,000 | £0 | £0 | £15,000 | £14,607.38 | |
| 2(7)(f) Security Services | £3,000 | £0 | £0 | £3,000 | £2,305.39 | |
| 2(7)(g) Upkeep of Plants | £2,000 | £0 | £0 | £2,000 | £2,100.00 | |
| Total Office Expenses - Sites | £96,000 | £0 | £0 | £96,000 | £91,516.09 | |
| Operational Expenses - Sites | | | | | | |
| 2(8)(a) Transport Expenses | £2,000 | £0 | £0 | £2,000 | £1,889.25 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 26 :- TOURISM | | | | | | |
| 2(8)(b) Repairs and Maintenance | £50,000 | £0 | £0 | £50,000 | £49,950.82 | |
| 2(8)(c) Uniforms | £10,000 | £0 | £0 | £10,000 | £9,930.16 | |
| 2(9) Contracted Services: Site Security | £145,000 | £0 | £0 | £145,000 | £145,682.53 | |
| Total Operational Expenses - Sites | £207,000 | £0 | £0 | £207,000 | £207,452.76 | |
| Operational Expenses - Beaches | | | | | | |
| 2(10)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £11,998.12 | |
| 2(10)(b) Telephone Service | £2,000 | £0 | £0 | £2,000 | £2,226.74 | |
| 2(10)(c) Uniforms | £4,000 | £0 | £0 | £4,000 | £3,936.62 | |
| 2(10)(d) Training | £9,000 | £0 | £0 | £9,000 | £9,388.00 | |
| 2(10)(e) Vehicle Expenses | £3,000 | £0 | £0 | £3,000 | £2,847.36 | |
| 2(10)(f) Repairs and Maintenance | £8,000 | £0 | £0 | £8,000 | £6,614.76 | |
| Total Operational Expenses - Beaches | £38,000 | £0 | £0 | £38,000 | £37,011.60 | |
| 2(11) Hotel Assistance Scheme | £20,000 | £0 | £0 | £20,000 | £12,566.83 | |
| Total | £20,000 | £0 | £0 | £20,000 | £12,566.83 | |
| Terminals Expenses | | | | | | |
| 2(12)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £4,700.68 | |
| 2(12)(b) Electricity and Water | £10,000 | £0 | £0 | £10,000 | £8,381.24 | |
| 2(12)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £3,323.35 | |
| 2(12)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £1,462.51 | |
| 2(12)(e) Cleaning Materials | £6,000 | £0 | £0 | £6,000 | £5,984.96 | |
| 2(12)(f) Uniforms | £2,000 | £0 | £0 | £2,000 | £2,070.97 | |
| 2(12)(g) Cruise Liner Inaugural Visits | £3,000 | £0 | £0 | £3,000 | £2,540.00 | |
| 2(12)(h) X-Ray Machine Repairs and Maintenance | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 2(12)(i) Contribution to Gibraltar Development Corporation - Terminals - Staff Services | £145,000 | £0 | £0 | £145,000 | £158,766.02 | |
| Contracted Services | | | | | | |
| 2(12)(j) Office Cleaning - Government Cleaning Scheme | £40,000 | £0 | £0 | £40,000 | £36,297.33 | |
| 2(12)(k) Security Services | £115,000 | £0 | £0 | £115,000 | £90,618.14 | |
| 2(12)(l) Upkeep of Planted Areas | £4,000 | £0 | £0 | £4,000 | £3,231.60 | |
| 2(12)(m) CCTV Security Services | £2,000 | £0 | £0 | £2,000 | £1,041.00 | |
| Total Terminals Expenses | £341,000 | £0 | £0 | £341,000 | £318,417.80 | |
| 2(13) Contract Officers | £56,000 | £0 | £0 | £56,000 | £57,539.86 | |
| Total | £56,000 | £0 | £0 | £56,000 | £57,539.86 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 26 :- TOURISM | | | | | | |
| 2(14) WIFI Hotspots | £65,000 | £0 | £0 | £65,000 | £75,300.00 | |
| Total | £65,000 | £0 | £0 | £65,000 | £75,300.00 | |
| 2(15) Literary Festival | £350,000 | £0 | £0 | £350,000 | £342,789.27 | |
| Total | £350,000 | £0 | £0 | £350,000 | £342,789.27 | |
| 2(16)(a) GASA Bathing Pavilion - General Expenses | £15,000 | £0 | £0 | £15,000 | £13,950.97 | |
| Total | £15,000 | £0 | £0 | £15,000 | £13,950.97 | |
| 2(17) Shop Mobility Contract | £48,000 | £0 | £0 | £48,000 | £47,695.00 | |
| Total | £48,000 | £0 | £0 | £48,000 | £47,695.00 | |
| 2(18) Relief Cover | £123,000 | £0 | £0 | £123,000 | £81,763.52 | |
| Total | £123,000 | £0 | £0 | £123,000 | £81,763.52 | |
| 2(19) Losses of Public Funds | £0 | £0 | £0 | £0 | £64.88 | |
| Total | £0 | £0 | £0 | £0 | £64.88 | |
| 2(20) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £31,432.66 | |
| Total | £0 | £0 | £0 | £0 | £31,432.66 | |
| TOTAL OTHER CHARGES | £3,285,000 | £0 | £0 | £3,285,000 | £3,013,413.86 | £271,586.14 |

26 :- TOURISM

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £2,116,000 | £0 | £0 | £2,116,000 | £2,091,547.23 | £24,452.77 |
| Industrial Wages | £281,000 | £0 | £0 | £281,000 | £263,281.13 | £17,718.87 |
| Total Payroll | £2,397,000 | £0 | £0 | £2,397,000 | £2,354,828.36 | £42,171.64 |
| Other Charges | £3,285,000 | £0 | £0 | £3,285,000 | £3,013,413.86 | £271,586.14 |
| TOTAL TOURISM | £5,682,000 | £0 | £0 | £5,682,000 | £5,368,242.22 | £313,757.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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27 :- HOUSING - ADMINISTRATION

PAYROLL

Personal Emoluments Housing - Administration

| | | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|--|
| 1(1)(a) Salaries | £580,000 | £0 | £0 | £580,000 | £498,081.56 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £10,369.41 | |
| 1(1)(c) Allowances | £48,000 | £0 | £0 | £48,000 | £51,231.46 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £35,000 | £0 | £0 | £35,000 | £26,148.61 | |
| Total Personal Emoluments Housing - Administration | £673,000 | £0 | £0 | £673,000 | £585,831.04 | |

Industrial Wages

| | | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|--|
| 1(2)(a) Basic Wages | £24,000 | £0 | £0 | £24,000 | £24,395.75 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £254.37 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £24,000 | £0 | £0 | £24,000 | £24,650.12 | |

TOTAL PAYROLL

| | | | | | |
|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| £697,000 | £0 | £0 | £697,000 | £610,481.16 | £86,518.84 |
|-----------------|-----------|-----------|-----------------|--------------------|-------------------|

OTHER CHARGES

Office Expenses

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £11,522.59 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £3,390.59 | |
| 2(1)(c) Telephone Service | £15,000 | £0 | £0 | £15,000 | £13,816.97 | |
| 2(1)(d) Printing and Stationery | £15,000 | £0 | £0 | £15,000 | £13,916.57 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £26,000 | £0 | £0 | £26,000 | £21,368.04 | |
| Total Office Expenses | £73,000 | £0 | £0 | £73,000 | £64,014.76 | |

Operational Expenses

| | | | | | | |
|---|----------|----|----|----------|-------------|--|
| 2(2)(a) Housing Legal Expenses | £12,000 | £0 | £0 | £12,000 | £6,575.00 | |
| 2(2)(b) Computer Running Expenses | £25,000 | £0 | £0 | £25,000 | £28,848.00 | |
| 2(2)(c) Government Tenants - Rosia Dale Maintenance Charges | £5,000 | £0 | £0 | £5,000 | £2,550.00 | |
| 2(2)(d) Estates - Staircase Lighting | £160,000 | £0 | £0 | £160,000 | £173,806.25 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 27 :- HOUSING - ADMINISTRATION | | | | | | |
| 2(2)(e) Electrical Services - Gibraltar Electricity Authority | £535,000 | £0 | £0 | £535,000 | £579,865.46 | |
| 2(2)(f) Decanting Expenses | £16,000 | £0 | £0 | £16,000 | £24,112.30 | |
| 2(2)(g) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £502.26 | |
| 2(2)(h) Service Charges - Government Leaseholds | £7,000 | £0 | £0 | £7,000 | £10,956.55 | |
| 2(2)(i) Office Rent and Service Charges | £20,000 | £0 | £0 | £20,000 | £20,224.05 | |
| 2(2)(j) Postage Expenses | £40,000 | £0 | £0 | £40,000 | £28,401.66 | |
| 2(2)(k) Contracted Services: Security Services | £34,000 | £0 | £0 | £34,000 | £69,713.81 | |
| Total Operational Expenses | £855,000 | £0 | £0 | £855,000 | £945,555.34 | |
| 2(3) Contribution to the Housing Works Agency | £8,056,000 | £0 | £0 | £8,056,000 | £7,606,000.00 | |
| Total | £8,056,000 | £0 | £0 | £8,056,000 | £7,606,000.00 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £60,000 | £0 | £0 | £60,000 | £61,283.59 | |
| Total | £60,000 | £0 | £0 | £60,000 | £61,283.59 | |
| 2(5) Rates on Government Housing Stock | £1,670,000 | £0 | £0 | £1,670,000 | £1,268,363.93 | |
| Total | £1,670,000 | £0 | £0 | £1,670,000 | £1,268,363.93 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £40,653.23 | |
| Total | £1,000 | £0 | £0 | £1,000 | £40,653.23 | |
| 2(7) Compensation and Legal Costs | £0 | £0 | £0 | £0 | £22,817.07 | |
| Total | £0 | £0 | £0 | £0 | £22,817.07 | |
| 2(8) Losses of Public Funds | £0 | £0 | £0 | £0 | £21.34 | |
| Total | £0 | £0 | £0 | £0 | £21.34 | |
| TOTAL OTHER CHARGES | £10,715,000 | £0 | £0 | £10,715,000 | £10,008,709.26 | £706,290.74 |

27 :- HOUSING - ADMINISTRATION

SUMMARY

| | | | | | | |
|---------------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £673,000 | £0 | £0 | £673,000 | £585,831.04 | £87,168.96 |
| Industrial Wages | £24,000 | £0 | £0 | £24,000 | £24,650.12 | (£650.12) |
| Total Payroll | £697,000 | £0 | £0 | £697,000 | £610,481.16 | £86,518.84 |
| Other Charges | £10,715,000 | £0 | £0 | £10,715,000 | £10,008,709.26 | £706,290.74 |
| TOTAL HOUSING - ADMINISTRATION | £11,412,000 | £0 | £0 | £11,412,000 | £10,619,190.42 | £792,809.58 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 28 :- BUSINESS | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £310,000 | £0 | £0 | £310,000 | £292,252.20 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £17,000 | £0 | £0 | £17,000 | £3,395.63 | |
| 1(1)(c) Allowances | £5,000 | £0 | £0 | £5,000 | £5,485.91 | |
| 1(1)(d) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £7,187.89 | |
| 1(1)(e) Gratuity | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments - Ministry | £336,000 | £0 | £0 | £336,000 | £308,321.63 | |
| <i>Personal Emoluments - Office of Fair Trading</i> | | | | | | |
| 1(1)(f) Salaries | £190,000 | £0 | £0 | £190,000 | £174,117.30 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £6,000 | £0 | £0 | £6,000 | £706.42 | |
| 1(1)(h) Allowances | £2,000 | £0 | £0 | £2,000 | £2,502.85 | |
| 1(1)(i) Pension Contributions | £7,000 | £0 | £0 | £7,000 | £6,815.12 | |
| Total Personal Emoluments - Office of Fair Trading | £205,000 | £0 | £0 | £205,000 | £184,141.69 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £541,000 | £0 | £0 | £541,000 | £492,463.32 | £48,536.68 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses - Ministry</i> | | | | | | |
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £7,376.41 | |
| 2(1)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £2,909.61 | |
| 2(1)(c) Telephone Service | £17,000 | £0 | £0 | £17,000 | £12,632.66 | |
| 2(1)(d) Printing and Stationery | £9,000 | £0 | £0 | £9,000 | £5,090.87 | |
| 2(1)(e) Office Rent, Parking Space & Service Charges | £45,000 | £0 | £0 | £45,000 | £25,570.54 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £7,000 | £0 | £0 | £7,000 | £4,671.97 | |
| 2(1)(g) Security Services | £0 | £0 | £0 | £0 | £8,434.71 | |
| Total Office Expenses - Ministry | £92,000 | £0 | £0 | £92,000 | £66,686.77 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 28 :- BUSINESS | | | | | | |
| 2(2) Consultancy and Professional Fees - Enterprise | £66,000 | £0 | £0 | £66,000 | £16,270.00 | |
| Total | £66,000 | £0 | £0 | £66,000 | £16,270.00 | |
| 2(3) Marketing, Promotions and Conferences | £20,000 | £0 | £0 | £20,000 | £1,148.80 | |
| Total | £20,000 | £0 | £0 | £20,000 | £1,148.80 | |
| 2(4) Business Support Office | £50,000 | £0 | £0 | £50,000 | £5,350.00 | |
| Total | £50,000 | £0 | £0 | £50,000 | £5,350.00 | |
| 2(5) Gibraltar Business Nurturing Scheme | £20,000 | £0 | £0 | £20,000 | £4,112.86 | |
| Total | £20,000 | £0 | £0 | £20,000 | £4,112.86 | |
| 2(6) Contribution to Gibraltar Development Corporation - Staff Services | £70,000 | £0 | £0 | £70,000 | £70,221.65 | |
| Total | £70,000 | £0 | £0 | £70,000 | £70,221.65 | |
| Office of Fair Trading | | | | | | |
| 2(7)(a) General Expenses | £15,000 | £0 | £0 | £15,000 | £3,032.48 | |
| 2(7)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £2,068.61 | |
| 2(7)(c) Telephone Service | £8,000 | £0 | £0 | £8,000 | £8,056.59 | |
| 2(7)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £3,591.18 | |
| 2(7)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £9,000 | £0 | £0 | £9,000 | £9,815.32 | |
| 2(7)(f) Office Rent, Parking Space & Service Charges | £60,000 | £0 | £0 | £60,000 | £57,061.95 | |
| 2(7)(g) Training | £8,000 | £0 | £0 | £8,000 | £4,739.74 | |
| 2(7)(h) Product Testing | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7)(i) Inspections | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7)(j) Contribution to Gibraltar Development Corporation - Staff Services | £176,000 | £0 | £0 | £176,000 | £182,863.62 | |
| Total Office of Fair Trading | £286,000 | £0 | £0 | £286,000 | £271,229.49 | |
| 2(8) Relief Cover | £27,000 | £0 | £0 | £27,000 | £25,701.57 | |
| Total | £27,000 | £0 | £0 | £27,000 | £25,701.57 | |
| 2(9) Compensation and Legal Costs | £0 | £0 | £0 | £0 | £500.00 | |
| Total | £0 | £0 | £0 | £0 | £500.00 | |
| TOTAL OTHER CHARGES | £631,000 | £0 | £0 | £631,000 | £461,221.14 | £169,778.86 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 28 :- BUSINESS | | | | | | |
| 28 :- BUSINESS | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £541,000 | £0 | £0 | £541,000 | £492,463.32 | £48,536.68 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £541,000 | £0 | £0 | £541,000 | £492,463.32 | £48,536.68 |
| Other Charges | £631,000 | £0 | £0 | £631,000 | £461,221.14 | £169,778.86 |
| TOTAL BUSINESS | £1,172,000 | £0 | £0 | £1,172,000 | £953,684.46 | £218,315.54 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 29 :- EMPLOYMENT | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,061,000 | £0 | £0 | £1,061,000 | £752,001.93 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £38,000 | £0 | £0 | £38,000 | £21,326.34 | |
| 1(1)(c) Allowances | £25,000 | £0 | £0 | £25,000 | £29,502.93 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £90,000 | £0 | £0 | £90,000 | £69,857.01 | |
| Total Personal Emoluments | £1,214,000 | £0 | £0 | £1,214,000 | £872,688.21 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,214,000 | £0 | £0 | £1,214,000 | £872,688.21 | £341,311.79 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £8,000 | £0 | £0 | £8,000 | £10,663.06 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £4,132.20 | |
| 2(1)(c) Telephone Service | £27,000 | £0 | £0 | £27,000 | £20,248.15 | |
| 2(1)(d) Printing and Stationery | £15,000 | £0 | £0 | £15,000 | £12,881.92 | |
| 2(1)(e) Office Rent and Service Charges | £19,000 | £0 | £0 | £19,000 | £17,416.05 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £18,000 | £0 | £0 | £18,000 | £16,224.00 | |
| 2(1)(g) Security and Messenger Services | £15,000 | £0 | £0 | £15,000 | £15,457.74 | |
| Total Office Expenses | £109,000 | £0 | £0 | £109,000 | £97,023.12 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Equipment | £45,000 | £0 | £0 | £45,000 | £26,809.15 | |
| 2(2)(b) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £60.00 | |
| 2(2)(c) Protective Clothing | £1,000 | £0 | £0 | £1,000 | £211.00 | |
| 2(2)(d) Health and Safety Programme | £1,000 | £0 | £0 | £1,000 | £135.00 | |
| 2(2)(e) Postage Expenses | £6,000 | £0 | £0 | £6,000 | £4,116.12 | |
| Total Operational Expenses | £54,000 | £0 | £0 | £54,000 | £31,331.27 | |
| 2(3) Contribution to Gibraltar Development Corporation - Staff Services | £164,000 | £0 | £0 | £164,000 | £170,438.00 | |
| Total | £164,000 | £0 | £0 | £164,000 | £170,438.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 29 :- EMPLOYMENT | | | | | | |
| 2(4) Industrial Tribunal Reform | £40,000 | £0 | £0 | £40,000 | £17,098.65 | |
| Total | £40,000 | £0 | £0 | £40,000 | £17,098.65 | |
| 2(5) Relief Cover | £103,000 | £0 | £0 | £103,000 | £102,690.54 | |
| Total | £103,000 | £0 | £0 | £103,000 | £102,690.54 | |
| TOTAL OTHER CHARGES | £470,000 | £0 | £0 | £470,000 | £418,581.58 | £51,418.42 |

29 :- EMPLOYMENT

SUMMARY

| | | | | | | |
|---------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £1,214,000 | £0 | £0 | £1,214,000 | £872,688.21 | £341,311.79 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,214,000 | £0 | £0 | £1,214,000 | £872,688.21 | £341,311.79 |
| Other Charges | £470,000 | £0 | £0 | £470,000 | £418,581.58 | £51,418.42 |
| TOTAL EMPLOYMENT | £1,684,000 | £0 | £0 | £1,684,000 | £1,291,269.79 | £392,730.21 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 30 :- SOCIAL SECURITY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £993,000 | £0 | £0 | £993,000 | £781,097.53 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £50,000 | £0 | £0 | £50,000 | £29,407.21 | |
| 1(1)(c) Allowances | £18,000 | £0 | £0 | £18,000 | £30,249.51 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £37,000 | £0 | £0 | £37,000 | £21,838.78 | |
| Total Personal Emoluments | £1,098,000 | £0 | £0 | £1,098,000 | £862,593.03 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,098,000 | £0 | £0 | £1,098,000 | £862,593.03 | £235,406.97 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £11,000 | £0 | £0 | £11,000 | £6,027.21 | |
| 2(1)(b) Electricity and Water | £1,000 | £0 | £0 | £1,000 | £545.76 | |
| 2(1)(c) Telephone Service | £11,000 | £0 | £0 | £11,000 | £8,810.57 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £5,180.81 | |
| 2(1)(e) Computer and Office Equipment | £11,000 | £0 | £0 | £11,000 | £9,390.40 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £20,000 | £0 | £0 | £20,000 | £18,988.80 | |
| 2(1)(g) Security Services | £25,000 | £0 | £0 | £25,000 | £24,150.07 | |
| Total Office Expenses | £85,000 | £0 | £0 | £85,000 | £73,093.62 | |
| 2(2) Postage Expenses | £4,000 | £0 | £0 | £4,000 | £2,416.64 | |
| Total | £4,000 | £0 | £0 | £4,000 | £2,416.64 | |
| <i>Support to the Disabled</i> | | | | | | |
| 2(3)(a) Disability Allowance | £948,000 | £0 | £0 | £948,000 | £992,116.88 | |
| 2(3)(b) Home Help | £34,000 | £0 | £0 | £34,000 | £34,000.00 | |
| 2(3)(c) Contingencies | £100,000 | £0 | £0 | £100,000 | £66,924.93 | |
| Total Support to the Disabled | £1,082,000 | £0 | £0 | £1,082,000 | £1,093,041.81 | |
| 2(4) Compensation to Victims of Crime | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £17,311.16 | |
| Total | £1,000 | £0 | £0 | £1,000 | £17,311.16 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 30 :- SOCIAL SECURITY | | | | | | |
| 2(6) Payment to Social Assistance Fund - Import Duty | £15,000,000 | £0 | £0 | £15,000,000 | £7,900,000.00 | |
| Total | £15,000,000 | £0 | £0 | £15,000,000 | £7,900,000.00 | |
| 2(7) Contribution to Statutory Benefits Fund | £7,000,000 | £0 | £0 | £7,000,000 | £7,000,000.00 | |
| Total | £7,000,000 | £0 | £0 | £7,000,000 | £7,000,000.00 | |
| 2(8) Losses of Public Funds | £0 | £0 | £0 | £0 | £20.00 | |
| Total | £0 | £0 | £0 | £0 | £20.00 | |
| TOTAL OTHER CHARGES | £23,173,000 | £0 | £0 | £23,173,000 | £16,085,883.23 | £7,087,116.77 |

30 :- SOCIAL SECURITY

SUMMARY

| | | | | | | |
|------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|----------------------|
| Personal Emoluments | £1,098,000 | £0 | £0 | £1,098,000 | £862,593.03 | £235,406.97 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,098,000 | £0 | £0 | £1,098,000 | £862,593.03 | £235,406.97 |
| Other Charges | £23,173,000 | £0 | £0 | £23,173,000 | £16,085,883.23 | £7,087,116.77 |
| TOTAL SOCIAL SECURITY | £24,271,000 | £0 | £0 | £24,271,000 | £16,948,476.26 | £7,322,523.74 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 31 :- POSTAL SERVICES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,395,000 | £0 | £0 | £1,395,000 | £1,418,464.30 | |
| 1(1)(b)(i) Overtime - Conditioned | £425,000 | £0 | £15,414 | £440,414 | £441,022.30 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £7,000 | £0 | £0 | £7,000 | £1,114.07 | |
| 1(1)(c) Allowances | £50,000 | £0 | £23,259 | £73,259 | £73,258.15 | |
| 1(1)(d) Temporary Assistance | £120,000 | £0 | £53,327 | £173,327 | £173,317.27 | |
| 1(1)(e) Bonus Payments | £320,000 | £0 | £0 | £320,000 | £289,843.23 | |
| 1(1)(f) Pension Contributions | £25,000 | £0 | £0 | £25,000 | £36,966.60 | |
| Total Personal Emoluments | £2,342,000 | £0 | £92,000 | £2,434,000 | £2,433,985.92 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £19,000 | £0 | £42 | £19,042 | £19,146.67 | |
| 1(2)(b)(i) Overtime - Conditioned | £8,000 | £0 | £0 | £8,000 | £8,894.70 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages | £28,000 | £0 | £42 | £28,042 | £28,041.37 | |
| TOTAL PAYROLL | £2,370,000 | £0 | £92,042 | £2,462,042 | £2,462,027.29 | £14.71 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £24,000 | £0 | £0 | £24,000 | £30,775.85 | |
| 2(1)(b) Electricity and Water | £20,000 | £0 | £0 | £20,000 | £19,719.73 | |
| 2(1)(c) Telephone Service | £23,000 | £0 | (£2,252) | £20,748 | £14,295.46 | |
| 2(1)(d) Printing and Stationery | £29,000 | £0 | £0 | £29,000 | £28,956.00 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £35,000 | £0 | (£1,583) | £33,417 | £28,704.00 | |
| Total Office Expenses | £131,000 | £0 | (£3,835) | £127,165 | £122,451.04 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Supply of Stamps | £9,000 | £0 | £0 | £9,000 | £11,779.45 | |
| 2(2)(b) Postal Stores and Equipment | £13,000 | £0 | (£4,523) | £8,477 | £8,476.55 | |
| 2(2)(c) Transport Services | £10,000 | £0 | (£9,550) | £450 | £450.00 | |
| 2(2)(d) Uniforms | £13,000 | £0 | £0 | £13,000 | £11,354.32 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 31 :- POSTAL SERVICES | | | | | | |
| 2(2)(e) Commission to Stamp Vendors | £16,000 | £0 | £0 | £16,000 | £18,838.53 | |
| 2(2)(f) Security Equipment Expenses | £12,000 | £0 | £0 | £12,000 | £11,105.83 | |
| 2(2)(g) Banking and Related Services | £4,000 | £0 | £0 | £4,000 | £54.00 | |
| Total Operational Expenses | £77,000 | £0 | (£14,073) | £62,927 | £62,058.68 | |
| 2(3) Outgoing Mail and Bulk Mailing | £100,000 | £0 | £0 | £100,000 | £105,262.45 | |
| Total | £100,000 | £0 | £0 | £100,000 | £105,262.45 | |
| 2(4) Contribution to International Bureau | £104,000 | £0 | (£22,954) | £81,046 | £81,045.63 | |
| Total | £104,000 | £0 | (£22,954) | £81,046 | £81,045.63 | |
| 2(5)(a) Contracted Service: Gibraltar Philatelic Bureau Ltd | £250,000 | £0 | £0 | £250,000 | £237,390.32 | |
| Total | £250,000 | £0 | £0 | £250,000 | £237,390.32 | |
| 2(6) Introduction of Post Codes | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7) Regulatory Authority Fees | £16,000 | £0 | £0 | £16,000 | £15,399.62 | |
| Total | £16,000 | £0 | £0 | £16,000 | £15,399.62 | |
| 2(8) EPOS | £15,000 | £0 | £0 | £15,000 | £15,012.50 | |
| Total | £15,000 | £0 | £0 | £15,000 | £15,012.50 | |
| 2(9) Relief Cover | £1,000 | £0 | £0 | £1,000 | £14,335.55 | |
| Total | £1,000 | £0 | £0 | £1,000 | £14,335.55 | |
| 2(10) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £595.89 | |
| Total | £0 | £0 | £0 | £0 | £595.89 | |
| 2(11) Losses of Public Funds | £0 | £0 | £0 | £0 | £580.00 | |
| Total | £0 | £0 | £0 | £0 | £580.00 | |
| TOTAL OTHER CHARGES | £695,000 | £0 | (£40,862) | £654,138 | £654,131.68 | £6.32 |

31 :- POSTAL SERVICES

SUMMARY

| | | | | | | |
|------------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £2,342,000 | £0 | £92,000 | £2,434,000 | £2,433,985.92 | £14.08 |
| Industrial Wages | £28,000 | £0 | £42 | £28,042 | £28,041.37 | £0.63 |
| Total Payroll | £2,370,000 | £0 | £92,042 | £2,462,042 | £2,462,027.29 | £14.71 |
| Other Charges | £695,000 | £0 | (£40,862) | £654,138 | £654,131.68 | £6.32 |
| TOTAL POSTAL SERVICES | £3,065,000 | £0 | £51,180 | £3,116,180 | £3,116,158.97 | £21.03 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

32 :- EDUCATION

PAYROLL

Personal Emoluments

| | | | | | | |
|--|--------------------|-----------|-----------------|--------------------|-----------------------|--|
| 1(1)(a) Salaries | £20,000,000 | £0 | £0 | £20,000,000 | £20,097,054.33 | |
| 1(1)(b)(i) Overtime - Conditioned | £20,000 | £0 | £0 | £20,000 | £18,848.43 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £12,000 | £0 | £0 | £12,000 | £11,052.85 | |
| 1(1)(c) Allowances | £102,000 | £0 | £0 | £102,000 | £199,395.05 | |
| 1(1)(d)(i) Temporary Assistance - Specialists | £388,000 | £0 | £0 | £388,000 | £432,715.04 | |
| 1(1)(d)(ii) Temporary Assistance - Special Needs Learning Support Assistants | £390,000 | £0 | £0 | £390,000 | £446,323.24 | |
| 1(1)(d)(iii) Temporary Assistance - Cover for Maternity/Paternity | £745,000 | £0 | £0 | £745,000 | £594,313.37 | |
| 1(1)(d)(iv) Temporary Assistance - Temporary Cover | £744,000 | £0 | £138,850 | £882,850 | £1,004,889.41 | |
| 1(1)(d)(v) Temporary Assistance - Prison Enterprise | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| 1(1)(e) Temporary Assistance - Adult Education | £60,000 | £0 | £0 | £60,000 | £90,325.37 | |
| 1(1)(f) Pension Contributions | £940,000 | £0 | £0 | £940,000 | £870,259.90 | |
| Total Personal Emoluments | £23,411,000 | £0 | £138,850 | £23,549,850 | £23,765,176.99 | |

Industrial Wages

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--|
| 1(2)(a) Basic Wages | £2,609,000 | £0 | £0 | £2,609,000 | £2,429,850.50 | |
| 1(2)(b)(i) Overtime - Conditioned | £163,000 | £0 | £0 | £163,000 | £123,715.77 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £16,717.41 | |
| 1(2)(c) Allowances | £30,000 | £0 | £0 | £30,000 | £27,484.12 | |
| 1(2)(d) Pension Contributions | £110,000 | £0 | £0 | £110,000 | £123,889.09 | |
| Total Industrial Wages | £2,937,000 | £0 | £0 | £2,937,000 | £2,721,656.89 | |

| | | | | | | |
|----------------------|--------------------|-----------|-----------------|--------------------|-----------------------|---------------|
| TOTAL PAYROLL | £26,348,000 | £0 | £138,850 | £26,486,850 | £26,486,833.88 | £16.12 |
|----------------------|--------------------|-----------|-----------------|--------------------|-----------------------|---------------|

OTHER CHARGES

Office Expenses

| | | | | | | |
|-------------------------------|--------|----|----|--------|-----------|--|
| 2(1)(a) General Expenses | £7,000 | £0 | £0 | £7,000 | £5,267.34 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £6,332.42 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 32 :- EDUCATION | | | | | | |
| 2(1)(c) Telephone Service | £21,000 | £0 | £0 | £21,000 | £20,119.42 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £6,837.40 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £23,000 | £0 | £0 | £23,000 | £22,381.88 | |
| Total Office Expenses | £63,000 | £0 | £0 | £63,000 | £60,938.46 | |
| School Expenses | | | | | | |
| 2(2)(a) Electricity and Water | £240,000 | £0 | £0 | £240,000 | £271,715.58 | |
| 2(2)(b) Telephone Service | £85,000 | £0 | £0 | £85,000 | £82,482.95 | |
| 2(2)(c) Refreshments in Schools | £27,000 | £0 | £0 | £27,000 | £24,070.52 | |
| 2(2)(d) Books and Equipment | £1,100,000 | £0 | £0 | £1,100,000 | £1,037,065.25 | |
| 2(2)(e) Visits of School Children from Abroad | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(f) Examination Expenses | £400,000 | £0 | £0 | £400,000 | £348,767.70 | |
| 2(2)(g) Educational Field Trips | £110,000 | £0 | £0 | £110,000 | £92,437.33 | |
| 2(2)(h) Transport of School Children | £81,000 | £0 | £0 | £81,000 | £65,581.05 | |
| 2(2)(i) In-Service Education | £70,000 | £0 | £0 | £70,000 | £55,745.67 | |
| 2(2)(j) Cleaning Materials and Sundry Expenses | £120,000 | £0 | £0 | £120,000 | £111,909.89 | |
| 2(2)(k) Information Technology Equipment - Insurance | £6,000 | £0 | £0 | £6,000 | £6,023.00 | |
| Contracted Services | | | | | | |
| 2(2)(l) School Lunch Supervision | £1,013,000 | £0 | £0 | £1,013,000 | £970,755.41 | |
| 2(2)(m) Electrical Services - Gibraltar Electricity Authority | £305,000 | £0 | £0 | £305,000 | £278,042.72 | |
| 2(2)(n) Lift Maintenance | £20,000 | £0 | £0 | £20,000 | £20,699.39 | |
| 2(2)(o) Intruder Alarm | £18,000 | £0 | £0 | £18,000 | £15,080.00 | |
| 2(2)(p) Maintenance of Special Needs Equipment | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(q) Hot Lunches for Schools | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total School Expenses | £3,598,000 | £0 | £0 | £3,598,000 | £3,380,376.46 | |
| Bleak House Expenses | | | | | | |
| 2(3)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £8,618.10 | |
| 2(3)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £3,411.63 | |
| 2(3)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £2,304.49 | |
| 2(3)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £1,500.23 | |
| Total Bleak House Expenses | £19,000 | £0 | £0 | £19,000 | £15,834.45 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 32 :- EDUCATION | | | | | | |
| 2(4) Gibraltar College | £50,000 | £0 | £0 | £50,000 | £33,896.38 | |
| Total | £50,000 | £0 | £0 | £50,000 | £33,896.38 | |
| Scholarships | | | | | | |
| 2(5)(a) Mandatory | £15,138,000 | £0 | £544,790 | £15,682,790 | £15,982,058.38 | |
| 2(5)(b) Discretionary | £600,000 | £0 | £0 | £600,000 | £685,375.11 | |
| Total Scholarships | £15,738,000 | £0 | £544,790 | £16,282,790 | £16,667,433.49 | |
| 2(6) Teachers' Centre Running Expenses | £6,000 | £0 | £0 | £6,000 | £5,883.79 | |
| Total | £6,000 | £0 | £0 | £6,000 | £5,883.79 | |
| 2(7) Teacher Training Expenses | £74,000 | £0 | £0 | £74,000 | £47,004.03 | |
| Total | £74,000 | £0 | £0 | £74,000 | £47,004.03 | |
| 2(8) Special Education Abroad | £33,000 | £0 | £0 | £33,000 | £37,111.53 | |
| Total | £33,000 | £0 | £0 | £33,000 | £37,111.53 | |
| 2(9) Nurseries | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(10) Training and Development Courses | £600,000 | £0 | £0 | £600,000 | £480,434.57 | |
| Total | £600,000 | £0 | £0 | £600,000 | £480,434.57 | |
| 2(11) Contract Officers | £65,000 | £0 | £0 | £65,000 | £50,993.12 | |
| Total | £65,000 | £0 | £0 | £65,000 | £50,993.12 | |
| 2(12) Student Support | £33,000 | £0 | £0 | £33,000 | £40,107.68 | |
| Total | £33,000 | £0 | £0 | £33,000 | £40,107.68 | |
| 2(13) Postage Expenses | £7,000 | £0 | £0 | £7,000 | £3,907.46 | |
| Total | £7,000 | £0 | £0 | £7,000 | £3,907.46 | |
| 2(14) Relief Cover | £20,000 | £0 | £0 | £20,000 | £27,846.91 | |
| Total | £20,000 | £0 | £0 | £20,000 | £27,846.91 | |
| 2(15) Ex-Gratia Payments | £0 | £0 | £120 | £120 | £115.00 | |
| Total | £0 | £0 | £120 | £120 | £115.00 | |
| 2(16) Losses of Public Funds | £0 | £0 | £130 | £130 | £121.00 | |
| Total | £0 | £0 | £130 | £130 | £121.00 | |
| TOTAL OTHER CHARGES | £20,307,000 | £0 | £545,040 | £20,852,040 | £20,852,004.33 | £35.67 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|------------------------------------|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 32 :- EDUCATION | | | | | | |
| 32 :- EDUCATION SUMMARY | | | | | | |
| Personal Emoluments | £23,411,000 | £0 | £138,850 | £23,549,850 | £23,765,176.99 | (£215,326.99) |
| Industrial Wages | £2,937,000 | £0 | £0 | £2,937,000 | £2,721,656.89 | £215,343.11 |
| Total Payroll | £26,348,000 | £0 | £138,850 | £26,486,850 | £26,486,833.88 | £16.12 |
| Other Charges | £20,307,000 | £0 | £545,040 | £20,852,040 | £20,852,004.33 | £35.67 |
| TOTAL EDUCATION | £46,655,000 | £0 | £683,890 | £47,338,890 | £47,338,838.21 | £51.79 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 33 :- POLICING | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £11,348,000 | £0 | £0 | £11,348,000 | £11,336,516.73 | |
| 1(1)(b)(i) Overtime - Conditioned | £350,000 | £0 | £0 | £350,000 | £301,553.73 | |
| 1(1)(b)(ii) Overtime - Emergency | £40,000 | £0 | £0 | £40,000 | £16,483.34 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £536,000 | £0 | (£10,803) | £525,197 | £334,691.66 | |
| 1(1)(b)(iv) Overtime - Discretionary | £412,000 | £0 | £0 | £412,000 | £508,988.25 | |
| 1(1)(c) Allowances | £645,000 | £0 | £0 | £645,000 | £603,412.47 | |
| 1(1)(d) Temporary Assistance | £4,000 | £0 | £0 | £4,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £442,000 | £0 | £0 | £442,000 | £426,121.93 | |
| Total Personal Emoluments | £13,777,000 | £0 | (£10,803) | £13,766,197 | £13,527,768.11 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £119,000 | £0 | £0 | £119,000 | £117,009.76 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £19,000 | £0 | £0 | £19,000 | £11,345.00 | |
| 1(2)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £738.75 | |
| 1(2)(d) Pension Contributions | £11,000 | £0 | £0 | £11,000 | £7,850.73 | |
| Total Industrial Wages | £150,000 | £0 | £0 | £150,000 | £136,944.24 | |
| TOTAL PAYROLL | £13,927,000 | £0 | (£10,803) | £13,916,197 | £13,664,712.35 | £251,484.65 |

OTHER CHARGES

Office Expenses - Police

| | | | | | | |
|--|----------|----|----|----------|-------------|--|
| 2(1)(a) General Expenses | £65,000 | £0 | £0 | £65,000 | £61,540.49 | |
| 2(1)(b) Electricity and Water | £62,000 | £0 | £0 | £62,000 | £59,540.19 | |
| 2(1)(c) Telephone Service | £130,000 | £0 | £0 | £130,000 | £123,067.35 | |
| 2(1)(d) Printing and Stationery | £20,000 | £0 | £0 | £20,000 | £25,336.42 | |
| 2(1)(e) Computer Running Expenses | £30,000 | £0 | £0 | £30,000 | £40,212.96 | |
| 2(1)(f) Office Rent and Service Charges | £7,000 | £0 | £0 | £7,000 | £7,152.00 | |

Contracted Services

| | | | | | | |
|--|---------|----|----|---------|------------|--|
| 2(1)(g) Office Cleaning - Government Cleaning Scheme | £56,000 | £0 | £0 | £56,000 | £55,637.16 | |
| 2(1)(h) Security Services - RGP CCTV Maintenance | £21,000 | £0 | £0 | £21,000 | £18,092.38 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 33 :- POLICING | | | | | | |
| 2(1)(i) Security Services - Public CCTV Maintenance | £10,000 | £0 | £0 | £10,000 | £9,883.31 | |
| Total Office Expenses - Police | £401,000 | £0 | £0 | £401,000 | £400,462.26 | |
| Operational Expenses - Police | | | | | | |
| 2(2)(a) Transport Expenses | £70,000 | £0 | £0 | £70,000 | £76,473.53 | |
| 2(2)(b)(i) Motor Boats and Launches: Maintenance | £200,000 | £0 | £0 | £200,000 | £127,291.79 | |
| 2(2)(b)(ii) Motor Boats and Launches: Fuel and Lubricants | £100,000 | £0 | £0 | £100,000 | £74,848.01 | |
| 2(2)(c) Investigation Expenses | £175,000 | £0 | £0 | £175,000 | £256,825.03 | |
| 2(2)(d) Subsistence of Prisoners | £15,000 | £0 | £0 | £15,000 | £12,396.05 | |
| 2(2)(e) Uniforms and Equipment | £175,000 | £0 | £0 | £175,000 | £174,897.01 | |
| 2(2)(f) Repatriation Expenses | £1,000 | £0 | £0 | £1,000 | £5,853.45 | |
| 2(2)(g) Dog Section Costs | £50,000 | £0 | £0 | £50,000 | £48,273.01 | |
| Contracted Services | | | | | | |
| 2(2)(h) Professional Fees | £64,000 | £0 | £0 | £64,000 | £59,165.28 | |
| 2(2)(i) Contribution to Interpol | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(j) Radio Communication System - Gibtelecom Ltd | £130,000 | £0 | £0 | £130,000 | £126,617.82 | |
| Total Operational Expenses - Police | £981,000 | £0 | £0 | £981,000 | £962,640.98 | |
| 2(3) Training Courses and Conferences | £120,000 | £0 | £0 | £120,000 | £134,950.41 | |
| Total | £120,000 | £0 | £0 | £120,000 | £134,950.41 | |
| 2(4) Anti Drink Driving Campaign | £6,000 | £0 | £0 | £6,000 | £6,000.00 | |
| Total | £6,000 | £0 | £0 | £6,000 | £6,000.00 | |
| 2(5) Destruction of Confiscated Tobacco | £10,000 | £0 | £0 | £10,000 | £10,333.48 | |
| Total | £10,000 | £0 | £0 | £10,000 | £10,333.48 | |
| 2(6) European Association of Airport and Seaport Police Expenses | £21,000 | £0 | £0 | £21,000 | £19,774.75 | |
| Total | £21,000 | £0 | £0 | £21,000 | £19,774.75 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £1,191.15 | |
| Total | £1,000 | £0 | £0 | £1,000 | £1,191.15 | |
| Gibraltar Police Authority | | | | | | |
| 2(8)(a) Gibraltar Police Authority Expenses | £67,000 | £0 | £0 | £67,000 | £66,227.95 | |
| Total Gibraltar Police Authority | £67,000 | £0 | £0 | £67,000 | £66,227.95 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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33 :- POLICING

Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 2(9)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £2,148.21 | |
| 2(9)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,933.18 | |
| 2(9)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £3,753.03 | |
| 2(9)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,071.23 | |
| 2(9)(e) Office Rent and Service Charges | £57,000 | £0 | £0 | £57,000 | £56,666.01 | |
| 2(9)(f) Contracted Service: Office Cleaning - Government Cleaning Scheme | £3,000 | £0 | £0 | £3,000 | £2,238.99 | |
| Total Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs | £70,000 | £0 | £0 | £70,000 | £67,810.65 | |

Operational Expenses

| | | | | | | |
|--|----------------|-----------|----------------|----------------|-------------------|--|
| 2(9)(g) Computer and Office Equipment Expenses | £3,000 | £0 | £0 | £3,000 | £2,135.72 | |
| 2(9)(h) Investigation and Research | £7,000 | £0 | £0 | £7,000 | £6,079.80 | |
| 2(9)(i) Travelling Expenses | £11,000 | £0 | £0 | £11,000 | £10,879.57 | |
| 2(9)(j) Contribution to Egmont | £5,000 | £0 | £0 | £5,000 | £4,795.33 | |
| Total Operational Expenses | £26,000 | £0 | £0 | £26,000 | £23,890.42 | |
| 2(10) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £500.00 | |
| Total | £0 | £0 | £0 | £0 | £500.00 | |
| 2(11) Compensation and Legal Costs | £0 | £0 | £10,803 | £10,803 | £20,000.00 | |
| Total | £0 | £0 | £10,803 | £10,803 | £20,000.00 | |

| | | | | | | |
|----------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| TOTAL OTHER CHARGES | £1,703,000 | £0 | £10,803 | £1,713,803 | £1,713,782.05 | £20.95 |
|----------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|

33 :- POLICING

SUMMARY

| | | | | | | |
|-----------------------|--------------------|-----------|------------------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £13,777,000 | £0 | (£10,803) | £13,766,197 | £13,527,768.11 | £238,428.89 |
| Industrial Wages | £150,000 | £0 | £0 | £150,000 | £136,944.24 | £13,055.76 |
| Total Payroll | £13,927,000 | £0 | (£10,803) | £13,916,197 | £13,664,712.35 | £251,484.65 |
| Other Charges | £1,703,000 | £0 | £10,803 | £1,713,803 | £1,713,782.05 | £20.95 |
| TOTAL POLICING | £15,630,000 | £0 | £0 | £15,630,000 | £15,378,494.40 | £251,505.60 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 34 :- PRISON | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,800,000 | £0 | £96,898 | £1,896,898 | £1,896,893.29 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £69,000 | £0 | £29,870 | £98,870 | £114,858.63 | |
| 1(1)(b)(iv) Overtime - Discretionary | £2,000 | £0 | £0 | £2,000 | £526.18 | |
| 1(1)(c) Allowances | £356,000 | £0 | £0 | £356,000 | £335,263.86 | |
| 1(1)(d) Pension Contributions | £90,000 | £0 | £0 | £90,000 | £96,219.21 | |
| Total Personal Emoluments | £2,317,000 | £0 | £126,768 | £2,443,768 | £2,443,761.17 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £2,317,000 | £0 | £126,768 | £2,443,768 | £2,443,761.17 | £6.83 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £3,000 | £0 | £0 | £3,000 | £2,875.89 | |
| 2(1)(b) Electricity and Water | £53,000 | £0 | (£6,095) | £46,905 | £46,348.05 | |
| 2(1)(c) Telephone Service | £13,000 | £0 | £0 | £13,000 | £13,682.08 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,996.24 | |
| Total Office Expenses | £72,000 | £0 | (£6,095) | £65,905 | £65,902.26 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Equipment | £8,000 | £0 | £0 | £8,000 | £4,731.66 | |
| 2(2)(b) Domestic Equipment | £15,000 | £0 | £0 | £15,000 | £14,252.29 | |
| 2(2)(c) Facilities Repairs and Upgrading | £12,000 | £0 | £0 | £12,000 | £8,830.77 | |
| 2(2)(d) Uniforms | £16,000 | £0 | £0 | £16,000 | £14,983.78 | |
| 2(2)(e) Training Courses | £15,000 | £0 | £0 | £15,000 | £9,397.66 | |
| <i>Contracted Services</i> | | | | | | |
| 2(2)(f) Radio Communications - Gibtelecom Ltd | £20,000 | £0 | (£9,132) | £10,868 | £10,868.00 | |
| 2(2)(g) Office Cleaning - Government Cleaning Scheme | £16,000 | £0 | £0 | £16,000 | £20,205.42 | |
| 2(2)(h) Maintenance Agreement | £8,000 | £0 | £0 | £8,000 | £5,700.00 | |
| Total Operational Expenses | £110,000 | £0 | (£9,132) | £100,868 | £88,969.58 | |
| <i>Expenses on Prisoners</i> | | | | | | |
| 2(3)(a) Workshop and Rehabilitation of Prisoners | £27,000 | £0 | £0 | £27,000 | £25,039.17 | |
| 2(3)(b) Maintenance of Prisoners | £280,000 | £0 | (£41,332) | £238,668 | £238,667.83 | |
| 2(3)(c) Clothing for Prisoners | £6,000 | £0 | (£806) | £5,194 | £1,930.00 | |
| 2(3)(d) Prisoners' Wage Scheme | £36,000 | £0 | (£4,993) | £31,007 | £31,007.00 | |
| Total Expenses on Prisoners | £349,000 | £0 | (£47,131) | £301,869 | £296,644.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--------------------------------------|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 34 :- PRISON | | | | | | |
| 2(4) Relief Cover | £1,000 | £0 | (£1,000) | £0 | £0.00 | |
| Total | £1,000 | £0 | (£1,000) | £0 | £0.00 | |
| 2(5) Compensation and Legal Costs | £0 | £0 | £0 | £0 | £17,120.00 | |
| Total | £0 | £0 | £0 | £0 | £17,120.00 | |
| TOTAL OTHER CHARGES | £532,000 | £0 | (£63,358) | £468,642 | £468,635.84 | £6.16 |

34 :- PRISON

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £2,317,000 | £0 | £126,768 | £2,443,768 | £2,443,761.17 | £6.83 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £2,317,000 | £0 | £126,768 | £2,443,768 | £2,443,761.17 | £6.83 |
| Other Charges | £532,000 | £0 | (£63,358) | £468,642 | £468,635.84 | £6.16 |
| TOTAL PRISON | £2,849,000 | £0 | £63,410 | £2,912,410 | £2,912,397.01 | £12.99 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 35 :- GIBRALTAR LAW COURTS | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,450,000 | £0 | £0 | £1,450,000 | £1,335,922.52 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £32,000 | £0 | £0 | £32,000 | £20,288.45 | |
| 1(1)(c) Allowances | £49,000 | £0 | £0 | £49,000 | £28,453.51 | |
| 1(1)(d) Temporary Assistance | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f) Pension Contributions | £45,000 | £0 | £0 | £45,000 | £28,887.93 | |
| Total Personal Emoluments | £1,581,000 | £0 | £0 | £1,581,000 | £1,413,552.41 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,581,000 | £0 | £0 | £1,581,000 | £1,413,552.41 | £167,447.59 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £17,920.14 | |
| 2(1)(b) Electricity and Water | £40,000 | £0 | £0 | £40,000 | £36,686.63 | |
| 2(1)(c) Telephone Service | £25,000 | £0 | £0 | £25,000 | £20,621.83 | |
| 2(1)(d) Printing and Stationery | £10,000 | £0 | £0 | £10,000 | £7,631.39 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £73,000 | £0 | £0 | £73,000 | £69,571.72 | |
| Total Office Expenses | £173,000 | £0 | £0 | £173,000 | £152,431.71 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Jurors and Witnesses Expenses | £20,000 | £0 | £0 | £20,000 | £11,143.57 | |
| 2(2)(b) Law Books | £20,000 | £0 | £0 | £20,000 | £20,028.90 | |
| 2(2)(c) Law Reports Production | £40,000 | £0 | £0 | £40,000 | £38,336.00 | |
| 2(2)(d) Equipment Maintenance | £40,000 | £0 | £0 | £40,000 | £27,187.78 | |
| 2(2)(e) Administrative Staff Training | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| 2(2)(f) Judicial Conferences and Training | £16,000 | £0 | £0 | £16,000 | £9,818.30 | |
| 2(2)(g) Independent Expert Fees | £10,000 | £0 | £0 | £10,000 | £26,147.50 | |
| 2(2)(h) Commonwealth Magistrates' Association | £2,000 | £0 | £0 | £2,000 | £1,460.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 35 :- GIBRALTAR LAW COURTS | | | | | | |
| 2(2)(i) Court Interpretation and Translation | £15,000 | £0 | £0 | £15,000 | £17,146.25 | |
| 2(2)(j) Postage Expenses | £7,000 | £0 | £0 | £7,000 | £6,962.77 | |
| 2(2)(k) Contracted Services: Security Expenses | £72,000 | £0 | £0 | £72,000 | £72,944.53 | |
| Total Operational Expenses | £247,000 | £0 | £0 | £247,000 | £231,175.60 | |
| 2(3) Trial Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Losses of Public Funds | £0 | £0 | £0 | £0 | £20.00 | |
| Total | £0 | £0 | £0 | £0 | £20.00 | |
| TOTAL OTHER CHARGES | £422,000 | £0 | £0 | £422,000 | £383,627.31 | £38,372.69 |

35 :- GIBRALTAR LAW COURTS

SUMMARY

| | | | | | | |
|-----------------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £1,581,000 | £0 | £0 | £1,581,000 | £1,413,552.41 | £167,447.59 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,581,000 | £0 | £0 | £1,581,000 | £1,413,552.41 | £167,447.59 |
| Other Charges | £422,000 | £0 | £0 | £422,000 | £383,627.31 | £38,372.69 |
| TOTAL GIBRALTAR LAW COURTS | £2,003,000 | £0 | £0 | £2,003,000 | £1,797,179.72 | £205,820.28 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 36 :- JUSTICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £510,000 | £0 | £0 | £510,000 | £467,126.88 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £11,418.79 | |
| 1(1)(c) Allowances | £15,000 | £0 | £0 | £15,000 | £15,934.20 | |
| 1(1)(d) Temporary Assistance | £2,000 | £0 | £0 | £2,000 | £6,343.31 | |
| 1(1)(e) Pension Contributions | £8,000 | £0 | £0 | £8,000 | £7,730.81 | |
| Total Personal Emoluments - Ministry | £545,000 | £0 | £0 | £545,000 | £508,553.99 | |
| <i>Personal Emoluments - Probation</i> | | | | | | |
| 1(1)(f) Salaries | £159,000 | £0 | £0 | £159,000 | £163,384.20 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £7,000 | £0 | £0 | £7,000 | £6,597.26 | |
| 1(1)(h) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(j) Pension Contributions | £6,000 | £0 | £0 | £6,000 | £5,644.69 | |
| Total Personal Emoluments - Probation | £172,000 | £0 | £0 | £172,000 | £175,626.15 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £717,000 | £0 | £0 | £717,000 | £684,180.14 | £32,819.86 |

OTHER CHARGES

Office Expenses - Ministry

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £5,266.84 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,404.09 | |
| 2(1)(c) Telephone Service | £18,000 | £0 | £0 | £18,000 | £13,227.55 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £2,294.57 | |
| 2(1)(e) Office Rent and Service Charges | £200,000 | £0 | £0 | £200,000 | £187,230.76 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £11,000 | £0 | £0 | £11,000 | £9,170.30 | |
| Total Office Expenses - Ministry | £250,000 | £0 | £0 | £250,000 | £222,594.11 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 36 :- JUSTICE | | | | | | |
| Operational Expenses | | | | | | |
| 2(2)(a) Computer and Office Equipment | £5,000 | £0 | £0 | £5,000 | £2,136.10 | |
| 2(2)(b) Consultancy and Professional Fees | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(c) Uniforms and Protective Clothing | £1,000 | £0 | £0 | £1,000 | £80.00 | |
| Total Operational Expenses | £7,000 | £0 | £0 | £7,000 | £2,216.10 | |
| 2(3) Conferences and Travel | £35,000 | £0 | £0 | £35,000 | £18,374.13 | |
| Total | £35,000 | £0 | £0 | £35,000 | £18,374.13 | |
| 2(4) Contract Officers | £186,000 | £0 | £0 | £186,000 | £185,225.88 | |
| Total | £186,000 | £0 | £0 | £186,000 | £185,225.88 | |
| Tribunals | | | | | | |
| 2(5)(a) Income Tax | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5)(b) Development Appeals | £1,000 | £0 | £0 | £1,000 | £365.00 | |
| 2(5)(c) GHA Complaints - Independent Review Panel | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5)(d) Housing Tribunal | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Tribunals | £4,000 | £0 | £0 | £4,000 | £365.00 | |
| Office Expenses - Probation | | | | | | |
| 2(6)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £590.87 | |
| 2(6)(b) Electricity and Water | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(6)(c) Telephone Service | £0 | £0 | £0 | £0 | £301.76 | |
| 2(6)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(6)(e) Insurance - Employer's Liability - Lifetime Insurance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Office Expenses - Probation | £5,000 | £0 | £0 | £5,000 | £892.63 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £488,000 | £0 | £0 | £488,000 | £429,667.85 | £58,332.15 |

36 :- JUSTICE

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £717,000 | £0 | £0 | £717,000 | £684,180.14 | £32,819.86 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £717,000 | £0 | £0 | £717,000 | £684,180.14 | £32,819.86 |
| Other Charges | £488,000 | £0 | £0 | £488,000 | £429,667.85 | £58,332.15 |
| TOTAL JUSTICE | £1,205,000 | £0 | £0 | £1,205,000 | £1,113,847.99 | £91,152.01 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 37 :- FIRE AND RESCUE SERVICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £2,800,000 | £0 | £90,491 | £2,890,491 | £2,961,686.27 | |
| 1(1)(b)(i) Overtime - Conditioned | £520,000 | £0 | £0 | £520,000 | £595,970.14 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £650,000 | £0 | £0 | £650,000 | £447,634.53 | |
| 1(1)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £12,039.91 | |
| 1(1)(c) Allowances | £550,000 | £0 | £0 | £550,000 | £643,813.11 | |
| 1(1)(d) Pension Contributions | £35,000 | £0 | £0 | £35,000 | £54,056.98 | |
| Total Personal Emoluments | £4,570,000 | £0 | £90,491 | £4,660,491 | £4,715,200.94 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £75,000 | £0 | £0 | £75,000 | £32,176.20 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £3,295.54 | |
| 1(2)(c) Allowances | £4,000 | £0 | £0 | £4,000 | £2,961.96 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £845.90 | |
| Total Industrial Wages | £94,000 | £0 | £0 | £94,000 | £39,279.60 | |
| TOTAL PAYROLL | £4,664,000 | £0 | £90,491 | £4,754,491 | £4,754,480.54 | £10.46 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £15,000 | £0 | (£1,615) | £13,385 | £9,976.50 | |
| 2(1)(b) Electricity and Water | £33,000 | £0 | £0 | £33,000 | £42,291.00 | |
| 2(1)(c) Telephone Service | £20,000 | £0 | £0 | £20,000 | £15,428.73 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £4,775.54 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £32,000 | £0 | £0 | £32,000 | £30,911.60 | |
| Total Office Expenses | £105,000 | £0 | (£1,615) | £103,385 | £103,383.37 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Fire and Rescue Equipment | £25,000 | £0 | £0 | £25,000 | £27,895.78 | |
| 2(2)(b) Fire Precautions | £9,000 | £0 | £0 | £9,000 | £9,770.78 | |
| 2(2)(c) Protective Clothing and Uniforms | £45,000 | £0 | £0 | £45,000 | £46,336.67 | |
| 2(2)(d) Civil Protection | £2,000 | £0 | £0 | £2,000 | £1,440.43 | |
| 2(2)(e) Training Courses | £105,000 | £0 | £0 | £105,000 | £103,330.93 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 37 :- FIRE AND RESCUE SERVICE | | | | | | |
| 2(2)(f) Contracted Services: Radio Communication System - Gibtelecom Ltd | £33,000 | £0 | (£1,520) | £31,480 | £28,704.00 | |
| Total Operational Expenses | £219,000 | £0 | (£1,520) | £217,480 | £217,478.59 | |
| 2(3) Brigade Review | £5,000 | £0 | £0 | £5,000 | £6,219.74 | |
| Total | £5,000 | £0 | £0 | £5,000 | £6,219.74 | |
| 2(4) Fire Fighting Simulator Expenses | £1,000 | £0 | £0 | £1,000 | £348.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £348.00 | |
| 2(5) Mobile Command Unit | £7,000 | £0 | (£98) | £6,902 | £6,333.34 | |
| Total | £7,000 | £0 | (£98) | £6,902 | £6,333.34 | |
| 2(6) Relief Cover | £9,000 | £0 | (£1,798) | £7,202 | £7,201.47 | |
| Total | £9,000 | £0 | (£1,798) | £7,202 | £7,201.47 | |
| TOTAL OTHER CHARGES | £346,000 | £0 | (£5,031) | £340,969 | £340,964.51 | £4.49 |

37 :- FIRE AND RESCUE SERVICE

SUMMARY

| | | | | | | |
|--|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £4,570,000 | £0 | £90,491 | £4,660,491 | £4,715,200.94 | (£54,709.94) |
| Industrial Wages | £94,000 | £0 | £0 | £94,000 | £39,279.60 | £54,720.40 |
| Total Payroll | £4,664,000 | £0 | £90,491 | £4,754,491 | £4,754,480.54 | £10.46 |
| Other Charges | £346,000 | £0 | (£5,031) | £340,969 | £340,964.51 | £4.49 |
| TOTAL FIRE AND RESCUE SERVICE | £5,010,000 | £0 | £85,460 | £5,095,460 | £5,095,445.05 | £14.95 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 38 :- CIVIL CONTINGENCY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £111,000 | £0 | £0 | £111,000 | £99,085.71 | |
| 1(1)(b) Overtime | £1,000 | £0 | £0 | £1,000 | £1,664.53 | |
| 1(1)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £213.33 | |
| 1(1)(d) Pension Contributions | £14,000 | £0 | £0 | £14,000 | £13,949.66 | |
| Total Personal Emoluments | £127,000 | £0 | £0 | £127,000 | £114,913.23 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £127,000 | £0 | £0 | £127,000 | £114,913.23 | £12,086.77 |
| <u>OTHER CHARGES</u> | | | | | | |
| 2(1) Civil Contingency Planning | £36,000 | £0 | £0 | £36,000 | £31,551.59 | |
| Total | £36,000 | £0 | £0 | £36,000 | £31,551.59 | |
| 2(2) Contract Officers | £23,000 | £0 | £0 | £23,000 | £23,297.36 | |
| Total | £23,000 | £0 | £0 | £23,000 | £23,297.36 | |
| 2(3) Relief Cover | £7,000 | £0 | £0 | £7,000 | £0.00 | |
| Total | £7,000 | £0 | £0 | £7,000 | £0.00 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £0 | £0 | £0 | £0 | £10,796.16 | |
| Total | £0 | £0 | £0 | £0 | £10,796.16 | |
| TOTAL OTHER CHARGES | £66,000 | £0 | £0 | £66,000 | £65,645.11 | £354.89 |

38 :- CIVIL CONTINGENCY

SUMMARY

| | | | | | | |
|--------------------------------|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| Personal Emoluments | £127,000 | £0 | £0 | £127,000 | £114,913.23 | £12,086.77 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £127,000 | £0 | £0 | £127,000 | £114,913.23 | £12,086.77 |
| Other Charges | £66,000 | £0 | £0 | £66,000 | £65,645.11 | £354.89 |
| TOTAL CIVIL CONTINGENCY | £193,000 | £0 | £0 | £193,000 | £180,558.34 | £12,441.66 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 39 :- SPORT AND LEISURE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £32,000 | £0 | (£32,000) | £0 | £0.00 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(d) Pension Contributions | £1,000 | £0 | (£806) | £194 | £0.00 | |
| Total Personal Emoluments | £34,000 | £0 | (£32,806) | £1,194 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £20,000 | £0 | £0 | £20,000 | £20,914.36 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £2,960.09 | |
| 1(2)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £317.26 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages | £23,000 | £0 | £0 | £23,000 | £24,191.71 | |
| TOTAL PAYROLL | £57,000 | £0 | (£32,806) | £24,194 | £24,191.71 | £2.29 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority</i> | | | | | | |
| 2(1)(a) Contribution from Revenues Received | £200,000 | £0 | £0 | £200,000 | £87,514.23 | |
| 2(1)(b) Additional Contribution | £4,549,000 | £0 | £549,536 | £5,098,536 | £5,211,000.00 | |
| Total Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority | £4,749,000 | £0 | £549,536 | £5,298,536 | £5,298,514.23 | |
| TOTAL OTHER CHARGES | £4,749,000 | £0 | £549,536 | £5,298,536 | £5,298,514.23 | £21.77 |
| 39 :- SPORT AND LEISURE | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £34,000 | £0 | (£32,806) | £1,194 | £0.00 | £1,194.00 |
| Industrial Wages | £23,000 | £0 | £0 | £23,000 | £24,191.71 | (£1,191.71) |
| Total Payroll | £57,000 | £0 | (£32,806) | £24,194 | £24,191.71 | £2.29 |
| Other Charges | £4,749,000 | £0 | £549,536 | £5,298,536 | £5,298,514.23 | £21.77 |
| TOTAL SPORT AND LEISURE | £4,806,000 | £0 | £516,730 | £5,322,730 | £5,322,705.94 | £24.06 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 40 :- CULTURE AND HERITAGE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £325,000 | £0 | (£54,538) | £270,462 | £264,733.40 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £30,000 | £0 | £0 | £30,000 | £30,914.28 | |
| 1(1)(c) Allowances | £19,000 | £0 | £0 | £19,000 | £22,756.84 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £9,000 | £0 | £0 | £9,000 | £10,055.53 | |
| Total Personal Emoluments | £383,000 | £0 | (£54,538) | £328,462 | £328,460.05 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £383,000 | £0 | (£54,538) | £328,462 | £328,460.05 | £1.95 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £6,000 | £0 | £0 | £6,000 | £2,741.13 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £6,171.31 | |
| 2(1)(c) Telephone Service | £9,000 | £0 | £0 | £9,000 | £11,496.31 | |
| 2(1)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £2,253.69 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £21,000 | £0 | £0 | £21,000 | £24,964.27 | |
| Total Office Expenses | £44,000 | £0 | £0 | £44,000 | £47,626.71 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Motor Vehicle Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(b) Repairs and Maintenance | £5,000 | £0 | £0 | £5,000 | £4,337.28 | |
| 2(2)(c) Computer and Office Equipment | £3,000 | £0 | £0 | £3,000 | £359.00 | |
| 2(2)(d) Contracted Services: Security | £20,000 | £0 | £0 | £20,000 | £20,624.84 | |
| Total Operational Expenses | £29,000 | £0 | £0 | £29,000 | £25,321.12 | |
| <i>Cultural Expenses and Activities</i> | | | | | | |
| 2(3)(a) Cultural Grants | £200,000 | £0 | £0 | £200,000 | £200,111.30 | |
| 2(3)(b) Gibraltar Heritage Trust - Grant | £100,000 | £0 | £0 | £100,000 | £100,000.00 | |
| 2(3)(c) Mega Concert | £1,500,000 | £0 | £1,985,450 | £3,485,450 | £3,485,441.16 | |
| 2(3)(d) Jazz Festival | £120,000 | £0 | £0 | £120,000 | £106,714.93 | |
| 2(3)(e) Garrison Library Trust | £160,000 | £0 | £0 | £160,000 | £159,926.49 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 40 :- CULTURE AND HERITAGE | | | | | | |
| 2(3)(f) Cavalcade | £15,000 | £0 | £0 | £15,000 | £13,967.15 | |
| 2(3)(g) Other Events | £110,000 | £0 | £0 | £110,000 | £84,962.93 | |
| 2(3)(h) Academy | £1,000 | £0 | £109,688 | £110,688 | £110,680.27 | |
| 2(3)(i) Magic Festival | £25,000 | £0 | £0 | £25,000 | £25,000.00 | |
| 2(3)(j) Gibraltar International Song Festival | £80,000 | £0 | £14,410 | £94,410 | £147,500.00 | |
| 2(3)(k) Workers' Memorial and May Day Events | £15,000 | £0 | £0 | £15,000 | £21,675.98 | |
| Total Cultural Expenses and Activities | £2,326,000 | £0 | £2,109,548 | £4,435,548 | £4,455,980.21 | |
| 2(4) Maintenance of Monuments and Heritage Sites | £20,000 | £0 | £0 | £20,000 | £12,789.78 | |
| Total | £20,000 | £0 | £0 | £20,000 | £12,789.78 | |
| 2(5) Contribution to Gibraltar Development Corporation - Staff Services | £125,000 | £0 | £0 | £125,000 | £118,522.72 | |
| Total | £125,000 | £0 | £0 | £125,000 | £118,522.72 | |
| 2(6) Contracted Services - Culture and Heritage | £3,300,000 | £0 | £262,760 | £3,562,760 | £3,562,751.11 | |
| Total | £3,300,000 | £0 | £262,760 | £3,562,760 | £3,562,751.11 | |
| 2(7) Mayoral Expenses | £30,000 | £0 | £0 | £30,000 | £22,452.63 | |
| Total | £30,000 | £0 | £0 | £30,000 | £22,452.63 | |
| 2(8) Contribution to Citizens Advice Bureau | £220,000 | £0 | £0 | £220,000 | £219,956.88 | |
| Total | £220,000 | £0 | £0 | £220,000 | £219,956.88 | |
| 2(9) Purchase of Cultural Items | £1,000 | £0 | £223,050 | £224,050 | £224,042.68 | |
| Total | £1,000 | £0 | £223,050 | £224,050 | £224,042.68 | |
| 2(10) Relief Cover | £20,000 | £0 | £0 | £20,000 | £20,873.09 | |
| Total | £20,000 | £0 | £0 | £20,000 | £20,873.09 | |
| TOTAL OTHER CHARGES | £6,115,000 | £0 | £2,595,358 | £8,710,358 | £8,710,316.93 | £41.07 |

40 :- CULTURE AND HERITAGE

SUMMARY

| | | | | | | |
|---------------------------------------|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| Personal Emoluments | £383,000 | £0 | (£54,538) | £328,462 | £328,460.05 | £1.95 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £383,000 | £0 | (£54,538) | £328,462 | £328,460.05 | £1.95 |
| Other Charges | £6,115,000 | £0 | £2,595,358 | £8,710,358 | £8,710,316.93 | £41.07 |
| TOTAL CULTURE AND HERITAGE | £6,498,000 | £0 | £2,540,820 | £9,038,820 | £9,038,776.98 | £43.02 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 41 :- YOUTH | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments | | | | | | |
| 1(1)(a) Salaries | £320,000 | £0 | (£23,980) | £296,020 | £286,271.90 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(c) Allowances | £2,000 | £0 | £0 | £2,000 | £5,391.04 | |
| 1(1)(d) Temporary Assistance | £69,000 | £0 | £0 | £69,000 | £59,108.92 | |
| 1(1)(e) Pension Contributions | £16,000 | £0 | £0 | £16,000 | £13,379.15 | |
| Total Personal Emoluments | £408,000 | £0 | (£23,980) | £384,020 | £364,151.01 | |
| Industrial Wages | | | | | | |
| 1(2)(a) Basic Wages | £42,000 | £0 | £0 | £42,000 | £43,558.47 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £814.33 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £3,208.20 | |
| Total Industrial Wages | £44,000 | £0 | £0 | £44,000 | £47,581.00 | |
| TOTAL PAYROLL | £452,000 | £0 | (£23,980) | £428,020 | £411,732.01 | £16,287.99 |
| OTHER CHARGES | | | | | | |
| Office Expenses | | | | | | |
| 2(1)(a) General Expenses | £11,000 | £0 | £0 | £11,000 | £10,970.92 | |
| 2(1)(b) Electricity and Water | £10,000 | £0 | £3,526 | £13,526 | £13,554.53 | |
| 2(1)(c) Telephone Service | £4,000 | £0 | £3,424 | £7,424 | £7,423.34 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £749 | £3,749 | £3,748.81 | |
| Total Office Expenses | £28,000 | £0 | £7,699 | £35,699 | £35,697.60 | |
| Operational Expenses | | | | | | |
| 2(2)(a) Youth Activities | £45,000 | £0 | £4,898 | £49,898 | £49,967.76 | |
| 2(2)(b) Youth Grants | £35,000 | £0 | £0 | £35,000 | £35,000.00 | |
| 2(2)(c) Contracted Services: Office Cleaning - Government Cleaning Scheme | £4,000 | £0 | £0 | £4,000 | £3,931.25 | |
| 2(2)(d) Repairs and Maintenance | £1,000 | £0 | £0 | £1,000 | £997.62 | |
| Total Operational Expenses | £85,000 | £0 | £4,898 | £89,898 | £89,896.63 | |
| 2(3) Training | £8,000 | £0 | £86 | £8,086 | £8,085.93 | |
| Total | £8,000 | £0 | £86 | £8,086 | £8,085.93 | |
| 2(4) Relief Cover | £1,000 | £0 | £11,297 | £12,297 | £12,296.91 | |
| Total | £1,000 | £0 | £11,297 | £12,297 | £12,296.91 | |
| TOTAL OTHER CHARGES | £122,000 | £0 | £23,980 | £145,980 | £145,977.07 | £2.93 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 41 :- YOUTH | | | | | | |
| 41 :- YOUTH SUMMARY | | | | | | |
| Personal Emoluments | £408,000 | £0 | (£23,980) | £384,020 | £364,151.01 | £19,868.99 |
| Industrial Wages | £44,000 | £0 | £0 | £44,000 | £47,581.00 | (£3,581.00) |
| Total Payroll | £452,000 | £0 | (£23,980) | £428,020 | £411,732.01 | £16,287.99 |
| Other Charges | £122,000 | £0 | £23,980 | £145,980 | £145,977.07 | £2.93 |
| TOTAL YOUTH | £574,000 | £0 | £0 | £574,000 | £557,709.08 | £16,290.92 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

42 :- FINANCIAL SERVICES

PAYROLL

Personal Emoluments - Ministry

| | | | | | |
|--|----------------|-----------|-----------------|----------------|-------------------|
| 1(1)(a) Salaries | £29,000 | £0 | £0 | £29,000 | £29,193.78 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £1,000 | £0 | (£586) | £414 | £219.11 |
| 1(1)(c) Allowances | £3,000 | £0 | (£493) | £2,507 | £2,506.08 |
| 1(1)(d) Temporary Assistance | £1,000 | £0 | (£1,000) | £0 | £0.00 |
| 1(1)(e) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 |
| Total Personal Emoluments - Ministry | £34,000 | £0 | (£2,079) | £31,921 | £31,918.97 |

Personal Emoluments - Finance Centre

| | | | | | |
|---|-----------------|-----------|-----------------|-----------------|--------------------|
| 1(1)(f) Salaries | £127,000 | £0 | £0 | £127,000 | £127,496.74 |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iv) Overtime - Discretionary | £5,000 | £0 | (£5,000) | £0 | £0.00 |
| 1(1)(h) Allowances | £4,000 | £0 | (£3,239) | £761 | £618.36 |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j) Pension Contributions | £5,000 | £0 | £0 | £5,000 | £4,644.23 |
| Total Personal Emoluments - Finance Centre | £141,000 | £0 | (£8,239) | £132,761 | £132,759.33 |

Personal Emoluments - Central Register HMGoG

| | | | | | |
|---|----------------|-----------|------------------|----------------|-------------------|
| 1(1)(k) Salaries | £69,000 | £0 | (£32,437) | £36,563 | £36,562.32 |
| 1(1)(l)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iv) Overtime - Discretionary | £1,000 | £0 | (£1,000) | £0 | £0.00 |
| 1(1)(m) Allowances | £3,000 | £0 | (£2,881) | £119 | £118.64 |
| 1(1)(n) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(o) Pension Contributions | £1,000 | £0 | (£1,000) | £0 | £0.00 |
| Total Personal Emoluments - Central Register HMGoG | £74,000 | £0 | (£37,318) | £36,682 | £36,680.96 |

Industrial Wages

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

42 :- FINANCIAL SERVICES

Industrial Wages

| | | | | | | |
|-------------------------------|-----------------|-----------|------------------|-----------------|--------------------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £249,000 | £0 | (£47,636) | £201,364 | £201,359.26 | £4.74 |

OTHER CHARGES

Office Expenses - Ministry

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £1,857.91 | |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(c) Telephone Service | £8,000 | £0 | £0 | £8,000 | £10,794.78 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,378.59 | |
| 2(1)(e) Office Rent and Service Charges | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £0 | £0 | £0 | £0 | £0.00 | |
| Total Office Expenses - Ministry | £15,000 | £0 | £0 | £15,000 | £15,031.28 | |

Operational Expenses - Ministry

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(2)(a) Computer and Office Equipment | £2,000 | £0 | £0 | £2,000 | £1,123.15 | |
| 2(2)(b) Consultancy and Professional Fees | £1,000 | £0 | £0 | £1,000 | £18,000.00 | |
| Total Operational Expenses - Ministry | £3,000 | £0 | £0 | £3,000 | £19,123.15 | |
| 2(3) Marketing, Promotions and Conferences | £35,000 | £0 | £0 | £35,000 | £46,152.74 | |
| Total | £35,000 | £0 | £0 | £35,000 | £46,152.74 | |
| 2(4) Consultancy Services | £120,000 | £0 | £0 | £120,000 | £120,833.34 | |
| Total | £120,000 | £0 | £0 | £120,000 | £120,833.34 | |

Office Expenses - Finance Centre

| | | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(5)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £13,693.91 | |
| 2(5)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £2,348.78 | |
| 2(5)(c) Telephone Service | £18,000 | £0 | £0 | £18,000 | £13,159.01 | |
| 2(5)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £3,218.87 | |
| 2(5)(e) Office Rent and Service Charges | £112,000 | £0 | £0 | £112,000 | £112,245.20 | |
| 2(5)(f) Contracted Services: Office Cleaning | £12,000 | £0 | £0 | £12,000 | £10,998.18 | |
| Total Office Expenses - Finance Centre | £165,000 | £0 | £0 | £165,000 | £155,663.95 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 42 :- FINANCIAL SERVICES | | | | | | |
| 2(6) Marketing, Promotions and Conferences | £450,000 | £0 | £0 | £450,000 | £351,895.06 | |
| Total | £450,000 | £0 | £0 | £450,000 | £351,895.06 | |
| 2(7) Company Registration - Companies House (Gib) Ltd - Contracted Service | £1,435,000 | £0 | £0 | £1,435,000 | £1,518,520.76 | |
| Total | £1,435,000 | £0 | £0 | £1,435,000 | £1,518,520.76 | |
| 2(8) Contribution to Gibraltar Development Corporation - Staff Services | £270,000 | £0 | £0 | £270,000 | £266,566.51 | |
| Total | £270,000 | £0 | £0 | £270,000 | £266,566.51 | |
| 2(9) Contract Officers - Finance Centre | £437,000 | £0 | £0 | £437,000 | £394,770.29 | |
| Total | £437,000 | £0 | £0 | £437,000 | £394,770.29 | |
| 2(10) Subvention to the Financial Services Commission | £515,000 | £0 | £970,216 | £1,485,216 | £1,515,000.00 | |
| Total | £515,000 | £0 | £970,216 | £1,485,216 | £1,515,000.00 | |
| Office Expenses - Central Register HMGoG | | | | | | |
| 2(11)(a) General Expenses | £3,000 | £0 | £0 | £3,000 | £0.00 | |
| 2(11)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 2(11)(c) Telephone Service | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Office Expenses - Central Register HMGoG | £6,000 | £0 | £0 | £6,000 | £0.00 | |
| 2(12) OECD and MONEYVAL - Membership Fees and Expenses | £40,000 | £0 | £0 | £40,000 | £58,640.11 | |
| Total | £40,000 | £0 | £0 | £40,000 | £58,640.11 | |
| 2(13) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £3,492,000 | £0 | £970,216 | £4,462,216 | £4,462,197.19 | £18.81 |

42 :- FINANCIAL SERVICES

SUMMARY

| | | | | | | |
|---------------------------------|-------------------|-----------|------------------|-------------------|----------------------|---------------|
| Personal Emoluments | £249,000 | £0 | (£47,636) | £201,364 | £201,359.26 | £4.74 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £249,000 | £0 | (£47,636) | £201,364 | £201,359.26 | £4.74 |
| Other Charges | £3,492,000 | £0 | £970,216 | £4,462,216 | £4,462,197.19 | £18.81 |
| TOTAL FINANCIAL SERVICES | £3,741,000 | £0 | £922,580 | £4,663,580 | £4,663,556.45 | £23.55 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

42 :- FINANCIAL SERVICES

42 :- FINANCIAL SERVICES

SUMMARY

| | | | | | | |
|---------------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £249,000 | £0 | (£47,636) | £201,364 | £201,359.26 | £4.74 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £249,000 | £0 | (£47,636) | £201,364 | £201,359.26 | £4.74 |
| Other Charges | £3,492,000 | £0 | £970,216 | £4,462,216 | £4,462,197.19 | £18.81 |
| TOTAL FINANCIAL SERVICES | £3,741,000 | £0 | £922,580 | £4,663,580 | £4,663,556.45 | £23.55 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 43 :- GAMBLING DIVISION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments: Gambling Division</i> | | | | | | |
| 1(1)(a) Salaries | £112,000 | £0 | (£3,250) | £108,750 | £104,877.06 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £8,000 | £0 | £0 | £8,000 | £5,364.32 | |
| 1(1)(c) Allowances | £3,000 | £0 | £0 | £3,000 | £1,203.84 | |
| 1(1)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments: Gambling Division | £123,000 | £0 | (£3,250) | £119,750 | £111,445.22 | |
| <i>Personal Emoluments: Liaison Department</i> | | | | | | |
| 1(1)(e) Salaries | £32,000 | £0 | £0 | £32,000 | £32,623.88 | |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £1,037.51 | |
| 1(1)(g) Allowances | £1,000 | £0 | £0 | £1,000 | £889.92 | |
| 1(1)(h) Pension Contributions | £7,000 | £0 | £0 | £7,000 | £5,546.04 | |
| Total Personal Emoluments: Liaison Department | £41,000 | £0 | £0 | £41,000 | £40,097.35 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £164,000 | £0 | (£3,250) | £160,750 | £151,542.57 | £9,207.43 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £3,208.85 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,463.68 | |
| 2(1)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £4,196.19 | |
| 2(1)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £1,287.82 | |
| 2(1)(e) Office Rent and Service Charges | £57,000 | £0 | £0 | £57,000 | £54,849.34 | |
| 2(1)(f) Contracted Services: Office Cleaning | £4,000 | £0 | £0 | £4,000 | £4,275.13 | |
| Total Office Expenses | £72,000 | £0 | £0 | £72,000 | £69,281.01 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 43 :- GAMBLING DIVISION | | | | | | |
| Operational Expenses | | | | | | |
| 2(2)(a) Conferences, Training and Official Travel | £35,000 | £0 | £0 | £35,000 | £25,282.79 | |
| 2(2)(b) Professional Fees | £5,000 | £0 | £0 | £5,000 | £3,094.23 | |
| 2(2)(c) Computer and Office Equipment Expenses | £1,000 | £0 | £0 | £1,000 | £634.66 | |
| Total Operational Expenses | £41,000 | £0 | £0 | £41,000 | £29,011.68 | |
| 2(3) Business Development | £10,000 | £0 | £0 | £10,000 | £9,482.46 | |
| Total | £10,000 | £0 | £0 | £10,000 | £9,482.46 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £421,000 | £0 | £3,250 | £424,250 | £444,524.12 | |
| Total | £421,000 | £0 | £3,250 | £424,250 | £444,524.12 | |
| Gaming Industry Liaison | | | | | | |
| 2(5)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,395.40 | |
| 2(5)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(5)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £1,176.87 | |
| 2(5)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £3,371.15 | |
| Total Gaming Industry Liaison | £10,000 | £0 | £0 | £10,000 | £5,943.42 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £555,000 | £0 | £3,250 | £558,250 | £558,242.69 | £7.31 |

43 :- GAMBLING DIVISION

SUMMARY

| | | | | | | |
|--------------------------------|-----------------|-----------|-----------------|-----------------|--------------------|------------------|
| Personal Emoluments | £164,000 | £0 | (£3,250) | £160,750 | £151,542.57 | £9,207.43 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £164,000 | £0 | (£3,250) | £160,750 | £151,542.57 | £9,207.43 |
| Other Charges | £555,000 | £0 | £3,250 | £558,250 | £558,242.69 | £7.31 |
| TOTAL GAMBLING DIVISION | £719,000 | £0 | £0 | £719,000 | £709,785.26 | £9,214.74 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 44 :- MARITIME SERVICES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £878,000 | £0 | £0 | £878,000 | £870,524.69 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £100,000 | £0 | £58,090 | £158,090 | £158,082.72 | |
| 1(1)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £12,268.74 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f) Pension Contributions | £52,000 | £0 | £5,740 | £57,740 | £62,938.72 | |
| 1(1)(g) Contribution in Lieu of Gratuity | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments | £1,040,000 | £0 | £63,830 | £1,103,830 | £1,103,814.87 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,040,000 | £0 | £63,830 | £1,103,830 | £1,103,814.87 | £15.13 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £3,294.85 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £2,775.20 | |
| 2(1)(c) Telephone Service | £21,000 | £0 | £0 | £21,000 | £18,002.74 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £10,544.22 | |
| 2(1)(e) Marine Surveyors' Insurance | £5,000 | £0 | £0 | £5,000 | £4,260.75 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | £0 | £5,000 | £5,408.00 | |
| 2(1)(g) Rent and Service Charges | £14,000 | £0 | £0 | £14,000 | £14,224.32 | |
| Total Office Expenses | £62,000 | £0 | £0 | £62,000 | £58,510.08 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Computer Running Expenses | £18,000 | £0 | £0 | £18,000 | £19,830.49 | |
| 2(2)(b) Marketing and Official Visits | £60,000 | £0 | £0 | £60,000 | £25,663.41 | |
| 2(2)(c) Red Ensign Conference | £5,000 | £0 | £0 | £5,000 | £2,758.58 | |
| 2(2)(d) Survey and Investigation Expenses | £2,000 | £0 | £8,110 | £10,110 | £48,209.55 | |
| 2(2)(e) IMO Voluntary Audit Scheme | £5,000 | £0 | £0 | £5,000 | £6,129.50 | |
| Total Operational Expenses | £90,000 | £0 | £8,110 | £98,110 | £102,591.53 | |
| 2(3) Contribution to Gibraltar Development Corporation - Staff Services | £31,000 | £0 | £11,270 | £42,270 | £42,263.38 | |
| Total | £31,000 | £0 | £11,270 | £42,270 | £42,263.38 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 44 :- MARITIME SERVICES | | | | | | |
| 2(4) Maritime Accident Investigation Expenses | £45,000 | £0 | £4,260 | £49,260 | £49,255.19 | |
| Total | £45,000 | £0 | £4,260 | £49,260 | £49,255.19 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £229,000 | £0 | £23,640 | £252,640 | £252,620.18 | £19.82 |

44 :- MARITIME SERVICES

SUMMARY

| | | | | | | |
|--------------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £1,040,000 | £0 | £63,830 | £1,103,830 | £1,103,814.87 | £15.13 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,040,000 | £0 | £63,830 | £1,103,830 | £1,103,814.87 | £15.13 |
| Other Charges | £229,000 | £0 | £23,640 | £252,640 | £252,620.18 | £19.82 |
| TOTAL MARITIME SERVICES | £1,269,000 | £0 | £87,470 | £1,356,470 | £1,356,435.05 | £34.95 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 45 :- GIBRALTAR AUDIT OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £881,000 | £0 | £0 | £881,000 | £879,427.33 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £3,297.69 | |
| 1(1)(c) Allowances | £99,000 | £0 | £0 | £99,000 | £104,259.51 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £24,000 | £0 | £0 | £24,000 | £26,754.66 | |
| Total Personal Emoluments | £1,014,000 | £0 | £0 | £1,014,000 | £1,013,739.19 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,014,000 | £0 | £0 | £1,014,000 | £1,013,739.19 | £260.81 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £5,144.60 | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £6,283.04 | |
| 2(1)(c) Telephone Service | £6,000 | £0 | £0 | £6,000 | £4,830.02 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £5,803.11 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £6,000 | £0 | £0 | £6,000 | £5,242.44 | |
| Total Office Expenses | £27,000 | £0 | £0 | £27,000 | £27,303.21 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Audit Training | £17,000 | £0 | £0 | £17,000 | £15,889.05 | |
| 2(2)(b) Computers and Office Equipment | £11,000 | £0 | £0 | £11,000 | £6,891.25 | |
| 2(2)(c) Contracted Services: Support of Computer System | £6,000 | £0 | £0 | £6,000 | £5,010.49 | |
| Total Operational Expenses | £34,000 | £0 | £0 | £34,000 | £27,790.79 | |
| 2(3) Professional Audit Fees | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4) Relief Cover | £9,000 | £0 | £0 | £9,000 | £15,759.50 | |
| Total | £9,000 | £0 | £0 | £9,000 | £15,759.50 | |
| TOTAL OTHER CHARGES | £71,000 | £0 | £0 | £71,000 | £70,853.50 | £146.50 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

45 :- GIBRALTAR AUDIT OFFICE

45 :- GIBRALTAR AUDIT OFFICE

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|----------------|
| Personal Emoluments | £1,014,000 | £0 | £0 | £1,014,000 | £1,013,739.19 | £260.81 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,014,000 | £0 | £0 | £1,014,000 | £1,013,739.19 | £260.81 |
| Other Charges | £71,000 | £0 | £0 | £71,000 | £70,853.50 | £146.50 |
| TOTAL GIBRALTAR AUDIT OFFICE | £1,085,000 | £0 | £0 | £1,085,000 | £1,084,592.69 | £407.31 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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46 :- GIBRALTAR REGULATORY AUTHORITY

PAYROLL

Personal Emoluments

| | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|

OTHER CHARGES

| | | | | | |
|---|------------|----|----|------------|---------------|
| 2(1) Contribution to Gibraltar Regulatory Authority | £1,875,000 | £0 | £0 | £1,875,000 | £1,875,000.00 |
|---|------------|----|----|------------|---------------|

| | | | | | |
|--------------|-------------------|-----------|-----------|-------------------|----------------------|
| Total | £1,875,000 | £0 | £0 | £1,875,000 | £1,875,000.00 |
|--------------|-------------------|-----------|-----------|-------------------|----------------------|

| | | | | | |
|-----------------------------------|----|----|-----|-----|--------|
| 2(2) Banking and Related Services | £0 | £0 | £20 | £20 | £12.50 |
|-----------------------------------|----|----|-----|-----|--------|

| | | | | | |
|--------------|-----------|-----------|------------|------------|---------------|
| Total | £0 | £0 | £20 | £20 | £12.50 |
|--------------|-----------|-----------|------------|------------|---------------|

| | | | | | | |
|----------------------------|-------------------|-----------|------------|-------------------|----------------------|--------------|
| TOTAL OTHER CHARGES | £1,875,000 | £0 | £20 | £1,875,020 | £1,875,012.50 | £7.50 |
|----------------------------|-------------------|-----------|------------|-------------------|----------------------|--------------|

46 :- GIBRALTAR REGULATORY AUTHORITY

SUMMARY

| | | | | | | |
|---|-------------------|-----------|------------|-------------------|----------------------|--------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £1,875,000 | £0 | £20 | £1,875,020 | £1,875,012.50 | £7.50 |
| TOTAL GIBRALTAR REGULATORY AUTHORITY | £1,875,000 | £0 | £20 | £1,875,020 | £1,875,012.50 | £7.50 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------------|---------------------|-----------------------|-----------------------|
| 47 :- SUPPLEMENTARY PROVISION | | | | | | |
| 1 Supplementary Funding | £9,000,000 | £18,700,000 | (£27,554,605) | £145,395 | £0.00 | |
| TOTAL SUPPLEMENTARY PROVISION | £9,000,000 | £18,700,000 | (£27,554,605) | £145,395 | £0.00 | £145,395.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

48 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES

| | | | | | | |
|---|--------------------|-----------|-----------|--------------------|-----------------------|--------------|
| 1 Contribution to Government-Owned Companies | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | |
| TOTAL CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 49 :- TRANSFER FROM GOVERNMENT SURPLUS | | | | | | |
| 1 Payment to Social Assistance Fund - Import Duty - Transfer from Government Surplus | £1,000 | £19,999,000 | £0 | £20,000,000 | £20,000,000.00 | |
| TOTAL TRANSFER FROM GOVERNMENT SURPLUS | £1,000 | £19,999,000 | £0 | £20,000,000 | £20,000,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 50 :- CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 1 Contribution to the Improvement and Development Fund | £7,500,000 | £17,500,000 | £0 | £25,000,000 | £25,000,000.00 | |
| TOTAL CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | £7,500,000 | £17,500,000 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |

STATEMENT OF UNAUTHORISED EXPENDITURE **FOR THE YEAR ENDED 31 MARCH 2017**

(a) Expenditure not covered by Appropriation (Section 69 of the Gibraltar Constitution Order 2006)

There has been no expenditure incurred that has not been covered by Appropriation Law in the financial year ended 31 March 2017.

(b) Unauthorised use of Savings (Section 45 of the Public Finance (Control and Audit) Act)

There has been no unauthorised use of expenditure savings in the financial year ended 31 March 2017.

GOVERNMENT LIQUID RESERVES
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £260,079,554.88 | 100.000 | £260,079,554.88 | £260,079,554.88 |
| Cash held in Barclays Bank PLC | £1,166,554.15 | 100.000 | £1,166,554.15 | £1,166,554.15 |
| Cash held in Natwest Bank: | | | | |
| Sterling | £40,466,767.93 | 100.000 | £40,466,767.93 | £40,466,767.93 |
| Euros | £1,877,191.26 | 100.000 | £1,877,191.26 | £1,877,191.26 |
| US Dollars | £1,623,319.99 | 100.000 | £1,623,319.99 | £1,623,319.99 |
| Cash held in Jyske Bank | £1,016,365.25 | 100.000 | £1,016,365.25 | £1,016,365.25 |
| Cash held in Gibraltar International Bank | £2,205,539.14 | 100.000 | £2,205,539.14 | £2,205,539.14 |
| Crown Agents General Account | £41,422.40 | 100.000 | £41,422.40 | £41,422.40 |
| Paypal Account | £500,356.94 | 100.000 | £500,356.94 | £500,356.94 |
| Bank of England | £88.37 | 100.000 | £88.37 | £88.37 |
| Cash in Hand | £68,715.87 | 100.000 | £68,715.87 | £68,715.87 |
| | <u>£309,045,876.18</u> | | <u>£309,045,876.18</u> | <u>£309,045,876.18</u> |

SUMMARY OF RESERVES

| | £'m |
|----------------------------------|-----------------------|
| Consolidated Fund | £119.72 |
| Improvement and Development Fund | £7.90 |
| Cash Reserves | <u>£127.62</u> |
| Net Companies Deposits | £182.77 |
| Contingencies Fund | £0.40 |
| Other funds | <u>(£1.74)</u> |
| Government Liquid Reserves | <u><u>£309.05</u></u> |

Note

Sterling equivalent of monies held in foreign currency have been calculated using a weighted average rate of 1.1571537 for Euros and 1.3014915 for US Dollars. Foreign currency balances were not revalued at the year-end using a closing rate that would have led to a gain on foreign exchange of £27,146.42, which has not been accounted for.

DEPOSIT ACCOUNTS AS AT 31 MARCH 2017

Controlling Officers:

| | | |
|--|---------------|----------------|
| Accountant General | £6,326,917.01 | |
| Principal Secretary, Economic Development, Telecommunications and the Gibraltar Savings Bank | £918,329.59 | |
| Collector of Customs | £784,522.06 | |
| Commissioner of Income Tax | £751,869.58 | |
| Chief Technical Officer | £655,436.14 | |
| Principal Secretary, Employment | £583,775.00 | |
| Principal Secretary, Social Security | £575,894.98 | |
| Principal Housing Officer | £390,967.23 | |
| Chief Executive, Gibraltar Courts Service | £219,504.17 | |
| Senior Executive Officer, Culture and Heritage | £183,341.03 | |
| Principal Secretary, Education, Justice and International Exchange of Information | £149,645.45 | |
| Conservation Officer | £55,840.01 | |
| Chief Executive, Environment | £47,088.57 | |
| Post Office Manager | £40,159.69 | |
| Director of Education | £28,833.72 | |
| Chief Executive, Technical Services | £15,858.61 | |
| Principal Secretary, Operations, Deputy Chief Minister's Office | £13,918.76 | |
| Others | £11,835.01 | |
| | | £11,753,736.61 |

Other Governments, Administrations,

Public Corporations or Institutions:

| | | |
|---|-------------|-----------------|
| Chief Executive, Gibraltar Electricity Authority | £249,300.00 | |
| Chief Executive, Gibraltar Health Authority | £230,159.04 | |
| Chief Executive Officer, Borders and Coastguard Agency | £161,374.50 | |
| Chief Executive Officer, Gibraltar Sports and Leisure Authority | £70,273.98 | |
| Chief Executive Officer, Care Agency | £6,051.83 | |
| | | £717,159.35 |
| Government-Owned Companies | | £169,762,224.39 |
| Gibraltar Development Corporation-Owned Companies | | £13,124,052.66 |
| Municipal Services Deposits | | £1,821,485.54 |
| Government Lottery | | £263,927.66 |
| Municipal Services Deductions | | £192,935.75 |
| Cheques Unpresented | | £145,661.60 |
| Trade Union Fees | | £135,201.47 |

Balance held by Authorities, Agencies and other Public Corporations:

| | |
|---|-----------|
| Gibraltar Electricity Authority | £1,481.89 |
| Gibraltar Health Authority - Elderly Residential Services Section | £1,399.62 |
| Borders and Coastguard Agency | £1,293.95 |
| Gibraltar Sports and Leisure Authority | £788.90 |
| Gibraltar Health Authority | £785.53 |
| Gibraltar Development Corporation | £771.77 |
| Housing Works Agency | £770.02 |
| Gibraltar Port Authority | £663.83 |
| Care Agency | £189.44 |

£197,924,529.98

DEPOSIT ACCOUNTS**STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Barclays Bank - Deposit Account | £1,000.00 | 100.000 | £1,000.00 £0.87 | £1,000.87 |
| Savings Bank Fund: On-Call Investment Account | £1,073,982.74 | 100.000 | £1,073,982.74 | £1,073,982.74 |
| | £1,074,982.74 | | £1,074,983.61 | £1,074,983.61 |

ADVANCE ACCOUNTS AS AT 31 MARCH 2017

Controlling Officers:

| | | |
|---|-------------------|---------------|
| Accountant General | £8,088,434.37 | |
| Senior Executive Officer, Culture and Heritage | £742,973.75 | |
| Commissioner of Income Tax | £316,446.00 | |
| Chief Executive, Environment | £179,789.00 | |
| Principal Secretary, Economic Development, Telecommunications and the Gibraltar Savings Bank | £82,920.76 | |
| Chief Executive, Gibraltar Courts Service | £27,850.83 | |
| Principal Auditor | £21,537.89 | |
| Financial Secretary | £17,380.20 | |
| Principal Secretary, Employment | £14,727.21 | |
| Others | <u>£40,106.46</u> | |
| | | £9,532,166.47 |

Other Governments, Administrations, Public Corporations or Institutions:

| | | |
|--|-------------------|---------------|
| Chief Executive, Gibraltar Port Authority | £3,948,995.08 | |
| Chief Executive Officer, Borders and Coastguard Agency | £155,930.70 | |
| Chief Executive, Gibraltar Health Authority | £78,374.85 | |
| Chief Executive Officer, Care Agency | <u>£12,901.62</u> | |
| | | £4,196,202.25 |

| | | |
|--------------|--------------------|------------------------------|
| AquaGib Ltd | £372,592.15 | |
| Others | £191,179.85 | |
| GSBA Limited | <u>£118,946.15</u> | |
| | | £682,718.15 |
| | | <u><u>£14,411,086.87</u></u> |

UNRETIRED IMPRESTS AS AT 31ST MARCH 2017

| | |
|--|----------------------|
| Principal Secretary, Social Security | £850,200.00 |
| Accountant General | £279,951.00 |
| Commissioner of Income Tax | £150,650.00 |
| Principal Secretary, Operations, Deputy Chief Minister's Office | £88,201.02 |
| Chief Executive Officer, Gibraltar Tourist Board | £72,099.94 |
| Chief Executive, Gibraltar Health Authority | £66,560.00 |
| Chief Executive, Gibraltar Courts Service | £20,100.00 |
| Principal Secretary, Education, Justice and International Exchange of Information | £18,525.00 |
| Chief Secretary | £9,030.00 |
| Post Office Manager | £5,600.00 |
| Commissioner of Police | £2,940.00 |
| Elderly Care Manager, Gibraltar Health Authority - Elderly Residential Services Section | £1,400.00 |
| Superintendent of Prison | £1,300.00 |
| Collector of Customs | £1,040.00 |
| Chief Executive, Environment | £925.00 |
| Principal Housing Officer | £840.00 |
| Chief Executive Officer, Care Agency | £800.00 |
| Chief Executive, Technical Services | £750.00 |
| Principal Secretary, Immigration and Civil Status | £435.00 |
| Chief Executive Officer, Gibraltar Electricity Authority | £370.00 |
| Chief Examiner | £330.00 |
| Financial Secretary | £300.00 |
| Principal Secretary, Employment | £210.00 |
| Principal Secretary, Economic Development, Telecommunications and the Gibraltar Savings Bank | £200.00 |
| Senior Executive Officer, Culture and Heritage | £190.00 |
| Chief Executive Officer, Gibraltar Sports and Leisure Authority | £180.00 |
| Chief Executive Officer, Borders and Coastguard Agency | £100.00 |
| Chief Executive, Gibraltar Port Authority | £100.00 |
| Chief Statistician | £100.00 |
| Principal Auditor | £100.00 |
| Senior Executive Officer, Equality and Social Services | £100.00 |
| Head of Finance, Administration and Resources, Housing Works Agency | £80.00 |
| Principal Secretary, Business | £75.00 |
| Principal Secretary, Transport, Traffic and Technical Services | £75.00 |
| Chief Fire Officer | £60.00 |
| Director of Education | £50.00 |
| | <u>£1,573,966.96</u> |

ABSTRACT STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 MARCH 2017

| | <u>RECEIPTS</u> | <u>PAYMENTS</u> |
|---|------------------------|------------------------|
| Consolidated Fund - Revenue | £655,724,433.84 | £0.00 |
| Consolidated Fund - Expenditure | £0.00 | £620,684,780.83 |
| Special Funds | £313,245,574.26 | £287,868,884.83 |
| Investment Account | £239,047,260.72 | £276,805,364.39 |
| Advance Account | £1,842,017,804.65 | £1,827,407,238.44 |
| Deposit Account | £2,324,482,317.90 | £2,162,324,651.90 |
| Imprest Account | £939,117.74 | £859,156.74 |
| Drafts and Remittances | £137,509,536.77 | £137,509,536.77 |
| Gibraltar Development Corporation | £16,953,361.58 | £16,952,858.36 |
| Gibraltar Health Authority | £121,008,244.84 | £121,008,503.62 |
| Care Agency | £16,305,267.32 | £16,305,604.46 |
| Gibraltar Health Authority - Elderly Residential Services Section | £18,145,721.25 | £18,145,336.30 |
| Gibraltar Electricity Authority | £71,374,303.30 | £71,374,621.35 |
| Gibraltar Sports and Leisure Authority | £5,854,121.76 | £5,854,657.44 |
| Gibraltar Port Authority | £6,056,799.70 | £6,057,537.77 |
| Housing Works Agency | £7,714,055.76 | £7,713,837.46 |
| Borders and Coastguard Agency | £6,181,956.26 | £6,181,410.53 |
| Loans Issued to Sundry Entities | £111,708.13 | £0.00 |
| Loans Issued by Government | £0.00 | £111,708.13 |
| | <hr/> | <hr/> |
| | £5,782,671,585.78 | £5,583,165,689.32 |
| Government Liquid Reserves on 1 April 2016 | £109,539,979.72 | £0.00 |
| | <hr/> | <hr/> |
| | £5,892,211,565.50 | £5,583,165,689.32 |
| Government Liquid Reserves on 31 March 2017 | £0.00 | £309,045,876.18 |
| | <hr/> | <hr/> |
| | £5,892,211,565.50 | £5,892,211,565.50 |

SPECIAL FUNDS SUMMARY FOR THE YEAR ENDED 31 MARCH 2017

| FUND ACCOUNT | FUND ACCOUNT BALANCE ON 1 April 2016 | RECEIPTS DURING THE YEAR | PAYMENTS DURING THE YEAR | ADVANCE FROM CONSOLIDATED FUND | FUND ACCOUNT BALANCE ON 31 March 2017 | INVESTMENTS ON 31 March 2017 | GOVERNMENT LIQUID RESERVES |
|--------------------------------------|--|--------------------------------|--------------------------------|--------------------------------------|---|------------------------------------|----------------------------------|
| Improvement and Development Fund | £20,299,595.55 | £34,855,414.16 | (£47,257,311.73) | £0.00 | £7,897,697.98 | £0.00 | £7,897,697.98 |
| Statutory Benefits Fund | £809,282.44 | £29,634,520.02 | (£36,491,854.93) | £6,095,000.00 | £46,947.53 | £46,947.53 | £0.00 |
| Social Assistance Fund | £77,602.15 | £27,900,000.00 | (£27,788,558.36) | £0.00 | £189,043.79 | £189,043.79 | £0.00 |
| Note Security Fund | £38,154,703.70 | £40,133,004.83 | (£37,666,222.42) | £0.00 | £40,621,486.11 | £40,621,486.11 | £0.00 |
| General Sinking Fund | £1,731,242.76 | £10,000,000.00 | (£6,524,173.16) | £0.00 | £5,207,069.60 | £5,207,069.60 | £0.00 |
| Supreme Court Fund | £8,991,268.47 | £26,736.16 | (£8,545,705.36) | £0.00 | £472,299.27 | £421,893.60 | £50,405.67 |
| Administrator General's Account | £240,640.97 | £2,406.43 | £0.00 | £0.00 | £243,047.40 | £243,047.40 | £0.00 |
| FSRCC - Deposit Guarantee Fund * | £0.00 | £912,206.93 | £0.00 | £0.00 | £912,206.93 | £912,206.93 | £0.00 |
| FSRCC - Resolution Financing Fund ** | £0.00 | £1,140,258.38 | £0.00 | £0.00 | £1,140,258.38 | £1,140,258.38 | £0.00 |
| Government Trusts Fund | £101,481,525.68 | £100,999,915.53 | (£62,048,947.05) | £0.00 | £140,432,494.16 | £140,317,113.91 | £115,380.25 |
| Savings Bank Fund | £171,785,861.72 | £245,604,462.44 | (£226,322,773.01) | £6,095,000.00 | £197,162,551.15 | £189,099,067.25 | £8,063,483.90 |
| | £1,016,029,653.76 | £384,293,661.82 | (£41,171,618.02) | £0.00 | £1,359,151,697.56 | £1,359,151,697.56 | £0.00 |
| | £1,187,815,515.48 | £629,898,124.26 | (£267,494,391.03) | £6,095,000.00 | £1,556,314,248.71 | £1,548,250,764.81 | £8,063,483.90 |

* Financial Services Resolution and Compensation Committee (FSRCC) - Deposit Guarantee Fund

** Financial Services Resolution and Compensation Committee (FSRCC) - Resolution Financing Fund

SPECIAL FUNDS
IMPROVEMENT AND DEVELOPMENT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|--|-----------------------|
| Contribution and Loans | £25,000,000.00 |
| Sale of Government Properties and Other Premia | £8,828,880.03 |
| Grants | £0.00 |
| Reimbursements | £1,026,534.13 |
| | <u>£34,855,414.16</u> |

PAYMENTS

| | | |
|---------------------|-----------------------|-------------------------|
| Works and Equipment | £15,386,830.15 | |
| Projects | <u>£31,870,481.58</u> | |
| | | (£47,257,311.73) |
| Net Payments | | <u>(£12,401,897.57)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|--|----------------------|
| Balance held in Government Liquid Reserves | <u>£7,897,697.98</u> |
|--|----------------------|

FINANCED BY

| | |
|---------------------------------------|-------------------------|
| Fund Account Balance on 1 April 2016 | £20,299,595.55 |
| Net Payments during the year | <u>(£12,401,897.57)</u> |
| Fund Account Balance on 31 March 2017 | <u>£7,897,697.98</u> |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|-----------------------|------------------------------|
| <u>IMPROVEMENT AND DEVELOPMENT FUND</u> | | | |
| <u>SUMMARY OF REVENUE</u> | | | |
| 101 :- CONTRIBUTION AND LOANS | £7,501,000 | £25,000,000.00 | £17,499,000.00 |
| 102 :- SALE OF GOVERNMENT PROPERTIES AND OTHER PREMIA | £35,001,000 | £8,828,880.03 | (£26,172,119.97) |
| 103 :- GRANTS | £2,000 | £0.00 | (£2,000.00) |
| 104 :- REIMBURSEMENTS | £1,748,000 | £1,026,534.13 | (£721,465.87) |
| | £44,252,000 | £34,855,414.16 | (£9,396,585.84) |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|-----------------|---------------------------------|-------------------|---------------------------------|
|-----------------|---------------------------------|-------------------|---------------------------------|

IMPROVEMENT AND DEVELOPMENT FUND

HEAD 101 :- CONTRIBUTION AND LOANS

| | | | |
|---|-------------------|-----------------------|-----------------------|
| 1 Contribution from Consolidated Fund - Reserve | £7,500,000 | £25,000,000.00 | £17,500,000.00 |
| 2 Loans | £1,000 | £0.00 | (£1,000.00) |
| | £7,501,000 | £25,000,000.00 | £17,499,000.00 |

HEAD 102 :- SALE OF GOVERNMENT PROPERTIES AND OTHER PREMIA

| | | | |
|--|--------------------|----------------------|-------------------------|
| 1 Land and Building Sales and Leases (a) | £35,000,000 | £8,828,880.03 | (£26,171,119.97) |
| 2 Ex MOD Sales | £1,000 | £0.00 | (£1,000.00) |
| | £35,001,000 | £8,828,880.03 | (£26,172,119.97) |

HEAD 103 :- GRANTS

| | | | |
|--|---------------|--------------|--------------------|
| 1 EU Grant - Competitiveness & Employment Objective Programme (ERDF) | £1,000 | £0.00 | (£1,000.00) |
| 2 EU Grant - Interreg Territorial Co-Operation | £1,000 | £0.00 | (£1,000.00) |
| | £2,000 | £0.00 | (£2,000.00) |

HEAD 104 :- REIMBURSEMENTS

| | | | |
|--|-------------------|----------------------|----------------------|
| 1 Commercial Projects | £1,000 | £0.00 | (£1,000.00) |
| 2 Residential Projects | £1,000 | £0.00 | (£1,000.00) |
| 3 Loans Repayments | £64,000 | £111,708.13 | £47,708.13 |
| 4 Interest on Loans | £1,000 | £7,444.23 | £6,444.23 |
| 5 Other Reimbursements | £1,000 | £244,169.85 | £243,169.85 |
| 6 Receipts in Connection with the Transfer of MOD Electricity Undertakings | £680,000 | £344,000.00 | (£336,000.00) |
| 7 MOD Contribution to Gibraltar Airport Fire and Rescue Service | £1,000,000 | £0.00 | (£1,000,000.00) |
| 8 MOD Contribution towards Relocation Costs – Project Euston | £0 | £319,211.92 | £319,211.92 |
| | £1,748,000 | £1,026,534.13 | (£721,465.87) |

Note:

(a) The total revenue derived from Land and Building Sales and Leases has been offset by £4,230.00 as follows:

- The premium payable by Trafalgar House (Management) Ltd on extension to its existing lease has been discounted and the discount is being applied towards a refurbishment programme of Trafalgar House. The premiums payable by the tenants of Trafalgar House during the financial year 2016/17 totalled £13,780.45 and the amount paid was £9,550.45.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|

IMPROVEMENT AND DEVELOPMENT FUND

SUMMARY OF EXPENDITURE

| | | | | | | |
|-------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|-----------------------|
| 101 :- WORKS AND EQUIPMENT | £20,318,000 | £0 | £0 | £20,318,000 | £15,386,830.15 | £4,931,169.85 |
| 102 :- PROJECTS | £40,834,000 | £0 | £0 | £40,834,000 | £31,870,481.58 | £8,963,518.42 |
| | £61,152,000 | £0 | £0 | £61,152,000 | £47,257,311.73 | £13,894,688.27 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 101 :- WORKS AND EQUIPMENT | | | | | | |
| WORKS AND EQUIPMENT | | | | | | |
| 1(a) Education - Refurbishment of Educational Facilities and Equipment | £2,030,000 | £0 | £0 | £2,030,000 | £1,718,833.68 | £311,166.32 |
| 1(b) Prison | £38,000 | £0 | £0 | £38,000 | £5,175.95 | £32,824.05 |
| 1(c) Post Office | £50,000 | £0 | £0 | £50,000 | £49,944.65 | £55.35 |
| 1(d) Technical Services | £26,000 | £0 | £0 | £26,000 | £17,920.35 | £8,079.65 |
| 1(e) Gibraltar Broadcasting Corporation | £500,000 | £0 | £0 | £500,000 | £499,135.95 | £864.05 |
| 1(f) Contribution to Borders and Coastguard Agency | £30,000 | £0 | £0 | £30,000 | £29,000.00 | £1,000.00 |
| 1(g) Contribution to Gibraltar Health Authority | £2,555,000 | £0 | £0 | £2,555,000 | £1,439,000.00 | £1,116,000.00 |
| 1(h) Contribution to Gibraltar Electricity Authority | £1,050,000 | £0 | £0 | £1,050,000 | £1,001,000.00 | £49,000.00 |
| 1(i) Contribution to Gibraltar Health Authority - Elderly Residential Services Section | £336,000 | £0 | £0 | £336,000 | £316,000.00 | £20,000.00 |
| 1(j) Contribution to Care Agency | £300,000 | £0 | £0 | £300,000 | £293,000.00 | £7,000.00 |
| 1(k) Contribution to Housing Works Agency | £24,000 | £0 | £0 | £24,000 | £24,000.00 | £0.00 |
| 1(l) Contribution to Gibraltar Port Authority | £222,000 | £0 | £0 | £222,000 | £230,000.00 | (£8,000.00) |
| 1(m) Contribution to Gibraltar Sports and Leisure Authority | £332,000 | £0 | £0 | £332,000 | £348,000.00 | (£16,000.00) |
| 1(n) Housing: Works and Repairs | £6,000,000 | £0 | £0 | £6,000,000 | £4,583,674.77 | £1,416,325.23 |
| <i>Environment and Roads</i> | | | | | | |
| 1(o)(i) Environment Projects | £115,000 | £0 | £0 | £115,000 | £79,377.00 | £35,623.00 |
| 1(o)(ii) Rock Safety, Coastal Protection, Retaining Walls & Demolition Works | £500,000 | £0 | £0 | £500,000 | £507,028.39 | (£7,028.39) |
| 1(o)(iii) Drains and Sewers | £400,000 | £0 | £0 | £400,000 | £399,904.82 | £95.18 |
| 1(o)(iv) Road Maintenance and Resurfacing | £750,000 | £0 | £0 | £750,000 | £731,750.04 | £18,249.96 |
| 1(p) Traffic Enhancements | £25,000 | £0 | £0 | £25,000 | £13,218.64 | £11,781.36 |
| <i>Essential Services - Equipment</i> | | | | | | |
| 1(q)(i) Royal Gibraltar Police | £225,000 | £0 | £0 | £225,000 | £224,890.17 | £109.83 |
| 1(q)(ii) Customs Department | £158,000 | £0 | £0 | £158,000 | £282,172.12 | (£124,172.12) |
| 1(q)(iii) Fire and Rescue Service | £163,000 | £0 | £0 | £163,000 | £140,647.36 | £22,352.64 |
| 1(q)(iv) Gibraltar Airport Fire and Rescue Service | £2,250,000 | £0 | £0 | £2,250,000 | £250,022.78 | £1,999,977.22 |
| 1(r) Economic Development - EU Interreg | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 1(s) Youth Clubs Refurbishment | £46,000 | £0 | £0 | £46,000 | £46,063.17 | (£63.17) |
| <i>Tourism</i> | | | | | | |
| 1(t)(i) Beaches | £300,000 | £0 | £0 | £300,000 | £226,900.85 | £73,099.15 |
| 1(t)(ii) Other Sites | £200,000 | £0 | £0 | £200,000 | £156,471.73 | £43,528.27 |
| 1(u) Civil Contingency | £75,000 | £0 | £0 | £75,000 | £74,641.35 | £358.65 |
| <i>Launches</i> | | | | | | |
| 1(v)(i) Gibraltar Port Authority | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 1(w) Government Buildings, Works and Structures | £300,000 | £0 | £0 | £300,000 | £178,718.82 | £121,281.18 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 1(x) Government Furniture and Equipment | £125,000 | £0 | £0 | £125,000 | £67,680.90 | £57,319.10 |
| 1(y) Government Vehicles and Plant | £150,000 | £0 | £0 | £150,000 | £46,002.82 | £103,997.18 |
| 1(z) Other Works | £1,000 | £0 | £0 | £1,000 | £83,722.71 | (£82,722.71) |
| 1(za) Government Computerisation Programme | £1,000,000 | £0 | £0 | £1,000,000 | £999,931.13 | £68.87 |
| 1(zb) Mace Replacement | £40,000 | £0 | £0 | £40,000 | £0.00 | £40,000.00 |
| 1(zc) Contribution to Gibraltar Port Authority - Vessel Tracking System | £0 | £0 | £0 | £0 | £323,000.00 | (£323,000.00) |
| | £20,318,000 | £0 | £0 | £20,318,000 | £15,386,830.15 | £4,931,169.85 |
| | £20,318,000 | £0 | £0 | £20,318,000 | £15,386,830.15 | £4,931,169.85 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|--------------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 102 :- PROJECTS | | | | | | |
| ROADS AND PARKING PROJECTS | | | | | | |
| <i>Roads and Tunnel Projects</i> | | | | | | |
| 1(a)(i) Tunnels and Roads to North Front | £4,500,000 | £0 | £2,609,645 | £7,109,645 | £7,278,828.35 | (£169,183.35) |
| 1(a)(ii) Other Roads and Tunnels | £100,000 | £0 | £0 | £100,000 | £0.00 | £100,000.00 |
| 1(a)(iii) Highways Resurfacing Programme | £300,000 | £0 | £0 | £300,000 | £250,811.35 | £49,188.65 |
| 1(b) GIS Development | £20,000 | £0 | £0 | £20,000 | £0.00 | £20,000.00 |
| | £4,920,000 | £0 | £2,609,645 | £7,529,645 | £7,529,639.70 | £5.30 |
| RELOCATION COSTS | | | | | | |
| 2(a) MOD Lands | £700,000 | £0 | £0 | £700,000 | £725,585.85 | (£25,585.85) |
| 2(b)(i) MOD Project Euston | £11,000,000 | £0 | (£2,842,461) | £8,157,539 | £7,352,455.59 | £805,083.41 |
| 2(b)(ii) MOD Project Euston - Requested Works | £0 | £0 | £0 | £0 | £319,211.92 | (£319,211.92) |
| 2(c) Other Relocations | £1,000,000 | £0 | £0 | £1,000,000 | £439,982.69 | £560,017.31 |
| 2(d) Port Authority Relocation | £1,500,000 | £0 | £0 | £1,500,000 | £275,919.44 | £1,224,080.56 |
| | £14,200,000 | £0 | (£2,842,461) | £11,357,539 | £9,113,155.49 | £2,244,383.51 |
| | | | | | | |
| 3 Reclamation Projects | £1,000 | £0 | £232,816 | £233,816 | £233,815.20 | £0.80 |
| | £1,000 | £0 | £232,816 | £233,816 | £233,815.20 | £0.80 |
| OTHER PROJECTS | | | | | | |
| 4(a)(i) Upgrade of Sports Facilities: Bayside Sports Complex | £325,000 | £0 | £0 | £325,000 | £323,642.79 | £1,357.21 |
| 4(b) Upgrade of Playgrounds | £100,000 | £0 | £0 | £100,000 | £59,475.14 | £40,524.86 |
| 4(c) Old Naval Hospital Conversion and Refurbishment Works | £3,100,000 | £0 | £0 | £3,100,000 | £2,289,796.91 | £810,203.09 |
| 4(d) Heritage Building Refurbishments | £60,000 | £0 | £0 | £60,000 | £53,079.27 | £6,920.73 |
| 4(e) Climate Change and Renewables | £260,000 | £0 | £0 | £260,000 | £179,865.16 | £80,134.84 |
| 4(f) Boat Moorings | £1,000 | £0 | £0 | £1,000 | £372,418.12 | (£371,418.12) |
| 4(g) Bus Shelters | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| <i>Wellington Front</i> | | | | | | |
| 4(h)(i) Development | £810,000 | £0 | £0 | £810,000 | £1,476,796.55 | (£666,796.55) |
| 4(h)(ii) Infrastructure | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(i) Main Sewer | £250,000 | £0 | £0 | £250,000 | £175,066.05 | £74,933.95 |
| 4(j) Sustainable Traffic, Transport and Parking Plan | £250,000 | £0 | £0 | £250,000 | £160,918.67 | £89,081.33 |
| 4(k) Filling of City Centre Paving Stone Gaps | £50,000 | £0 | £0 | £50,000 | £46,071.00 | £3,929.00 |
| 4(l) Soft Loans and Repairs to Housing Estates | £250,000 | £0 | £0 | £250,000 | £87,376.40 | £162,623.60 |
| 4(m) Installation of CCTV Cameras | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(n) Cladding and Other Improvements to Housing Estates | £1,200,000 | £0 | £0 | £1,200,000 | £932,506.98 | £267,493.02 |
| 4(o) Parliament House | £196,000 | £0 | £0 | £196,000 | £7,151.00 | £188,849.00 |
| 4(p) Reef Creation Programme | £50,000 | £0 | £0 | £50,000 | £42,256.28 | £7,743.72 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 4(q) Refuse Shelters | £50,000 | £0 | £0 | £50,000 | £36,153.71 | £13,846.29 |
| 4(r) Feasibility Studies - New Projects | £100,000 | £0 | £0 | £100,000 | £88,831.00 | £11,169.00 |
| <i>Frontier</i> | | | | | | |
| 4(s)(i) Frontier Monitoring Project | £280,000 | £0 | £0 | £280,000 | £269,668.94 | £10,331.06 |
| 4(s)(ii) Infrastructure Works | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(s)(iii) Repairs to Fence | £1,000 | £0 | £0 | £1,000 | £1,177.90 | (£177.90) |
| 4(t) Acquisition/Refurbishment of Brussels Office | £25,000 | £0 | £0 | £25,000 | £19,387.48 | £5,612.52 |
| 4(u) Gorham's Cave Complex Renovation - World Heritage Status | £660,000 | £0 | £0 | £660,000 | £636,696.78 | £23,303.22 |
| 4(v) St Bernard's Catering Facility | £1,200,000 | £0 | £0 | £1,200,000 | £964,037.58 | £235,962.42 |
| 4(w) Upper Rock Projects - Environment | £200,000 | £0 | £0 | £200,000 | £101,312.34 | £98,687.66 |
| 4(x) Criminal Justice Integrated IT System | £526,000 | £0 | £0 | £526,000 | £602,359.15 | (£76,359.15) |
| 4(y) Commonwealth Park | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(z) Infrastructure Provision for Housing Projects (incl. Eastside) | £1,900,000 | £0 | £0 | £1,900,000 | £690,305.75 | £1,209,694.25 |
| 4(za) Urban Wastewater Treatment Plant | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zb) New Power Station - Infrastructure Works | £1,300,000 | £0 | £0 | £1,300,000 | £907,370.01 | £392,629.99 |
| 4(zc) Waterport and New Eastside Affordable Housing Scheme | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zd) Sewers Term Maintenance | £100,000 | £0 | £0 | £100,000 | £95,953.40 | £4,046.60 |
| <i>Construction of Car Parks</i> | | | | | | |
| 4(ze)(i) Conversion of Existing Areas into Car Parks | £1,000 | £0 | £0 | £1,000 | £343,911.49 | (£342,911.49) |
| 4(zf) Europa Road (South) Widening | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zg) Keightley Way Tunnel Improvement Lighting and Pedestrian Safety | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zh) Improvements to Governor's Street | £70,000 | £0 | £0 | £70,000 | £66,000.00 | £4,000.00 |
| 4(zi) Black Cabs | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zj) Hockey Pitch Floodlights | £40,000 | £0 | £0 | £40,000 | £38,293.43 | £1,706.57 |
| 4(zk) City Hall and Art Gallery Refurbishment | £10,000 | £0 | £0 | £10,000 | £25,918.20 | (£15,918.20) |
| 4(zi) Northern Defences | £300,000 | £0 | £0 | £300,000 | £299,958.00 | £42.00 |
| 4(zm) Garrison Library | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zn) Theatre | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zo) Mount Misery | £600,000 | £0 | £0 | £600,000 | £356,253.28 | £243,746.72 |
| 4(zp) Royal Anglian Way Suspension Bridge | £100,000 | £0 | £0 | £100,000 | £95,955.15 | £4,044.85 |
| 4(zq) Governor's Parade | £213,000 | £0 | £0 | £213,000 | £129,604.00 | £83,396.00 |
| 4(zr) Implementation of e-Procurement System | £5,000 | £0 | £0 | £5,000 | £2,573.10 | £2,426.90 |
| 4(zs) Garrison Gymnasium | £100,000 | £0 | £0 | £100,000 | £0.00 | £100,000.00 |
| 4(zt) Padel Courts Resurfacing | £55,000 | £0 | £0 | £55,000 | £0.00 | £55,000.00 |
| 4(zu) Relocation of Bus Depot/Technical Services Garage/Calypto | £1,000,000 | £0 | £0 | £1,000,000 | £12,726.99 | £987,273.01 |
| 4(zv) Infrastructure Provision for Eastside Development | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2016/17 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 4(zw) Completion of Infrastructure Service Corridor (North Front Area) | £200,000 | £0 | £0 | £200,000 | £129,287.70 | £70,712.30 |
| 4(zx) New Industrial Units to Relocate Sacarellos/GFI | £345,000 | £0 | £0 | £345,000 | £0.00 | £345,000.00 |
| 4(zy) Britannia House Refurbishment | £1,000,000 | £0 | £0 | £1,000,000 | £34,391.00 | £965,609.00 |
| 4(zz) Enabling Works for Annual Fair | £50,000 | £0 | £0 | £50,000 | £18,470.66 | £31,529.34 |
| 4(zza) Jewish Home | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzb) Urban Renewal | £50,000 | £0 | £0 | £50,000 | £34,975.23 | £15,024.77 |
| 4(zzc) Chatham Counterguard Bin Store | £45,000 | £0 | £0 | £45,000 | £16,079.96 | £28,920.04 |
| 4(zzd) Interpretation Generally | £50,000 | £0 | £0 | £50,000 | £38,613.93 | £11,386.07 |
| 4(zze) Alameda Theatre | £65,000 | £0 | £0 | £65,000 | £65,092.00 | (£92.00) |
| 4(zzf) New School Project | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzg) Monument to Women | £41,000 | £0 | £0 | £41,000 | £40,242.13 | £757.87 |
| 4(zzh) Refurbishment of Girl Guides Hut | £360,000 | £0 | £0 | £360,000 | £40,000.00 | £320,000.00 |
| 4(zzi) Other Community Projects | £500,000 | £0 | £0 | £500,000 | £209,140.00 | £290,860.00 |
| 4(zzj) Hot Lunches for Schools | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzk) Statue for Sir Joshua Hassan | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzl) Airport Terminal Building | £0 | £0 | £0 | £0 | £23,605.96 | (£23,605.96) |
| 4(zzm) e-ID Card System | £0 | £0 | £0 | £0 | £44,438.47 | (£44,438.47) |
| 4(zzn) Conversion of John Mackintosh Wing | £0 | £0 | £0 | £0 | £236,913.47 | (£236,913.47) |
| 4(zzo) Acquisition of Property | £0 | £0 | £0 | £0 | £264,365.77 | (£264,365.77) |
| | £18,461,000 | £0 | £0 | £18,461,000 | £13,186,484.28 | £5,274,515.72 |
| EQUITY FUNDING / FUNDING | | | | | | |
| 5(a) Government-Owned Companies | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5(b) Gibraltar International Bank Ltd | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5(c) University of Gibraltar (i) | £3,250,000 | £0 | £0 | £3,250,000 | £1,807,386.91 | £1,442,613.09 |
| | £3,252,000 | £0 | £0 | £3,252,000 | £1,807,386.91 | £1,444,613.09 |
| | £40,834,000 | £0 | £0 | £40,834,000 | £31,870,481.58 | £8,963,518.42 |

Note:

(i) Represents funding to the University of Gibraltar, a statutory body established under the University of Gibraltar Act 2015.

SPECIAL FUNDS
STATUTORY BENEFITS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|---|-----------------------|
| Transfer from the Consolidated Fund - Head 30 | £7,000,000.00 |
| Grant by Her Majesty's Government | £71,000.00 |
| Contributions Collected | <u>£22,563,520.02</u> |
| | <u>£29,634,520.02</u> |

PAYMENTS

| | | |
|--|-------------------|-------------------------|
| Contribution to the Gibraltar Health Authority | £471,412.00 | |
| Old Age Pension | £32,726,291.73 | |
| Survivors' Pension | £817,650.02 | |
| Unemployment Benefit | £682,427.46 | |
| Maternity Allowance | £406,210.28 | |
| Maternity Grant | £384,061.00 | |
| Disablement Benefit | £370,083.44 | |
| Widowed Parents' Allowance | £275,800.79 | |
| Death Grant | £167,980.11 | |
| Injury Benefits | £43,606.45 | |
| Survivors' Bereavement Allowance | £36,537.63 | |
| Industrial Death Benefit | £12,293.04 | |
| Guardians' Allowance | £3,029.58 | |
| Claims - Insolvency | £950.00 | |
| Medical Board Fees | <u>£3,100.00</u> | |
| | £36,401,433.53 | |
| Spanish Pensions: | | |
| Old Age Pension | <u>£90,421.40</u> | |
| | | <u>(£36,491,854.93)</u> |
| Net Payments | | <u>(£6,857,334.91)</u> |

INVESTMENT ACCOUNT

| | |
|---------------------------------------|-------|
| <u>INCREASE IN INVESTMENTS</u> | £0.00 |
|---------------------------------------|-------|

| | |
|---------------------------------------|----------------------|
| <u>DECREASE IN INVESTMENTS</u> | |
| Net Sale of Investments | <u>(£762,334.91)</u> |
| Net Decrease in Investments | <u>(£762,334.91)</u> |

Note:

Arrears of Social Insurance contributions at the year ended 31 March 2017 amounted to £5,903,925.83, of which 30% £1,771,177.75 was receivable by the Statutory Benefits Fund (70% receivable by the Consolidated Fund Revenue Head 5 Subhead 11 Group Practice Medical Scheme).

SPECIAL FUNDS
STATUTORY BENEFITS FUND

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS/LIABILITIES

| | |
|---|-------------------|
| Investments on 1 April 2016 | £809,282.44 |
| Net Decrease in Investments during the year | (£762,334.91) |
| Investments on 31 March 2017 | <u>£46,947.53</u> |

FINANCED BY

| | |
|---------------------------------------|-------------------|
| Fund Account Balance on 1 April 2016 | £809,282.44 |
| Net Payments during the year | (£6,857,334.91) |
| Advance from the Consolidated Fund | £6,095,000.00 |
| Fund Account Balance on 31 March 2017 | <u>£46,947.53</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|-------------------|----------------------------------|--------------------------------|------------------------------|
| Crown Agents General Account | £28,631.25 | 100.000 | £28,631.25 | £28,631.25 |
| Savings Bank Fund: On-Call Investment Account | £18,316.28 | 100.000 | £18,316.28 | £18,316.28 |
| | <u>£46,947.53</u> | | <u>£46,947.53</u> | <u>£46,947.53</u> |

Note:

The Fund Account balance of £46,947.53 includes an advance of £6,095,000 made during the financial year 2016/17 from the Consolidated Fund. The advance is recorded in an advance account under the Consolidated Fund.

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|---|-----------------------|
| Payment from the Consolidated Fund - Import Duty - Head 30 | £7,900,000.00 |
| Payment from the Consolidated Fund - Import Duty - Transfer from Government Surplus - Head 49 | £20,000,000.00 |
| | <u>£27,900,000.00</u> |

PAYMENTS

| | |
|--|-------------------------|
| Contribution to Gibraltar Community Care: | |
| (a) Recurrent | £0.00 |
| (b) Transfer from Government Surplus | £20,000,000.00 |
| Contribution to the Gibraltar Health Authority in respect of | |
| Social Assistance to Unemployed Persons | £3,500,000.00 |
| Social Assistance Payments | £1,301,743.84 |
| Child Welfare Grants | £1,132,825.65 |
| Elderly Persons' Minimum Income Guarantee | £855,905.98 |
| Pensioners' Utilities Grant | £508,905.00 |
| Rent Relief | £456,286.43 |
| Elderly Persons' Allowance | £21,119.34 |
| Electricity Credits - Religious Bodies | £11,772.12 |
| | <u>(£27,788,558.36)</u> |
| Net Receipts | <u>£111,441.64</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-------------|
| Net Purchase of Investments | £111,441.64 |
|-----------------------------|-------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£111,441.64</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £77,602.15 |
| Net Increase in Investments during the year | £111,441.64 |
| Investments on 31 March 2017 | <u>£189,043.79</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2016 | £77,602.15 |
| Net Receipts during the year | £111,441.64 |
| Fund Account Balance on 31 March 2017 | <u>£189,043.79</u> |

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £189,043.79 | 100.000 | £189,043.79 | £189,043.79 |

SPECIAL FUNDS
NOTE SECURITY FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|-----------------------|-----------------------|
| Currency Notes Issued | £39,905,900.00 |
| Redemption Fees | £45,543.75 |
| Interest Earned | £181,561.08 |
| | <u>£40,133,004.83</u> |

PAYMENTS

| | |
|----------------------------|----------------------|
| Currency Notes Redeemed | £37,383,000.00 |
| Cost of New Currency Notes | £210,022.02 |
| Miscellaneous Expenses | <u>£73,200.40</u> |
| | (£37,666,222.42) |
| Net Receipts | <u>£2,466,782.41</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Interest Earned | £181,561.08 |
| Net Purchase of Investments | <u>£2,285,221.33</u> |
| | £2,466,782.41 |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£2,466,782.41</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2016 | £38,154,703.70 |
| Net Increase in Investments during the year | <u>£2,466,782.41</u> |
| Investments on 31 March 2017 | <u>£40,621,486.11</u> |

FINANCED BY

| | |
|---------------------------------------|-----------------------|
| Fund Account Balance on 1 April 2016 | £38,154,703.70 |
| Net Receipts during the year | <u>£2,466,782.41</u> |
| Fund Account Balance on 31 March 2017 | <u>£40,621,486.11</u> |

Note:

| | |
|---------------------------------------|-----------------------|
| Notes in Circulation on 31 March 2017 | £39,822,900.00 |
| Reserve | <u>£798,586.11</u> |
| Fund Account Balance on 31 March 2017 | <u>£40,621,486.11</u> |

SPECIAL FUNDS
NOTE SECURITY FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| On-Call Investment Account Interest Bearing Account | £28,621,486.11 | 100.000 | £28,621,486.11 | £28,621,486.11 |
| On-Call Investment Account Non-Interest Bearing Account | £12,000,000.00 | 100.000 | £12,000,000.00 | £12,000,000.00 |
| | £40,621,486.11 | | £40,621,486.11 | £40,621,486.11 |

SPECIAL FUNDS
SAVINGS BANK FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

INCOME AND EXPENDITURE ACCOUNT

INCOME

| | |
|------------------------|-----------------------|
| Return on Investments | £47,004,767.91 |
| Miscellaneous Receipts | £4,409.44 |
| | <u>£47,009,177.35</u> |

EXPENDITURE

| | |
|--|----------------------|
| Interest Paid : | |
| Debentures | £36,436,467.79 |
| On-Call Investment Accounts | £188,489.20 |
| Ordinary Deposits | £812,815.28 |
| Bonds | <u>£2,520,225.80</u> |
| | £39,957,998.07 |
| New Banking Platform Costs and Annual Licence Fees | £411,614.18 |
| Expansion Costs | £73,645.80 |
| Miscellaneous Expenses | £12,513.06 |
| Management and Other Charges | <u>£340,215.05</u> |
| | (£40,795,986.16) |
| Net Income transferred to Reserve Account | <u>£6,213,191.19</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT

INCREASE IN DEPOSITS

| | |
|-----------------------------|------------------------|
| Debentures | £90,674,969.80 |
| Bonds | £11,487,168.39 |
| On-Call Investment Accounts | <u>£234,744,677.75</u> |
| | £336,906,815.94 |

DECREASE IN DEPOSITS

| | |
|--|------------------------|
| Ordinary Deposits | (£375,631.86) |
| Net Increase in Deposits during the year | <u>£336,531,184.08</u> |

INVESTMENT ADJUSTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|---------------------------------|------------|
| Net Capital Gain on Investments | £70,369.01 |
|---------------------------------|------------|

DECREASE IN INVESTMENTS

| | |
|--|-------------------|
| Net Increase in Investments transferred to Reserve Account | (£0.00) |
| | <u>£70,369.01</u> |

RESERVE ACCOUNT

INCREASE IN RESERVES

| | |
|--|----------------------|
| Net Income transferred from Income and Expenditure Account | £6,213,191.19 |
| Net Increase in Investments transferred from Investment Adjustment Account | £70,369.01 |
| | <u>£6,283,560.20</u> |

DECREASE IN RESERVES

| | |
|--|----------------------|
| Transfer of Surplus to Consolidated Fund | (£0.00) |
| Net Increase in Reserves during the year | <u>£6,283,560.20</u> |

SPECIAL FUNDS

SAVINGS BANK FUND

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|--|--------------------------|
| Investments on 1 April 2016 | £1,006,887,653.76 |
| Net Purchase of Investments during the year | £340,057,674.79 |
| | <u>£1,346,945,328.55</u> |
| Net Increase in Investments as per Investment Adjustment Account | £70,369.01 |
| Investments on 31 March 2017 | £1,347,015,697.56 |
| Cash in Hand | £12,136,000.00 |
| | <u>£1,359,151,697.56</u> |

FINANCED BY

Debentures

| | | |
|--|-----------------|-----------------|
| Deposits on 1 April 2016 | £762,926,630.29 | |
| Accrued Interest on 1 April 2016 | £2,957,003.69 | |
| Net Increase in Deposits | £90,674,969.80 | |
| Increase in Accrued Interest during the year | £278,169.30 | |
| Deposits on 31 March 2017 | | £856,836,773.08 |

On Call Investment Accounts

| | | |
|--|-----------------|-----------------|
| Deposits on 1 April 2016 | £82,293,680.71 | |
| Net Increase in Deposits during the year | £234,744,677.75 | |
| Deposits on 31 March 2017 | | £317,038,358.46 |

Ordinary Deposits

| | | |
|--|----------------|----------------|
| Deposits on 1 April 2016 | £85,089,734.88 | |
| Net Decrease in Deposits during the year | (£375,631.86) | |
| Deposits on 31 March 2017 | | £84,714,103.02 |

Bonds

| | | |
|--|----------------|-------------------|
| Deposits on 1 April 2016 | £56,787,934.77 | |
| Accrued Interest on 1 April 2016 | £143,707.78 | |
| Net Increase in Deposits during the year | £11,487,168.39 | |
| Increase in Accrued Interest during the year | £29,130.22 | |
| Deposits on 31 March 2017 | | £68,447,941.16 |
| Total Deposits on 31 March 2017 | | £1,327,037,175.72 |

Reserve Account

| | | |
|--|----------------|--------------------------|
| Reserve Account on 1 April 2016 | £25,830,961.64 | |
| Net Increase in Reserves during the year | £6,283,560.20 | |
| Reserve Account on 31 March 2017 | | £32,114,521.84 |
| Fund Account Balance on 31 March 2017 | | <u>£1,359,151,697.56</u> |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| SUNCORP-METWAY LTD FRN 06/10/17 | £5,000,000.00 | 100.098 0.223 | £5,004,900.00 £11,155.89 | £5,016,055.89 |
| KFW FRN 03/07/17 | £2,000,000.00 | 100.006 0.100 | £2,000,120.00 £2,003.38 | £2,002,123.38 |
| BK NEDERLANDSE GEMEENTEN FRN 03/04/18 | £2,000,000.00 | 100.068 0.130 | £2,001,360.00 £2,606.42 | £2,003,966.42 |
| ABS FINANCE LTD LONDON FRN 01/05/18 | £5,000,000.00 | 100.252 0.136 | £5,012,600.00 £6,800.14 | £5,019,400.14 |
| ABN AMRO BANK NV FRN 30/11/18 | £5,000,000.00 | 100.214 0.073 | £5,010,700.00 £3,637.19 | £5,014,337.19 |
| TORONTO-DOMINION BANK FRN 01/02/19 | £5,000,000.00 | 100.589 0.133 | £5,029,450.00 £6,641.24 | £5,036,091.24 |
| ROYAL BANK OF CANADA FRN 04/06/19 | £5,000,000.00 | 100.003 0.052 | £5,000,150.00 £2,589.69 | £5,002,739.69 |
| LLOYDS BANK FRN 18/07/19 | £7,000,000.00 | 100.296 0.130 | £7,020,720.00 £9,065.10 | £7,029,785.10 |
| NATIONWIDE BUILDING SOCIETY FRN 25/04/19 | £5,000,000.00 | 100.618 0.150 | £5,030,900.00 £7,520.68 | £5,038,420.68 |
| STADSHYPOTEK AB FRN 17/08/18 | £5,000,000.00 | 100.224 0.074 | £5,011,200.00 £3,723.88 | £5,014,923.88 |
| CANADIAN IMPERIAL BANK FRN 10/01/22 | £5,000,000.00 | 100.353 0.176 | £5,017,650.00 £8,793.11 | £5,026,443.11 |
| EUROPEAN INVESTMENT BANK FRN 25/05/18 | £17,000,000.00 | 100.291 0.053 | £17,049,470.00 £8,997.46 | £17,058,467.46 |
| EUROPEAN INVESTMENT BANK FRN 16/04/19 | £25,000,000.00 | 100.474 0.123 | £25,118,500.00 £30,747.00 | £25,149,247.00 |
| EUROPEAN INVESTMENT BANK FRN 17/02/20 | £10,000,000.00 | 100.602 0.070 | £10,060,200.00 £7,000.54 | £10,067,200.54 |
| REPUBLIC OF FINLAND 1% 17/12/18 | £7,000,000.00 | 100.877 0.285 | £7,061,390.00 £19,945.21 | £7,081,335.21 |
| BELGIUM KINGDOM 1.125% 21/12/18 | £9,000,000.00 | 101.009 0.308 | £9,090,810.00 £27,739.73 | £9,118,549.73 |
| COMMONWEALTH BANK AUST 2.25% 07/12/18 | £7,000,000.00 | 102.669 0.703 | £7,186,830.00 £49,191.78 | £7,236,021.78 |
| ANHEUSER-BUSCH INBEV NV 6.5% 23/06/17 | £1,000,000.00 | 101.268 5.004 | £1,012,680.00 £50,041.10 | £1,062,721.10 |
| Carried forward | £127,000,000.00 | | £127,977,829.54 | £127,977,829.54 |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought forward | £127,000,000.00 | | £127,977,829.54 | £127,977,829.54 |
| BMW FINANCE NV 1.75% 20/11/17 | £5,000,000.00 | 100.725 0.628 | £5,036,250.00 £31,404.11 | £5,067,654.11 |
| LVMH MOET HENNESSY VUITT 1.625% 20/12/17 | £5,000,000.00 | 100.771 0.450 | £5,038,550.00 £22,482.88 | £5,061,032.88 |
| PRUDENTIAL PLC 1.375% 19/01/18 | £7,000,000.00 | 100.521 0.267 | £7,036,470.00 £18,722.60 | £7,055,192.60 |
| PRUDENTIAL PLC 1.75% 27/11/18 | £2,500,000.00 | 101.587 0.595 | £2,539,675.00 £14,863.01 | £2,554,538.01 |
| KFW 2% 06/12/18 | £3,000,000.00 | 102.692 0.630 | £3,080,760.00 £18,904.11 | £3,099,664.11 |
| BK NEDERLANDSE GEMEENTEN 1.875% 07/12/18 | £7,000,000.00 | 102.196 0.586 | £7,153,720.00 £40,993.15 | £7,194,713.15 |
| BNP PARIBAS 2.375% 20/11/19 | £5,000,000.00 | 103.750 0.852 | £5,187,500.00 £42,619.86 | £5,230,119.86 |
| DAIMLER AG 1% 20/12/19 | £5,000,000.00 | 100.209 0.277 | £5,010,450.00 £13,835.62 | £5,024,285.62 |
| TOTAL CAPITAL SA 2.25% 17/12/20 | £100,000.00 | 105.108 0.641 | £105,108.00 £641.10 | £105,749.10 |
| DEXIA CREDIT LOCAL 1.875% 17/07/17 | £19,500,000.00 | 100.396 1.320 | £19,577,220.00 £257,440.07 | £19,834,660.07 |
| ABN AMRO BANK NV 2.25% 11/09/17 | £4,500,000.00 | 100.758 0.122 | £4,534,110.00 £5,502.72 | £4,539,612.72 |
| LANDWIRTSCH. RENTENBANK 1% 15/12/17 | £19,240,000.00 | 100.508 0.290 | £19,337,739.20 £55,875.07 | £19,393,614.27 |
| SWEDBANK HYPOTEK AB 1.625% 15/04/19 | £6,000,000.00 | 101.775 1.558 | £6,106,500.00 £93,493.15 | £6,199,993.15 |
| MUNICIPALITY FINANCE PLC 1.125% 07/12/17 (1) | £5,000,000.00 | 100.523 0.351 | £5,026,150.00 £17,568.49 | £5,043,718.49 |
| KOMMUNALBANKEN AS 1.125% 15/12/17 (1) | £10,000,000.00 | 100.540 0.327 | £10,054,000.00 £32,671.23 | £10,086,671.23 |
| NEDER WATERSCHAPSBANK 2% 28/12/18 | £10,000,000.00 | 102.464 0.510 | £10,246,400.00 £50,958.90 | £10,297,358.90 |
| ASIAN DEVELOPMENT BANK 1% 18/12/18 | £5,000,000.00 | 100.977 0.282 | £5,048,850.00 £14,109.59 | £5,062,959.59 |
| BARCLAYS BANK PLC 1.5% 04/04/17 | £2,000,000.00 | 100.004 1.484 | £2,000,080.00 £29,671.23 | £2,029,751.23 |
| Carried forward | £247,840,000.00 | | £250,859,118.63 | £250,859,118.63 |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---|-------------------|----------------------------------|----------------------------------|------------------------------|
| Brought forward | £247,840,000.00 | | £250,859,118.63 | £250,859,118.63 |
| SCOTTISH & SOUTHERN ENERGY 5% 01/10/18 | £7,000,000.00 | 106.167 2.479 | £7,431,690.00 £173,561.64 | £7,605,251.64 |
| LLOYDS BANK PLC 2.75% 09/12/18 (1) | £2,000,000.00 | 103.262 0.844 | £2,065,240.00 £16,876.71 | £2,082,116.71 |
| STERLING FUTURE SETTLEMENTS ACCOUNT (1) | (£17,226,716.44) | 100.000 | (£17,226,716.44) | (£17,226,716.44) |
| ROYAL BANK OF SCOTLAND GBP CALL A/C | £52,963.71 | 100.000 | £52,963.71 | £52,963.71 |
| BANK OF NEW YORK GBP A/C | £16,534,545.11 | 100.000 | £16,534,545.11 | £16,534,545.11 |
| LLOYDS BANK GBP CALL A/C | £7,930,812.71 | 100.000 | £7,930,812.71 | £7,930,812.71 |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014 | £147,700,000.00 | 100.000 0.510 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| GOVERNMENT OF GIBRALTAR DEBENTURES ISSUED ON 1 SEPTEMBER 2014 | £100,000,000.00 | 100.000 2.992 | £100,000,000.00 £2,991,780.82 | £102,991,780.82 |
| CREDIT FINANCE COMPANY LTD REDEEMABLE PREFERENCE SHARES | £400,000,000.00 | 100.000 | £400,000,000.00 | £400,000,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 2862932.702 | £226,744.27 | £226,744.27 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| GIBTELECOM LTD - ORDINARY SHARES (3) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| BANK OF ENGLAND | £40,549,458.65 | 100.000 0.001 | £40,549,458.65 £377.72 | £40,549,836.37 |
| BARCLAYS BANK PLC | £51,604,964.02 | 100.000 0.029 | £51,604,964.02 £14,865.65 | £51,619,829.67 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £158,434,452.01 | 100.000 0.042 | £158,434,452.01 £66,726.87 | £158,501,178.88 |
| JYSKE BANK | £20,705,124.73 | 100.000 0.058 | £20,705,124.73 £12,095.61 | £20,717,220.34 |
| GIBRALTAR INTERNATIONAL BANK | £69,478,136.48 | 100.000 0.061 | £69,478,136.48 £42,424.99 | £69,520,561.47 |
| | £1,263,618,748.90 | | £1,347,015,697.56 | £1,347,015,697.56 |

Notes:

(1) The sterling future settlements account reflects the following trades transacted in March 2017 with settlement in April 2017. This amount includes an element of accrued interest:
Kommunalbanken AS 1.125% 15/12/17
Municipality Finance PLC 1.125% 07/12/17
Lloyds Bank Plc 2.75% 09/12/18

(2) The Visa shareholding shown above is based on a re-valuation as at 31 March 2017 of its 230 Series C preference shares in Visa Inc.

(3) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in Gibtelecom Ltd, with the legal interest in these shares being held by the Government.

SPECIAL FUNDS
GENERAL SINKING FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

RECEIPTS

Contribution from the Consolidated Fund - Head 05 £10,000,000.00

PAYMENTS

Payment of Public Debt Interest (£6,524,173.16)
Net Receipts £3,475,826.84

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments £3,475,826.84

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£3,475,826.84

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £1,731,242.76
Net Increase in Investments during the year £3,475,826.84
Investments on 31 March 2017 £5,207,069.60

FINANCED BY

Fund Account Balance on 1 April 2016 £1,731,242.76
Net Receipts during the year £3,475,826.84
Fund Account Balance on 31 March 2017 £5,207,069.60

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £5,207,069.60 | 100.000 | £5,207,069.60 | £5,207,069.60 |

SPECIAL FUNDS
SUPREME COURT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|-----------------------------|-------------------|
| Deposits by way of Security | £20,360.00 |
| Interest Earned | £6,376.16 |
| | <u>£26,736.16</u> |

PAYMENTS

| | |
|------------------------|------------------------|
| Miscellaneous Payments | £8,545,687.96 |
| Bank Charges | £17.40 |
| | <u>(£8,545,705.36)</u> |
| Net Payments | <u>(£8,518,969.20)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £6,376.16 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------------|
| Net Sale of Investments | (£8,525,345.36) |
| Net Decrease in Investments | <u>(£8,518,969.20)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £8,940,862.80 |
| Net Decrease in Investments during the year | (£8,518,969.20) |
| Investments on 31 March 2017 | <u>£421,893.60</u> |
| Balance held in Government Liquid Reserves | £50,405.67 |
| | <u>£472,299.27</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2016 | £8,991,268.47 |
| Net Payments during the year | (£8,518,969.20) |
| Fund Account Balance on 31 March 2017 | <u>£472,299.27</u> |

SPECIAL FUNDS
SUPREME COURT FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Fixed Term Monthly Income Debentures | £50,700.00 | 100.000 | £50,700.00 | £50,700.00 |
| Monthly Income Debentures | £900.00 | 100.000 | £900.00 | £900.00 |
| Ordinary Deposits | £370,293.60 | 100.000 | £370,293.60 | £370,293.60 |
| | £421,893.60 | | £421,893.60 | £421,893.60 |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|-----------------|-----------|
| Interest Earned | £2,406.43 |
|-----------------|-----------|

PAYMENTS

| | |
|--------------|------------------|
| | (£0.00) |
| Net Receipts | <u>£2,406.43</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £2,406.43 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£2,406.43</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £240,640.97 |
| Net Increase in Investments during the year | <u>£2,406.43</u> |
| Investments on 31 March 2017 | <u>£243,047.40</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2016 | £240,640.97 |
| Net Receipts during the year | <u>£2,406.43</u> |
| Fund Account Balance on 31 March 2017 | <u>£243,047.40</u> |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| BERT V FREED Savings Bank Fund - Ordinary Deposits | £171.20 | 100.000 | £171.20 | £171.20 |
| OSCAR LIMA Savings Bank Fund - Ordinary Deposits | £696.87 | 100.000 | £696.87 | £696.87 |
| SHIRLEY ELVIN Savings Bank Fund - Ordinary Deposits | £1,160.36 | 100.000 | £1,160.36 | £1,160.36 |
| FRANCISCO G BERNAL Savings Bank Fund - Ordinary Deposits | £504.13 | 100.000 | £504.13 | £504.13 |
| HEINRICH A NOLLE Savings Bank Fund - Ordinary Deposits | £254.21 | 100.000 | £254.21 | £254.21 |
| NELLIE E JUDSON Savings Bank Fund - Ordinary Deposits | £435.43 | 100.000 | £435.43 | £435.43 |
| JOYCE BILLINGTON Savings Bank Fund - Ordinary Deposits | £379.71 | 100.000 | £379.71 | £379.71 |
| KONSTANTY SZYDUK Savings Bank Fund - Ordinary Deposits | £148.03 | 100.000 | £148.03 | £148.03 |
| ERNEST C DEAN Savings Bank Fund - Ordinary Deposits | £1,301.70 | 100.000 | £1,301.70 | £1,301.70 |
| MARIA L CHAMBERLAND Savings Bank Fund - Ordinary Deposits | £101.19 | 100.000 | £101.19 | £101.19 |
| GORDON MCTEAR Savings Bank Fund - Ordinary Deposits | £83.52 | 100.000 | £83.52 | £83.52 |
| Carried Forward | £5,236.35 | | £5,236.35 | £5,236.35 |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £5,236.35 | | £5,236.35 | £5,236.35 |
| LEWIS HENRY REILLY Savings Bank Fund - Ordinary Deposits | £48.99 | 100.000 | £48.99 | £48.99 |
| RAFAELA BAREA Savings Bank Fund - Ordinary Deposits | £2,219.96 | 100.000 | £2,219.96 | £2,219.96 |
| MARIA LOPEZ BENITEZ Savings Bank Fund - Ordinary Deposits | £42,385.58 | 100.000 | £42,385.58 | £42,385.58 |
| EMMA DUARTE Savings Bank Fund - Ordinary Deposits | £28,970.39 | 100.000 | £28,970.39 | £28,970.39 |
| MAGDALENA MARTINEZ Savings Bank Fund - Ordinary Deposits | £9,242.08 | 100.000 | £9,242.08 | £9,242.08 |
| STANLEY LONG Savings Bank Fund - Ordinary Deposits | £3,096.25 | 100.000 | £3,096.25 | £3,096.25 |
| JUANA TERESA BALDOMINOS MARTIN Savings Bank Fund - Ordinary Deposits | £1,686.17 | 100.000 | £1,686.17 | £1,686.17 |
| EUGRACIA GUILLIANO LOBATO Savings Bank Fund - Ordinary Deposits | £4,264.55 | 100.000 | £4,264.55 | £4,264.55 |
| GILA SUTCLIFFE LLOYD-OWEN Savings Bank Fund - Ordinary Deposits | £121,506.15 | 100.000 | £121,506.15 | £121,506.15 |
| MANUEL MELERO Savings Bank Fund - Ordinary Deposits | £24,390.93 | 100.000 | £24,390.93 | £24,390.93 |
| | £243,047.40 | | £243,047.40 | £243,047.40 |

SPECIAL FUNDS**FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)****DEPOSIT GUARANTEE FUND****ACCOUNTS FOR THE PERIOD 17 FEBRUARY 2017 TO THE 31 MARCH 2017****RECEIPTS**

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £912,089.00 |
| Interest Earned (a) | £117.93 |
| | <u>£912,206.93</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£912,206.93</u> |

INVESTMENT ACCOUNT**INCREASE IN INVESTMENTS**

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £912,089.00 |
| Interest Earned | £117.93 |
| | <u>£912,206.93</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£912,206.93</u> |

BALANCE SHEET AS AT 31 MARCH 2017**ASSETS**

| | |
|---|--------------------|
| Investments on 17 February 2017 | £0.00 |
| Net Increase in Investments during the period | £912,206.93 |
| Investments on 31 March 2017 | <u>£912,206.93</u> |

FINANCED BY

| | |
|--|--------------------|
| Sub-Fund Account Balance on 17 February 2017 | £0.00 |
| Net Receipts during the period | £912,206.93 |
| Fund Account Balance on 31 March 2017 | <u>£912,206.93</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|----------------------|--------------------|----------------------------------|--------------------------------|------------------------------|
| Bank of England | £912,200.55 | 100.000 | £912,200.55 | £912,206.93 |
| | | 0.001 | £6.38 | |
| | <u>£912,200.55</u> | | <u>£912,206.93</u> | <u>£912,206.93</u> |

Note:

(a) Total Interest Earned for the period amounted to £157.20. The Government of Gibraltar credited £39.27 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS**FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)****RESOLUTION FINANCING FUND****ACCOUNTS FOR THE PERIOD 17 FEBRUARY 2017 TO THE 31 MARCH 2017****RECEIPTS**

| | |
|------------------------|----------------------|
| Miscellaneous Receipts | £1,140,111.00 |
| Interest Earned (a) | £147.38 |
| | <u>£1,140,258.38</u> |

PAYMENTS

| | |
|--------------|----------------------|
| | (£0.00) |
| Net Receipts | <u>£1,140,258.38</u> |

INVESTMENT ACCOUNT**INCREASE IN INVESTMENTS**

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £1,140,111.00 |
| Interest Earned | £147.38 |
| | <u>£1,140,258.38</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£1,140,258.38</u> |

BALANCE SHEET AS AT 31 MARCH 2017**ASSETS**

| | |
|---|----------------------|
| Investments on 17 February 2017 | £0.00 |
| Net Increase in Investments during the period | £1,140,258.38 |
| Investments on 31 March 2017 | <u>£1,140,258.38</u> |

FINANCED BY

| | |
|--|----------------------|
| Sub-Fund Account Balance on 17 February 2017 | £0.00 |
| Net Receipts during the period | £1,140,258.38 |
| Fund Account Balance on 31 March 2017 | <u>£1,140,258.38</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|----------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Bank of England | £1,140,250.41 | 100.000 0.001 | £1,140,250.41 £7.97 | £1,140,258.38 |
| | <u>£1,140,250.41</u> | | <u>£1,140,258.38</u> | <u>£1,140,258.38</u> |

Note:

(a) Total Interest Earned for the period amounted to £196.48. The Government of Gibraltar credited £49.10 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FUND ACCOUNT

RECEIPTS

| | |
|--|-----------------|
| Admiralty Marshal Sub-Fund | £71,388,839.68 |
| Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund | £14,012,050.57 |
| Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund | £7,295,143.78 |
| Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund | £4,495,439.26 |
| Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority Sub-Fund | £837,815.43 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund | £643,231.32 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme Sub-Fund | £527,282.65 |
| Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme Sub-Fund | £509,786.87 |
| 8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund | £377,131.38 |
| 8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund | £318,079.41 |
| Mid-Harbour Small Boats Marina Sub-Fund | £289,791.96 |
| Accountant General on behalf of Unclaimed Deceased Persons Debentures Sub-Fund | £108,710.53 |
| Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed Sub-Fund | £53,087.67 |
| Youth Clubs Sub-Fund | £47,065.13 |
| Commissioner of Police - Confiscated Monies Sub-Fund | £34,523.80 |
| Care Agency - Donations Sub-Fund | £22,226.90 |
| Gibraltar Pension Annuity Trust Scheme Sub-Fund | £16,995.74 |
| Care Agency - Residents' Savings Sub-Fund | £7,939.28 |
| Gibraltar Defence Estates and General Services Ltd (Safety Net Employees) Sub-Fund | £2,969.80 |
| Hebrew School - Musical Instrument Bursary Sub-Fund | £1,506.21 |
| St Anne's Middle School - Musical Instrument Bursary Sub-Fund | £1,503.79 |
| St Joseph's Middle School - Musical Instrument Bursary Sub-Fund | £1,501.25 |
| Gibraltar Shiprepair Ltd Provident Trust Fund Sub-Fund | £1,453.12 |
| Public Trustee Sub-Fund | £1,395.61 |
| Collector of Customs - Confiscated Monies Sub-Fund | £821.42 |
| Gibraltar Health Authority Gratuities Sub-Fund | £840.68 |
| Gibraltar National Archives - Donations Sub-Fund | £556.85 |
| Overseas Service Aid Scheme Pension Sub-Fund | £507.19 |
| 8 1/4% John Mackintosh Homes Provident Trust Fund Bond Sub-Fund | £396.96 |
| Deck Cadet Training Course Sub-Fund | £382.53 |
| Accountant General on behalf of Sundry Beneficiaries Sub-Fund | £315.17 |
| Accountant General on behalf of Gibraltar Building Society Beneficiaries Sub-Fund | £247.96 |
| Hargraves Project Sub-Fund | £97.56 |
| King George V Hospital - Patients' Property Sub-Fund | £75.79 |
| St Mary's First School - Donations Sub-Fund | £62.91 |
| Matron Giraldi Prize Fund Sub-Fund | £36.57 |
| The Gibraltar Masonic Educational Events Fund Sub-Fund | £28.20 |
| Gibraltar Grand Piano Sub-Fund | £22.80 |
| King George V Hospital - Lord Thompson's Bequest Sub-Fund | £22.54 |
| Hebrew School - Donations Sub-Fund | £13.03 |
| St Martin's School - Donations Sub-Fund | £8.00 |
| St Bernard's Hospital - Humphrey's Ltd Challenge Cup Sub-Fund | £5.66 |
| Professional Darts Corporation (Escrow Account) Sub-Fund | £2.57 |
| carried forward | £100,999,915.53 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

| | | |
|--|-----------------|------------------|
| | brought forward | £100,999,915.53 |
| <u>PAYMENTS</u> | | |
| Admiralty Marshal Sub-Fund | | £54,455,691.50 |
| Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund | | £3,666,241.94 |
| Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund | | £1,429,613.45 |
| Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund | | £875,666.60 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund | | £43,521.13 |
| 8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund | | £3,080.08 |
| 8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund | | £519,022.67 |
| Mid-Harbour Small Boats Marina Sub-Fund | | £402,211.96 |
| Accountant General on behalf of Unclaimed Deceased Persons Debentures Sub-Fund | | £178,584.10 |
| Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed Sub-Fund | | £270,132.43 |
| Youth Clubs Sub-Fund | | £39,771.36 |
| Care Agency - Donations Sub-Fund | | £21,342.84 |
| Gibraltar Pension Annuity Trust Scheme Sub-Fund | | £118,651.07 |
| Care Agency - Residents' Savings Sub-Fund | | £20,893.31 |
| St Anne's Middle School - Musical Instrument Bursary Sub-Fund | | £1,492.00 |
| St Joseph's Middle School - Musical Instrument Bursary Sub-Fund | | £1,501.25 |
| Public Trustee Sub-Fund | | £602.88 |
| Gibraltar National Archives - Donations Sub-Fund | | £873.98 |
| St Martin's School - Donations Sub-Fund | | £52.50 |
| | | <hr/> |
| | | (£62,048,947.05) |
| | Net Receipts | <hr/> |
| | | £38,950,968.48 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| Net Purchase of Investments | £30,622,907.47 |
| Net Capital Gain | £3,246,626.96 |
| Interest Earned | £2,086,204.80 |
| Return on Investments | £1,021,551.27 |
| Exchange Rate Adjustment | £2,071,532.61 |
| | <u>£39,048,823.11</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£39,048,823.11</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|------------------------|
| Investments on 1 April 2016 | £101,268,290.80 |
| Net Increase in Investments during the year | <u>£39,048,823.11</u> |
| Investments on 31 March 2017 | £140,317,113.91 |
| Balance held in Government Liquid Reserves | <u>£115,380.25</u> |
| | <u>£140,432,494.16</u> |

FINANCED BY

| | |
|---------------------------------------|------------------------|
| Fund Account Balance on 1 April 2016 | £101,481,525.68 |
| Net Receipts during the year | <u>£38,950,968.48</u> |
| Fund Account Balance on 31 March 2017 | <u>£140,432,494.16</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| SUMMARY OF INVESTMENTS BY SUB-FUND | NOMINAL VALUE | VALUE WITH ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|-----------------------------------|------------------------------|
| Gibraltar Guaranteed Superannuation Fund Pension Scheme | £45,945,885.41 | £45,945,885.41 | £45,945,885.41 |
| Gibraltar Provident Trust (No.2) Pension Scheme | £30,357,899.83 | £40,130,509.71 | £40,130,509.71 |
| Gibraltar Provident Trust (No.3) Pension Scheme | £12,575,968.23 | £17,670,783.22 | £17,670,783.22 |
| Admiralty Marshal | £16,995,580.30 | £16,997,048.63 | £16,997,048.63 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme | £5,377,704.56 | £5,377,704.56 | £5,377,704.56 |
| 8% Pension Rights and Gratuity Transfers - Bond 2 | £4,058,143.18 | £4,058,143.18 | £4,058,143.18 |
| 8% Gibraltar Provident Trust Fund - Bond 1 | £3,745,868.32 | £3,745,868.32 | £3,745,868.32 |
| Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority | £2,317,372.39 | £2,317,372.39 | £2,317,372.39 |
| Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme | £1,601,296.33 | £1,601,296.33 | £1,601,296.33 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme | £723,684.15 | £723,684.15 | £723,684.15 |
| Gibraltar Pension Annuity Trust Scheme | £348,101.69 | £348,101.69 | £348,101.69 |
| Accountant General on behalf of Unclaimed Deceased Persons Debentures | £244,341.95 | £244,341.95 | £244,341.95 |
| Care Agency - Donations | £187,649.33 | £187,649.33 | £187,649.33 |
| Gibraltar Defence Estates and General Services Ltd (Safety Net Employees) | £150,100.09 | £150,100.09 | £150,100.09 |
| Gibraltar Shiprepair Ltd Provident Trust Fund | £146,762.73 | £146,762.73 | £146,762.73 |
| Public Trustee | £97,288.90 | £97,288.90 | £97,288.90 |
| Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed | £97,225.79 | £97,225.79 | £97,225.79 |
| Gibraltar Health Authority Gratuities | £84,909.18 | £84,909.18 | £84,909.18 |
| Commissioner of Police - Confiscated Monies | £67,117.75 | £67,121.34 | £67,121.34 |
| Overseas Service Aid Scheme Pension | £51,226.15 | £51,226.15 | £51,226.15 |
| Care Agency - Residents' Savings | £47,144.67 | £47,144.67 | £47,144.67 |
| Youth Clubs | £42,022.62 | £42,022.62 | £42,022.62 |
| 8 1/4% John Mackintosh Homes Provident Trust Fund Bond | £40,092.83 | £40,092.83 | £40,092.83 |
| Deck Cadet Training Course | £38,635.12 | £38,635.12 | £38,635.12 |
| Accountant General on behalf of Sundry Beneficiaries | £31,831.62 | £31,831.62 | £31,831.62 |
| Accountant General on behalf of Gibraltar Building Society Beneficiaries | £25,049.60 | £25,049.60 | £25,049.60 |
| Collector of Customs - Confiscated Monies | £12,322.80 | £12,322.80 | £12,322.80 |
| Hargraves Project | £9,853.55 | £9,853.55 | £9,853.55 |
| King George V Hospital - Patients' Property | £7,654.07 | £7,654.07 | £7,654.07 |
| St Mary's First School - Donations | £6,353.94 | £6,353.94 | £6,353.94 |
| The Gibraltar Masonic Educational Events Fund | £2,848.35 | £2,848.35 | £2,848.35 |
| Gibraltar Grand Piano | £2,302.90 | £2,302.90 | £2,302.90 |
| Matron Giraldi Prize Fund | £2,079.19 | £2,079.19 | £2,079.19 |
| Hebrew School - Musical Instrument Bursary | £1,506.21 | £1,506.21 | £1,506.21 |
| Hebrew School - Donations | £1,315.57 | £1,315.57 | £1,315.57 |
| King George V Hospital - Lord Thompson's Bequest | £1,276.07 | £1,276.07 | £1,276.07 |
| St Martin's School - Donations | £759.82 | £759.82 | £759.82 |
| Gibraltar National Archives - Donations | £397.03 | £397.03 | £397.03 |
| St Bernard's Hospital - Humphrey's Ltd Challenge Cup | £373.58 | £373.58 | £373.58 |
| Professional Darts Corporation (Escrow Account) | £259.53 | £259.53 | £259.53 |
| St Anne's Middle School - Musical Instrument Bursary | £11.79 | £11.79 | £11.79 |
| | £125,448,217.12 | £140,317,113.91 | £140,317,113.91 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|----------------------|
| Pension Contributions | £4,296,451.53 |
| Return on Investments | £694,123.46 |
| Net Capital Gain | £2,304,568.79 |
| | <u>£7,295,143.78</u> |

PAYMENTS

| | |
|---------------------------------|------------------------|
| Miscellaneous Payments | £1,329,933.67 |
| Crown Agents Management Charges | £82,754.78 |
| Administration Fees | £16,925.00 |
| | <u>(£1,429,613.45)</u> |
| Net Receipts | <u>£5,865,530.33</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £2,908,401.78 |
| Return on Investments | £694,123.46 |
| Net Capital Gain | £2,304,568.79 |
| | <u>£5,907,094.03</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| | <u>(£0.00)</u> |
| Net Increase in Investments | <u>£5,907,094.03</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2016 | £34,223,415.68 |
| Net Increase in Investments during the year | £5,907,094.03 |
| | <u>£40,130,509.71</u> |
| Investments on 31 March 2017 | (£23,058.95) |
| Advance from Government Liquid Reserves | <u>£40,107,450.76</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £34,241,920.43 |
| Net Receipts during the year | £5,865,530.33 |
| | <u>£40,107,450.76</u> |
| Sub-Fund Account Balance on 31 March 2017 | <u>£40,107,450.76</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Canada FRN 20/07/18 | £500,000.00 | 100.271 0.123 | £501,355.00 £613.34 | £501,968.34 |
| Lloyds Bank FRN 14/01/19 | £1,000,000.00 | 100.362 0.147 | £1,003,620.00 £1,473.16 | £1,005,093.16 |
| Nordea Eiendomskreditt FRN 14/01/19 | £2,250,000.00 | 100.435 0.157 | £2,259,787.50 £3,542.71 | £2,263,330.21 |
| Lloyds Bank FRN 18/07/19 | £750,000.00 | 100.296 0.130 | £752,220.00 £971.26 | £753,191.26 |
| European Investment Bank FRN 25/05/18 | £1,250,000.00 | 100.291 0.053 | £1,253,637.50 £661.58 | £1,254,299.08 |
| European Investment Bank FRN 16/04/19 | £3,000,000.00 | 100.474 0.123 | £3,014,220.00 £3,689.64 | £3,017,909.64 |
| Svenska Handelsbanken AB 2.375% 29/08/17 | £900,000.00 | 106.088 0.468 | £954,792.00 £4,216.44 | £959,008.44 |
| UK Government 1% 07/09/17 | £85,000.00 | 100.423 0.065 | £85,359.55 £55.43 | £85,414.98 |
| UK Government 1.75% 07/09/22 | £1,170,000.00 | 106.577 0.114 | £1,246,950.90 £1,335.33 | £1,248,286.23 |
| UK Government 3.75% 07/09/19 | £345,000.00 | 108.797 0.245 | £375,349.65 £843.75 | £376,193.40 |
| UK Government 3.75% 07/09/20 | £1,500,000.00 | 112.154 0.245 | £1,682,310.00 £3,668.48 | £1,685,978.48 |
| UK Gov. 1.25% Indexed 22/11/17 (i) | £115,900.00 | 104.102 0.611 | £165,389.18 £707.68 | £166,096.86 |
| Bk Nederlandse Gemeenten FRN 03/04/18 | £3,000,000.00 | 100.068 0.130 | £3,002,040.00 £3,909.64 | £3,005,949.64 |
| Carried Forward | £15,865,900.00 | | £16,322,719.72 | £16,322,719.72 |

* New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.37077

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT (NO. 2) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £15,865,900.00 | | £16,322,719.72 | £16,322,719.72 |
| KFW FRN 03/07/17 | £3,000,000.00 | 100.006 0.100 | £3,000,180.00 £3,005.08 | £3,003,185.08 |
| Transport for London 2.125% 24/04/25 | £1,000,000.00 | 105.541 1.985 | £1,055,410.00 £19,852.74 | £1,075,262.74 |
| UK Government 2% 07/09/25 | £3,000,000.00 | 108.659 0.130 | £3,259,770.00 £3,913.04 | £3,263,683.04 |
| UK Gov. 1.875% Indexed 22/11/22 (ii) | £180,000.00 | 127.580 0.863 | £296,523.22 £1,552.95 | £298,076.17 |
| MONKS INVEST TR | £26,700.00 | 6.355 | £169,678.50 | £169,678.50 |
| BP Common Stock \$0.25 | £44,714.00 | 4.576 | £204,588.91 | £204,588.91 |
| Royal Dutch Shell B Euro 0.07 | £36,758.00 | 21.845 | £802,978.51 | £802,978.51 |
| Anglo American Common 0.54945 USD | £15,787.00 | 12.195 | £192,522.47 | £192,522.47 |
| British Aerospace Ordinary 2.5p | £22,800.00 | 6.425 | £146,490.00 | £146,490.00 |
| HALMA PLC | £15,840.00 | 10.240 | £162,201.60 | £162,201.60 |
| WEIR GROUP PLC | £9,491.00 | 19.170 | £181,942.47 | £181,942.47 |
| Diageo Ordinary 28.9351p | £7,023.00 | 22.835 | £160,370.21 | £160,370.21 |
| Indivior PLC Ordinary \$2 | £5,300.00 | 3.221 | £17,071.30 | £17,071.30 |
| Persimmon Ordinary 10p | £8,240.00 | 20.940 | £172,545.60 | £172,545.60 |
| Reckitt Benckiser Group Ordinary 10p | £5,300.00 | 72.860 | £386,158.00 | £386,158.00 |
| Carried Forward | £23,243,853.00 | | £26,559,474.32 | £26,559,474.32 |

* New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(ii) Index Ratio 1.29123

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT (NO. 2) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £23,243,853.00 | | £26,559,474.32 | £26,559,474.32 |
| IMPERIAL BRANDS | £2,970.00 | 38.670 | £114,849.90 | £114,849.90 |
| Smith & Nephew Common Stock USD 0.2 | £8,570.00 | 12.160 | £104,211.20 | £104,211.20 |
| GlaxoSmithKline Ordinary 25p | £9,725.00 | 16.595 | £161,386.38 | £161,386.38 |
| Shire Ordinary 5p | £3,450.00 | 46.610 | £160,804.50 | £160,804.50 |
| Tesco Ordinary 5p | £18,131.00 | 1.856 | £33,651.14 | £33,651.14 |
| Next Ordinary 10p | £2,475.00 | 43.200 | £106,920.00 | £106,920.00 |
| ITV Ordinary 10p | £56,650.00 | 2.189 | £124,006.85 | £124,006.85 |
| Compass Group Ordinary 10.625p | £14,169.00 | 15.060 | £213,385.14 | £213,385.14 |
| Vodafone Group Ordinary US\$0.02095238 | £85,548.00 | 2.081 | £178,025.39 | £178,025.39 |
| Barclays Ordinary 25p | £113,293.00 | 2.251 | £255,022.55 | £255,022.55 |
| Royal Bank of Scotland Ordinary 1.00 | £735.00 | 2.421 | £1,779.44 | £1,779.44 |
| Aviva Ordinary 25p | £85,905.00 | 5.320 | £457,014.60 | £457,014.60 |
| Ediston Property Investment Company PLC Ordinary 100p | £295,500.00 | 1.088 | £321,356.25 | £321,356.25 |
| ABERDEEN ASSET Common 10p | £27,740.00 | 2.647 | £73,427.78 | £73,427.78 |
| Blackrock Smaller Companies Trust ordinary 25p | £30,610.00 | 10.450 | £319,874.50 | £319,874.50 |
| IMPAX ENVIRONMEN | £65,504.00 | 2.273 | £148,857.84 | £148,857.84 |
| Mercantile Investment Trust Ordinary 25p | £4,195.00 | 18.220 | £76,432.90 | £76,432.90 |
| ishares FTSE 100 UCITS ETF Inc | £607,437.00 | 7.255 | £4,406,955.44 | £4,406,955.44 |
| Carried Forward | £24,676,460.00 | | £33,817,436.12 | £33,817,436.12 |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £24,676,460.00 | | £33,817,436.12 | £33,817,436.12 |
| ishares FTSE 250 UCITS ETF | £26,439.00 | 18.255 | £482,643.95 | £482,643.95 |
| HICL ordinary 0.01 | £242,436.00 | 1.690 | £409,716.84 | £409,716.84 |
| XD accrued / interest receivable | | | £8,147.97 | £8,147.97 |
| Lloyds Bank Provident 2 Call Account | £2,585,420.93 | 1.000 | £2,585,420.93 | £2,585,420.93 |
| Bank of New York Pounds Sterling | £1,251,662.07 | 1.000 | £1,251,662.07 | £1,251,662.07 |
| RBOS Gibraltar Provident No.2 Call Account | £659,148.49 | 1.000 | £659,148.49 | £659,148.49 |
| Savings Bank Fund - Bonds | £916,333.34 | 1.000 | £916,333.34 | £916,333.34 |
| | £30,357,899.83 | | £40,130,509.71 | £40,130,509.71 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR GUARANTEED SUPERANNUATION FUND PENSION
SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|-----------------------|
| Pension Contributions | £12,856,749.70 |
| Interest Earned | £1,155,300.87 |
| | <u>£14,012,050.57</u> |

PAYMENTS

| | |
|------------------------|-----------------------|
| Miscellaneous Payments | (£3,666,241.94) |
| Net Receipts | <u>£10,345,808.63</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| Net Purchase of Investments | £9,180,810.01 |
| Interest Earned | £1,155,300.87 |
| | <u>£10,336,110.88</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£10,336,110.88</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2016 | £35,609,774.53 |
| Net Increase in Investments during the year | £10,336,110.88 |
| Investments on 31 March 2017 | <u>£45,945,885.41</u> |
| Balance held in Government Liquid Reserves | £63,231.58 |
| | <u>£46,009,116.99</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £35,663,308.36 |
| Net Receipts during the year | £10,345,808.63 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£46,009,116.99</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Bonds | £45,945,885.41 | 100.000 | £45,945,885.41 | £45,945,885.41 |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****RECEIPTS**

| | |
|-----------------------|----------------------|
| Pension Contributions | £3,225,953.28 |
| Return on Investments | £327,427.81 |
| Net Capital Gain | £942,058.17 |
| | <u>£4,495,439.26</u> |

PAYMENTS

| | |
|---------------------------------|----------------------|
| Miscellaneous Payments | £792,716.63 |
| Administration Fees | £47,247.41 |
| Crown Agents Management Charges | £35,702.56 |
| | <u>(£875,666.60)</u> |
| Net Receipts | <u>£3,619,772.66</u> |

INVESTMENT ACCOUNT**INCREASE IN INVESTMENTS**

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £2,416,274.70 |
| Return on Investments | £327,427.81 |
| Net Capital Gain | £942,058.17 |
| | <u>£3,685,760.68</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| | <u>(£0.00)</u> |
| Net Increase in Investments | <u>£3,685,760.68</u> |

BALANCE SHEET AS AT 31 MARCH 2017**ASSETS**

| | |
|---|-----------------------|
| Investments on 1 April 2016 | £13,985,022.54 |
| Net Increase in Investments during the year | £3,685,760.68 |
| Investments on 31 March 2017 | <u>£17,670,783.22</u> |
| Balance held in Government Liquid Reserves | £72,602.75 |
| | <u>£17,743,385.97</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £14,123,613.31 |
| Net Receipts during the year | £3,619,772.66 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£17,743,385.97</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Canada FRN 20/07/18 | £120,000.00 | 100.271 0.123 | £120,325.20 £147.20 | £120,472.40 |
| Lloyds Bank FRN 14/01/19 | £100,000.00 | 100.362 0.147 | £100,362.00 £147.32 | £100,509.32 |
| Nordea Eiendomskreditt FRN 14/01/19 | £850,000.00 | 100.435 0.157 | £853,697.50 £1,338.35 | £855,035.85 |
| European Investment Bank FRN 25/05/18 | £1,470,000.00 | 100.291 0.053 | £1,474,277.70 £778.02 | £1,475,055.72 |
| European Investment Bank FRN 16/04/19 | £1,000,000.00 | 100.474 0.123 | £1,004,740.00 £1,229.88 | £1,005,969.88 |
| Svenska Handelsbanken AB 2.375% 29/08/17 | £400,000.00 | 106.088 0.468 | £424,352.00 £1,873.97 | £426,225.97 |
| UK Government 1% 07/09/17 | £665,000.00 | 100.423 0.065 | £667,812.95 £433.69 | £668,246.64 |
| UK Government 3.75% 07/09/20 | £1,155,220.00 | 112.154 0.245 | £1,295,625.44 £2,825.26 | £1,298,450.70 |
| UK Government 1.75% 07/09/22 | £1,430,000.00 | 106.577 0.114 | £1,524,051.10 £1,632.07 | £1,525,683.17 |
| UK Gov. 1.25% Indexed 22/11/17 (i) | £17,700.00 | 104.102 0.611 | £25,257.88 £108.08 | £25,365.96 |
| Bk Nederlandse Gemeenten FRN 03/04/18 | £1,000,000.00 | 100.068 0.130 | £1,000,680.00 £1,303.21 | £1,001,983.21 |
| Lloyds Bank FRN 18/07/19 | £250,000.00 | 100.296 0.130 | £250,740.00 £323.75 | £251,063.75 |
| Transport for London 2.125% 24/04/25 | £700,000.00 | 105.541 1.985 | £738,787.00 £13,896.92 | £752,683.92 |
| UK Gov. 1.875% Indexed 22/11/22 (ii) | £92,500.00 | 127.580 0.863 | £152,379.99 £798.05 | £153,178.04 |
| Carried Forward | £9,250,420.00 | | £9,659,924.53 | £9,659,924.53 |

* New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.37077 (ii) Index Ratio 1.29123

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £9,250,420.00 | | £9,659,924.53 | £9,659,924.53 |
| MONKS INVEST TR | £23,000.00 | 6.355 | £146,165.00 | £146,165.00 |
| BP Common Stock \$0.25 | £12,318.00 | 4.576 | £56,361.01 | £56,361.01 |
| Royal Dutch Shell B Euro 0.07 | £18,452.00 | 21.845 | £403,083.94 | £403,083.94 |
| Anglo American Common 0.54945 USD | £9,582.00 | 12.195 | £116,852.49 | £116,852.49 |
| British Aerospace Ordinary 2.5p | £8,900.00 | 6.425 | £57,182.50 | £57,182.50 |
| HALMA PLC | £1,800.00 | 10.240 | £18,432.00 | £18,432.00 |
| WEIR GROUP PLC | £2,196.00 | 19.170 | £42,097.32 | £42,097.32 |
| Diageo Ordinary 28.9351p | £2,253.00 | 22.835 | £51,447.26 | £51,447.26 |
| Indivior PLC Ordinary \$2 | £2,038.00 | 3.221 | £6,564.40 | £6,564.40 |
| Persimmon Ordinary 10p | £2,640.00 | 20.940 | £55,281.60 | £55,281.60 |
| Reckitt Benckiser Group Ordinary 10p | £2,038.00 | 72.860 | £148,488.68 | £148,488.68 |
| IMPERIAL BRANDS | £2,400.00 | 38.670 | £92,808.00 | £92,808.00 |
| Smith & Nephew Common Stock USD 0.2 | £9,370.00 | 12.160 | £113,939.20 | £113,939.20 |
| GlaxoSmithKline Ordinary 25p | £1,885.00 | 16.595 | £31,281.58 | £31,281.58 |
| Shire Ordinary 5p | £1,350.00 | 46.610 | £62,923.50 | £62,923.50 |
| Tesco Ordinary 5p | £3,145.00 | 1.856 | £5,837.12 | £5,837.12 |
| Next Ordinary 10p | £1,620.00 | 43.200 | £69,984.00 | £69,984.00 |
| ITV Ordinary 10p | £61,800.00 | 2.189 | £135,280.20 | £135,280.20 |
| Compass Group Ordinary 10.625p | £5,167.00 | 15.060 | £77,815.02 | £77,815.02 |
| Vodafone Group Ordinary US \$ 0.02095238 | £46,567.00 | 2.081 | £96,905.93 | £96,905.93 |
| Carried Forward | £9,468,941.00 | | £11,448,655.28 | £11,448,655.28 |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2017**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £9,468,941.00 | | £11,448,655.28 | £11,448,655.28 |
| Barclays Ordinary 25p | £35,067.00 | 2.251 | £78,935.82 | £78,935.82 |
| Royal Bank of Scotland Ordinary 1.00 | £24.00 | 2.421 | £58.10 | £58.10 |
| Aviva Ordinary 25p | £25,898.00 | 5.320 | £137,777.36 | £137,777.36 |
| Ediston Property Investment Company PLC Ordinary 100p | £95,000.00 | 1.088 | £103,312.51 | £103,312.51 |
| ABERDEEN ASSET Common 10p | £17,000.00 | 2.647 | £44,999.00 | £44,999.00 |
| Blackrock Smaller Companies Trust Ordinary 25p | £26,827.00 | 10.450 | £280,342.15 | £280,342.15 |
| IMPAX ENVIRONMEN | £46,391.00 | 2.273 | £105,423.55 | £105,423.55 |
| Mercantile Investment Trust Ordinary 25p | £230.00 | 18.220 | £4,190.60 | £4,190.60 |
| ishares FTSE 100 UCITS ETF Inc | £355,931.00 | 7.255 | £2,582,279.41 | £2,582,279.41 |
| ishares FTSE 250 UCITS ETF | £14,260.00 | 18.255 | £260,316.30 | £260,316.30 |
| HICL ordinary 0.01 | £189,506.00 | 1.690 | £320,265.14 | £320,265.14 |
| XD accrued / interest receivable | | | £3,334.77 | £3,334.77 |
| Lloyds Bank Provident No.3 Call Account | £687,464.35 | 100.000 | £687,464.35 | £687,464.35 |
| Bank of New York Pounds Sterling | £954,375.18 | 100.000 | £954,375.18 | £954,375.18 |
| RBOS Gibraltar Provident No.3 Call Account | £659,053.70 | 100.000 | £659,053.70 | £659,053.70 |
| | £12,575,968.23 | | £17,670,783.22 | £17,670,783.22 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

8% PENSION RIGHTS AND GRATUITY TRANSFERS - BOND 2:
SUB-FUND

RECEIPTS

Interest Earned £318,079.41

PAYMENTS

Miscellaneous Payments (£519,022.67)

Net Payments (£200,943.26)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £318,079.41

DECREASE IN INVESTMENTS

Net Sale of Investments (£519,022.67)

Net Decrease in Investments (£200,943.26)

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £4,259,086.44

Net Decrease in Investments during the year (£200,943.26)

Investments on 31 March 2017 £4,058,143.18

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £4,259,086.44

Net Payments during the year (£200,943.26)

Sub-Fund Account Balance on 31 March 2017 £4,058,143.18

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Bonds | £4,058,143.18 | 100.000 | £4,058,143.18 | £4,058,143.18 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL)
PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £430,565.90 |
| Interest Earned | £212,665.42 |
| | <u>£643,231.32</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£43,521.13) |
| Net Receipts | <u>£599,710.19</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £387,044.77 |
| Interest Earned | £212,665.42 |
| | <u>£599,710.19</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£599,710.19</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2016 | £4,777,994.37 |
| Net Increase in Investments during the year | £599,710.19 |
| Investments on 31 March 2017 | <u>£5,377,704.56</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £4,777,994.37 |
| Net Receipts during the year | £599,710.19 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£5,377,704.56</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £4,416,100.00 | 100.000 | £4,416,100.00 | £4,416,100.00 |
| Ordinary Deposits | £961,604.56 | 100.000 | £961,604.56 | £961,604.56 |
| | <u>£5,377,704.56</u> | | <u>£5,377,704.56</u> | <u>£5,377,704.56</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

8% GIBRALTAR PROVIDENT TRUST FUND - BOND 1: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £107,899.75 |
| Interest Earned | £269,231.63 |
| | <u>£377,131.38</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£3,080.08) |
| Net Receipts | <u>£374,051.30</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £104,820.33 |
| Interest Earned | £269,231.63 |
| | <u>£374,051.96</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£374,051.96</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2016 | £3,371,816.36 |
| Net Increase in Investments during the year | <u>£374,051.96</u> |
| Investments on 31 March 2017 | £3,745,868.32 |
| Balance held in Government Liquid Reserves | £2,604.87 |
| | <u>£3,748,473.19</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £3,374,421.89 |
| Net Receipts during the year | <u>£374,051.30</u> |
| Sub-Fund Account Balance on 31 March 2017 | <u>£3,748,473.19</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|----------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Bonds | £3,684,238.87 | 100.000 | £3,684,238.87 | £3,684,238.87 |
| Ordinary Deposits | £61,629.45 | 100.000 | £61,629.45 | £61,629.45 |
| | <u>£3,745,868.32</u> | | <u>£3,745,868.32</u> | <u>£3,745,868.32</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ADMIRALTY MARSHAL: SUB-FUND

RECEIPTS

| | |
|--------------------------|-----------------------|
| Miscellaneous Receipts | £69,306,045.13 |
| Interest Earned | £12,482.42 |
| Exchange Rate Adjustment | £2,070,312.13 |
| | <u>£71,388,839.68</u> |

PAYMENTS

| | |
|------------------------|-----------------------|
| Miscellaneous Payments | (£54,455,691.50) |
| Net Receipts | <u>£16,933,148.18</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| Net Purchase of Investments | £14,850,353.63 |
| Interest Earned | £12,482.42 |
| Exchange Rate Adjustment | £2,070,312.13 |
| | <u>£16,933,148.18</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£16,933,148.18</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2016 | £63,900.45 |
| Net Increase in Investments during the year | £16,933,148.18 |
| Investments on 31 March 2017 | <u>£16,997,048.63</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £63,900.45 |
| Net Receipts during the year | £16,933,148.18 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£16,997,048.63</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---|-----------------------|----------------------------------|--------------------------------|------------------------------|
| Gibraltar International Bank - Sterling Account | £221,652.71 | 100.000 | £221,652.71 | £221,652.71 |
| Gibraltar International Bank - Euro Account | £766,179.47 | 100.000 | £766,179.47 | £766,179.47 |
| Gibraltar International Bank - US Dollar Account | £16,007,748.12 | 100.000 0.009 | £16,007,748.12 £1,468.33 | £16,009,216.45 |
| | <u>£16,995,580.30</u> | | <u>£16,997,048.63</u> | <u>£16,997,048.63</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GMES)
PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £455,403.43 |
| Interest Earned | £54,383.44 |
| | <u>£509,786.87</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£509,786.87</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £455,403.43 |
| Interest Earned | £54,383.44 |
| | <u>£509,786.87</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£509,786.87</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2016 | £1,091,509.46 |
| Net Increase in Investments during the year | £509,786.87 |
| Investments on 31 March 2017 | <u>£1,601,296.33</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £1,091,509.46 |
| Net Receipts during the year | £509,786.87 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£1,601,296.33</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £1,329,800.00 | 100.000 | £1,329,800.00 | £1,329,800.00 |
| Ordinary Deposits | £271,496.33 | 100.000 | £271,496.33 | £271,496.33 |
| | <u>£1,601,296.33</u> | | <u>£1,601,296.33</u> | <u>£1,601,296.33</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL - AFRS) PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £513,903.05 |
| Interest Earned | £13,379.60 |
| | <u>£527,282.65</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£527,282.65</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £513,903.05 |
| Interest Earned | £13,379.60 |
| | <u>£527,282.65</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£527,282.65</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £196,401.50 |
| Net Increase in Investments during the year | £527,282.65 |
| Investments on 31 March 2017 | <u>£723,684.15</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2016 | £196,401.50 |
| Net Receipts during the year | £527,282.65 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£723,684.15</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|--------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £637,400.00 | 100.000 | £637,400.00 | £637,400.00 |
| Ordinary Deposits | £86,284.15 | 100.000 | £86,284.15 | £86,284.15 |
| | <u>£723,684.15</u> | | <u>£723,684.15</u> | <u>£723,684.15</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL SECRETARY RE: PURCHASE OF CARBON CREDITS BY
GIBRALTAR ELECTRICITY AUTHORITY: SUB-FUND

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £823,019.86 |
| Interest Earned | £14,795.57 |
| | <u>£837,815.43</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£837,815.43</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £823,019.86 |
| Interest Earned | £14,795.57 |
| | <u>£837,815.43</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£837,815.43</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2016 | £1,479,556.96 |
| Net Increase in Investments during the year | £837,815.43 |
| Investments on 31 March 2017 | <u>£2,317,372.39</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £1,479,556.96 |
| Net Receipts during the year | £837,815.43 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£2,317,372.39</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|-------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Ordinary Deposits | £1,494,352.53 | 100.000 | £1,494,352.53 | £1,494,352.53 |
| Investment Call Account | £823,019.86 | 100.000 | £823,019.86 | £823,019.86 |
| | <u>£2,317,372.39</u> | | <u>£2,317,372.39</u> | <u>£2,317,372.39</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GRATUITIES, PENSIONS, WAGES, SALARIES AND GROUP LIFE
INSURANCE BENEFITS UNCLAIMED: SUB-FUND

RECEIPTS

| | |
|------------------------|-------------------|
| Miscellaneous Receipts | £50,914.86 |
| Interest Earned | £2,172.81 |
| | <u>£53,087.67</u> |

PAYMENTS

| | |
|------------------------|----------------------|
| Miscellaneous Payments | (£270,132.43) |
| Net Payments | <u>(£217,044.76)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £2,172.81 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Sale of Investments | (£219,217.57) |
| Net Decrease in Investments | <u>(£217,044.76)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2016 | £314,270.55 |
| Net Decrease in Investments during the year | (£217,044.76) |
| Investments on 31 March 2017 | <u>£97,225.79</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2016 | £314,270.55 |
| Net Payments during the year | (£217,044.76) |
| Sub-Fund Account Balance on 31 March 2017 | <u>£97,225.79</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £97,225.79 | 100.000 | £97,225.79 | £97,225.79 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR PENSION ANNUITY TRUST SCHEME: SUB-FUND

RECEIPTS

Interest Earned £16,995.74

PAYMENTS

Miscellaneous Payments (£118,651.07)
Net Payments (£101,655.33)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £16,995.74

DECREASE IN INVESTMENTS

Net Sale of Investments (£118,651.07)
Net Decrease in Investments (£101,655.33)

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £449,757.02
Net Decrease in Investments during the year (£101,655.33)
Investments on 31 March 2017 £348,101.69

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £449,757.02
Net Payments during the year (£101,655.33)
Sub-Fund Account Balance on 31 March 2017 £348,101.69

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Fixed Term Monthly Income Debentures | £346,900.00 | 100.000 | £346,900.00 | £346,900.00 |
| Ordinary Deposits | £1,201.69 | 100.000 | £1,201.69 | £1,201.69 |
| | £348,101.69 | | £348,101.69 | £348,101.69 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTANT GENERAL ON BEHALF OF UNCLAIMED DECEASED PERSONS DEBENTURES: SUB-FUND

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £105,800.00 |
| Interest Earned | £2,910.53 |
| | <u>£108,710.53</u> |

PAYMENTS

| | |
|------------------------|---------------------|
| Miscellaneous Payments | (£178,584.10) |
| Net Payments | <u>(£69,873.57)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £2,910.53 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|---------------------|
| Net Sale of Investments | (£72,784.10) |
| Net Decrease in Investments | <u>(£69,873.57)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £314,215.52 |
| Net Decrease in Investments during the year | (£69,873.57) |
| Investments on 31 March 2017 | <u>£244,341.95</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2016 | £314,215.52 |
| Net Payments during the year | (£69,873.57) |
| Sub-Fund Account Balance on 31 March 2017 | <u>£244,341.95</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £244,341.95 | 100.000 | £244,341.95 | £244,341.95 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

CARE AGENCY - DONATIONS: SUB-FUND

RECEIPTS

| | |
|------------------------|-------------------|
| Miscellaneous Receipts | £20,329.53 |
| Interest Earned | £1,897.37 |
| | <u>£22,226.90</u> |

PAYMENTS

| | |
|------------------------|----------------|
| Miscellaneous Payments | (£21,342.84) |
| Net Receipts | <u>£884.06</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £1,897.37 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| Net Sale of Investments | (£1,013.31) |
| Net Increase in Investments | <u>£884.06</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2016 | £186,765.27 |
| Net Increase in Investments during the year | £884.06 |
| Investments on 31 March 2017 | <u>£187,649.33</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2016 | £186,765.27 |
| Net Receipts during the year | £884.06 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£187,649.33</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £187,649.33 | 100.000 | £187,649.33 | £187,649.33 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR SHIPREPAIR LTD PROVIDENT TRUST FUND: SUB-FUND

RECEIPTS

Interest Earned £1,453.12

PAYMENTS

Net Receipts (£0.00)
£1,453.12

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1,453.12

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£1,453.12

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £145,309.61
Net Increase in Investments during the year £1,453.12
Investments on 31 March 2017 £146,762.73

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £145,309.61
Net Receipts during the year £1,453.12
Sub-Fund Account Balance on 31 March 2017 £146,762.73

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £146,762.73 | 100.000 | £146,762.73 | £146,762.73 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD
(SAFETY NET EMPLOYEES): SUB-FUND

RECEIPTS

Interest Earned £2,969.80

PAYMENTS

(£0.00)
Net Receipts £2,969.80

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £2,969.80

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £2,969.80

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £147,130.29
Net Increase in Investments during the year £2,969.80
Investments on 31 March 2017 £150,100.09

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £147,130.29
Net Receipts during the year £2,969.80
Sub-Fund Account Balance on 31 March 2017 £150,100.09

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Special Issue of Monthly Income Debentures | £150,100.09 | 100.000 | £150,100.09 | £150,100.09 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

PUBLIC TRUSTEE: SUB-FUND

RECEIPTS

| | |
|-----------------|-----------|
| Interest Earned | £1,395.61 |
|-----------------|-----------|

PAYMENTS

| | |
|------------------------|----------------|
| Miscellaneous Payments | (£602.88) |
| Net Receipts | <u>£792.73</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £1,395.61 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| Net Sale of Investments | (£602.88) |
| Net Increase in Investments | <u>£792.73</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2016 | £96,496.17 |
| Net Increase in Investments during the year | <u>£792.73</u> |
| Investments on 31 March 2017 | <u>£97,288.90</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2016 | £96,496.17 |
| Net Receipts during the year | <u>£792.73</u> |
| Sub-Fund Account Balance on 31 March 2017 | <u>£97,288.90</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
PUBLIC TRUSTEE: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| ESTATE OF ANGEL COSTA | | | | |
| Savings Bank Fund: | | | | |
| Ordinary Deposits | £53,936.73 | 100.000 | £53,936.73 | £53,936.73 |
| Monthly Income Debentures | £41,800.00 | 100.000 | £41,800.00 | £41,800.00 |
| ESTATE OF ANGELA MORELLO | | | | |
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,000.00 | 100.000 | £1,000.00 | £1,000.00 |
| Ordinary Deposits | £552.17 | 100.000 | £552.17 | £552.17 |
| | £97,288.90 | | £97,288.90 | £97,288.90 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR HEALTH AUTHORITY GRATUITIES: SUB-FUND

RECEIPTS

Interest Earned £840.68

PAYMENTS

Net Receipts (£0.00)
£840.68

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £840.68

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£840.68

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £84,068.50
Net Increase in Investments during the year £840.68
Investments on 31 March 2017 £84,909.18

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £84,068.50
Net Receipts during the year £840.68
Sub-Fund Account Balance on 31 March 2017 £84,909.18

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £84,909.18 | 100.000 | £84,909.18 | £84,909.18 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

CARE AGENCY - RESIDENTS' SAVINGS: SUB-FUND

RECEIPTS

| | |
|------------------------|------------------|
| Miscellaneous Receipts | £7,387.61 |
| Interest Earned | £551.67 |
| | <u>£7,939.28</u> |

PAYMENTS

| | |
|------------------------|---------------------|
| Miscellaneous Payments | (£20,893.31) |
| Net Payments | <u>(£12,954.03)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|---------|
| Interest Earned | £551.67 |
|-----------------|---------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|---------------------|
| Net Sale of Investments | (£13,505.70) |
| Net Decrease in Investments | <u>(£12,954.03)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2016 | £60,098.70 |
| Net Decrease in Investments during the year | (£12,954.03) |
| Investments on 31 March 2017 | <u>£47,144.67</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2016 | £60,098.70 |
| Net Payments during the year | (£12,954.03) |
| Sub-Fund Account Balance on 31 March 2017 | <u>£47,144.67</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £47,144.67 | 100.000 | £47,144.67 | £47,144.67 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

OVERSEAS SERVICE AID SCHEME PENSION: SUB-FUND

RECEIPTS

Interest Earned £507.19

PAYMENTS

Net Receipts (£0.00)
£507.19

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £507.19

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£507.19

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £50,718.96
Net Increase in Investments during the year £507.19
Investments on 31 March 2017 £51,226.15

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £50,718.96
Net Receipts during the year £507.19
Sub-Fund Account Balance on 31 March 2017 £51,226.15

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|----------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank - Ordinary Deposits | £51,226.15 | 100.000 | £51,226.15 | £51,226.15 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

8 1/4% JOHN MACKINTOSH HOMES PROVIDENT TRUST FUND BOND:
SUB-FUND

RECEIPTS

Interest Earned £396.96

PAYMENTS

(£0.00)
Net Receipts £396.96

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £396.96

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £396.96

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £39,695.87
Net Increase in Investments during the year £396.96
Investments on 31 March 2017 £40,092.83

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £39,695.87
Net Receipts during the year £396.96
Sub-Fund Account Balance on 31 March 2017 £40,092.83

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: Ordinary Deposits | £40,092.83 | 100.000 | £40,092.83 | £40,092.83 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

COMMISSIONER OF POLICE - CONFISCATED MONIES: SUB-FUND

RECEIPTS

| | |
|--------------------------|-------------------|
| Miscellaneous Receipts | £33,956.40 |
| Interest Earned | £168.34 |
| Exchange Rate Adjustment | £399.06 |
| | <u>£34,523.80</u> |

PAYMENTS

| | |
|--------------|-------------------|
| | (£0.00) |
| Net Receipts | <u>£34,523.80</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-------------------|
| Net Purchase of Investments | £33,956.40 |
| Interest Earned | £168.34 |
| Exchange Rate Adjustment | £399.06 |
| | <u>£34,523.80</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£34,523.80</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2016 | £32,597.54 |
| Net Increase in Investments during the year | <u>£34,523.80</u> |
| Investments on 31 March 2017 | <u>£67,121.34</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2016 | £32,597.54 |
| Net Receipts during the year | <u>£34,523.80</u> |
| Sub-Fund Account Balance on 31 March 2017 | <u>£67,121.34</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|-------------------|----------------------------------|--------------------------------|------------------------------|
| Barclays Bank Plc - Deposit Account | £27,099.02 | 100.000 0.013 | £27,099.02 £3.59 | £27,102.61 |
| Barclays Bank Plc - Euro Call Account | £5,986.59 | 100.000 | £5,986.59 | £5,986.59 |
| Savings Bank Fund - Ordinary Deposits | £34,032.14 | 100.000 | £34,032.14 | £34,032.14 |
| | <u>£67,117.75</u> | | <u>£67,121.34</u> | <u>£67,121.34</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTANT GENERAL ON BEHALF OF SUNDRY BENEFICIARIES:
SUB-FUND

RECEIPTS

Interest Earned £315.17

PAYMENTS

(£0.00)
Net Receipts £315.17

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £315.17

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £315.17

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £31,516.45
Net Increase in Investments during the year £315.17
Investment Account on 31 March 2017 £31,831.62

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £31,516.45
Net Receipts during the year £315.17
Sub-Fund Account Balance on 31 March 2017 £31,831.62

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|-------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | <u>£31,831.62</u> | 100.000 | £31,831.62 | <u>£31,831.62</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

PROFESSIONAL DARTS CORPORATION (ESCROW ACCOUNT):
SUB-FUND

RECEIPTS

Interest Earned £2.57

PAYMENTS

Net Receipts (£0.00)
£2.57

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £2.57

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£2.57

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £256.96
Net Increase in Investments during the year £2.57
Investments on 31 March 2017 £259.53

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £256.96
Net Receipts during the year £2.57
Sub-Fund Account Balance on 31 March 2017 £259.53

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £259.53 | 100.000 | £259.53 | £259.53 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTANT GENERAL ON BEHALF OF GIBRALTAR BUILDING
SOCIETY BENEFICIARIES: SUB-FUND

RECEIPTS

Interest Earned £247.96

PAYMENTS

(£0.00)
Net Receipts £247.96

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £247.96

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £247.96

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £24,801.64
Net Increase in Investments during the year £247.96
Investments on 31 March 2017 £25,049.60

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £24,801.64
Net Receipts during the year £247.96
Sub-Fund Account Balance on 31 March 2017 £25,049.60

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £25,049.60 | 100.000 | £25,049.60 | £25,049.60 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

YOUTH CLUBS: SUB-FUND

RECEIPTS

Miscellaneous Receipts £47,065.13

PAYMENTS

Miscellaneous Payments (£39,771.36)

Net Receipts £7,293.77

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments £7,293.77

DECREASE IN INVESTMENTS

(£0.00)

Net Increase in Investments £7,293.77

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £34,728.85

Net Increase in Investments during the year £7,293.77

Investments on 31 March 2017 £42,022.62

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £34,728.85

Net Receipts during the year £7,293.77

Sub-Fund Account Balance on 31 March 2017 £42,022.62

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Natwest Offshore Ltd - Current Account | £42,022.62 | 100.000 | £42,022.62 | £42,022.62 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

COLLECTOR OF CUSTOMS - CONFISCATED MONIES: SUB-FUND

RECEIPTS

Exchange Rate Adjustment £821.42

PAYMENTS

(£0.00)
Net Receipts £821.42

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Exchange Rate Adjustment £821.42

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £821.42

BALANCE SHEET AS AT 31. MARCH 2017

ASSETS

Investments on 1 April 2016 £11,501.38
Net Increase in Investments during the year £821.42
Investments on 31 March 2017 £12,322.80

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £11,501.38
Net Receipts during the year £821.42
Sub-Fund Account Balance on 31 March 2017 £12,322.80

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Scotland - Euro Call A/c | £12,322.80 | 100.000 | £12,322.80 | £12,322.80 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

HARGRAVES PROJECT: SUB-FUND

RECEIPTS

Interest Earned £97.56

PAYMENTS

(£0.00)
Net Receipts £97.56

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £97.56

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £97.56

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £9,755.99
Net Increase in Investments during the year £97.56
Investments on 31 March 2017 £9,853.55

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £9,755.99
Net Receipts during the year £97.56
Sub-Fund Account Balance on 31 March 2017 £9,853.55

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £9,853.55 | 100.000 | £9,853.55 | £9,853.55 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

KING GEORGE V HOSPITAL - PATIENTS' PROPERTY: SUB-FUND

RECEIPTS

Interest Earned £75.79

PAYMENTS

Net Receipts (£0.00)
£75.79

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £75.79

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£75.79

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £7,578.28
Net Increase in Investments during the year £75.79
Investments on 31 March 2017 £7,654.07

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £7,578.28
Net Receipts during the year £75.79
Sub-Fund Account Balance on 31 March 2017 £7,654.07

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £7,654.07 | 100.000 | £7,654.07 | £7,654.07 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

DECK CADET TRAINING COURSE: SUB-FUND

RECEIPTS

Interest Earned £382.53

PAYMENTS

(£0.00)
Net Receipts £382.53

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £382.53

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £382.53

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £38,252.59
Net Increase in Investments during the year £382.53
Investments on 31 March 2017 £38,635.12

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £38,252.59
Net Receipts during the year £382.53
Sub-Fund Account Balance on 31 March 2017 £38,635.12

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £38,635.12 | 100.000 | £38,635.12 | £38,635.12 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ST MARY'S FIRST SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £62.91

PAYMENTS

(£0.00)
Net Receipts £62.91

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £62.91

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £62.91

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £6,291.03
Net Increase in Investments during the year £62.91
Investments on 31 March 2017 £6,353.94

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £6,291.03
Net Receipts during the year £62.91
Sub-Fund Account Balance on 31 March 2017 £6,353.94

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £6,353.94 | 100.000 | £6,353.94 | £6,353.94 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

THE GIBRALTAR MASONIC EDUCATIONAL EVENTS FUND: SUB-FUND

RECEIPTS

Interest Earned £28.20

PAYMENTS

Net Receipts (£0.00)
£28.20

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £28.20

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£28.20

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £2,820.15
Net Increase in Investments during the year £28.20
Investments on 31 March 2017 £2,848.35

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £2,820.15
Net Receipts during the year £28.20
Sub-Fund Account Balance on 31 March 2017 £2,848.35

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £2,848.35 | 100.000 | £2,848.35 | £2,848.35 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR GRAND PIANO: SUB-FUND

RECEIPTS

Interest Earned £22.80

PAYMENTS

(£0.00)
Net Receipts £22.80

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £22.80

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £22.80

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £2,280.10
Net Increase in Investments during the year £22.80
Investments on 31 March 2017 £2,302.90

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £2,280.10
Net Receipts during the year £22.80
Sub-Fund Account Balance on 31 March 2017 £2,302.90

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £2,302.90 | 100.000 | £2,302.90 | £2,302.90 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

MATRON GIRALDI PRIZE FUND: SUB-FUND

RECEIPTS

Interest Earned £36.57

PAYMENTS

Net Receipts (£0.00)
£36.57

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £36.57

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£36.57

ASSETS

Investments on 1 April 2016 £2,042.62

Net Increase in Investments during the year £36.57

Investments on 31 March 2017 £2,079.19

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £2,042.62

Net Receipts during the year £36.57

Sub-Fund Account Balance on 31 March 2017 £2,079.19

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,600.00 | 100.000 | £1,600.00 | £1,600.00 |
| Ordinary Deposits | £479.19 | 100.000 | £479.19 | £479.19 |
| | <u>£2,079.19</u> | | <u>£2,079.19</u> | <u>£2,079.19</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

HEBREW SCHOOL - DONATIONS : SUB-FUND

RECEIPTS

Interest Earned £13.03

PAYMENTS

(£0.00)
Net Receipts £13.03

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £13.03

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £13.03

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £1,302.54
Net Increase in Investments during the year £13.03
Investments on 31 March 2017 £1,315.57

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £1,302.54
Net Receipts during the year £13.03
Sub-Fund Account Balance on 31 March 2017 £1,315.57

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £1,315.57 | 100.000 | £1,315.57 | £1,315.57 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

KING GEORGE V HOSPITAL - LORD THOMPSON'S BEQUEST:
SUB-FUND

RECEIPTS

Interest Earned £22.54

PAYMENTS

(£0.00)
Net Receipts £22.54

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £22.54

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £22.54

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £1,253.53
Net Increase in Investments during the year £22.54
Investments on 31 March 2017 £1,276.07

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £1,253.53
Net Receipts during the year £22.54
Sub-Fund Account Balance on 31 March 2017 £1,276.07

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,000.00 | 100.000 | £1,000.00 | £1,000.00 |
| Ordinary Deposits | £276.07 | 100.000 | £276.07 | £276.07 |
| | £1,276.07 | | £1,276.07 | £1,276.07 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ST MARTIN'S SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £8.00

PAYMENTS

Miscellaneous Payments (£52.50)
Net Payments (£44.50)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £8.00

DECREASE IN INVESTMENTS

Net Sale of Investments (£52.50)
Net Decrease in Investments (£44.50)

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £804.32
Net Decrease in Investments during the year (£44.50)
Investments on 31 March 2017 £759.82

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £804.32
Net Payments during the year (£44.50)
Sub-Fund Account Balance on 31 March 2017 £759.82

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £759.82 | 100.000 | £759.82 | £759.82 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

ST BERNARD'S HOSPITAL - HUMPHREY'S LTD CHALLENGE CUP:
SUB-FUND

RECEIPTS

Interest Earned £5.66

PAYMENTS

(£0.00)
Net Receipts £5.66

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £5.66

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £5.66

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

Investments on 1 April 2016 £367.92
Net Increase in Investments during the year £5.66
Investments on 31 March 2017 £373.58

FINANCED BY

Sub-Fund Account Balance on 1 April 2016 £367.92
Net Receipts during the year £5.66
Sub-Fund Account Balance on 31 March 2017 £373.58

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £200.00 | 100.000 | £200.00 | £200.00 |
| Ordinary Deposits | £173.58 | 100.000 | £173.58 | £173.58 |
| | £373.58 | | £373.58 | £373.58 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE PERIOD 19 OCTOBER 2016 TO 31 MARCH 2017

HEBREW SCHOOL - MUSICAL INSTRUMENT BURSARY: SUB-FUND

RECEIPTS

| | |
|------------------------|------------------|
| Miscellaneous Receipts | £1,500.00 |
| Interest Earned | £6.21 |
| | <u>£1,506.21</u> |

PAYMENTS

| | |
|--------------|------------------|
| | (£0.00) |
| Net Receipts | <u>£1,506.21</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| Net Purchase of Investments | £1,500.00 |
| Interest Earned | £6.21 |
| | <u>£1,506.21</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£1,506.21</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|------------------|
| Investments on 19 October 2016 | £0.00 |
| Net Increase in Investments during the period | £1,506.21 |
| Investments on 31 March 2017 | <u>£1,506.21</u> |

FINANCED BY

| | |
|---|------------------|
| Sub-Fund Account Balance on 19 October 2016 | £0.00 |
| Net Receipts during the period | £1,506.21 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£1,506.21</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £1,506.21 | 100.000 | £1,506.21 | £1,506.21 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

GIBRALTAR NATIONAL ARCHIVES - DONATIONS: SUB-FUND

RECEIPTS

| | |
|-----------------------|----------------|
| Micellaneous Receipts | £550.00 |
| Interest Earned | £6.85 |
| | <u>£556.85</u> |

PAYMENTS

| | |
|------------------------|------------------|
| Miscellaneous Payments | (£873.98) |
| Net Payments | <u>(£317.13)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------|
| Interest Earned | £6.85 |
|-----------------|-------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| Net Sale of Investments | (£323.98) |
| Net Decrease in Investments | <u>(£317.13)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------|
| Investments on 1 April 2016 | £714.16 |
| Net Decrease in Investments during the year | (£317.13) |
| Investments on 31 March 2017 | <u>£397.03</u> |

FINANCED BY

| | |
|---|----------------|
| Sub-Fund Account Balance on 1 April 2016 | £714.16 |
| Net Payments during the year | (£317.13) |
| Sub-Fund Account Balance on 31 March 2017 | <u>£397.03</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £397.03 | 100.000 | £397.03 | £397.03 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE PERIOD 19 OCTOBER 2016 TO 31 MARCH 2017

ST ANNE'S MIDDLE SCHOOL -
MUSICAL INSTRUMENT BURSARY: SUB-FUND

RECEIPTS

| | |
|------------------------|------------------|
| Miscellaneous Receipts | £1,500.00 |
| Interest Earned | £3.79 |
| | <u>£1,503.79</u> |

PAYMENTS

| | |
|------------------------|---------------|
| Miscellaneous Payments | (£1,492.00) |
| Net Receipts | <u>£11.79</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|---------------|
| Net Purchase of Investments | £8.00 |
| Interest Earned | £3.79 |
| | <u>£11.79</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| Net Increase in Investments | <u>(£0.00)</u> |
| | <u>£11.79</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|---------------|
| Investments on 19 October 2016 | £0.00 |
| Net Increase in Investments during the period | £11.79 |
| Investments on 31 March 2017 | <u>£11.79</u> |

FINANCED BY

| | |
|---|---------------|
| Sub-Fund Account Balance on 19 October 2016 | £0.00 |
| Net Receipts during the period | £11.79 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£11.79</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2017

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 17 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £11.79 | 100.000 | £11.79 | £11.79 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

MID-HARBOUR SMALL BOATS MARINA: SUB-FUND

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £287,504.73 |
| Interest Earned | <u>£2,287.23</u> |
| | <u>£289,791.96</u> |

PAYMENTS

| | |
|------------------------|----------------------|
| Miscellaneous Payments | (£402,211.96) |
| Net Payments | <u>(£112,420.00)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £2,287.23 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Sale of Investments | (£114,707.23) |
| Net Decrease in Investments | <u>(£112,420.00)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2016 | £112,420.00 |
| Net Decrease in Investments during the year | <u>(£112,420.00)</u> |
| Investments on 31 March 2017 | <u>£0.00</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2016 | £112,420.00 |
| Net Payments during the year | <u>(£112,420.00)</u> |
| Sub-Fund Account Balance on 31 March 2017 | <u>£0.00</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE PERIOD 19 OCTOBER 2016 TO 31 MARCH 2017

ST JOSEPH'S MIDDLE SCHOOL -
MUSICAL INSTRUMENT BURSARY: SUB-FUND

RECEIPTS

| | |
|------------------------|------------------|
| Miscellaneous Receipts | £1,500.00 |
| Interest Earned | £1.25 |
| | <u>£1,501.25</u> |

PAYMENTS

| | |
|------------------------|--------------|
| Miscellaneous Payments | (£1,501.25) |
| Net Receipts/Payments | <u>£0.00</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|--------------|
| Interest Earned | £1.25 |
| | <u>£1.25</u> |

DECREASE IN INVESTMENTS

| | |
|--------------------------------------|--------------|
| Net Sale of Investments | (£1.25) |
| Net Increase/Decrease in Investments | <u>£0.00</u> |

BALANCE SHEET AS AT 31 MARCH 2017

ASSETS

| | |
|--|--------------|
| Investments on 19 October 2016 | £0.00 |
| Net Increase/Decrease in Investments during the period | £0.00 |
| Investments on 31 March 2017 | <u>£0.00</u> |

FINANCED BY

| | |
|---|--------------|
| Sub-Fund Account Balance on 19 October 2016 | £0.00 |
| Net Receipts/Payments during the period | £0.00 |
| Sub-Fund Account Balance on 31 March 2017 | <u>£0.00</u> |

GIBRALTAR GOVERNMENT LOTTERY
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017
INCOME AND EXPENDITURE ACCOUNT

INCOME

| | | |
|--|----------------------|----------------------|
| Gross Proceeds on Sale of Tickets | £6,100,000.00 | |
| (less) Returned Tickets | <u>(£614,493.00)</u> | |
| Net Proceeds on Sale of Tickets | | £5,485,507.00 |
| Prizes Unclaimed and Minor Prizes on Returned Tickets in respect of 2015/2016 Lottery Draws which lapsed during 2016/2017. | | <u>£99,686.42</u> |
| Total Income | | <u>£5,585,193.42</u> |

EXPENDITURE

| | | |
|--|----------------------|------------------------|
| Prizes | £4,262,363.50 | |
| Provision for Tickets not yet Presented | <u>£261,698.00</u> | |
| Total Prizes Payable | £4,524,061.50 | |
| (Less) Prizes on Returned Tickets | <u>(£362,500.00)</u> | |
| Net Prizes | | £4,161,561.50 |
| Agents' Selling Commission | £366,000.00 | |
| (less) Commission on Returned Tickets | <u>(£36,869.58)</u> | |
| Net Agents' Selling Commission | | £329,130.42 |
| Agent's Administration Fee | £244,000.00 | |
| (less) Administration Fee on Returned Tickets | <u>(£24,579.72)</u> | |
| Net Agent's Administration Fee | | £219,420.28 |
| Management Charges | | £98,000.00 |
| Agents' Commission on Prizes | £38,998.93 | |
| Provision for Outstanding Prizes | <u>£2,616.88</u> | |
| Total Agents' Commission on Prizes | | £41,615.81 |
| Printing of Lottery Tickets | | £59,302.25 |
| Electricity, Water and Service Charges | | £2,669.40 |
| GBC Expenses | | £8,893.14 |
| Conferences and Subscription to Association of State Lotteries | | £3,956.40 |
| Advertising | | £34,055.00 |
| Cost of Lottery Paper | | £12,444.37 |
| Cost of New Lottery Machine | | £21,720.25 |
| Miscellaneous Expenses | | <u>£563.90</u> |
| Total Expenditure | | <u>(£4,993,332.72)</u> |
| Surplus Transferred to the Consolidated Fund | | <u>£591,860.70</u> |

STATEMENT OF PUBLIC DEBT AS AT 31 MARCH 2017

| DESCRIPTION OF LOAN | AUTHORITY | PUBLIC DEBT Brought Forward | AMOUNT RECEIVED During the Year | AMOUNT REDEEMED During the Year | PUBLIC DEBT OUTSTANDING |
|---|-----------|-----------------------------------|---------------------------------------|---------------------------------------|-------------------------------|
| Barclays Bank PLC (Revolving Facility) | (a) | £150,000,000.00 | £0.00 | £0.00 | £150,000,000.00 |
| Natwest Offshore Ltd (Revolving Facility) | (a) | £50,000,000.00 | £0.00 | £0.00 | £50,000,000.00 |
| Government of Gibraltar Debentures issued on 1 September 2014 | (a) | £100,000,000.00 | £0.00 | £0.00 | £100,000,000.00 |
| Government of Gibraltar Monthly Income Debentures issued on 1 October 2014 | (a) | £147,700,000.00 | £0.00 | £0.00 | £147,700,000.00 |
| | | £447,700,000.00 | £0.00 | £0.00 | £447,700,000.00 |

(a) With effect from June 1988 statutory authority to raise loans and debentures was provided under The Borrowing Powers Act 1988. With effect from July 2008 the authority to raise loans and debentures is provided under the The Public Finance (Borrowing Powers) Act 2008.

All Public Debt is used either for the repayment of existing Public Debt or for the purposes of the Improvement and Development Fund, or held by the Consolidated Fund pending utilisation for the aforementioned purposes.

The Aggregate Public Debt stood at £442.5m (Public Debt £447.7m less General Sinking Fund £5.2m) as at 31 March 2017.

**STATEMENT OF OUTSTANDING LOANS ISSUED BY THE IMPROVEMENT AND DEVELOPMENT FUND
AS AT 31 MARCH 2017**

| BORROWER | DATE OF LOAN | AUTHORITY | SOURCE OF LOAN | AMOUNT OF LOAN | DRAWN TO DATE | AMOUNT REPAYED TO DATE | BALANCE OUT-STANDING | ANNUAL INTEREST | TERMS OF REPAYMENT |
|------------------------------------|--------------|----------------------------|--------------------------------|----------------|---------------|------------------------|----------------------|-----------------|--|
| Vineyards (Management) Ltd | 19/08/1999 | Agreement Dated 19/08/1999 | Improvement & Development Fund | £449,970.00 | £449,438.04 | £288,592.50 | £160,845.54 | - | By seventy-two equal instalments of principal. First payment 1 month after agreement executed. Loan extended in August 2004, to be repaid by 180 equal instalments of principal. Loan increased in October 2008, to be repaid by 130 instalments of principal. Loan increased and extended in January 2012, to be repaid in 128 instalments. |
| Sunrise Court Management (Two) Ltd | 17/11/2011 | Agreement Dated 17/11/2011 | Improvement & Development Fund | £30,000.00 | £29,700.00 | £20,500.00 | £9,200.00 | - | By sixty equal instalments of principal. First payment being due at the end of the month of the first drawdown. |
| Inverrigan Ltd | 16/01/2003 | Agreement Dated 16/01/2003 | Improvement & Development Fund | £48,000.00 | £48,000.00 | £48,000.00 | £0.00 (a) | Base Rate | By twenty equal instalments of principal and interest on the reducing balance. First payment 3 years after agreement executed. |
| Gibraltar Taxi Association | 31/05/2012 | Agreement Dated 31/05/2012 | Improvement & Development Fund | £200,000.00 | £200,000.00 | £95,002.19 | £104,997.81 | - | Loan to be repaid over ten years in equal monthly instalments of £1,666.67. |
| Gibraltar Chronicle Printing Ltd | 27/06/2012 | Agreement Dated 27/06/2012 | Improvement & Development Fund | £36,000.00 | £36,000.00 | £31,322.47 | £4,677.53 | 5% | By sixty equal instalments of principal and interest on the reducing balance. First payment due at the end of the month from the date of the first drawdown and each consecutive month thereafter. |
| Total | | | | £763,970.00 | £763,138.04 | £483,417.16 | £279,720.88 | | |

Note:

(a) Arrears of interest due in respect of Inverrigan Ltd amounting to £26,092.87 were written off on 16 February 2017.

**STATEMENT OF LOSSES OF CASH AND STORES WRITTEN-OFF
AND CLAIMS ABANDONED FOR THE YEAR ENDED 31 MARCH 2017**

| DEPARTMENT | DETAILS | CASH LOSSES WRITTEN-OFF | ABANDONED CLAIMS | TOTAL |
|---------------------------------|--|----------------------------|--------------------------|-------------|
| Treasury | General Rates and Salt Water Charges Interest on Loan Rounding Workmens' Wages Cash Shortages | £798.81 £830.00 | £39,262.34 £26,092.87 | £66,984.02 |
| Gibraltar Electricity Authority | Outstanding Electricity Bills | | £30,558.56 | £30,558.56 |
| Housing Works Agency | Deficiency of Stores | | £23,176.92 | £23,176.92 |
| Postal Services | Phonecards | £580.00 | | £580.00 |
| Income Tax | Cash Shortage | £216.42 | | £216.42 |
| Education | Cash Shortage | £121.00 | | £121.00 |
| Tourism | Cash Shortages | £64.88 | | £64.88 |
| Housing - Administration | Cash Shortages | £21.34 | | £21.34 |
| Social Security | Cash Shortage | £20.00 | | £20.00 |
| Gibraltar Courts Service | Counterfeit Note | £20.00 | | £20.00 |
| Care Agency | Pension Scheme Contributions | £0.22 | | £0.22 |
| | | £2,672.67 | £119,090.69 | £121,763.36 |

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2017

| HEAD | SUBHEAD | | PREVIOUS YEAR |
|--|---|--------------------------|-----------------------|
| 1. INCOME TAXES (a) | 1. INCOME TAX (b) | £17,681,582.59 (d) | £20,929,936.87 |
| | 2. COMPANY TAX (c) | <u>£4,154,056.12 (e)</u> | <u>£7,785,360.94</u> |
| | | £21,835,638.71 | £28,715,297.81 |
| 2. DUTIES, TAXES AND OTHER RECEIPTS | 1. IMPORT DUTIES | £156,296.10 | £190,723.36 |
| | 3. TRANSIT AND BONDED STORES OPERATORS FEES | <u>-</u> | <u>-</u> |
| | | £156,296.10 | £190,723.36 |
| 3. GAMBLING CHARGES, FEES AND LOTTERY | 1. GAMBLING CHARGES AND FEES | <u>£49,924.94</u> | <u>-</u> |
| | | £49,924.94 | - |
| 4. RATES AND RENTS | 1. GENERAL RATES AND SALT WATER CHARGES | £6,248,509.90 (f) | £5,453,132.15 |
| | 2. GROUND AND SUNDRY RENTS | <u>£1,033,300.06 (g)</u> | <u>£1,235,892.24</u> |
| | | £7,281,809.96 | £6,689,024.39 |
| 5. DEPARTMENTAL FEES AND RECEIPTS | 7. AIRPORT DEPARTURE TAX | £248,420.00 | £342,455.00 |
| | 8. FEES AND CONCESSIONS | £60,892.53 | £107,031.04 |
| | 9. AIRPORT LANDING FEES | £87,615.20 | £117,691.04 |
| | 13. OTHER RECEIPTS | £2,269,186.22 | £1,767,588.74 |
| | 15. PUBLIC HEALTH AND ENVIRONMENTAL FEES | £1,483.16 | £4,118.29 |
| | 19. SALE OF ELECTRICITY TO CONSUMERS | £7,445,728.30 (h) | £8,549,296.03 |
| | 20. CONSUMERS' CONNECTION FEES | £1,964.23 | £1,964.23 |
| | 23. COMMERCIAL WORKS | £185,170.26 (h) | £534,385.41 |
| | 26. VEHICLE LICENCES AND FEES | £25.00 | £25.00 |
| | 27. VEHICLE TESTING | £20.00 | £20.00 |
| | 31. TONNAGE DUES | £501,047.19 | £286,098.05 |
| | 32. BERTHING CHARGES | £93,850.21 | £29,987.73 |
| | 34. PORT ARRIVAL AND DEPARTURE TAX | £7,873.00 | £30,894.40 |
| | 36. BUNKERING CHARGES | £128,226.53 | £28,000.00 |
| | 37. MISCELLANEOUS RECEIPTS | £16,500.00 | £7,750.00 |
| | 38. TOWN PLANNING AND BUILDING CONTROL FEES | £1,990.00 | - |
| | 42. HOSTEL FEES | £91,857.00 | £70,379.50 |
| | 46. TOURIST SITES RECEIPTS | £347,855.55 (i) | £303,110.15 |
| | 49. COACH TERMINAL FEES | £9,240.00 | £210.00 |
| | 50. HOUSE RENTS | £5,286,363.57 (j) | £5,755,687.26 |
| | 55. POSTAL SERVICES RECEIPTS | £102,036.51 (k) | £108,379.02 |
| | 59. SCHOLARSHIP FEES - REIMBURSEMENTS | £720,630.76 (l) | £603,769.08 |
| | 60. NON RESIDENTIAL SCHOOL FEES | £98,027.72 | £100,107.72 |
| | 61. FINES AND FORFEITURES | - (m) | - |
| | 65. ADVERTISING REVENUE | £950.00 | - |
| | 66. EVENTS | £7,273.98 | £6,955.79 |
| | 71. GARRISON LIBRARY FEES | £1,900.00 | - |
| | 74. SHIP REGISTRATION FEES | <u>£136,928.31</u> | <u>£157,962.66</u> |
| | | £17,853,055.23 | £18,913,866.14 |
| 6. GOVERNMENT EARNINGS | 5. SERVICES PERFORMED BY PUBLIC OFFICERS | £14,097.93 | £13,841.45 |
| | 6. OTHER REIMBURSEMENTS | <u>£609.00</u> | <u>£1,254.00</u> |
| | | £14,706.93 | £15,095.45 |
| | | <u>£47,191,431.87</u> | <u>£54,524,007.15</u> |

PLEASE REFER TO EXPLANATORY NOTES ON NEXT PAGE

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2017 -
(CONT'D)

Notes:

(a) The Income Tax Act 2010 came into effect on 1 January 2011. Consequently for the fiscal year ended 31 March 2017 the references to the various legislative sections under which estimated assessments have been raised include those applicable to both the Income Tax Act 1952 (1952 Act) and the Income Tax Act 2010 (2010 Act).

(b) Income Tax arrears includes an element of estimated assessments raised on self-employed persons and on private individuals in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(c) Company Tax arrears includes an element of estimated assessments raised on companies in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(d) Income Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2017. The amounts are: Self-Employed - £66,747.85 and Individuals - £151,799.28. Furthermore these arrears exclude amounts standing as 'credits' in self employed and individual tax accounts. The amounts are: Self-Employed - £3,966,047.35 and Individuals - £7,424,988.07.

(e) Company Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2017. This amount totals £78,823.50. Furthermore, these arrears exclude amounts standing as 'credits' in Company tax accounts; this amount totals £52,366,782.10.

(f) General Rates and Salt Water Charges arrears exclude £287,277.60 in respect of amounts standing as credits and includes £540,832.38 of exemptions in accordance with Section 282 of the Public Health Act, 1950.

(g) Arrears of Ground and Sundry Rents exclude credit amounts in respect of prepayments and payments from tenants whose leases have expired or are awaiting a rent review. The amounts are £200,179.67 in respect of tenants whose leases have expired and £10,431.33 in respect of tenants with prepayments.

(h) Sale of Electricity to Consumers arrears is made up of (a) Current Arrears - Payable within 60 days - £2,109,497.56 (b) Historic arrears - over 60 days - £4,057,657.87 (c) Gibdock arrears - £302,374.66 (d) MOD - £383,075.83 (e) GMES Ltd - £593,122.38. The consumer connection fees of £1,964.23 are also historic arrears.

(i) Tourist Sites Receipts arrears include amounts with credit periods after 31 March 2017. The amounts are: payable within 30 days - £43,558.10, within 60 days - £45,575.40 and within 90 days - £138,084.30. Over the 90 days credit - £120,637.75.

(j) House Rents arrears is made up of (a) Current Rent amounting to £186,414.06, (b) Arrears amounting to £2,660,431.27 and Arrears Agreements amounting to £2,439,518.24.

(k) Postal Services Receipts arrears do not include the amount outstanding from Terminal Dues as the Post Office Manager could not provide the information on these arrears. On 29 October 2019 information on Terminal Dues was provided and £6,467.68 was identified as owing on 31 March 2017.

(l) Scholarship Fees - Reimbursements arrears are significantly understated but have not been adjusted, as the exact amount due at the year-end has not been established by the Director of Education.

(m) After discussions held between the Chief Executive, Gibraltar Courts Service, senior managers at the Central Arrears Unit and the Chief Justice it was agreed that fines and forfeitures does not constitute arrears of revenue since - as the Chief Justice highlighted - they are not a revenue-raising mechanism but rather exclusively part of the judicial process. On 10 June 2019 after considering the conclusions raised from the same discussions, the Accountant General agreed that outstanding fines and forfeitures does not constitute arrears of revenue.

Social Insurance contributions arrears as at the year ended 31 March 2017 amounted to £5,903,925.83 of which 70% - £4,132,748.08 was receivable by the Consolidated Fund Revenue Head 5 Subhead 11 - Group Practice Medical Scheme.

**Unaudited Accounts of Government
Statutory Authorities, Agencies and
Corporations**

for the year ended 31 March 2017

GIBRALTAR HEALTH AUTHORITY **RECEIPTS AND PAYMENTS ACCOUNT** **FOR THE YEAR ENDED 31 MARCH 2017**

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 14:

| | |
|-------------------------------------|----------------|
| Contribution from Revenues Received | £58,248,598.48 |
| Additional Contribution | £56,273,000.00 |

| | |
|---|------------------------|
| Contribution from the Social Assistance Fund | £3,500,000.00 |
| Contribution from the Statutory Benefits Fund | £471,412.00 |
| | <u>£118,493,010.48</u> |

PAYMENTS

Personal Emoluments

| | | |
|----------------|--------------------|----------------|
| (1) Salaries | £30,968,822.89 | |
| (2) Overtime | £2,953,227.94 | |
| (3) Allowances | £6,145,055.38 | |
| (4) Gratuities | <u>£881,917.05</u> | |
| | | £40,949,023.26 |

Ambulance Service

| | | |
|----------------|--------------------|---------------|
| (5) Salaries | £944,478.65 | |
| (6) Overtime | £182,634.50 | |
| (7) Allowances | <u>£382,662.74</u> | |
| | | £1,509,775.89 |

Industrial Wages

| | | |
|-----------------|-------------------|---------------|
| (8) Basic Wages | £3,013,717.77 | |
| (9) Overtime | £1,063,045.58 | |
| (10) Allowances | <u>£44,763.85</u> | |
| | | £4,121,527.20 |

Other Personnel

| | | |
|--|--------------------|---------------|
| (11) Relief Cover | £5,666,816.90 | |
| (12) Visiting Consultants' Fees and Expenses and Other Contracted Medical Services | £2,059,282.26 | |
| (13) Recruitment Contractual Expenses and Accommodation | <u>£802,932.57</u> | |
| | | £8,529,031.73 |

| | |
|--|---------------|
| (14) Employer's Social Insurance Contributions | £1,888,716.20 |
| (15) Employer's Pension Contributions | £1,840,627.95 |

Other Recurrent Expenditure

Prescribed Drugs and Pharmaceuticals:

| | | |
|--------------------------------|----------------------|----------------|
| (16) GPMS Prescriptions | £10,563,988.64 | |
| (17) Drugs and Pharmaceuticals | <u>£4,711,320.57</u> | |
| | | £15,275,309.21 |

Equipment and Related Expenses:

| | | |
|--------------------------------------|--------------------|---------------|
| (18) Medical Departments | £3,073,297.20 | |
| (19) Medical and Surgical Appliances | £1,913,131.12 | |
| (20) Hardware, Uniforms and Linen | £393,777.43 | |
| (21) Patients' Appliances | <u>£296,940.63</u> | |
| | | £5,677,146.38 |

| | |
|---|---------------|
| (22) Dressings, Medical Gases and Tests | £1,635,688.85 |
|---|---------------|

| | |
|-----------------|-------------|
| (23) Provisions | £763,022.73 |
|-----------------|-------------|

Laundry and Cleaning:

| | | |
|------------------------|--------------------|-------------|
| (24) Laundry Expenses | £551,085.30 | |
| (25) Cleaning Expenses | <u>£272,060.86</u> | |
| | | £823,146.16 |

carried forward £83,013,015.56

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

| | | | |
|---|----------------------|--------------------|-------------------|
| | brought forward | £83,013,015.56 | |
| <u>PAYMENTS (cont)</u> | | | |
| (26) ICC Health Centre | | £418,306.36 | |
| (27) Motor Vehicle and Fuel Expenses | | £249,121.06 | |
| Office Expenses: | | | |
| (28) General Expenses | £94,454.65 | | |
| (29) Electricity and Water | £1,000,688.34 | | |
| (30) Telephone Service | £283,314.37 | | |
| (31) Records, Printing and Stationery | <u>£105,562.08</u> | £1,484,019.44 | |
| (32) Legal Fees | | £414,701.19 | |
| (33) Official Travel Abroad | | £15,363.23 | |
| (34) School of Health Studies Expenses | | £693,850.30 | |
| (35) Insurances and Claims | | £1,622,242.85 | |
| (36) Sponsored Patients | | £19,458,265.68 | |
| (37) Dialysis | | £225,656.99 | |
| (38) Ground Rent | | £21,561.00 | |
| (39) Information Technology Expenses | | £412,629.46 | |
| (40) Registration Board | | £122,492.63 | |
| (41) Repairs and Maintenance | | £272,740.21 | |
| (42) Disposal of Clinical Waste | | £1,724,083.56 | |
| <u>Facilities Management</u> | | | |
| (43) Maintenance Agreements: | | | |
| (i) Techno-Medical Services provided by GEA | £914,548.81 | | |
| (ii) Other Maintenance Agreements | <u>£1,174,341.11</u> | £2,088,889.92 | |
| (44) Equipment Spares/Repairs | £242,891.77 | | |
| (45) Security | £383,692.54 | | |
| (46) Fire Prevention | £38,659.51 | | |
| (47) Planted Areas | <u>£29,131.63</u> | £694,375.45 | |
| (48) Hospital Rental | | £4,786,032.00 | |
| (49) GHA Ambulance Service - Direct Expenses | | £151,634.45 | |
| (50) Contribution to the Gibraltar Development Corporation - Staff Services | | £35,597.46 | |
| (51) Postage Expenses | | £26,470.98 | |
| Contracted Services: | | | |
| (52) Day Care Facility | | £112,079.70 | |
| (53) CT Scanner - Finance Repayment | | £126,453.48 | |
| (54) Ex-Gratia Payments | | <u>£323,118.48</u> | |
| | | | (£118,492,701.44) |
| | | | <u>£309.04</u> |

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

CAPITAL ACCOUNT

RECEIPTS

| | |
|---|---------------|
| Contribution from the Improvement and Development Fund - Head 101 | £1,439,000.00 |
|---|---------------|

PAYMENTS

| | |
|---------------------|--|
| Works and Equipment | |
|---------------------|--|

| | |
|--------------|------------------|
| | (£1,439,567.82) |
| Net Payments | <u>(£567.82)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£705.60</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2016 | £396.56 |
| Net Receipts during the year | <u>£309.04</u> |
| Account Balance on 31 March 2017 | <u>£705.60</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|---------------|
| Balance held by the Government of Gibraltar | <u>£79.93</u> |
|---|---------------|

FINANCED BY

| | |
|----------------------------------|------------------|
| Account Balance on 1 April 2016 | £647.75 |
| Net Payments during the year | <u>(£567.82)</u> |
| Account Balance on 31 March 2017 | <u>£79.93</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|----------------|
| Recurrent Account | £705.60 |
| Capital Account | <u>£79.93</u> |
| Net Balance held by the Government of Gibraltar | <u>£785.53</u> |

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 18:

Contribution from Revenues Received

£1,604,801.85

Additional Contribution

£16,140,000.00

£17,744,801.85

PAYMENTS

Personal Emoluments

| | | |
|----------------|-------------------|---------------|
| (1) Salaries | £5,944,540.67 | |
| (2) Overtime | £543,925.94 | |
| (3) Allowances | £1,695,444.84 | |
| (4) Gratuities | <u>£18,542.45</u> | |
| | | £8,202,453.90 |

Industrial Wages

| | | |
|-----------------|-------------------|---------------|
| (5) Basic Wages | £1,259,624.71 | |
| (6) Overtime | £443,339.44 | |
| (7) Allowances | <u>£64,291.71</u> | |
| | | £1,767,255.86 |

Employer's Contributions

| | | |
|----------------------|--------------------|---------------|
| (8) Social Insurance | £550,906.83 | |
| (9) Pension | <u>£921,033.59</u> | |
| | | £1,471,940.42 |

Other Personnel

| | | |
|---------------------------------------|---------------|---------------|
| (10) Relief Cover | £3,283,533.62 | |
| (11) Recruitment Contractual Expenses | <u>£0.00</u> | |
| | | £3,283,533.62 |

Other Recurrent Expenditure

| | | |
|-----------------------------------|--|-------------|
| (12) Residents' Pocket Money | | £143,748.03 |
| (13) Dressings and Aids | | £353,017.64 |
| (14) Hardware, Uniforms and Linen | | £102,226.03 |
| (15) Clinical Waste | | £432,504.04 |
| (16) Provisions | | £598,188.11 |

Laundry and Cleaning:

| | | |
|------------------------|-------------------|-------------|
| (17) Laundry Expenses | £22,415.99 | |
| (18) Cleaning Expenses | <u>£94,651.28</u> | |
| | | £117,067.27 |

Training and Study:

| | | |
|---|-------------------|------------|
| (19) Medical Books | £3,867.00 | |
| (20) Training Courses and Official Travel | <u>£73,090.76</u> | |
| | | £76,957.76 |

carried forward £16,548,892.68

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

| | | | |
|---|-----------------|----------------|------------------|
| | brought forward | £16,548,892.68 | |
| <u>PAYMENTS (cont)</u> | | | |
| Office Expenses: | | | |
| (21) General Expenses | £28,801.48 | | |
| (22) Electricity and Water | £185,303.59 | | |
| (23) Telephone Service | £47,431.45 | | |
| (24) Printing and Stationery | £16,548.83 | | |
| (25) Computer and Office Equipment | £22,162.10 | | |
| | | £300,247.45 | |
| Contracted Services: | | | |
| (26) Cleaning | £6,337.00 | | |
| (27) Planted Areas | £1,787.94 | | |
| (28) Lift Maintenance | £27,781.91 | | |
| (29) Security Services | £144,000.45 | | |
| (30) Dementia Residential Facility | £0.00 | | |
| | | £179,907.30 | |
| Miscellaneous Expenses: | | | |
| (31) Rent and Service Charges | £39,696.00 | | |
| (32) Fuel and Gas | £10,023.24 | | |
| (33) Motor Vehicle Expenses | £15,163.14 | | |
| (34) Insurance | £11,645.49 | | |
| (35) Maintenance Works | £101,442.75 | | |
| (36) Contingencies | £1,417.34 | | |
| (37) IT Support | £25,617.14 | | |
| (38) Pharmaceutical Stock Items | £472,500.00 | | |
| | | £677,505.10 | |
| (39) Contribution to Gibraltar Development Corporation - Staff Services | | £37,732.62 | |
| | | | (£17,744,285.15) |
| | Net Receipts | | £516.70 |
| <u>CAPITAL ACCOUNT</u> | | | |
| <u>RECEIPTS</u> | | | |
| Contribution from the Improvement and Development Fund - Head 101 | | | £316,000.00 |
| <u>PAYMENTS</u> | | | |
| Works and Equipment | | | (£316,131.75) |
| | Net Payments | | (£131.75) |

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£617.38</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2016 | £100.68 |
| Net Receipts during the year | <u>£516.70</u> |
| Account Balance on 31 March 2017 | <u>£617.38</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£782.24</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|------------------|
| Account Balance on 1 April 2016 | £913.99 |
| Net Payments during the year | <u>(£131.75)</u> |
| Account Balance on 31 March 2017 | <u>£782.24</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|------------------|
| Recurrent Account | £617.38 |
| Capital Account | <u>£782.24</u> |
| Net Balance held by the Government of Gibraltar | <u>£1,399.62</u> |

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

EMPLOYMENT AND TRAINING

RECEIPTS

Contribution from the Consolidated Fund - Head 24 Economic Development:

| | |
|---|-----------------------|
| Contribution from Revenues Received | £332,196.65 |
| Additional Contribution | £12,200,000.00 |
| Contribution by Government Departments for Staff Services | £4,102,882.69 |
| Contribution by the Borders and Coastguard Agency | £98,974.18 |
| Contribution by the Gibraltar Health Authority - Elderly Residential Services Section | £37,732.62 |
| Contribution by the Gibraltar Health Authority | £35,597.46 |
| | <u>£16,807,383.60</u> |

PAYMENTS

Personal Emoluments

Salaries:

| | | |
|--------------------------|----------------------|---------------|
| (1) Economic Development | £366,485.77 | |
| (2) Other Divisions | <u>£2,776,702.83</u> | |
| | | £3,143,188.60 |

Overtime:

| | | |
|--------------------------|--------------------|-------------|
| (3) Economic Development | £14,903.85 | |
| (4) Other Divisions | <u>£282,643.60</u> | |
| | | £297,547.45 |

Allowances:

| | | |
|--------------------------|--------------------|-------------|
| (5) Economic Development | £9,236.97 | |
| (6) Other Divisions | <u>£181,126.51</u> | |
| | | £190,363.48 |

Wages - Economic Development:

| | | |
|----------------|------------------|-------------|
| (7) Basic | £94,912.28 | |
| (8) Overtime | £66,162.38 | |
| (9) Allowances | <u>£7,825.66</u> | |
| | | £168,900.32 |

Wages - Other Divisions:

| | | |
|-----------------|--------------|-------------|
| (10) Basic | £222,731.24 | |
| (11) Overtime | £4,109.91 | |
| (12) Allowances | <u>£0.00</u> | |
| | | £226,841.15 |

| | | |
|---|--|-------|
| (13) Temporary Assistance - Other Divisions | | £0.00 |
|---|--|-------|

Employer's Contributions:

| | | |
|---------------------------|--------------------|-------------|
| (14) Economic Development | £78,168.68 | |
| (15) Other Divisions | <u>£468,510.28</u> | |
| | | £546,678.96 |

| | | |
|-----------------------------------|--|-------------------|
| (16) Gratuities - Other Divisions | | <u>£33,863.64</u> |
|-----------------------------------|--|-------------------|

carried forward £4,607,383.60

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

brought forward £4,607,383.60

PAYMENTS (cont)

Other Recurrent Expenditure

(17) Contribution to the Economic Development & Employment Company Ltd £11,782,000.00

(18) Wage Subsidies:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £9,700.91

£9,700.91

(b) Other Projects - Government Financed

£0.00

£9,700.91

(19) Training and Development Courses:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£35,382.45

£35,382.45

(20) Construction Training Centre:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£214,543.22

£214,543.22

(21) Public Sector Human Resources

£88,181.95

(22) Ex-Gratia Payments

£69,688.25

(£16,806,880.38)

Net Receipts

£503.22

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£771.77

FINANCED BY

General Fund Balance on 1 April 2016

£268.55

Net Receipts during the year

£503.22

General Fund Balance on 31 March 2017

£771.77

Note:

These accounts are not the audited accounts of the Gibraltar Development Corporation

GIBRALTAR ELECTRICITY AUTHORITY **RECEIPTS AND PAYMENTS ACCOUNT** **FOR THE YEAR ENDED 31 MARCH 2017**

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 16:

| | |
|--|-----------------------|
| Contribution from Revenues Received | £29,105,571.23 |
| Contribution from Revenues Received - Commercial Works | £2,896,877.78 |
| Additional Contribution | £22,043,000.00 |
| Payment of Electrical Services provided for Government | £1,387,626.59 |
| Techno-Medical Services provided to GHA | £914,548.81 |
| | <u>£56,347,624.41</u> |

PAYMENTS

Personal Emoluments

| | | |
|--------------------------|------------------|---------------|
| (1) Salaries | £6,086,497.91 | |
| (2) Overtime | £1,115,811.29 | |
| (3) Allowances | £1,133,482.56 | |
| (4) Temporary Assistance | <u>£5,000.00</u> | |
| | | £8,340,791.76 |

Employer's Contributions

| | | |
|----------------------|--------------------|-------------|
| (5) Social Insurance | £277,970.07 | |
| (6) Pension | <u>£541,947.76</u> | |
| | | £819,917.83 |

Other Recurrent Expenditure

Office Expenses:

| | | |
|------------------------------|-------------------|-------------|
| (7) General Expenses | £57,656.97 | |
| (8) Electricity and Water | £37,564.64 | |
| (9) Telephone Service | £42,819.71 | |
| (10) Printing and Stationery | <u>£13,237.36</u> | |
| | | £151,278.68 |

Operational Expenses:

| | | |
|--|-------------------|-------------|
| (11) Protective Clothing and Fire Prevention | £19,105.49 | |
| (12) Computer and Office Equipment Expenses | £59,754.07 | |
| (13) Training Expenses | £56,319.35 | |
| (14) Transport Expenses | <u>£31,614.17</u> | |
| | | £166,793.08 |

Contracted Services:

| | | |
|--|-------------------|-------------|
| (15) Security Services | £73,268.00 | |
| (16) Messengerial Services | £6,770.25 | |
| (17) Cleaning Services | £59,271.54 | |
| (18) Electricity Collections - AquaGib Ltd | £375,870.94 | |
| (19) Employer's and Public Liability Insurance | £48,795.31 | |
| (20) Legal Fees (Advice and Consultation) | £0.00 | |
| (21) Health and Safety Advisors | <u>£10,000.00</u> | |
| | | £573,976.04 |

Fuel and Lubricants:

| | | |
|-----------------|-------------------|---------------|
| (22) Fuel | £3,591,722.30 | |
| (23) Lubricants | <u>£97,179.94</u> | |
| | | £3,688,902.24 |

carried forward £13,741,659.63

GIBRALTAR ELECTRICITY AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

| | | | |
|--|-----------------|----------------|------------------|
| | brought forward | £13,741,659.63 | |
| <u>PAYMENTS (cont)</u> | | | |
| (24) Materials | £852,903.04 | | |
| (25) Public Lighting | £79,470.71 | | |
| (26) Public Illuminations | £140,898.74 | | |
| | | £1,073,272.49 | |
| Purchase of Electricity: | | | |
| (27) Gibraltar Mechanical & Electrical Services Ltd: | | | |
| (1) Additional Generating Capacity: | | | |
| (i) Fuel Costs | £25,680,035.85 | | |
| (ii) Other Costs | £13,086,137.91 | | |
| | | £38,766,173.76 | |
| (28) GHA Related Expenditure | | £906.76 | |
| (29) Purchase of Carbon Credits | | £823,019.86 | |
| (30) Relief Cover | | £12,128.13 | |
| (31) Commercial Works Operating Expenditure | | £1,930,469.19 | |
| | | | (£56,347,629.82) |
| | Net Payments | | (£5.41) |

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £1,001,000.00

PAYMENTS

| | | | |
|------------------------|--------------|-----------------|-----------|
| Works and Equipment | £808,989.04 | | |
| MOD Transfer Programme | £192,323.60 | | |
| | | (£1,001,312.64) | |
| | Net Payments | | (£312.64) |

GIBRALTAR ELECTRICITY AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£954.72

FINANCED BY

Balance on 1 April 2016

£960.13

Net Payments during the year

(£5.41)

Account Balance on 31 March 2017

£954.72

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£527.17

FINANCED BY

Balance on 1 April 2016

£839.81

Net Payments during the year

(£312.64)

Account Balance on 31 March 2017

£527.17

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account

£954.72

Capital Account

£527.17

Net Balance held by the Government of Gibraltar

£1,481.89

Note:

These are not the audited accounts of the Gibraltar Electricity Authority

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 39:

| | |
|-------------------------------------|----------------------|
| Contribution from Revenues Received | £87,514.23 |
| Additional Contribution | <u>£5,211,000.00</u> |
| | £5,298,514.23 |

PAYMENTS

Personal Emoluments

| | | |
|---|--------------------|---------------|
| (1) Salaries | £1,647,421.35 | |
| (2) Overtime | £495,253.42 | |
| (3) Allowances | £226,428.85 | |
| (4) Temporary Assistance | £100,184.26 | |
| (5) Employer's Social Insurance Contributions | £105,998.06 | |
| (6) Employer's Pension Contributions | <u>£187,173.54</u> | |
| | | £2,762,459.48 |

Operational Expenses:

| | | |
|------------------------------------|-------------------|-------------|
| (7) Electricity and Water | £345,442.19 | |
| (8) Telephone Service | £21,035.83 | |
| (9) Printing and Stationery | £3,851.41 | |
| (10) Sports Development Unit | £8,649.98 | |
| (11) Running Expenses | £46,852.83 | |
| (12) Vehicles and Plant | £4,507.41 | |
| (13) Training Courses | £7,492.06 | |
| (14) Computer and Office Equipment | £6,143.25 | |
| (15) Stay and Play Programme | £2,545.69 | |
| (16) Uniforms | <u>£13,350.55</u> | |
| | | £459,871.20 |

Sports Facilities and Equipment:

| | |
|-------------------------------------|------------|
| (17) Europa Gymnasium | £0.00 |
| (18) Other Facilities and Equipment | £11,641.53 |

Contracted Services:

| | | |
|-----------------------------|--------------|-------------|
| (19) Upkeep of Facilities | £310,376.32 | |
| (20) Swimming Pool Expenses | £192,557.12 | |
| (21) Playground Expenses | £99,904.99 | |
| (22) Anti Doping Measures | <u>£0.00</u> | |
| | | £614,479.96 |

| | | |
|---|--------------------|---------------|
| (23) Sports Grants | £617,771.86 | |
| (24) Hosting of Special Sports and Leisure Events | <u>£771,366.67</u> | |
| | | £1,389,138.53 |

| | |
|--------------------------------|------------|
| (25) Bathing Pavilion Expenses | £65,818.37 |
|--------------------------------|------------|

| | |
|-------------------|------------------|
| (26) Relief Cover | <u>£6,758.04</u> |
|-------------------|------------------|

| | |
|--------------|------------------------|
| | <u>(£5,298,525.58)</u> |
| Net Payments | <u>(£11.35)</u> |

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

CAPITAL ACCOUNT

RECEIPTS

| | |
|---|-------------|
| Contribution from the Improvement and Development Fund - Head 101 | £348,000.00 |
|---|-------------|

PAYMENTS

| | |
|---------------------|------------------|
| Works and Equipment | (£348,524.33) |
| Net Payments | <u>(£524.33)</u> |

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£363.47</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|-----------------|
| Account Balance on 1 April 2016 | £374.82 |
| Net Payments during the year | <u>(£11.35)</u> |
| Account Balance on 31 March 2017 | <u>£363.47</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£425.43</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|------------------|
| Account Balance on 1 April 2016 | £949.76 |
| Net Payments during the year | <u>(£524.33)</u> |
| Account Balance on 31 March 2017 | <u>£425.43</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|----------------|
| Recurrent Account | £363.47 |
| Capital Account | <u>£425.43</u> |
| Net Balance held by the Government of Gibraltar | <u>£788.90</u> |

Note:

These accounts are not the audited accounts of the Gibraltar Sports and Leisure Authority

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 21:

Contribution from Revenues Received

£4,651,160.30

Additional Contribution

£844,000.00

£5,495,160.30

PAYMENTS

Personal Emoluments

| | | |
|--------------------------|----------------------|--|
| (1) Salaries | £2,121,015.47 | |
| (2) Overtime | £790,832.87 | |
| (3) Allowances | £207,580.57 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Gratuities | £12,963.50 | |
| | <u>£3,132,392.41</u> | |

| | |
|---|-------------|
| (6) Employer's Social Insurance Contributions | £91,953.33 |
| (7) Employer's Pension Contributions | £124,038.20 |

Other Recurrent Expenditure

Office Expenditure:

| | | |
|------------------------------|-------------------|--|
| (8) General Expenses | £6,797.20 | |
| (9) Electricity and Water | £30,774.37 | |
| (10) Telephone Service | £34,244.00 | |
| (11) Printing and Stationery | £13,968.44 | |
| | <u>£85,784.01</u> | |

Operational Expenses:

| | | |
|--|--------------------|--|
| (12) Transport Expenses | £4,041.14 | |
| (13) Maintenance of Port Installations and Equipment | £321,099.68 | |
| (14) Protective Clothing and Uniforms | £19,816.16 | |
| (15) Training | £83,338.34 | |
| (16) Inspections | £5,581.59 | |
| (17) Oil Pollution Expenses | £48,221.27 | |
| (18) Publications | £6,962.03 | |
| | <u>£489,060.21</u> | |

Contracted Services:

| | | |
|---|----------------------|--|
| (19) Oil Pollution | £114,414.17 | |
| (20) Port Security | £342,718.85 | |
| (21) Cleaning Services - Government Cleaning Scheme | £20,302.06 | |
| (22) Waste Discharge | £605,625.05 | |
| (23) Weather Transmission Reports | £8,395.00 | |
| | <u>£1,091,455.13</u> | |

| | |
|--|----------------------|
| (24) Advertising, Marketing and Travel | £120,744.06 |
| (25) Contribution to Mediterranean Mission to Seamen | £10,000.00 |
| carried forward | <u>£5,145,427.35</u> |

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

| | | | |
|--|------------------|------------------|------------------------|
| | brought forward | £5,145,427.35 | |
| (26) Vessel Tracking System: | | | |
| (i) Maintenance | £55,819.18 | | |
| (ii) Finance Repayment | £18,282.50 | | |
| (iii) Legal Costs | <u>£4,500.00</u> | | |
| | | £78,601.68 | |
| (27) Low Sulphur Fuel Oil Analysis | | £26,240.00 | |
| (28) Insurance | | £103,791.19 | |
| (29) Port Incidents and Associated Expenses | | £38,390.60 | |
| (30) Contribution to the Seamen's Welfare Fund | | £5,000.00 | |
| (31) Maintenance of Beach Marker Buoys | | £38,195.00 | |
| (32) Relief Cover | | £17,424.27 | |
| (33) Compensation and Legal Costs | | £41,452.00 | |
| (34) Ex-Gratia Payments | | <u>£1,310.05</u> | |
| | | | <u>(£5,495,832.14)</u> |
| | | Net Payments | <u>(£671.84)</u> |

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101:

| | | |
|------------------------|--------------------|-------------|
| Works and Equipment | £230,000.00 | |
| Vessel Tracking System | <u>£323,000.00</u> | |
| | | £553,000.00 |

PAYMENTS

| | | |
|------------------------|----------------------|----------------------|
| Works and Equipment | (£230,638.73) | |
| Vessel Tracking System | <u>(£322,427.50)</u> | |
| | | <u>(£553,066.23)</u> |
| | Net Payments | <u>(£66.23)</u> |

GIBRALTAR PORT AUTHORITY
BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|--------|
| Balance held by the Government of Gibraltar | £30.23 |
|---|--------|

FINANCED BY

| | |
|----------------------------------|-----------|
| Account Balance on 1 April 2016 | £702.07 |
| Net Payments during the year | (£671.84) |
| Account Balance on 31 March 2017 | £30.23 |

CAPITAL ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £633.60 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|----------|
| Balance on 1 April 2016 | £699.83 |
| Net Payments during the year | (£66.23) |
| Account Balance on 31 March 2017 | £633.60 |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|---------|
| Recurrent Account | £30.23 |
| Capital Account | £633.60 |
| Net Balance held by the Government of Gibraltar | £663.83 |

Note:

These accounts are not the audited accounts of the Gibraltar Port Authority

CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 25:

Contribution from Revenues Received

Additional Contribution

£9,662.46

£14,974,000.00

£14,983,662.46

PAYMENTS

Personal Emoluments

(1) Salaries

£4,977,143.58

(2) Overtime

£340,723.37

(3) Allowances

£641,319.82

(4) Gratuities

£15,866.02

£5,975,052.79

Industrial Wages

(5) Basic Wages

£117,793.70

(6) Overtime

£20,706.29

(7) Allowances

£433.14

£138,933.13

Employer's Contributions

(8) Social Insurance

£433,350.61

(9) Pension

£518,988.68

£952,339.29

Other Personnel

(10) Relief Cover

£3,107,194.20

Other Recurrent Expenditure

(11) Recruitment Contractual Expenses
and Accommodation

£21,834.08

Residential Services:

(12) Children Respite Services

£13,443.70

(13) Children Protection Committee

£8,625.00

(14) Children in Care

£307,314.73

(15) Dr Giraldi Home

£228,783.21

£558,166.64

Non-Residential Services:

(16) St Bernadette's Centre

£81,977.79

(17) Domiciliary Care

£2,230,889.05

(18) Special Care Abroad

£1,046,028.01

(19) Hardware, Uniforms and Linen

£6,299.25

(20) Provisions

£34,228.09

Laundry and Cleaning:

(21) Laundry Expenses

£188.80

(22) Cleaning Expenses

£6,926.78

£7,115.58

carried forward

£14,160,057.90

CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

brought forward £14,160,057.90

PAYMENTS (cont)

(23) Day Centre £21,910.48

Training and Study:

(24) Training Manuals and Subscriptions £10,299.05

(25) Training Courses and Official Travel £148,743.57

(26) Registration Fees £3,667.56

£162,710.18

Office Expenses:

(27) General Expenses £11,306.82

(28) Electricity and Water £98,069.56

(29) Telephone Service £88,635.99

(30) Printing and Stationery £18,234.24

(31) Computer and Office Equipment £23,613.19

£239,859.80

Contracted Services:

(32) Cleaning £56,079.67

(33) Planted Areas £5,807.80

(34) Lift Maintenance £1,760.30

(35) Security Services £75,611.33

£139,259.10

Miscellaneous Expenses:

(36) Drug Awareness £19,516.87

(37) Health and Safety Expenses £0.00

(38) Rent and Service Charges £0.00

(39) Fuel and Gas £74.01

(40) Motor Vehicle Expenses £25,254.91

(41) Insurance £29,438.26

(42) Maintenance Works £38,794.21

(43) Contingencies £25.00

(44) IT Support £94,931.88

(45) Legal Fees £26,851.50

£234,886.64

(46) Losses of Public Funds £0.22

(47) Ex-Gratia Payments £25,000.00

(£14,983,684.32)

Net Payments

(£21.86)

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£293,000.00

PAYMENTS

Works and Equipment

(£293,315.28)

Net Payments

(£315.28)

CARE AGENCY

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|---------------|
| Balance held by the Government of Gibraltar | <u>£85.48</u> |
|---|---------------|

FINANCED BY

| | |
|----------------------------------|-----------------|
| Account Balance on 1 April 2016 | £107.34 |
| Net Payments during the year | <u>(£21.86)</u> |
| Account Balance on 31 March 2017 | <u>£85.48</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£103.96</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|------------------|
| Account Balance on 1 April 2016 | £419.24 |
| Net Payments during the year | <u>(£315.28)</u> |
| Account Balance on 31 March 2017 | <u>£103.96</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|----------------|
| Recurrent Account | £85.48 |
| Capital Account | <u>£103.96</u> |
| Net Balance held by the Government of Gibraltar | <u>£189.44</u> |

Note:

These accounts are not the audited accounts of the Care Agency

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 27

£7,606,000.00

PAYMENTS

Personal Emoluments

| | | |
|---|---------------|---------------|
| (1) Salaries | £2,092,452.76 | |
| (2) Overtime | £146,113.79 | |
| (3) Allowances | £136,177.10 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Bonus Payments | £332,281.92 | |
| (6) Employer's Pension Contributions | £0.00 | |
| (7) Employer's Social Insurance Contributions | £90,865.32 | |
| | | £2,797,890.89 |

Industrial Wages

| | | |
|-------------------------------------|---------------|---------------|
| (8) Basic Wages | £2,030,131.68 | |
| (9) Overtime | £148,501.51 | |
| (10) Allowances | £0.00 | |
| (11) Bonus Payments | £443,250.34 | |
| (12) Pension Contributions | £0.00 | |
| (13) Social Insurance Contributions | £134,195.93 | |
| | | £2,756,079.46 |

Other Recurrent Expenditure

Office Expenditure:

| | | |
|---|------------|-------------|
| (14) General Expenses | £28,082.48 | |
| (15) Electricity and Water | £15,121.49 | |
| (16) Telephone Service | £33,606.99 | |
| (17) Printing and Stationery | £10,133.81 | |
| (18) Contracted Services: Office Cleaning | £27,374.40 | |
| | | £114,319.17 |

Operational Expenses:

| | | |
|---------------------------------------|-------------|-------------|
| (19) Protective Clothing and Uniforms | £28,317.69 | |
| (20) Transport Expenses | £22,548.66 | |
| (21) Small Plant and Tools | £12,565.15 | |
| (22) Materials | £221,882.44 | |
| (23) Training | £8,604.00 | |
| (24) Outsourced Works | £82,252.74 | |
| (25) Self Repair Scheme | £67,787.91 | |
| | | £443,958.59 |

(26) Technical and Design Expenses £3,738.38

(27) Maintenance of Estates £1,098,049.58

(28) Lift Maintenance Contract £181,342.52

(29) Estates - Cleaning of Internal Communal Areas £205,444.16

(30) Estates - Upkeep of Communal Lighting £4,800.00

(31) Relief Cover £0.00

(32) Ex-Gratia Payments £178.95

Net Receipts

(£7,605,801.70)

£198.30

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

CAPITAL ACCOUNT

RECEIPTS

| | |
|---|------------|
| Contribution from the Improvement and Development Fund - Head 101 | £24,000.00 |
|---|------------|

PAYMENTS

| | |
|---------------------|---------------|
| Works and Equipment | (£23,980.00) |
| Net Receipts | <u>£20.00</u> |

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£504.85</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2016 | £306.55 |
| Net Receipts during the year | <u>£198.30</u> |
| Account Balance on 31 March 2017 | <u>£504.85</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£265.17</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2016 | £245.17 |
| Net Receipts during the year | <u>£20.00</u> |
| Account Balance on 31 March 2017 | <u>£265.17</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|----------------|
| Recurrent Account | £504.85 |
| Capital Account | <u>£265.17</u> |
| Net Balance held by the Government of Gibraltar | <u>£770.02</u> |

Note:

These accounts are not the audited accounts of the Housing Works Agency

BORDERS AND COASTGUARD AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 8

£6,012,000.00

PAYMENTS

Personal Emoluments

| | | |
|------------------------------|---------------|---------------|
| (1) Salaries | £3,302,500.43 | |
| (2) Overtime | £124,410.58 | |
| (3) Allowances | £1,336,950.84 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Bonus Payments | £70,960.00 | |
| (6) Employer's Contributions | £682,325.25 | |
| | | £5,517,147.10 |

Other Recurrent Expenditure

Office Expenditure:

| | | |
|---|------------|------------|
| (7) General Expenses | £11,085.29 | |
| (8) Electricity and Water | £3,482.64 | |
| (9) Telephone Service | £12,872.29 | |
| (10) Printing and Stationery | £4,910.75 | |
| Contracted Services: | | |
| (11) Office Cleaning - Government Cleaning Scheme | £11,976.00 | |
| (12) Radio Communications System - Gibtelecom Ltd | £1,847.67 | |
| | | £46,174.64 |

Operational Expenses:

| | | |
|---|-------------|-------------|
| (13) Computer and Office Equipment | £31,365.45 | |
| (14) Motor Vehicle Expenses | £3,263.00 | |
| (15) Uniforms and Protective Clothing | £31,069.98 | |
| (16) Training Courses | £32,291.22 | |
| Contracted Services: | | |
| (17) Security Service | £241,451.28 | |
| | | £339,440.93 |
| (18) Contribution to Gibraltar Development Corporation - Staff Services | | £98,974.18 |
| (19) Relief Cover | | £10,336.77 |

(£6,012,073.62)

Net Payments

(£73.62)

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£29,000.00

PAYMENTS

Works and Equipment

Net Receipts

(£28,380.65)

£619.35

BORDERS AND COASTGUARD AGENCY

BALANCE SHEET AS AT 31 MARCH 2017

RECURRENT ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £309.13 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|----------|
| Account Balance on 1 April 2016 | £382.75 |
| Net Payments during the year | (£73.62) |
| Account Balance on 31 March 2017 | £309.13 |

CAPITAL ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £984.82 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|---------|
| Account Balance on 1 April 2016 | £365.47 |
| Net Receipts during the year | £619.35 |
| Account Balance on 31 March 2017 | £984.82 |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|-----------|
| Recurrent Account | £309.13 |
| Capital Account | £984.82 |
| Net Balance held by the Government of Gibraltar | £1,293.95 |

Note:

These accounts are not the audited accounts of the Borders and Coastguard Agency

AUDIT OPINION

Certificate of the Principal Auditor to Parliament on the Public Accounts of Gibraltar

I certify that I have audited the public accounts of Gibraltar for the year ended 31 March 2018 as required by the provisions of section 74 (1) of the Constitution of Gibraltar. These comprise the statements of accounts as specified in Section 52 of the Public Finance (Control and Audit) Act, 1977. I have also audited the information in the Accountant General's Report, the Statement of the financial position of the Government of Gibraltar and the related notes. These public accounts have been prepared using the cash receipts and disbursements basis of accounting, as modified by the accounting policies set out within them.

Respective responsibilities of the Accountant General, Controlling Officers, Receivers of Revenue and the Principal Auditor

The Accountant General has statutory responsibility for the compilation, management and supervision of the accounts of the Government and for the conduct of the treasury; and within a period of nine months after the close of each financial year shall sign and transmit to the Principal Auditor accounts showing fully the financial position of the Government of Gibraltar at the end of such financial year.

The Government of Gibraltar's policy is to prepare the public accounts on the cash receipts and disbursements basis, as modified by the accounting policies set out within them. On the cash basis, revenue is recognised when received rather than earned, and expenses are recognised when paid rather than when incurred.

Controlling Officers are the chief accounting officers in respect of, and are personally accountable for, all public monies disbursed and all stores held, issued or received or used by or on account of the department or service for the head of expenditure for which they are the controlling officer.

Receivers of Revenue are statutorily responsible for the collection of, and accounting for, all monies received for the credit of items of revenue for which they are appointed receivers of revenue for any financial year.

My constitutional responsibility is to audit, certify and report on the public accounts of Gibraltar and of all courts of law and all authorities and offices of the Government. I conducted my audit in accordance with generally accepted government auditing standards.

Scope of the audit of the Public Accounts

An audit involves obtaining evidence about the amounts and disclosures in the public accounts sufficient to give reasonable assurance that the public accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Government of Gibraltar's circumstances and have been consistently applied and adequately disclosed; and the overall presentation of the public accounts. In addition, I read all the financial and non-financial information contained in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes in her report to identify material inconsistencies with the audited public accounts. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my certificate.

I am also required to obtain evidence sufficient to give reasonable assurance that the revenue and expenditure recorded in the public accounts have been applied to the purposes intended by

Parliament and the financial transactions recorded in the public accounts conform to the authorities that govern them.

Opinion on Regularity

Except for the relevant comments contained in my report, in my opinion, in all material respects, monies which have been appropriated and disbursed have been applied to the purposes for which they were appropriated and the expenditure recorded in the public accounts conform to the authorities that govern them.

Opinion on the Public Accounts

Except for the relevant comments contained in my report, in my opinion, the public accounts on pages 658 to 877 properly present the revenue collected and expenditure paid during the financial year ended 31 March 2018 and the assets and liabilities as at the end of that period.

Opinion on Other Matters

In my opinion, the information given in the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are consistent with the audited public accounts.

Matters on which I report by exception

I have nothing to report in respect of the following matters, which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the public accounts, the Accountant General's Report, the Statement of the Financial Position of the Government of Gibraltar and the related notes are not in agreement with the accounting records or returns; or
- information regarding transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Report

My report provides observations and comments on the public accounts and on the regularity of expenditure.



A R Sacramento
Principal Auditor
Gibraltar Audit Office

21 December 2023



GOVERNMENT OF GIBRALTAR

**ACCOUNTANT GENERAL'S REPORT ON THE PUBLIC
ACCOUNTS OF GIBRALTAR**

For The Financial Year Ended

31 March 2018

Treasury Department



GOVERNMENT OF GIBRALTAR
Accountant General's Report on the Public Accounts of Gibraltar
For the Year Ended 31 March 2018

These accounts have been prepared bearing in mind the Government's policy to promote transparency and accountability in the public finances.

The Government's accounting system is primarily 'cash-based', which means that the books reflect receipts and expenditure actually paid in and paid out during the year and no account is taken of amounts owed by or due to the Government at the year-end, with the exception of return on investments, as well as investments, which are accounted for on an accrual basis. Physical assets held by Government, such as the value of buildings, vehicles and other non-financial assets are not reflected in the accounts. Details of arrears of Government revenues are shown in a separate statutory statement of account – The Statement of Aggregate Arrears of Revenue by Subheads.

As regards expenditure, the established principle is that authority to spend Government money lapses at each year-end. An annual appropriation act is therefore required. However, there are certain payments, for example those related to Government occupational pensions and public debt servicing costs, for which the authority to spend is derived from the Constitution and by specific legislation.

Tessa Perera
Accountant General (ag)
28th November 2023

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2018

Financial Position of the Government of Gibraltar on 31 March 2018

| | | £'Million | £'Million |
|--|----------|-----------|-----------|
| <u>Source of Finance</u> | | | |
| <u>Overall Cash Reserves</u> | | | |
| Opening Reserves on 1 April 2017 | (Note 1) | | 310.4 |
| <u>Revenue Account</u> | | | |
| Recurrent revenue during the year | (Note 2) | 638.0 | |
| Recurrent expenditure during the year | (Note 3) | (572.3) | |
| Contribution to Government-Owned Companies | | (25.0) | |
| Surplus for 2017/2018 | | | 40.7 |
| Exceptional Non-recurrent Revenue | | 0.0 | |
| Exceptional Non-recurrent Expenditure | | 0.0 | |
| | | | 0.0 |
| Transfer of Government Surplus to Social Assistance Fund | | | (15.0) |
| <u>Capital Investment - Improvement and Development</u> | | | |
| Capital receipts during the year - excluding borrowing | (Note 4) | 29.2 | |
| Capital investment during the year | | (62.4) | |
| | | | (33.2) |
| <u>Public Debt</u> | | | |
| Public Sector borrowing during the year | | 0.0 | |
| Repayments during the year | | 0.0 | |
| Net Repayments during the Year | | 0.0 | |
| Less repayments met by the General Sinking Fund | | 0.0 | |
| | | | 0.0 |
| Decrease in cash balances held by: | | | |
| Government-owned companies | | (137.7) | |
| Gibraltar Development Corporation-owned companies | | (3.1) | |
| GSBA Limited | | (0.5) | |
| | | | (141.3) |
| Closing Reserves on 31 March 2018 | | | 161.6 |
| <u>Other Government Balances Held For Specific Purposes</u> | | | |
| Contingencies Fund | | | 0.4 |
| Statutory Benefits Fund | (Note 5) | 0.0 | |
| Social Assistance Fund | | 0.5 | |
| Note Security Fund | | 40.7 | |
| General Sinking Fund | | 8.8 | |
| Other Special Funds | | 150.7 | |
| | | | 200.7 |
| Deposit Accounts | | 15.9 | |
| Advance Accounts | | (16.6) | |
| Unretired Imprests | | (1.6) | |
| | | | (2.3) |
| <u>Gibraltar Savings Bank</u> | | | |
| Investments held on behalf of the Bank | (Note 6) | 1,377.6 | |
| Less amount due to depositors | | (1,340.4) | |
| Reserve | | | 37.2 |
| | | | 397.6 |
| <u>Employment of Finance</u> | | | |
| Cash in Hand | | | 0.1 |
| Bank Deposits and other investments | | | 397.5 |
| | | | 397.6 |

The above statement does not include the following:

| | | |
|--|--|-----------|
| | | £'Million |
| <u>(i) Public Debt</u> | | |
| Closing Aggregate Public Debt on 31 March 2018 | | 438.9 |
| <u>(ii) Government Shareholdings</u> | | |

(Note 7)



T Perera
Accountant General (ag)
28 November 2023

Accountant General's Report on the Public Accounts of Gibraltar
For the year ended 31 March 2018

Notes on Financial Position of the Government of Gibraltar on 31 March 2018

Note 1

Government Reserves

The Government Reserves represent the surplus funds that are available to be drawn upon by the Government subject to the limitations prescribed under the Public Finance (Borrowing Powers) Act 2008, as amended by the Public Finance (Borrowing Powers) Act 2016.

The maximum authorised Net Public Debt for the financial year ending 31 March 2018 was £872.0 million, that is, forty per cent of Gibraltar's Gross Domestic Product forecast published for March 2018 (GDP forecast £2,180.0 million).

The Aggregate Public Debt stood at £438.9 million on 31 March 2018 compared to £442.5 million on 31 March 2017. There was no borrowing/repayment during the year; the £3.6 million decrease is the result of a corresponding increase in the balance of the General Sinking Fund for the year.

Cash Reserves stood at £120.1 million at the year-end (total cash held in the Consolidated Fund and Improvement and Development Fund).

The Net Public Debt stood at £318.8 million at the year-end (Aggregate Public Debt less Cash Reserves).

With the authorised ceiling for Net Public Debt at £872.0 million, the total Cash Reserves of £120.1 million at the year-end was available to be drawn upon by the Government.

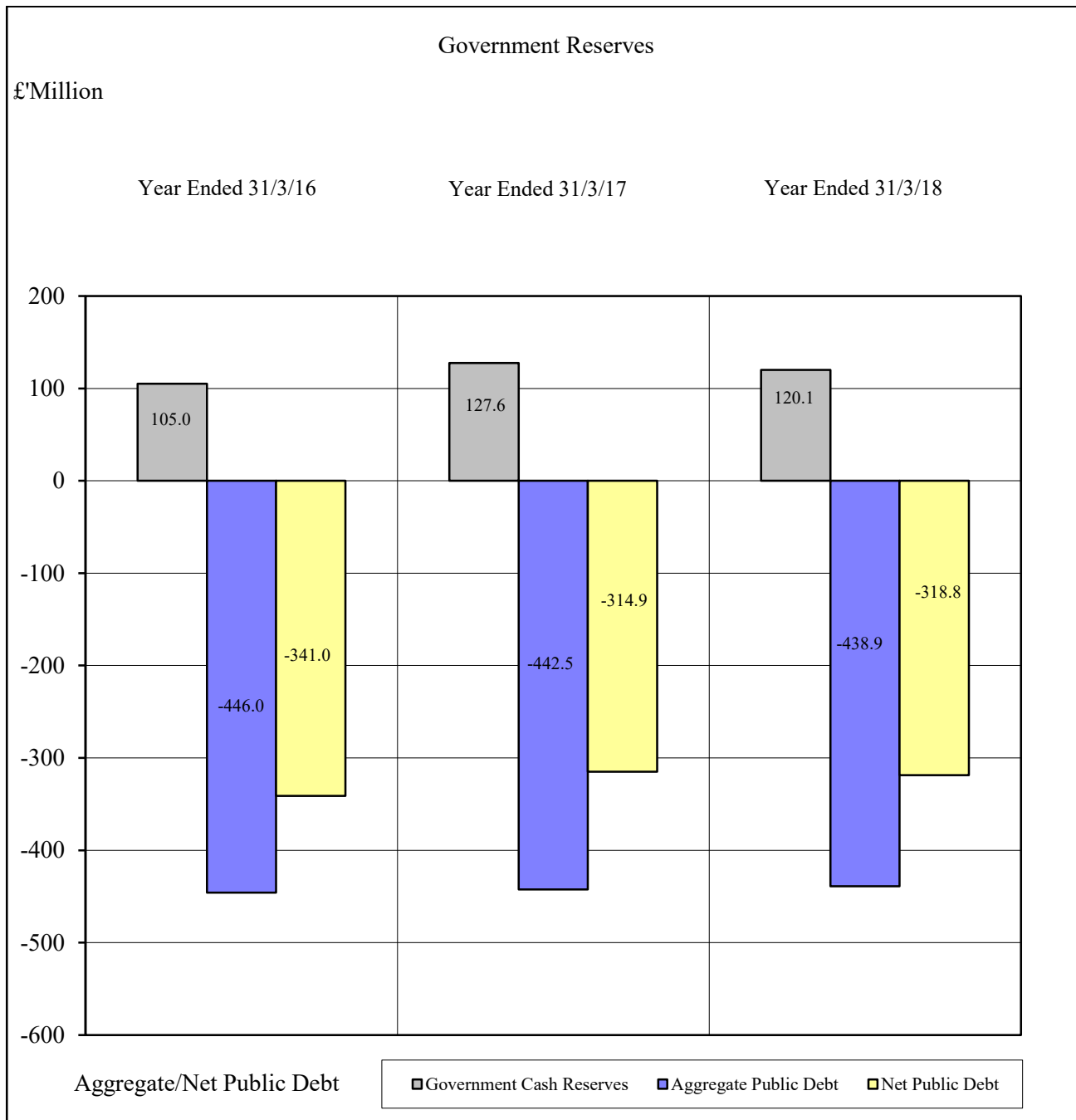
The surplus on the recurrent revenue and expenditure account was £40.7 million. The Consolidated Fund made a contribution of £25.0 million to the Government-owned companies in March 2018. The year-end position of the Government-owned companies reflected a net decrease of £141.3 million in the Government's overall cash reserves. The Consolidated Fund also made a contribution of £26.0 million to the Improvement and Development Fund for the year. The Improvement and Development Fund year-end balance stood at £0.7 million. A transfer of £15.0 million was made from the Consolidated Fund surplus to the Social Assistance Fund.

| <u>Government Reserves</u> | | | |
|-----------------------------------|---|---|---|
| | <u>Reserves on 31 March 2016</u> | <u>Reserves on 31 March 2017</u> | <u>Reserves on 31 March 2018</u> |
| | <u>£'Million</u> | <u>£'Million</u> | <u>£'Million</u> |
| Consolidated Fund | 84.7 | 119.7 | 119.4 |
| Improvement and Development Fund | 20.3 | 7.9 | 0.7 |
| Cash Reserves | 105.0 | 127.6 | 120.1 |
| Net Companies Deposits | 0.3 | 182.8 | 41.5 |
| Overall Cash Reserves | 105.3 | 310.4 | 161.6 |

cont...

Note 1 (cont)

The balance of the Aggregate Public Debt as at 31 March 2018 was made up of £247.7 million of Government of Gibraltar Debentures and £200.0 million of drawings from the revolving bank loan facilities and the balance in the General Sinking Fund which stood at £8.8 million.



Note:

Aggregate Public Debt means total amount of Public Debt owing by the Government less any amount held in any sinking fund established by the Financial Secretary to provide for the repayment of such Public Debt.

Note 2**Recurrent Revenue**

| <u>Government Recurrent Revenue</u> | | |
|---|---------------------------------|-----------------------------|
| <u>During the year ended 31 March 2018</u> | | |
| | <u>Y/e 31 March 2018</u> | <u>Previous year</u> |
| | <u>£'Million</u> | <u>£'Million</u> |
| <u>Recurrent Revenues</u> | | |
| Import Duties | 176.0 | 166.5 |
| Income Tax | 166.6 | 154.8 |
| Company Tax | 110.9 | 135.7 |
| General Rates and Salt Water Charges | 26.7 | 24.6 |
| Gambling Charges and Fees | 14.0 | 15.3 |
| Aviation | 6.3 | 7.1 |
| Stamp Duties | 4.7 | 19.7 |
| Tourism Sites (i) | 4.1 | 3.7 |
| Ground and Sundry Rents | 3.6 | 3.2 |
| Companies House Fees | 3.1 | 3.1 |
| Telecommunications Licences and Fees | 2.3 | 2.1 |
| Judiciary – Fines and Forfeitures and Court Fees | 2.1 | 2.7 |
| House Rents | 2.1 | 2.4 |
| Postal Services Receipts | 1.8 | 2.1 |
| Culture Miscellaneous Receipts | 1.5 | 1.5 |
| Ship and Yacht Registration Fees | 1.1 | 1.2 |
| Driver and Vehicle Licences | 1.0 | 0.9 |
| Gambling Licences | 0.7 | 0.7 |
| Education | 0.7 | 0.7 |
| Immigration and Civil Status Fees | 0.7 | 0.7 |
| Currency and Coinage Receipts | 0.6 | 0.7 |
| Government Lottery – Surplus | 0.5 | 0.6 |
| Dividends from Government Shareholdings | 0.4 | 0.6 |
| Tourism (i) | 0.4 | 0.4 |
| Interest on Consolidated Fund Investments | 0.1 | 0.1 |
| Other Miscellaneous Receipts | 5.2 | 7.7 |
| | 537.2 | 558.8 |
| <u>Other Recurrent Revenues</u> | | |
| <u>Gibraltar Health Authority</u> | | |
| Group Practice Medical Scheme | 56.0 | 53.6 |
| Miscellaneous Receipts | 4.6 | 4.6 |
| | 60.6 | 58.2 |
| <u>Gibraltar Electricity Authority</u> | | |
| Electricity Charges to Consumers | 28.3 | 29.1 |
| Commercial Works | 3.7 | 2.9 |
| | 32.0 | 32.0 |
| <u>Gibraltar Health Authority – Elderly Residential Services Section</u> | | |
| Residents' Contributions | 1.7 | 1.6 |
| | | |
| <u>Gibraltar Sports and Leisure Authority – Miscellaneous Receipts</u> | 0.1 | 0.1 |
| | | |
| <u>Gibraltar Development Corporation</u> | | |
| Miscellaneous Receipts | 0.3 | 0.3 |
| | 0.3 | 0.3 |

cont...

Note 2 (cont)

| | <u>Y/e 31 March 2018</u> | <u>Previous year</u> |
|---|--------------------------|----------------------|
| | <u>£'Million</u> | <u>£'Million</u> |
| <u>Gibraltar Port Authority</u> | | |
| Tonnage Dues (ii) | 3.8 | 2.6 |
| Berthing Charges | 0.9 | 0.6 |
| Bunkering Charges | 0.7 | 0.6 |
| Port, Operator and Harbour Craft Licences | 0.3 | 0.3 |
| Port Arrival and Departure Tax | 0.2 | 0.3 |
| Miscellaneous Charges | 0.3 | 0.3 |
| | 6.2 | 4.7 |
| Grand Total – Recurrent Revenue | 638.1 | 655.7 |

Note:

(i) Tourism Miscellaneous Receipts amounting to £0.4 million is shown separately from Tourist Sites of £4.1 million in the Financial Year 2017/2018. The figures brought forward from the previous Financial Year have also been changed for the purpose of comparison on this statement. Tourism Miscellaneous Receipts in 2016/2017 amounted to £0.4 million and Tourist Sites £3.7 million.

(ii) Tonnage Dues collections for the year ended 31 March 2018 are undercharged by £0.4 million (£0.4 million for the year ended 31 March 2017) due to the application of a discounted fee by the Captain of the Port to vessels anchoring at the Eastern Anchorage.

Recurrent Revenue

In accordance with the Public Finance (Control and Audit) (Amendment) Act 2011, Government recurrent revenue during the year, including recurrent revenues of Government Agencies and Authorities, amounted to £638.1 million.

The recurrent revenue figure does not include Social Insurance contributions (£30.1 million), which were credited directly to the Statutory Benefits Fund. The receipts channelled through this Fund are shown in a separate statement under Note 5.

Note 3**Recurrent Expenditure**

| Government Recurrent Expenditure During the year ended 31 March 2018 | | |
|---|--------------------------|----------------------|
| | Y/e 31 March 2018 | Previous year |
| | £'Million | £'Million |
| Consolidated Fund Charges (Payments provided for in legislation) | | |
| Government Pensions (i) | 38.9 | 35.3 |
| Public Debt Charges | 26.4 | 26.4 |
| Revenue Repayments | 15.5 | 10.1 |
| Employer's Social Insurance Contributions | 4.4 | 4.0 |
| Judicature | 1.3 | 1.2 |
| Statutory Offices | 0.7 | 0.7 |
| Public Services Ombudsman | 0.4 | 0.4 |
| Sub-total Consolidated Fund Charges | 87.6 | 78.1 |
| Other Consolidated Fund Expenditure | | |
| Departmental Payroll Costs – Non-industrial Staff | 91.6 | 88.4 |
| Departmental Payroll Costs – Industrial Staff | 3.9 | 4.0 |
| Sub-total Payroll Costs | 95.5 | 92.4 |
| Contracted-Out Services | 32.8 | 32.9 |
| Departmental Other Charges (see below for Consolidated Fund contributions) (ii) | 95.8 | 90.1 |
| Payment to Social Assistance Fund – Import Duty | 7.9 | 7.9 |
| Contribution to Statutory Benefits Fund | 7.0 | 7.0 |
| | 326.6 | 308.4 |
| Gibraltar Health Authority | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 60.6 | 58.2 |
| Additional Contribution from Consolidated Fund | 55.7 | 56.3 |
| | 116.3 | 114.5 |
| Gibraltar Electricity Authority | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 32.0 | 32.0 |
| Additional Contribution from Consolidated Fund | 17.7 | 22.1 |
| | 49.7 | 54.1 |
| Gibraltar Health Authority – Elderly Residential Services Section | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 1.7 | 1.6 |
| Additional Contribution from Consolidated Fund | 19.1 | 16.1 |
| | 20.8 | 17.7 |
| Care Agency | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.0 | 0.0 |
| Additional Contribution from Consolidated Fund | 15.6 | 15.0 |
| | 15.6 | 15.0 |
| Gibraltar Development Corporation | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.3 | 0.3 |
| Additional Contribution from Consolidated Fund | 16.7 | 16.3 |
| | 17.0 | 16.6 |
| Gibraltar Sports and Leisure Authority | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 0.2 | 0.1 |
| Additional Contribution from Consolidated Fund | 5.8 | 5.2 |
| | 6.0 | 5.3 |
| Gibraltar Port Authority | | |
| Contribution from Consolidated Fund in respect of Revenues Received | 5.6 | 4.7 |
| Additional Contribution from Consolidated Fund | 0.0 | 0.8 |
| | 5.6 | 5.5 |
| Housing Works Agency – Contribution from Consolidated Fund | 8.2 | 7.6 |
| Borders and Coastguard Agency – Contribution from Consolidated Fund | 6.5 | 6.0 |
| Grand Total – Recurrent Expenditure | 572.3 | 550.7 |

cont...

Note 3 (cont)

Note:

(i) Government Pensions amounting to £38.9 million includes the repayment of commuted pensions (£1.7 million) plus interest (£4.9 million) at 6.5% per annum on a reducing balance basis paid to Credit Finance Company Limited (the company), pursuant to the provisions of the pension commutation agreement, between HM Government of Gibraltar (HMGOG) and the company.

(ii) Departmental Expenses includes the repayment of Early Exit Scheme capital payments (£0.4 million) plus interest (£0.3 million) at 6.5% per annum on a reducing balance basis paid to the company, pursuant to the provisions of Early Exit Agreements between eligible retiring employees and HMGOG and the company.

Recurrent Expenditure

Government recurrent expenditure during the year amounted to £572.3 million (previous year £550.7 million). This includes all amounts charged to the Consolidated Fund including the contribution required by Public Undertakings from revenues received plus the additional contribution from the Consolidated Fund, but excludes the contributions from the Consolidated Fund to the Government-owned companies (£25.0 million) and a transfer of £15.0 million to Gibraltar Community Care via the Social Assistance Fund from the Consolidated Fund's surplus for the year. The contribution of £26.0 million from the Consolidated Fund to the Improvement and Development Fund is also excluded.

Of the total recurrent expenditure, around 17 per cent (£95.5 million) was in respect of payroll and payroll related costs. Almost 6 per cent (£32.8 million) were payments for services that have been contracted out. Almost 7 per cent (£38.9 million) was spent on Government pensions. Public debt charges accounted for around 4 per cent of the total (£26.4 million), inclusive of a contribution of £10.0 million to the General Sinking Fund. Around 17 per cent (£100.4 million) was in respect of the contribution by the Consolidated Fund to Public Undertakings from revenues received and 25 per cent (£145.3 million) was the additional contribution required from the Consolidated Fund. Contributions to the Social Assistance Fund (£7.9 million) and Statutory Benefits Fund (£7.0 million) accounted for around 3 per cent. Departmental and other charges accounted for the remaining 21 per cent (£118.1 million).

The annual contribution of £7.0 million from the Consolidated Fund to the Statutory Benefits Fund is included as part of the recurrent expenditure figure. Although the main source of funding for payments of state pensions and other benefits from the Statutory Benefits Fund is from social insurance contributions, which are credited directly to the Statutory Benefits Fund. The payment of Social Insurance pensions and other benefits are not included as part of the recurrent expenditure figure. The payment of Spanish pensions is funded by the United Kingdom Government. The payments channelled through this Fund are shown in a separate statement under Note 5.

Note 4

Capital Investment

Capital receipts and payments are accounted for through the Improvement and Development Fund. Capital investment by the Government during the year amounted to £62.4 million (previous year £47.3 million).

The main sources of funding were from the sale of Government properties and other premia (£17.3 million) and sundry reimbursements (£11.9 million). A contribution of £26.0 million was also made from Consolidated Fund Reserves.

The Improvement and Development Fund stood at £0.7 million at the year-end (previous year £7.9 million).

| <u>Government Capital Investment – Improvement and Development Fund</u> | |
|--|--|
| <u>During the year ended 31 March 2018</u> | |
| | <u>Y/e 31 March 2018</u> <u>£'Million</u> |
| Balance b/fwd | 7.9 |
| <u>Capital Investment</u> | |
| Relocation Costs | 23.1 |
| Roads and Tunnel Projects | 5.9 |
| Island Games Facilities | 4.9 |
| Housing - Works and Repairs | 4.6 |
| Agencies and Authorities – Works and Equipment | 3.8 |
| Essential Services – Equipment | 2.4 |
| Environment and Roads | 2.0 |
| Education – Works and Equipment | 1.8 |
| Relocation of Bus Depot/Technical Services Garage/Calypso | 1.5 |
| Government Computerisation Programme | 1.5 |
| Infrastructure Provision for New Developments | 1.0 |
| New Power Station – Infrastructure Works | 0.9 |
| Infrastructure Provision for Housing Projects | 0.5 |
| Tourism | 0.5 |
| Government Buildings, Works and Structures | 0.4 |
| Other Works | 0.4 |
| Reclamation Projects | 0.4 |
| Sustainable Traffic, Transport and Parking Plan | 0.4 |
| Commonwealth Park | 0.4 |
| Old Naval Hospital Conversion and Refurbishment Works | 0.4 |
| Criminal Justice Integrated IT System | 0.3 |
| Gibraltar Broadcasting Corporation | 0.3 |
| Main Sewer | 0.3 |
| Other capital expenditure | 3.3 |
| <u>Funding</u> | |
| The University of Gibraltar | 1.4 |
| | 62.4 |
| <u>Sources of Funding</u> | |
| Sale of Government Properties and Other Premia | 17.3 |
| Sundry Reimbursements | 11.9 |
| | 29.2 |
| Contribution from Consolidated Fund - Reserve | 26.0 |
| | 55.2 |
| | |
| Balance c/fwd | 0.7 |

Note 5

Statutory Benefits Fund

The Statutory Benefits Fund is accounted for separately from the Government Reserves. The purpose of this Fund is to meet the cost of state pensions and other benefits provided for under the social security legislation. These payments are funded directly from Government receipts in the form of social insurance contributions collected from current employers and employees. In addition, the Government makes an annual contribution to the Statutory Benefits Fund. This year the Consolidated Fund also advanced a further £970,000 adding to the £6,095,000 advanced in 2016/17. The total Advance of £7,065,000 was repaid from the Statutory Benefits Fund through an increased apportionment and rates of social insurance contributions provided for by the social security legislation ⁽¹⁾ where £3,500,000 was repaid during the financial year 2018/19 and £3,565,000 during the financial period 2019/21.

| <u>Receipts and Payments channelled through the Statutory Benefits Fund</u> | | |
|--|---|--|
| <u>During the year ended 31 March 2018</u> | | |
| | <u>Y/e March 2018</u> <u>£'Million</u> | <u>Previous year</u> <u>£'Million</u> |
| <u>Opening Balance:</u> | | |
| Statutory Benefits Fund | 0.0 | 0.8 |
| | 0.0 | 0.8 |
| <u>Statutory Benefits Fund – Receipts</u> | | |
| Social Insurance Contributions | 30.1 | 22.5 |
| Contribution from the Consolidated Fund | 7.0 | 7.0 |
| Grant by Her Majesty's Government for Spanish Pensions | 0.1 | 0.1 |
| | 37.2 | 29.6 |
| <u>Statutory Benefits Fund – Payments</u> | | |
| Social Insurance Pensions | 35.2 | 33.9 |
| Short-Term Benefits | 1.6 | 1.6 |
| Employment Injuries Benefits | 0.4 | 0.4 |
| Insolvency Claims | 0.4 | 0.0 |
| Other Payments | 0.5 | 0.5 |
| Spanish Pensions | 0.1 | 0.1 |
| | 38.2 | 36.5 |
| <u>Advance from the Consolidated Fund</u> | 1.0 | 6.1 |
| | 1.0 | 6.1 |
| <u>Closing Balance:</u> | | |
| Statutory Benefits Fund | 0.0 | 0.0 |
| | 0.0 | 0.0 |

⁽¹⁾ Social Security (Insurance) Act (Amendment of Apportionment) Order 2017; and
Social Security (Insurance) Act (Amendment of Contributions) Order 2018.

Note 6

Gibraltar Savings Bank

The Gibraltar Savings Bank is accounted for through a Government Special Fund – the Savings Bank Fund.

Net income from operations during the year ended 31 March 2018 was £6.70 million, compared with net income of £6.21 million during the previous year. There was a capital loss on the fund's investments of £1.61 million.

Crown Agents investment management charges totalled around £0.47 million (0.2% of the fund assets managed in UK).

The net increase in reserves during the year was £5.09 million. The end of year reserves stood at £37.20 million.

At the year-end, the deposits of the bank, excluding £3.51 million of accrued interest, stood at £1,336.88 million. The previous year-end figure totalled £1,323.63 million. Deposits as at 31 March 2018 were made up as follows:

| | <u>Deposits</u> | <u>Previous</u> |
|---|-----------------|-----------------|
| | <u>£'m</u> | <u>Year</u> |
| <u>Non-Government Deposits</u> | | |
| Ordinary Deposits | 90.8 | 84.7 |
| On-Call Investment Accounts | 14.6 | 9.8 |
| Pensioners' Monthly Income Debentures | 13.6 | 15.3 |
| Special Issue of Pensioners' Monthly Income Debentures 01/09/17 (extended to 01/09/18) | 46.9 | 53.7 |
| Monthly Income Debentures | 45.0 | 32.0 |
| Special Issue of Monthly Income Debentures | 2.5 | 2.6 |
| 3-Year Fixed Term Monthly Income Debentures | 30.6 | 33.3 |
| 5-Year Fixed Term Monthly Income Debentures | 564.0 | 653.3 |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 197.6 | 63.2 |
| 10-Year Accumulator Bonds | 5.5 | 5.5 |
| 10-Year Pensioner Accumulator Bonds | 5.1 | 5.1 |
| Children's Bond | 4.9 | 3.1 |
| Other Debentures (Special Issues) | 0.1 | 0.1 |
| Gibraltar Provident Trust Fund Bonds | 7.9 | 8.7 |
| Guaranteed Superannuation Fund Bond | 146.2 | 46.0 |
| | <u>1,175.3</u> | <u>1,016.4</u> |
| <u>Government Deposits</u> | | |
| On-Call Investment Accounts | 161.6 | 307.2 |
| | <u>1,336.9</u> | <u>1,323.6</u> |

The level of overall non-Government Deposits stood at £1,175.3 million. The increase of £158.9 million over the previous year is mainly the result of the issue of Gibraltar Savings Bank debentures; an increase in the Guaranteed Superannuation Fund Bond; and an increase in the level of Ordinary Deposits.

Government deposits in the Gibraltar Savings Bank were down by 47.4% reflecting a decrease in the level of Government liquid reserves held by the bank.

The interest rate on Ordinary Deposits was set at 0.5% per annum with effect from 1st May 2017, down from 1% per annum.

New interest rates were applied to active debenture issues with effect from 1st April 2017. The following is a summary of interest rates payable to depositors by the bank during the period April 2017 to March 2018:-

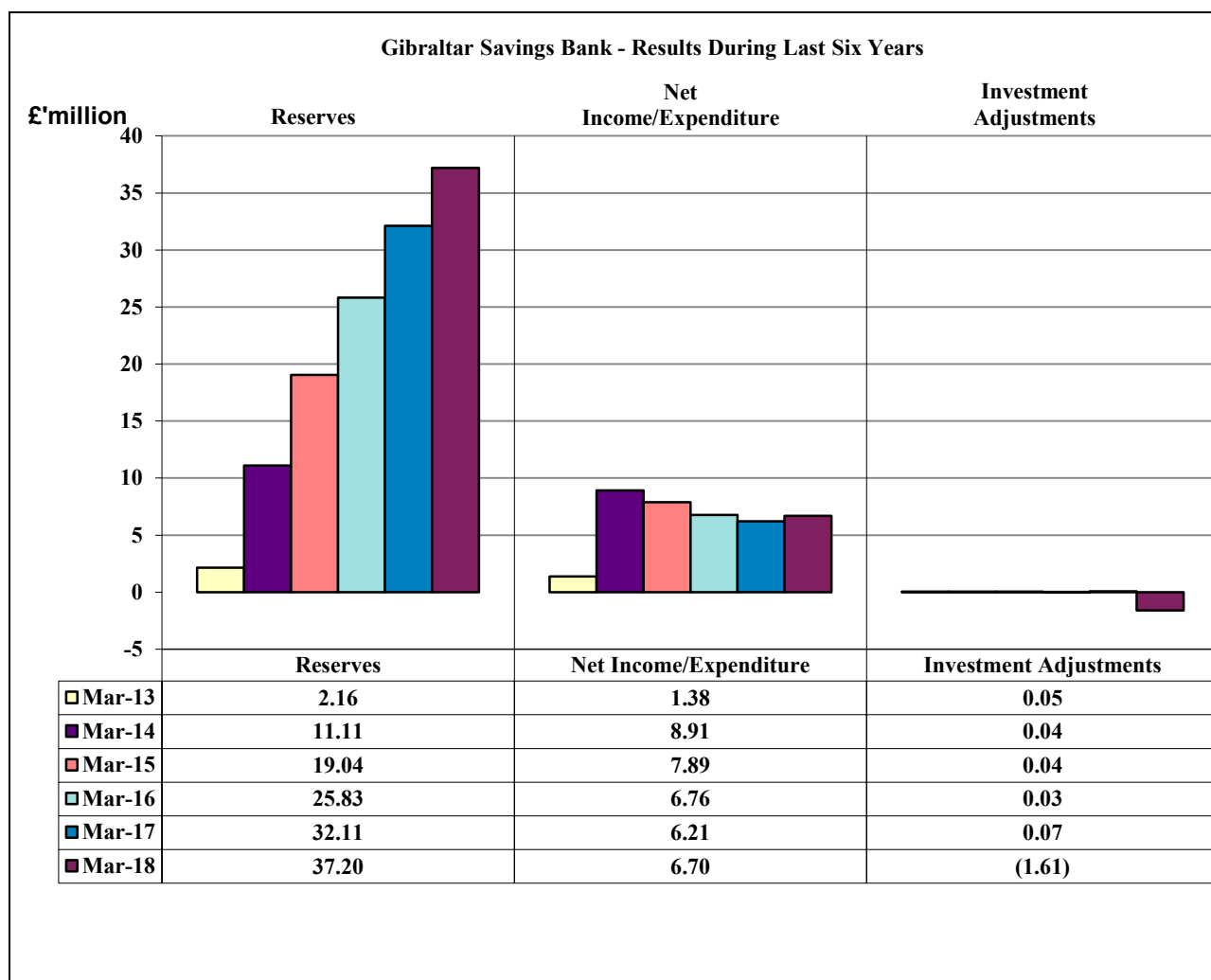
cont...

Note 6 (cont)**Gibraltar Savings Bank**

| | |
|---|------------------------------|
| Monthly Income Debentures | 1 or 2 per cent per annum |
| Pensioners' Monthly Income Debentures | 2 per cent per annum |
| 3-Year Fixed Term Pensioners' Monthly Income Debentures | 3 per cent per annum |
| 3-Year Fixed Term Monthly Income Debentures | 2 or 2.5 per cent per annum |
| 5-Year Fixed Term Pensioners' Monthly Income Debentures | 4 or 5 per cent per annum |
| 5-Year Fixed Term Monthly Income Debentures | 3, 4 or 5 per cent per annum |
| 10-Year Fixed Term Pensioners' Monthly Income Debentures | 5 per cent per annum |
| Special Issue of Pensioners' Monthly Income Debentures 01/09/18 (extended on 01/09/17) | 3 or 3.5 per cent per annum |
| Children's Bond | 5 per cent per annum |

The option to extend the maturity date of the Special Issue of Pensioners' Monthly Income Debentures 01/09/17 was given to debenture-holders before these debentures matured. The rate was reduced by 0.5% from 3.5% to 3% per annum during the extended period.

Rates for the 10-Year Accumulator Bonds and the 10-Year Pensioner Accumulator Bonds depend on when the Bond was issued. The interest on these Bonds is 2% for the first year from the issue date and this rate increases by 1% per annum in each subsequent year to reach an interest rate of 11% payable in the tenth year that the investment is held.



Note 7**Government Shareholdings**

| Government Shareholdings as at 31 March 2018 | | |
|---|---|-----------------------|
| | <u>Shares Held (As percentage of total shares)</u> | <u>Remarks</u> |
| <u>Shares held directly by Government</u> | | |
| Gibraltar Investment (Holdings) Ltd | 100% | Holding Company |
| Gibraltar International Bank Ltd | 45.5% | Trading Company |
| AquaGib Ltd | 33.3% | Joint Venture |
| <u>Shares held through Gibraltar Investment (Holdings) Ltd</u> | | |
| Gibraltar Investment (Directors) Ltd | 100% | Corporate Director |
| Gibraltar Industrial Cleaners Ltd | 100% | Trading Company |
| Gibraltar Joinery and Building Services Ltd | 100% | Trading Company |
| Europa Incinerator Company Ltd | 100% | Other |
| Gibraltar Community Projects Ltd | 100% | Other |
| Gibraltar Bus Company Ltd | 100% | Trading Company |
| Gibraltar Cleansing Services Ltd | 100% | Trading Company |
| Gibraltar General Support Services Ltd | 100% | Trading Company |
| Gibraltar Land (Holdings) Ltd | 100% | Holding Company |
| Gibraltar Defence Estates and General Services Ltd | 100% | Other |
| Gibraltar Mechanical and Electrical Services Ltd | 100% | Other |
| Gibraltar Air Terminal Ltd | 100% | Trading Company |
| Gibraltar Facilities Management Ltd | 100% | Other |
| Gibraltar Freeview Ltd | 100% | Trading Company |
| ES Ltd | 100% | Trading Company |
| Gibraltar Home Loans Company Ltd | 100% | Trading |
| <u>Shares held through Gibraltar Car Parks Ltd</u> | | |
| Mid-Town Coach & Car Parks Ltd | 100% | Not Trading |

cont...

Note 7 (cont)**Government Shareholdings**

| Government Shareholdings as at 31 March 2018 | | |
|--|---|--------------------------|
| | <u>Shares Held (As percentage of total shares)</u> | <u>Remarks</u> |
| <u>Shares held through Gibraltar Land (Holdings) Ltd</u> | | |
| Gibraltar Residential Properties Ltd | 100% | Property Holding Company |
| Gibraltar Commercial Property Company Ltd | 100% | Property Holding Company |
| KIJY Parkings Ltd | 100% | Not Trading |
| Gibraltar Properties Ltd | 100% | Property Holding Company |
| <u>Shares held through Gibraltar Properties Ltd</u> | | |
| Gibraltar Properties Eastside North (Holdings) Ltd formerly known as Gibraltar Properties Eastside North Ltd | 100% | Property Holding Company |
| Gibraltar Properties Europort Avenue (Holdings) Ltd formerly known as Gibraltar Properties Europort Avenue Ltd | 100% | Property Holding Company |
| Gibraltar Properties Waterport West (Holdings) Ltd formerly known as Gibraltar Properties Waterport West Ltd | 100% | Property Holding Company |
| GEWP Ltd | 100% | Property Holding Company |
| <u>Shares held through Gibraltar Residential Properties Ltd</u> | | |
| Gibraltar Co-Ownership Company Ltd | 100% | Property Holding Company |
| Westside Two Co-Ownership Company Ltd | 100% | Property Holding Company |
| Brympton Co-Ownership Company Ltd | 100% | Property Holding Company |
| GRP Management Company Ltd | 100% | Not Trading |
| Gibraltar Residential Properties Aerial Farm Ltd | 100% | Property Holding Company |
| Gibraltar Residential Properties Bishop Fitzgerald Ltd | 100% | Property Holding Company |
| Gibraltar Residential Properties Coach Park Ltd | 100% | Property Holding Company |
| <u>Shares held through Gibraltar Commercial Property Company Ltd</u> | | |
| GCP Investments Ltd | 100% | Property Holding Company |
| Gibraltar Car Parks Limited | 100% | Property Holding Company |
| Kings Bastion Leisure Centre Company Ltd | 100% | Other |
| Gibraltar Strand Property Company Ltd | 100% | Property Holding Company |
| Gibraltar Manchester Property Company Ltd | 100% | Property Holding Company |
| GAR Ltd | 100% | Property Holding Company |
| GSTR Ltd | 100% | Property Holding Company |

cont...

Note 7 (cont)**Government Shareholdings**

| Government Shareholdings as at 31 March 2018 | | |
|---|---|-----------------------|
| <u>Shares held through Gibraltar Strand Property Company Ltd</u> | <u>Shares Held (As percentage of total shares)</u> | <u>Remarks</u> |
| Gibraltar Strand Management Company Ltd | 100% | Other |
| Strand Credit Finance Company Ltd | 100% | Not trading |

Statement of Shareholdings by Government as at 31 March 2018

| Description of Shares | Authorised Share Capital | Issued Share Capital | Nominal Value of Shares held by Government | Cost of Shares |
|--|-------------------------------------|---------------------------------|---|------------------------|
| Gibraltar Investment (Holdings) Limited | £271,116,428.00 | £271,116,428.00 | £271,116,428.00 | £271,116,428.00 |
| Gibraltar Investment (Holdings) Limited – Redeemable Preference Shares | £135,500,000.00 | £25,000,000.00 | £25,000,000.00 | £26,141,470.00 |
| Gibraltar International Bank | £100,000,000.00 | £55,000,000.00 | £25,000,000.00 | £25,000,000.00 |
| AquaGib Limited | £4,500,000.00 | £4,500,000.00 | £1,500,000.00 | £1,500,000.00 |
| | £511,116,428.00 | £355,616,428.00 | £322,616,428.00 | £323,757,898.00 |

Note:

The Government's legal interest in £7,500 Class A Ordinary Shares and £7,500 Class B Ordinary Shares of £1 each in Gibtelecom Ltd (100% of total shares issued by the company) has not been reflected under Government Shareholdings as the beneficial interest in these shares is held by the Savings Bank Fund.



Treasury Department
HM Government of Gibraltar

Principal Auditor

Your ref:

Our ref:

28 July 2021

PUBLIC ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

I herewith enclose the public accounts for the financial year ended 31 March 2018, in accordance with the requirements of Section 52 (1) of the Public Finance (Control and Audit) Act.

Charles Santos
Accountant General



GOVERNMENT OF GIBRALTAR
Public Accounts of Gibraltar

For The Financial Year Ended

31 March 2018



Treasury Department

GOVERNMENT OF GIBRALTAR
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2018

ASSETS

Previous Year

| | | |
|----------------------------|------------------------|------------------------|
| GOVERNMENT LIQUID RESERVES | £158,741,580.22 | £309,045,876.18 |
| ADVANCES | £17,227,952.36 | £14,411,086.87 |
| UNRETIRED IMPRESTS | £1,644,432.96 | £1,573,966.96 |
| | <u>£177,613,965.54</u> | <u>£325,030,930.01</u> |

FINANCED BY

| | | |
|--|--------------------------|------------------------|
| SPECIAL FUNDS (As per Special Funds Summary) | £194,332,386.34 | £191,067,551.15 |
| (Add) Advances from the Consolidated Fund | £7,065,000.00 | £6,095,000.00 |
| (Less) Investments | (£200,507,113.38) | (£189,099,067.25) |
| Net due in respect of Special Funds | £890,272.96 | £8,063,483.90 |
| DEPOSITS | £58,030,175.16 | £197,924,529.98 |
| (Less) Investments | (£1,149,039.82) | (£1,074,983.61) |
| | £56,881,135.34 | £196,849,546.37 |
| CONTINGENCIES FUND | £400,000.00 | £400,000.00 |
| CONSOLIDATED FUND | | |
| Balance on 1 April 2017 | £119,717,899.74 | |
| Recurrent Revenue | £537,730,139.18 | |
| Revenue Public Undertakings | <u>£100,333,127.32</u> | |
| | £638,063,266.50 | |
| (Less) Recurrent Expenditure | (£331,095,481.68) | |
| Contributions to Public Undertakings from: | | |
| Revenues Collected | (£100,333,127.32) | |
| Consolidated Fund | <u>(£140,910,000.00)</u> | |
| | (£572,338,609.00) | |
| Contribution to Government-Owned Companies | <u>(£25,000,000.00)</u> | |
| Surplus for 2017/2018 | £40,724,657.50 | |
| Contribution to Improvement and Development Fund | (£26,000,000.00) | |
| Transfer of Government Surplus to Social Assistance Fund | <u>(£15,000,000.00)</u> | |
| | (£41,000,000.00) | |
| Consolidated Fund Balance on 31 March 2018 | <u>£119,442,557.24</u> | <u>£119,717,899.74</u> |
| | <u>£177,613,965.54</u> | <u>£325,030,930.01</u> |

Notes:

- This statement does not include the following:
 - Government Shareholdings
 - The Assets and Liabilities of the Savings Bank Fund.
- Public Debt of Gibraltar - Aggregate £438.9m; Cash Reserves £120.1m; Net Public Debt £318.8m.
- This statement, and other Balance Sheets under the Special Funds, do not reflect any physical assets held by Government such as the value of buildings, vehicles and other non-financial assets, as the financial statements are prepared on a cash basis.
- The Consolidated Fund Recurrent account includes the Recurrent Revenues of Government Agencies and Authorities and the Expenditure by such entities funded from the Revenues in accordance with the Public Finance (Control and Audit) (Amendment) Act 2011.



T Perera
Accountant General (ag)
28 November 2023

Notes to the Accounts

1. Principal Accounting Policies

Basis of Accounting

These financial statements have been prepared primarily on a 'cash basis', in line with the standards for the preparation of the public accounts of Gibraltar, except for the accounting policies shown hereunder:

Return on Investments

Interest earned on investments is accounted for on an 'accrual basis'.

Investments

Bonds, Securities and shares are valued at fair value.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|---|---------------------------------|------------------------|------------------------------|
| <u>CONSOLIDATED FUND</u> | | | |
| <u>SUMMARY OF REVENUE</u> | | | |
| 1 :- INCOME TAXES | £275,000,000 | £277,529,256.07 | £2,529,256.07 |
| 2 :- DUTIES, TAXES AND OTHER RECEIPTS | £171,572,000 | £184,345,325.75 | £12,773,325.75 |
| 3 :- GAMBLING CHARGES, FEES AND LOTTERY | £14,789,000 | £15,319,445.94 | £530,445.94 |
| 4 :- RATES AND RENTS | £29,001,000 | £30,456,025.94 | £1,455,025.94 |
| 5 :- DEPARTMENTAL FEES AND RECEIPTS | £121,139,000 | £126,617,366.36 | £5,478,366.36 |
| 6 :- GOVERNMENT EARNINGS | £3,416,000 | £3,795,846.44 | £379,846.44 |
| Total Recurrent Revenue | £614,917,000 | £638,063,266.50 | £23,146,266.50 |
| 7 :- PUBLIC DEBT | £0 | £0.00 | £0.00 |
| TOTAL REVENUE | £614,917,000 | £638,063,266.50 | £23,146,266.50 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|-------------------------------|---------------------------------|------------------------|---------------------------------|
| HEAD 1 :- INCOME TAXES | | | |
| 1 Income Tax | £155,000,000 | £166,626,865.75 | £11,626,865.75 |
| 2 Company Tax | £120,000,000 | £110,902,390.32 | (£9,097,609.68) |
| TOTAL INCOME TAXES | £275,000,000 | £277,529,256.07 | £2,529,256.07 |

HEAD 2 :- DUTIES, TAXES AND OTHER RECEIPTS

| | | | |
|---|---------------------|------------------------|-----------------------|
| 1 Import Duties | £160,000,000 | £175,958,334.06 | £15,958,334.06 |
| 2 Tobacco Licences | £64,000 | £64,670.00 | £670.00 |
| 3 Transit and Bonded Stores Operators Fees | £53,000 | £55,750.00 | £2,750.00 |
| 4 Stamp Duties | £8,000,000 | £4,665,600.24 | (£3,334,399.76) |
| 5 Land Registration Fees | £375,000 | £412,200.00 | £37,200.00 |
| 6 Companies House Fees | £3,000,000 | £3,099,269.45 | £99,269.45 |
| 7 Other Receipts | £80,000 | £89,502.00 | £9,502.00 |
| TOTAL DUTIES, TAXES AND OTHER RECEIPTS | £171,572,000 | £184,345,325.75 | £12,773,325.75 |

HEAD 3 :- GAMBLING CHARGES, FEES AND LOTTERY

| | | | |
|---|--------------------|-----------------------|--------------------|
| 1 Gambling Charges and Fees | £14,000,000 | £13,977,486.11 | (£22,513.89) |
| 2 Gambling Licences | £690,000 | £734,095.34 | £44,095.34 |
| 3 Government Lottery - Management Expenses | £98,000 | £98,000.00 | £0.00 |
| 4 Government Lottery - Surplus | £1,000 | £509,864.49 | £508,864.49 |
| TOTAL GAMBLING CHARGES, FEES AND LOTTERY | £14,789,000 | £15,319,445.94 | £530,445.94 |

HEAD 4 :- RATES AND RENTS

| | | | |
|--|--------------------|-----------------------|----------------------|
| 1 General Rates and Salt Water Charges | £26,000,000 | £26,673,133.15 | £673,133.15 |
| 2 Ground and Sundry Rents (i) | £3,000,000 | £3,637,011.19 | £637,011.19 |
| 3 Assignments on Premiums | £1,000 | £145,881.60 | £144,881.60 |
| TOTAL RATES AND RENTS | £29,001,000 | £30,456,025.94 | £1,455,025.94 |

Note:

(i) The revenue derived from Ground and Sundry Rents has been offset by £73,133.74 being ground rent deductions afforded to private housing estates in relation to the embellishment, maintenance and improvements works carried out on their respective housing estates during the year.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|---|---------------------------------|-------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| ADMINISTRATION | | | |
| <i>Immigration and Civil Status</i> | | | |
| 1 Passport Fees | £190,000 | £193,867.50 | £3,867.50 |
| 2 Naturalisation Fees | £25,000 | £20,255.00 | (£4,745.00) |
| 3 British Nationality Fees | £3,000 | £2,380.00 | (£620.00) |
| 4 Immigration Fees | £50,000 | £118,236.00 | £68,236.00 |
| 5 Document Legalisation Fees | £140,000 | £143,660.00 | £3,660.00 |
| 6 Civil Status Fees | £230,000 | £252,489.50 | £22,489.50 |
| <i>Aviation</i> | | | |
| 7 Airport Departure Tax | £2,750,000 | £2,562,235.60 | (£187,764.40) |
| 8 Fees and Concessions | £2,500,000 | £2,005,701.56 | (£494,298.44) |
| 9 Airport Landing Fees | £800,000 | £711,930.46 | (£88,069.54) |
| ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION | | | |
| <i>Environment</i> | | | |
| 10 Public Health and Environmental Fees | £120,000 | £94,822.70 | (£25,177.30) |
| 11 Cemetery Fees | £14,000 | £14,627.58 | £627.58 |
| 12 Litter Control Fees | £8,000 | £3,660.00 | (£4,340.00) |
| 13 Animal Welfare Charges | £21,000 | £27,017.05 | £6,017.05 |
| 14 Marine Licensing | £2,000 | £2,000.00 | £0.00 |
| <i>Gibraltar Electricity Authority</i> | | | |
| 15(a) Sale of Electricity to Consumers: Billed Charges to Consumers | £25,500,000 | £25,358,308.13 | (£141,691.87) |
| 15(b) Sale of Electricity to Consumers: Arrears | £180,000 | £234,021.18 | £54,021.18 |
| 15(c) Sale of Electricity to Consumers: Other Revenue | £2,500,000 | £2,640,514.15 | £140,514.15 |
| 16 Consumers' Connection Fees | £80,000 | £66,730.00 | (£13,270.00) |
| 17 Miscellaneous | £25,000 | £670.44 | (£24,329.56) |
| 18 Fuel Hedge Contract Receipts | £1,000 | £0.00 | (£1,000.00) |
| 19 Commercial Works | £2,750,000 | £3,725,276.63 | £975,276.63 |
| <i>Upper Rock Tourist Sites and Beaches</i> | | | |
| 20 Tourist Sites Receipts | £3,500,000 | £4,058,417.59 | £558,417.59 |
| <i>Education</i> | | | |
| 21 Gibraltar College | £32,000 | £43,266.00 | £11,266.00 |
| 22 Adult Education Fees | £72,000 | £61,159.00 | (£10,841.00) |
| 23 MOD Fees for Government Schools | £490,000 | £501,085.94 | £11,085.94 |
| 24 Scholarship Fees - Reimbursements | £100,000 | £110,243.54 | £10,243.54 |
| 25 Non Resident's School Fees | £8,000 | £9,672.86 | £1,672.86 |
| <i>Heritage</i> | | | |
| 26 Museum Entrance Charges | £25,000 | £46,986.29 | £21,986.29 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|-------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION | | | |
| <i>Driver and Vehicle Licences</i> | | | |
| 27 Vehicle Licences and Fees | £400,000 | £403,719.00 | £3,719.00 |
| 28 Vehicle Testing | £350,000 | £344,500.25 | (£5,499.75) |
| 29 Vehicle Registrations | £100,000 | £90,463.00 | (£9,537.00) |
| 30 Driving Tests | £80,000 | £80,297.50 | £297.50 |
| 31 Road Service Licences | £30,000 | £37,176.50 | £7,176.50 |
| <i>Town Planning and Building Control</i> | | | |
| 32 Town Planning and Building Control Fees | £350,000 | £452,489.60 | £102,489.60 |
| ECONOMIC DEVELOPMENT | | | |
| 33 EU Grant - European Social Fund | £30,000 | £44,368.87 | £14,368.87 |
| 34 EU Grant - European Regional Development Fund | £70,000 | £0.00 | (£70,000.00) |
| 35 EU Grant - Interreg | £1,000 | £0.00 | (£1,000.00) |
| 36 Hostel Fees | £100,000 | £86,954.00 | (£13,046.00) |
| <i>Gibraltar Development Corporation</i> | | | |
| 37 Contribution by European Social Fund | £500,000 | £0.00 | (£500,000.00) |
| 38 Contribution by Government-Owned Companies - Staff Services | £352,000 | £271,082.19 | (£80,917.81) |
| HOUSING AND EQUALITY | | | |
| <i>Housing</i> | | | |
| 39 House Rents | £2,500,000 | £2,126,354.05 | (£373,645.95) |
| HEALTH, CARE AND JUSTICE | | | |
| <i>Gibraltar Health Authority</i> | | | |
| 40 Group Practice Medical Scheme | £52,000,000 | £55,963,688.52 | £3,963,688.52 |
| 41 Medical Services to Non-Entitled Patients | £2,650,000 | £2,650,000.00 | £0.00 |
| 42 Other Receipts | £460,000 | £406,939.75 | (£53,060.25) |
| 43 Services provided to MOD | £1,550,000 | £1,548,057.03 | (£1,942.97) |
| <i>Gibraltar Health Authority - Elderly Residential Services Section</i> | | | |
| 44 Residents' Contributions | £1,900,000 | £1,660,731.08 | (£239,268.92) |
| 45 Miscellaneous Income | £1,000 | £14.80 | (£985.20) |
| <i>Care Agency</i> | | | |
| 46 Miscellaneous Income | £9,000 | £9,221.51 | £221.51 |
| <i>Justice</i> | | | |
| 47 Fines and Forfeitures | £800,000 | £1,169,438.41 | £369,438.41 |
| 48 Court Fees | £400,000 | £960,691.90 | £560,691.90 |
| TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT | | | |
| <i>Tourism</i> | | | |
| 49 Miscellaneous Receipts | £120,000 | £115,226.74 | (£4,773.26) |
| 50 Revenues Received - Literary Festival | £290,000 | £248,853.79 | (£41,146.21) |
| <i>Coach Terminal</i> | | | |
| 51 Coach Terminal Fees | £70,000 | £207,056.87 | £137,056.87 |
| <i>Employment</i> | | | |
| 52 Miscellaneous | £230,000 | £282,470.00 | £52,470.00 |
| 53 Fines | £100,000 | £31,500.00 | (£68,500.00) |
| <i>Commercial Aviation</i> | | | |
| 54 Recovery of Airport Fire & Rescue Service Costs - MOD | £1,030,000 | £1,027,767.94 | (£2,232.06) |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|------------------------|---------------------------------|
| HEAD 5 :- DEPARTMENTAL FEES AND RECEIPTS | | | |
| TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT | | | |
| <i>Gibraltar Port Authority</i> | | | |
| 55 Tonnage Dues (ii) | £2,500,000 | £3,792,219.38 | £1,292,219.38 |
| 56 Berthing Charges | £500,000 | £855,985.14 | £355,985.14 |
| 57 Small Boat Moorings | £6,000 | £2,926.67 | (£3,073.33) |
| 58 Port Arrival and Departure Tax | £350,000 | £245,515.40 | (£104,484.60) |
| 59 Port, Operator and Harbour Craft Licences | £300,000 | £252,938.91 | (£47,061.09) |
| 60 Bunkering Charges | £600,000 | £719,327.96 | £119,327.96 |
| 61 Miscellaneous Receipts | £250,000 | £297,591.54 | £47,591.54 |
| <i>Maritime</i> | | | |
| 62 Ship Registration Fees | £1,300,000 | £995,536.34 | (£304,463.66) |
| 63 Yacht Registration Fees | £55,000 | £65,970.00 | £10,970.00 |
| CULTURE, MEDIA, YOUTH AND SPORT | | | |
| <i>Culture</i> | | | |
| 64 John Mackintosh Hall Receipts | £10,000 | £19,034.75 | £9,034.75 |
| 65 Ince's Hall Receipts | £7,000 | £4,200.00 | (£2,800.00) |
| 66 Other Cultural Facilities Receipts | £2,000 | £3,265.00 | £1,265.00 |
| 67 Garrison Library Fees | £3,000 | £0.00 | (£3,000.00) |
| 68 Rent from Premises Clubs and Associations | £1,000 | £0.00 | (£1,000.00) |
| 69(a) Revenues Received: Mega Concert | £2,000,000 | £1,302,836.61 | (£697,163.39) |
| 69(b) Revenues Received: Jazz Festival | £20,000 | £13,029.00 | (£6,971.00) |
| 69(c) Revenues Received: Miscellaneous and Other Events | £1,000 | £119,820.00 | £118,820.00 |
| <i>Gibraltar Sports and Leisure Authority</i> | | | |
| 70 Fund Raising | £10,000 | £15,000.00 | £5,000.00 |
| 71 Miscellaneous | £10,000 | £17,376.44 | £7,376.44 |
| 72 Advertising Revenue | £50,000 | £106,302.50 | £56,302.50 |
| 73 Events | £30,000 | £10,192.97 | (£19,807.03) |
| COMMERCE | | | |
| <i>Trade Licences</i> | | | |
| 74 Trade Licences | £275,000 | £321,482.00 | £46,482.00 |
| 75 Liquor Licences | £85,000 | £74,975.12 | (£10,024.88) |
| <i>Postal Services</i> | | | |
| 76 Postal Services Receipts | £1,800,000 | £1,842,360.30 | £42,360.30 |
| <i>Gibraltar Regulatory Authority</i> | | | |
| 77 Frequency Co-Ordinator Reimbursements | £85,000 | £68,661.33 | (£16,338.67) |
| 78 Licences and Fees | £2,300,000 | £2,242,521.00 | (£57,479.00) |
| TOTAL DEPARTMENTAL FEES AND RECEIPTS | £121,139,000 | £126,617,366.36 | £5,478,366.36 |

Note:

(ii) Tonnage Dues for the year ended 31 March 2018 was undercharged by £384,439 (£404,024 for the year ended 31 March 2017) due to the application of a discounted fee by the Captain of the Port to vessels anchoring at the Eastern Anchorage.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|---|---------------------------------|----------------------|---------------------------------|
| HEAD 6 :- GOVERNMENT EARNINGS | | | |
| <i>Interest</i> | | | |
| 1 Consolidated Fund (iii) | £100,000 | £59,266.89 | (£40,733.11) |
| <i>Other Fees and Receipts</i> | | | |
| 2 Widows' and Orphans' Pension Scheme Contributions | £300,000 | £502,760.40 | £202,760.40 |
| 3 MOD - Police Pensions | £250,000 | £265,506.61 | £15,506.61 |
| 4 Services Performed by Public Officers | £100,000 | £98,182.89 | (£1,817.11) |
| 5 Other Reimbursements | £1,500,000 | £1,824,587.68 | £324,587.68 |
| 6 Loan Repayments | £1,000 | £0.00 | (£1,000.00) |
| <i>Currency and Coinage</i> | | | |
| 7 Commemorative Coin Sales | £1,000 | £23,373.00 | £22,373.00 |
| 8 Royalties on Coin Sales | £45,000 | £45,000.00 | £0.00 |
| 9 Circulating Coinage | £700,000 | £554,611.65 | (£145,388.35) |
| 10 Note Security Fund - Surplus | £1,000 | £0.00 | (£1,000.00) |
| 11 Note Security Fund - Demonetisation of Notes | £1,000 | £0.00 | (£1,000.00) |
| <i>Licences</i> | | | |
| 12 Miscellaneous Licences | £17,000 | £22,557.32 | £5,557.32 |
| <i>Dividends from Government Shareholdings</i> | | | |
| 13 AquaGib Ltd | £400,000 | £400,000.00 | £0.00 |
| TOTAL GOVERNMENT EARNINGS | £3,416,000 | £3,795,846.44 | £379,846.44 |
| HEAD 7 :- PUBLIC DEBT | | | |
| 1 Net Borrowings | £0 | £0.00 | £0.00 |
| TOTAL NET BORROWINGS | £0 | £0.00 | £0.00 |

Note:

(iii) Includes £1,713.83 retained by the Government of Gibraltar from Interest Earned from monies held in respect of the Financial Services Resolution and Compensation Committee (FSRCC) Funds

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| <u>SUMMARY</u> | | | | | |
| <u>CONSOLIDATED FUND CHARGES</u> | | | | | |
| 01 :- STATUTORY OFFICES | £713,000 | £0 | £713,000 | £685,650.49 | £27,349.51 |
| 02 :- JUDICATURE | £1,295,000 | £195,790 | £1,490,790 | £1,316,101.62 | £174,688.38 |
| 03 :- PENSIONS | £37,985,000 | £957,837 | £38,942,837 | £38,904,019.12 | £38,817.88 |
| 04 :- EMPLOYER'S CONTRIBUTIONS | £4,400,000 | £0 | £4,400,000 | £4,346,892.96 | £53,107.04 |
| 05 :- PUBLIC DEBT CHARGES | £26,400,000 | £117,756 | £26,517,756 | £26,400,000.00 | £117,756.00 |
| 06 :- PUBLIC SERVICES OMBUDSMAN | £481,000 | £3,168 | £484,168 | £417,523.16 | £66,644.84 |
| 07 :- REVENUE REPAYMENTS | £10,000,000 | £5,483,242 | £15,483,242 | £15,483,241.18 | £0.82 |
| 08 :- CHARITIES ACT | £1,000 | £0 | £1,000 | £162.00 | £838.00 |
| 09 :- PUBLIC DEBT | £0 | £0 | £0 | £0.00 | £0.00 |
| | £81,275,000 | £6,757,793 | £88,032,793 | £87,553,590.53 | £479,202.47 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| CONSOLIDATED FUND CHARGES - RECURRENT | | | | | |
| 01 :- STATUTORY OFFICES | | | | | |
| PERSONAL EMOLUMENTS | | | | | |
| 1(a) Salaries | £619,000 | £0 | £619,000 | £608,645.57 | £10,354.43 |
| 1(b) Allowances | £94,000 | £0 | £94,000 | £77,004.92 | £16,995.08 |
| TOTAL STATUTORY OFFICES | £713,000 | £0 | £713,000 | £685,650.49 | £27,349.51 |
| 02 :- JUDICATURE | | | | | |
| 1 Legal Aid and Assistance | £700,000 | £114,978 | £814,978 | £814,977.71 | £0.29 |
| 2 Court of Appeal Expenses | £100,000 | £0 | £100,000 | £91,015.14 | £8,984.86 |
| 3 Salaries of Other Supreme Court Judges | £391,000 | £76,786 | £467,786 | £314,213.01 | £153,572.99 |
| 4 Gratuities and Allowances | £86,000 | £4,026 | £90,026 | £90,026.21 | (£0.21) |
| 5 Awards for Courage | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 6 Pension Contributions | £17,000 | £0 | £17,000 | £5,869.55 | £11,130.45 |
| TOTAL JUDICATURE | £1,295,000 | £195,790 | £1,490,790 | £1,316,101.62 | £174,688.38 |
| 03 :- PENSIONS | | | | | |
| 1 Pensions (i) | £36,500,000 | £458,930 | £36,958,930 | £36,958,929.72 | £0.28 |
| 2 Gratuities under the Pensions Act and Parliament Act | £1,000,000 | £498,907 | £1,498,907 | £1,498,906.46 | £0.54 |
| 3 Pensions (Widows and Orphans) | £350,000 | £0 | £350,000 | £316,455.91 | £33,544.09 |
| 4 Pensions (Spouses and Children's) | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5 Pensions - Former Government Employees | £131,000 | £0 | £131,000 | £129,727.03 | £1,272.97 |
| 6 Gratuities - Former Government Employees | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 7 Pension Rights Transfers | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| 8 Refund of WOPS Contributions | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| TOTAL PENSIONS | £37,985,000 | £957,837 | £38,942,837 | £38,904,019.12 | £38,817.88 |
| 04 :- EMPLOYER'S CONTRIBUTIONS | | | | | |
| 1 Social Insurance | £4,400,000 | £0 | £4,400,000 | £4,346,892.96 | £53,107.04 |
| TOTAL EMPLOYER'S CONTRIBUTIONS | £4,400,000 | £0 | £4,400,000 | £4,346,892.96 | £53,107.04 |
| 05 :- PUBLIC DEBT CHARGES | | | | | |
| 1 Bank Interest and Other Costs | £8,100,000 | £0 | £8,100,000 | £7,982,244.48 | £117,755.52 |
| 2 Government Debentures - Interest | £8,300,000 | £117,756 | £8,417,756 | £8,417,755.52 | £0.48 |
| 3 Contribution to General Sinking Fund | £10,000,000 | £0 | £10,000,000 | £10,000,000.00 | £0.00 |
| TOTAL PUBLIC DEBT CHARGES | £26,400,000 | £117,756 | £26,517,756 | £26,400,000.00 | £117,756.00 |

- (i) Pensions expenditure includes the repayment of commuted pensions amounting to £1,715,618 in capital, plus £4,946,430 in interest paid to Credit Finance Company Limited pursuant to the provisions of the pension commutation agreement between HM Government of Gibraltar and Credit Finance Company Limited.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
| CONSOLIDATED FUND CHARGES - RECURRENT | | | | | |
| 06 :- PUBLIC SERVICES OMBUDSMAN | | | | | |
| PERSONAL EMOLUMENTS | | | | | |
| 1(1) Salaries | £354,000 | £0 | £354,000 | £332,224.11 | £21,775.89 |
| 1(2)(i) Overtime - Conditioned | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(ii) Overtime - Emergency | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0.00 | £0.00 |
| 1(2)(iv) Overtime - Discretionary | £4,000 | £0 | £4,000 | £1,592.47 | £2,407.53 |
| 1(3) Allowances | £4,000 | £774 | £4,774 | £4,773.21 | £0.79 |
| 1(4) Employer's Contributions | £14,000 | £0 | £14,000 | £13,286.28 | £713.72 |
| 1(5) Pension Contributions | £54,000 | £0 | £54,000 | £31,305.62 | £22,694.38 |
| TOTAL PERSONAL EMOLUMENTS | £430,000 | £774 | £430,774 | £383,181.69 | £47,592.31 |
| OTHER CHARGES | | | | | |
| Office Expenses | | | | | |
| 2(6) General Expenses | £3,000 | £0 | £3,000 | £2,496.02 | £503.98 |
| 2(7) Electricity and Water | £2,000 | £0 | £2,000 | £1,642.24 | £357.76 |
| 2(8) Printing and Stationery | £4,000 | £1,178 | £5,178 | £5,177.09 | £0.91 |
| 2(9) Telephone Service | £5,000 | £0 | £5,000 | £3,599.93 | £1,400.07 |
| 2(10) Contracted Services: Office Cleaning | £5,000 | £0 | £5,000 | £3,816.12 | £1,183.88 |
| Operational Expenses | | | | | |
| 2(11) Publications | £1,000 | £0 | £1,000 | £272.00 | £728.00 |
| 2(12) Conferences, Training and Travelling Expenses | £9,000 | £1,216 | £10,216 | £10,215.43 | £0.57 |
| 2(13) Computer and Office Equipment | £4,000 | £0 | £4,000 | £2,131.00 | £1,869.00 |
| 2(14) Clinical Assessors | £10,000 | £0 | £10,000 | £3,995.95 | £6,004.05 |
| 2(15) CHS Office (St Bernard's Hospital) | £7,000 | £0 | £7,000 | £995.69 | £6,004.31 |
| 2(16) Relief Cover | £1,000 | £0 | £1,000 | £0.00 | £1,000.00 |
| TOTAL OTHER CHARGES | £51,000 | £2,394 | £53,394 | £34,341.47 | £19,052.53 |
| TOTAL PUBLIC SERVICES OMBUDSMAN | £481,000 | £3,168 | £484,168 | £417,523.16 | £66,644.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ADDITIONAL REQUIREMENTS | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|----------------------------|------------------------------------|-----------------------|-----------------------|

CONSOLIDATED FUND CHARGES - RECURRENT

07 :- REVENUE REPAYMENTS

| | | | | | |
|-------------------------------------|--------------------|-------------------|--------------------|-----------------------|--------------|
| 1 Repayment of Revenue | £10,000,000 | £5,483,242 | £15,483,242 | £15,483,241.18 | £0.82 |
| TOTAL REVENUE REPAYMENTS | £10,000,000 | £5,483,242 | £15,483,242 | £15,483,241.18 | £0.82 |

08 :- CHARITIES ACT

| | | | | | |
|----------------------------|---------------|-----------|---------------|----------------|----------------|
| 1 Miscellaneous Expenses | £1,000 | £0 | £1,000 | £162.00 | £838.00 |
| TOTAL CHARITIES ACT | £1,000 | £0 | £1,000 | £162.00 | £838.00 |

CONSOLIDATED FUND CHARGES - NON-RECURRENT

09 :- PUBLIC DEBT

| | | | | | |
|--------------------------|-----------|-----------|-----------|--------------|--------------|
| 1 Net Repayments | £0 | £0 | £0 | £0.00 | £0.00 |
| TOTAL PUBLIC DEBT | £0 | £0 | £0 | £0.00 | £0.00 |

Note

- (a) Total Borrowing during the year - £0
Total Repayments during the year - (£0)

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------|------------------------------------|-----------------------|-----------------------|
| <u>SUMMARY</u> | | | | | | |
| <u>CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE</u> | | | | | | |
| <u>CHIEF MINISTER</u> | | | | | | |
| 1 :- TREASURY | £23,451,000 | £0 | £0 | £23,451,000 | £22,706,415.79 | £744,584.21 |
| 2 :- NO. 6 CONVENT PLACE | £8,524,000 | £0 | £1,312,365 | £9,836,365 | £9,836,339.38 | £25.62 |
| 3 :- CUSTOMS | £9,676,000 | £0 | £0 | £9,676,000 | £9,468,252.12 | £207,747.88 |
| 4 :- INCOME TAX | £2,849,000 | £0 | £0 | £2,849,000 | £2,731,333.68 | £117,666.32 |
| 5 :- PARLIAMENT | £1,743,000 | £0 | £11,585 | £1,754,585 | £1,754,569.43 | £15.57 |
| 6 :- HUMAN RESOURCES | £2,460,000 | £0 | £296,110 | £2,756,110 | £2,756,088.17 | £21.83 |
| 7 :- IMMIGRATION AND CIVIL STATUS | £7,890,000 | £0 | £0 | £7,890,000 | £7,815,080.22 | £74,919.78 |
| 8 :- GOVERNMENT LAW OFFICES | £4,756,000 | £0 | £1,130,000 | £5,886,000 | £5,885,975.12 | £24.88 |
| 9 :- FINANCIAL SECRETARY'S OFFICE | £711,000 | £0 | £0 | £711,000 | £682,392.41 | £28,607.59 |
| <u>DEPUTY CHIEF MINISTER</u> | | | | | | |
| 10 :- OFFICE OF THE DEPUTY CHIEF MINISTER | £4,000,000 | £0 | £0 | £4,000,000 | £3,918,766.74 | £81,233.26 |
| 11 :- CIVIL AVIATION | £2,632,000 | £0 | £59,515 | £2,691,515 | £2,691,511.36 | £3.64 |
| <u>MINISTER FOR THE ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION</u> | | | | | | |
| 12 :- ENVIRONMENT | £13,795,000 | £0 | £162,060 | £13,957,060 | £13,957,017.54 | £42.46 |
| 13 :- UTILITIES | £55,132,000 | £0 | £749,215 | £55,881,215 | £55,881,209.82 | £5.18 |
| 14 :- COLLECTION AND DISPOSAL OF REFUSE | £6,525,000 | £0 | £0 | £6,525,000 | £6,097,776.78 | £427,223.22 |
| 15 :- UPPER ROCK TOURIST SITES AND BEACHES | £2,870,000 | £0 | £28,140 | £2,898,140 | £2,898,110.45 | £29.55 |
| 16 :- EDUCATION | £49,338,000 | £0 | £196,950 | £49,534,950 | £49,534,919.16 | £30.84 |
| 17 :- GIBRALTAR UNIVERSITY | £500,000 | £0 | £0 | £500,000 | £500,000.00 | £0.00 |
| 18 :- HERITAGE | £1,895,000 | £0 | £0 | £1,895,000 | £1,866,814.79 | £28,185.21 |
| <u>MINISTER FOR INFRASTRUCTURE AND PLANNING</u> | | | | | | |
| 19 :- TECHNICAL SERVICES | £3,767,000 | £0 | £0 | £3,767,000 | £3,621,643.98 | £145,356.02 |
| 20 :- DRIVER AND VEHICLE LICENSING | £1,857,000 | £0 | £0 | £1,857,000 | £1,613,544.31 | £243,455.69 |
| 21 :- TOWN PLANNING AND BUILDING CONTROL | £1,492,000 | £0 | £10,930 | £1,502,930 | £1,502,913.02 | £16.98 |
| <u>MINISTER FOR ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GIBRALTAR SAVINGS BANK</u> | | | | | | |
| 22 :- STATISTICS OFFICE | £356,000 | £0 | £50 | £356,050 | £356,040.53 | £9.47 |
| 23 :- PROCUREMENT OFFICE | £303,000 | £0 | £21,050 | £324,050 | £324,035.16 | £14.84 |
| 24 :- ECONOMIC DEVELOPMENT | £17,145,000 | £0 | £0 | £17,145,000 | £15,898,954.15 | £1,246,045.85 |
| <u>MINISTER FOR HOUSING AND EQUALITY</u> | | | | | | |
| 25 :- HOUSING - ADMINISTRATION | £10,768,000 | £0 | £586,335 | £11,354,335 | £11,354,319.55 | £15.45 |
| 26 :- EQUALITY | £2,184,000 | £0 | £0 | £2,184,000 | £2,143,025.09 | £40,974.91 |
| <u>MINISTER FOR HEALTH, CARE AND JUSTICE</u> | | | | | | |
| 27 :- HEALTH | £107,587,000 | £0 | £9,332,700 | £116,919,700 | £116,919,681.82 | £18.18 |
| 28 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION | £21,688,000 | £0 | £0 | £21,688,000 | £20,746,745.88 | £941,254.12 |
| 29 :- CARE AGENCY | £16,452,000 | £0 | £0 | £16,452,000 | £15,604,221.51 | £847,778.49 |
| 30 :- POLICING | £15,962,000 | £0 | £399,620 | £16,361,620 | £16,361,580.94 | £39.06 |
| 31 :- PRISON | £2,963,000 | £0 | £0 | £2,963,000 | £2,897,368.65 | £65,631.35 |
| 32 :- GIBRALTAR LAW COURTS | £1,909,000 | £0 | £0 | £1,909,000 | £1,864,395.16 | £44,604.84 |
| 33 :- JUSTICE | £729,000 | £0 | £0 | £729,000 | £685,845.78 | £43,154.22 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------------|------------------------------------|------------------------|-----------------------|
| <u>SUMMARY</u> | | | | | | |
| <u>CONSOLIDATED FUND - DEPARTMENTAL EXPENDITURE</u> | | | | | | |
| <u>MINISTER FOR TOURISM, EMPLOYMENT, COMMERCIAL AVIATION AND THE PORT</u> | | | | | | |
| 34 :- TOURISM | £3,087,000 | £0 | £0 | £3,087,000 | £2,924,777.80 | £162,222.20 |
| 35 :- EMPLOYMENT | £1,274,000 | £0 | £208,965 | £1,482,965 | £1,482,946.19 | £18.81 |
| 36 :- COMMERCIAL AVIATION | £3,617,000 | £0 | £0 | £3,617,000 | £3,468,860.98 | £148,139.02 |
| 37 :- PORT | £5,969,000 | £0 | £0 | £5,969,000 | £5,649,000.00 | £320,000.00 |
| 38 :- MARITIME SERVICES | £1,271,000 | £0 | £70,420 | £1,341,420 | £1,341,400.49 | £19.51 |
| 39 :- SOCIAL SECURITY | £24,397,000 | £0 | £0 | £24,397,000 | £17,229,743.22 | £7,167,256.78 |
| 40 :- CIVIL CONTINGENCY | £214,000 | £0 | £20,195 | £234,195 | £234,188.22 | £6.78 |
| 41 :- FIRE AND RESCUE SERVICE | £5,230,000 | £0 | £0 | £5,230,000 | £5,115,091.14 | £114,908.86 |
| <u>MINISTER FOR CULTURE, MEDIA, YOUTH AND SPORT</u> | | | | | | |
| 42 :- CULTURE | £6,068,000 | £0 | £1,954,700 | £8,022,700 | £8,022,670.85 | £29.15 |
| 43 :- BROADCASTING | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | £0.00 |
| 44 :- YOUTH | £577,000 | £0 | £18,800 | £595,800 | £595,777.99 | £22.01 |
| 45 :- SPORT AND LEISURE | £5,391,000 | £0 | £603,265 | £5,994,265 | £5,994,254.08 | £10.92 |
| <u>MINISTER FOR COMMERCE</u> | | | | | | |
| 46 :- FINANCIAL SERVICES | £4,133,000 | £0 | £0 | £4,133,000 | £3,931,676.54 | £201,323.46 |
| 47 :- GAMBLING DIVISION | £807,000 | £0 | £9,020 | £816,020 | £816,009.25 | £10.75 |
| 48 :- COMMERCE | £4,500,000 | £0 | £0 | £4,500,000 | £4,237,461.76 | £262,538.24 |
| 49 :- POSTAL SERVICES | £3,132,000 | £0 | £0 | £3,132,000 | £3,102,596.31 | £29,403.69 |
| <u>GIBRALTAR AUDIT OFFICE</u> | | | | | | |
| 50 :- GIBRALTAR AUDIT OFFICE | £1,137,000 | £0 | £0 | £1,137,000 | £1,136,675.16 | £324.84 |
| <u>GIBRALTAR REGULATORY AUTHORITY</u> | | | | | | |
| 51 :- GIBRALTAR REGULATORY AUTHORITY | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 | £0.00 |
| Total Departmental Expenditure | £481,338,000 | £0 | £17,181,990 | £498,519,990 | £484,785,018.47 | £13,734,971.53 |
| <u>SUPPLEMENTARY PROVISION</u> | | | | | | |
| 52 :- SUPPLEMENTARY PROVISION | £9,000,000 | £8,300,000 | (£17,181,990) | £118,010 | £0.00 | £118,010.00 |
| Total Supplementary Provision | £9,000,000 | £8,300,000 | (£17,181,990) | £118,010 | £0.00 | £118,010.00 |
| <u>CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES</u> | | | | | | |
| 53 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| Total Contribution to Government-Owned Companies | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |
| <u>TRANSFER FROM GOVERNMENT SURPLUS</u> | | | | | | |
| 54 :- TRANSFER FROM GOVERNMENT SURPLUS | £1,000 | £14,999,000 | £0 | £15,000,000 | £15,000,000.00 | £0.00 |
| Total Transfer From Government Surplus | £1,000 | £14,999,000 | £0 | £15,000,000 | £15,000,000.00 | £0.00 |
| <u>CONTRIBUTION TO IMPROVEMENT AND DEVELOPMENT FUND</u> | | | | | | |
| 55 :- CONTRIBUTION TO IMPROVEMENT AND DEVELOPMENT FUND | £5,000,000 | £21,000,000 | £0 | £26,000,000 | £26,000,000.00 | £0.00 |
| Total Contribution to Improvement and Development Fund | £5,000,000 | £21,000,000 | £0 | £26,000,000 | £26,000,000.00 | £0.00 |
| Total Consolidated Fund - Expenditure | £520,339,000 | £44,299,000 | £0 | £564,638,000 | £550,785,018.47 | £13,852,981.53 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £2,498,000 | £0 | £0 | £2,498,000 | £2,414,888.43 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £240,000 | £0 | £0 | £240,000 | £219,055.76 | |
| 1(1)(c) Allowances | £125,000 | £0 | £0 | £125,000 | £197,657.65 | |
| 1(1)(d) Temporary Assistance | £33,000 | £0 | £0 | £33,000 | £28,908.16 | |
| 1(1)(e) Pension Contributions | £93,000 | £0 | £0 | £93,000 | £98,917.28 | |
| Total Personal Emoluments | £2,989,000 | £0 | £0 | £2,989,000 | £2,959,427.28 | |
| <i>Personal Emoluments - Central Arrears Unit</i> | | | | | | |
| 1(1)(f) Salaries | £258,000 | £0 | £0 | £258,000 | £224,318.10 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £23,000 | £0 | £0 | £23,000 | £23,101.31 | |
| 1(1)(h) Allowances | £16,000 | £0 | £0 | £16,000 | £17,665.88 | |
| 1(1)(i) Pension Contributions | £0 | £0 | £0 | £0 | £4,066.21 | |
| Total Personal Emoluments - Central Arrears Unit | £297,000 | £0 | £0 | £297,000 | £269,151.50 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £3,286,000 | £0 | £0 | £3,286,000 | £3,228,578.78 | £57,421.22 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £30,000 | £0 | £0 | £30,000 | £28,395.25 | |
| 2(1)(b) Electricity and Water | £30,000 | £0 | £0 | £30,000 | £27,229.61 | |
| 2(1)(c) Telephone Service | £44,000 | £0 | £0 | £44,000 | £43,893.19 | |
| 2(1)(d) Printing and Stationery | £46,000 | £0 | £0 | £46,000 | £32,633.65 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £33,000 | £0 | £0 | £33,000 | £32,471.02 | |
| Total Office Expenses | £183,000 | £0 | £0 | £183,000 | £164,622.72 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Staff Medical Services | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(b) Banking and Related Services | £210,000 | £0 | £0 | £210,000 | £212,130.42 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| 2(2)(c) Computer Running Expenses | £55,000 | £0 | £0 | £55,000 | £60,417.74 | |
| 2(2)(d) Accountancy and Legal Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(e) Security Expenses | £6,000 | £0 | £0 | £6,000 | £5,226.50 | |
| 2(2)(f) Postage Expenses | £15,000 | £0 | £0 | £15,000 | £9,800.16 | |
| 2(2)(g) Contracted Services: Security Services | £25,000 | £0 | £0 | £25,000 | £24,227.72 | |
| 2(2)(h) Document Storage | £0 | £0 | £0 | £0 | £802.00 | |
| Total Operational Expenses | £313,000 | £0 | £0 | £313,000 | £312,604.54 | |
| 2(3) Insurance Premiums and Claims | £684,000 | £0 | £0 | £684,000 | £650,093.25 | |
| Total | £684,000 | £0 | £0 | £684,000 | £650,093.25 | |
| 2(4) Official Receiver Expenses | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| Total | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| 2(5) Property Services, Rents, Rates and Stamp Duty - Land Property Services Ltd - Contracted Services | £2,800,000 | £0 | £0 | £2,800,000 | £2,808,166.69 | |
| Total | £2,800,000 | £0 | £0 | £2,800,000 | £2,808,166.69 | |
| Circulating and Commemorative Coinage Expenses | | | | | | |
| 2(6)(a) Circulating Coinage Expenses | £636,000 | £0 | £0 | £636,000 | £132,349.15 | |
| 2(6)(b) Purchase of Commemorative Coins | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Circulating and Commemorative Coinage Expenses | £637,000 | £0 | £0 | £637,000 | £132,349.15 | |
| 2(7) Ex-Gratia Payments | £3,000 | £0 | £0 | £3,000 | £18,121.53 | |
| Total | £3,000 | £0 | £0 | £3,000 | £18,121.53 | |
| 2(8) Provisions for Workmen's Wages Roundings | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(9) Government Offices - Rent and Service Charges | £8,921,000 | £0 | £0 | £8,921,000 | £8,992,358.78 | |
| Total | £8,921,000 | £0 | £0 | £8,921,000 | £8,992,358.78 | |
| 2(10) Government Buildings - General Rates | £5,282,000 | £0 | £0 | £5,282,000 | £5,154,234.22 | |
| Total | £5,282,000 | £0 | £0 | £5,282,000 | £5,154,234.22 | |
| 2(11) Gibraltar Savings Bank - Children's Bond Account | £216,000 | £0 | £0 | £216,000 | £198,000.00 | |
| Total | £216,000 | £0 | £0 | £216,000 | £198,000.00 | |
| 2(12) Government Insurance Fund | £600,000 | £0 | £0 | £600,000 | £600,000.00 | |
| Total | £600,000 | £0 | £0 | £600,000 | £600,000.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 1 :- TREASURY | | | | | | |
| 2(13) Contribution to Pension Rights and Gratuity Transfers | £250,000 | £0 | £0 | £250,000 | £134,663.38 | |
| Total | £250,000 | £0 | £0 | £250,000 | £134,663.38 | |
| 2(14) Relief Cover | £265,000 | £0 | £0 | £265,000 | £312,622.75 | |
| Total | £265,000 | £0 | £0 | £265,000 | £312,622.75 | |
| TOTAL OTHER CHARGES | £20,165,000 | £0 | £0 | £20,165,000 | £19,477,837.01 | £687,162.99 |

1 :- TREASURY

SUMMARY

| | | | | | | |
|-----------------------|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £3,286,000 | £0 | £0 | £3,286,000 | £3,228,578.78 | £57,421.22 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £3,286,000 | £0 | £0 | £3,286,000 | £3,228,578.78 | £57,421.22 |
| Other Charges | £20,165,000 | £0 | £0 | £20,165,000 | £19,477,837.01 | £687,162.99 |
| TOTAL TREASURY | £23,451,000 | £0 | £0 | £23,451,000 | £22,706,415.79 | £744,584.21 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 2 :- NO. 6 CONVENT PLACE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - General Office</i> | | | | | | |
| 1(1)(a) Salaries | £1,636,000 | £0 | (£97,829) | £1,538,171 | £1,538,170.63 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £300,000 | £0 | (£32,758) | £267,242 | £260,334.62 | |
| 1(1)(c) Allowances | £65,000 | £0 | £0 | £65,000 | £80,832.13 | |
| 1(1)(d) Temporary Assistance | £70,000 | £0 | £0 | £70,000 | £70,957.32 | |
| 1(1)(e) Pension Contributions | £52,000 | £0 | £0 | £52,000 | £47,816.30 | |
| 1(1)(f) Gratuities | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - General Office | £2,124,000 | £0 | (£130,587) | £1,993,413 | £1,998,111.00 | |
| <i>Personal Emoluments - Technical Division</i> | | | | | | |
| 1(1)(g) Salaries | £60,000 | £0 | £0 | £60,000 | £59,763.78 | |
| 1(1)(h)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iv) Overtime - Discretionary | £6,000 | £0 | £0 | £6,000 | £2,822.88 | |
| 1(1)(i) Allowances | £1,000 | £0 | £0 | £1,000 | £359.20 | |
| 1(1)(j) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Technical Division | £68,000 | £0 | £0 | £68,000 | £62,945.86 | |
| <i>Industrial Wages - General Office</i> | | | | | | |
| 1(2)(a) Basic Wages | £62,000 | £0 | £0 | £62,000 | £61,358.24 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £12,000 | £0 | £0 | £12,000 | £13,757.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £3,235.01 | |
| Total Industrial Wages - General Office | £78,000 | £0 | £0 | £78,000 | £78,350.25 | |
| TOTAL PAYROLL | £2,270,000 | £0 | (£130,587) | £2,139,413 | £2,139,407.11 | £5.89 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

2 :- NO. 6 CONVENT PLACE

OTHER CHARGES

General Office - Office Expenses

| | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|
| 2(1)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £11,296.88 |
| 2(1)(b) Electricity and Water | £33,000 | £0 | £0 | £33,000 | £25,916.82 |
| 2(1)(c) Telephone Service | £100,000 | £0 | £0 | £100,000 | £88,761.12 |
| 2(1)(d) Printing and Stationery | £20,000 | £0 | £0 | £20,000 | £18,069.27 |
| Total General Office - Office Expenses | £165,000 | £0 | £0 | £165,000 | £144,044.09 |

General Office - Operational Expenses

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 2(2)(a) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £904.56 |
| 2(2)(b) Equipment Maintenance | £73,000 | £0 | £0 | £73,000 | £66,921.78 |
| 2(2)(c) The Mount Expenses | £5,000 | £0 | £0 | £5,000 | £2,479.77 |
| 2(2)(d) Rent and Service Charges | £7,000 | £0 | £0 | £7,000 | £6,959.76 |
| 2(2)(e) Contracted Services: Security Expenses | £75,000 | £0 | £0 | £75,000 | £70,707.51 |
| Total General Office - Operational Expenses | £161,000 | £0 | £0 | £161,000 | £147,973.38 |
| 2(3) Governor's Office Expenses | £60,000 | £0 | £0 | £60,000 | £62,637.90 |
| Total | £60,000 | £0 | £0 | £60,000 | £62,637.90 |

Technical Division - Office Expenses

| | | | | | |
|--|-----------------|-----------|-----------------|-------------------|----------------------|
| 2(4)(a) General Expenses | £1,000 | £0 | £0 | £1,000 | £484.00 |
| 2(4)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 |
| 2(4)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £2,178.07 |
| 2(4)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £483.06 |
| Total Technical Division - Office Expenses | £5,000 | £0 | £0 | £5,000 | £3,145.13 |
| 2(5) Electrical Services - Gibraltar Electricity Authority | £698,000 | £0 | £0 | £698,000 | £652,372.98 |
| Total | £698,000 | £0 | £0 | £698,000 | £652,372.98 |
| 2(6) Government Communication, Information and Lobbying | £915,000 | £0 | £762,600 | £1,677,600 | £1,677,593.97 |
| Total | £915,000 | £0 | £762,600 | £1,677,600 | £1,677,593.97 |

Protocol, Travel and Entertainment

| | | | | | |
|---|-----------------|-----------|----------------|-----------------|--------------------|
| 2(7)(a) Protocol and Entertainment | £150,000 | £0 | £90,179 | £240,179 | £256,891.40 |
| 2(7)(b) Travel - All Ministers and Officials | £750,000 | £0 | £0 | £750,000 | £733,283.34 |
| Total Protocol, Travel and Entertainment | £900,000 | £0 | £90,179 | £990,179 | £990,174.74 |

Grants

| | | | | | |
|------------------------------------|-----------------|-----------|-----------------|-------------------|----------------------|
| 2(8)(a) Gibraltar Regiment | £40,000 | £0 | £0 | £40,000 | £58,547.46 |
| 2(8)(b) Other Grants and Donations | £575,000 | £0 | £488,930 | £1,063,930 | £1,063,929.51 |
| Total Grants | £615,000 | £0 | £488,930 | £1,103,930 | £1,122,476.97 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 2 :- NO. 6 CONVENT PLACE | | | | | | |
| 2(9) Commonwealth Foundation Membership | £18,000 | £0 | £0 | £18,000 | £16,491.68 | |
| Total | £18,000 | £0 | £0 | £18,000 | £16,491.68 | |
| 2(10) Research, Development Studies and Professional Fees | £800,000 | £0 | £47,596 | £847,596 | £878,936.82 | |
| Total | £800,000 | £0 | £47,596 | £847,596 | £878,936.82 | |
| 2(11) Civic Awards Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Contribution to Gibraltar Development Corporation - Staff Services | | | | | | |
| 2(12)(a) Staff Services - No.6 | £324,000 | £0 | £0 | £324,000 | £325,768.92 | |
| 2(12)(b) Staff Services - Technical Division | £129,000 | £0 | £0 | £129,000 | £128,455.61 | |
| Total Contribution to Gibraltar Development Corporation - Staff Services | £453,000 | £0 | £0 | £453,000 | £454,224.53 | |
| 2(13) Government General Advertising and Official Notices | £360,000 | £0 | £53,647 | £413,647 | £430,044.67 | |
| Total | £360,000 | £0 | £53,647 | £413,647 | £430,044.67 | |
| 2(14) Media Monitoring Services | £400,000 | £0 | £0 | £400,000 | £403,325.47 | |
| Total | £400,000 | £0 | £0 | £400,000 | £403,325.47 | |
| 2(15) Contract Officers | £101,000 | £0 | £0 | £101,000 | £76,272.07 | |
| Total | £101,000 | £0 | £0 | £101,000 | £76,272.07 | |
| 2(16) Ex-Gratia Payments | £600,000 | £0 | £0 | £600,000 | £637,217.87 | |
| Total | £600,000 | £0 | £0 | £600,000 | £637,217.87 | |
| 2(17) Co-Ordination of the Fight Against Illegal Drugs | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(18) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £6,254,000 | £0 | £1,442,952 | £7,696,952 | £7,696,932.27 | £19.73 |

2 :- NO. 6 CONVENT PLACE

SUMMARY

| | | | | | | |
|----------------------------------|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| Personal Emoluments | £2,192,000 | £0 | (£130,587) | £2,061,413 | £2,061,056.86 | £356.14 |
| Industrial Wages | £78,000 | £0 | £0 | £78,000 | £78,350.25 | (£350.25) |
| Total Payroll | £2,270,000 | £0 | (£130,587) | £2,139,413 | £2,139,407.11 | £5.89 |
| Other Charges | £6,254,000 | £0 | £1,442,952 | £7,696,952 | £7,696,932.27 | £19.73 |
| TOTAL NO. 6 CONVENT PLACE | £8,524,000 | £0 | £1,312,365 | £9,836,365 | £9,836,339.38 | £25.62 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 3 :- CUSTOMS | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £5,450,000 | £0 | £0 | £5,450,000 | £5,468,156.29 | |
| 1(1)(b)(i) Overtime - Conditioned | £1,858,000 | £0 | (£8,995) | £1,849,005 | £1,602,386.13 | |
| 1(1)(b)(ii) Overtime - Emergency | £116,000 | £0 | £0 | £116,000 | £141,602.04 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £150,000 | £0 | £0 | £150,000 | £240,039.16 | |
| 1(1)(c) Allowances | £1,073,000 | £0 | £0 | £1,073,000 | £941,708.06 | |
| 1(1)(d) Temporary Assistance | £91,000 | £0 | £0 | £91,000 | £101,898.95 | |
| 1(1)(e) Pension Contributions | £260,000 | £0 | £0 | £260,000 | £285,479.30 | |
| Total Personal Emoluments | £8,998,000 | £0 | (£8,995) | £8,989,005 | £8,781,269.93 | |
| TOTAL PAYROLL | £8,998,000 | £0 | (£8,995) | £8,989,005 | £8,781,269.93 | £207,735.07 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £18,185.22 | |
| 2(1)(b) Electricity and Water | £60,000 | £0 | £0 | £60,000 | £49,204.66 | |
| 2(1)(c) Telephone Service | £55,000 | £0 | £0 | £55,000 | £49,609.87 | |
| 2(1)(d) Printing and Stationery | £12,000 | £0 | £0 | £12,000 | £11,903.52 | |
| 2(1)(e) Office Rent and Service Charges | £17,000 | £0 | £0 | £17,000 | £90,900.93 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Cleaning of Offices and Entry Points - Government Cleaning Scheme | £88,000 | £0 | £0 | £88,000 | £85,318.84 | |
| 2(1)(g) Security Services | £22,000 | £0 | £0 | £22,000 | £23,417.55 | |
| Total Office Expenses | £279,000 | £0 | £0 | £279,000 | £328,540.59 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Enforcement Expenses | £35,000 | £0 | £0 | £35,000 | £23,198.60 | |
| 2(2)(b) Investigation Expenses | £25,000 | £0 | £0 | £25,000 | £26,194.32 | |
| 2(2)(c) Uniforms | £99,000 | £0 | £0 | £99,000 | £89,690.27 | |
| 2(2)(d) Computer Running Expenses | £15,000 | £0 | £0 | £15,000 | £6,610.97 | |
| 2(2)(e) Official Visits | £9,000 | £0 | £0 | £9,000 | £9,747.00 | |
| 2(2)(f) Training Courses | £70,000 | £0 | £0 | £70,000 | £44,271.82 | |
| 2(2)(g) Marine Expenses | £100,000 | £0 | £0 | £100,000 | £96,196.38 | |
| 2(2)(h) Dog Section Costs | £15,000 | £0 | £0 | £15,000 | £19,360.91 | |
| 2(2)(i) Contracted Services: Radio Communication System - Gibtelecom Ltd | £29,000 | £0 | £0 | £29,000 | £33,009.50 | |
| Total Operational Expenses | £397,000 | £0 | £0 | £397,000 | £348,279.77 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 3 :- CUSTOMS | | | | | | |
| 2(3) Destruction of Confiscated Tobacco | £1,000 | £0 | £0 | £1,000 | £660.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £660.00 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Compensation and Legal Costs | £0 | £0 | £8,995 | £8,995 | £9,501.83 | |
| Total | £0 | £0 | £8,995 | £8,995 | £9,501.83 | |
| TOTAL OTHER CHARGES | £678,000 | £0 | £8,995 | £686,995 | £686,982.19 | £12.81 |

3 :- CUSTOMS

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £8,998,000 | £0 | (£8,995) | £8,989,005 | £8,781,269.93 | £207,735.07 |
| Total Payroll | £8,998,000 | £0 | (£8,995) | £8,989,005 | £8,781,269.93 | £207,735.07 |
| Other Charges | £678,000 | £0 | £8,995 | £686,995 | £686,982.19 | £12.81 |
| TOTAL CUSTOMS | £9,676,000 | £0 | £0 | £9,676,000 | £9,468,252.12 | £207,747.88 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 4 :- INCOME TAX | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £2,233,000 | £0 | (£33,540) | £2,199,460 | £2,095,832.00 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £130,000 | £0 | £0 | £130,000 | £133,329.55 | |
| 1(1)(c) Allowances | £150,000 | £0 | £0 | £150,000 | £137,370.22 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £54,000 | £0 | £0 | £54,000 | £49,267.65 | |
| Total Personal Emoluments | £2,567,000 | £0 | (£33,540) | £2,533,460 | £2,415,799.42 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £2,567,000 | £0 | (£33,540) | £2,533,460 | £2,415,799.42 | £117,660.58 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £26,368.99 | |
| 2(1)(b) Electricity and Water | £12,000 | £0 | £0 | £12,000 | £11,239.67 | |
| 2(1)(c) Telephone Service | £24,000 | £0 | £0 | £24,000 | £21,001.30 | |
| 2(1)(d) Printing and Stationery | £37,000 | £0 | £0 | £37,000 | £36,038.07 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £23,000 | £0 | £0 | £23,000 | £21,665.16 | |
| Total Office Expenses | £121,000 | £0 | £0 | £121,000 | £116,313.19 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Computer Running Expenses | £13,000 | £0 | £0 | £13,000 | £14,131.17 | |
| 2(2)(b) Professional Fees | £5,000 | £0 | £0 | £5,000 | £4,050.00 | |
| 2(2)(c) Banking and Related Expenses | £1,000 | £0 | £0 | £1,000 | £220.00 | |
| 2(2)(d) Postage Expenses | £62,000 | £0 | £0 | £62,000 | £46,708.21 | |
| Total Operational Expenses | £81,000 | £0 | £0 | £81,000 | £65,109.38 | |
| 2(3) Relief Cover | £80,000 | £0 | £33,540 | £113,540 | £134,091.69 | |
| Total | £80,000 | £0 | £33,540 | £113,540 | £134,091.69 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------------------|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 4 :- INCOME TAX | | | | | | |
| 2(4) Losses of Public Funds | £0 | £0 | £0 | £0 | £20.00 | |
| Total | £0 | £0 | £0 | £0 | £20.00 | |
| TOTAL OTHER CHARGES | £282,000 | £0 | £33,540 | £315,540 | £315,534.26 | £5.74 |

4 :- INCOME TAX

SUMMARY

| | | | | | | |
|-------------------------|-------------------|-----------|------------------|-------------------|----------------------|--------------------|
| Personal Emoluments | £2,567,000 | £0 | (£33,540) | £2,533,460 | £2,415,799.42 | £117,660.58 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £2,567,000 | £0 | (£33,540) | £2,533,460 | £2,415,799.42 | £117,660.58 |
| Other Charges | £282,000 | £0 | £33,540 | £315,540 | £315,534.26 | £5.74 |
| TOTAL INCOME TAX | £2,849,000 | £0 | £0 | £2,849,000 | £2,731,333.68 | £117,666.32 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 5 :- PARLIAMENT | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £172,000 | £0 | £3,920 | £175,920 | £175,969.87 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £14,000 | £0 | £0 | £14,000 | £16,016.89 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £3,928.14 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £192,000 | £0 | £3,920 | £195,920 | £195,914.90 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £192,000 | £0 | £3,920 | £195,920 | £195,914.90 | £5.10 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £2,920.65 | |
| 2(1)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £2,638.26 | |
| 2(1)(c) Telephone Service | £4,000 | £0 | £0 | £4,000 | £2,968.84 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £1,563.55 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | £0 | £5,000 | £4,934.40 | |
| Total Office Expenses | £21,000 | £0 | £0 | £21,000 | £15,025.70 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Commonwealth Parliamentary Association Expenses | £94,000 | £0 | £0 | £94,000 | £91,079.83 | |
| 2(2)(b) Secretarial Assistance to the Leader of the Opposition | £500 | £0 | £0 | £500 | £500.04 | |
| 2(2)(c) Select Committees | £500 | £0 | £0 | £500 | £0.00 | |
| 2(2)(d) Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £4,851.12 | |
| 2(2)(e) Postage Expenses | £1,000 | £0 | £0 | £1,000 | £14.70 | |
| 2(2)(f) Contracted Services: Recording Equipment | £26,000 | £0 | £0 | £26,000 | £22,654.34 | |
| Total Operational Expenses | £127,000 | £0 | £0 | £127,000 | £119,100.03 | |
| <i>Elected Members</i> | | | | | | |
| 2(3)(a) Members' Allowances | £640,000 | £0 | £0 | £640,000 | £660,204.91 | |
| 2(3)(b) Ministers' and Office Holders Allowances | £733,000 | £0 | £7,665 | £740,665 | £745,899.52 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 5 :- PARLIAMENT | | | | | | |
| Total Elected Members | £1,373,000 | £0 | £7,665 | £1,380,665 | £1,406,104.43 | |
| 2(4) Hansard Production Costs | £23,000 | £0 | £0 | £23,000 | £16,062.23 | |
| Total | £23,000 | £0 | £0 | £23,000 | £16,062.23 | |
| Register of Electors Expenses | | | | | | |
| 2(5)(a) Staff Remuneration | £5,000 | £0 | £0 | £5,000 | £2,362.14 | |
| 2(5)(b) Other Costs | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Register of Electors Expenses | £6,000 | £0 | £0 | £6,000 | £2,362.14 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £1,551,000 | £0 | £7,665 | £1,558,665 | £1,558,654.53 | £10.47 |

**5 :- PARLIAMENT
SUMMARY**

| | | | | | | |
|-------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £192,000 | £0 | £3,920 | £195,920 | £195,914.90 | £5.10 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £192,000 | £0 | £3,920 | £195,920 | £195,914.90 | £5.10 |
| Other Charges | £1,551,000 | £0 | £7,665 | £1,558,665 | £1,558,654.53 | £10.47 |
| TOTAL PARLIAMENT | £1,743,000 | £0 | £11,585 | £1,754,585 | £1,754,569.43 | £15.57 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 6 :- HUMAN RESOURCES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,411,000 | £0 | £26,335 | £1,437,335 | £1,440,663.16 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £8,830 | £8,830 | £8,829.84 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £50,000 | £0 | £0 | £50,000 | £51,225.11 | |
| 1(1)(c) Allowances | £50,000 | £0 | £0 | £50,000 | £47,444.95 | |
| 1(1)(d) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £30,000 | £0 | £22,280 | £52,280 | £52,274.79 | |
| 1(1)(f) Allowances - Union Convenor | £33,000 | £0 | £10,140 | £43,140 | £43,138.47 | |
| Total Personal Emoluments | £1,575,000 | £0 | £67,585 | £1,642,585 | £1,643,576.32 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(2)(b) Overtime | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL PAYROLL | £1,576,000 | £0 | £67,585 | £1,643,585 | £1,643,576.32 | £8.68 |

OTHER CHARGES

Office Expenses

| | | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|--|
| 2(1)(a) General Expenses | £11,000 | £0 | £0 | £11,000 | £7,973.83 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,944.11 | |
| 2(1)(c) Telephone Service | £12,000 | £0 | £0 | £12,000 | £10,824.21 | |
| 2(1)(d) Printing and Stationery | £7,000 | £0 | £0 | £7,000 | £3,960.69 | |
| 2(1)(e) Rent and Service Charges | £27,000 | £0 | £0 | £27,000 | £26,865.04 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £16,000 | £0 | £0 | £16,000 | £15,325.60 | |
| Total Office Expenses | £79,000 | £0 | £0 | £79,000 | £70,893.48 | |

Operational Expenses

| | | | | | | |
|--|---------|----|----|---------|-----------|--|
| 2(2)(a) Computer and Office Equipment | £12,000 | £0 | £0 | £12,000 | £9,958.75 | |
| 2(2)(b) Recruitment Expenses | £10,000 | £0 | £0 | £10,000 | £6,413.40 | |
| 2(2)(c) Medical Examinations | £4,000 | £0 | £0 | £4,000 | £7,830.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 6 :- HUMAN RESOURCES | | | | | | |
| 2(2)(d) Residential Properties Rents and Service Charges | £7,000 | £0 | £0 | £7,000 | £7,200.00 | |
| Total Operational Expenses | £33,000 | £0 | £0 | £33,000 | £31,402.15 | |
| 2(3) Repatriation Costs | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4) Funding for University Students - Summer Jobs | £120,000 | £0 | £0 | £120,000 | £96,167.98 | |
| Total | £120,000 | £0 | £0 | £120,000 | £96,167.98 | |
| 2(5) Early Exit Schemes (ii) | £600,000 | £0 | £65,420 | £665,420 | £673,448.02 | |
| Total | £600,000 | £0 | £65,420 | £665,420 | £673,448.02 | |
| 2(6) Ex-Gratia Payments | £50,000 | £0 | £163,105 | £213,105 | £213,100.58 | |
| Total | £50,000 | £0 | £163,105 | £213,105 | £213,100.58 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £27,499.64 | |
| Total | £1,000 | £0 | £0 | £1,000 | £27,499.64 | |
| TOTAL OTHER CHARGES | £884,000 | £0 | £228,525 | £1,112,525 | £1,112,511.85 | £13.15 |

6 :- HUMAN RESOURCES

SUMMARY

| | | | | | | |
|------------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £1,575,000 | £0 | £67,585 | £1,642,585 | £1,643,576.32 | (£991.32) |
| Industrial Wages | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| Total Payroll | £1,576,000 | £0 | £67,585 | £1,643,585 | £1,643,576.32 | £8.68 |
| Other Charges | £884,000 | £0 | £228,525 | £1,112,525 | £1,112,511.85 | £13.15 |
| TOTAL HUMAN RESOURCES | £2,460,000 | £0 | £296,110 | £2,756,110 | £2,756,088.17 | £21.83 |

- (ii) The expenditure incurred under Early Exit Schemes represents Early Exit Scheme repayments, amounting to £401,290 in capital and £272,158 in interest payments to Credit Finance Company Limited pursuant to the provisions of Early Exit Scheme agreements between HM Government of Gibraltar, Credit Finance Company Limited and eligible retiring employees.

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 7 :- IMMIGRATION AND CIVIL STATUS | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £669,000 | £0 | £0 | £669,000 | £651,511.12 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £30,000 | £0 | £0 | £30,000 | £36,466.97 | |
| 1(1)(c) Allowances | £19,000 | £0 | £0 | £19,000 | £13,146.21 | |
| 1(1)(d) Overtime - Marriage Ceremonies | £20,000 | £0 | £0 | £20,000 | £17,875.00 | |
| 1(1)(e) Pension Contributions | £21,000 | £0 | £0 | £21,000 | £12,617.86 | |
| Total Personal Emoluments | £759,000 | £0 | £0 | £759,000 | £731,617.16 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £759,000 | £0 | £0 | £759,000 | £731,617.16 | £27,382.84 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £8,000 | £0 | £0 | £8,000 | £7,076.47 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £5,682.55 | |
| 2(1)(c) Telephone Service | £18,000 | £0 | £0 | £18,000 | £17,859.14 | |
| 2(1)(d) Printing and Stationery | £20,000 | £0 | £0 | £20,000 | £17,584.12 | |
| Total Office Expenses | £53,000 | £0 | £0 | £53,000 | £48,202.28 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Rebinding of Registers | £1,000 | £0 | £0 | £1,000 | £990.00 | |
| 2(2)(b) EU Format Passports | £0 | £0 | £0 | £0 | £0.00 | |
| 2(2)(c) Identity and Residence Cards | £155,000 | £0 | £0 | £155,000 | £123,819.70 | |
| 2(2)(d) Marriages | £1,000 | £0 | £0 | £1,000 | £624.02 | |
| 2(2)(e) 2nd Generation Passports | £314,000 | £0 | £0 | £314,000 | £273,689.55 | |
| 2(2)(f) Postage Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Operational Expenses | £472,000 | £0 | £0 | £472,000 | £399,123.27 | |
| 2(3) Asylum Seeker and Refugee Expenses | £20,000 | £0 | £0 | £20,000 | £11,193.69 | |
| Total | £20,000 | £0 | £0 | £20,000 | £11,193.69 | |
| <i>Joshua Hassan House - Contracted Services</i> | | | | | | |
| 2(4)(a) Security Services | £46,000 | £0 | £0 | £46,000 | £49,195.90 | |
| 2(4)(b) Upkeep of Planted Areas | £3,000 | £0 | £0 | £3,000 | £2,460.00 | |
| Total Joshua Hassan House - Contracted Services | £49,000 | £0 | £0 | £49,000 | £51,655.90 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 7 :- IMMIGRATION AND CIVIL STATUS | | | | | | |
| 2(5) Contribution to Borders and Coastguard Agency | £6,468,000 | £0 | £0 | £6,468,000 | £6,494,000.00 | |
| Total | £6,468,000 | £0 | £0 | £6,468,000 | £6,494,000.00 | |
| 2(6) Contribution to Gibraltar Development Corporation - Staff Services | £37,000 | £0 | £0 | £37,000 | £36,578.17 | |
| Total | £37,000 | £0 | £0 | £37,000 | £36,578.17 | |
| 2(7) Relief Cover | £32,000 | £0 | £0 | £32,000 | £42,699.75 | |
| Total | £32,000 | £0 | £0 | £32,000 | £42,699.75 | |
| 2(8) Losses of Public Funds | £0 | £0 | £0 | £0 | £10.00 | |
| Total | £0 | £0 | £0 | £0 | £10.00 | |
| TOTAL OTHER CHARGES | £7,131,000 | £0 | £0 | £7,131,000 | £7,083,463.06 | £47,536.94 |

7 :- IMMIGRATION AND CIVIL STATUS

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £759,000 | £0 | £0 | £759,000 | £731,617.16 | £27,382.84 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £759,000 | £0 | £0 | £759,000 | £731,617.16 | £27,382.84 |
| Other Charges | £7,131,000 | £0 | £0 | £7,131,000 | £7,083,463.06 | £47,536.94 |
| TOTAL IMMIGRATION AND CIVIL STATUS | £7,890,000 | £0 | £0 | £7,890,000 | £7,815,080.22 | £74,919.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

8 :- GOVERNMENT LAW OFFICES

PAYROLL

Personal Emoluments - Office of Criminal Prosecutions and Litigation

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|--|
| 1(1)(a) Salaries | £947,000 | £0 | £0 | £947,000 | £962,548.61 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £2,000 | £0 | £0 | £2,000 | £1,210.13 | |
| 1(1)(c) Allowances | £16,000 | £0 | £0 | £16,000 | £17,232.09 | |
| 1(1)(d) Temporary Assistance | £130,000 | £0 | £0 | £130,000 | £132,474.68 | |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f) Pension Contributions | £60,000 | £0 | £0 | £60,000 | £53,446.79 | |
| Total Personal Emoluments - Office of Criminal Prosecutions and Litigation | £1,155,000 | £0 | £0 | £1,155,000 | £1,166,912.30 | |

Personal Emoluments - Advisory and Parliamentary Counsel Offices

| | | | | | | |
|---|-------------------|-----------|------------------|-------------------|----------------------|--|
| 1(1)(g) Salaries | £1,346,000 | £0 | (£13,157) | £1,332,843 | £1,331,128.57 | |
| 1(1)(h)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h)(iv) Overtime - Discretionary | £17,000 | £0 | £0 | £17,000 | £20,753.65 | |
| 1(1)(i) Allowances | £73,000 | £0 | £0 | £73,000 | £84,625.24 | |
| 1(1)(j) Pension Contributions | £105,000 | £0 | £0 | £105,000 | £80,435.74 | |
| Total Personal Emoluments - Advisory and Parliamentary Counsel Offices | £1,541,000 | £0 | (£13,157) | £1,527,843 | £1,516,943.20 | |

Industrial Wages - Advisory and Parliamentary Counsel Offices

| | | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|--|
| 1(2)(a) Basic Wages | £23,000 | £0 | £0 | £23,000 | £21,982.66 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages - Advisory and Parliamentary Counsel Offices | £23,000 | £0 | £0 | £23,000 | £21,982.66 | |

| | | | | | | |
|----------------------|-------------------|-----------|------------------|-------------------|----------------------|--------------|
| TOTAL PAYROLL | £2,719,000 | £0 | (£13,157) | £2,705,843 | £2,705,838.16 | £4.84 |
|----------------------|-------------------|-----------|------------------|-------------------|----------------------|--------------|

OTHER CHARGES

Office Expenses - Office of Criminal Prosecutions and Litigation

| | | | | | | |
|--------------------------|--------|----|----|--------|-----------|--|
| 2(1)(a) General Expenses | £7,000 | £0 | £0 | £7,000 | £6,647.29 | |
|--------------------------|--------|----|----|--------|-----------|--|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 8 :- GOVERNMENT LAW OFFICES | | | | | | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £4,176.14 | |
| 2(1)(c) Telephone Service | £9,000 | £0 | £0 | £9,000 | £8,058.51 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £4,714.54 | |
| Total Office Expenses - Office of Criminal Prosecutions and Litigation | £26,000 | £0 | £0 | £26,000 | £23,596.48 | |
| Operational Expenses - Office of Criminal Prosecutions and Litigation | | | | | | |
| 2(2)(a) Law Books | £90,000 | £0 | £0 | £90,000 | £86,741.45 | |
| 2(2)(b) Private Sector Prosecution Fees | £1,000 | £0 | £0 | £1,000 | £1,495.00 | |
| 2(2)(c) Witnesses | £15,000 | £0 | £0 | £15,000 | £17,277.56 | |
| Total Operational Expenses - Office of Criminal Prosecutions and Litigation | £106,000 | £0 | £0 | £106,000 | £105,514.01 | |
| 2(3) Briefing Out - Specialist Matters | £15,000 | £0 | £0 | £15,000 | £3,378.10 | |
| Total | £15,000 | £0 | £0 | £15,000 | £3,378.10 | |
| 2(4) Conferences | £15,000 | £0 | £0 | £15,000 | £6,700.22 | |
| Total | £15,000 | £0 | £0 | £15,000 | £6,700.22 | |
| Office Expenses - Advisory and Parliamentary Counsel Offices | | | | | | |
| 2(5)(a) General Expenses | £15,000 | £0 | £0 | £15,000 | £14,076.60 | |
| 2(5)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £4,651.38 | |
| 2(5)(c) Telephone Service | £27,000 | £0 | £0 | £27,000 | £28,451.95 | |
| 2(5)(d) Printing and Stationery | £140,000 | £0 | £0 | £140,000 | £154,093.75 | |
| Total Office Expenses - Advisory and Parliamentary Counsel Offices | £188,000 | £0 | £0 | £188,000 | £201,273.68 | |
| Operational Expenses - Advisory and Parliamentary Counsel Offices | | | | | | |
| 2(6)(a) Publications | £20,000 | £0 | £0 | £20,000 | £31,832.83 | |
| 2(6)(b) Training | £11,000 | £0 | £0 | £11,000 | £8,780.88 | |
| 2(6)(c) Courier Services | £4,000 | £0 | £0 | £4,000 | £3,449.64 | |
| 2(6)(d) Postage Expenses | £1,000 | £0 | £0 | £1,000 | £680.74 | |
| 2(6)(e) Contracted Services: Security | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| Total Operational Expenses - Advisory and Parliamentary Counsel Offices | £46,000 | £0 | £0 | £46,000 | £44,744.09 | |
| 2(7) Consultancy Services including Private Sector Fees for Legal Advice | £1,500,000 | £0 | £1,143,157 | £2,643,157 | £2,667,232.57 | |
| Total | £1,500,000 | £0 | £1,143,157 | £2,643,157 | £2,667,232.57 | |
| 2(8) Conferences and Travel | £100,000 | £0 | £0 | £100,000 | £97,398.20 | |
| Total | £100,000 | £0 | £0 | £100,000 | £97,398.20 | |
| 2(9) Relief Cover | £41,000 | £0 | £0 | £41,000 | £30,299.61 | |
| Total | £41,000 | £0 | £0 | £41,000 | £30,299.61 | |
| TOTAL OTHER CHARGES | £2,037,000 | £0 | £1,143,157 | £3,180,157 | £3,180,136.96 | £20.04 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 8 :- GOVERNMENT LAW OFFICES | | | | | | |
| 8 :- GOVERNMENT LAW OFFICES | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £2,696,000 | £0 | (£13,157) | £2,682,843 | £2,683,855.50 | (£1,012.50) |
| Industrial Wages | £23,000 | £0 | £0 | £23,000 | £21,982.66 | £1,017.34 |
| Total Payroll | £2,719,000 | £0 | (£13,157) | £2,705,843 | £2,705,838.16 | £4.84 |
| Other Charges | £2,037,000 | £0 | £1,143,157 | £3,180,157 | £3,180,136.96 | £20.04 |
| TOTAL GOVERNMENT LAW OFFICES | £4,756,000 | £0 | £1,130,000 | £5,886,000 | £5,885,975.12 | £24.88 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 9 :- FINANCIAL SECRETARY'S OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £412,000 | £0 | £0 | £412,000 | £401,047.17 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £40,000 | £0 | £0 | £40,000 | £53,906.53 | |
| 1(1)(c) Allowances | £7,000 | £0 | £0 | £7,000 | £6,793.58 | |
| 1(1)(d) Temporary Assistance | £20,000 | £0 | £0 | £20,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £3,000 | £0 | £0 | £3,000 | £0.00 | |
| Total Personal Emoluments | £482,000 | £0 | £0 | £482,000 | £461,747.28 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £482,000 | £0 | £0 | £482,000 | £461,747.28 | £20,252.72 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,102.88 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £3,000.00 | |
| 2(1)(c) Telephone Service | £8,000 | £0 | £0 | £8,000 | £6,347.79 | |
| 2(1)(d) Printing and Stationery | £13,000 | £0 | £0 | £13,000 | £10,989.83 | |
| 2(1)(e) Office Cleaning | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Office Expenses | £27,000 | £0 | £0 | £27,000 | £21,440.50 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Publications | £2,000 | £0 | £0 | £2,000 | £1,685.00 | |
| 2(2)(b) Computer and Office Equipment | £6,000 | £0 | £0 | £6,000 | £5,343.04 | |
| 2(2)(c) Training and Conferences | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Operational Expenses | £9,000 | £0 | £0 | £9,000 | £7,028.04 | |
| 2(3) Secondment | £191,000 | £0 | £0 | £191,000 | £192,176.59 | |
| Total | £191,000 | £0 | £0 | £191,000 | £192,176.59 | |
| 2(4) Supervision of Financial Businesses (Anti- Money Laundering) | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 9 :- FINANCIAL SECRETARY'S OFFICE | | | | | | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £229,000 | £0 | £0 | £229,000 | £220,645.13 | £8,354.87 |

9 :- FINANCIAL SECRETARY'S OFFICE

SUMMARY

| | | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| Personal Emoluments | £482,000 | £0 | £0 | £482,000 | £461,747.28 | £20,252.72 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £482,000 | £0 | £0 | £482,000 | £461,747.28 | £20,252.72 |
| Other Charges | £229,000 | £0 | £0 | £229,000 | £220,645.13 | £8,354.87 |
| TOTAL FINANCIAL SECRETARY'S OFFICE | £711,000 | £0 | £0 | £711,000 | £682,392.41 | £28,607.59 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 10 :- OFFICE OF THE DEPUTY CHIEF MINISTER | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £188,000 | £0 | £1,445 | £189,445 | £192,126.57 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £55,000 | £0 | £0 | £55,000 | £54,548.88 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £4,764.69 | |
| 1(1)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Ministry | £250,000 | £0 | £1,445 | £251,445 | £251,440.14 | |
| <i>Personal Emoluments - Archives</i> | | | | | | |
| 1(1)(e) Salaries | £94,000 | £0 | £1,460 | £95,460 | £96,790.45 | |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iv) Overtime - Discretionary | £12,000 | £0 | £7,925 | £19,925 | £19,922.40 | |
| 1(1)(g) Allowances | £1,000 | £0 | £0 | £1,000 | £667.39 | |
| 1(1)(h) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Archives | £108,000 | £0 | £9,385 | £117,385 | £117,380.24 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £358,000 | £0 | £10,830 | £368,830 | £368,820.38 | £9.62 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £3,017.86 | |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(c) Telephone Service | £11,000 | £0 | £0 | £11,000 | £8,751.81 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £3,464.76 | |
| Total Office Expenses | £16,000 | £0 | £0 | £16,000 | £15,234.43 | |
| <i>Overseas Offices</i> | | | | | | |
| 2(2)(a) London Office - Gibraltar Strand Management Company Limited | £1,200,000 | £0 | £0 | £1,200,000 | £1,210,125.86 | |
| 2(2)(b) Brussels Office | £260,000 | £0 | £0 | £260,000 | £219,697.01 | |
| 2(2)(c) Hong Kong Office | £450,000 | £0 | £0 | £450,000 | £511,958.05 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 10 :- OFFICE OF THE DEPUTY CHIEF MINISTER | | | | | | |
| 2(2)(d) UK Parliamentary Consultancy | £65,000 | £0 | £0 | £65,000 | £58,523.47 | |
| Total Overseas Offices | £1,975,000 | £0 | £0 | £1,975,000 | £2,000,304.39 | |
| 2(3) Government Communication, Information and Lobbying | £300,000 | £0 | £0 | £300,000 | £266,938.39 | |
| Total | £300,000 | £0 | £0 | £300,000 | £266,938.39 | |
| 2(4) Lands Advertising and Official Notices | £100,000 | £0 | £0 | £100,000 | £90,588.00 | |
| Total | £100,000 | £0 | £0 | £100,000 | £90,588.00 | |
| 2(5) Archives - General Expenses | £35,000 | £0 | £0 | £35,000 | £35,053.10 | |
| Total | £35,000 | £0 | £0 | £35,000 | £35,053.10 | |
| 2(6) Self Determination Seminar and Promotion | £100,000 | £0 | £0 | £100,000 | £89,006.52 | |
| Total | £100,000 | £0 | £0 | £100,000 | £89,006.52 | |
| 2(7) Frontier Monitoring Expenses | £815,000 | £0 | £0 | £815,000 | £857,756.25 | |
| Total | £815,000 | £0 | £0 | £815,000 | £857,756.25 | |
| 2(8) Land and Property Management | £100,000 | £0 | (£10,830) | £89,170 | £50,107.70 | |
| Total | £100,000 | £0 | (£10,830) | £89,170 | £50,107.70 | |
| 2(9) Work in relation to the planned UK departure from the EU | £200,000 | £0 | £0 | £200,000 | £144,957.58 | |
| Total | £200,000 | £0 | £0 | £200,000 | £144,957.58 | |
| 2(10) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £3,642,000 | £0 | (£10,830) | £3,631,170 | £3,549,946.36 | £81,223.64 |

10 :- OFFICE OF THE DEPUTY CHIEF MINISTER

SUMMARY

| | | | | | | |
|--|-------------------|-----------|----------------|-------------------|----------------------|-------------------|
| Personal Emoluments | £358,000 | £0 | £10,830 | £368,830 | £368,820.38 | £9.62 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £358,000 | £0 | £10,830 | £368,830 | £368,820.38 | £9.62 |
| Other Charges | £3,642,000 | £0 | (£10,830) | £3,631,170 | £3,549,946.36 | £81,223.64 |
| TOTAL OFFICE OF THE DEPUTY CHIEF MINISTER | £4,000,000 | £0 | £0 | £4,000,000 | £3,918,766.74 | £81,233.26 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 11 :- CIVIL AVIATION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £107,000 | £0 | (£1,132) | £105,868 | £105,867.25 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Gratuities | £27,000 | £0 | (£951) | £26,049 | £26,049.00 | |
| 1(1)(f) Pension Contributions | £1,000 | £0 | (£1,000) | £0 | £0.00 | |
| Total Personal Emoluments | £135,000 | £0 | (£3,083) | £131,917 | £131,916.25 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £135,000 | £0 | (£3,083) | £131,917 | £131,916.25 | £0.75 |

OTHER CHARGES

Running of Airport

| | | | | | | |
|---|-------------------|-----------|----------------|-------------------|----------------------|--------------|
| 2(1)(a) Contribution towards Aerodrome Running Expenses | £2,322,000 | £0 | £62,598 | £2,384,598 | £2,398,850.98 | |
| 2(1)(b) Contracted Services: Aviation Security | £82,000 | £0 | £0 | £82,000 | £81,399.96 | |
| Total Running of Airport | £2,404,000 | £0 | £62,598 | £2,466,598 | £2,480,250.94 | |
| 2(2) General Expenses | £9,000 | £0 | £0 | £9,000 | £3,812.31 | |
| Total | £9,000 | £0 | £0 | £9,000 | £3,812.31 | |
| 2(3) Regulatory Support | £83,000 | £0 | £0 | £83,000 | £75,531.86 | |
| Total | £83,000 | £0 | £0 | £83,000 | £75,531.86 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £2,497,000 | £0 | £62,598 | £2,559,598 | £2,559,595.11 | £2.89 |

11 :- CIVIL AVIATION

SUMMARY

| | | | | | | |
|-----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|--------------|
| Personal Emoluments | £135,000 | £0 | (£3,083) | £131,917 | £131,916.25 | £0.75 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £135,000 | £0 | (£3,083) | £131,917 | £131,916.25 | £0.75 |
| Other Charges | £2,497,000 | £0 | £62,598 | £2,559,598 | £2,559,595.11 | £2.89 |
| TOTAL CIVIL AVIATION | £2,632,000 | £0 | £59,515 | £2,691,515 | £2,691,511.36 | £3.64 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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12 :- ENVIRONMENT

PAYROLL

Personal Emoluments - Ministry

| | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|
| 1(1)(a) Salaries | £66,000 | £0 | £0 | £66,000 | £66,229.63 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £11,635.96 |
| 1(1)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £1,793.87 |
| 1(1)(d) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £3,925.94 |
| Total Personal Emoluments - Ministry | £86,000 | £0 | £0 | £86,000 | £83,585.40 |

Personal Emoluments - Environment

| | | | | | |
|--|-----------------|-----------|----------------|-----------------|--------------------|
| 1(1)(e) Salaries | £704,000 | £0 | £30,875 | £734,875 | £737,359.16 |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f)(iv) Overtime - Discretionary | £38,000 | £0 | £0 | £38,000 | £50,086.73 |
| 1(1)(g) Allowances | £20,000 | £0 | £0 | £20,000 | £15,023.31 |
| 1(1)(h) Pension Contributions | £24,000 | £0 | £0 | £24,000 | £29,630.23 |
| Total Personal Emoluments - Environment | £786,000 | £0 | £30,875 | £816,875 | £832,099.43 |

Personal Emoluments - Cemeteries

| | | | | | |
|--|-----------------|-----------|-----------------|-----------------|--------------------|
| 1(1)(i) Salaries | £90,000 | £0 | £63,825 | £153,825 | £155,711.26 |
| 1(1)(j)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(j)(iv) Overtime - Discretionary | £120,000 | £0 | £108,475 | £228,475 | £228,470.15 |
| 1(1)(k) Allowances | £1,000 | £0 | £0 | £1,000 | £4,461.65 |
| 1(1)(l) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 |
| Total Personal Emoluments - Cemeteries | £212,000 | £0 | £172,300 | £384,300 | £388,643.06 |

Personal Emoluments - Cleansing Section

| | | | | | |
|--|----------|----|----|----------|-------------|
| 1(1)(m) Salaries | £171,000 | £0 | £0 | £171,000 | £173,827.40 |
| 1(1)(n)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(n)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £33,531.33 |
| 1(1)(o) Allowances | £2,000 | £0 | £0 | £2,000 | £6,436.31 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

12 :- ENVIRONMENT

| | | | | | | |
|-------------------------------|--------|----|----|--------|-------|--|
| 1(1)(p) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
|-------------------------------|--------|----|----|--------|-------|--|

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total Personal Emoluments - Cleansing Section | £199,000 | £0 | £0 | £199,000 | £213,795.04 | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|

Personal Emoluments - Enforcement

| | | | | | | |
|---|----------|----|----|----------|-------------|--|
| 1(1)(q) Salaries | £168,000 | £0 | £0 | £168,000 | £170,133.58 | |
| 1(1)(r)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(r)(iv) Overtime - Discretionary | £70,000 | £0 | £0 | £70,000 | £49,987.77 | |
| 1(1)(s) Allowances | £25,000 | £0 | £0 | £25,000 | £12,934.06 | |
| 1(1)(t) Pension Contributions | £5,000 | £0 | £0 | £5,000 | £4,866.12 | |

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total Personal Emoluments - Enforcement | £268,000 | £0 | £0 | £268,000 | £237,921.53 | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|

Industrial Wages - Cleansing Section

| | | | | | | |
|---|---------|----|----|---------|------------|--|
| 1(2)(a) Basic Wages | £19,000 | £0 | £0 | £19,000 | £19,028.25 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £178.37 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| Total Industrial Wages - Cleansing Section | £21,000 | £0 | £0 | £21,000 | £19,206.62 | |
|---|----------------|-----------|-----------|----------------|-------------------|--|

Industrial Wages - Cemeteries

| | | | | | | |
|---|----------|----|----|----------|-------------|--|
| 1(2)(e) Basic Wages | £210,000 | £0 | £0 | £210,000 | £212,489.97 | |
| 1(2)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(f)(iv) Overtime - Discretionary | £146,000 | £0 | £0 | £146,000 | £143,574.17 | |
| 1(2)(g) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(h) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| Total Industrial Wages - Cemeteries | £357,000 | £0 | £0 | £357,000 | £356,064.14 | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|

Industrial Wages - Apes Management

| | | | | | | |
|-----------------------------------|---------|----|----|---------|------------|--|
| 1(2)(i) Basic Wages | £46,000 | £0 | £0 | £46,000 | £46,801.42 | |
| 1(2)(j)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(j)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 12 :- ENVIRONMENT | | | | | | |
| 1(2)(j)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(j)(iv) Overtime - Discretionary | £36,000 | £0 | £0 | £36,000 | £38,438.21 | |
| 1(2)(k) Allowances | £10,000 | £0 | £0 | £10,000 | £7,639.68 | |
| 1(2)(l) Pension Contributions | £8,000 | £0 | £0 | £8,000 | £7,956.50 | |
| Total Industrial Wages - Apes Management | £100,000 | £0 | £0 | £100,000 | £100,835.81 | |
| TOTAL PAYROLL | £2,029,000 | £0 | £203,175 | £2,232,175 | £2,232,151.03 | £23.97 |
| OTHER CHARGES | | | | | | |
| Office Expenses | | | | | | |
| 2(1)(a)(i) General Expenses - Ministry | £10,000 | £0 | £0 | £10,000 | £12,210.58 | |
| 2(1)(a)(ii) General Expenses - Environment | £10,000 | £0 | £0 | £10,000 | £9,794.07 | |
| 2(1)(a)(iii) General Expenses - Enforcement | £40,000 | £0 | £0 | £40,000 | £40,033.21 | |
| 2(1)(a)(iv) General Expenses - Diving Section | £5,000 | £0 | £0 | £5,000 | £4,200.52 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £2,371.38 | |
| 2(1)(c) Telephone Service | £35,000 | £0 | £0 | £35,000 | £28,292.15 | |
| 2(1)(d) Printing and Stationery | £10,000 | £0 | £0 | £10,000 | £9,871.91 | |
| 2(1)(e) Cleansing Section - Rent and Service Charges | £3,000 | £0 | £0 | £3,000 | £3,060.58 | |
| Contracted Services | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £8,000 | £0 | £0 | £8,000 | £6,308.84 | |
| 2(1)(g) Maintenance of Air Conditioning Units | £1,000 | £0 | £0 | £1,000 | £4,484.00 | |
| Total Office Expenses | £125,000 | £0 | £0 | £125,000 | £120,627.24 | |
| 2(2) Cemeteries Expenses | £17,000 | £0 | £0 | £17,000 | £15,477.44 | |
| Total | £17,000 | £0 | £0 | £17,000 | £15,477.44 | |
| Natural Environment and Animal Welfare | | | | | | |
| 2(3)(a) Public Awareness Programme | £10,000 | £0 | £0 | £10,000 | £9,949.04 | |
| Contracted Services | | | | | | |
| 2(3)(b) Environmental Health - Environmental Agency Ltd | £1,602,000 | £0 | £0 | £1,602,000 | £1,634,655.89 | |
| 2(3)(c) Air Quality Monitoring - Environmental Agency Ltd | £370,000 | £0 | £0 | £370,000 | £388,511.29 | |
| 2(3)(d) Natural History - Trust for Natural History and Helping Hand Trust | £40,000 | £0 | £0 | £40,000 | £33,613.00 | |
| 2(3)(e)(i) Wildlife Ltd - Running of Alameda Gardens | £1,180,000 | £0 | £0 | £1,180,000 | £1,192,097.20 | |
| 2(3)(e)(ii) Wildlife Ltd - Upper Rock Contract | £137,000 | £0 | £0 | £137,000 | £0.00 | |
| 2(3)(f) Apes Management Expenses, Health Care and Food | £375,000 | £0 | £0 | £375,000 | £363,677.87 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 12 :- ENVIRONMENT | | | | | | |
| 2(3)(g) Animal Welfare and Conservation - Animal Welfare Centre | £156,000 | £0 | £0 | £156,000 | £126,777.05 | |
| 2(3)(h) Control of Seagulls | £230,000 | £0 | £0 | £230,000 | £230,591.27 | |
| 2(3)(i) Surveillance, Monitoring and Other Compliance with Environmental Directives | £295,000 | £0 | £0 | £295,000 | £293,307.74 | |
| 2(3)(j) Automated Public Toilets - Call Centre Charges | £5,000 | £0 | £0 | £5,000 | £5,400.00 | |
| 2(3)(k) Obligations under Radiation Regulations 2004 | £10,000 | £0 | £0 | £10,000 | £1,526.00 | |
| 2(3)(l) Conservation Measures | £15,000 | £0 | £0 | £15,000 | £15,727.56 | |
| 2(3)(m) Environmental Security Services | £150,000 | £0 | £0 | £150,000 | £150,000.00 | |
| 2(3)(n) ICCAT, Waste and Other Associated Costs | £116,000 | £0 | £0 | £116,000 | £115,479.96 | |
| 2(3)(o) Upkeep of Cemeteries | £80,000 | £0 | £0 | £80,000 | £79,637.00 | |
| 2(3)(p) Upper Rock Maintenance | £0 | £0 | £0 | £0 | £156,126.73 | |
| Total Natural Environment and Animal Welfare | £4,771,000 | £0 | £0 | £4,771,000 | £4,797,077.60 | |
| Public Highways - Cleansing and Plants | | | | | | |
| 2(4)(a) Protective Clothing | £4,000 | £0 | £0 | £4,000 | £4,247.70 | |
| 2(4)(b) Litter Control and Cleaning Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4)(c) Upkeep of Public Places - Materials and Sundry Costs | £85,000 | £0 | £0 | £85,000 | £97,665.04 | |
| Contracted Services | | | | | | |
| 2(4)(d) Street Cleansing | £5,485,000 | £0 | £0 | £5,485,000 | £5,441,970.42 | |
| 2(4)(e) Upkeep of Planted Areas | £710,000 | £0 | £0 | £710,000 | £713,389.15 | |
| 2(4)(f) Commonwealth Park | £350,000 | £0 | (£41,115) | £308,885 | £253,412.81 | |
| Total Public Highways - Cleansing and Plants | £6,635,000 | £0 | (£41,115) | £6,593,885 | £6,510,685.12 | |
| 2(5) Contribution to Gibraltar Development Corporation - Staff Services | £217,000 | £0 | £0 | £217,000 | £253,883.88 | |
| Total | £217,000 | £0 | £0 | £217,000 | £253,883.88 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7) Secondment | £0 | £0 | £0 | £0 | £27,115.23 | |
| Total | £0 | £0 | £0 | £0 | £27,115.23 | |
| TOTAL OTHER CHARGES | £11,766,000 | £0 | (£41,115) | £11,724,885 | £11,724,866.51 | £18.49 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--------------------------------------|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 12 :- ENVIRONMENT | | | | | | |
| 12 :- ENVIRONMENT SUMMARY | | | | | | |
| Personal Emoluments | £1,551,000 | £0 | £203,175 | £1,754,175 | £1,756,044.46 | (£1,869.46) |
| Industrial Wages | £478,000 | £0 | £0 | £478,000 | £476,106.57 | £1,893.43 |
| Total Payroll | £2,029,000 | £0 | £203,175 | £2,232,175 | £2,232,151.03 | £23.97 |
| Other Charges | £11,766,000 | £0 | (£41,115) | £11,724,885 | £11,724,866.51 | £18.49 |
| TOTAL ENVIRONMENT | £13,795,000 | £0 | £162,060 | £13,957,060 | £13,957,017.54 | £42.46 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 13 :- UTILITIES | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority

| | | | | | | |
|--|--------------------|-----------|-----------------|--------------------|-----------------------|--------------|
| 2(1)(a) Contribution from Revenues Received | £28,286,000 | £0 | £0 | £28,286,000 | £28,300,243.90 | |
| 2(1)(b) Contribution from Revenues Received - Commercial Works | £2,750,000 | £0 | £749,215 | £3,499,215 | £3,725,276.63 | |
| 2(1)(c) Additional Contribution | £17,781,000 | £0 | £0 | £17,781,000 | £17,699,000.00 | |
| Total Electricity - Contributions from the Consolidated Fund to the Gibraltar Electricity Authority | £48,817,000 | £0 | £749,215 | £49,566,215 | £49,724,520.53 | |
| 2(2) Public Lighting | £290,000 | £0 | £0 | £290,000 | £269,722.70 | |
| Total | £290,000 | £0 | £0 | £290,000 | £269,722.70 | |
| Water | | | | | | |
| 2(3) Contribution in Lieu of Water Tariff Increases - AquaGib Ltd | £320,000 | £0 | £0 | £320,000 | £289,852.87 | |
| Total Water | £320,000 | £0 | £0 | £320,000 | £289,852.87 | |
| 2(4)(a) Contract - AquaGib Ltd | £5,700,000 | £0 | £0 | £5,700,000 | £5,597,113.72 | |
| 2(4)(b) Additional Maintenance Charges | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| Total | £5,705,000 | £0 | £0 | £5,705,000 | £5,597,113.72 | |
| TOTAL OTHER CHARGES | £55,132,000 | £0 | £749,215 | £55,881,215 | £55,881,209.82 | £5.18 |

13 :- UTILITIES

SUMMARY

| | | | | | | |
|------------------------|--------------------|-----------|-----------------|--------------------|-----------------------|--------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £55,132,000 | £0 | £749,215 | £55,881,215 | £55,881,209.82 | £5.18 |
| TOTAL UTILITIES | £55,132,000 | £0 | £749,215 | £55,881,215 | £55,881,209.82 | £5.18 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

14 :- COLLECTION AND DISPOSAL OF REFUSE

PAYROLL

Personal Emoluments

| | | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Refuse Services - Collection Services provided by Gibraltar Industrial Cleaners Ltd

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--|
| 2(1)(a)(i) Wages | £2,307,000 | £0 | £0 | £2,307,000 | £1,830,561.50 | |
| 2(1)(a)(ii) Overtime | £120,000 | £0 | £0 | £120,000 | £717,746.80 | |
| 2(1)(a)(iii) Allowances | £78,000 | £0 | £0 | £78,000 | £69,726.25 | |
| 2(1)(a)(iv) Employer's Contributions | £360,000 | £0 | £0 | £360,000 | £360,746.61 | |
| 2(1)(a)(v) Other Costs | £155,000 | £0 | £0 | £155,000 | £105,773.59 | |
| Total Refuse Services - Collection Services provided by Gibraltar Industrial Cleaners Ltd | £3,020,000 | £0 | £0 | £3,020,000 | £3,084,554.75 | |

Refuse Disposal - Contracted Services

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| 2(1)(b)(i) Disposal of Refuse | £1,685,000 | £0 | £0 | £1,685,000 | £1,598,846.08 | |
| 2(1)(b)(ii) Disposal of Other Items | £1,820,000 | £0 | £0 | £1,820,000 | £1,374,375.95 | |
| Total Refuse Disposal - Contracted Services | £3,505,000 | £0 | £0 | £3,505,000 | £2,973,222.03 | |
| 2(2) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £40,000.00 | |
| Total | £0 | £0 | £0 | £0 | £40,000.00 | |
| TOTAL OTHER CHARGES | £6,525,000 | £0 | £0 | £6,525,000 | £6,097,776.78 | £427,223.22 |

14 :- COLLECTION AND DISPOSAL OF REFUSE

SUMMARY

| | | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £6,525,000 | £0 | £0 | £6,525,000 | £6,097,776.78 | £427,223.22 |
| TOTAL COLLECTION AND DISPOSAL OF REFUSE | £6,525,000 | £0 | £0 | £6,525,000 | £6,097,776.78 | £427,223.22 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 15 :- UPPER ROCK TOURIST SITES AND BEACHES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Sites</i> | | | | | | |
| 1(1)(a) Salaries | £837,000 | £0 | £20,170 | £857,170 | £873,990.04 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £24,656.46 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £3,887.42 | |
| 1(1)(b)(iv) Overtime - Discretionary | £240,000 | £0 | £0 | £240,000 | £205,845.16 | |
| 1(1)(c) Allowances | £111,000 | £0 | £0 | £111,000 | £118,958.72 | |
| 1(1)(d) Temporary Assistance | £104,000 | £0 | £0 | £104,000 | £87,068.74 | |
| 1(1)(e) Pension Contributions | £129,000 | £0 | £0 | £129,000 | £126,754.15 | |
| Total Personal Emoluments - Sites | £1,421,000 | £0 | £20,170 | £1,441,170 | £1,441,160.69 | |
| <i>Personal Emoluments - Upper Rock and Beaches Department</i> | | | | | | |
| 1(1)(f) Salaries | £216,000 | £0 | £23,798 | £239,798 | £239,790.27 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £28,000 | £0 | £641 | £28,641 | £39,696.28 | |
| 1(1)(h) Allowances | £7,000 | £0 | £0 | £7,000 | £5,357.47 | |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(j) Pension Contributions | £37,000 | £0 | £0 | £37,000 | £38,910.90 | |
| Total Personal Emoluments - Upper Rock and Beaches Department | £288,000 | £0 | £24,439 | £312,439 | £323,754.92 | |
| <i>Industrial Wages - Sites</i> | | | | | | |
| 1(2)(a) Basic Wages | £167,000 | £0 | £0 | £167,000 | £168,128.82 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £5,821.28 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £80,000 | £0 | £0 | £80,000 | £66,308.64 | |
| 1(2)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £7,438.91 | |
| 1(2)(d) Pension Contributions | £28,000 | £0 | £0 | £28,000 | £24,975.24 | |
| Total Industrial Wages - Sites | £284,000 | £0 | £0 | £284,000 | £272,672.89 | |
| TOTAL PAYROLL | £1,993,000 | £0 | £44,609 | £2,037,609 | £2,037,588.50 | £20.50 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Sites - Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £9,006.45 | |
| 2(1)(b) Electricity and Water | £49,000 | £0 | £0 | £49,000 | £39,085.92 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 15 :- UPPER ROCK TOURIST SITES AND BEACHES | | | | | | |
| 2(1)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £6,865.81 | |
| 2(1)(d) Printing and Stationery | £12,000 | £0 | £0 | £12,000 | £12,120.78 | |
| Contracted Services | | | | | | |
| 2(1)(e) Office Cleaning - Government Cleaning Scheme | £15,000 | £0 | £0 | £15,000 | £13,096.30 | |
| 2(1)(f) Security Services CCTV | £3,000 | £0 | £0 | £3,000 | £3,092.44 | |
| 2(1)(g) Upkeep of Plants | £2,000 | £0 | £0 | £2,000 | £1,975.00 | |
| Total Sites - Office Expenses | £96,000 | £0 | £0 | £96,000 | £85,242.70 | |
| Sites - Operational Expenses | | | | | | |
| 2(2)(a) Transport Expenses | £2,000 | £0 | £0 | £2,000 | £3,920.82 | |
| 2(2)(b) Repairs and Maintenance | £50,000 | £0 | £0 | £50,000 | £52,923.01 | |
| 2(2)(c) Uniforms | £10,000 | £0 | £0 | £10,000 | £10,953.74 | |
| Total Sites - Operational Expenses | £62,000 | £0 | £0 | £62,000 | £67,797.57 | |
| Contribution to Gibraltar Development Corporation | | | | | | |
| 2(3)(a) Staff Services | £165,000 | £0 | £0 | £165,000 | £258,137.12 | |
| 2(3)(b) Temporary Assistance | £355,000 | £0 | (£16,469) | £338,531 | £245,273.64 | |
| Total Contribution to Gibraltar Development Corporation | £520,000 | £0 | (£16,469) | £503,531 | £503,410.76 | |
| 2(4) Contracted Services: Site Security | £145,000 | £0 | £0 | £145,000 | £147,227.33 | |
| Total | £145,000 | £0 | £0 | £145,000 | £147,227.33 | |
| Beaches Expenses - Operational Expenses | | | | | | |
| 2(5)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £15,186.47 | |
| 2(5)(b) Telephone Service | £2,000 | £0 | £0 | £2,000 | £1,087.41 | |
| 2(5)(c) Uniforms | £4,000 | £0 | £0 | £4,000 | £3,921.50 | |
| 2(5)(d) Training | £9,000 | £0 | £0 | £9,000 | £9,975.00 | |
| 2(5)(e) Vehicle Expenses | £3,000 | £0 | £0 | £3,000 | £3,938.04 | |
| 2(5)(f) Repairs and Maintenance | £8,000 | £0 | £0 | £8,000 | £8,438.87 | |
| Total Beaches Expenses - Operational Expenses | £38,000 | £0 | £0 | £38,000 | £42,547.29 | |
| GASA Bathing Pavilion | | | | | | |
| 2(6)(a) General Expenses | £15,000 | £0 | £0 | £15,000 | £14,296.30 | |
| Total GASA Bathing Pavilion | £15,000 | £0 | £0 | £15,000 | £14,296.30 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £877,000 | £0 | (£16,469) | £860,531 | £860,521.95 | £9.05 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 15 :- UPPER ROCK TOURIST SITES AND BEACHES | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £1,709,000 | £0 | £44,609 | £1,753,609 | £1,764,915.61 | (£11,306.61) |
| Industrial Wages | £284,000 | £0 | £0 | £284,000 | £272,672.89 | £11,327.11 |
| Total Payroll | £1,993,000 | £0 | £44,609 | £2,037,609 | £2,037,588.50 | £20.50 |
| Other Charges | £877,000 | £0 | (£16,469) | £860,531 | £860,521.95 | £9.05 |
| TOTAL UPPER ROCK TOURIST SITES AND BEACHES | £2,870,000 | £0 | £28,140 | £2,898,140 | £2,898,110.45 | £29.55 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-------------------|---------------------|-----------------------|-----------------------|
| 16 :- EDUCATION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £21,354,000 | £0 | (£259,337) | £21,094,663 | £20,845,933.16 | |
| 1(1)(b)(i) Overtime - Conditioned | £22,000 | £0 | £0 | £22,000 | £22,182.13 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £13,000 | £0 | £0 | £13,000 | £14,327.78 | |
| 1(1)(c) Allowances | £120,000 | £0 | £0 | £120,000 | £200,933.77 | |
| 1(1)(d)(i) Temporary Assistance: Specialists | £500,000 | £0 | £0 | £500,000 | £484,378.36 | |
| 1(1)(d)(ii) Temporary Assistance: Special Needs Learning Support Assistants | £600,000 | £0 | £0 | £600,000 | £549,561.26 | |
| 1(1)(d)(iii) Temporary Assistance: Cover for Maternity/Parternity | £650,000 | £0 | £0 | £650,000 | £865,516.63 | |
| 1(1)(d)(iv) Temporary Assistance: Temporary Cover | £1,385,000 | £0 | £0 | £1,385,000 | £1,260,637.15 | |
| 1(1)(d)(v) Temporary Assistance: Prison Enterprise | £10,000 | £0 | £0 | £10,000 | £5,288.28 | |
| 1(1)(e) Temporary Assistance - Adult Education | £80,000 | £0 | £0 | £80,000 | £104,207.93 | |
| 1(1)(f) Pension Contributions | £570,000 | £0 | £0 | £570,000 | £691,690.43 | |
| Total Personal Emoluments | £25,304,000 | £0 | (£259,337) | £25,044,663 | £25,044,656.88 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £2,618,000 | £0 | (£237,144) | £2,380,856 | £2,380,855.01 | |
| 1(2)(b)(i) Overtime - Conditioned | £130,000 | £0 | (£3,148) | £126,852 | £121,506.63 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £25,000 | £0 | (£11,024) | £13,976 | £13,975.98 | |
| 1(2)(c) Allowances | £32,000 | £0 | £0 | £32,000 | £30,017.27 | |
| 1(2)(d) Pension Contributions | £130,000 | £0 | £0 | £130,000 | £137,326.32 | |
| Total Industrial Wages | £2,935,000 | £0 | (£251,316) | £2,683,684 | £2,683,681.21 | |
| TOTAL PAYROLL | £28,239,000 | £0 | (£510,653) | £27,728,347 | £27,728,338.09 | £8.91 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £6,000 | £0 | £0 | £6,000 | £5,814.25 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £5,414.71 | |
| 2(1)(c) Telephone Service | £21,000 | £0 | £0 | £21,000 | £21,261.15 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £6,812.69 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 16 :- EDUCATION | | | | | | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £23,000 | £0 | £0 | £23,000 | £22,310.05 | |
| Total Office Expenses | £63,000 | £0 | £0 | £63,000 | £61,612.85 | |
| School Expenses | | | | | | |
| 2(2)(a) Electricity and Water | £260,000 | £0 | £0 | £260,000 | £281,180.79 | |
| 2(2)(b) Telephone Service | £85,000 | £0 | £0 | £85,000 | £79,178.96 | |
| 2(2)(c) Refreshments in Schools | £27,000 | £0 | £0 | £27,000 | £25,908.26 | |
| 2(2)(d) Books and Equipment | £1,100,000 | £0 | £0 | £1,100,000 | £1,099,029.80 | |
| 2(2)(e) Visits of School Children from Abroad | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(f) Examination Expenses | £400,000 | £0 | £0 | £400,000 | £392,389.99 | |
| 2(2)(g) Educational Field Trips | £110,000 | £0 | £0 | £110,000 | £104,241.79 | |
| 2(2)(h) Transport of School Children | £81,000 | £0 | £0 | £81,000 | £73,479.30 | |
| 2(2)(i) In-Service Education | £70,000 | £0 | £0 | £70,000 | £68,173.38 | |
| 2(2)(j) Cleaning Materials and Sundry Expenses | £105,000 | £0 | £0 | £105,000 | £97,588.15 | |
| 2(2)(k) Information Technology Equipment - Insurance | £7,000 | £0 | £0 | £7,000 | £6,326.00 | |
| Contracted Services | | | | | | |
| 2(2)(l) School Lunch Supervision | £1,000,000 | £0 | £0 | £1,000,000 | £1,027,010.23 | |
| 2(2)(m) Electrical Services - Gibraltar Electricity Authority | £310,000 | £0 | £0 | £310,000 | £289,943.55 | |
| 2(2)(n) Lift Maintenance | £22,000 | £0 | £0 | £22,000 | £20,297.99 | |
| 2(2)(o) Intruder Alarm | £18,000 | £0 | £0 | £18,000 | £25,325.00 | |
| 2(2)(p)(i) Special Needs: Assistance to Pupils | £0 | £0 | £0 | £0 | £12,419.48 | |
| 2(2)(p)(ii) Special Needs: Maintenance of Equipment | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(q) Hot Lunches for Schools | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(r) Electronic Data Communication | £0 | £0 | £0 | £0 | £37,050.00 | |
| Total School Expenses | £3,598,000 | £0 | £0 | £3,598,000 | £3,639,542.67 | |
| Bleak House Expenses | | | | | | |
| 2(3)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £9,992.99 | |
| 2(3)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £2,651.76 | |
| 2(3)(c) Telephone Service | £3,000 | £0 | £0 | £3,000 | £2,336.53 | |
| 2(3)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £1,411.86 | |
| Total Bleak House Expenses | £19,000 | £0 | £0 | £19,000 | £16,393.14 | |
| 2(4) Gibraltar College | £50,000 | £0 | £0 | £50,000 | £47,069.56 | |
| Total | £50,000 | £0 | £0 | £50,000 | £47,069.56 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 16 :- EDUCATION | | | | | | |
| Scholarships | | | | | | |
| 2(5)(a) Mandatory | £15,566,000 | £0 | £707,603 | £16,273,603 | £16,686,851.39 | |
| 2(5)(b) Discretionary | £1,070,000 | £0 | £0 | £1,070,000 | £827,031.56 | |
| Total Scholarships | £16,636,000 | £0 | £707,603 | £17,343,603 | £17,513,882.95 | |
| 2(6) Teachers' Centre Running Expenses | £6,000 | £0 | £0 | £6,000 | £5,264.81 | |
| Total | £6,000 | £0 | £0 | £6,000 | £5,264.81 | |
| 2(7) Teacher Training Expenses | £50,000 | £0 | £0 | £50,000 | £49,531.84 | |
| Total | £50,000 | £0 | £0 | £50,000 | £49,531.84 | |
| 2(8) Special Education Abroad | £16,000 | £0 | £0 | £16,000 | £33,086.58 | |
| Total | £16,000 | £0 | £0 | £16,000 | £33,086.58 | |
| 2(9) Nurseries | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(10) Training and Development Courses | £500,000 | £0 | £0 | £500,000 | £383,085.89 | |
| Total | £500,000 | £0 | £0 | £500,000 | £383,085.89 | |
| 2(11) Contract Officers | £80,000 | £0 | £0 | £80,000 | £0.00 | |
| Total | £80,000 | £0 | £0 | £80,000 | £0.00 | |
| 2(12) Student Support | £40,000 | £0 | £0 | £40,000 | £24,507.18 | |
| Total | £40,000 | £0 | £0 | £40,000 | £24,507.18 | |
| 2(13) Postage Expenses | £5,000 | £0 | £0 | £5,000 | £4,503.54 | |
| Total | £5,000 | £0 | £0 | £5,000 | £4,503.54 | |
| 2(14) Project Search | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| Total | £10,000 | £0 | £0 | £10,000 | £0.00 | |
| 2(15) Relief Cover | £25,000 | £0 | £0 | £25,000 | £28,100.06 | |
| Total | £25,000 | £0 | £0 | £25,000 | £28,100.06 | |
| TOTAL OTHER CHARGES | £21,099,000 | £0 | £707,603 | £21,806,603 | £21,806,581.07 | £21.93 |

16 :- EDUCATION

SUMMARY

| | | | | | | |
|------------------------|--------------------|-----------|-------------------|--------------------|-----------------------|---------------|
| Personal Emoluments | £25,304,000 | £0 | (£259,337) | £25,044,663 | £25,044,656.88 | £6.12 |
| Industrial Wages | £2,935,000 | £0 | (£251,316) | £2,683,684 | £2,683,681.21 | £2.79 |
| Total Payroll | £28,239,000 | £0 | (£510,653) | £27,728,347 | £27,728,338.09 | £8.91 |
| Other Charges | £21,099,000 | £0 | £707,603 | £21,806,603 | £21,806,581.07 | £21.93 |
| TOTAL EDUCATION | £49,338,000 | £0 | £196,950 | £49,534,950 | £49,534,919.16 | £30.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
| 17 :- GIBRALTAR UNIVERSITY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| <u>OTHER CHARGES</u> | | | | | | |
| 2(1) Contribution to Gibraltar University | £500,000 | £0 | £0 | £500,000 | £500,000.00 | |
| Total | £500,000 | £0 | £0 | £500,000 | £500,000.00 | |
| TOTAL OTHER CHARGES | £500,000 | £0 | £0 | £500,000 | £500,000.00 | £0.00 |

17 :- GIBRALTAR UNIVERSITY

SUMMARY

| | | | | | | |
|----------------------------|----------|----|----|----------|-------------|-------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £500,000 | £0 | £0 | £500,000 | £500,000.00 | £0.00 |
| TOTAL GIBRALTAR UNIVERSITY | £500,000 | £0 | £0 | £500,000 | £500,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 18 :- HERITAGE | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments - Heritage | | | | | | |
| 1(1)(a) Salaries | £24,000 | £0 | £0 | £24,000 | £2,516.13 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £2,000 | £0 | £0 | £2,000 | £906.88 | |
| 1(1)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(d) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £0.00 | |
| Total Personal Emoluments - Heritage | £30,000 | £0 | £0 | £30,000 | £3,423.01 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £30,000 | £0 | £0 | £30,000 | £3,423.01 | £26,576.99 |
| OTHER CHARGES | | | | | | |
| Office Expenses - Ministry | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,181.39 | |
| 2(1)(b) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £856.58 | |
| Total Office Expenses - Ministry | £3,000 | £0 | £0 | £3,000 | £2,037.97 | |
| Heritage Expenses and Activities | | | | | | |
| 2(2)(a) Gibraltar Heritage Trust Grant | £100,000 | £0 | £0 | £100,000 | £100,000.00 | |
| 2(2)(b) Garrison Library Trust | £160,000 | £0 | £0 | £160,000 | £186,488.35 | |
| Total Heritage Expenses and Activities | £260,000 | £0 | £0 | £260,000 | £286,488.35 | |
| 2(3) Maintenance of Monuments and Heritage Sites | £20,000 | £0 | £0 | £20,000 | £20,000.00 | |
| Total | £20,000 | £0 | £0 | £20,000 | £20,000.00 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £69,000 | £0 | £0 | £69,000 | £68,509.56 | |
| Total | £69,000 | £0 | £0 | £69,000 | £68,509.56 | |
| 2(5) Contracted Services - Heritage | £1,490,000 | £0 | £0 | £1,490,000 | £1,464,380.90 | |
| Total | £1,490,000 | £0 | £0 | £1,490,000 | £1,464,380.90 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 18 :- HERITAGE | | | | | | |
| 2(6) Consultancy Services | £7,000 | £0 | £0 | £7,000 | £6,975.37 | |
| Total | £7,000 | £0 | £0 | £7,000 | £6,975.37 | |
| 2(7) Migration Project | £15,000 | £0 | £0 | £15,000 | £14,999.63 | |
| Total | £15,000 | £0 | £0 | £15,000 | £14,999.63 | |
| 2(8) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £1,865,000 | £0 | £0 | £1,865,000 | £1,863,391.78 | £1,608.22 |

18 :- HERITAGE

SUMMARY

| | | | | | | |
|-----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £30,000 | £0 | £0 | £30,000 | £3,423.01 | £26,576.99 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £30,000 | £0 | £0 | £30,000 | £3,423.01 | £26,576.99 |
| Other Charges | £1,865,000 | £0 | £0 | £1,865,000 | £1,863,391.78 | £1,608.22 |
| TOTAL HERITAGE | £1,895,000 | £0 | £0 | £1,895,000 | £1,866,814.79 | £28,185.21 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

19 :- TECHNICAL SERVICES

PAYROLL

Personal Emoluments - General

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(a) Salaries | £530,000 | £0 | £0 | £530,000 | £521,256.47 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £29,000 | £0 | £0 | £29,000 | £21,749.01 |
| 1(1)(c) Allowances | £12,000 | £0 | £0 | £12,000 | £7,472.55 |
| 1(1)(d) Temporary Assistance | £3,000 | £0 | £0 | £3,000 | £0.00 |
| 1(1)(e) Pension Contributions | £10,000 | £0 | £0 | £10,000 | £6,688.43 |
| Total Personal Emoluments - General | £584,000 | £0 | £0 | £584,000 | £557,166.46 |

Personal Emoluments - Engineering and Design

| | | | | | |
|---|-----------------|-----------|----------------|-----------------|--------------------|
| 1(1)(f) Salaries | £689,000 | £0 | £0 | £689,000 | £697,594.02 |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(ii) Overtime - Emergency | £11,000 | £0 | £0 | £11,000 | £16,712.42 |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iv) Overtime - Discretionary | £63,000 | £0 | £0 | £63,000 | £62,839.50 |
| 1(1)(h) Allowances | £20,000 | £0 | £12,990 | £32,990 | £36,418.47 |
| 1(1)(i) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 1(1)(j) Pension Contributions | £19,000 | £0 | £0 | £19,000 | £18,770.39 |
| Total Personal Emoluments - Engineering and Design | £803,000 | £0 | £12,990 | £815,990 | £832,334.80 |

Personal Emoluments - Highways

| | | | | | |
|--|-----------------|-----------|----------------|-----------------|--------------------|
| 1(1)(k) Salaries | £297,000 | £0 | £0 | £297,000 | £300,233.17 |
| 1(1)(l)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(ii) Overtime - Emergency | £10,000 | £0 | £0 | £10,000 | £14,025.96 |
| 1(1)(l)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(l)(iv) Overtime - Discretionary | £30,000 | £0 | £0 | £30,000 | £24,867.46 |
| 1(1)(m) Allowances | £18,000 | £0 | £10,310 | £28,310 | £28,308.05 |
| 1(1)(n) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(o) Pension Contributions | £12,000 | £0 | £0 | £12,000 | £11,843.78 |
| Total Personal Emoluments - Highways | £367,000 | £0 | £10,310 | £377,310 | £379,278.42 |

Personal Emoluments - Sewers

| | | | | | |
|------------------|----------|----|----|----------|-------------|
| 1(1)(p) Salaries | £341,000 | £0 | £0 | £341,000 | £346,265.45 |
|------------------|----------|----|----|----------|-------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 19 :- TECHNICAL SERVICES | | | | | | |
| 1(1)(q)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(ii) Overtime - Emergency | £50,000 | £0 | £0 | £50,000 | £60,343.92 | |
| 1(1)(q)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(q)(iv) Overtime - Discretionary | £50,000 | £0 | £0 | £50,000 | £50,731.46 | |
| 1(1)(r) Allowances | £42,000 | £0 | £0 | £42,000 | £35,919.28 | |
| 1(1)(s) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(t) Pension Contributions | £5,000 | £0 | £0 | £5,000 | £5,256.88 | |
| Total Personal Emoluments - Sewers | £488,000 | £0 | £0 | £488,000 | £498,516.99 | |
| Industrial Wages - Engineering and Design | | | | | | |
| 1(2)(a) Basic Wages | £20,000 | £0 | £0 | £20,000 | £19,028.25 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £959.10 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages - Engineering and Design | £22,000 | £0 | £0 | £22,000 | £19,987.35 | |
| TOTAL PAYROLL | £2,264,000 | £0 | £23,300 | £2,287,300 | £2,287,284.02 | £15.98 |

OTHER CHARGES

Office Expenses

| | | | | | | |
|--------------------------------------|---------|----|----|---------|------------|--|
| 2(1)(a) General Expenses | £15,000 | £0 | £0 | £15,000 | £11,886.24 | |
| 2(1)(b) Electricity and Water | £20,000 | £0 | £0 | £20,000 | £10,745.53 | |
| 2(1)(c) Telephone Service | £32,000 | £0 | £0 | £32,000 | £30,368.17 | |
| 2(1)(d) Printing and Stationery | £4,000 | £0 | £0 | £4,000 | £2,574.51 | |
| 2(1)(e) Rent and Services Charges | £10,000 | £0 | £0 | £10,000 | £9,867.43 | |

Contracted Services

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £51,000 | £0 | £0 | £51,000 | £47,554.60 | |
| 2(1)(g) Payroll Services | £2,000 | £0 | £0 | £2,000 | £136.77 | |
| Total Office Expenses | £134,000 | £0 | £0 | £134,000 | £113,133.25 | |

Operational Expenses

| | | | | | | |
|---|---------|----|----|---------|-----------|--|
| 2(2)(a) Protective Clothing | £8,000 | £0 | £0 | £8,000 | £5,928.67 | |
| 2(2)(b) Office Equipment and Drawing Materials | £6,000 | £0 | £0 | £6,000 | £4,910.79 | |
| 2(2)(c) Computer Running Expenses | £10,000 | £0 | £0 | £10,000 | £8,898.28 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 19 :- TECHNICAL SERVICES | | | | | | |
| 2(2)(d) Materials Laboratory | £7,000 | £0 | £0 | £7,000 | £6,094.77 | |
| Garages and Workshops | | | | | | |
| 2(2)(e)(i) Electricity and Water | £15,000 | £0 | £0 | £15,000 | £12,333.47 | |
| 2(2)(e)(ii) Telephone Service | £4,000 | £0 | £0 | £4,000 | £3,529.21 | |
| 2(2)(e)(iii) Cleaning Services | £9,000 | £0 | £0 | £9,000 | £22,329.80 | |
| 2(2)(e)(iv) Fuel and Lubricants | £200,000 | £0 | £0 | £200,000 | £175,609.76 | |
| 2(2)(e)(v) Materials and Outsourcing of Mechanical Works | £200,000 | £0 | £0 | £200,000 | £191,824.92 | |
| 2(2)(e)(vi) Other Costs | £10,000 | £0 | £0 | £10,000 | £9,522.09 | |
| 2(2)(f) Highways Inspectorate | £4,000 | £0 | £0 | £4,000 | £2,781.54 | |
| 2(2)(g) Sewers Inspectorate | £4,000 | £0 | £0 | £4,000 | £3,783.87 | |
| 2(2)(h) Maintenance of Public Clocks | £7,000 | £0 | £0 | £7,000 | £6,186.00 | |
| 2(2)(i) Contracted Service: Cleaning of Street Gullies | £110,000 | £0 | £0 | £110,000 | £110,364.50 | |
| Total Operational Expenses | £594,000 | £0 | £0 | £594,000 | £564,097.67 | |
| Services provided by Gibraltar Mechanical and Electrical Services Ltd | | | | | | |
| 2(3)(a) Salaries | £140,000 | £0 | £0 | £140,000 | £136,830.00 | |
| 2(3)(b) Wages | £330,000 | £0 | (£23,300) | £306,700 | £243,454.71 | |
| 2(3)(c) Overtime | £230,000 | £0 | £0 | £230,000 | £212,716.69 | |
| 2(3)(d) Allowances | £28,000 | £0 | £0 | £28,000 | £28,883.33 | |
| 2(3)(e) Employer's Contribution | £40,000 | £0 | £0 | £40,000 | £31,244.31 | |
| 2(3)(f) Bonus Payments | £5,000 | £0 | £0 | £5,000 | £4,000.00 | |
| Total Services provided by Gibraltar Mechanical and Electrical Services Ltd | £773,000 | £0 | (£23,300) | £749,700 | £657,129.04 | |
| 2(4) Compensation and Legal Costs | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £1,503,000 | £0 | (£23,300) | £1,479,700 | £1,334,359.96 | £145,340.04 |

19 :- TECHNICAL SERVICES

SUMMARY

| | | | | | | |
|---------------------------------|-------------------|-----------|------------------|-------------------|----------------------|--------------------|
| Personal Emoluments | £2,242,000 | £0 | £23,300 | £2,265,300 | £2,267,296.67 | (£1,996.67) |
| Industrial Wages | £22,000 | £0 | £0 | £22,000 | £19,987.35 | £2,012.65 |
| Total Payroll | £2,264,000 | £0 | £23,300 | £2,287,300 | £2,287,284.02 | £15.98 |
| Other Charges | £1,503,000 | £0 | (£23,300) | £1,479,700 | £1,334,359.96 | £145,340.04 |
| TOTAL TECHNICAL SERVICES | £3,767,000 | £0 | £0 | £3,767,000 | £3,621,643.98 | £145,356.02 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 20 :- DRIVER AND VEHICLE LICENSING | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £806,000 | £0 | £0 | £806,000 | £662,804.93 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £60,000 | £0 | £0 | £60,000 | £46,614.45 | |
| 1(1)(c) Allowances | £24,000 | £0 | £0 | £24,000 | £18,427.41 | |
| 1(1)(d) Pension Contributions | £42,000 | £0 | £0 | £42,000 | £27,331.40 | |
| Total Personal Emoluments | £932,000 | £0 | £0 | £932,000 | £755,178.19 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £932,000 | £0 | £0 | £932,000 | £755,178.19 | £176,821.81 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £7,000 | £0 | £0 | £7,000 | £5,858.94 | |
| 2(1)(b) Electricity and Water | £11,000 | £0 | £0 | £11,000 | £9,268.82 | |
| 2(1)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £7,663.68 | |
| 2(1)(d) Printing and Stationery | £24,000 | £0 | £0 | £24,000 | £21,996.90 | |
| 2(1)(e) Certificate of Professional Competence | £36,000 | £0 | £0 | £36,000 | £8,125.00 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £20,000 | £0 | £0 | £20,000 | £20,236.80 | |
| Total Office Expenses | £108,000 | £0 | £0 | £108,000 | £73,150.14 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Repairs and Maintenance | £10,000 | £0 | £0 | £10,000 | £7,602.72 | |
| 2(2)(b) Uniforms | £5,000 | £0 | £0 | £5,000 | £4,518.94 | |
| 2(2)(c) Driving Licences | £10,000 | £0 | £0 | £10,000 | £450.00 | |
| 2(2)(d) Membership Fees - European Licensing Authorities | £5,000 | £0 | £0 | £5,000 | £3,715.38 | |
| 2(2)(e) Professional Fees | £2,000 | £0 | £0 | £2,000 | £1,280.00 | |
| 2(2)(f) Postage Expenses | £7,000 | £0 | £0 | £7,000 | £4,926.16 | |
| Total Operational Expenses | £39,000 | £0 | £0 | £39,000 | £22,493.20 | |
| 2(3) Training and Related Expenses | £2,000 | £0 | £0 | £2,000 | £120.00 | |
| Total | £2,000 | £0 | £0 | £2,000 | £120.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 20 :- DRIVER AND VEHICLE LICENSING | | | | | | |
| 2(4) Road Safety Campaign Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Incentive Scheme - Importation of Hybrid Vehicles | £70,000 | £0 | £0 | £70,000 | £44,000.00 | |
| Total | £70,000 | £0 | £0 | £70,000 | £44,000.00 | |
| 2(6) Tachograph Cards | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Contribution to Gibraltar Development Corporation - Staff Services | | | | | | |
| 2(7)(a) Main Office | £55,000 | £0 | £0 | £55,000 | £51,666.08 | |
| 2(7)(b) Transport Inspectors | £522,000 | £0 | £0 | £522,000 | £534,255.27 | |
| Total Contribution to Gibraltar Development Corporation - Staff Services | £577,000 | £0 | £0 | £577,000 | £585,921.35 | |
| 2(8) Supply Driving and Vehicle Examiners | £29,000 | £0 | £0 | £29,000 | £35,456.65 | |
| Total | £29,000 | £0 | £0 | £29,000 | £35,456.65 | |
| 2(9) Consultancy Service | £50,000 | £0 | £0 | £50,000 | £49,999.92 | |
| Total | £50,000 | £0 | £0 | £50,000 | £49,999.92 | |
| 2(10) E Reg Conference | £1,000 | £0 | £0 | £1,000 | £1,142.48 | |
| Total | £1,000 | £0 | £0 | £1,000 | £1,142.48 | |
| 2(11) Relief Cover | £47,000 | £0 | £0 | £47,000 | £46,081.88 | |
| Total | £47,000 | £0 | £0 | £47,000 | £46,081.88 | |
| 2(12) Losses of Public Funds | £0 | £0 | £0 | £0 | £0.50 | |
| Total | £0 | £0 | £0 | £0 | £0.50 | |
| TOTAL OTHER CHARGES | £925,000 | £0 | £0 | £925,000 | £858,366.12 | £66,633.88 |

20 :- DRIVER AND VEHICLE LICENSING

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £932,000 | £0 | £0 | £932,000 | £755,178.19 | £176,821.81 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £932,000 | £0 | £0 | £932,000 | £755,178.19 | £176,821.81 |
| Other Charges | £925,000 | £0 | £0 | £925,000 | £858,366.12 | £66,633.88 |
| TOTAL DRIVER AND VEHICLE LICENSING | £1,857,000 | £0 | £0 | £1,857,000 | £1,613,544.31 | £243,455.69 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-------------|---------------------|-----------------------|-----------------------|
| 21 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £195,000 | £0 | £0 | £195,000 | £204,999.80 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £25,000 | £0 | £175 | £25,175 | £32,632.46 | |
| 1(1)(c) Allowances | £6,000 | £0 | £0 | £6,000 | £3,970.78 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £3,987.85 | |
| Total Personal Emoluments - Ministry | £230,000 | £0 | £175 | £230,175 | £245,590.89 | |
| <i>Personal Emoluments - General</i> | | | | | | |
| 1(1)(f) Salaries | £703,000 | £0 | £0 | £703,000 | £681,038.60 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £60,000 | £0 | £0 | £60,000 | £64,777.08 | |
| 1(1)(h) Allowances | £8,000 | £0 | £0 | £8,000 | £14,164.66 | |
| 1(1)(i) Temporary Assistance | £20,000 | £0 | £0 | £20,000 | £20,661.38 | |
| 1(1)(j) Pension Contributions | £25,000 | £0 | £0 | £25,000 | £19,937.07 | |
| Total Personal Emoluments - General | £816,000 | £0 | £0 | £816,000 | £800,578.79 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,046,000 | £0 | £175 | £1,046,175 | £1,046,169.68 | £5.32 |

OTHER CHARGES

Ministry - Office Expenses

| | | | | | | |
|---|---------|----|----|---------|------------|--|
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £3,789.76 | |
| 2(1)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £3,323.59 | |
| 2(1)(c) Telephone Service | £9,000 | £0 | £0 | £9,000 | £13,427.20 | |
| 2(1)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,208.22 | |
| 2(1)(e) Office Rent and Services Charges | £49,000 | £0 | £0 | £49,000 | £44,393.03 | |
| 2(1)(f) Publications | £1,000 | £0 | £0 | £1,000 | £107.50 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 21 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| 2(1)(g) Contracted Services: Office Cleaning - Government Cleaning Scheme | £7,000 | £0 | £0 | £7,000 | £5,189.58 | |
| Total Ministry - Office Expenses | £75,000 | £0 | £0 | £75,000 | £71,438.88 | |
| General - Office Expenses | | | | | | |
| 2(2)(a) General Expenses | £6,000 | £0 | £0 | £6,000 | £7,113.64 | |
| 2(2)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £4,285.19 | |
| 2(2)(c) Telephone Service | £14,000 | £0 | £0 | £14,000 | £9,063.92 | |
| 2(2)(d) Printing and Stationery | £8,000 | £0 | £0 | £8,000 | £4,875.57 | |
| 2(2)(e) Office Rent and Services Charges | £175,000 | £0 | £10,755 | £185,755 | £230,175.45 | |
| 2(2)(f) Vehicle Maintenance / Insurance | £3,000 | £0 | £0 | £3,000 | £65.00 | |
| 2(2)(g) Books and Subscriptions | £6,000 | £0 | £0 | £6,000 | £1,572.00 | |
| 2(2)(h) Contracted Services: Office Cleaning - Government Cleaning Scheme | £8,000 | £0 | £0 | £8,000 | £8,083.20 | |
| Total General - Office Expenses | £226,000 | £0 | £10,755 | £236,755 | £265,233.97 | |
| Operational Expenses | | | | | | |
| 2(3)(a) Protective Clothing | £3,000 | £0 | £0 | £3,000 | £267.86 | |
| 2(3)(b) Town Planning Geographical Information System | £62,000 | £0 | £0 | £62,000 | £50,598.89 | |
| Total Operational Expenses | £65,000 | £0 | £0 | £65,000 | £50,866.75 | |
| 2(4) Conferences / Development and Planning Commission Expenses | £15,000 | £0 | £0 | £15,000 | £6,960.00 | |
| Total | £15,000 | £0 | £0 | £15,000 | £6,960.00 | |
| 2(5) Contribution to Gibraltar Development Corporation - Staff Services | £64,000 | £0 | £0 | £64,000 | £62,243.74 | |
| Total | £64,000 | £0 | £0 | £64,000 | £62,243.74 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £446,000 | £0 | £10,755 | £456,755 | £456,743.34 | £11.66 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 21 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| 21 :- TOWN PLANNING AND BUILDING CONTROL | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £1,046,000 | £0 | £175 | £1,046,175 | £1,046,169.68 | £5.32 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,046,000 | £0 | £175 | £1,046,175 | £1,046,169.68 | £5.32 |
| Other Charges | £446,000 | £0 | £10,755 | £456,755 | £456,743.34 | £11.66 |
| TOTAL TOWN PLANNING AND BUILDING CONTROL | £1,492,000 | £0 | £10,930 | £1,502,930 | £1,502,913.02 | £16.98 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 22 :- STATISTICS OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £275,000 | £0 | £7,966 | £282,966 | £282,961.46 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £9,000 | £0 | £742 | £9,742 | £9,856.71 | |
| 1(1)(c) Allowances | £5,000 | £0 | £0 | £5,000 | £5,368.73 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £5,000 | £0 | £0 | £5,000 | £4,515.62 | |
| Total Personal Emoluments | £294,000 | £0 | £8,708 | £302,708 | £302,702.52 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £294,000 | £0 | £8,708 | £302,708 | £302,702.52 | £5.48 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £5,638.20 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,650.83 | |
| 2(1)(c) Telephone Service | £4,000 | £0 | (£583) | £3,417 | £3,056.69 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | (£1,020) | £3,980 | £3,979.62 | |
| 2(1)(e) Statistical Surveys | £22,000 | £0 | (£3,996) | £18,004 | £18,003.60 | |
| 2(1)(f) Computer Running Expenses | £1,000 | £0 | £0 | £1,000 | £1,069.69 | |
| 2(1)(g) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | (£1,299) | £3,701 | £3,700.80 | |
| Total Office Expenses | £44,000 | £0 | (£6,898) | £37,102 | £37,099.43 | |
| 2(2) Postage Expenses | £2,000 | £0 | (£1,399) | £601 | £600.38 | |
| Total | £2,000 | £0 | (£1,399) | £601 | £600.38 | |
| 2(3) Relief Cover | £16,000 | £0 | (£361) | £15,639 | £15,638.20 | |
| Total | £16,000 | £0 | (£361) | £15,639 | £15,638.20 | |
| TOTAL OTHER CHARGES | £62,000 | £0 | (£8,658) | £53,342 | £53,338.01 | £3.99 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|------------------------------------|---------------------------------|--------------------|------------|---------------------|-----------------------|-----------------------|
| 22 :- STATISTICS OFFICE | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £294,000 | £0 | £8,708 | £302,708 | £302,702.52 | £5.48 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £294,000 | £0 | £8,708 | £302,708 | £302,702.52 | £5.48 |
| Other Charges | £62,000 | £0 | (£8,658) | £53,342 | £53,338.01 | £3.99 |
| TOTAL STATISTICS OFFICE | £356,000 | £0 | £50 | £356,050 | £356,040.53 | £9.47 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 23 :- PROCUREMENT OFFICE | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments | | | | | | |
| 1(1)(a) Salaries | £266,000 | £0 | £12,720 | £278,720 | £280,291.07 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £13,009.91 | |
| 1(1)(c) Allowances | £9,000 | £0 | £0 | £9,000 | £5,413.43 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments | £286,000 | £0 | £12,720 | £298,720 | £298,714.41 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £286,000 | £0 | £12,720 | £298,720 | £298,714.41 | £5.59 |
| OTHER CHARGES | | | | | | |
| Office Expenses | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £2,145.22 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,756.91 | |
| 2(1)(c) Telephone Service | £2,000 | £0 | £640 | £2,640 | £2,934.42 | |
| 2(1)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,164.41 | |
| 2(1)(e) Office Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £5,191.65 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £4,000 | £0 | £0 | £4,000 | £3,442.00 | |
| Total Office Expenses | £16,000 | £0 | £640 | £16,640 | £16,634.61 | |
| 2(2) Relief Cover | £1,000 | £0 | £7,690 | £8,690 | £8,686.14 | |
| Total | £1,000 | £0 | £7,690 | £8,690 | £8,686.14 | |
| TOTAL OTHER CHARGES | £17,000 | £0 | £8,330 | £25,330 | £25,320.75 | £9.25 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-------------------------------------|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 23 :- PROCUREMENT OFFICE | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £286,000 | £0 | £12,720 | £298,720 | £298,714.41 | £5.59 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £286,000 | £0 | £12,720 | £298,720 | £298,714.41 | £5.59 |
| Other Charges | £17,000 | £0 | £8,330 | £25,330 | £25,320.75 | £9.25 |
| TOTAL PROCUREMENT OFFICE | £303,000 | £0 | £21,050 | £324,050 | £324,035.16 | £14.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

24 :- ECONOMIC DEVELOPMENT

PAYROLL

Personal Emoluments

| | | | | | |
|--|-------------------|-----------|-----------|-------------------|--------------------|
| 1(1)(a) Salaries | £1,075,000 | £0 | £0 | £1,075,000 | £844,250.12 |
| 1(1)(b)(i) Overtime - Conditioned | £8,000 | £0 | £0 | £8,000 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £13,249.35 |
| 1(1)(c) Allowances | £50,000 | £0 | £0 | £50,000 | £50,273.39 |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(e) Pension Contributions | £52,000 | £0 | £0 | £52,000 | £38,664.92 |
| Total Personal Emoluments | £1,200,000 | £0 | £0 | £1,200,000 | £946,437.78 |

Industrial Wages

| | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|
| 1(2)(a) Basic Wages | £69,000 | £0 | £0 | £69,000 | £61,730.25 |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 |
| Total Industrial Wages | £71,000 | £0 | £0 | £71,000 | £61,730.25 |

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| TOTAL PAYROLL | £1,271,000 | £0 | £0 | £1,271,000 | £1,008,168.03 | £262,831.97 |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|

OTHER CHARGES

Office Expenses

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 2(1)(a) General Expenses | £35,000 | £0 | £0 | £35,000 | £86,321.42 |
| 2(1)(b) Electricity and Water | £8,000 | £0 | £0 | £8,000 | £6,270.69 |
| 2(1)(c) Telephone Service | £37,000 | £0 | £0 | £37,000 | £42,514.36 |
| 2(1)(d) Printing and Stationery | £14,000 | £0 | £0 | £14,000 | £14,260.51 |
| 2(1)(e) Office Rent and Service Charges | £3,000 | £0 | £0 | £3,000 | £3,507.50 |
| 2(1)(f) Database and Website Expenses | £5,000 | £0 | £0 | £5,000 | £4,586.00 |
| 2(1)(g) Audit Fees | £13,000 | £0 | £0 | £13,000 | £5,450.00 |
| 2(1)(h) Contract Officer | £65,000 | £0 | £0 | £65,000 | £65,000.04 |
| 2(1)(i) Security and Messenger Services | £16,000 | £0 | £0 | £16,000 | £17,034.60 |
| 2(1)(j) Contracted Services: Office Cleaning - Government Cleaning Scheme | £31,000 | £0 | £0 | £31,000 | £30,040.38 |
| Total Office Expenses | £227,000 | £0 | £0 | £227,000 | £274,985.50 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 24 :- ECONOMIC DEVELOPMENT | | | | | | |
| Operational Expenses | | | | | | |
| 2(2)(a) Maintenance of Equipment | £5,000 | £0 | £0 | £5,000 | £4,019.15 | |
| 2(2)(b) Transport Expenses | £3,000 | £0 | £0 | £3,000 | £106.00 | |
| Total Operational Expenses | £8,000 | £0 | £0 | £8,000 | £4,125.15 | |
| Gibraltar Development Corporation | | | | | | |
| 2(3)(a) Contribution from Revenues Received | £852,000 | £0 | £0 | £852,000 | £271,082.19 | |
| 2(3)(b) Additional Contribution | £12,572,000 | £0 | £0 | £12,572,000 | £12,205,000.00 | |
| 2(3)(c) Staff Services | £650,000 | £0 | £0 | £650,000 | £520,258.28 | |
| Total Gibraltar Development Corporation | £14,074,000 | £0 | £0 | £14,074,000 | £12,996,340.47 | |
| 2(4) Workers Hostels Running Expenses | £220,000 | £0 | £0 | £220,000 | £306,744.16 | |
| Total | £220,000 | £0 | £0 | £220,000 | £306,744.16 | |
| Services provided by Gibraltar General Support Services Ltd | | | | | | |
| 2(5)(a) Salaries | £170,000 | £0 | £0 | £170,000 | £169,163.02 | |
| 2(5)(b) Wages | £357,000 | £0 | £0 | £357,000 | £346,590.19 | |
| 2(5)(c) Overtime | £183,000 | £0 | £0 | £183,000 | £173,047.82 | |
| 2(5)(d) Allowances | £40,000 | £0 | £0 | £40,000 | £34,500.68 | |
| 2(5)(e) Employer's Contributions | £125,000 | £0 | £0 | £125,000 | £124,346.79 | |
| 2(5)(f) Materials | £5,000 | £0 | £0 | £5,000 | £3,512.83 | |
| 2(5)(g) Other Costs | £81,000 | £0 | £0 | £81,000 | £79,551.19 | |
| Total Services provided by Gibraltar General Support Services Ltd | £961,000 | £0 | £0 | £961,000 | £930,712.52 | |
| Services provided by Gibraltar Cleansing Services Ltd | | | | | | |
| 2(6)(a) Wages | £248,000 | £0 | £0 | £248,000 | £225,180.15 | |
| 2(6)(b) Overtime | £41,000 | £0 | £0 | £41,000 | £66,260.08 | |
| 2(6)(c) Allowances | £26,000 | £0 | £0 | £26,000 | £24,820.27 | |
| 2(6)(d) Employer's Contributions | £68,000 | £0 | £0 | £68,000 | £61,617.82 | |
| Total Services provided by Gibraltar Cleansing Services Ltd | £383,000 | £0 | £0 | £383,000 | £377,878.32 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £15,874,000 | £0 | £0 | £15,874,000 | £14,890,786.12 | £983,213.88 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---------------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 24 :- ECONOMIC DEVELOPMENT | | | | | | |
| 24 :- ECONOMIC DEVELOPMENT | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £1,200,000 | £0 | £0 | £1,200,000 | £946,437.78 | £253,562.22 |
| Industrial Wages | £71,000 | £0 | £0 | £71,000 | £61,730.25 | £9,269.75 |
| Total Payroll | £1,271,000 | £0 | £0 | £1,271,000 | £1,008,168.03 | £262,831.97 |
| Other Charges | £15,874,000 | £0 | £0 | £15,874,000 | £14,890,786.12 | £983,213.88 |
| TOTAL ECONOMIC DEVELOPMENT | £17,145,000 | £0 | £0 | £17,145,000 | £15,898,954.15 | £1,246,045.85 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 25 :- HOUSING - ADMINISTRATION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £455,000 | £0 | £0 | £455,000 | £452,121.57 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | (£5,712) | £4,288 | £3,245.28 | |
| 1(1)(c) Allowances | £48,000 | £0 | £0 | £48,000 | £51,212.78 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £28,000 | £0 | (£7,462) | £20,538 | £20,537.43 | |
| Total Personal Emoluments | £541,000 | £0 | (£13,174) | £527,826 | £527,117.06 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £24,000 | £0 | £0 | £24,000 | £24,549.59 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £156.59 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £24,000 | £0 | £0 | £24,000 | £24,706.18 | |
| TOTAL PAYROLL | £565,000 | £0 | (£13,174) | £551,826 | £551,823.24 | £2.76 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £10,277.26 | |
| 2(1)(b) Electricity and Water | £4,000 | £0 | £0 | £4,000 | £3,556.07 | |
| 2(1)(c) Telephone Service | £15,000 | £0 | £0 | £15,000 | £16,309.62 | |
| 2(1)(d) Printing and Stationery | £15,000 | £0 | £0 | £15,000 | £16,720.22 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £26,000 | £0 | £0 | £26,000 | £19,841.64 | |
| Total Office Expenses | £70,000 | £0 | £0 | £70,000 | £66,704.81 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Housing Legal Expenses | £10,000 | £0 | £0 | £10,000 | £6,280.00 | |
| 2(2)(b) Computer Running Expenses | £25,000 | £0 | £0 | £25,000 | £25,028.25 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 25 :- HOUSING - ADMINISTRATION | | | | | | |
| 2(2)(c) Government Tenants - Rosia Dale Maintenance Charges | £5,000 | £0 | £0 | £5,000 | £2,550.00 | |
| 2(2)(d) Estates - Staircase Lighting | £180,000 | £0 | £0 | £180,000 | £173,610.33 | |
| 2(2)(e) Electrical Services - Gibraltar Electricity Authority | £542,000 | £0 | £43,509 | £585,509 | £635,630.81 | |
| 2(2)(f) Decanting Expenses | £16,000 | £0 | £0 | £16,000 | £23,337.38 | |
| 2(2)(g) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £1,826.17 | |
| 2(2)(h) Service Charges - Government Leaseholds | £58,000 | £0 | £0 | £58,000 | £73,910.05 | |
| 2(2)(i) Office Rent and Service Charges | £20,000 | £0 | £0 | £20,000 | £20,753.98 | |
| 2(2)(j) Postage Expenses | £40,000 | £0 | £0 | £40,000 | £27,953.96 | |
| 2(2)(k) Contracted Services: Security Services | £34,000 | £0 | £0 | £34,000 | £17,369.59 | |
| Total Operational Expenses | £931,000 | £0 | £43,509 | £974,509 | £1,008,250.52 | |
| 2(3) Contribution to the Housing Works Agency | £7,693,000 | £0 | £556,000 | £8,249,000 | £8,249,000.00 | |
| Total | £7,693,000 | £0 | £556,000 | £8,249,000 | £8,249,000.00 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £153,000 | £0 | £0 | £153,000 | £128,455.86 | |
| Total | £153,000 | £0 | £0 | £153,000 | £128,455.86 | |
| 2(5) Rates on Government Housing Stock | £1,300,000 | £0 | £0 | £1,300,000 | £1,274,236.01 | |
| Total | £1,300,000 | £0 | £0 | £1,300,000 | £1,274,236.01 | |
| 2(6) Relief Cover | £56,000 | £0 | £0 | £56,000 | £75,839.11 | |
| Total | £56,000 | £0 | £0 | £56,000 | £75,839.11 | |
| 2(7) Losses of Public Funds | £0 | £0 | £0 | £0 | £10.00 | |
| Total | £0 | £0 | £0 | £0 | £10.00 | |
| TOTAL OTHER CHARGES | £10,203,000 | £0 | £599,509 | £10,802,509 | £10,802,496.31 | £12.69 |

25 :- HOUSING - ADMINISTRATION

SUMMARY

| | | | | | | |
|---|--------------------|-----------|------------------|--------------------|-----------------------|---------------|
| Personal Emoluments | £541,000 | £0 | (£13,174) | £527,826 | £527,117.06 | £708.94 |
| Industrial Wages | £24,000 | £0 | £0 | £24,000 | £24,706.18 | (£706.18) |
| Total Payroll | £565,000 | £0 | (£13,174) | £551,826 | £551,823.24 | £2.76 |
| Other Charges | £10,203,000 | £0 | £599,509 | £10,802,509 | £10,802,496.31 | £12.69 |
| TOTAL HOUSING - ADMINISTRATION | £10,768,000 | £0 | £586,335 | £11,354,335 | £11,354,319.55 | £15.45 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 26 :- EQUALITY | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments | | | | | | |
| 1(1)(a) Salaries | £374,000 | £0 | £0 | £374,000 | £345,876.81 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £20,000 | £0 | £0 | £20,000 | £26,765.56 | |
| 1(1)(c) Allowances | £14,000 | £0 | £0 | £14,000 | £21,629.22 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £11,134.84 | |
| 1(1)(e) Pension Contributions | £8,000 | £0 | £0 | £8,000 | £6,872.78 | |
| Total Personal Emoluments | £416,000 | £0 | £0 | £416,000 | £412,279.21 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £416,000 | £0 | £0 | £416,000 | £412,279.21 | £3,720.79 |

OTHER CHARGES

Office Expenses

| | | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £10,179.94 | |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(c) Telephone Service | £11,000 | £0 | £0 | £11,000 | £11,248.57 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,110.03 | |
| Total Office Expenses | £24,000 | £0 | £0 | £24,000 | £23,538.54 | |
| 2(2) Grant to Women in Need | £230,000 | £0 | £0 | £230,000 | £279,200.00 | |
| Total | £230,000 | £0 | £0 | £230,000 | £279,200.00 | |
| 2(3) Marriage Counselling | £16,000 | £0 | £0 | £16,000 | £16,000.00 | |
| Total | £16,000 | £0 | £0 | £16,000 | £16,000.00 | |
| 2(4) Equality | £120,000 | £0 | £0 | £120,000 | £118,332.36 | |
| Total | £120,000 | £0 | £0 | £120,000 | £118,332.36 | |
| 2(5) Contribution to Gibraltar Development Corporation: Staff Services | £157,000 | £0 | £0 | £157,000 | £107,432.63 | |
| Total | £157,000 | £0 | £0 | £157,000 | £107,432.63 | |
| 2(6) Contribution to Citizens Advice Bureau | £220,000 | £0 | £0 | £220,000 | £250,542.75 | |
| Total | £220,000 | £0 | £0 | £220,000 | £250,542.75 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 2(7) Drug & Alcohol Awareness & Rehabilitation Services | £920,000 | £0 | £0 | £920,000 | £862,391.43 | |
| Total | £920,000 | £0 | £0 | £920,000 | £862,391.43 | |
| 2(8) Shop Mobility Contract | £48,000 | £0 | £0 | £48,000 | £48,000.00 | |
| Total | £48,000 | £0 | £0 | £48,000 | £48,000.00 | |
| 2(9) Relief Cover | £33,000 | £0 | £0 | £33,000 | £25,308.17 | |
| Total | £33,000 | £0 | £0 | £33,000 | £25,308.17 | |
| TOTAL OTHER CHARGES | £1,768,000 | £0 | £0 | £1,768,000 | £1,730,745.88 | £37,254.12 |

26 :- EQUALITY

SUMMARY

| | | | | | | |
|-----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £416,000 | £0 | £0 | £416,000 | £412,279.21 | £3,720.79 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £416,000 | £0 | £0 | £416,000 | £412,279.21 | £3,720.79 |
| Other Charges | £1,768,000 | £0 | £0 | £1,768,000 | £1,730,745.88 | £37,254.12 |
| TOTAL EQUALITY | £2,184,000 | £0 | £0 | £2,184,000 | £2,143,025.09 | £40,974.91 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
| 27 :- HEALTH | | | | | | |
| PAYROLL | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority

| | | | | | | |
|--|--------------|----|------------|--------------|----------------|--------|
| 2(1)(a) Contribution from Revenues Received | £56,660,000 | £0 | £3,908,700 | £60,568,700 | £60,568,685.30 | |
| 2(1)(b) Additional Contribution | £49,948,000 | £0 | £5,424,000 | £55,372,000 | £55,757,000.00 | |
| Total Contributions from the Consolidated Fund to the Gibraltar Health Authority | £106,608,000 | £0 | £9,332,700 | £115,940,700 | 116,325,685.30 | |
| 2(2) Hepatitis B Vaccination Programme | £36,000 | £0 | £0 | £36,000 | £26,400.00 | |
| Total | £36,000 | £0 | £0 | £36,000 | £26,400.00 | |
| <i>Grants</i> | | | | | | |
| 2(3)(a) Cancer Relief Centre | £125,000 | £0 | £0 | £125,000 | £99,596.52 | |
| 2(3)(b) Cancer Relief Centre Hospice | £350,000 | £0 | £0 | £350,000 | £0.00 | |
| 2(3)(c) Other Grants | £468,000 | £0 | £0 | £468,000 | £468,000.00 | |
| Total Grants | £943,000 | £0 | £0 | £943,000 | £567,596.52 | |
| TOTAL OTHER CHARGES | £107,587,000 | £0 | £9,332,700 | £116,919,700 | 116,919,681.82 | £18.18 |

27 :- HEALTH

SUMMARY

| | | | | | | |
|---------------------|--------------|----|------------|--------------|-----------------|--------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £107,587,000 | £0 | £9,332,700 | £116,919,700 | £116,919,681.82 | £18.18 |
| TOTAL HEALTH | £107,587,000 | £0 | £9,332,700 | £116,919,700 | £116,919,681.82 | £18.18 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

28 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

PAYROLL

Personal Emoluments

| | | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section

| | | | | | | |
|--|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| 2(1)(a) Contribution from Revenues Received | £1,901,000 | £0 | £0 | £1,901,000 | £1,660,745.88 | |
| 2(1)(b) Additional Contribution | £19,787,000 | £0 | £0 | £19,787,000 | £19,086,000.00 | |
| Total Contributions from the Consolidated Fund to the Gibraltar Health Authority - Elderly Residential Services Section | £21,688,000 | £0 | £0 | £21,688,000 | £20,746,745.88 | |
| TOTAL OTHER CHARGES | £21,688,000 | £0 | £0 | £21,688,000 | £20,746,745.88 | £941,254.12 |

28 :- GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

SUMMARY

| | | | | | | |
|--|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £21,688,000 | £0 | £0 | £21,688,000 | £20,746,745.88 | £941,254.12 |
| TOTAL GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION | £21,688,000 | £0 | £0 | £21,688,000 | £20,746,745.88 | £941,254.12 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 29 :- CARE AGENCY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contributions from the Consolidated Fund to the Care Agency

| | | | | | | |
|--|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| 2(1)(a) Contribution from Revenues Received | £9,000 | £0 | £0 | £9,000 | £9,221.51 | |
| 2(1)(b) Additional Contribution | £16,443,000 | £0 | £0 | £16,443,000 | £15,595,000.00 | |
| Total Contributions from the Consolidated Fund to the Care Agency | £16,452,000 | £0 | £0 | £16,452,000 | £15,604,221.51 | |
| TOTAL OTHER CHARGES | £16,452,000 | £0 | £0 | £16,452,000 | £15,604,221.51 | £847,778.49 |

29 :- CARE AGENCY

SUMMARY

| | | | | | | |
|--------------------------|--------------------|-----------|-----------|--------------------|-----------------------|--------------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £16,452,000 | £0 | £0 | £16,452,000 | £15,604,221.51 | £847,778.49 |
| TOTAL CARE AGENCY | £16,452,000 | £0 | £0 | £16,452,000 | £15,604,221.51 | £847,778.49 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 30 :- POLICING | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £11,760,000 | £0 | £36,815 | £11,796,815 | £11,796,810.32 | |
| 1(1)(b)(i) Overtime - Conditioned | £310,000 | £0 | £20,215 | £330,215 | £330,213.76 | |
| 1(1)(b)(ii) Overtime - Emergency | £20,000 | £0 | £66,525 | £86,525 | £86,521.52 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £350,000 | £0 | £0 | £350,000 | £357,521.23 | |
| 1(1)(b)(iv) Overtime - Discretionary | £550,000 | £0 | £2,805 | £552,805 | £576,706.47 | |
| 1(1)(c) Allowances | £610,000 | £0 | £0 | £610,000 | £615,101.52 | |
| 1(1)(d) Temporary Assistance | £4,000 | £0 | £0 | £4,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £500,000 | £0 | £0 | £500,000 | £494,038.95 | |
| Total Personal Emoluments | £14,104,000 | £0 | £126,360 | £14,230,360 | £14,256,913.77 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £128,000 | £0 | £0 | £128,000 | £111,721.22 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £20,000 | £0 | £0 | £20,000 | £12,691.86 | |
| 1(2)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £905.70 | |
| 1(2)(d) Pension Contributions | £11,000 | £0 | £0 | £11,000 | £8,113.58 | |
| Total Industrial Wages | £160,000 | £0 | £0 | £160,000 | £133,432.36 | |
| TOTAL PAYROLL | £14,264,000 | £0 | £126,360 | £14,390,360 | £14,390,346.13 | £13.87 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Police - Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £65,000 | £0 | £0 | £65,000 | £64,304.56 | |
| 2(1)(b) Electricity and Water | £62,000 | £0 | £0 | £62,000 | £66,151.78 | |
| 2(1)(c) Telephone Service | £130,000 | £0 | £0 | £130,000 | £118,339.93 | |
| 2(1)(d) Printing and Stationery | £20,000 | £0 | £0 | £20,000 | £18,823.98 | |
| 2(1)(e) Computer Running Expenses | £30,000 | £0 | £0 | £30,000 | £37,046.16 | |
| 2(1)(f) Office Rent and Service Charges | £7,000 | £0 | £0 | £7,000 | £7,152.00 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(g) Office Cleaning - Government Cleaning Scheme | £56,000 | £0 | £0 | £56,000 | £55,865.26 | |
| 2(1)(h) Security Services - RGP CCTV Maintenance | £17,000 | £0 | £28,255 | £45,255 | £54,026.92 | |
| 2(1)(i) Security Services - Public CCTV Maintenance | £10,000 | £0 | £0 | £10,000 | £3,540.27 | |
| Total Police - Office Expenses | £397,000 | £0 | £28,255 | £425,255 | £425,250.86 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

30 :- POLICING

Police - Operational Expenses

| | | | | | |
|---|----------|----|----------|----------|-------------|
| 2(2)(a) Transport Expenses | £75,000 | £0 | £0 | £75,000 | £57,716.32 |
| 2(2)(b)(i) Motor Boats and Launches: Maintenance | £150,000 | £0 | £0 | £150,000 | £149,579.86 |
| 2(2)(b)(ii) Motor Boats and Launches: Fuel and Lubricants | £80,000 | £0 | £0 | £80,000 | £95,564.75 |
| 2(2)(c) Investigation Expenses | £175,000 | £0 | £186,785 | £361,785 | £361,781.68 |
| 2(2)(d) Subsistence of Prisoners | £15,000 | £0 | £0 | £15,000 | £12,529.22 |
| 2(2)(e) Uniforms and Equipment | £175,000 | £0 | £22,670 | £197,670 | £204,476.38 |
| 2(2)(f) Repatriation Expenses | £1,000 | £0 | £0 | £1,000 | £500.74 |
| 2(2)(g) Dog Section Costs | £50,000 | £0 | £0 | £50,000 | £36,955.24 |

Contracted Services

| | | | | | |
|---|----------|----|----|----------|-------------|
| 2(2)(h) Professional Fees | £65,000 | £0 | £0 | £65,000 | £76,343.36 |
| 2(2)(i) Radio Communication System - Gibtelecom Ltd | £130,000 | £0 | £0 | £130,000 | £129,995.50 |

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|--|-----------------|-----------|-----------------|-------------------|----------------------|
| Total Police - Operational Expenses | £916,000 | £0 | £209,455 | £1,125,455 | £1,125,443.05 |
|--|-----------------|-----------|-----------------|-------------------|----------------------|

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|---------------------------------------|----------|----|----|----------|-------------|
| 2(3) Training Courses and Conferences | £175,000 | £0 | £0 | £175,000 | £183,442.10 |
|---------------------------------------|----------|----|----|----------|-------------|

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|--------------|-----------------|-----------|-----------|-----------------|--------------------|
| Total | £175,000 | £0 | £0 | £175,000 | £183,442.10 |
|--------------|-----------------|-----------|-----------|-----------------|--------------------|

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|----------------------------------|--------|----|----|--------|-----------|
| 2(4) Anti Drink Driving Campaign | £6,000 | £0 | £0 | £6,000 | £5,887.00 |
|----------------------------------|--------|----|----|--------|-----------|

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|--------------|---------------|-----------|-----------|---------------|------------------|
| Total | £6,000 | £0 | £0 | £6,000 | £5,887.00 |
|--------------|---------------|-----------|-----------|---------------|------------------|

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|---|--------|----|----|--------|-----------|
| 2(5) Destruction of Confiscated Tobacco | £1,000 | £0 | £0 | £1,000 | £1,000.00 |
|---|--------|----|----|--------|-----------|

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|--------------|---------------|-----------|-----------|---------------|------------------|
| Total | £1,000 | £0 | £0 | £1,000 | £1,000.00 |
|--------------|---------------|-----------|-----------|---------------|------------------|

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|------------------------|---------|----|----|---------|-------|
| 2(6) Finance Repayment | £15,000 | £0 | £0 | £15,000 | £0.00 |
|------------------------|---------|----|----|---------|-------|

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|--------------|----------------|-----------|-----------|----------------|--------------|
| Total | £15,000 | £0 | £0 | £15,000 | £0.00 |
|--------------|----------------|-----------|-----------|----------------|--------------|

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|-------------------|--------|----|---------|---------|------------|
| 2(7) Relief Cover | £1,000 | £0 | £35,550 | £36,550 | £43,036.22 |
|-------------------|--------|----|---------|---------|------------|

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|--------------|---------------|-----------|----------------|----------------|-------------------|
| Total | £1,000 | £0 | £35,550 | £36,550 | £43,036.22 |
|--------------|---------------|-----------|----------------|----------------|-------------------|

Gibraltar Police Authority

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|---|---------|----|----|---------|------------|
| 2(8)(a) Gibraltar Police Authority Expenses | £70,000 | £0 | £0 | £70,000 | £68,916.48 |
|---|---------|----|----|---------|------------|

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|---|----------------|-----------|-----------|----------------|-------------------|
| Total Gibraltar Police Authority | £70,000 | £0 | £0 | £70,000 | £68,916.48 |
|---|----------------|-----------|-----------|----------------|-------------------|

Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs

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|--------------------------|--------|----|----|--------|-----------|
| 2(9)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £1,907.54 |
|--------------------------|--------|----|----|--------|-----------|

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| 2(9)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £1,908.60 |
|-------------------------------|--------|----|----|--------|-----------|

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|---------------------------|--------|----|----|--------|-----------|
| 2(9)(c) Telephone Service | £6,000 | £0 | £0 | £6,000 | £4,836.62 |
|---------------------------|--------|----|----|--------|-----------|

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|---------------------------------|--------|----|----|--------|-----------|
| 2(9)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,153.01 |
|---------------------------------|--------|----|----|--------|-----------|

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|---|---------|----|----|---------|------------|
| 2(9)(e) Office Rent and Service Charges | £60,000 | £0 | £0 | £60,000 | £57,561.75 |
|---|---------|----|----|---------|------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 30 :- POLICING | | | | | | |
| 2(9)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £3,000 | £0 | £0 | £3,000 | £2,558.71 | |
| Operational Expenses | | | | | | |
| 2(9)(g) Computer and Office Equipment Expenses | £3,000 | £0 | £0 | £3,000 | £2,775.04 | |
| 2(9)(h) Investigation and Research | £7,000 | £0 | £0 | £7,000 | £7,432.19 | |
| 2(9)(i) Travelling Expenses | £18,000 | £0 | £0 | £18,000 | £18,868.74 | |
| 2(9)(j) Contribution to Egmont | £5,000 | £0 | £0 | £5,000 | £5,281.90 | |
| 2(9)(k) Security Vetting | £9,000 | £0 | £0 | £9,000 | £0.00 | |
| Total Gibraltar Co-Ordinating Centre for Criminal Intelligence and Drugs | £117,000 | £0 | £0 | £117,000 | £104,284.10 | |
| 2(10) Compensation and Legal Costs | £0 | £0 | £0 | £0 | £12,675.00 | |
| Total | £0 | £0 | £0 | £0 | £12,675.00 | |
| 2(11) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £1,300.00 | |
| Total | £0 | £0 | £0 | £0 | £1,300.00 | |
| TOTAL OTHER CHARGES | £1,698,000 | £0 | £273,260 | £1,971,260 | £1,971,234.81 | £25.19 |

30 :- POLICING

SUMMARY

| | | | | | | |
|-----------------------|--------------------|-----------|-----------------|--------------------|-----------------------|---------------|
| Personal Emoluments | £14,104,000 | £0 | £126,360 | £14,230,360 | £14,256,913.77 | (£26,553.77) |
| Industrial Wages | £160,000 | £0 | £0 | £160,000 | £133,432.36 | £26,567.64 |
| Total Payroll | £14,264,000 | £0 | £126,360 | £14,390,360 | £14,390,346.13 | £13.87 |
| Other Charges | £1,698,000 | £0 | £273,260 | £1,971,260 | £1,971,234.81 | £25.19 |
| TOTAL POLICING | £15,962,000 | £0 | £399,620 | £16,361,620 | £16,361,580.94 | £39.06 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 31 :- PRISON | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,848,000 | £0 | £7,195 | £1,855,195 | £1,881,294.56 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £145,000 | £0 | £0 | £145,000 | £143,402.20 | |
| 1(1)(b)(iv) Overtime - Discretionary | £2,000 | £0 | £0 | £2,000 | £1,222.14 | |
| 1(1)(c) Allowances | £368,000 | £0 | £0 | £368,000 | £363,302.21 | |
| 1(1)(d) Pension Contributions | £115,000 | £0 | £0 | £115,000 | £95,970.22 | |
| Total Personal Emoluments | £2,478,000 | £0 | £7,195 | £2,485,195 | £2,485,191.33 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £2,478,000 | £0 | £7,195 | £2,485,195 | £2,485,191.33 | £3.67 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £3,000 | £0 | £0 | £3,000 | £3,423.44 | |
| 2(1)(b) Electricity and Water | £53,000 | £0 | £0 | £53,000 | £44,167.95 | |
| 2(1)(c) Telephone Service | £13,000 | £0 | £0 | £13,000 | £11,670.68 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £3,061.46 | |
| Total Office Expenses | £72,000 | £0 | £0 | £72,000 | £62,323.53 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Equipment | £5,000 | £0 | £0 | £5,000 | £4,673.58 | |
| 2(2)(b) Domestic Equipment | £15,000 | £0 | £0 | £15,000 | £14,996.90 | |
| 2(2)(c) Facilities Repairs and Upgrading | £10,000 | £0 | £0 | £10,000 | £9,942.99 | |
| 2(2)(d) Uniforms | £14,000 | £0 | £0 | £14,000 | £13,716.82 | |
| 2(2)(e) Training Courses | £12,000 | £0 | £0 | £12,000 | £8,013.33 | |
| <i>Contracted Services</i> | | | | | | |
| 2(2)(f) Radio Communications - Gibtelecom Ltd | £15,000 | £0 | £0 | £15,000 | £11,811.00 | |
| 2(2)(g) Office Cleaning - Government Cleaning Scheme | £16,000 | £0 | £0 | £16,000 | £16,079.08 | |
| 2(2)(h) Maintenance Agreement | £8,000 | £0 | £0 | £8,000 | £5,700.00 | |
| Total Operational Expenses | £95,000 | £0 | £0 | £95,000 | £84,933.70 | |
| <i>Expenses on Prisoners</i> | | | | | | |
| 2(3)(a) Workshop and Rehabilitation of Prisoners | £27,000 | £0 | £0 | £27,000 | £26,907.20 | |
| 2(3)(b) Maintenance of Prisoners | £250,000 | £0 | (£7,195) | £242,805 | £203,839.35 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|------------------------------------|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 31 :- PRISON | | | | | | |
| 2(3)(c) Clothing for Prisoners | £5,000 | £0 | £0 | £5,000 | £8,800.54 | |
| 2(3)(d) Prisoners Wage Scheme | £35,000 | £0 | £0 | £35,000 | £25,373.00 | |
| Total Expenses on Prisoners | £317,000 | £0 | (£7,195) | £309,805 | £264,920.09 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £485,000 | £0 | (£7,195) | £477,805 | £412,177.32 | £65,627.68 |

31 :- PRISON

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|---------------|-------------------|----------------------|-------------------|
| Personal Emoluments | £2,478,000 | £0 | £7,195 | £2,485,195 | £2,485,191.33 | £3.67 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £2,478,000 | £0 | £7,195 | £2,485,195 | £2,485,191.33 | £3.67 |
| Other Charges | £485,000 | £0 | (£7,195) | £477,805 | £412,177.32 | £65,627.68 |
| TOTAL PRISON | £2,963,000 | £0 | £0 | £2,963,000 | £2,897,368.65 | £65,631.35 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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32 :- GIBRALTAR LAW COURTS

PAYROLL

Personal Emoluments

| | | | | | |
|--|-------------------|-----------|-----------|-------------------|----------------------|
| 1(1)(a) Salaries | £1,375,000 | £0 | £0 | £1,375,000 | £1,368,238.74 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £25,000 | £0 | £0 | £25,000 | £24,784.51 |
| 1(1)(c) Allowances | £40,000 | £0 | £0 | £40,000 | £28,723.48 |
| 1(1)(d) Temporary Assistance | £3,000 | £0 | £0 | £3,000 | £0.00 |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(f) Pension Contributions | £43,000 | £0 | £0 | £43,000 | £30,070.33 |
| Total Personal Emoluments | £1,486,000 | £0 | £0 | £1,486,000 | £1,451,817.06 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| TOTAL PAYROLL | £1,486,000 | £0 | £0 | £1,486,000 | £1,451,817.06 | £34,182.94 |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|

OTHER CHARGES

Office Expenses

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 2(1)(a) General Expenses | £25,000 | £0 | £0 | £25,000 | £17,364.71 |
| 2(1)(b) Electricity and Water | £40,000 | £0 | £0 | £40,000 | £35,281.74 |
| 2(1)(c) Telephone Service | £25,000 | £0 | £0 | £25,000 | £18,456.75 |
| 2(1)(d) Printing and Stationery | £10,000 | £0 | £0 | £10,000 | £9,507.78 |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £73,000 | £0 | £0 | £73,000 | £70,684.46 |
| Total Office Expenses | £173,000 | £0 | £0 | £173,000 | £151,295.44 |

Operational Expenses

| | | | | | |
|--|---------|----|----|---------|------------|
| 2(2)(a) Jurors and Witnesses Expenses | £20,000 | £0 | £0 | £20,000 | £25,113.44 |
| 2(2)(b) Law Books | £20,000 | £0 | £0 | £20,000 | £20,137.25 |
| 2(2)(c) Law Reports Production | £40,000 | £0 | £0 | £40,000 | £36,894.94 |
| 2(2)(d) Equipment Maintenance | £40,000 | £0 | £0 | £40,000 | £38,031.55 |
| 2(2)(e) Administrative Staff Training | £10,000 | £0 | £0 | £10,000 | £0.00 |
| 2(2)(f) Judicial Conferences and Training | £12,000 | £0 | £0 | £12,000 | £8,638.70 |
| 2(2)(g) Independent Experts Fees | £10,000 | £0 | £0 | £10,000 | £14,010.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 32 :- GIBRALTAR LAW COURTS | | | | | | |
| 2(2)(h) Commonwealth Magistrates' Association | £2,000 | £0 | £0 | £2,000 | £1,460.00 | |
| 2(2)(i) Court Interpretation and Translation | £15,000 | £0 | £0 | £15,000 | £14,571.57 | |
| 2(2)(j) Postage Expenses | £7,000 | £0 | £0 | £7,000 | £17,601.23 | |
| 2(2)(k) Contracted Services: Security Expenses | £72,000 | £0 | £0 | £72,000 | £73,810.82 | |
| Total Operational Expenses | £248,000 | £0 | £0 | £248,000 | £250,269.50 | |
| 2(3) Trial Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £11,013.16 | |
| Total | £1,000 | £0 | £0 | £1,000 | £11,013.16 | |
| TOTAL OTHER CHARGES | £423,000 | £0 | £0 | £423,000 | £412,578.10 | £10,421.90 |

32 :- GIBRALTAR LAW COURTS

SUMMARY

| | | | | | | |
|-----------------------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £1,486,000 | £0 | £0 | £1,486,000 | £1,451,817.06 | £34,182.94 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,486,000 | £0 | £0 | £1,486,000 | £1,451,817.06 | £34,182.94 |
| Other Charges | £423,000 | £0 | £0 | £423,000 | £412,578.10 | £10,421.90 |
| TOTAL GIBRALTAR LAW COURTS | £1,909,000 | £0 | £0 | £1,909,000 | £1,864,395.16 | £44,604.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 33 :- JUSTICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £360,000 | £0 | £0 | £360,000 | £343,757.83 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £30,000 | £0 | £0 | £30,000 | £32,827.95 | |
| 1(1)(c) Allowances | £4,000 | £0 | £0 | £4,000 | £8,795.43 | |
| 1(1)(d) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £7,000 | £0 | £0 | £7,000 | £0.00 | |
| Total Personal Emoluments - Ministry | £402,000 | £0 | £0 | £402,000 | £385,381.21 | |
| <i>Personal Emoluments - Probation</i> | | | | | | |
| 1(1)(f) Salaries | £164,000 | £0 | £0 | £164,000 | £150,636.67 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £7,000 | £0 | £0 | £7,000 | £325.62 | |
| 1(1)(h) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(i) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(j) Pension Contributions | £6,000 | £0 | £0 | £6,000 | £1,479.12 | |
| Total Personal Emoluments - Probation | £178,000 | £0 | £0 | £178,000 | £152,441.41 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £580,000 | £0 | £0 | £580,000 | £537,822.62 | £42,177.38 |

OTHER CHARGES

Ministry - Office Expenses

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £4,753.56 | |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(1)(c) Telephone Service | £18,000 | £0 | £0 | £18,000 | £10,523.98 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £1,092.24 | |
| 2(1)(e) Office Rent and Service Charges | £2,000 | £0 | £0 | £2,000 | £2,625.00 | |
| Total Ministry - Office Expenses | £35,000 | £0 | £0 | £35,000 | £18,994.78 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 33 :- JUSTICE | | | | | | |
| Ministry - Operational Expenses | | | | | | |
| 2(2)(a) Computer and Office Equipment | £5,000 | £0 | £0 | £5,000 | £1,638.99 | |
| 2(2)(b) Consultancy and Professional Fees | £1,000 | £0 | £0 | £1,000 | £20,000.00 | |
| Total Ministry - Operational Expenses | £6,000 | £0 | £0 | £6,000 | £21,638.99 | |
| 2(3) Conferences and Travel | £30,000 | £0 | £0 | £30,000 | £9,788.59 | |
| Total | £30,000 | £0 | £0 | £30,000 | £9,788.59 | |
| 2(4) Contract Officer | £58,000 | £0 | £0 | £58,000 | £86,241.95 | |
| Total | £58,000 | £0 | £0 | £58,000 | £86,241.95 | |
| Probation - Office Expenses | | | | | | |
| 2(5)(a) General Expenses | £3,000 | £0 | £0 | £3,000 | £256.89 | |
| 2(5)(b) Electricity and Water | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 2(5)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5)(e) Insurance - Employer's Liability - Lifetime Insurance | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Probation - Office Expenses | £8,000 | £0 | £0 | £8,000 | £256.89 | |
| Probation - Operational Expenses | | | | | | |
| 2(6)(a) Tools and Equipment | £3,000 | £0 | £0 | £3,000 | £0.00 | |
| 2(6)(b) Drug Testing Programme Equipment | £4,000 | £0 | £0 | £4,000 | £1,634.80 | |
| 2(6)(c) Conferences and Travel | £4,000 | £0 | £0 | £4,000 | £4,198.23 | |
| Total Probation - Operational Expenses | £11,000 | £0 | £0 | £11,000 | £5,833.03 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £5,268.93 | |
| Total | £1,000 | £0 | £0 | £1,000 | £5,268.93 | |
| TOTAL OTHER CHARGES | £149,000 | £0 | £0 | £149,000 | £148,023.16 | £976.84 |

33 :- JUSTICE

SUMMARY

| | | | | | | |
|----------------------|-----------------|-----------|-----------|-----------------|--------------------|-------------------|
| Personal Emoluments | £580,000 | £0 | £0 | £580,000 | £537,822.62 | £42,177.38 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £580,000 | £0 | £0 | £580,000 | £537,822.62 | £42,177.38 |
| Other Charges | £149,000 | £0 | £0 | £149,000 | £148,023.16 | £976.84 |
| TOTAL JUSTICE | £729,000 | £0 | £0 | £729,000 | £685,845.78 | £43,154.22 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 34 :- TOURISM | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments - Main Office | | | | | | |
| 1(1)(a) Salaries | £343,000 | £0 | £0 | £343,000 | £344,058.30 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £21,000 | £0 | £0 | £21,000 | £25,052.74 | |
| 1(1)(c) Allowances | £16,000 | £0 | £0 | £16,000 | £12,595.65 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £51,000 | £0 | £0 | £51,000 | £53,340.29 | |
| Total Personal Emoluments - Main Office | £431,000 | £0 | £0 | £431,000 | £435,046.98 | |
| Personal Emoluments - Terminals | | | | | | |
| 1(1)(f) Salaries | £69,000 | £0 | £0 | £69,000 | £51,875.24 | |
| 1(1)(g)(i) Overtime - Conditioned | £32,000 | £0 | £0 | £32,000 | £27,418.67 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(h) Allowances | £9,000 | £0 | £0 | £9,000 | £8,979.26 | |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(j) Pension Contributions | £12,000 | £0 | £0 | £12,000 | £8,818.74 | |
| Total Personal Emoluments - Terminals | £122,000 | £0 | £0 | £122,000 | £97,091.91 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £553,000 | £0 | £0 | £553,000 | £532,138.89 | £20,861.11 |
| OTHER CHARGES | | | | | | |
| Office Expenses | | | | | | |
| 2(1)(a) General Expenses | £13,000 | £0 | £0 | £13,000 | £12,305.60 | |
| 2(1)(b) Electricity and Water | £5,000 | £0 | £0 | £5,000 | £4,125.21 | |
| 2(1)(c) Telephone Service | £22,000 | £0 | £0 | £22,000 | £14,181.35 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,951.74 | |
| 2(1)(e) Office Rent and Service Charges | £5,000 | £0 | £0 | £5,000 | £5,400.00 | |
| Contracted Services | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £7,000 | £0 | £0 | £7,000 | £5,156.24 | |
| 2(1)(g) Upkeep of Plants | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Office Expenses | £56,000 | £0 | £0 | £56,000 | £44,120.14 | |
| Operational Expenses | | | | | | |
| 2(2)(a) Transport Expenses | £2,000 | £0 | £0 | £2,000 | £1,123.47 | |
| 2(2)(b) Repairs and Maintenance | £2,000 | £0 | £0 | £2,000 | £1,139.93 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 34 :- TOURISM | | | | | | |
| 2(2)(c) Uniforms | £7,000 | £0 | £0 | £7,000 | £6,185.61 | |
| 2(2)(d) Official Functions | £2,000 | £0 | £0 | £2,000 | £1,988.23 | |
| 2(2)(e) General Embellishment Works | £4,000 | £0 | £0 | £4,000 | £2,770.00 | |
| Total Operational Expenses | £17,000 | £0 | £0 | £17,000 | £13,207.24 | |
| Marketing, Promotions and Conferences | | | | | | |
| 2(3)(a) Gibraltar Tourist Board | £1,100,000 | £0 | £0 | £1,100,000 | £1,097,598.53 | |
| 2(3)(b) London Office | £46,000 | £0 | £0 | £46,000 | £49,538.24 | |
| 2(3)(c) Consultancy | £47,000 | £0 | £0 | £47,000 | £76,938.34 | |
| Total Marketing, Promotions and Conferences | £1,193,000 | £0 | £0 | £1,193,000 | £1,224,075.11 | |
| Gibraltar Tourist Board | | | | | | |
| 2(4)(a) Hotel Grading | £6,000 | £0 | £0 | £6,000 | £6,137.00 | |
| 2(4)(b) Contribution to Gibraltar Development Corporation: Staff Services | £359,000 | £0 | £0 | £359,000 | £255,814.05 | |
| Total Gibraltar Tourist Board | £365,000 | £0 | £0 | £365,000 | £261,951.05 | |
| 2(5) Contracted Services: Advertising Management Services | £105,000 | £0 | £0 | £105,000 | £116,807.50 | |
| Total | £105,000 | £0 | £0 | £105,000 | £116,807.50 | |
| 2(6) Hotel Assistance Scheme | £20,000 | £0 | £0 | £20,000 | £4,246.82 | |
| Total | £20,000 | £0 | £0 | £20,000 | £4,246.82 | |
| Terminals Expenses | | | | | | |
| 2(7)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £2,658.25 | |
| 2(7)(b) Electricity and Water | £10,000 | £0 | £0 | £10,000 | £9,534.07 | |
| 2(7)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £5,717.51 | |
| 2(7)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £1,422.72 | |
| 2(7)(e) Cleaning Materials | £6,000 | £0 | £0 | £6,000 | £6,024.36 | |
| 2(7)(f) Uniforms | £2,000 | £0 | £0 | £2,000 | £1,913.96 | |
| 2(7)(g) Cruise Liner Inaugural Visits | £3,000 | £0 | £0 | £3,000 | £980.00 | |
| 2(7)(h) X-Ray Machine Repairs and Maintenance | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 2(7)(i) Contribution to Gibraltar Development Corporation - Terminals - Staff Services | £161,000 | £0 | £0 | £161,000 | £176,059.33 | |
| Contracted Services | | | | | | |
| 2(7)(j) Office Cleaning - Government Cleaning Scheme | £40,000 | £0 | £0 | £40,000 | £39,368.20 | |
| 2(7)(k) Security Services | £115,000 | £0 | £0 | £115,000 | £98,492.00 | |
| 2(7)(l) Upkeep of Planted Areas | £4,000 | £0 | £0 | £4,000 | £2,364.00 | |
| 2(7)(m) CCTV Security Services | £2,000 | £0 | £0 | £2,000 | £1,041.00 | |
| Total Terminals Expenses | £357,000 | £0 | £0 | £357,000 | £345,575.40 | |
| 2(8) Contract Officers | £56,000 | £0 | £0 | £56,000 | £0.00 | |
| Total | £56,000 | £0 | £0 | £56,000 | £0.00 | |
| 2(9) WIFI Hotspots | £14,000 | £0 | £0 | £14,000 | £10,485.76 | |
| Total | £14,000 | £0 | £0 | £14,000 | £10,485.76 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 34 :- TOURISM | | | | | | |
| 2(10) Literary Festival | £350,000 | £0 | £0 | £350,000 | £288,695.86 | |
| Total | £350,000 | £0 | £0 | £350,000 | £288,695.86 | |
| 2(11) Relief Cover | £1,000 | £0 | £0 | £1,000 | £83,474.03 | |
| Total | £1,000 | £0 | £0 | £1,000 | £83,474.03 | |
| TOTAL OTHER CHARGES | £2,534,000 | £0 | £0 | £2,534,000 | £2,392,638.91 | £141,361.09 |

34 :- TOURISM

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £553,000 | £0 | £0 | £553,000 | £532,138.89 | £20,861.11 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £553,000 | £0 | £0 | £553,000 | £532,138.89 | £20,861.11 |
| Other Charges | £2,534,000 | £0 | £0 | £2,534,000 | £2,392,638.91 | £141,361.09 |
| TOTAL TOURISM | £3,087,000 | £0 | £0 | £3,087,000 | £2,924,777.80 | £162,222.20 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 35 :- EMPLOYMENT | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £652,000 | £0 | £135,365 | £787,365 | £798,038.28 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £38,000 | £0 | £0 | £38,000 | £31,814.84 | |
| 1(1)(c) Allowances | £19,000 | £0 | £0 | £19,000 | £19,364.92 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £80,000 | £0 | £0 | £80,000 | £75,143.75 | |
| Total Personal Emoluments | £789,000 | £0 | £135,365 | £924,365 | £924,361.79 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £789,000 | £0 | £135,365 | £924,365 | £924,361.79 | £3.21 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £6,428.17 | |
| 2(1)(b) Electricity and Water | £7,000 | £0 | £0 | £7,000 | £4,032.36 | |
| 2(1)(c) Telephone Service | £26,000 | £0 | £0 | £26,000 | £20,761.01 | |
| 2(1)(d) Printing and Stationery | £15,000 | £0 | £0 | £15,000 | £14,256.53 | |
| 2(1)(e) Office Rent and Service Charges | £19,000 | £0 | £0 | £19,000 | £18,077.85 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £18,000 | £0 | £0 | £18,000 | £16,224.00 | |
| 2(1)(g) Security and Messenger Services | £15,000 | £0 | £0 | £15,000 | £21,623.67 | |
| Total Office Expenses | £112,000 | £0 | £0 | £112,000 | £101,403.59 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Equipment | £45,000 | £0 | £0 | £45,000 | £38,151.47 | |
| 2(2)(b) Transport Expenses | £1,000 | £0 | £0 | £1,000 | £128.00 | |
| 2(2)(c) Protective Clothing | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(d) Postage Expenses | £6,000 | £0 | £0 | £6,000 | £2,156.86 | |
| Total Operational Expenses | £53,000 | £0 | £0 | £53,000 | £40,436.33 | |
| 2(3) Contribution to Gibraltar Development Corporation - Staff Services | £187,000 | £0 | £48,140 | £235,140 | £245,727.08 | |
| Total | £187,000 | £0 | £48,140 | £235,140 | £245,727.08 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---------------------------------|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 35 :- EMPLOYMENT | | | | | | |
| 2(4) Industrial Tribunal Reform | £30,000 | £0 | £0 | £30,000 | £13,182.19 | |
| Total | £30,000 | £0 | £0 | £30,000 | £13,182.19 | |
| 2(5) Relief Cover | £103,000 | £0 | £25,460 | £128,460 | £157,835.21 | |
| Total | £103,000 | £0 | £25,460 | £128,460 | £157,835.21 | |
| TOTAL OTHER CHARGES | £485,000 | £0 | £73,600 | £558,600 | £558,584.40 | £15.60 |

35 :- EMPLOYMENT

SUMMARY

| | | | | | | |
|-------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £789,000 | £0 | £135,365 | £924,365 | £924,361.79 | £3.21 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £789,000 | £0 | £135,365 | £924,365 | £924,361.79 | £3.21 |
| Other Charges | £485,000 | £0 | £73,600 | £558,600 | £558,584.40 | £15.60 |
| TOTAL EMPLOYMENT | £1,274,000 | £0 | £208,965 | £1,482,965 | £1,482,946.19 | £18.81 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 36 :- COMMERCIAL AVIATION | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments - Ministry</i> | | | | | | |
| 1(1)(a) Salaries | £349,000 | £0 | £8,740 | £357,740 | £360,074.08 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £10,435.36 | |
| 1(1)(c) Allowances | £12,000 | £0 | £20,925 | £32,925 | £32,923.65 | |
| 1(1)(d) Temporary Assistance | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 1(1)(e) Pension Contributions | £11,000 | £0 | £0 | £11,000 | £10,224.52 | |
| Total Personal Emoluments - Ministry | £384,000 | £0 | £29,665 | £413,665 | £413,657.61 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £384,000 | £0 | £29,665 | £413,665 | £413,657.61 | £7.39 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Ministry - Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £7,102.91 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,709.29 | |
| 2(1)(c) Telephone Service | £14,000 | £0 | £0 | £14,000 | £17,493.41 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £2,264.20 | |
| 2(1)(e) Office Rent and Service Charges | £204,000 | £0 | £0 | £204,000 | £198,570.42 | |
| 2(1)(f) Contracted Services: Office Cleaning - Government Cleaning Scheme | £11,000 | £0 | £0 | £11,000 | £9,367.67 | |
| Total Ministry - Office Expenses | £250,000 | £0 | £0 | £250,000 | £240,507.90 | |
| <i>Ministry - Operational Expenses</i> | | | | | | |
| 2(2)(a) Computer and Office Equipment | £5,000 | £0 | £0 | £5,000 | £1,962.96 | |
| 2(2)(b) Consultancy and Professional Fees | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(c) Uniforms and Protective Clothing | £1,000 | £0 | £0 | £1,000 | £279.24 | |
| Total Ministry - Operational Expenses | £7,000 | £0 | £0 | £7,000 | £2,242.20 | |
| 2(3) Conferences and Travel | £35,000 | £0 | £0 | £35,000 | £10,964.15 | |
| Total | £35,000 | £0 | £0 | £35,000 | £10,964.15 | |
| 2(4) Contract Officers | £195,000 | £0 | £0 | £195,000 | £185,225.88 | |
| Total | £195,000 | £0 | £0 | £195,000 | £185,225.88 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 36 :- COMMERCIAL AVIATION | | | | | | |
| <i>Tribunals</i> | | | | | | |
| 2(5)(a) Income Tax | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5)(b) Development Appeals | £1,000 | £0 | £0 | £1,000 | £225.00 | |
| 2(5)(c) Housing Tribunal | £1,000 | £0 | £0 | £1,000 | £17.80 | |
| Total Tribunals | £3,000 | £0 | £0 | £3,000 | £242.80 | |
| <i>Running of Airport</i> | | | | | | |
| 2(6)(a) Gibraltar Airport and Fire Rescue Service | £2,578,000 | £0 | (£29,665) | £2,548,335 | £2,464,883.54 | |
| 2(6)(b) Terminal Managment Ltd | £164,000 | £0 | £0 | £164,000 | £151,136.90 | |
| Total Running of Airport | £2,742,000 | £0 | (£29,665) | £2,712,335 | £2,616,020.44 | |
| 2(7) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £3,233,000 | £0 | (£29,665) | £3,203,335 | £3,055,203.37 | £148,131.63 |

36 :- COMMERCIAL AVIATION

SUMMARY

| | | | | | | |
|----------------------------------|-------------------|-----------|----------------|-------------------|----------------------|--------------------|
| Personal Emoluments | £384,000 | £0 | £29,665 | £413,665 | £413,657.61 | £7.39 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £384,000 | £0 | £29,665 | £413,665 | £413,657.61 | £7.39 |
| Other Charges | £3,233,000 | £0 | (£29,665) | £3,203,335 | £3,055,203.37 | £148,131.63 |
| TOTAL COMMERCIAL AVIATION | £3,617,000 | £0 | £0 | £3,617,000 | £3,468,860.98 | £148,139.02 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
| 37 :- PORT | | | | | | |
| PAYROLL | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |

OTHER CHARGES

Contribution from the Consolidated Fund to the Gibraltar Port Authority

| | | | | | | |
|---|------------|----|----|------------|---------------|-------------|
| 2(1)(a) Contribution from Revenues Received | £4,506,000 | £0 | £0 | £4,506,000 | £5,649,000.00 | |
| 2(1)(b) Additional Contribution | £1,463,000 | £0 | £0 | £1,463,000 | £0.00 | |
| Total Contribution from the Consolidated Fund to the Gibraltar Port Authority | £5,969,000 | £0 | £0 | £5,969,000 | £5,649,000.00 | |
| TOTAL OTHER CHARGES | £5,969,000 | £0 | £0 | £5,969,000 | £5,649,000.00 | £320,000.00 |

37 :- PORT

SUMMARY

| | | | | | | |
|---------------------|------------|----|----|------------|---------------|-------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £5,969,000 | £0 | £0 | £5,969,000 | £5,649,000.00 | £320,000.00 |
| TOTAL PORT | £5,969,000 | £0 | £0 | £5,969,000 | £5,649,000.00 | £320,000.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

38 :- MARITIME SERVICES

PAYROLL

Personal Emoluments

| | | | | | | |
|--|-------------------|-----------|----------------|-------------------|----------------------|--|
| 1(1)(a) Salaries | £807,000 | £0 | £37,140 | £844,140 | £844,135.20 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £150,000 | £0 | £27,690 | £177,690 | £177,683.73 | |
| 1(1)(c) Allowances | £9,000 | £0 | £5,565 | £14,565 | £15,563.90 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Gratuities | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f) Pension Contributions | £62,000 | £0 | £2,415 | £64,415 | £64,413.10 | |
| 1(1)(g) Contribution in Lieu of Gratuity | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments | £1,029,000 | £0 | £72,810 | £1,101,810 | £1,101,795.93 | |

Industrial Wages

| | | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|--|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |

| | | | | | | |
|----------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| TOTAL PAYROLL | £1,029,000 | £0 | £72,810 | £1,101,810 | £1,101,795.93 | £14.07 |
|----------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|

OTHER CHARGES

Office Expenses

| | | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|--|
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £2,797.77 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £2,106.37 | |
| 2(1)(c) Telephone Service | £21,000 | £0 | £0 | £21,000 | £16,412.58 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £5,446.10 | |
| 2(1)(e) Marine Surveyor's Insurance | £5,000 | £0 | £0 | £5,000 | £3,950.00 | |
| 2(1)(f) Rent and Service Charges | £14,000 | £0 | £0 | £14,000 | £13,273.96 | |
| 2(1)(g) Contracted Services: Office Cleaning - Government Cleaning Scheme | £5,000 | £0 | £0 | £5,000 | £4,992.00 | |
| Total Office Expenses | £58,000 | £0 | £0 | £58,000 | £48,978.78 | |

Operational Expenses

| | | | | | | |
|--|---------|----|----|---------|------------|--|
| 2(2)(a) Computer Running Expenses | £21,000 | £0 | £0 | £21,000 | £15,650.00 | |
| 2(2)(b) Marketing and Official Visits | £55,000 | £0 | £0 | £55,000 | £58,336.08 | |
| 2(2)(c) Red Ensign Conference | £5,000 | £0 | £0 | £5,000 | £5,667.00 | |
| 2(2)(d) Survey and Investigation Expenses | £25,000 | £0 | £0 | £25,000 | £25,935.50 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 38 :- MARITIME SERVICES | | | | | | |
| 2(2)(e) IMO Voluntary Audit Scheme | £5,000 | £0 | £0 | £5,000 | £4,850.00 | |
| Total Operational Expenses | £111,000 | £0 | £0 | £111,000 | £110,438.58 | |
| 2(3) Contribution to Gibraltar Development Corporation - Staff Services | £22,000 | £0 | £0 | £22,000 | £36,966.06 | |
| Total | £22,000 | £0 | £0 | £22,000 | £36,966.06 | |
| 2(4) Maritime Accident Investigation Expenses | £50,000 | £0 | (£2,390) | £47,610 | £43,221.14 | |
| Total | £50,000 | £0 | (£2,390) | £47,610 | £43,221.14 | |
| 2(5) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £242,000 | £0 | (£2,390) | £239,610 | £239,604.56 | £5.44 |

38 :- MARITIME SERVICES

SUMMARY

| | | | | | | |
|--------------------------------|-------------------|-----------|----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £1,029,000 | £0 | £72,810 | £1,101,810 | £1,101,795.93 | £14.07 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,029,000 | £0 | £72,810 | £1,101,810 | £1,101,795.93 | £14.07 |
| Other Charges | £242,000 | £0 | (£2,390) | £239,610 | £239,604.56 | £5.44 |
| TOTAL MARITIME SERVICES | £1,271,000 | £0 | £70,420 | £1,341,420 | £1,341,400.49 | £19.51 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 39 :- SOCIAL SECURITY | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £802,000 | £0 | £34,225 | £836,225 | £866,657.18 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £50,000 | £0 | £0 | £50,000 | £25,904.44 | |
| 1(1)(c) Allowances | £20,000 | £0 | £0 | £20,000 | £17,844.00 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £30,000 | £0 | £0 | £30,000 | £25,816.01 | |
| Total Personal Emoluments | £902,000 | £0 | £34,225 | £936,225 | £936,221.63 | |
| TOTAL PAYROLL | £902,000 | £0 | £34,225 | £936,225 | £936,221.63 | £3.37 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £10,000 | £0 | £0 | £10,000 | £8,592.48 | |
| 2(1)(b) Electricity and Water | £1,000 | £0 | £0 | £1,000 | £636.84 | |
| 2(1)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £9,517.87 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £5,695.70 | |
| 2(1)(e) Computer and Office Equipment | £11,000 | £0 | £0 | £11,000 | £10,622.97 | |
| <i>Contracted Services</i> | | | | | | |
| 2(1)(f) Office Cleaning - Government Cleaning Scheme | £20,000 | £0 | £0 | £20,000 | £19,180.80 | |
| 2(1)(g) Security Services | £25,000 | £0 | £0 | £25,000 | £24,380.88 | |
| Total Office Expenses | £83,000 | £0 | £0 | £83,000 | £78,627.54 | |
| 2(2) Postage Expenses | £4,000 | £0 | £0 | £4,000 | £1,282.44 | |
| Total | £4,000 | £0 | £0 | £4,000 | £1,282.44 | |
| <i>Support to the Disabled</i> | | | | | | |
| 2(3)(a) Disability Allowance | £1,110,000 | £0 | £0 | £1,110,000 | £1,229,615.93 | |
| 2(3)(b) Home Help | £34,000 | £0 | £0 | £34,000 | £34,000.00 | |
| 2(3)(c) Contingencies | £15,000 | £0 | £0 | £15,000 | £6,516.92 | |
| Total Support to the Disabled | £1,159,000 | £0 | £0 | £1,159,000 | £1,270,132.85 | |
| 2(4) Compensation to Victims of Crime | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(5) Relief Cover | £48,000 | £0 | £0 | £48,000 | £43,453.76 | |
| Total | £48,000 | £0 | £0 | £48,000 | £43,453.76 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 39 :- SOCIAL SECURITY | | | | | | |
| 2(6) Payment to Social Assistance Fund - Import Duty | £15,200,000 | £0 | (£34,225) | £15,165,775 | £7,900,000.00 | |
| Total | £15,200,000 | £0 | (£34,225) | £15,165,775 | £7,900,000.00 | |
| 2(7) Contribution to Statutory Benefits Fund | £7,000,000 | £0 | £0 | £7,000,000 | £7,000,000.00 | |
| Total | £7,000,000 | £0 | £0 | £7,000,000 | £7,000,000.00 | |
| 2(8) Losses of Public Funds | £0 | £0 | £0 | £0 | £25.00 | |
| Total | £0 | £0 | £0 | £0 | £25.00 | |
| TOTAL OTHER CHARGES | £23,495,000 | £0 | (£34,225) | £23,460,775 | £16,293,521.59 | £7,167,253.41 |

39 :- SOCIAL SECURITY

SUMMARY

| | | | | | | |
|------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|----------------------|
| Personal Emoluments | £902,000 | £0 | £34,225 | £936,225 | £936,221.63 | £3.37 |
| Total Payroll | £902,000 | £0 | £34,225 | £936,225 | £936,221.63 | £3.37 |
| Other Charges | £23,495,000 | £0 | (£34,225) | £23,460,775 | £16,293,521.59 | £7,167,253.41 |
| TOTAL SOCIAL SECURITY | £24,397,000 | £0 | £0 | £24,397,000 | £17,229,743.22 | £7,167,256.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 40 :- CIVIL CONTINGENCY | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments | | | | | | |
| 1(1)(a) Salaries | £97,000 | £0 | £2,325 | £99,325 | £100,031.48 | |
| 1(1)(b) Overtime | £1,000 | £0 | £0 | £1,000 | £1,181.06 | |
| 1(1)(c) Allowances | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(d) Pension Contributions | £14,000 | £0 | £0 | £14,000 | £14,107.87 | |
| Total Personal Emoluments | £113,000 | £0 | £2,325 | £115,325 | £115,320.41 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £113,000 | £0 | £2,325 | £115,325 | £115,320.41 | £4.59 |
| OTHER CHARGES | | | | | | |
| 2(1) Civil Contingency Planning | £36,000 | £0 | £0 | £36,000 | £29,664.22 | |
| Total | £36,000 | £0 | £0 | £36,000 | £29,664.22 | |
| 2(2) Contract Officers | £24,000 | £0 | £17,870 | £41,870 | £53,668.88 | |
| Total | £24,000 | £0 | £17,870 | £41,870 | £53,668.88 | |
| 2(3) Contribution to Gibraltar Development Corporation - Staff Services | £40,000 | £0 | £0 | £40,000 | £35,534.71 | |
| Total | £40,000 | £0 | £0 | £40,000 | £35,534.71 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £101,000 | £0 | £17,870 | £118,870 | £118,867.81 | £2.19 |

40 :- CIVIL CONTINGENCY

SUMMARY

| | | | | | | |
|--------------------------------|-----------------|-----------|----------------|-----------------|--------------------|--------------|
| Personal Emoluments | £113,000 | £0 | £2,325 | £115,325 | £115,320.41 | £4.59 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £113,000 | £0 | £2,325 | £115,325 | £115,320.41 | £4.59 |
| Other Charges | £101,000 | £0 | £17,870 | £118,870 | £118,867.81 | £2.19 |
| TOTAL CIVIL CONTINGENCY | £214,000 | £0 | £20,195 | £234,195 | £234,188.22 | £6.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 41 :- FIRE AND RESCUE SERVICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £3,000,000 | £0 | £0 | £3,000,000 | £3,027,476.08 | |
| 1(1)(b)(i) Overtime - Conditioned | £600,000 | £0 | £0 | £600,000 | £606,774.77 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £550,000 | £0 | £0 | £550,000 | £458,310.84 | |
| 1(1)(b)(iv) Overtime - Discretionary | £15,000 | £0 | £0 | £15,000 | £16,918.46 | |
| 1(1)(c) Allowances | £600,000 | £0 | £0 | £600,000 | £517,952.62 | |
| 1(1)(d) Pension Contributions | £60,000 | £0 | £0 | £60,000 | £84,110.47 | |
| Total Personal Emoluments | £4,825,000 | £0 | £0 | £4,825,000 | £4,711,543.24 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £52,000 | £0 | £0 | £52,000 | £52,675.10 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £7,935.31 | |
| 1(2)(c) Allowances | £4,000 | £0 | £0 | £4,000 | £2,724.70 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £4,477.43 | |
| Total Industrial Wages | £67,000 | £0 | £0 | £67,000 | £67,812.54 | |
| TOTAL PAYROLL | £4,892,000 | £0 | £0 | £4,892,000 | £4,779,355.78 | £112,644.22 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £15,000 | £0 | £0 | £15,000 | £15,753.00 | |
| 2(1)(b) Electricity and Water | £33,000 | £0 | £0 | £33,000 | £34,415.71 | |
| 2(1)(c) Telephone Service | £20,000 | £0 | £0 | £20,000 | £16,904.18 | |
| 2(1)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £6,664.88 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £32,000 | £0 | £0 | £32,000 | £30,823.20 | |
| Total Office Expenses | £105,000 | £0 | £0 | £105,000 | £104,560.97 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Maintenance of Fire and Rescue Equipment | £25,000 | £0 | £0 | £25,000 | £34,387.58 | |
| 2(2)(b) Fire Precautions | £9,000 | £0 | £0 | £9,000 | £9,014.87 | |
| 2(2)(c) Protective Clothing and Uniforms | £45,000 | £0 | £0 | £45,000 | £43,116.72 | |
| 2(2)(d) Civil Protection | £2,000 | £0 | £0 | £2,000 | £1,235.00 | |
| 2(2)(e) Training Courses | £105,000 | £0 | £0 | £105,000 | £105,600.65 | |
| 2(2)(f) Contracted Services: Radio Communication System - Gibtelecom Ltd | £33,000 | £0 | £0 | £33,000 | £31,096.00 | |
| Total Operational Expenses | £219,000 | £0 | £0 | £219,000 | £224,450.82 | |
| 2(3) Brigade Review | £5,000 | £0 | £0 | £5,000 | £0.00 | |
| Total | £5,000 | £0 | £0 | £5,000 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---------------------------------------|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 41 :- FIRE AND RESCUE SERVICE | | | | | | |
| 2(4) Fire Fighting Simulator Expenses | £1,000 | £0 | £0 | £1,000 | £126.20 | |
| Total | £1,000 | £0 | £0 | £1,000 | £126.20 | |
| 2(5) Mobile Command Unit | £7,000 | £0 | £0 | £7,000 | £6,333.34 | |
| Total | £7,000 | £0 | £0 | £7,000 | £6,333.34 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £264.03 | |
| Total | £1,000 | £0 | £0 | £1,000 | £264.03 | |
| TOTAL OTHER CHARGES | £338,000 | £0 | £0 | £338,000 | £335,735.36 | £2,264.64 |

41 :- FIRE AND RESCUE SERVICE

SUMMARY

| | | | | | | |
|--------------------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------------|
| Personal Emoluments | £4,825,000 | £0 | £0 | £4,825,000 | £4,711,543.24 | £113,456.76 |
| Industrial Wages | £67,000 | £0 | £0 | £67,000 | £67,812.54 | (£812.54) |
| Total Payroll | £4,892,000 | £0 | £0 | £4,892,000 | £4,779,355.78 | £112,644.22 |
| Other Charges | £338,000 | £0 | £0 | £338,000 | £335,735.36 | £2,264.64 |
| TOTAL FIRE AND RESCUE SERVICE | £5,230,000 | £0 | £0 | £5,230,000 | £5,115,091.14 | £114,908.86 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 42 :- CULTURE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £219,000 | £0 | £10,910 | £229,910 | £229,905.15 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £30,000 | £0 | £5,560 | £35,560 | £38,261.37 | |
| 1(1)(c) Allowances | £19,000 | £0 | £10,530 | £29,530 | £29,528.10 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £9,000 | £0 | £0 | £9,000 | £6,294.06 | |
| Total Personal Emoluments | £277,000 | £0 | £27,000 | £304,000 | £303,988.68 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £277,000 | £0 | £27,000 | £304,000 | £303,988.68 | £11.32 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £3,095.11 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,309.88 | |
| 2(1)(c) Telephone Service | £9,000 | £0 | £0 | £9,000 | £8,952.24 | |
| 2(1)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,101.26 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £21,000 | £0 | £0 | £21,000 | £18,643.00 | |
| Total Office Expenses | £41,000 | £0 | £0 | £41,000 | £37,101.49 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Motor Vehicle Expenses | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(2)(b) Repairs and Maintenance | £5,000 | £0 | £0 | £5,000 | £2,786.36 | |
| 2(2)(c) Computer and Office Equipment | £3,000 | £0 | £0 | £3,000 | £1,795.05 | |
| 2(2)(d) Contracted Services: Security | £20,000 | £0 | £0 | £20,000 | £19,150.08 | |
| Total Operational Expenses | £29,000 | £0 | £0 | £29,000 | £23,731.49 | |
| <i>Cultural Expenses and Activities</i> | | | | | | |
| 2(3)(a) Cultural Grants | £200,000 | £0 | £0 | £200,000 | £178,263.08 | |
| 2(3)(b) Mega Concert | £2,500,000 | £0 | £1,840,550 | £4,340,550 | £4,401,186.95 | |
| 2(3)(c) Jazz Festival | £120,000 | £0 | £0 | £120,000 | £107,615.84 | |
| 2(3)(d) Cavalcade | £30,000 | £0 | £0 | £30,000 | £32,734.23 | |
| 2(3)(e) Other Events | £110,000 | £0 | £0 | £110,000 | £104,393.71 | |
| 2(3)(f) Magic Festival | £25,000 | £0 | £0 | £25,000 | £23,656.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

42 :- CULTURE

| | | | | | | |
|---|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| 2(3)(g) Gibraltar International Song Festival | £80,000 | £0 | £0 | £80,000 | £78,689.88 | |
| 2(3)(h) Workers' Memorial and May Day Events | £21,000 | £0 | £0 | £21,000 | £0.00 | |
| Total Cultural Expenses and Activities | £3,086,000 | £0 | £1,840,550 | £4,926,550 | £4,926,539.69 | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £94,000 | £0 | £0 | £94,000 | £92,173.56 | |
| Total | £94,000 | £0 | £0 | £94,000 | £92,173.56 | |
| Contracted Services | | | | | | |
| 2(5)(a) Culture | £2,380,000 | £0 | £83,140 | £2,463,140 | £2,463,139.03 | |
| 2(5)(b) Gibraltar Academy of Music and Performing Arts | £110,000 | £0 | £0 | £110,000 | £110,000.00 | |
| Total Contracted Services | £2,490,000 | £0 | £83,140 | £2,573,140 | £2,573,139.03 | |
| 2(6) Mayoral Expenses | £30,000 | £0 | £0 | £30,000 | £22,341.30 | |
| Total | £30,000 | £0 | £0 | £30,000 | £22,341.30 | |
| 2(7) Purchase of Cultural Items | £1,000 | £0 | £0 | £1,000 | £8,505.69 | |
| Total | £1,000 | £0 | £0 | £1,000 | £8,505.69 | |
| 2(8) Relief Cover | £20,000 | £0 | £4,010 | £24,010 | £35,149.92 | |
| Total | £20,000 | £0 | £4,010 | £24,010 | £35,149.92 | |
| TOTAL OTHER CHARGES | £5,791,000 | £0 | £1,927,700 | £7,718,700 | £7,718,682.17 | £17.83 |

42 :- CULTURE

SUMMARY

| | | | | | | |
|----------------------|-------------------|-----------|-------------------|-------------------|----------------------|---------------|
| Personal Emoluments | £277,000 | £0 | £27,000 | £304,000 | £303,988.68 | £11.32 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £277,000 | £0 | £27,000 | £304,000 | £303,988.68 | £11.32 |
| Other Charges | £5,791,000 | £0 | £1,927,700 | £7,718,700 | £7,718,682.17 | £17.83 |
| TOTAL CULTURE | £6,068,000 | £0 | £1,954,700 | £8,022,700 | £8,022,670.85 | £29.15 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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43 :- BROADCASTING

PAYROLL

Personal Emoluments

| | | | | | | |
|------|----|----|----|----|-------|--|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 | |
|------|----|----|----|----|-------|--|

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|----------------------------------|-----------|-----------|-----------|-----------|--------------|--|
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|--|

Industrial Wages

| | | | | | | |
|------|----|----|----|----|-------|--|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
|------|----|----|----|----|-------|--|

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| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|--|

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|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|

OTHER CHARGES

| | | | | | | |
|---|------------|----|----|------------|---------------|--|
| 2(1) Contribution to Gibraltar Broadcasting Corporation | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | |
|---|------------|----|----|------------|---------------|--|

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|--------------|-------------------|-----------|-----------|-------------------|----------------------|--|
| Total | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | |
|--------------|-------------------|-----------|-----------|-------------------|----------------------|--|

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|----------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|
| TOTAL OTHER CHARGES | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | £0.00 |
|----------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|

43 :- BROADCASTING

SUMMARY

| | | | | | | |
|---------------------|----|----|----|----|-------|-------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|---------------------|----|----|----|----|-------|-------|

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|------------------|----|----|----|----|-------|-------|
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|------------------|----|----|----|----|-------|-------|

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| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|

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|---------------|------------|----|----|------------|---------------|-------|
| Other Charges | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | £0.00 |
|---------------|------------|----|----|------------|---------------|-------|

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|---------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|
| TOTAL BROADCASTING | £4,700,000 | £0 | £0 | £4,700,000 | £4,700,000.00 | £0.00 |
|---------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------|---------------------|-----------------------|-----------------------|
| 44 :- YOUTH | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £321,000 | £0 | £4,545 | £325,545 | £325,543.26 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 1(1)(c) Allowances | £2,000 | £0 | £0 | £2,000 | £1,872.24 | |
| 1(1)(d) Temporary Assistance | £69,000 | £0 | £4,875 | £73,875 | £74,942.86 | |
| 1(1)(e) Pension Contributions | £16,000 | £0 | £0 | £16,000 | £16,058.59 | |
| Total Personal Emoluments | £409,000 | £0 | £9,420 | £418,420 | £418,416.95 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £44,000 | £0 | £0 | £44,000 | £43,921.56 | |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | £945 | £1,945 | £2,020.84 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £2,240 | £3,240 | £3,235.01 | |
| Total Industrial Wages | £46,000 | £0 | £3,185 | £49,185 | £49,177.41 | |
| TOTAL PAYROLL | £455,000 | £0 | £12,605 | £467,605 | £467,594.36 | £10.64 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £11,000 | £0 | £1,035 | £12,035 | £12,032.31 | |
| 2(1)(b) Electricity and Water | £10,000 | £0 | £1,765 | £11,765 | £11,760.84 | |
| 2(1)(c) Telephone Service | £4,000 | £0 | £2,720 | £6,720 | £6,725.46 | |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £2,993.99 | |
| Total Office Expenses | £28,000 | £0 | £5,520 | £33,520 | £33,512.60 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Youth Activities | £45,000 | £0 | £0 | £45,000 | £44,969.33 | |
| 2(2)(b) Youth Grants | £35,000 | £0 | £0 | £35,000 | £34,999.98 | |
| 2(2)(c) Repairs and Maintenance | £1,000 | £0 | £0 | £1,000 | £937.50 | |
| 2(2)(d) Contracted Services: Office Cleaning - Government Cleaning Scheme | £4,000 | £0 | £675 | £4,675 | £5,764.60 | |
| Total Operational Expenses | £85,000 | £0 | £675 | £85,675 | £86,671.41 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|----------------------------|---------------------------------|--------------------|---------------|---------------------|-----------------------|-----------------------|
| 44 :- YOUTH | | | | | | |
| 2(3) Training | £8,000 | £0 | £0 | £8,000 | £7,999.62 | |
| Total | £8,000 | £0 | £0 | £8,000 | £7,999.62 | |
| 2(4) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £122,000 | £0 | £6,195 | £128,195 | £128,183.63 | £11.37 |

44 :- YOUTH

SUMMARY

| | | | | | | |
|----------------------|-----------------|-----------|----------------|-----------------|--------------------|---------------|
| Personal Emoluments | £409,000 | £0 | £9,420 | £418,420 | £418,416.95 | £3.05 |
| Industrial Wages | £46,000 | £0 | £3,185 | £49,185 | £49,177.41 | £7.59 |
| Total Payroll | £455,000 | £0 | £12,605 | £467,605 | £467,594.36 | £10.64 |
| Other Charges | £122,000 | £0 | £6,195 | £128,195 | £128,183.63 | £11.37 |
| TOTAL YOUTH | £577,000 | £0 | £18,800 | £595,800 | £595,777.99 | £22.01 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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45 :- SPORT AND LEISURE

PAYROLL

Personal Emoluments

| | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 |

Industrial Wages

| | | | | | |
|--|----------------|-----------|-----------------|----------------|-------------------|
| 1(2)(a) Basic Wages | £21,000 | £0 | (£915) | £20,085 | £20,084.92 |
| 1(2)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(2)(b)(iv) Overtime - Discretionary | £1,000 | £0 | (£1,000) | £0 | £0.00 |
| 1(2)(c) Allowances | £1,000 | £0 | (£702) | £298 | £297.25 |
| 1(2)(d) Pension Contributions | £1,000 | £0 | (£1,000) | £0 | £0.00 |
| Total Industrial Wages | £24,000 | £0 | (£3,617) | £20,383 | £20,382.17 |

| | | | | | | |
|----------------------|----------------|-----------|-----------------|----------------|-------------------|--------------|
| TOTAL PAYROLL | £24,000 | £0 | (£3,617) | £20,383 | £20,382.17 | £0.83 |
|----------------------|----------------|-----------|-----------------|----------------|-------------------|--------------|

OTHER CHARGES

Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority

| | | | | | |
|---|-------------------|-----------|-----------------|-------------------|----------------------|
| 2(1)(a) Contribution from Revenues Received | £100,000 | £0 | £48,875 | £148,875 | £148,871.91 |
| 2(1)(b) Additional Contribution | £5,267,000 | £0 | £558,007 | £5,825,007 | £5,825,000.00 |
| Total Contributions from the Consolidated Fund to the Gibraltar Sports & Leisure Authority | £5,367,000 | £0 | £606,882 | £5,973,882 | £5,973,871.91 |

| | | | | | | |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| TOTAL OTHER CHARGES | £5,367,000 | £0 | £606,882 | £5,973,882 | £5,973,871.91 | £10.09 |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|

45 :- SPORT AND LEISURE

SUMMARY

| | | | | | | |
|------------------------------------|-------------------|-----------|-----------------|-------------------|----------------------|---------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £24,000 | £0 | (£3,617) | £20,383 | £20,382.17 | £0.83 |
| Total Payroll | £24,000 | £0 | (£3,617) | £20,383 | £20,382.17 | £0.83 |
| Other Charges | £5,367,000 | £0 | £606,882 | £5,973,882 | £5,973,871.91 | £10.09 |
| TOTAL SPORT AND LEISURE | £5,391,000 | £0 | £603,265 | £5,994,265 | £5,994,254.08 | £10.92 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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46 :- FINANCIAL SERVICES

PAYROLL

Personal Emoluments - Finance Centre

| | | | | | | |
|---|-----------------|-----------|---------------|-----------------|--------------------|--|
| 1(1)(a) Salaries | £131,000 | £0 | £0 | £131,000 | £133,959.57 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £5,000 | £0 | £0 | £5,000 | £2,287.70 | |
| 1(1)(c) Allowances | £4,000 | £0 | £0 | £4,000 | £1,053.61 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £5,000 | £0 | £5,260 | £10,260 | £17,144.40 | |
| Total Personal Emoluments - Finance Centre | £145,000 | £0 | £5,260 | £150,260 | £154,445.28 | |

Personal Emoluments - Central Register HMGoG

| | | | | | | |
|---|----------------|-----------|-----------|----------------|-------------------|--|
| 1(1)(f) Salaries | £40,000 | £0 | £0 | £40,000 | £40,127.64 | |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(g)(iv) Overtime - Discretionary | £1,000 | £0 | £0 | £1,000 | £682.24 | |
| 1(1)(h) Allowances | £3,000 | £0 | £0 | £3,000 | £0.00 | |
| 1(1)(i) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(j) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Central Register HMGoG | £45,000 | £0 | £0 | £45,000 | £40,809.88 | |

Industrial Wages

| | | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|--|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |

| | | | | | | |
|----------------------|-----------------|-----------|---------------|-----------------|--------------------|--------------|
| TOTAL PAYROLL | £190,000 | £0 | £5,260 | £195,260 | £195,255.16 | £4.84 |
|----------------------|-----------------|-----------|---------------|-----------------|--------------------|--------------|

OTHER CHARGES

Finance Centre - Office Expenses

| | | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|--|
| 2(1)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £6,547.55 | |
| 2(1)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £2,580.70 | |
| 2(1)(c) Telephone Service | £13,000 | £0 | £0 | £13,000 | £11,044.12 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £1,720.37 | |
| 2(1)(e) Office Rent and Service Charges | £116,000 | £0 | £0 | £116,000 | £113,286.42 | |
| 2(1)(f) Contracted Services: Office Cleaning | £12,000 | £0 | £0 | £12,000 | £10,348.14 | |
| Total Finance Centre - Office Expenses | £162,000 | £0 | £0 | £162,000 | £145,527.30 | |

Operational Expenses

| | | | | | | |
|--|----------------|-----------|-----------|----------------|--------------|--|
| 2(2)(a) Consultancy and Professional Fees | £55,000 | £0 | £0 | £55,000 | £0.00 | |
| Total Operational Expenses | £55,000 | £0 | £0 | £55,000 | £0.00 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
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46 :- FINANCIAL SERVICES

| | | | | | | |
|--|-------------------|-----------|-----------------|-------------------|----------------------|--|
| 2(3) Consultancy Services | £125,000 | £0 | £0 | £125,000 | £125,000.04 | |
| Total | £125,000 | £0 | £0 | £125,000 | £125,000.04 | |
| 2(4) Marketing, Promotions and Conferences | £450,000 | £0 | (£5,260) | £444,740 | £317,501.02 | |
| Total | £450,000 | £0 | (£5,260) | £444,740 | £317,501.02 | |
| 2(5) Company Registration - Companies House (Gib) Ltd - Contracted Service | £1,496,000 | £0 | £0 | £1,496,000 | £1,501,554.25 | |
| Total | £1,496,000 | £0 | £0 | £1,496,000 | £1,501,554.25 | |
| 2(6) Contribution to Gibraltar Development Corporation - Staff Services | £272,000 | £0 | £0 | £272,000 | £271,639.75 | |
| Total | £272,000 | £0 | £0 | £272,000 | £271,639.75 | |
| 2(7) Contract Officers - Finance Centre | £416,000 | £0 | £0 | £416,000 | £424,343.14 | |
| Total | £416,000 | £0 | £0 | £416,000 | £424,343.14 | |
| 2(8) Subvention to the Financial Services Commission | £900,000 | £0 | £0 | £900,000 | £900,000.00 | |
| Total | £900,000 | £0 | £0 | £900,000 | £900,000.00 | |

Central Register HMGoG - Office Expenses

| | | | | | | |
|---|---------------|-----------|-----------|---------------|------------------|--|
| 2(9)(a) General Expenses | £3,000 | £0 | £0 | £3,000 | £1,117.75 | |
| 2(9)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £0.00 | |
| 2(9)(c) Telephone Service | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Central Register HMGoG - Office Expenses | £6,000 | £0 | £0 | £6,000 | £1,117.75 | |

| | | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|--|
| 2(10) OECD and MONEYVAL - Membership Fees and Expenses | £60,000 | £0 | £0 | £60,000 | £49,738.13 | |
| Total | £60,000 | £0 | £0 | £60,000 | £49,738.13 | |

| | | | | | | |
|--------------------|---------------|-----------|-----------|---------------|--------------|--|
| 2(11) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |

| | | | | | | |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|--------------------|
| TOTAL OTHER CHARGES | £3,943,000 | £0 | (£5,260) | £3,937,740 | £3,736,421.38 | £201,318.62 |
|----------------------------|-------------------|-----------|-----------------|-------------------|----------------------|--------------------|

46 :- FINANCIAL SERVICES

SUMMARY

| | | | | | | |
|-------------------------------------|-------------------|-----------|---------------|-------------------|----------------------|--------------------|
| Personal Emoluments | £190,000 | £0 | £5,260 | £195,260 | £195,255.16 | £4.84 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £190,000 | £0 | £5,260 | £195,260 | £195,255.16 | £4.84 |
| Other Charges | £3,943,000 | £0 | (£5,260) | £3,937,740 | £3,736,421.38 | £201,318.62 |
| TOTAL FINANCIAL SERVICES | £4,133,000 | £0 | £0 | £4,133,000 | £3,931,676.54 | £201,323.46 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 47 :- GAMBLING DIVISION | | | | | | |
| PAYROLL | | | | | | |
| Personal Emoluments - Gambling Division | | | | | | |
| 1(1)(a) Salaries | £122,000 | £0 | £29,835 | £151,835 | £155,507.82 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £8,000 | £0 | £0 | £8,000 | £5,615.16 | |
| 1(1)(c) Allowances | £3,000 | £0 | £0 | £3,000 | £3,623.08 | |
| 1(1)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Personal Emoluments - Gambling Division | £134,000 | £0 | £29,835 | £163,835 | £164,746.06 | |
| Personal Emoluments - Liaison Department | | | | | | |
| 1(1)(e) Salaries | £34,000 | £0 | £0 | £34,000 | £34,193.77 | |
| 1(1)(f)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(f)(iv) Discretionary | £1,000 | £0 | £0 | £1,000 | £120.83 | |
| 1(1)(g) Allowances | £2,000 | £0 | £0 | £2,000 | £1,957.76 | |
| 1(1)(h) Pension Contributions | £6,000 | £0 | £0 | £6,000 | £5,812.92 | |
| Total Personal Emoluments - Liaison Department | £43,000 | £0 | £0 | £43,000 | £42,085.28 | |
| Industrial Wages | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £177,000 | £0 | £29,835 | £206,835 | £206,831.34 | £3.66 |
| OTHER CHARGES | | | | | | |
| Office Expenses | | | | | | |
| 2(1)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £2,548.64 | |
| 2(1)(b) Electricity and Water | £2,000 | £0 | £0 | £2,000 | £1,352.06 | |
| 2(1)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £4,735.18 | |
| 2(1)(d) Printing and Stationery | £2,000 | £0 | £0 | £2,000 | £918.02 | |
| 2(1)(e) Office Rent and Service Charges | £56,000 | £0 | £0 | £56,000 | £56,834.61 | |
| 2(1)(f) Contracted Services: Office Cleaning | £4,000 | £0 | £0 | £4,000 | £4,117.20 | |
| Total Office Expenses | £71,000 | £0 | £0 | £71,000 | £70,505.71 | |
| Operational Expenses | | | | | | |
| 2(2)(a) Conferences, Training and Official Travel | £35,000 | £0 | £0 | £35,000 | £25,638.57 | |
| 2(2)(b) Professional Fees | £55,000 | £0 | (£20,815) | £34,185 | £13,357.23 | |
| 2(2)(c) Computer and Office Equipment Expenses | £1,000 | £0 | £0 | £1,000 | £10.00 | |
| Total Operational Expenses | £91,000 | £0 | (£20,815) | £70,185 | £39,005.80 | |
| 2(3) Business Development | £10,000 | £0 | £0 | £10,000 | £5,921.74 | |
| Total | £10,000 | £0 | £0 | £10,000 | £5,921.74 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 47 :- GAMBLING DIVISION | | | | | | |
| 2(4) Contribution to Gibraltar Development Corporation - Staff Services | £450,000 | £0 | £0 | £450,000 | £491,227.74 | |
| Total | £450,000 | £0 | £0 | £450,000 | £491,227.74 | |
| Gaming Industry Liaison | | | | | | |
| 2(5)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £859.55 | |
| 2(5)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 | |
| 2(5)(c) Telephone Service | £2,000 | £0 | £0 | £2,000 | £1,126.37 | |
| 2(5)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £531.00 | |
| Total Gaming Industry Liaison | £7,000 | £0 | £0 | £7,000 | £2,516.92 | |
| 2(6) Relief Cover | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| TOTAL OTHER CHARGES | £630,000 | £0 | (£20,815) | £609,185 | £609,177.91 | £7.09 |

47 :- GAMBLING DIVISION

SUMMARY

| | | | | | | |
|--------------------------------|-----------------|-----------|----------------|-----------------|--------------------|---------------|
| Personal Emoluments | £177,000 | £0 | £29,835 | £206,835 | £206,831.34 | £3.66 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £177,000 | £0 | £29,835 | £206,835 | £206,831.34 | £3.66 |
| Other Charges | £630,000 | £0 | (£20,815) | £609,185 | £609,177.91 | £7.09 |
| TOTAL GAMBLING DIVISION | £807,000 | £0 | £9,020 | £816,020 | £816,009.25 | £10.75 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

48 :- COMMERCE

PAYROLL

Personal Emoluments - Ministry

| | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|
| 1(1)(a) Salaries | £81,000 | £0 | £0 | £81,000 | £30,059.32 |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(b)(iv) Overtime - Discretionary | £3,000 | £0 | £0 | £3,000 | £4,145.64 |
| 1(1)(c) Allowances | £5,000 | £0 | £0 | £5,000 | £2,792.79 |
| 1(1)(d) Temporary Assistance | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 1(1)(e) Pension Contributions | £4,000 | £0 | £0 | £4,000 | £0.00 |
| Total Personal Emoluments - Ministry | £94,000 | £0 | £0 | £94,000 | £36,997.75 |

Personal Emoluments - Office of Fair Trading

| | | | | | |
|---|-----------------|-----------|-----------|-----------------|--------------------|
| 1(1)(f) Salaries | £222,000 | £0 | £0 | £222,000 | £232,209.96 |
| 1(1)(g)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(g)(iv) Overtime - Discretionary | £6,000 | £0 | £0 | £6,000 | £817.20 |
| 1(1)(h) Allowances | £2,000 | £0 | £0 | £2,000 | £4,019.40 |
| 1(1)(i) Pension Contributions | £8,000 | £0 | £0 | £8,000 | £7,142.88 |
| Total Personal Emoluments - Office of Fair Trading | £238,000 | £0 | £0 | £238,000 | £244,189.44 |

Personal Emoluments - Information Technology and Logistics Department

| | | | | | |
|--|-------------------|-----------|----------------|-------------------|----------------------|
| 1(1)(j) Salaries | £1,149,000 | £0 | £41,185 | £1,190,185 | £1,195,853.01 |
| 1(1)(k)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(k)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(k)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 |
| 1(1)(k)(iv) Overtime - Discretionary | £60,000 | £0 | £0 | £60,000 | £83,909.55 |
| 1(1)(l) Allowances | £25,000 | £0 | £0 | £25,000 | £29,787.58 |
| 1(1)(m) Pension Contributions | £65,000 | £0 | £0 | £65,000 | £81,440.36 |
| Total Personal Emoluments - Information Technology and Logistics Department | £1,299,000 | £0 | £41,185 | £1,340,185 | £1,390,990.50 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-------------------|-----------|----------------|-------------------|----------------------|--------------|
| TOTAL PAYROLL | £1,631,000 | £0 | £41,185 | £1,672,185 | £1,672,177.69 | £7.31 |
|----------------------|-------------------|-----------|----------------|-------------------|----------------------|--------------|

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

48 :- COMMERCE

OTHER CHARGES

Ministry - Office Expenses

| | | | | | |
|--|----------------|-----------|-----------|----------------|-------------------|
| 2(1)(a) General Expenses | £4,000 | £0 | £0 | £4,000 | £5,362.03 |
| 2(1)(b) Electricity and Water | £0 | £0 | £0 | £0 | £0.00 |
| 2(1)(c) Telephone Service | £8,000 | £0 | £0 | £8,000 | £8,813.75 |
| 2(1)(d) Printing and Stationery | £3,000 | £0 | £0 | £3,000 | £1,353.85 |
| 2(1)(e) Office Rent, Parking Space & Service Charges | £0 | £0 | £0 | £0 | £0.00 |
| 2(1)(f) Computer and Office Equipment | £2,000 | £0 | £0 | £2,000 | £4,587.44 |
| Total Ministry - Office Expenses | £17,000 | £0 | £0 | £17,000 | £20,117.07 |
| 2(2) Consultancy, Professional Fees and Legal Panel | £20,000 | £0 | £0 | £20,000 | £11,633.00 |
| Total | £20,000 | £0 | £0 | £20,000 | £11,633.00 |
| 2(3) Marketing, Promotions and Conferences | £20,000 | £0 | £0 | £20,000 | £84,214.49 |
| Total | £20,000 | £0 | £0 | £20,000 | £84,214.49 |
| 2(4) Business Support Office | £20,000 | £0 | £0 | £20,000 | £1,500.00 |
| Total | £20,000 | £0 | £0 | £20,000 | £1,500.00 |
| 2(5) Gibraltar Business Nurturing Scheme | £20,000 | £0 | £0 | £20,000 | £4,547.19 |
| Total | £20,000 | £0 | £0 | £20,000 | £4,547.19 |

Office of Fair Trading - Office Expenses

| | | | | | |
|--|-----------------|-----------|-----------|-----------------|--------------------|
| 2(6)(a) General Expenses | £12,000 | £0 | £0 | £12,000 | £4,182.38 |
| 2(6)(b) Electricity and Water | £3,000 | £0 | £0 | £3,000 | £1,713.46 |
| 2(6)(c) Telephone Service | £9,000 | £0 | £0 | £9,000 | £5,877.42 |
| 2(6)(d) Printing and Stationery | £5,000 | £0 | £0 | £5,000 | £5,344.70 |
| 2(6)(e) Office Rent, Parking Space & Service Charges | £60,000 | £0 | £0 | £60,000 | £55,363.26 |
| 2(6)(f) Training and Moneyval | £15,000 | £0 | £0 | £15,000 | £3,294.02 |
| 2(6)(g) Product Testing | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 2(6)(h) Inspections | £1,000 | £0 | £0 | £1,000 | £0.00 |
| 2(6)(i) Contribution to Gibraltar Development Corporation - Staff Services | £173,000 | £0 | £0 | £173,000 | £182,793.56 |
| 2(6)(j) Contracted Services: Office Cleaning - Government Cleaning Scheme | £9,000 | £0 | £0 | £9,000 | £8,600.68 |
| Total Office of Fair Trading - Office Expenses | £288,000 | £0 | £0 | £288,000 | £267,169.48 |

Information Technology and Logistics Department - Office Expenses

| | | | | | |
|-------------------------------|---------|----|----|---------|------------|
| 2(7)(a) General Expenses | £2,000 | £0 | £0 | £2,000 | £2,818.81 |
| 2(7)(b) Electricity and Water | £16,000 | £0 | £0 | £16,000 | £15,216.53 |
| 2(7)(c) Telephone Service | £10,000 | £0 | £0 | £10,000 | £13,492.81 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|------------------|---------------------|-----------------------|-----------------------|
| 48 :- COMMERCE | | | | | | |
| 2(7)(d) Printing and Stationery | £1,000 | £0 | £0 | £1,000 | £1,022.39 | |
| 2(7)(e) Computer Expenses | £7,000 | £0 | £0 | £7,000 | £6,895.95 | |
| 2(7)(f) Maintenance Agreements and Licences | £1,700,000 | £0 | £0 | £1,700,000 | £1,802,794.35 | |
| Contracted Services | | | | | | |
| 2(7)(g) Electronic Data Communication - Gibtelecom | £700,000 | £0 | (£41,185) | £658,815 | £302,839.17 | |
| 2(7)(h) Office Cleaning - Government Cleaning Scheme | £10,000 | £0 | £0 | £10,000 | £9,984.00 | |
| Total Information Technology and Logistics Department - Office Expenses | £2,446,000 | £0 | (£41,185) | £2,404,815 | £2,155,064.01 | |
| 2(8) Uniforms and Protective Clothing | £4,000 | £0 | £0 | £4,000 | £3,798.39 | |
| Total | £4,000 | £0 | £0 | £4,000 | £3,798.39 | |
| 2(9) Conferences and Travel | £16,000 | £0 | £0 | £16,000 | £2,806.01 | |
| Total | £16,000 | £0 | £0 | £16,000 | £2,806.01 | |
| 2(10) Relief Cover | £18,000 | £0 | £0 | £18,000 | £14,434.43 | |
| Total | £18,000 | £0 | £0 | £18,000 | £14,434.43 | |
| TOTAL OTHER CHARGES | £2,869,000 | £0 | (£41,185) | £2,827,815 | £2,565,284.07 | £262,530.93 |

48 :- COMMERCE

SUMMARY

| | | | | | | |
|-----------------------|-------------------|-----------|----------------|-------------------|----------------------|--------------------|
| Personal Emoluments | £1,631,000 | £0 | £41,185 | £1,672,185 | £1,672,177.69 | £7.31 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,631,000 | £0 | £41,185 | £1,672,185 | £1,672,177.69 | £7.31 |
| Other Charges | £2,869,000 | £0 | (£41,185) | £2,827,815 | £2,565,284.07 | £262,530.93 |
| TOTAL COMMERCE | £4,500,000 | £0 | £0 | £4,500,000 | £4,237,461.76 | £262,538.24 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 49 :- POSTAL SERVICES | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £1,424,000 | £0 | £0 | £1,424,000 | £1,416,536.54 | |
| 1(1)(b)(i) Overtime - Conditioned | £480,000 | £0 | £0 | £480,000 | £458,250.32 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £168.35 | |
| 1(1)(c) Allowances | £93,000 | £0 | £0 | £93,000 | £77,421.53 | |
| 1(1)(d) Temporary Assistance | £126,000 | £0 | £0 | £126,000 | £144,961.85 | |
| 1(1)(e) Bonus Payments | £287,000 | £0 | £0 | £287,000 | £301,948.85 | |
| 1(1)(f) Pension Contributions | £34,000 | £0 | £0 | £34,000 | £40,664.61 | |
| Total Personal Emoluments | £2,454,000 | £0 | £0 | £2,454,000 | £2,439,952.05 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2)(a) Basic Wages | £19,000 | £0 | £0 | £19,000 | £19,673.04 | |
| 1(2)(b)(i) Overtime - Conditioned | £8,000 | £0 | £0 | £8,000 | £9,912.65 | |
| 1(2)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(b)(iv) Overtime - Discretionary | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(c) Allowances | £0 | £0 | £0 | £0 | £0.00 | |
| 1(2)(d) Pension Contributions | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total Industrial Wages | £28,000 | £0 | £0 | £28,000 | £29,585.69 | |
| TOTAL PAYROLL | £2,482,000 | £0 | £0 | £2,482,000 | £2,469,537.74 | £12,462.26 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £20,000 | £0 | £0 | £20,000 | £14,096.86 | |
| 2(1)(b) Electricity and Water | £20,000 | £0 | £0 | £20,000 | £17,426.94 | |
| 2(1)(c) Telephone Service | £23,000 | £0 | £0 | £23,000 | £14,164.05 | |
| 2(1)(d) Printing and Stationery | £29,000 | £0 | £0 | £29,000 | £24,059.29 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £29,000 | £0 | £0 | £29,000 | £26,457.00 | |
| Total Office Expenses | £121,000 | £0 | £0 | £121,000 | £96,204.14 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Supply of Stamps | £12,000 | £0 | £0 | £12,000 | £12,144.00 | |
| 2(2)(b) Postal Stores and Equipment | £13,000 | £0 | £0 | £13,000 | £8,258.07 | |
| 2(2)(c) Transport Services | £2,000 | £0 | £0 | £2,000 | £992.50 | |
| 2(2)(d) Uniforms | £13,000 | £0 | £0 | £13,000 | £10,132.65 | |
| 2(2)(e) Commission to Stamp Vendors | £15,000 | £0 | £0 | £15,000 | £13,840.08 | |
| 2(2)(f) Security Equipment Expenses | £12,000 | £0 | £0 | £12,000 | £6,601.93 | |
| 2(2)(g) Banking and Related Services | £1,000 | £0 | £0 | £1,000 | £12.50 | |
| Total Operational Expenses | £68,000 | £0 | £0 | £68,000 | £51,981.73 | |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 49 :- POSTAL SERVICES | | | | | | |
| 2(3) Outgoing Mail and Bulk Mailing | £100,000 | £0 | £0 | £100,000 | £90,888.22 | |
| Total | £100,000 | £0 | £0 | £100,000 | £90,888.22 | |
| 2(4) Contribution to International Bureau | £90,000 | £0 | £0 | £90,000 | £69,610.44 | |
| Total | £90,000 | £0 | £0 | £90,000 | £69,610.44 | |
| 2(5)(a) Contracted Services: Gibraltar Philatelic Bureau Ltd | £230,000 | £0 | £0 | £230,000 | £218,030.72 | |
| Total | £230,000 | £0 | £0 | £230,000 | £218,030.72 | |
| 2(6) Introduction of Post Codes | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(7) Regulatory Authority Fees | £16,000 | £0 | £0 | £16,000 | £14,276.80 | |
| Total | £16,000 | £0 | £0 | £16,000 | £14,276.80 | |
| 2(8) EPOS | £15,000 | £0 | £0 | £15,000 | £15,000.00 | |
| Total | £15,000 | £0 | £0 | £15,000 | £15,000.00 | |
| 2(9) Relief Cover | £9,000 | £0 | £0 | £9,000 | £36,665.01 | |
| Total | £9,000 | £0 | £0 | £9,000 | £36,665.01 | |
| 2(10) Ex-Gratia Payments | £0 | £0 | £0 | £0 | £40,401.51 | |
| Total | £0 | £0 | £0 | £0 | £40,401.51 | |
| TOTAL OTHER CHARGES | £650,000 | £0 | £0 | £650,000 | £633,058.57 | £16,941.43 |

49 :- POSTAL SERVICES

SUMMARY

| | | | | | | |
|------------------------------|-------------------|-----------|-----------|-------------------|----------------------|-------------------|
| Personal Emoluments | £2,454,000 | £0 | £0 | £2,454,000 | £2,439,952.05 | £14,047.95 |
| Industrial Wages | £28,000 | £0 | £0 | £28,000 | £29,585.69 | (£1,585.69) |
| Total Payroll | £2,482,000 | £0 | £0 | £2,482,000 | £2,469,537.74 | £12,462.26 |
| Other Charges | £650,000 | £0 | £0 | £650,000 | £633,058.57 | £16,941.43 |
| TOTAL POSTAL SERVICES | £3,132,000 | £0 | £0 | £3,132,000 | £3,102,596.31 | £29,403.69 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------------|---------------------|-----------------------|-----------------------|
| 50 :- GIBRALTAR AUDIT OFFICE | | | | | | |
| <u>PAYROLL</u> | | | | | | |
| <i>Personal Emoluments</i> | | | | | | |
| 1(1)(a) Salaries | £914,000 | £0 | (£7,960) | £906,040 | £898,414.12 | |
| 1(1)(b)(i) Overtime - Conditioned | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(ii) Overtime - Emergency | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iii) Overtime - Manning Level Maintenance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(b)(iv) Overtime - Discretionary | £10,000 | £0 | £0 | £10,000 | £4,209.49 | |
| 1(1)(c) Allowances | £108,000 | £0 | £0 | £108,000 | £123,923.20 | |
| 1(1)(d) Temporary Assistance | £0 | £0 | £0 | £0 | £0.00 | |
| 1(1)(e) Pension Contributions | £39,000 | £0 | £0 | £39,000 | £36,173.97 | |
| Total Personal Emoluments | £1,071,000 | £0 | (£7,960) | £1,063,040 | £1,062,720.78 | |
| <i>Industrial Wages</i> | | | | | | |
| 1(2) | £0 | £0 | £0 | £0 | £0.00 | |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | |
| TOTAL PAYROLL | £1,071,000 | £0 | (£7,960) | £1,063,040 | £1,062,720.78 | £319.22 |
| <u>OTHER CHARGES</u> | | | | | | |
| <i>Office Expenses</i> | | | | | | |
| 2(1)(a) General Expenses | £5,000 | £0 | £0 | £5,000 | £6,852.49 | |
| 2(1)(b) Electricity and Water | £6,000 | £0 | £0 | £6,000 | £5,757.58 | |
| 2(1)(c) Telephone Service | £5,000 | £0 | £0 | £5,000 | £5,810.92 | |
| 2(1)(d) Printing and Stationery | £6,000 | £0 | £0 | £6,000 | £3,189.59 | |
| 2(1)(e) Contracted Services: Office Cleaning - Government Cleaning Scheme | £6,000 | £0 | £0 | £6,000 | £5,419.97 | |
| Total Office Expenses | £28,000 | £0 | £0 | £28,000 | £27,030.55 | |
| <i>Operational Expenses</i> | | | | | | |
| 2(2)(a) Audit Training | £18,000 | £0 | £0 | £18,000 | £5,542.69 | |
| 2(2)(b) Computers and Office Equipment | £12,000 | £0 | £765 | £12,765 | £26,554.83 | |
| 2(2)(c) Contracted Services: Support of Computer System | £6,000 | £0 | £0 | £6,000 | £6,631.31 | |
| Total Operational Expenses | £36,000 | £0 | £765 | £36,765 | £38,728.83 | |
| 2(3) Professional Audit Fees | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| Total | £1,000 | £0 | £0 | £1,000 | £0.00 | |
| 2(4) Relief Cover | £1,000 | £0 | £7,195 | £8,195 | £8,195.00 | |
| Total | £1,000 | £0 | £7,195 | £8,195 | £8,195.00 | |
| TOTAL OTHER CHARGES | £66,000 | £0 | £7,960 | £73,960 | £73,954.38 | £5.62 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 50 :- GIBRALTAR AUDIT OFFICE | | | | | | |
| 50 :- GIBRALTAR AUDIT OFFICE | | | | | | |
| SUMMARY | | | | | | |
| Personal Emoluments | £1,071,000 | £0 | (£7,960) | £1,063,040 | £1,062,720.78 | £319.22 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £1,071,000 | £0 | (£7,960) | £1,063,040 | £1,062,720.78 | £319.22 |
| Other Charges | £66,000 | £0 | £7,960 | £73,960 | £73,954.38 | £5.62 |
| TOTAL GIBRALTAR AUDIT OFFICE | £1,137,000 | £0 | £0 | £1,137,000 | £1,136,675.16 | £324.84 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

51 :- GIBRALTAR REGULATORY AUTHORITY

PAYROLL

Personal Emoluments

| | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(1) | £0 | £0 | £0 | £0 | £0.00 |
| Total Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 |

Industrial Wages

| | | | | | |
|-------------------------------|-----------|-----------|-----------|-----------|--------------|
| 1(2) | £0 | £0 | £0 | £0 | £0.00 |
| Total Industrial Wages | £0 | £0 | £0 | £0 | £0.00 |

| | | | | | | |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|
| TOTAL PAYROLL | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
|----------------------|-----------|-----------|-----------|-----------|--------------|--------------|

OTHER CHARGES

| | | | | | |
|--|------------|----|----|------------|---------------|
| 2(1) Contribution to Gibraltar Regulatory Authority | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 |
|--|------------|----|----|------------|---------------|

| | | | | | |
|--------------|-------------------|-----------|-----------|-------------------|----------------------|
| Total | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 |
|--------------|-------------------|-----------|-----------|-------------------|----------------------|

| | | | | | | |
|----------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|
| TOTAL OTHER CHARGES | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 | £0.00 |
|----------------------------|-------------------|-----------|-----------|-------------------|----------------------|--------------|

51 :- GIBRALTAR REGULATORY AUTHORITY

SUMMARY

| | | | | | | |
|---|-------------------|-----------|-----------|-------------------|----------------------|--------------|
| Personal Emoluments | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Industrial Wages | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Total Payroll | £0 | £0 | £0 | £0 | £0.00 | £0.00 |
| Other Charges | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 | £0.00 |
| TOTAL GIBRALTAR REGULATORY AUTHORITY | £1,925,000 | £0 | £0 | £1,925,000 | £1,925,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------------------|---------------------|-----------------------|-----------------------|
| 52 :- SUPPLEMENTARY PROVISION | | | | | | |
| 1 Supplementary Funding | £9,000,000 | £8,300,000 | (£17,181,990) | £118,010 | £0.00 | |
| TOTAL SUPPLEMENTARY PROVISION | £9,000,000 | £8,300,000 | (£17,181,990) | £118,010 | £0.00 | £118,010.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|---------------------|-----------------------|-----------------------|

53 :- CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES

| | | | | | | |
|---|--------------------|-----------|-----------|--------------------|-----------------------|--------------|
| 1 Contribution to Government-Owned Companies | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | |
| TOTAL CONTRIBUTION TO GOVERNMENT-OWNED COMPANIES | £25,000,000 | £0 | £0 | £25,000,000 | £25,000,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 54 :- TRANSFER FROM GOVERNMENT SURPLUS | | | | | | |
| 1 Payment to Social Assistance Fund - Import Duty - Transfer from Government Surplus | £1,000 | £14,999,000 | £0 | £15,000,000 | £15,000,000.00 | |
| TOTAL TRANSFER FROM GOVERNMENT SURPLUS | £1,000 | £14,999,000 | £0 | £15,000,000 | £15,000,000.00 | £0.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|---------------------|-----------------------|-----------------------|
| 55 :- CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | | | | | | |
| 1 Contribution to the Improvement and Development Fund | £5,000,000 | £21,000,000 | £0 | £26,000,000 | £26,000,000.00 | |
| TOTAL CONTRIBUTION TO THE IMPROVEMENT AND DEVELOPMENT FUND | £5,000,000 | £21,000,000 | £0 | £26,000,000 | £26,000,000.00 | £0.00 |

STATEMENT OF UNAUTHORISED EXPENDITURE **FOR THE YEAR ENDED 31 MARCH 2018**

(a) Expenditure not covered by Appropriation (Section 69 of the Gibraltar Constitution Order 2006)

There has been no expenditure incurred that has not been covered by Appropriation Law in the financial year ended 31 March 2018.

(b) Unauthorised use of Savings (Section 45 of the Public Finance (Control and Audit) Act)

There has been no unauthorised use of expenditure savings in the financial year ended 31 March 2018.

GOVERNMENT LIQUID RESERVES
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £110,400,198.53 | 100.000 | £110,400,198.53 | £110,400,198.53 |
| Cash held in Barclays Bank PLC | £1,244,243.31 | 100.000 | £1,244,243.31 | £1,244,243.31 |
| Cash held in Natwest Bank | £27,308,533.07 | 100.000 | £27,308,533.07 | £27,308,533.07 |
| Cash held in Jyske Bank | £916,815.49 | 100.000 | £916,815.49 | £916,815.49 |
| Cash held in Gibraltar International Bank | £15,739,591.44 | 100.000 | £15,739,591.44 | £15,739,591.44 |
| Crown Agents General Account | £12,248.78 | 100.000 | £12,248.78 | £12,248.78 |
| GRP - GCAL Security Deposit | £3,075,506.12 | 100.000 | £3,075,506.12 | £3,075,506.12 |
| Bank of England | £32.67 | 100.000 | £32.67 | £32.67 |
| Cash in Hand | £44,410.81 | 100.000 | £44,410.81 | £44,410.81 |
| | £158,741,580.22 | | £158,741,580.22 | £158,741,580.22 |

SUMMARY OF RESERVES

| | £'m |
|----------------------------------|----------------|
| Consolidated Fund | £119.44 |
| Improvement and Development Fund | £0.71 |
| Cash Reserves | £120.15 |
| Net Companies Deposits | £41.48 |
| Contingencies Fund | £0.40 |
| Other funds | (£3.29) |
| Government Liquid Reserves | £158.74 |

DEPOSIT ACCOUNTS AS AT 31 MARCH 2018

Controlling Officers:

| | | |
|--|---------------|----------------|
| Accountant General | £4,087,042.98 | |
| Financial Secretary | £1,757,805.49 | |
| Collector of Customs | £1,726,100.17 | |
| Principal Secretary, Economic Development | £1,286,507.65 | |
| Commissioner of Income Tax | £751,869.58 | |
| Chief Technical Officer | £673,297.47 | |
| Principal Secretary, Employment | £665,052.00 | |
| Principal Secretary, Social Security | £534,344.78 | |
| Principal Housing Officer | £320,177.19 | |
| Chief Executive, Gibraltar Courts Service | £226,125.39 | |
| Senior Executive Officer, Culture | £183,341.03 | |
| Principal Secretary, Tourism, Employment, Commercial Aviation and the Port | £140,703.22 | |
| Conservation Officer | £61,226.03 | |
| Chief Executive, Environment | £38,181.17 | |
| Chief Executive, Technical Services | £19,287.48 | |
| Director of Education | £16,515.49 | |
| Others | £5,572.56 | |
| | | £12,493,149.68 |

Other Governments, Administrations,

Public Corporations or Institutions:

| | | |
|--|-------------|----------------|
| Medical Director, Gibraltar Health Authority | £223,797.01 | |
| Chief Executive Officer, Borders and Coastguard Agency | £174,534.68 | |
| Chief Executive, Gibraltar Port Authority | £137,962.84 | |
| Chief Executive Officer, Gibraltar Electricity Authority | £136,517.00 | |
| Chief Executive Officer, Care Agency | £25,382.25 | |
| | | £698,193.78 |
| Government-Owned Companies | | £32,090,709.07 |
| Gibraltar Development Corporation-Owned Companies | | £10,010,772.46 |
| Municipal Services Deposits | | £1,986,795.07 |
| Government Lottery | | £271,713.46 |
| Municipal Services Deductions | | £186,833.94 |
| Cheques Unpresented | | £145,228.25 |
| Trade Union Fees | | £137,513.34 |

Balance held by Authorities, Agencies and other Public Corporations:

| | |
|---|-----------|
| Gibraltar Health Authority - Elderly Residential Services Section | £1,851.12 |
| Care Agency | £1,481.26 |
| Borders and Coastguard Agency | £1,437.27 |
| Gibraltar Electricity Authority | £1,055.45 |
| Gibraltar Sports and Leisure Authority | £950.24 |
| Gibraltar Port Authority | £847.14 |
| Housing Works Agency | £634.05 |
| Gibraltar Development Corporation | £567.43 |
| Gibraltar Health Authority | £442.15 |

DEPOSIT ACCOUNTS**STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Gibraltar International Bank - Deposit Account | £1,000.00 | 100.000 | £1,000.00 | £1,000.00 |
| Savings Bank Fund: On-Call Investment Account | £1,148,039.82 | 100.000 | £1,148,039.82 | £1,148,039.82 |
| | £1,149,039.82 | | £1,149,039.82 | £1,149,039.82 |

ADVANCE ACCOUNTS AS AT 31 MARCH 2018

Controlling Officers:

| | | |
|---|-------------------|----------------|
| Accountant General | £8,980,810.10 (i) | |
| Senior Executive Officer, Culture | £742,973.75 | |
| Commissioner of Income Tax | £273,889.77 | |
| Principal Secretary, Economic Development | £83,210.14 | |
| Chief Executive, Gibraltar Courts Service | £27,850.83 | |
| Director of Education | £15,984.75 | |
| Principal Secretary, Employment | £10,275.79 | |
| Others | <u>£38,124.80</u> | |
| | | £10,173,119.93 |

Other Governments, Administrations, Public Corporations or Institutions:

| | | |
|--|--------------------|---------------|
| AquaGib Ltd | £1,236,125.68 | |
| Others | £1,221,527.50 | |
| Gibraltar Savings Bank-Owned Companies | <u>£623,004.16</u> | |
| | | £3,080,657.34 |

| | | |
|--|-------------------|---------------|
| Chief Executive, Gibraltar Port Authority | £3,710,154.71 | |
| Chief Executive Officer, Borders and Coastguard Agency | £156,040.50 | |
| Medical Director, Gibraltar Health Authority | £91,311.20 | |
| Chief Executive Officer, Care Agency | <u>£16,668.68</u> | |
| | | £3,974,175.09 |

£17,227,952.36

Note:

- (i) Includes £7,065,000 in respect of two contributions made from the Consolidated Fund to the Statutory Benefits Fund in 2016/17 and 2017/18.

UNRETIRED IMPRESTS AS AT 31ST MARCH 2018

| | |
|---|----------------------|
| Principal Secretary, Social Security | £850,200.00 |
| Accountant General | £348,317.00 |
| Commissioner of Income Tax | £150,650.00 |
| Principal Secretary, Operations, Deputy Chief Minister's Office | £98,201.02 |
| Chief Executive Officer, Gibraltar Tourist Board | £72,099.94 |
| Medical Director, Gibraltar Health Authority | £66,560.00 |
| Chief Executive, Gibraltar Courts Service | £20,100.00 |
| Principal Secretary, Tourism, Employment, Commercial Aviation and the Port | £13,750.00 |
| Chief Secretary | £9,030.00 |
| Commissioner of Police | £4,940.00 |
| Collector of Customs | £1,540.00 |
| Elderly Care Manager, Gibraltar Health Authority - Elderly Residential Services Section | £1,400.00 |
| Superintendent of Prison | £1,300.00 |
| Chief Executive, Environment | £925.00 |
| Principal Housing Officer | £840.00 |
| Chief Executive Officer, Care Agency | £750.00 |
| Chief Executive, Technical Services | £675.00 |
| Principal Secretary, Immigration and Civil Status | £435.00 |
| Chief Executive Officer, Gibraltar Electricity Authority | £370.00 |
| Chief Examiner | £330.00 |
| Financial Secretary | £300.00 |
| Principal Secretary, Employment | £210.00 |
| Principal Secretary, Economic Development | £200.00 |
| Senior Executive Officer, Culture | £190.00 |
| Chief Executive Officer, Gibraltar Sports and Leisure Authority | £180.00 |
| Senior Executive Officer, Equality | £150.00 |
| Principal Secretary, Transport, Traffic and Technical Services | £150.00 |
| Chief Executive Officer, Borders and Coastguard Agency | £100.00 |
| Chief Executive, Gibraltar Port Authority | £100.00 |
| Chief Statistician | £100.00 |
| Principal Auditor | £100.00 |
| Director of Education | £100.00 |
| Head of Finance, Administration and Resources, Housing Works Agency | £80.00 |
| Chief Fire Officer | £60.00 |
| | <u>£1,644,432.96</u> |

ABSTRACT STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 MARCH 2018

| | <u>RECEIPTS</u> | <u>PAYMENTS</u> |
|---|---------------------------------|---------------------------------|
| Consolidated Fund - Revenue | £638,063,266.50 | £0.00 |
| Consolidated Fund - Expenditure | £0.00 | £638,338,609.00 |
| Special Funds | £507,780,991.02 | £503,546,155.83 |
| Investment Account | £467,163,187.51 | £478,645,289.85 |
| Advance Account | £1,339,835,029.69 | £1,342,651,895.18 |
| Deposit Account | £1,809,236,288.52 | £1,949,131,764.50 |
| Imprest Account | £744,256.50 | £814,722.50 |
| Drafts and Remittances | £40,402,656.36 | £40,402,656.36 |
| Gibraltar Development Corporation | £47,500,462.09 | £47,500,666.43 |
| Gibraltar Health Authority | £123,573,932.30 | £123,574,275.68 |
| Care Agency | £16,662,882.46 | £16,661,590.64 |
| Gibraltar Health Authority - Elderly Residential Services Section | £23,254,995.01 | £23,254,543.51 |
| Gibraltar Electricity Authority | £59,422,427.35 | £59,422,853.79 |
| Gibraltar Sports and Leisure Authority | £6,341,141.48 | £6,340,980.14 |
| Gibraltar Port Authority | £5,841,996.22 | £5,841,812.91 |
| Housing Works Agency | £8,574,401.32 | £8,574,537.29 |
| Borders and Coastguard Agency | £6,590,479.40 | £6,590,336.08 |
| Loans Issued to Sundry Entities | £60,677.57 | £0.00 |
| Loans Issued by Government | £0.00 | £60,677.57 |
| | <u>£5,101,049,071.30</u> | <u>£5,251,353,367.26</u> |
| Liquid Reserves on 1 April 2017 | £309,045,876.18 | £0.00 |
| | <u>£5,410,094,947.48</u> | <u>£5,251,353,367.26</u> |
| Liquid Reserves on 31 March 2018 | £0.00 | £158,741,580.22 |
| | <u><u>£5,410,094,947.48</u></u> | <u><u>£5,410,094,947.48</u></u> |

SPECIAL FUNDS SUMMARY FOR THE YEAR ENDED 31 MARCH 2018

| FUND ACCOUNT | FUND ACCOUNT BALANCE ON 1 April 2017 | ADVANCE FROM CONSOLIDATED FUND ON 1 April 2017 | RECEIPTS DURING THE YEAR | PAYMENTS DURING THE YEAR | ADVANCE FROM CONSOLIDATED FUND DURING THE YEAR | FUND ACCOUNT BALANCE ON 31 March 2018 | ADVANCE FROM CONSOLIDATED FUND ON 31 March 2018 | INVESTMENTS ON 31 March 2018 | GOVERNMENT LIQUID RESERVES |
|--------------------------------------|--|--|--------------------------------|--------------------------------|--|---|---|------------------------------------|----------------------------------|
| Improvement and Development Fund | £7,897,697.98 | £0.00 | £55,218,393.93 | (£62,401,513.14) | £0.00 | £714,578.77 | £0.00 | £0.00 | £714,578.77 |
| Statutory Benefits Fund | (£6,048,052.47) | £6,095,000.00 | £37,194,293.82 | (£38,189,060.28) | £970,000.00 | (£7,042,818.93) | £7,065,000.00 | £22,181.07 | £0.00 |
| Social Assistance Fund | £189,043.79 | £0.00 | £22,900,000.00 | (£22,602,375.70) | £0.00 | £486,668.09 | £0.00 | £486,668.09 | £0.00 |
| Note Security Fund | £40,621,486.11 | £0.00 | £20,634,822.53 | (£20,513,066.07) | £0.00 | £40,743,242.57 | £0.00 | £40,743,242.57 | £0.00 |
| General Sinking Fund | £5,207,069.60 | £0.00 | £10,000,000.00 | (£6,444,244.45) | £0.00 | £8,762,825.15 | £0.00 | £8,762,825.15 | £0.00 |
| Supreme Court Fund | £472,299.27 | £0.00 | £1,137,899.19 | (£1,132,374.69) | £0.00 | £477,823.77 | £0.00 | £427,418.10 | £50,405.67 |
| Administrator General's Account | £243,047.40 | £0.00 | £1,315.00 | (£0.00) | £0.00 | £244,362.40 | £0.00 | £244,362.40 | £0.00 |
| FSRCC - Deposit Guarantee Fund * | £912,206.93 | £0.00 | £1,182,095.42 | (£0.00) | £0.00 | £2,094,302.35 | £0.00 | £2,094,302.35 | £0.00 |
| FSRCC - Resolution Financing Fund ** | £1,140,258.38 | £0.00 | £949,886.30 | (£0.00) | £0.00 | £2,090,144.68 | £0.00 | £2,090,144.68 | £0.00 |
| Government Trusts Fund | £140,432,494.16 | £0.00 | £63,750,627.30 | (£58,421,863.97) | £0.00 | £145,761,257.49 | £0.00 | £145,635,968.97 | £125,288.52 |
| Savings Bank Fund | £191,067,551.15 | £6,095,000.00 | £212,969,333.49 | (£209,704,498.30) | £970,000.00 | £194,332,386.34 | £7,065,000.00 | £200,507,113.38 | £890,272.96 |
| | £1,359,151,697.56 | £0.00 | £204,286,236.99 | (£185,840,873.67) | £0.00 | £1,377,597,060.88 | £0.00 | £1,377,597,060.88 | £0.00 |
| | £1,550,219,248.71 | £6,095,000.00 | £417,255,570.48 | (£395,545,371.97) | £970,000.00 | £1,571,929,447.22 | £7,065,000.00 | £1,578,104,174.26 | £890,272.96 |

* Financial Services Resolution and Compensation Committee (FSRCC) - Deposit Guarantee Fund

** Financial Services Resolution and Compensation Committee (FSRCC) - Resolution Financing Fund

Note:

The above summary does not include the HM Customs Centre of Excellence Fund established on 14 December 2017 via Legal Notice No.248 of 2017. No transactions were effected during the period 14 December 2017 to 31 March 2018.

SPECIAL FUNDS
IMPROVEMENT AND DEVELOPMENT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|--|-----------------------|
| Contribution and Loans | £26,000,000.00 |
| Sale of Government Properties and Other Premia | £17,350,067.26 |
| Grants | £0.00 |
| Reimbursements | £11,868,326.67 |
| | <u>£55,218,393.93</u> |

PAYMENTS

| | | |
|---------------------|-----------------------|-------------------------|
| Works and Equipment | £18,087,181.22 | |
| Projects | <u>£44,314,331.92</u> | |
| | | <u>(£62,401,513.14)</u> |
| Net Payments | | <u>(£7,183,119.21)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|--|--------------------|
| Balance held in Government Liquid Reserves | <u>£714,578.77</u> |
|--|--------------------|

FINANCED BY

| | |
|---------------------------------------|------------------------|
| Fund Account Balance on 1 April 2017 | £7,897,697.98 |
| Net Payments during the year | <u>(£7,183,119.21)</u> |
| Fund Account Balance on 31 March 2018 | <u>£714,578.77</u> |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|--|---------------------------------|-----------------------|------------------------------|
| <u>IMPROVEMENT AND DEVELOPMENT FUND</u> | | | |
| <u>SUMMARY OF REVENUE</u> | | | |
| 101 :- CONTRIBUTION AND LOANS | £5,001,000 | £26,000,000.00 | £20,999,000.00 |
| 102 :- SALE OF GOVERNMENT PROPERTY AND OTHER PREMIA | £43,601,000 | £17,350,067.26 | (£26,250,932.74) |
| 103 :- GRANTS | £2,000 | £0.00 | (£2,000.00) |
| 104 :- REIMBURSEMENTS | £11,368,000 | £11,868,326.67 | £500,326.67 |
| | £59,972,000 | £55,218,393.93 | (£4,753,606.07) |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | ACTUAL REVENUE | OVER/(UNDER) THE ESTIMATE |
|-----------------|---------------------------------|-------------------|---------------------------------|
|-----------------|---------------------------------|-------------------|---------------------------------|

IMPROVEMENT AND DEVELOPMENT FUND

HEAD 101 :- CONTRIBUTION AND LOANS

| | | | |
|---|-------------------|-----------------------|-----------------------|
| 1 Contribution from Consolidated Fund - Reserve | £5,000,000 | £26,000,000.00 | £21,000,000.00 |
| 2 Loans | £1,000 | £0.00 | (£1,000.00) |
| | £5,001,000 | £26,000,000.00 | £20,999,000.00 |

HEAD 102 :- SALE OF GOVERNMENT PROPERTY AND OTHER PREMIA

| | | | |
|--|--------------------|-----------------------|-------------------------|
| 1 Land, Building Sales and Leases and Other Premia | £43,600,000 | £17,350,067.26 | (£26,249,932.74) |
| 2 Ex MOD Sales | £1,000 | £0.00 | (£1,000.00) |
| | £43,601,000 | £17,350,067.26 | (£26,250,932.74) |

HEAD 103 :- GRANTS

| | | | |
|--|---------------|--------------|--------------------|
| 1 EU Grant - Competitiveness & Employment Objective Programme (ERDF) | £1,000 | £0.00 | (£1,000.00) |
| 2 EU Grant - Interreg Territorial Co-Operation | £1,000 | £0.00 | (£1,000.00) |
| | £2,000 | £0.00 | (£2,000.00) |

HEAD 104 :- REIMBURSEMENTS

| | | | |
|--|--------------------|-----------------------|--------------------|
| 1 Commercial Projects | £1,000 | £0.00 | (£1,000.00) |
| 2 Residential Projects | £1,000 | £0.00 | (£1,000.00) |
| 3 Loans Repayments | £61,000 | £60,677.57 | (£322.43) |
| 4 Interest on Loans | £1,000 | £78.29 | (£921.71) |
| 5 Other Reimbursements | £10,000,000 | £10,272,084.29 | £272,084.29 |
| 6 Receipts in Connection with the Transfer of MOD Electricity Undertakings | £353,000 | £353,000.00 | £0.00 |
| 7 MOD Contribution to Gibraltar Airport Fire and Rescue Service | £950,000 | £747,745.80 | (£202,254.20) |
| 8 MOD Contribution towards Relocation Costs – Project Euston | £1,000 | £434,740.72 | £433,740.72 |
| | £11,368,000 | £11,868,326.67 | £500,326.67 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|-----------------|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
|-----------------|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|

IMPROVEMENT AND DEVELOPMENT FUND

SUMMARY OF EXPENDITURE

| | | | | | | |
|-------------------------------|--------------------|-----------|-----------|--------------------|-----------------------|----------------------|
| 101 :- WORKS AND EQUIPMENT | £19,559,000 | £0 | £0 | £19,559,000 | £18,087,181.22 | £1,471,818.78 |
| 102 :- PROJECTS | £45,138,000 | £0 | £0 | £45,138,000 | £44,314,331.92 | £823,668.08 |
| | £64,697,000 | £0 | £0 | £64,697,000 | £62,401,513.14 | £2,295,486.86 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE | | | | | | |
| 101 :- WORKS AND EQUIPMENT | | | | | | |
| WORKS AND EQUIPMENT | | | | | | |
| 1(a) Education - Refurbishment of Educational Facilities and Equipment | £1,800,000 | £0 | £0 | £1,800,000 | £1,767,174.44 | £32,825.56 |
| 1(b) Prison | £238,000 | £0 | £0 | £238,000 | £119,499.38 | £118,500.62 |
| 1(c) Post Office | £50,000 | £0 | £0 | £50,000 | £32,544.25 | £17,455.75 |
| 1(d) Technical Services | £20,000 | £0 | £0 | £20,000 | £19,816.02 | £183.98 |
| 1(e) Gibraltar Broadcasting Corporation | £500,000 | £0 | £0 | £500,000 | £345,937.19 | £154,062.81 |
| 1(f) Contribution to Borders and Coastguard Agency | £40,000 | £0 | £0 | £40,000 | £42,000.00 | (£2,000.00) |
| 1(g) Contribution to Gibraltar Electricity Authority | £1,400,000 | £0 | £0 | £1,400,000 | £1,295,000.00 | £105,000.00 |
| 1(h) Contribution to Housing Works Agency | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 1(i) Contribution to Gibraltar Health Authority | £1,300,000 | £0 | £0 | £1,300,000 | £1,122,000.00 | £178,000.00 |
| 1(j) Contribution to Gibraltar Health Authority - Elderly Residential Services Section | £485,000 | £0 | £0 | £485,000 | £577,000.00 | (£92,000.00) |
| 1(k) Contribution to Care Agency | £275,000 | £0 | £0 | £275,000 | £278,000.00 | (£3,000.00) |
| 1(l) Contribution to Gibraltar Port Authority | £170,000 | £0 | £0 | £170,000 | £169,000.00 | £1,000.00 |
| 1(m) Contribution to Gibraltar Sports and Leisure Authority | £320,000 | £0 | £0 | £320,000 | £332,000.00 | (£12,000.00) |
| 1(n) Housing: Works and Repairs | £6,000,000 | £0 | £0 | £6,000,000 | £4,581,996.23 | £1,418,003.77 |
| <i>Environment and Roads</i> | | | | | | |
| 1(o)(i) Environment Projects | £80,000 | £0 | £0 | £80,000 | £77,006.15 | £2,993.85 |
| 1(o)(ii) Rock Safety, Coastal Protection, Retaining Walls & Demolition Works | £500,000 | £0 | £0 | £500,000 | £495,283.15 | £4,716.85 |
| 1(o)(iii) Drains and Sewers | £500,000 | £0 | £0 | £500,000 | £500,958.28 | (£958.28) |
| 1(o)(iv) Road Maintenance and Resurfacing | £815,000 | £0 | £0 | £815,000 | £814,997.76 | £2.24 |
| 1(o)(v) Security Bollards | £0 | £0 | £0 | £0 | £76,470.00 | (£76,470.00) |
| 1(p) Traffic Enhancements | £24,000 | £0 | £0 | £24,000 | £23,331.90 | £668.10 |
| <i>Essential Services - Equipment</i> | | | | | | |
| 1(q)(i) Royal Gibraltar Police | £300,000 | £0 | £0 | £300,000 | £435,739.95 | (£135,739.95) |
| 1(q)(ii) Customs Department | £200,000 | £0 | £0 | £200,000 | £192,847.03 | £7,152.97 |
| 1(q)(iii) Fire and Rescue Service | £450,000 | £0 | £0 | £450,000 | £303,833.04 | £146,166.96 |
| 1(q)(iv) Gibraltar Airport Fire and Rescue Service | £1,960,000 | £0 | £0 | £1,960,000 | £1,495,491.60 | £464,508.40 |
| 1(r) Youth Clubs Refurbishment | £20,000 | £0 | £0 | £20,000 | £19,174.23 | £825.77 |
| <i>Tourism</i> | | | | | | |
| 1(s)(i) Beaches | £375,000 | £0 | £0 | £375,000 | £370,698.18 | £4,301.82 |
| 1(s)(ii) Other Sites | £75,000 | £0 | £0 | £75,000 | £104,084.46 | (£29,084.46) |
| 1(t) Civil Contingency | £40,000 | £0 | £0 | £40,000 | £37,721.03 | £2,278.97 |
| 1(u) Government Buildings, Works and Structures | £350,000 | £0 | £0 | £350,000 | £353,962.16 | (£3,962.16) |
| 1(v) Government Furniture and Equipment | £125,000 | £0 | £0 | £125,000 | £101,794.24 | £23,205.76 |
| 1(w) Government Vehicles and Plant | £200,000 | £0 | £0 | £200,000 | £67,286.82 | £132,713.18 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|-----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE | | | | | | |
| 1(x) Other Works | £1,000 | £0 | £0 | £1,000 | £418,775.66 | (£417,775.66) |
| 1(y) Government Computerisation Programme | £900,000 | £0 | £0 | £900,000 | £1,470,758.07 | (£570,758.07) |
| 1(z) Mace Replacement | £45,000 | £0 | £0 | £45,000 | £45,000.00 | £0.00 |
| | £19,559,000 | £0 | £0 | £19,559,000 | £18,087,181.22 | £1,471,818.78 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|--|---------------------------------|--------------------|--------------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE | | | | | | |
| 102 :- PROJECTS | | | | | | |
| ROADS AND PARKING PROJECTS | | | | | | |
| <i>Roads and Tunnel Projects</i> | | | | | | |
| 1(a)(i) Tunnels and Roads to North Front | £11,500,000 | £0 | (£5,754,000) | £5,746,000 | £5,745,073.76 | £926.24 |
| 1(a)(ii) Other Roads and Tunnels | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 1(a)(iii) Highways Resurfacing Programme | £300,000 | £0 | £0 | £300,000 | £162,291.90 | £137,708.10 |
| 1(b) GIS Development | £20,000 | £0 | £0 | £20,000 | £0.00 | £20,000.00 |
| | £11,821,000 | £0 | (£5,754,000) | £6,067,000 | £5,907,365.66 | £159,634.34 |
| RELOCATION COSTS | | | | | | |
| 2(a) MOD Lands | £300,000 | £0 | £0 | £300,000 | £37,604.65 | £262,395.35 |
| 2(b)(i) MOD Project Euston | £14,500,000 | £0 | £3,490,000 | £17,990,000 | £17,989,969.37 | £30.63 |
| 2(b)(ii) MOD Project Euston - Requested Works | £1,000 | £0 | £217,600 | £218,600 | £434,740.72 | (£216,140.72) |
| 2(c) Other Relocations | £1,000,000 | £0 | £2,583,800 | £3,583,800 | £3,583,759.09 | £40.91 |
| 2(d) Port Authority Relocation | £1,050,000 | £0 | £0 | £1,050,000 | £1,096,194.59 | (£46,194.59) |
| | £16,851,000 | £0 | £6,291,400 | £23,142,400 | £23,142,268.42 | £131.58 |
| 3 Reclamation Projects | £775,000 | £0 | (£217,600) | £557,400 | £440,631.00 | £116,769.00 |
| | £775,000 | £0 | (£217,600) | £557,400 | £440,631.00 | £116,769.00 |
| OTHER PROJECTS | | | | | | |
| 4(a) Upgrade of Playgrounds | £60,000 | £0 | £0 | £60,000 | £37,237.54 | £22,762.46 |
| 4(b) Old Naval Hospital Conversion and Refurbishment Works | £700,000 | £0 | (£319,800) | £380,200 | £370,708.33 | £9,491.67 |
| 4(c) Heritage Building Refurbishments | £77,000 | £0 | £0 | £77,000 | £77,000.00 | £0.00 |
| 4(d) Climate Change and Renewables | £80,000 | £0 | £0 | £80,000 | £74,907.45 | £5,092.55 |
| 4(e) Boat Moorings | £1,000 | £0 | £0 | £1,000 | £20,000.00 | (£19,000.00) |
| 4(f) Bus Shelters | £6,000 | £0 | £0 | £6,000 | £835.00 | £5,165.00 |
| <i>Wellington Front</i> | | | | | | |
| 4(g)(i) Development | £1,000 | £0 | £0 | £1,000 | £12,116.16 | (£11,116.16) |
| 4(g)(ii) Infrastructure | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(h) Main Sewer | £600,000 | £0 | £0 | £600,000 | £315,019.40 | £284,980.60 |
| 4(i) Sustainable Traffic, Transport and Parking Plan | £300,000 | £0 | £0 | £300,000 | £442,522.11 | (£142,522.11) |
| 4(j) Filling of City Centre Paving Stone Gaps | £50,000 | £0 | £0 | £50,000 | £46,157.00 | £3,843.00 |
| 4(k) Soft Loans and Repairs to Housing Estates | £125,000 | £0 | £0 | £125,000 | £154,080.84 | (£29,080.84) |
| 4(l) Installation of CCTV Cameras | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(m) Parliament House | £1,000 | £0 | £0 | £1,000 | £712.00 | £288.00 |
| 4(n) Reef Creation Programme | £15,000 | £0 | £0 | £15,000 | £12,080.25 | £2,919.75 |
| 4(o) Refuse Shelters | £50,000 | £0 | £0 | £50,000 | £17,285.80 | £32,714.20 |
| 4(p) Feasibility Studies - New Projects | £100,000 | £0 | £0 | £100,000 | £69,413.50 | £30,586.50 |
| <i>Frontier</i> | | | | | | |
| 4(q)(i) Frontier Monitoring Project | £100,000 | £0 | £0 | £100,000 | £35,539.21 | £64,460.79 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|----------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE | | | | | | |
| 4(q)(ii) Infrastructure Works | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(q)(iii) Repairs to Fence | £10,000 | £0 | £0 | £10,000 | £104,543.62 | (£94,543.62) |
| 4(r) Refurbishment of Brussels Office | £1,000 | £0 | £0 | £1,000 | £616.61 | £383.39 |
| 4(s) Gorham's Cave Complex Renovation - World Heritage Status | £185,000 | £0 | £0 | £185,000 | £184,965.23 | £34.77 |
| 4(t) Upper Rock Projects - Environment | £235,000 | £0 | £0 | £235,000 | £161,747.65 | £73,252.35 |
| 4(u) Commonwealth Park | £450,000 | £0 | £0 | £450,000 | £400,297.86 | £49,702.14 |
| 4(v) Infrastructure Provision for Housing Projects | £700,000 | £0 | £0 | £700,000 | £509,852.10 | £190,147.90 |
| 4(w) Urban Wastewater Treatment Plant | £1,000 | £0 | £0 | £1,000 | £140,000.00 | (£139,000.00) |
| 4(x) New Power Station - Infrastructure Works | £890,000 | £0 | £0 | £890,000 | £898,233.88 | (£8,233.88) |
| 4(y) Waterport and New Eastside Affordable Housing Scheme | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(z) Sewers Term Maintenance | £150,000 | £0 | £0 | £150,000 | £147,602.51 | £2,397.49 |
| 4(za)(i) Construction of Car Parks: Conversion of Existing Areas into Car Parks | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zb) Europa Road (South) Widening | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zc) Keightley Way Tunnel Improvement Lighting and Pedestrian Safety | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zd) Black Cabs | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(ze) City Hall and Art Gallery Refurbishment | £100,000 | £0 | £0 | £100,000 | £59,080.00 | £40,920.00 |
| 4(zf) Northern Defences | £300,000 | £0 | £0 | £300,000 | £195,727.96 | £104,272.04 |
| 4(zg) Garrison Library | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zh) Theatre | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zi) Mount Misery | £245,000 | £0 | £0 | £245,000 | £183,256.70 | £61,743.30 |
| 4(zj) Royal Anglian Way Suspension Bridge | £1,000 | £0 | £0 | £1,000 | £1,000.00 | £0.00 |
| 4(zk) Governor's Parade | £1,000 | £0 | £0 | £1,000 | £80,103.67 | (£79,103.67) |
| 4(zi) Implementation of e-Procurement System | £50,000 | £0 | £0 | £50,000 | £63,798.85 | (£13,798.85) |
| 4(zm) Garrison Gymnasium | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zn) Padel Courts Resurfacing | £55,000 | £0 | £0 | £55,000 | £52,947.55 | £2,052.45 |
| 4(zo) Relocation of Bus Depot/Technical Services Garage/Calypso | £100,000 | £0 | £0 | £100,000 | £1,475,441.57 | (£1,375,441.57) |
| 4(zp) Infrastructure Provision for New Developments | £1,000,000 | £0 | £0 | £1,000,000 | £981,224.22 | £18,775.78 |
| 4(zq) Completion of Infrastructure Service Corridor (North Front Area) | £1,000,000 | £0 | £0 | £1,000,000 | £81,548.28 | £918,451.72 |
| 4(zr) New Industrial Units to Relocate Sacarellos/GFI | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zs) Enabling Works for Annual Fair | £50,000 | £0 | £0 | £50,000 | £35,051.07 | £14,948.93 |
| 4(zt) Jewish Home | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zu) Urban Renewal | £50,000 | £0 | £0 | £50,000 | £62,438.26 | (£12,438.26) |
| 4(zv) Interpretation Generally | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zw) New Schools Projects | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zx) Refurbishment of Girl Guides Hut | £320,000 | £0 | £0 | £320,000 | £75,846.19 | £244,153.81 |
| 4(zy) Other Community Projects | £400,000 | £0 | £0 | £400,000 | £45,000.00 | £355,000.00 |

| HEADS AND ITEMS | ORIGINAL ESTIMATE 2017/18 | SUPPLE- MENTARY | VIREMENT | TOTAL AUTHORISED EXPENDITURE | ACTUAL EXPENDITURE | (EXCESS) OR SAVING |
|---|---------------------------------|--------------------|------------|------------------------------------|-----------------------|-----------------------|
| IMPROVEMENT AND DEVELOPMENT FUND - EXPENDITURE | | | | | | |
| 4(zz) Hot Lunches for Schools | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zza) Statue for Sir Joshua Hassan | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzb) e-ID Card System | £50,000 | £0 | £0 | £50,000 | £37,452.44 | £12,547.56 |
| 4(zzc) New Passport Issuing System | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzd) Swimming Pool Plant Room Reconfiguration | £70,000 | £0 | £0 | £70,000 | £76,700.00 | (£6,700.00) |
| 4(zze) Boathouse Refurbishment | £20,000 | £0 | £0 | £20,000 | £17,538.25 | £2,461.75 |
| 4(zzf) Ince's Hall | £100,000 | £0 | £0 | £100,000 | £85,458.72 | £14,541.28 |
| 4(zzg) New Dockyard Road Sewage Pumping Station | £50,000 | £0 | £0 | £50,000 | £0.00 | £50,000.00 |
| 4(zzh) Updating 2008 Infrastructure Review | £90,000 | £0 | £0 | £90,000 | £8,793.40 | £81,206.60 |
| 4(zzi) Waste Treatment Facility | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 4(zzj) Acquisition of Property | £250,000 | £0 | £0 | £250,000 | £250,000.00 | £0.00 |
| 4(zzk) Refurbishment of Premises for Clubs and Associations | £80,000 | £0 | £0 | £80,000 | £79,384.13 | £615.87 |
| 4(zzl) Island Games Facilities | £5,000,000 | £0 | £0 | £5,000,000 | £4,893,927.68 | £106,072.32 |
| 4(zzm) Criminal Justice Integrated IT System | £0 | £0 | £0 | £0 | £348,873.85 | (£348,873.85) |
| | £14,289,000 | £0 | (£319,800) | £13,969,200 | £13,424,066.84 | £545,133.16 |
| EQUITY FUNDING / FUNDING | | | | | | |
| 5(a) Government-Owned Companies | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5(b) Gibraltar International Bank Ltd | £1,000 | £0 | £0 | £1,000 | £0.00 | £1,000.00 |
| 5(c) University of Gibraltar (i) | £1,400,000 | £0 | £0 | £1,400,000 | £1,400,000.00 | £0.00 |
| | £1,402,000 | £0 | £0 | £1,402,000 | £1,400,000.00 | £2,000.00 |
| | £45,138,000 | £0 | £0 | £45,138,000 | £44,314,331.92 | £823,668.08 |

Note:

(i) Represents funding to the University of Gibraltar, a statutory body established under the University of Gibraltar Act 2015.

SPECIAL FUNDS
STATUTORY BENEFITS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|---|-----------------------|
| Transfer from the Consolidated Fund - Head 40 | £7,000,000.00 |
| Grant by Her Majesty's Government | £60,000.00 |
| Contributions Collected | <u>£30,134,293.82</u> |
| | <u>£37,194,293.82</u> |

PAYMENTS

| | | |
|--|----------------|-------------------------|
| Contribution to the Gibraltar Health Authority | £494,983.00 | |
| Old Age Pension | £34,068,102.05 | |
| Survivors' Pension | £806,838.21 | |
| Unemployment Benefit | £628,821.26 | |
| Maternity Grant | £406,445.00 | |
| Disablement Benefit | £388,744.64 | |
| Claims - Insolvency Claims | £368,759.59 | |
| Maternity Allowance | £367,514.34 | |
| Widowed Parents' Allowance | £274,205.88 | |
| Death Grant | £181,584.52 | |
| Injury Benefits | £57,700.71 | |
| Survivors' Bereavement Allowance | £42,123.25 | |
| Industrial Death Benefit | £12,176.26 | |
| Guardians' Allowance | £2,745.84 | |
| Medical Board Fees | £3,400.00 | |
| Medical Appeals Tribunal Fees | £330.00 | |
| Employment Injuries Appeal Board | £250.00 | |
| Bank Charges | <u>£12.50</u> | |
| | | £38,104,737.05 |
| <u>Spanish Pensions:</u> | | |
| Old Age Pension (Spanish) | | <u>£84,323.23</u> |
| | | <u>(£38,189,060.28)</u> |
| Net Payments | | <u>(£994,766.46)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

£0.00

DECREASE IN INVESTMENTS

| | |
|-----------------------------|---------------------|
| Net Sale of Investments | <u>(£24,766.46)</u> |
| Net Decrease in Investments | <u>(£24,766.46)</u> |

Note:

Arrears of Social Insurance contributions at the year ended 31 March 2018 amounted to £4,946,835.98, of which 35% £1,731,392.59 was receivable by the Statutory Benefits Fund (65% receivable by the Consolidated Fund Revenue Head 5 Subhead 40 Group Practice Medical Scheme).

SPECIAL FUNDS

STATUTORY BENEFITS FUND

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|------------------------------|-------------------|
| Investments on 1 April 2017 | £46,947.53 |
| Net Decrease in Investments | (£24,766.46) |
| Investments on 31 March 2018 | <u>£22,181.07</u> |

FINANCED BY

| | |
|--|-------------------|
| Fund Account Balance on 1 April 2017 | £46,947.53 |
| Less amount advanced from the Consolidated Fund as at March 2017 | (£6,095,000.00) |
| | (£6,048,052.47) |
| Net Payments during the year | (£994,766.46) |
| | (£7,042,818.93) |
| Total advances from the Consolidated Fund as at March 2018 | £7,065,000.00 |
| Fund Account Balance on 31 March 2018 | <u>£22,181.07</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|-------------------|----------------------------------|--------------------------------|------------------------------|
| Crown Agents General Account | £11,170.88 | 100.000 | £11,170.88 | £11,170.88 |
| Savings Bank Fund: On-Call Investment Account | £11,010.19 | 100.000 | £11,010.19 | £11,010.19 |
| | <u>£22,181.07</u> | | <u>£22,181.07</u> | <u>£22,181.07</u> |

Note:

The Fund Account balance of £22,181.07 includes an advance of £6,095,000 made during the financial year 2016/17 and £970,000 during the financial year 2017/18, from the Consolidated Fund. These advances are recorded in an advance account under the Consolidated Fund. The total amount advanced to the Statutory Benefits Fund was repaid in two tranches: £3,500,000 during the financial year 2018/19 and £3,565,000 during the financial period 2019/21.

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|---|-----------------------|
| Payment from the Consolidated Fund - Import Duty - Head 39 | £7,900,000.00 |
| Payment from the Consolidated Fund - Import Duty - Transfer from Government Surplus - Head 54 | £15,000,000.00 |
| | <u>£22,900,000.00</u> |

PAYMENTS

| | |
|--|--------------------|
| Contribution to Gibraltar Community Care: | |
| (a) Recurrent | £0.00 |
| (b) Transfer from Government Surplus | £15,000,000.00 |
| Contribution to the Gibraltar Health Authority in respect of | |
| Social Assistance to Unemployed Persons | £3,500,000.00 |
| Social Assistance Payments | £1,267,073.33 |
| Child Welfare Grants | £1,090,943.79 |
| Elderly Persons' Minimum Income Guarantee | £861,429.11 |
| Pensioners' Utilities Grant | £496,015.00 |
| Rent Relief | £341,846.25 |
| Electricity Credits - Religious Bodies | £28,573.56 |
| Elderly Persons' Allowance | <u>£16,494.66</u> |
| | (£22,602,375.70) |
| Net Receipts | <u>£297,624.30</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-------------|
| Net Purchase of Investments | £297,624.30 |
|-----------------------------|-------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£297,624.30</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £189,043.79 |
| Net Increase in Investments during the year | £297,624.30 |
| Investments on 31 March 2018 | <u>£486,668.09</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2017 | £189,043.79 |
| Net Receipts during the year | £297,624.30 |
| Fund Account Balance on 31 March 2018 | <u>£486,668.09</u> |

SPECIAL FUNDS
SOCIAL ASSISTANCE FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £486,668.09 | 100.000 | £486,668.09 | £486,668.09 |

SPECIAL FUNDS
NOTE SECURITY FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|-----------------------|-----------------------|
| Currency Notes Issued | £20,467,000.00 |
| Redemption Fees | £25,440.00 |
| Interest Earned | £142,382.53 |
| | <u>£20,634,822.53</u> |

PAYMENTS

| | |
|-----------------------------|--------------------|
| Currency Notes Redeemed | £20,458,500.00 |
| Currency Notes Storage Fees | £47,390.00 |
| Miscellaneous Expenses | <u>£7,176.07</u> |
| | (£20,513,066.07) |
| Net Receipts | <u>£121,756.46</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------------|
| Interest Earned | £142,382.53 |
|-----------------|-------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Sale of Investments | (£20,626.07) |
| Net Increase in Investments | <u>£121,756.46</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2017 | £40,621,486.11 |
| Net Increase in Investments during the year | £121,756.46 |
| Investments on 31 March 2018 | <u>£40,743,242.57</u> |

FINANCED BY

| | |
|---------------------------------------|-----------------------|
| Fund Account Balance on 1 April 2017 | £40,621,486.11 |
| Net Receipts during the year | £121,756.46 |
| Fund Account Balance on 31 March 2018 | <u>£40,743,242.57</u> |

Note:

| | |
|---------------------------------------|-----------------------|
| Notes in Circulation on 31 March 2018 | £39,831,400.00 |
| Reserve | £911,842.57 |
| Fund Account Balance on 31 March 2018 | <u>£40,743,242.57</u> |

SPECIAL FUNDS
NOTE SECURITY FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE ACCRUED INTEREST % | VALUE ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|------------------------------|-----------------------|--------------------------------|------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| On-Call Investment Account | | | | |
| Interest Bearing Account | £28,743,242.57 | 100.000 | £28,743,242.57 | £28,743,242.57 |
| On-Call Investment Account | | | | |
| Non-Interest Bearing Account | £12,000,000.00 | 100.000 | £12,000,000.00 | £12,000,000.00 |
| | <u>£40,743,242.57</u> | | <u>£40,743,242.57</u> | <u>£40,743,242.57</u> |

SPECIAL FUNDS
SAVINGS BANK FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

INCOME AND EXPENDITURE ACCOUNT

INCOME

| | |
|------------------------|-----------------------|
| Return on Investments | £50,096,537.84 |
| Miscellaneous Receipts | £560.78 |
| | <u>£50,097,098.62</u> |

EXPENDITURE

| | |
|--|----------------------|
| Interest Paid : | |
| Debentures | £39,064,117.84 |
| On-Call Investment Accounts | £157,946.00 |
| Ordinary Deposits | £462,234.92 |
| Bonds | <u>£2,930,729.80</u> |
| | £42,615,028.56 |
| New Banking Platform Costs and Annual Licence Fees | £210,953.87 |
| Expansion Costs | £19,356.63 |
| Miscellaneous Expenses | £13,586.13 |
| Management and Other Charges | <u>£540,896.07</u> |
| | (£43,399,821.26) |
| Net Income transferred to Reserve Account | <u>£6,697,277.36</u> |

DEPOSITS AND WITHDRAWALS ACCOUNT

INCREASE IN DEPOSITS

| | |
|-------------------|----------------------|
| Debentures | £46,697,629.75 |
| Bonds | £101,280,351.22 |
| Ordinary Deposits | <u>£6,104,866.09</u> |
| | £154,082,847.06 |

DECREASE IN DEPOSITS

| | |
|--|-----------------------|
| On-Call Investment Accounts | (£140,830,809.33) |
| Net Increase in Deposits during the year | <u>£13,252,037.73</u> |

INVESTMENT ADJUSTMENT ACCOUNT

INCREASE IN INVESTMENTS

£0.00

DECREASE IN INVESTMENTS

| | |
|--|------------------------|
| Net Capital Loss on Investments | (£1,610,243.08) |
| Net Decrease in Investments transferred to Reserve Account | <u>(£1,610,243.08)</u> |

RESERVE ACCOUNT

INCREASE IN RESERVES

| | |
|--|---------------|
| Net Income transferred from Income and Expenditure Account | £6,697,277.36 |
|--|---------------|

DECREASE IN RESERVES

| | |
|--|----------------------|
| Transfer of Surplus to Consolidated Fund | (£0.00) |
| Net Decrease in Investments transferred from Investment Adjustment Account | (£1,610,243.08) |
| Net Increase in Reserves during the year | <u>£5,087,034.28</u> |

SPECIAL FUNDS

SAVINGS BANK FUND

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|--|---------------------------------|
| Investments on 1 April 2017 | £1,347,015,697.56 |
| Net Purchase of Investments during the year | £20,038,228.96 |
| | <u>£1,367,053,926.52</u> |
| Net Decrease in Investments as per Investment Adjustment Account | (£1,610,243.08) |
| Investments on 31 March 2018 | <u>£1,365,443,683.44</u> |
| Cash in Hand | £12,153,377.44 |
| | <u><u>£1,377,597,060.88</u></u> |

FINANCED BY

Debentures

| | | |
|--|-------------------|-----------------|
| Deposits on 1 April 2017 | £853,601,600.09 | |
| Accrued Interest on 1 April 2017 | £3,235,172.99 | |
| Net Increase in Deposits | £46,697,629.75 | |
| Increase in Accrued Interest during the year | <u>£72,047.23</u> | |
| Deposits on 31 March 2018 | | £903,606,450.06 |

On Call Investment Accounts

| | | |
|--|--------------------------|-----------------|
| Deposits on 1 April 2017 | £317,038,358.46 | |
| Net Decrease in Deposits during the year | <u>(£140,830,809.33)</u> | |
| Deposits on 31 March 2018 | | £176,207,549.13 |

Ordinary Deposits

| | | |
|--|----------------------|----------------|
| Deposits on 1 April 2017 | £84,714,103.02 | |
| Net Increase in Deposits during the year | <u>£6,104,866.09</u> | |
| Deposits on 31 March 2018 | | £90,818,969.11 |

Bonds

| | | |
|--|-------------------|------------------------|
| Deposits on 1 April 2017 | £68,275,103.16 | |
| Accrued Interest on 1 April 2017 | £172,838.00 | |
| Net Increase in Deposits during the year | £101,280,351.22 | |
| Increase in Accrued Interest during the year | <u>£34,244.08</u> | |
| Deposits on 31 March 2018 | | <u>£169,762,536.46</u> |
| Total Deposits on 31 March 2018 | | £1,340,395,504.76 |

Reserve Account

| | | |
|--|----------------------|---------------------------------|
| Reserve Account on 1 April 2017 | £32,114,521.84 | |
| Net Increase in Reserves during the year | <u>£5,087,034.28</u> | |
| Reserve Account on 31 March 2018 | | <u>£37,201,556.12</u> |
| Fund Account Balance on 31 March 2018 | | <u><u>£1,377,597,060.88</u></u> |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| ABN AMRO BANK NV FRN 30/11/18 | £5,000,000.00 | 100.256 0.092 | £5,012,800.00 £4,593.22 | £5,017,393.22 |
| BANK OF NOVA SCOTIA FRN 05/04/19 | £7,000,000.00 | 100.061 0.168 | £7,004,270.00 £11,757.36 | £7,016,027.36 |
| ROYAL BANK OF CANADA FRN 04/06/19 | £5,000,000.00 | 100.340 0.070 | £5,017,000.00 £3,522.22 | £5,020,522.22 |
| BMW INTL INVESTMENT BV FRN 17/07/19 | £5,000,000.00 | 100.109 0.162 | £5,005,450.00 £8,111.30 | £5,013,561.30 |
| LLOYDS BANK FRN 18/07/19 | £2,500,000.00 | 100.301 0.162 | £2,507,525.00 £4,053.40 | £2,511,578.40 |
| TOYOTA MOTOR FINANCE BV FRN 30/09/19 | £7,000,000.00 | 100.033 0.005 | £7,002,310.00 £345.90 | £7,002,655.90 |
| ASB FINANCE LTD LONDON FRN 22/05/20 | £7,000,000.00 | 100.298 0.108 | £7,020,860.00 £7,546.48 | £7,028,406.48 |
| BARCLAYS BANK PLC FRN 22/05/20 | £3,500,000.00 | 100.212 0.080 | £3,507,420.00 £2,815.29 | £3,510,235.29 |
| BANK OF MONTREAL FRN 20/07/20 | £6,850,000.00 | 100.181 0.137 | £6,862,398.50 £9,353.52 | £6,871,752.02 |
| AUST & NZ BANKING GROUP FRN 22/03/21 | £5,000,000.00 | 100.020 0.024 | £5,001,000.00 £1,197.74 | £5,002,197.74 |
| SKANDINAVISKA ENSKILDA FRN 22/03/21 | £5,000,000.00 | 99.992 0.025 | £4,999,600.00 £1,234.73 | £5,000,834.73 |
| EXPORT DEVELOPMENT CANADA FRN 13/10/22 | £6,000,000.00 | 100.143 0.128 | £6,008,580.00 £7,659.25 | £6,016,239.25 |
| TSB BANK PLC FRN 07/12/22 | £5,000,000.00 | 100.085 0.055 | £5,004,250.00 £2,765.13 | £5,007,015.13 |
| BANK OF NOVA SCOTIA FRN 10/01/23 | £3,000,000.00 | 100.017 0.165 | £3,000,510.00 £4,949.19 | £3,005,459.19 |
| TORONTO-DOMINION BANK FRN 30/01/23 | £6,000,000.00 | 99.994 0.122 | £5,999,640.00 £7,343.01 | £6,006,983.01 |
| OVERSEA-CHINESE BANKING FRN 14/03/23 | £5,000,000.00 | 99.852 0.041 | £4,992,600.00 £2,037.37 | £4,994,637.37 |
| BARCLAYS BANK PLC FRN 09/01/23 | £3,700,000.00 | 99.956 0.165 | £3,698,372.00 £6,086.87 | £3,704,458.87 |
| STADSHYPOTEK AB FRN 17/08/18 | £2,000,000.00 | 100.085 0.091 | £2,001,700.00 £1,818.63 | £2,003,518.63 |
| NATIONWIDE BUILDING SOCIETY FRN 25/04/19 | £5,000,000.00 | 100.438 0.180 | £5,021,900.00 £8,977.03 | £5,030,877.03 |
| STADSHYPOTEK AB FRN 11/01/23 | £6,000,000.00 | 99.955 0.160 | £5,997,300.00 £9,602.59 | £6,006,902.59 |
| ONTARIO (PROVINCE OF) FRN 10/11/20 (1) | £10,000,000.00 | 100.068 0.081 | £10,006,800.00 £8,056.83 | £10,014,856.83 |
| ROYAL BANK OF CANADA FRN 14/09/21 | £5,000,000.00 | 100.709 0.047 | £5,035,450.00 £2,340.11 | £5,037,790.11 |
| NATIONAL BANK OF CANADA FRN 27/09/21 | £4,250,000.00 | 100.605 0.012 | £4,275,712.50 £490.47 | £4,276,202.97 |
| BANQUE FED CRED MUTUEL FRN 07/02/19 | £4,000,000.00 | 100.194 0.132 | £4,007,760.00 £5,292.03 | £4,013,052.03 |
| Carried forward | £123,800,000.00 | | £124,113,157.67 | £124,113,157.67 |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought forward | £123,800,000.00 | | £124,113,157.67 | £124,113,157.67 |
| BMW INTL INVESTMENT BV FRN 15/02/19 | £5,000,000.00 | 100.086 0.108 | £5,004,300.00 £5,404.35 | £5,009,704.35 |
| EUROPEAN INVESTMENT BANK FRN 17/02/20 | £6,900,000.00 | 100.555 0.088 | £6,938,295.00 £6,047.42 | £6,944,342.42 |
| SANTANDER UK PLC FRN 05/05/20 | £5,000,000.00 | 100.270 0.117 | £5,013,500.00 £5,865.58 | £5,019,365.58 |
| CANADIAN IMPERIAL BANK FRN 10/01/22 | £7,000,000.00 | 100.813 0.209 | £7,056,910.00 £14,616.61 | £7,071,526.61 |
| SANTANDER UK PLC FRN 16/11/22 | £2,500,000.00 | 99.994 0.091 | £2,499,850.00 £2,280.88 | £2,502,130.88 |
| REPUBLIC OF FINLAND 1% 17/12/18 | £7,000,000.00 | 100.195 0.285 | £7,013,650.00 £19,945.21 | £7,033,595.21 |
| BELGIUM KINGDOM 1.125% 21/12/18 | £9,000,000.00 | 100.263 0.308 | £9,023,670.00 £27,739.73 | £9,051,409.73 |
| COMMONWEALTH BANK AUST 2.25% 07/12/18 | £7,000,000.00 | 100.882 0.703 | £7,061,740.00 £49,191.78 | £7,110,931.78 |
| PRUDENTIAL PLC 1.75% 27/11/18 | £2,500,000.00 | 100.466 0.595 | £2,511,650.00 £14,863.01 | £2,526,513.01 |
| BK NEDERLANDSE GEMEENTEN 1.875% 07/12/18 | £7,000,000.00 | 100.761 0.586 | £7,053,270.00 £40,993.15 | £7,094,263.15 |
| DEXIA CREDIT LOCAL 1.125% 24/02/19 | £16,500,000.00 | 100.103 0.108 | £16,516,995.00 £17,799.66 | £16,534,794.66 |
| BNP PARIBAS 2.375% 20/11/19 | £5,000,000.00 | 101.821 0.852 | £5,091,050.00 £42,619.86 | £5,133,669.86 |
| DAIMLER AG 1% 20/12/19 | £5,000,000.00 | 99.468 0.277 | £4,973,400.00 £13,835.62 | £4,987,235.62 |
| NEDER WATERSCHAPSBANK 2% 28/12/18 | £10,000,000.00 | 100.932 0.510 | £10,093,200.00 £50,958.90 | £10,144,158.90 |
| ASIAN DEVELOPMENT BANK 1% 18/12/18 | £5,000,000.00 | 100.205 0.282 | £5,010,250.00 £14,109.59 | £5,024,359.59 |
| SCOTTISH & SOUTHERN ENERGY 5% 01/10/18 | £7,000,000.00 | 101.896 2.479 | £7,132,720.00 £173,561.64 | £7,306,281.64 |
| LLOYDS BANK PLC 2.75% 09/12/18 | £6,500,000.00 | 101.161 0.846 | £6,575,465.00 £55,000.00 | £6,630,465.00 |
| BANQUE FED CRED MUTUEL 0.875 08/06/20 | £3,000,000.00 | 98.851 0.272 | £2,965,530.00 £8,149.04 | £2,973,679.04 |
| GLENCORE FINANCIAL EUROPE 6.5% 27/02/19 (1) | £5,000,000.00 | 104.590 0.570 | £5,229,500.00 £28,493.15 | £5,257,993.15 |
| LLOYDS BANK GBP CALL A/C | £0.00 | 0.000 | £0.00 £181.54 | £181.54 |
| BANK OF NEW YORK GBP A/C | £50,400.98 | 100.000 | £50,400.98 | £50,400.98 |
| ROYAL BANK OF SCOTLAND GBP CALL A/C | £53,025.25 | 100.000 0.001 | £53,025.25 £0.44 | £53,025.69 |
| STERLING FUTURE SETTLEMENTS ACCOUNT (1) | (£252,964.73) | 100.000 | (£252,964.73) | (£252,964.73) |
| GOVERNMENT OF GIBRALTAR MONTHLY INCOME DEBENTURES ISSUED ON 1 OCTOBER 2014 | £147,700,000.00 | 100.000 0.510 | £147,700,000.00 £752,663.01 | £148,452,663.01 |
| Carried forward | £393,250,461.50 | | £395,772,884.34 | £395,772,884.34 |

SPECIAL FUNDS
SAVINGS BANK FUND
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|--------------------------|----------------------------------|----------------------------------|------------------------------|
| Brought forward | £393,250,461.50 | | £395,772,884.34 | £395,772,884.34 |
| GOVERNMENT OF GIBRALTAR DEBENTURES ISSUED ON 1 SEPTEMBER 2014 | £100,000,000.00 | 100.000 2.992 | £100,000,000.00 £2,991,780.82 | £102,991,780.82 |
| CREDIT FINANCE COMPANY LTD REDEEMABLE PREFERENCE SHARES | £400,000,000.00 | 100.000 | £400,000,000.00 | £400,000,000.00 |
| VISA - SHAREHOLDING (2) | £7.92 | 3441903.030 | £272,598.72 | £272,598.72 |
| GSBA LTD - ORDINARY SHARES | £11,000,000.00 | 100.000 | £11,000,000.00 | £11,000,000.00 |
| GIBTELECOM LTD - ORDINARY SHARES (3) | £15,000.00 | 503985.271 | £75,597,790.66 | £75,597,790.66 |
| BANK OF ENGLAND | £40,655,645.39 | 100.000 0.003 | £40,655,645.39 £1,269.79 | £40,656,915.18 |
| BARCLAYS BANK PLC | £81,751,317.66 | 100.000 0.053 | £81,751,317.66 £43,731.54 | £81,795,049.20 |
| NATIONAL WESTMINSTER OFFSHORE LTD | £151,413,521.60 | 100.000 0.005 | £151,413,521.60 £7,135.50 | £151,420,657.10 |
| JYSKE BANK | £20,830,622.63 | 100.000 0.082 | £20,830,622.63 £17,094.45 | £20,847,717.08 |
| GIBRALTAR INTERNATIONAL BANK | £63,979,866.98 | 100.000 0.077 | £63,979,866.98 £49,002.78 | £64,028,869.76 |
| KLEINWORT HAMBROS BANK | £20,025,563.21 | 100.000 0.146 | £20,025,563.21 £29,329.22 | £20,054,892.43 |
| MONEYCORP BANK | £1,003,250.04 | 100.000 0.127 | £1,003,250.04 £1,278.11 | £1,004,528.15 |
| | £1,283,925,256.93 | | £1,365,443,683.44 | £1,365,443,683.44 |

Notes:

(1) The sterling future settlements account reflects the following trades transacted in March 2018 with settlement in April 2018. This amount includes an element of accrued interest:

Ontario (Province of) FRN 10/11/20

Glencore Financial Europe 6.5% 27/02/19

(2) The Visa shareholding shown above is based on a re-valuation as at 31 March 2018 of its 230 Series C preference shares in Visa Inc.

(3) The Savings Bank Fund has paid and holds the beneficial interest in 15,000 Ordinary Shares (7,500 Class A and 7,500 Class B) of £1 each in GIBTELECOM Ltd, with the legal interest in these shares being held by the Government.

SPECIAL FUNDS
GENERAL SINKING FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

RECEIPTS

Contribution from the Consolidated Fund - Head 05 £10,000,000.00

PAYMENTS

Payment of Public Debt Interest (£6,444,244.45)
Net Receipts £3,555,755.55

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments £3,555,755.55

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£3,555,755.55

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £5,207,069.60
Net Increase in Investments during the year £3,555,755.55
Investments on 31 March 2018 £8,762,825.15

FINANCED BY

Fund Account Balance on 1 April 2017 £5,207,069.60
Net Receipts during the year £3,555,755.55
Fund Account Balance on 31 March 2018 £8,762,825.15

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: On-Call Investment Account | £8,762,825.15 | 100.000 | £8,762,825.15 | £8,762,825.15 |

SPECIAL FUNDS
SUPREME COURT FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|-----------------------------|----------------------|
| Miscellaneous Receipts | £1,130,949.38 |
| Deposits by way of Security | £960.00 |
| Interest Earned | £5,989.81 |
| | <u>£1,137,899.19</u> |

PAYMENTS

| | |
|------------------------|------------------|
| Miscellaneous Payments | (£1,132,374.69) |
| Net Receipts | <u>£5,524.50</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £5,989.81 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| Net Sale of Investments | (£465.31) |
| Net Increase in Investments | <u>£5,524.50</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £421,893.60 |
| Net Increase in Investments during the year | £5,524.50 |
| Investments on 31 March 2018 | <u>£427,418.10</u> |
| Balance held in Government Liquid Reserves | £50,405.67 |
| | <u>£477,823.77</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2017 | £472,299.27 |
| Net Receipts during the year | £5,524.50 |
| Fund Account Balance on 31 March 2018 | <u>£477,823.77</u> |

SPECIAL FUNDS
SUPREME COURT FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Fixed Term Monthly Income Debentures | £40,000.00 | 100.000 | £40,000.00 | £40,000.00 |
| Monthly Income Debentures | £900.00 | 100.000 | £900.00 | £900.00 |
| Ordinary Deposits | £386,518.10 | 100.000 | £386,518.10 | £386,518.10 |
| | £427,418.10 | | £427,418.10 | £427,418.10 |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|-----------------|-----------|
| Interest Earned | £1,315.00 |
|-----------------|-----------|

PAYMENTS

| | |
|--------------|------------------|
| | (£0.00) |
| Net Receipts | <u>£1,315.00</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £1,315.00 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£1,315.00</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £243,047.40 |
| Net Increase in Investments during the year | <u>£1,315.00</u> |
| Investments on 31 March 2018 | <u>£244,362.40</u> |

FINANCED BY

| | |
|---------------------------------------|--------------------|
| Fund Account Balance on 1 April 2017 | £243,047.40 |
| Net Receipts during the year | <u>£1,315.00</u> |
| Fund Account Balance on 31 March 2018 | <u>£244,362.40</u> |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| BERT V FREED Savings Bank Fund - Ordinary Deposits | £172.12 | 100.000 | £172.12 | £172.12 |
| OSCAR LIMA Savings Bank Fund - Ordinary Deposits | £700.63 | 100.000 | £700.63 | £700.63 |
| SHIRLEY ELVIN Savings Bank Fund - Ordinary Deposits | £1,166.63 | 100.000 | £1,166.63 | £1,166.63 |
| FRANCISCO G BERNAL Savings Bank Fund - Ordinary Deposits | £506.86 | 100.000 | £506.86 | £506.86 |
| HEINRICH A NOLLE Savings Bank Fund - Ordinary Deposits | £255.58 | 100.000 | £255.58 | £255.58 |
| NELLIE E JUDSON Savings Bank Fund - Ordinary Deposits | £437.78 | 100.000 | £437.78 | £437.78 |
| JOYCE BILLINGTON Savings Bank Fund - Ordinary Deposits | £381.76 | 100.000 | £381.76 | £381.76 |
| KONSTANTY SZYDUK Savings Bank Fund - Ordinary Deposits | £148.82 | 100.000 | £148.82 | £148.82 |
| ERNEST C DEAN Savings Bank Fund - Ordinary Deposits | £1,308.74 | 100.000 | £1,308.74 | £1,308.74 |
| MARIA L CHAMBERLAND Savings Bank Fund - Ordinary Deposits | £101.73 | 100.000 | £101.73 | £101.73 |
| GORDON MCTEAR Savings Bank Fund - Ordinary Deposits | £83.97 | 100.000 | £83.97 | £83.97 |
| Carried Forward | £5,264.62 | | £5,264.62 | £5,264.62 |

SPECIAL FUNDS
ADMINISTRATOR GENERAL'S ACCOUNT
STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £5,264.62 | | £5,264.62 | £5,264.62 |
| LEWIS HENRY REILLY Savings Bank Fund - Ordinary Deposits | £49.25 | 100.000 | £49.25 | £49.25 |
| RAFAELA BAREA Savings Bank Fund - Ordinary Deposits | £2,231.97 | 100.000 | £2,231.97 | £2,231.97 |
| MARIA LOPEZ BENITEZ Savings Bank Fund - Ordinary Deposits | £42,614.92 | 100.000 | £42,614.92 | £42,614.92 |
| EMMA DUARTE Savings Bank Fund - Ordinary Deposits | £29,127.14 | 100.000 | £29,127.14 | £29,127.14 |
| MAGDALENA MARTINEZ Savings Bank Fund - Ordinary Deposits | £9,292.08 | 100.000 | £9,292.08 | £9,292.08 |
| STANLEY LONG Savings Bank Fund - Ordinary Deposits | £3,113.00 | 100.000 | £3,113.00 | £3,113.00 |
| JUANA TERESA BALDOMINOS MARTIN Savings Bank Fund - Ordinary Deposits | £1,695.29 | 100.000 | £1,695.29 | £1,695.29 |
| EUGRACIA GUILLIANO LOBATO Savings Bank Fund - Ordinary Deposits | £4,287.62 | 100.000 | £4,287.62 | £4,287.62 |
| GILA SUTCLIFFE LLOYD-OWEN Savings Bank Fund - Ordinary Deposits | £122,163.61 | 100.000 | £122,163.61 | £122,163.61 |
| MANUEL MELERO Savings Bank Fund - Ordinary Deposits | £24,522.90 | 100.000 | £24,522.90 | £24,522.90 |
| | £244,362.40 | | £244,362.40 | £244,362.40 |

SPECIAL FUNDS
FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)
DEPOSIT GUARANTEE FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

RECEIPTS

| | |
|------------------------|----------------------|
| Miscellaneous Receipts | £1,179,684.00 |
| Interest Earned (a) | £2,411.42 |
| | <u>£1,182,095.42</u> |

PAYMENTS

| | |
|--------------|----------------------|
| | (£0.00) |
| Net Receipts | <u>£1,182,095.42</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £1,179,684.00 |
| Interest Earned | £2,411.42 |
| | <u>£1,182,095.42</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£1,182,095.42</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £912,206.93 |
| Net Increase in Investments during the year | £1,182,095.42 |
| Investments on 31 March 2018 | <u>£2,094,302.35</u> |

FINANCED BY

| | |
|---------------------------------------|----------------------|
| Fund Account Balance on 1 April 2017 | £912,206.93 |
| Net Receipts during the year | £1,182,095.42 |
| Fund Account Balance on 31 March 2018 | <u>£2,094,302.35</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|----------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Bank of England | £2,094,253.29 | 100.000 | £2,094,253.29 | £2,094,302.35 |
| | | 0.002 | £49.06 | |
| | <u>£2,094,253.29</u> | | <u>£2,094,302.35</u> | <u>£2,094,302.35</u> |

Note:

(a) Total Interest Earned for the year amounted to £3,215.20. The Government of Gibraltar credited £803.78 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS
FINANCIAL SERVICES RESOLUTION AND COMPENSATION COMMITTEE (FSRCC)
RESOLUTION FINANCING FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £947,156.00 |
| Interest Earned (a) | £2,730.30 |
| | <u>£949,886.30</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£949,886.30</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £947,156.00 |
| Interest Earned | £2,730.30 |
| | <u>£949,886.30</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£949,886.30</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £1,140,258.38 |
| Net Increase in Investments during the year | £949,886.30 |
| Investments on 31 March 2018 | <u>£2,090,144.68</u> |

FINANCED BY

| | |
|---------------------------------------|----------------------|
| Fund Account Balance on 1 April 2017 | £1,140,258.38 |
| Net Receipts during the year | £949,886.30 |
| Fund Account Balance on 31 March 2018 | <u>£2,090,144.68</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|----------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Bank of England | £2,090,095.72 | 100.000 | £2,090,095.72 | £2,090,144.68 |
| | | 0.002 | £48.96 | |
| | <u>£2,090,095.72</u> | | <u>£2,090,144.68</u> | <u>£2,090,144.68</u> |

Note:

(a) Total Interest Earned for the year amounted to £3,640.35. The Government of Gibraltar credited £910.05 to the Consolidated Fund Revenue Head 6 Subhead 1 - Consolidated Fund Interest.

SPECIAL FUNDS
HM CUSTOMS CENTRE OF EXCELLENCE FUND
ACCOUNTS FOR THE PERIOD 14 DECEMBER 2017 TO 31 MARCH 2018

RECEIPTS £0.00

PAYMENTS (£0.00)

Net Receipts/Payments (£0.00)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS £0.00

DECREASE IN INVESTMENTS (£0.00)

Net Increase/Decrease in Investments £0.00

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 14 December 2017 £0.00

Net Increase/Decrease in Investments during the period £0.00

Investments on 31 March 2018 £0.00

FINANCED BY

Fund Account Balance on 14 December 2017 £0.00

Net Receipts/Payments during the period (£0.00)

Fund Account Balance on 31 March 2018 (£0.00)

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Gibraltar International Bank - Current Account | £0.00 | 100.000 | £0.00 | £0.00 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FUND ACCOUNT

RECEIPTS

| | |
|--|----------------|
| Admiralty Marshal Sub-Fund | £33,348,205.43 |
| Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund | £16,513,755.54 |
| Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund | £5,308,325.46 |
| Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund | £4,175,636.09 |
| Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority Sub-Fund | £911,862.74 |
| Commissioner of Police - Confiscated Monies Sub-Fund | £893,491.85 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund | £617,803.54 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme Sub-Fund | £558,049.90 |
| 8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund | £429,802.57 |
| Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme Sub-Fund | £390,098.90 |
| 8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund | £366,422.11 |
| Collector of Customs - Confiscated Monies Sub-Fund | £103,375.88 |
| Youth Clubs Sub-Fund | £45,274.54 |
| Gibraltar Pension Annuity Trust Scheme Sub-Fund | £37,643.34 |
| The Gibraltar Masonic Educational Events Fund Sub-Fund | £17,153.99 |
| Care Agency - Donations Sub-Fund | £16,372.33 |
| Care Agency - Residents' Savings Sub-Fund | £4,493.09 |
| Gibraltar National Archives - Donations Sub-Fund | £3,870.71 |
| Gibraltar Defence Estates and General Services Ltd (Safety-Net Employees) Sub-Fund | £3,029.75 |
| Accountant General on behalf of Unclaimed Deceased Persons Debentures Sub-Fund | £1,322.09 |
| Public Trustee Sub-Fund | £1,151.42 |
| Gibraltar Shiprepair Ltd Provident Trust Fund Sub-Fund | £774.58 |
| Accountant General on behalf of Sundry Beneficiaries Sub-Fund | £665.58 |
| Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed Sub-Fund | £526.05 |
| Gibraltar Health Authority Gratuities Sub-Fund | £459.42 |
| Overseas Service Aid Scheme Pension Sub-Fund | £277.18 |
| 8 1/4% John Mackintosh Homes Provident Trust Fund Bond Sub-Fund | £216.93 |
| Deck Cadet Training Course Sub-Fund | £209.05 |
| Accountant General on behalf of Gibraltar Building Society Beneficiaries Sub-Fund | £135.13 |
| Hargraves Project Sub-Fund | £53.31 |
| King George V Hospital - Patients' Property Sub-Fund | £41.39 |
| Matron Giraldis Prize Fund Sub-Fund | £34.63 |
| St Mary's First School - Donations Sub-Fund | £34.38 |
| King George V Hospital - Lord Thompson's Bequest Sub-Fund | £21.43 |
| Gibraltar Grand Piano Sub-Fund | £12.45 |
| Hebrew School - Musical Instrument Bursary Sub-Fund | £7.69 |
| Hebrew School - Donations Sub-Fund | £6.36 |
| St Bernard's Hospital - Humphrey's Ltd Challenge Cup Sub-Fund | £4.90 |
| St Martin's School - Donations Sub-Fund | £4.11 |
| Professional Darts Corporation (Escrow Account) Sub-Fund | £1.40 |
| St Anne's Middle School - Musical Instrument Bursary Sub-Fund | £0.06 |
| carried forward | £63,750,627.30 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

| | | |
|---|-----------------|----------------------|
| | brought forward | £63,750,627.30 |
| <u>PAYMENTS</u> | | |
| Admiralty Marshal Sub-Fund | £50,241,026.95 | |
| Gibraltar Guaranteed Superannuation Fund Pension Scheme Sub-Fund | £1,319,796.80 | |
| Gibraltar Provident Trust (No.2) Pension Scheme Sub-Fund | £3,573,224.69 | |
| Gibraltar Provident Trust (No.3) Pension Scheme Sub-Fund | £1,408,246.65 | |
| Commissioner of Police - Confiscated Monies Sub-Fund | £8,628.46 | |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme Sub-Fund | £66,422.08 | |
| 8% Pension Rights and Gratuity Transfers - Bond 2 Sub-Fund | £743,323.93 | |
| 8% Gibraltar Provident Trust Fund - Bond 1 Sub-Fund | £937,936.31 | |
| Collector of Customs - Confiscated Monies Sub-Fund | £112.41 | |
| Youth Clubs Sub-Fund | £36,621.42 | |
| Gibraltar Pension Annuity Trust Scheme Sub-Fund | £26,747.73 | |
| The Gibraltar Masonic Educational Events Fund Sub-Fund | £20,002.34 | |
| Care Agency - Donations Sub-Fund | £20,256.83 | |
| Care Agency - Residents' Savings Sub-Fund | £7,127.43 | |
| Gibraltar National Archives - Donations Sub-Fund | £3,936.00 | |
| Public Trustee Sub-Fund | £602.88 | |
| Gibraltar Shiprepair Ltd Provident Trust Fund Sub-Fund | £5,851.76 | |
| Hebrew School - Musical Instrument Bursary Sub-Fund | £1,064.30 | |
| Hebrew School - Donations Sub-Fund | £935.00 | |
| | | (£58,421,863.97) |
| | Net Receipts | <u>£5,328,763.33</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £2,705,644.39 |
| Interest Earned | £2,388,737.31 |
| Return on Investment | £1,196,754.25 |
| | <u>£6,291,135.95</u> |

DECREASE IN INVESTMENTS

| | | |
|-----------------------------|---------------|----------------------|
| Net Capital Loss | (£972,258.05) | |
| Exchange Rate Adjustment | (£22.84) | |
| | | <u>(£972,280.89)</u> |
| Net Increase in Investments | | <u>£5,318,855.06</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|------------------------|
| Investments on 1 April 2017 | £140,317,113.91 |
| Net Increase in Investments during the year | £5,318,855.06 |
| Investments on 31 March 2018 | <u>£145,635,968.97</u> |
| Balance held in Government Liquid Reserves | £125,288.52 |
| | <u>£145,761,257.49</u> |

FINANCED BY

| | |
|---------------------------------------|------------------------|
| Fund Account Balance on 1 April 2017 | £140,432,494.16 |
| Net Receipts during the year | £5,328,763.33 |
| Fund Account Balance on 31 March 2018 | <u>£145,761,257.49</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| SUMMARY OF INVESTMENTS BY SUB-FUND | NOMINAL VALUE | VALUE WITH ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|-----------------------------------|------------------------------|
| Gibraltar Guaranteed Superannuation Fund Pension Scheme | £61,130,338.01 | £61,130,338.01 | £61,130,338.01 |
| Gibraltar Provident Trust (No.2) Pension Scheme | £32,057,689.96 | £41,825,339.80 | £41,825,339.80 |
| Gibraltar Provident Trust (No.3) Pension Scheme | £15,013,055.56 | £20,477,860.99 | £20,477,860.99 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL) Pension Scheme | £5,929,086.02 | £5,929,086.02 | £5,929,086.02 |
| 8% Pension Rights and Gratuity Transfers - Bond 2 | £3,744,621.82 | £3,744,621.82 | £3,744,621.82 |
| Financial Secretary re: Purchase of Carbon Credits by Gibraltar Electricity Authority | £3,229,235.13 | £3,229,235.13 | £3,229,235.13 |
| 8% Gibraltar Provident Trust Fund - Bond 1 | £3,174,534.34 | £3,174,534.34 | £3,174,534.34 |
| Gibraltar Defence Estates and General Services Ltd (GMES) Pension Scheme | £1,991,395.23 | £1,991,395.23 | £1,991,395.23 |
| Gibraltar Defence Estates and General Services Ltd (GDEGSL - AFRS) Pension Scheme | £1,281,734.05 | £1,281,734.05 | £1,281,734.05 |
| Commissioner of Police - Confiscated Monies | £951,977.57 | £951,984.73 | £951,984.73 |
| Gibraltar Pension Annuity Trust Scheme | £358,997.30 | £358,997.30 | £358,997.30 |
| Accountant General on behalf of Unclaimed Deceased Persons Debentures | £245,664.04 | £245,664.04 | £245,664.04 |
| Care Agency - Donations | £183,764.83 | £183,764.83 | £183,764.83 |
| Gibraltar Defence Estates and General Services Ltd (Safety-Net Employees) | £153,129.84 | £153,129.84 | £153,129.84 |
| Gibraltar Shiprepair Ltd Provident Trust Fund | £141,685.55 | £141,685.55 | £141,685.55 |
| Collector of Customs - Confiscated Monies | £115,586.27 | £115,586.27 | £115,586.27 |
| Admiralty Marshal | £104,227.11 | £104,227.11 | £104,227.11 |
| Public Trustee | £97,837.44 | £97,837.44 | £97,837.44 |
| Gratuities, Pensions, Wages, Salaries and Group Life Insurance Benefits Unclaimed | £97,751.84 | £97,751.84 | £97,751.84 |
| Gibraltar Health Authority Gratuities | £85,368.60 | £85,368.60 | £85,368.60 |
| Overseas Service Aid Scheme Pension | £51,503.33 | £51,503.33 | £51,503.33 |
| Youth Clubs | £50,675.74 | £50,675.74 | £50,675.74 |
| Care Agency - Residents' Savings | £44,510.33 | £44,510.33 | £44,510.33 |
| 8 1/4% John Mackintosh Homes Provident Trust Fund Bond | £40,309.76 | £40,309.76 | £40,309.76 |
| Deck Cadet Training Course | £38,844.17 | £38,844.17 | £38,844.17 |
| Accountant General on behalf of Sundry Beneficiaries | £32,497.20 | £32,497.20 | £32,497.20 |
| Accountant General on behalf of Gibraltar Building Society Beneficiaries | £25,184.73 | £25,184.73 | £25,184.73 |
| Hargraves Project | £9,906.86 | £9,906.86 | £9,906.86 |
| King George V Hospital - Patients' Property | £7,695.46 | £7,695.46 | £7,695.46 |
| St Mary's First School - Donations | £6,388.32 | £6,388.32 | £6,388.32 |
| Gibraltar Grand Piano | £2,315.35 | £2,315.35 | £2,315.35 |
| Matron Giraldi Prize Fund | £2,113.82 | £2,113.82 | £2,113.82 |
| King George V Hospital - Lord Thompson's Bequest | £1,297.50 | £1,297.50 | £1,297.50 |
| St Martin's School - Donations | £763.93 | £763.93 | £763.93 |
| Hebrew School - Musical Instrument Bursary | £449.60 | £449.60 | £449.60 |
| Hebrew School - Donations | £386.93 | £386.93 | £386.93 |
| St Bernard's Hospital - Humphrey's Ltd Challenge Cup | £378.48 | £378.48 | £378.48 |
| Gibraltar National Archives - Donations | £331.74 | £331.74 | £331.74 |
| Professional Darts Corporation (Escrow Account) | £260.93 | £260.93 | £260.93 |
| St Anne's Middle School - Musical Instrument Bursary | £11.85 | £11.85 | £11.85 |
| | £130,403,506.54 | £145,635,968.97 | £145,635,968.97 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR GUARANTEED SUPERANNUATION FUND PENSION
SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|-----------------------|
| Pension Contributions | £15,129,166.17 |
| Interest Earned | £1,384,589.37 |
| | <u>£16,513,755.54</u> |

PAYMENTS

| | |
|------------------------|-----------------------|
| Miscellaneous Payments | (£1,319,796.80) |
| Net Receipts | <u>£15,193,958.74</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| Net Purchase of Investments | £13,799,863.23 |
| Interest Earned | £1,384,589.37 |
| | <u>£15,184,452.60</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£15,184,452.60</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2017 | £45,945,885.41 |
| Net Increase in Investments during the year | <u>£15,184,452.60</u> |
| Investments on 31 March 2018 | £61,130,338.01 |
| Balance held in Government Liquid Reserves | <u>£72,737.72</u> |
| | <u>£61,203,075.73</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £46,009,116.99 |
| Net Receipts during the year | <u>£15,193,958.74</u> |
| Sub-Fund Account Balance on 31 March 2018 | <u>£61,203,075.73</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Bonds | £61,130,338.01 | 100.000 | £61,130,338.01 | £61,130,338.01 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

RECEIPTS

| | | |
|-----------------------|--|----------------------|
| Pension Contributions | | £4,490,434.31 |
| Return on Investments | | £817,891.15 |
| | | <u>£5,308,325.46</u> |

PAYMENTS

| | | |
|---------------------------------|---------------|------------------------|
| Miscellaneous Payments | £2,844,674.37 | |
| Net Capital Loss | £620,506.55 | |
| Crown Agents Management Charges | £91,618.77 | |
| Administration Fees | £16,425.00 | |
| | | <u>(£3,573,224.69)</u> |
| Net Receipts | | <u>£1,735,100.77</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | | |
|-----------------------------|--|----------------------|
| Net Purchase of Investments | | £1,497,445.49 |
| Return on Investments | | £817,891.15 |
| | | <u>£2,315,336.64</u> |

DECREASE IN INVESTMENTS

| | | |
|-----------------------------|--|----------------------|
| Net Capital Loss | | (£620,506.55) |
| Net Increase in Investments | | <u>£1,694,830.09</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | | |
|---|------------------------------|-----------------------|
| Investments on 1 April 2017 | | £40,130,509.71 |
| Net Increase in Investments during the year | | £1,694,830.09 |
| | Investments on 31 March 2018 | <u>£41,825,339.80</u> |
| Balance held in Government Liquid Reserves | | £17,211.73 |
| | | <u>£41,842,551.53</u> |

FINANCED BY

| | | |
|--|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2017 | | £40,107,450.76 |
| Net Receipts during the year | | £1,735,100.77 |
| | Sub-Fund Account Balance on 31 March 2018 | <u>£41,842,551.53</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Canada FRN 20/07/18 | £500,000.00 | 100.096 0.150 | £500,480.00 £747.94 | £501,227.94 |
| Lloyds Bank FRN 14/01/19 | £1,000,000.00 | 100.238 0.183 | £1,002,380.00 £1,831.34 | £1,004,211.34 |
| Nordea Eiendomskreditt FRN 14/01/19 | £2,250,000.00 | 100.286 0.193 | £2,256,435.00 £4,351.67 | £2,260,786.67 |
| Bank of Montreal FRN 20/07/20 | £1,800,000.00 | 100.181 0.137 | £1,803,258.00 £2,457.86 | £1,805,715.86 |
| Bk Nederlandse Gemeenten FRN 03/04/18 | £3,000,000.00 | 100.005 0.167 | £3,000,150.00 £5,013.06 | £3,005,163.06 |
| Lloyds Bank FRN 18/07/19 | £750,000.00 | 100.301 0.162 | £752,257.50 £1,216.02 | £753,473.52 |
| European Investment Bank FRN 25/05/18 | £1,250,000.00 | 100.046 0.075 | £1,250,575.00 £938.08 | £1,251,513.08 |
| European Investment Bank FRN 16/04/19 | £3,000,000.00 | 100.316 0.156 | £3,009,480.00 £4,692.78 | £3,014,172.78 |
| Svenska Handelsbanken AB 2.375% 18/01/22 | £900,000.00 | 103.146 0.468 | £928,314.00 £4,216.44 | £932,530.44 |
| UK Government 1.75% 07/09/22 | £1,170,000.00 | 103.284 0.114 | £1,208,422.80 £1,335.33 | £1,209,758.13 |
| UK Government 3.75% 07/09/19 | £345,000.00 | 104.290 0.245 | £359,800.50 £843.75 | £360,644.25 |
| UK Government 3.75% 07/09/20 | £1,500,000.00 | 107.075 0.245 | £1,606,125.00 £3,668.48 | £1,609,793.48 |
| Carried Forward | £17,465,000.00 | | £17,708,990.55 | £17,708,990.55 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £17,465,000.00 | | £17,708,990.55 | £17,708,990.55 |
| UK Government 2% 07/09/25 | £3,000,000.00 | 105.827 0.130 | £3,174,810.00 £3,913.04 | £3,178,723.04 |
| Transport for London 2.125% 24/04/25 | £1,000,000.00 | 102.483 1.985 | £1,024,830.00 £19,852.74 | £1,044,682.74 |
| UK Gov. 1.875% Indexed 22/11/22 (i) | £180,000.00 | 119.047 0.897 | £287,647.08 £1,614.45 | £289,261.53 |
| MICRO FOCUS INTL | £9,130.00 | 9.868 | £90,094.84 | £90,094.84 |
| MONKS INVEST TR | £26,700.00 | 7.630 | £203,721.00 | £203,721.00 |
| BP Common Stock \$0.25 | £44,714.00 | 4.793 | £214,291.85 | £214,291.85 |
| Royal Dutch Shell B Euro 0.07 | £36,758.00 | 22.770 | £836,979.66 | £836,979.66 |
| Anglo American Common 0.54945 USD | £15,787.00 | 16.610 | £262,222.07 | £262,222.07 |
| British Aerospace Ordinary 2.5p | £22,800.00 | 5.814 | £132,559.20 | £132,559.20 |
| HALMA PLC | £15,840.00 | 11.790 | £186,753.60 | £186,753.60 |
| WEIR GROUP PLC | £9,491.00 | 19.945 | £189,298.00 | £189,298.00 |
| DIPLOMA PLC | £10,010.00 | 11.410 | £114,214.10 | £114,214.10 |
| Diageo Ordinary 28.9351p | £7,023.00 | 24.120 | £169,394.76 | £169,394.76 |
| Indivior PLC Ordinary \$2 | £10,860.00 | 4.076 | £44,265.36 | £44,265.36 |
| Persimmon Ordinary 10p | £8,240.00 | 25.300 | £208,472.00 | £208,472.00 |
| Reckitt Benckiser Group Ordinary 10p | £5,300.00 | 60.340 | £319,802.00 | £319,802.00 |
| Carried Forward | £21,867,653.00 | | £25,193,726.30 | £25,193,726.30 |

New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.34236

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £21,867,653.00 | | £25,193,726.30 | £25,193,726.30 |
| IMPERIAL BRANDS | £2,970.00 | 24.260 | £72,052.20 | £72,052.20 |
| Smith & Nephew Common Stock USD 0.2 | £8,570.00 | 13.310 | £114,066.70 | £114,066.70 |
| GlaxoSmithKline Ordinary 25p | £9,725.00 | 13.940 | £135,566.50 | £135,566.50 |
| Shire Ordinary 5p | £3,450.00 | 35.705 | £123,182.25 | £123,182.25 |
| Tesco Ordinary 5p | £18,131.00 | 2.059 | £37,331.73 | £37,331.73 |
| Next Ordinary 10p | £2,475.00 | 47.590 | £117,785.25 | £117,785.25 |
| ITV Ordinary 10p | £112,650.00 | 1.442 | £162,384.98 | £162,384.98 |
| Compass Group Ordinary 11.05 | £13,624.00 | 14.555 | £198,297.32 | £198,297.32 |
| Vodafone Group Ordinary US\$0.02095238 | £45,548.00 | 1.942 | £88,463.32 | £88,463.32 |
| Barclays Ordinary 25p | £113,293.00 | 2.065 | £233,950.05 | £233,950.05 |
| Royal Bank of Scotland Ordinary 1.00 | £735.00 | 2.588 | £1,902.18 | £1,902.18 |
| Aviva Ordinary 25p | £85,905.00 | 4.959 | £426,002.90 | £426,002.90 |
| Standard Life Aberdeen PLC Ordinary 12.2222 | £20,999.00 | 3.597 | £75,533.40 | £75,533.40 |
| Ediston Property Investment Company PLC Ordinary 100p | £443,250.00 | 1.090 | £483,142.50 | £483,142.50 |
| Blackrock Smaller Companies Trust Ordinary 25p | £30,610.00 | 13.450 | £411,704.50 | £411,704.50 |
| IMPAX ENVIRONMEN | £65,504.00 | 2.520 | £165,070.08 | £165,070.08 |
| ishares FTSE 100 UCITS ETF Inc | £699,811.00 | 6.991 | £4,892,378.70 | £4,892,378.70 |
| Carried Forward | £23,544,903.00 | | £32,932,540.86 | £32,932,540.86 |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 2) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £23,544,903.00 | | £32,932,540.86 | £32,932,540.86 |
| ishares FTSE 250 UCITS ETF | £15,819.00 | 18.594 | £294,138.49 | £294,138.49 |
| HICL Ordinary 0.01 | £242,436.00 | 1.359 | £329,470.52 | £329,470.52 |
| XD accrued / interest receivable | | | £13,100.71 | £13,100.71 |
| Lloyds Bank Provident 2 Call Account | £5,094,769.84 | 1.000 0.030 | £5,094,769.84 £1,551.97 | £5,096,321.81 |
| Bank of New York Pounds Sterling | £1,502,368.67 | 1.000 | £1,502,368.67 | £1,502,368.67 |
| RBOS Gibraltar Provident No.2 Call Account | £643,911.44 | 1.000 0.001 | £643,911.44 £5.29 | £643,916.73 |
| Savings Bank Fund - Bonds | £1,013,482.01 | 1.000 | £1,013,482.01 | £1,013,482.01 |
| | £32,057,689.96 | | £41,825,339.80 | £41,825,339.80 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|----------------------|
| Pension Contributions | £3,796,772.99 |
| Return on Investments | £378,863.10 |
| | <u>£4,175,636.09</u> |

PAYMENTS

| | |
|---------------------------------|------------------------|
| Miscellaneous Payments | £961,354.04 |
| Net Capital Loss | £351,751.50 |
| Administration Fees | £51,157.90 |
| Crown Agents Management Charges | £43,983.21 |
| | <u>(£1,408,246.65)</u> |
| Net Receipts | <u>£2,767,389.44</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Purchase of Investments | £2,779,966.17 |
| Return on Investments | £378,863.10 |
| | <u>£3,158,829.27</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Capital Loss | (£351,751.50) |
| Net Increase in Investments | <u>£2,807,077.77</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-----------------------|
| Investments on 1 April 2017 | £17,670,783.22 |
| Net Increase in Investments during the year | £2,807,077.77 |
| Investments on 31 March 2018 | <u>£20,477,860.99</u> |
| Balance held in Government Liquid Reserves | £32,914.42 |
| | <u>£20,510,775.41</u> |

FINANCED BY

| | |
|---|-----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £17,743,385.97 |
| Net Receipts during the year | £2,767,389.44 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£20,510,775.41</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Canada FRN 20/07/18 | £120,000.00 | 100.096 0.150 | £120,115.20 £179.51 | £120,294.71 |
| Lloyds Bank FRN 14/01/19 | £100,000.00 | 100.238 0.183 | £100,238.00 £183.13 | £100,421.13 |
| Nordea Eiendoms kreditt FRN 14/01/19 | £850,000.00 | 100.286 0.193 | £852,431.00 £1,643.97 | £854,074.97 |
| Bank of Montreal FRN 20/07/20 | £1,200,000.00 | 100.181 0.137 | £1,202,172.00 £1,638.58 | £1,203,810.58 |
| European Investment Bank FRN 25/05/18 | £1,470,000.00 | 100.046 0.075 | £1,470,676.20 £1,103.19 | £1,471,779.39 |
| Svenska Handelsbanken AB 2.375% 18/01/22 | £400,000.00 | 103.146 0.468 | £412,584.00 £1,873.97 | £414,457.97 |
| European Investment Bank FRN 16/04/19 | £1,000,000.00 | 100.316 0.156 | £1,003,160.00 £1,564.26 | £1,004,724.26 |
| UK Government 3.75% 07/09/20 | £1,155,220.00 | 107.075 0.245 | £1,236,951.82 £2,825.26 | £1,239,777.08 |
| UK Government 1.75% 07/09/22 | £1,430,000.00 | 103.284 0.114 | £1,476,961.20 £1,632.07 | £1,478,593.27 |
| Bk Nederlandse Gemeenten FRN 03/04/18 | £1,000,000.00 | 100.005 0.167 | £1,000,050.00 £1,671.02 | £1,001,721.02 |
| Lloyds Bank FRN 18/07/19 | £250,000.00 | 100.301 0.162 | £250,752.50 £405.34 | £251,157.84 |
| Transport for London 2.125% 24/04/25 | £700,000.00 | 102.483 1.985 | £717,381.00 £13,896.92 | £731,277.92 |
| UK Gov. 1.875% Indexed 22/11/22 (i) | £92,500.00 | 119.047 0.897 | £147,818.64 £829.65 | £148,648.29 |
| MICRO FOCUS INTL | £5,610.00 | 9.868 | £55,359.48 | £55,359.48 |
| Carried Forward | £9,773,330.00 | | £10,076,097.91 | £10,076,097.91 |

New Index-linked gilts issued from September 2005 employ the three-month indexation lag structure

(i) Index Ratio 1.34236

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £9,773,330.00 | | £10,076,097.91 | £10,076,097.91 |
| MONKS INVEST TR | £23,000.00 | 7.630 | £175,490.00 | £175,490.00 |
| BP Common Stock \$0.25 | £12,318.00 | 4.793 | £59,034.01 | £59,034.01 |
| Royal Dutch Shell B Euro 0.07 | £18,452.00 | 22.770 | £420,152.04 | £420,152.04 |
| Anglo American Common 0.54945 USD | £9,582.00 | 16.610 | £159,157.02 | £159,157.02 |
| British Aerospace Ordinary 2.5p | £8,900.00 | 5.814 | £51,744.60 | £51,744.60 |
| HALMA PLC | £1,800.00 | 11.790 | £21,222.00 | £21,222.00 |
| WEIR GROUP PLC | £2,196.00 | 19.945 | £43,799.22 | £43,799.22 |
| DIPLOMA PLC | £9,020.00 | 11.410 | £102,918.20 | £102,918.20 |
| Diageo Ordinary 28.9351p | £2,253.00 | 24.120 | £54,342.36 | £54,342.36 |
| Indivior PLC Ordinary \$2 | £6,038.00 | 4.076 | £24,610.89 | £24,610.89 |
| Persimmon Ordinary 10p | £2,640.00 | 25.300 | £66,792.00 | £66,792.00 |
| Reckitt Benckiser Group Ordinary 10p | £2,038.00 | 60.340 | £122,972.92 | £122,972.92 |
| IMPERIAL BRANDS | £2,400.00 | 24.260 | £58,224.00 | £58,224.00 |
| Smith & Nephew Common Stock USD 0.2 | £9,370.00 | 13.310 | £124,714.70 | £124,714.70 |
| GlaxoSmithKline Ordinary 25p | £1,885.00 | 13.940 | £26,276.90 | £26,276.90 |
| Shire Ordinary 5p | £1,350.00 | 35.705 | £48,201.75 | £48,201.75 |
| Tesco Ordinary 5p | £3,145.00 | 2.059 | £6,475.55 | £6,475.55 |
| Next Ordinary 10p | £1,620.00 | 47.590 | £77,095.80 | £77,095.80 |
| ITV Ordinary 10p | £91,800.00 | 1.442 | £132,329.70 | £132,329.70 |
| Compass Group Ordinary 11.05 | £4,968.00 | 14.555 | £72,309.25 | £72,309.25 |
| Carried Forward | £9,988,105.00 | | £11,923,960.82 | £11,923,960.82 |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****GIBRALTAR PROVIDENT TRUST (NO. 3) PENSION SCHEME: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Brought Forward | £9,988,105.00 | | £11,923,960.82 | £11,923,960.82 |
| Vodafone Group Ordinary US \$0.02095238 | £26,567.00 | 1.942 | £51,598.43 | £51,598.43 |
| Barclays Ordinary 25p | £35,067.00 | 2.065 | £72,413.36 | £72,413.36 |
| Royal Bank of Scotland Ordinary 1.00 | £24.00 | 2.588 | £62.12 | £62.12 |
| Aviva Ordinary 25p | £25,898.00 | 4.959 | £128,428.19 | £128,428.19 |
| Standard Life Aberdeen PLC Ordinary 12.2222 | £12,869.00 | 3.597 | £46,289.80 | £46,289.80 |
| Ediston Property Investment Company PLC Ordinary 100p | £142,500.00 | 1.090 | £155,325.00 | £155,325.00 |
| Blackrock Smaller Companies Trust Ordinary 25p | £26,827.00 | 13.450 | £360,823.15 | £360,823.15 |
| IMPAX ENVIRONMEN | £46,391.00 | 2.520 | £116,905.32 | £116,905.32 |
| ishares FTSE 100 UCITS ETF Inc | £447,814.00 | 6.991 | £3,130,667.68 | £3,130,667.68 |
| ishares FTSE 250 UCITS ETF | £8,860.00 | 18.594 | £164,742.84 | £164,742.84 |
| HICL Ordinary 0.01 | £189,506.00 | 1.359 | £257,538.66 | £257,538.66 |
| XD accrued / interest receivable | | | £5,693.49 | £5,693.49 |
| Lloyds Bank Provident No.3 Call Account | £2,575,924.82 | 100.000 0.030 | £2,575,924.82 £779.14 | £2,576,703.96 |
| Bank of New York Pounds Sterling | £826,883.03 | 100.000 | £826,883.03 | £826,883.03 |
| RBOS Gibraltar Provident No.3 Call Account | £659,819.71 | 100.000 0.001 | £659,819.71 £5.43 | £659,825.14 |
| | £15,013,055.56 | | £20,477,860.99 | £20,477,860.99 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL)
PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £398,477.55 |
| Interest Earned | £219,325.99 |
| | <u>£617,803.54</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£66,422.08) |
| Net Receipts | <u>£551,381.46</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £332,055.47 |
| Interest Earned | £219,325.99 |
| | <u>£551,381.46</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£551,381.46</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £5,377,704.56 |
| Net Increase in Investments during the year | £551,381.46 |
| Investments on 31 March 2018 | <u>£5,929,086.02</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £5,377,704.56 |
| Net Receipts during the year | £551,381.46 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£5,929,086.02</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £5,302,000.00 | 100.000 | £5,302,000.00 | £5,302,000.00 |
| Ordinary Deposits | £627,086.02 | 100.000 | £627,086.02 | £627,086.02 |
| | <u>£5,929,086.02</u> | | <u>£5,929,086.02</u> | <u>£5,929,086.02</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8% PENSION RIGHTS AND GRATUITY TRANSFERS - BOND 2:
SUB-FUND

RECEIPTS

| | |
|--|--------------------|
| Contribution from the Consolidated Fund - Head 1 to meet negative pension balances | £134,663.38 |
| Interest Earned | £295,139.19 |
| | <u>£429,802.57</u> |

PAYMENTS

| | |
|------------------------|----------------------|
| Miscellaneous Payments | (£743,323.93) |
| Net Payments | <u>(£313,521.36)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------------|
| Interest Earned | £295,139.19 |
|-----------------|-------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Sale of Investments | (£608,660.55) |
| Net Decrease in Investments | <u>(£313,521.36)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £4,058,143.18 |
| Net Decrease in Investments during the year | (£313,521.36) |
| Investments on 31 March 2018 | <u>£3,744,621.82</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £4,058,143.18 |
| Net Payments during the year | (£313,521.36) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£3,744,621.82</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Bonds | £3,744,621.82 | 100.000 | £3,744,621.82 | £3,744,621.82 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

FINANCIAL SECRETARY RE: PURCHASE OF CARBON CREDITS BY
GIBRALTAR ELECTRICITY AUTHORITY: SUB-FUND

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £900,000.00 |
| Interest Earned | £11,862.74 |
| | <u>£911,862.74</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£911,862.74</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £900,000.00 |
| Interest Earned | £11,862.74 |
| | <u>£911,862.74</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£911,862.74</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £2,317,372.39 |
| Net Increase in Investments during the year | £911,862.74 |
| Investments on 31 March 2018 | <u>£3,229,235.13</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £2,317,372.39 |
| Net Receipts during the year | £911,862.74 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£3,229,235.13</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|----------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Ordinary Deposits | £2,329,235.13 | 100.000 | £2,329,235.13 | £2,329,235.13 |
| On-Call Investment Account | £900,000.00 | 100.000 | £900,000.00 | £900,000.00 |
| | <u>£3,229,235.13</u> | | <u>£3,229,235.13</u> | <u>£3,229,235.13</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8% GIBRALTAR PROVIDENT TRUST FUND - BOND 1: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £101,674.05 |
| Interest Earned | £264,748.06 |
| | <u>£366,422.11</u> |

PAYMENTS

| | |
|------------------------|----------------------|
| Miscellaneous Payments | (£937,936.31) |
| Net Payments | <u>(£571,514.20)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------------|
| Interest Earned | £264,748.06 |
|-----------------|-------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------------|
| Net Sale of Investments | (£836,082.04) |
| Net Decrease in Investments | <u>(£571,333.98)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £3,745,868.32 |
| Net Decrease in Investments during the year | (£571,333.98) |
| Investments on 31 March 2018 | <u>£3,174,534.34</u> |
| Balance held in Government Liquid Reserves | £2,424.65 |
| | <u>£3,176,958.99</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £3,748,473.19 |
| Net Payments during the year | (£571,514.20) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£3,176,958.99</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|----------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Bonds | £3,112,571.42 | 100.000 | £3,112,571.42 | £3,112,571.42 |
| Ordinary Deposits | £61,962.92 | 100.000 | £61,962.92 | £61,962.92 |
| | <u>£3,174,534.34</u> | | <u>£3,174,534.34</u> | <u>£3,174,534.34</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GMES)
PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £326,730.11 |
| Interest Earned | £63,368.79 |
| | <u>£390,098.90</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£390,098.90</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £326,730.11 |
| Interest Earned | £63,368.79 |
| | <u>£390,098.90</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£390,098.90</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £1,601,296.33 |
| Net Increase in Investments during the year | <u>£390,098.90</u> |
| Investments on 31 March 2018 | <u>£1,991,395.23</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £1,601,296.33 |
| Net Receipts during the year | <u>£390,098.90</u> |
| Sub-Fund Account Balance on 31 March 2018 | <u>£1,991,395.23</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £1,776,300.00 | 100.000 | £1,776,300.00 | £1,776,300.00 |
| Ordinary Deposits | £215,095.23 | 100.000 | £215,095.23 | £215,095.23 |
| | <u>£1,991,395.23</u> | | <u>£1,991,395.23</u> | <u>£1,991,395.23</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD (GDEGSL - AFRS) PENSION SCHEME: SUB-FUND

RECEIPTS

| | |
|-----------------------|--------------------|
| Pension Contributions | £526,575.24 |
| Interest Earned | £31,474.66 |
| | <u>£558,049.90</u> |

PAYMENTS

| | |
|--------------|--------------------|
| | (£0.00) |
| Net Receipts | <u>£558,049.90</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £526,575.24 |
| Interest Earned | £31,474.66 |
| | <u>£558,049.90</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£558,049.90</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------------|
| Investments on 1 April 2017 | £723,684.15 |
| Net Increase in Investments during the year | £558,049.90 |
| Investments on 31 March 2018 | <u>£1,281,734.05</u> |

FINANCED BY

| | |
|---|----------------------|
| Sub-Fund Account Balance on 1 April 2017 | £723,684.15 |
| Net Receipts during the year | £558,049.90 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£1,281,734.05</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|----------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - | | | | |
| Fixed Term Monthly Income Debentures | £1,144,700.00 | 100.000 | £1,144,700.00 | £1,144,700.00 |
| Ordinary Deposits | £137,034.05 | 100.000 | £137,034.05 | £137,034.05 |
| | <u>£1,281,734.05</u> | | <u>£1,281,734.05</u> | <u>£1,281,734.05</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

COMMISSIONER OF POLICE - CONFISCATED MONIES: SUB-FUND

RECEIPTS

| | |
|--------------------------|--------------------|
| Miscellaneous Receipts | £893,170.62 |
| Interest Earned | £280.29 |
| Exchange Rate Adjustment | £40.94 |
| | <u>£893,491.85</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£8,628.46) |
| Net Receipts | <u>£884,863.39</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £884,542.16 |
| Interest Earned | £280.29 |
| Exchange Rate Adjustment | £40.94 |
| | <u>£884,863.39</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| | (£0.00) |
| Net Increase in Investments | <u>£884,863.39</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £67,121.34 |
| Net Increase in Investments during the year | <u>£884,863.39</u> |
| Investments on 31 March 2018 | <u>£951,984.73</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2017 | £67,121.34 |
| Net Receipts during the year | <u>£884,863.39</u> |
| Sub-Fund Account Balance on 31 March 2018 | <u>£951,984.73</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****COMMISSIONER OF POLICE - CONFISCATED MONIES: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Barclays Bank Plc - Deposit Account | £27,163.21 | 100.000 0.026 | £27,163.21 £7.16 | £27,170.37 |
| Barclays Bank Plc - Euro Call Account | £6,185.64 | 100.000 | £6,185.64 | £6,185.64 |
| NatWest Bank - Euro Call Account Plus | £438,578.41 | 100.000 | £438,578.41 | £438,578.41 |
| Savings Bank Fund - Ordinary Deposits | £49,016.21 | 100.000 | £49,016.21 | £49,016.21 |
| Cash in Hand | £431,034.10 | 100.000 | £431,034.10 | £431,034.10 |
| | £951,977.57 | | £951,984.73 | £951,984.73 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR PENSION ANNUITY TRUST SCHEME: SUB-FUND

RECEIPTS

| | |
|------------------------|-------------------|
| Miscellaneous Receipts | £23,097.83 |
| Interest Earned | £14,545.51 |
| | <u>£37,643.34</u> |

PAYMENTS

| | |
|------------------------|-------------------|
| Miscellaneous Payments | (£26,747.73) |
| Net Receipts | <u>£10,895.61</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|------------|
| Interest Earned | £14,545.51 |
|-----------------|------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-------------------|
| Net Sale of Investments | (£3,649.90) |
| Net Increase in Investments | <u>£10,895.61</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £348,101.69 |
| Net Increase in Investments during the year | £10,895.61 |
| Investments on 31 March 2018 | <u>£358,997.30</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2017 | £348,101.69 |
| Net Receipts during the year | £10,895.61 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£358,997.30</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|--------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Fixed Term Monthly Income Debentures | £358,000.00 | 100.000 | £358,000.00 | £358,000.00 |
| Ordinary Deposits | £997.30 | 100.000 | £997.30 | £997.30 |
| | <u>£358,997.30</u> | | <u>£358,997.30</u> | <u>£358,997.30</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ACCOUNTANT GENERAL ON BEHALF OF UNCLAIMED DECEASED PERSONS DEBENTURES: SUB-FUND

RECEIPTS

Interest Earned £1,322.09

PAYMENTS

Net Receipts

(£0.00)

£1,322.09

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1,322.09

DECREASE IN INVESTMENTS

Net Increase in Investments

(£0.00)

£1,322.09

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £244,341.95

Net Increase in Investments during the year £1,322.09

Investments on 31 March 2018 £245,664.04

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £244,341.95

Net Receipts during the year £1,322.09

Sub-Fund Account Balance on 31 March 2018 £245,664.04

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £245,664.04 | 100.000 | £245,664.04 | £245,664.04 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

CARE AGENCY - DONATIONS: SUB-FUND

RECEIPTS

| | |
|------------------------|-------------------|
| Miscellaneous Receipts | £15,347.50 |
| Interest Earned | £1,024.83 |
| | <u>£16,372.33</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£20,256.83) |
| Net Payments | <u>(£3,884.50)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £1,024.83 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Sale of Investments | (£4,909.33) |
| Net Decrease in Investments | <u>(£3,884.50)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £187,649.33 |
| Net Decrease in Investments during the year | (£3,884.50) |
| Investments on 31 March 2018 | <u>£183,764.83</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2017 | £187,649.33 |
| Net Payments during the year | (£3,884.50) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£183,764.83</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £183,764.83 | 100.000 | £183,764.83 | £183,764.83 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR DEFENCE ESTATES & GENERAL SERVICES LTD
(SAFETY-NET EMPLOYEES): SUB-FUND

RECEIPTS

Interest Earned £3,029.75

PAYMENTS

(£0.00)
Net Receipts £3,029.75

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £3,029.75

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £3,029.75

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £150,100.09
Net Increase in Investments during the year £3,029.75
Investments on 31 March 2018 £153,129.84

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £150,100.09
Net Receipts during the year £3,029.75
Sub-Fund Account Balance on 31 March 2018 £153,129.84

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Special Issue of Monthly Income Debentures | £153,129.84 | 100.000 | £153,129.84 | £153,129.84 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR SHIPREPAIR LTD PROVIDENT TRUST FUND: SUB-FUND

RECEIPTS

Interest Earned £774.58

PAYMENTS

Miscellaneous Payments (£5,851.76)
Net Payments (£5,077.18)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £774.58

DECREASE IN INVESTMENTS

Net Sale of Investments (£5,851.76)
Net Decrease in Investments (£5,077.18)

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £146,762.73
Net Decrease in Investments during the year (£5,077.18)
Investments on 31 March 2018 £141,685.55

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £146,762.73
Net Payments during the year (£5,077.18)
Sub-Fund Account Balance on 31 March 2018 £141,685.55

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £141,685.55 | 100.000 | £141,685.55 | £141,685.55 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

COLLECTOR OF CUSTOMS - CONFISCATED MONIES: SUB-FUND

RECEIPTS

| | |
|------------------------|--------------------|
| Miscellaneous Receipts | £103,372.57 |
| Interest Earned | £3.31 |
| | <u>£103,375.88</u> |

PAYMENTS

| | |
|--------------------------|--------------------|
| Miscellaneous Payments | £48.63 |
| Exchange Rate Adjustment | £63.78 |
| | <u>(£112.41)</u> |
| Net Receipts | <u>£103,263.47</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Purchase of Investments | £103,323.94 |
| Interest Earned | £3.31 |
| | <u>£103,327.25</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Exchange Rate Adjustment | (£63.78) |
| Net Increase in Investments | <u>£103,263.47</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £12,322.80 |
| Net Increase in Investments during the year | £103,263.47 |
| Investments on 31 March 2018 | <u>£115,586.27</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2017 | £12,322.80 |
| Net Receipts during the year | £103,263.47 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£115,586.27</u> |

SPECIAL FUNDS**GOVERNMENT TRUSTS FUND****COLLECTOR OF CUSTOMS - CONFISCATED MONIES: SUB-FUND****STATEMENT OF INVESTMENTS ON 31 MARCH 2018**

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Royal Bank of Scotland - Euro Call A/c | £12,682.29 | 100.000 | £12,682.29 | £12,682.29 |
| NatWest Bank - Euro Call Account Plus | £100,900.67 | 100.000 | £100,900.67 | £100,900.67 |
| Savings Bank Fund - Ordinary Deposits | £2,003.31 | 100.000 | £2,003.31 | £2,003.31 |
| | £115,586.27 | 100.000 | £115,586.27 | £115,586.27 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ADMIRALTY MARSHAL: SUB-FUND

RECEIPTS

| | |
|------------------------|-----------------------|
| Miscellaneous Receipts | £33,254,574.72 |
| Interest Earned | £93,630.71 |
| | <u>£33,348,205.43</u> |

PAYMENTS

| | |
|------------------------|-------------------------|
| Miscellaneous Payments | (£50,241,026.95) |
| Net Payments | <u>(£16,892,821.52)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|------------|
| Interest Earned | £93,630.71 |
|-----------------|------------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-------------------------|
| Net Sale of Investments | (£16,986,452.23) |
| Net Decrease in Investments | <u>(£16,892,821.52)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------------|
| Investments on 1 April 2017 | £16,997,048.63 |
| Net Decrease in Investments during the year | (£16,892,821.52) |
| Investments on 31 March 2018 | <u>£104,227.11</u> |

FINANCED BY

| | |
|---|--------------------|
| Sub-Fund Account Balance on 1 April 2017 | £16,997,048.63 |
| Net Payments during the year | (£16,892,821.52) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£104,227.11</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---|------------------|----------------------------------|--------------------------------|------------------------------|
| Gibraltar International Bank Account - Current Account | £104,227.11 | 100.000 | £104,227.11 | £104,227.11 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

PUBLIC TRUSTEE: SUB-FUND

RECEIPTS

| | |
|-----------------|-----------|
| Interest Earned | £1,151.42 |
|-----------------|-----------|

PAYMENTS

| | |
|------------------------|----------------|
| Miscellaneous Payments | (£602.88) |
| Net Receipts | <u>£548.54</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-----------|
| Interest Earned | £1,151.42 |
|-----------------|-----------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| Net Sale of Investments | (£602.88) |
| Net Increase in Investments | <u>£548.54</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2017 | £97,288.90 |
| Net Increase in Investments during the year | <u>£548.54</u> |
| Investments on 31 March 2018 | <u>£97,837.44</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2017 | £97,288.90 |
| Net Receipts during the year | <u>£548.54</u> |
| Sub-Fund Account Balance on 31 March 2018 | <u>£97,837.44</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
PUBLIC TRUSTEE: SUB-FUND

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| ESTATE OF ANGEL COSTA | | | | |
| Savings Bank Fund: | | | | |
| Ordinary Deposits | £54,462.25 | 100.000 | £54,462.25 | £54,462.25 |
| Monthly Income Debentures | £41,800.00 | 100.000 | £41,800.00 | £41,800.00 |
| ESTATE OF ANGELA MORELLO | | | | |
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,000.00 | 100.000 | £1,000.00 | £1,000.00 |
| Ordinary Deposits | £575.19 | 100.000 | £575.19 | £575.19 |
| | £97,837.44 | | £97,837.44 | £97,837.44 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GRATUITIES, PENSIONS, WAGES, SALARIES AND GROUP LIFE
INSURANCE BENEFITS UNCLAIMED: SUB-FUND

RECEIPTS

Interest Earned £526.05

PAYMENTS

Net Receipts (£0.00)
£526.05

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £526.05

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£526.05

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £97,225.79
Net Increase in Investments during the year £526.05
Investments on 31 March 2018 £97,751.84

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £97,225.79
Net Receipts during the year £526.05
Sub-Fund Account Balance on 31 March 2018 £97,751.84

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £97,751.84 | 100.000 | £97,751.84 | £97,751.84 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR HEALTH AUTHORITY GRATUITIES: SUB-FUND

RECEIPTS

Interest Earned £459.42

PAYMENTS

(£0.00)
Net Receipts £459.42

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £459.42

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £459.42

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £84,909.18
Net Increase in Investments during the year £459.42
Investments on 31 March 2018 £85,368.60

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £84,909.18
Net Receipts during the year £459.42
Sub-Fund Account Balance on 31 March 2018 £85,368.60

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £85,368.60 | 100.000 | £85,368.60 | £85,368.60 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

OVERSEAS SERVICE AID SCHEME PENSION: SUB-FUND

RECEIPTS

Interest Earned £277.18

PAYMENTS

(£0.00)
Net Receipts £277.18

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £277.18

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £277.18

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £51,226.15
Net Increase in Investments during the year £277.18
Investments on 31 March 2018 £51,503.33

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £51,226.15
Net Receipts during the year £277.18
Sub-Fund Account Balance on 31 March 2018 £51,503.33

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £51,503.33 | 100.000 | £51,503.33 | £51,503.33 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

YOUTH CLUBS: SUB-FUND

RECEIPTS

Miscellaneous Receipts £45,274.54

PAYMENTS

Miscellaneous Payments (£36,621.42)

Net Receipts £8,653.12

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Net Purchase of Investments £8,653.12

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£8,653.12

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £42,022.62

Net Increase in Investments during the year £8,653.12

Investments on 31 March 2018 £50,675.74

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £42,022.62

Net Receipts during the year £8,653.12

Sub-Fund Account Balance on 31 March 2018 £50,675.74

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--|------------------|----------------------------------|--------------------------------|------------------------------|
| Natwest Offshore Ltd - Current Account | £50,664.09 | 100.000 | £50,664.09 | £50,664.09 |
| Cash in Hand | £11.65 | 100.000 | £11.65 | £11.65 |
| | £50,675.74 | | £50,675.74 | £50,675.74 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

CARE AGENCY - RESIDENTS' SAVINGS: SUB-FUND

RECEIPTS

| | |
|------------------------|------------------|
| Miscellaneous Receipts | £4,251.43 |
| Interest Earned | £241.66 |
| | <u>£4,493.09</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£7,127.43) |
| Net Payments | <u>(£2,634.34)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|---------|
| Interest Earned | £241.66 |
|-----------------|---------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Sale of Investments | (£2,876.00) |
| Net Decrease in Investments | <u>(£2,634.34)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2017 | £47,144.67 |
| Net Decrease in Investments during the year | (£2,634.34) |
| Investments on 31 March 2018 | <u>£44,510.33</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2017 | £47,144.67 |
| Net Payments during the year | (£2,634.34) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£44,510.33</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £44,510.33 | 100.000 | £44,510.33 | £44,510.33 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

8 1/4% JOHN MACKINTOSH HOMES PROVIDENT TRUST FUND BOND:
SUB-FUND

RECEIPTS

Interest Earned £216.93

PAYMENTS

Net Receipts (£0.00)
£216.93

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £216.93

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£216.93

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £40,092.83
Net Increase in Investments during the year £216.93
Investments on 31 March 2018 £40,309.76

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £40,092.83
Net Receipts during the year £216.93
Sub-Fund Account Balance on 31 March 2018 £40,309.76

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|--------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: Ordinary Deposits | £40,309.76 | 100.000 | £40,309.76 | £40,309.76 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

DECK CADET TRAINING COURSE: SUB-FUND

RECEIPTS

Interest Earned £209.05

PAYMENTS

Net Receipts (£0.00)
£209.05

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £209.05

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£209.05

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £38,635.12
Net Increase in Investments during the year £209.05
Investments on 31 March 2018 £38,844.17

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £38,635.12
Net Receipts during the year £209.05
Sub-Fund Account Balance on 31 March 2018 £38,844.17

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £38,844.17 | 100.000 | £38,844.17 | £38,844.17 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ACCOUNTANT GENERAL ON BEHALF OF SUNDRY BENEFICIARIES:
SUB-FUND

RECEIPTS

| | |
|------------------------|----------------|
| Miscellaneous Receipts | £493.14 |
| Interest Earned | £172.44 |
| | <u>£665.58</u> |

PAYMENTS

| | |
|--------------|----------------|
| | (£0.00) |
| Net Receipts | <u>£665.58</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| Net Purchase of Investments | £493.14 |
| Interest Earned | £172.44 |
| | <u>£665.58</u> |

DECREASE IN INVESTMENTS

| | |
|-----------------------------|----------------|
| | (£0.00) |
| Net Increase in Investments | <u>£665.58</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|-------------------|
| Investments on 1 April 2017 | £31,831.62 |
| Net Increase in Investments during the year | £665.58 |
| Investment Account on 31 March 2018 | <u>£32,497.20</u> |

FINANCED BY

| | |
|---|-------------------|
| Sub-Fund Account Balance on 1 April 2017 | £31,831.62 |
| Net Receipts during the year | £665.58 |
| Sub-Fund Account Balance on 31 March 2018 | <u>£32,497.20</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £32,497.20 | 100.000 | £32,497.20 | £32,497.20 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ACCOUNTANT GENERAL ON BEHALF OF GIBRALTAR BUILDING
SOCIETY BENEFICIARIES: SUB-FUND

RECEIPTS

Interest Earned £135.13

PAYMENTS

(£0.00)
Net Receipts £135.13

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £135.13

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £135.13

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £25,049.60
Net Increase in Investments during the year £135.13
Investments on 31 March 2018 £25,184.73

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £25,049.60
Net Receipts during the year £135.13
Sub-Fund Account Balance on 31 March 2018 £25,184.73

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £25,184.73 | 100.000 | £25,184.73 | £25,184.73 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

HARGRAVES PROJECT: SUB-FUND

RECEIPTS

Interest Earned £53.31

PAYMENTS

(£0.00)
Net Receipts £53.31

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £53.31

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £53.31

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £9,853.55
Net Increase in Investments during the year £53.31
Investments on 31 March 2018 £9,906.86

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £9,853.55
Net Receipts during the year £53.31
Sub-Fund Account Balance on 31 March 2018 £9,906.86

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £9,906.86 | 100.000 | £9,906.86 | £9,906.86 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

KING GEORGE V HOSPITAL - PATIENTS' PROPERTY: SUB-FUND

RECEIPTS

Interest Earned £41.39

PAYMENTS

Net Receipts £41.39

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £41.39

DECREASE IN INVESTMENTS

Net Increase in Investments £41.39

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £7,654.07
 Net Increase in Investments during the year £41.39
 Investments on 31 March 2018 £7,695.46

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £7,654.07
 Net Receipts during the year £41.39
 Sub-Fund Account Balance on 31 March 2018 £7,695.46

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £7,695.46 | 100.000 | £7,695.46 | £7,695.46 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ST MARY'S FIRST SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £34.38

PAYMENTS

Net Receipts (£0.00)
£34.38

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £34.38

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£34.38

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £6,353.94
Net Increase in Investments during the year £34.38
Investments on 31 March 2018 £6,388.32

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £6,353.94
Net Receipts during the year £34.38
Sub-Fund Account Balance on 31 March 2018 £6,388.32

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £6,388.32 | 100.000 | £6,388.32 | £6,388.32 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR GRAND PIANO: SUB-FUND

RECEIPTS

Interest Earned £12.45

PAYMENTS

(£0.00)
Net Receipts £12.45

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £12.45

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £12.45

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £2,302.90
Net Increase in Investments during the year £12.45
Investments on 31 March 2018 £2,315.35

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £2,302.90
Net Receipts during the year £12.45
Sub-Fund Account Balance on 31 March 2018 £2,315.35

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £2,315.35 | 100.000 | £2,315.35 | £2,315.35 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

MATRON GIRALDI PRIZE FUND: SUB-FUND

RECEIPTS

| | |
|-----------------|--------|
| Interest Earned | £34.63 |
|-----------------|--------|

PAYMENTS

| | |
|--------------|---------------|
| | (£0.00) |
| Net Receipts | <u>£34.63</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|--------|
| Interest Earned | £34.63 |
|-----------------|--------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|---------------|
| | (£0.00) |
| Net Increase in Investments | <u>£34.63</u> |

ASSETS

| | |
|---|------------------|
| Investments on 1 April 2017 | £2,079.19 |
| Net Increase in Investments during the year | <u>£34.63</u> |
| Investments on 31 March 2018 | <u>£2,113.82</u> |

FINANCED BY

| | |
|---|------------------|
| Sub-Fund Account Balance on 1 April 2017 | £2,079.19 |
| Net Receipts during the year | <u>£34.63</u> |
| Sub-Fund Account Balance on 31 March 2018 | <u>£2,113.82</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,600.00 | 100.000 | £1,600.00 | £1,600.00 |
| Ordinary Deposits | £513.82 | 100.000 | £513.82 | £513.82 |
| | <u>£2,113.82</u> | | <u>£2,113.82</u> | <u>£2,113.82</u> |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

KING GEORGE V HOSPITAL - LORD THOMPSON'S BEQUEST:
SUB-FUND

RECEIPTS

Interest Earned £21.43

PAYMENTS

(£0.00)
Net Receipts £21.43

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £21.43

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £21.43

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £1,276.07
Net Increase in Investments during the year £21.43
Investments on 31 March 2018 £1,297.50

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £1,276.07
Net Receipts during the year £21.43
Sub-Fund Account Balance on 31 March 2018 £1,297.50

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £1,000.00 | 100.000 | £1,000.00 | £1,000.00 |
| Ordinary Deposits | £297.50 | 100.000 | £297.50 | £297.50 |
| | £1,297.50 | | £1,297.50 | £1,297.50 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ST MARTIN'S SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

Interest Earned £4.11

PAYMENTS

Net Receipts (£0.00)
£4.11

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £4.11

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£4.11

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £759.82
Net Increase in Investments during the year £4.11
Investments on 31 March 2018 £763.93

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £759.82
Net Receipts during the year £4.11
Sub-Fund Account Balance on 31 March 2018 £763.93

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £763.93 | 100.000 | £763.93 | £763.93 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

HEBREW SCHOOL - MUSICAL INSTRUMENT BURSARY: SUB-FUND

RECEIPTS

Interest Earned £7.69

PAYMENTS

Miscellaneous Payments (£1,064.30)
Net Payments (£1,056.61)

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £7.69

DECREASE IN INVESTMENTS

Net Sale of Investments (£1,064.30)
Net Decrease in Investments (£1,056.61)

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £1,506.21
Net Decrease in Investments during the year (£1,056.61)
Investments on 31 March 2018 £449.60

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £1,506.21
Net Payments during the year (£1,056.61)
Sub-Fund Account Balance on 31 March 2018 £449.60

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £449.60 | 100.000 | £449.60 | £449.60 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

HEBREW SCHOOL - DONATIONS: SUB-FUND

RECEIPTS

| | |
|-----------------|-------|
| Interest Earned | £6.36 |
|-----------------|-------|

PAYMENTS

| | |
|------------------------|------------------|
| Miscellaneous Payments | (£935.00) |
| Net Payments | <u>(£928.64)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------|
| Interest Earned | £6.36 |
|-----------------|-------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|------------------|
| Net Sale of Investments | (£935.00) |
| Net Decrease in Investments | <u>(£928.64)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------|
| Investments on 1 April 2017 | £1,315.57 |
| Net Decrease in Investments during the year | (£928.64) |
| Investments on 31 March 2018 | <u>£386.93</u> |

FINANCED BY

| | |
|---|----------------|
| Sub-Fund Account Balance on 1 April 2017 | £1,315.57 |
| Net Payments during the year | (£928.64) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£386.93</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £386.93 | 100.000 | £386.93 | £386.93 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ST BERNARD'S HOSPITAL - HUMPHREY'S LTD CHALLENGE CUP:
SUB-FUND

RECEIPTS

Interest Earned £4.90

PAYMENTS

(£0.00)
Net Receipts £4.90

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £4.90

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £4.90

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £373.58
Net Increase in Investments during the year £4.90
Investments on 31 March 2018 £378.48

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £373.58
Net Receipts during the year £4.90
Sub-Fund Account Balance on 31 March 2018 £378.48

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund: | | | | |
| Monthly Income Debentures | £200.00 | 100.000 | £200.00 | £200.00 |
| Ordinary Deposits | £178.48 | 100.000 | £178.48 | £178.48 |
| | £378.48 | | £378.48 | £378.48 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

GIBRALTAR NATIONAL ARCHIVES - DONATIONS: SUB-FUND

RECEIPTS

| | |
|-----------------------|------------------|
| Micellaneous Receipts | £3,867.00 |
| Interest Earned | £3.71 |
| | <u>£3,870.71</u> |

PAYMENTS

| | |
|------------------------|-----------------|
| Miscellaneous Payments | (£3,936.00) |
| Net Payments | <u>(£65.29)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------|
| Interest Earned | £3.71 |
|-----------------|-------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|-----------------|
| Net Sale of Investments | (£69.00) |
| Net Decrease in Investments | <u>(£65.29)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|----------------|
| Investments on 1 April 2017 | £397.03 |
| Net Decrease in Investments during the year | (£65.29) |
| Investments on 31 March 2018 | <u>£331.74</u> |

FINANCED BY

| | |
|---|----------------|
| Sub-Fund Account Balance on 1 April 2017 | £397.03 |
| Net Payments during the year | (£65.29) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£331.74</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £331.74 | 100.000 | £331.74 | £331.74 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

PROFESSIONAL DARTS CORPORATION (ESCROW ACCOUNT):
SUB-FUND

RECEIPTS

Interest Earned £1.40

PAYMENTS

(£0.00)
Net Receipts £1.40

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £1.40

DECREASE IN INVESTMENTS

(£0.00)
Net Increase in Investments £1.40

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £259.53
Net Increase in Investments during the year £1.40
Investments on 31 March 2018 £260.93

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £259.53
Net Receipts during the year £1.40
Sub-Fund Account Balance on 31 March 2018 £260.93

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £260.93 | 100.000 | £260.93 | £260.93 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

ST ANNE'S MIDDLE SCHOOL - MUSICAL INSTRUMENT BURSARY:
SUB-FUND

RECEIPTS

Interest Earned £0.06

PAYMENTS

Net Receipts (£0.00)
£0.06

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

Interest Earned £0.06

DECREASE IN INVESTMENTS

Net Increase in Investments (£0.00)
£0.06

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

Investments on 1 April 2017 £11.79
Net Increase in Investments during the year £0.06
Investments on 31 March 2018 £11.85

FINANCED BY

Sub-Fund Account Balance on 1 April 2017 £11.79
Net Receipts during the year £0.06
Sub-Fund Account Balance on 31 March 2018 £11.85

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £11.85 | 100.000 | £11.85 | £11.85 |

SPECIAL FUNDS
GOVERNMENT TRUSTS FUND
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

THE GIBRALTAR MASONIC EDUCATIONAL EVENTS FUND: SUB-FUND

RECEIPTS

| | |
|------------------------|-------------------|
| Miscellaneous Receipts | £17,151.65 |
| Interest Earned | £2.34 |
| | <u>£17,153.99</u> |

PAYMENTS

| | |
|------------------------|--------------------|
| Miscellaneous Payments | (£20,002.34) |
| Net Payments | <u>(£2,848.35)</u> |

INVESTMENT ACCOUNT

INCREASE IN INVESTMENTS

| | |
|-----------------|-------|
| Interest Earned | £2.34 |
|-----------------|-------|

DECREASE IN INVESTMENTS

| | |
|-----------------------------|--------------------|
| Net Sale of Investments | (£2,850.69) |
| Net Decrease in Investments | <u>(£2,848.35)</u> |

BALANCE SHEET AS AT 31 MARCH 2018

ASSETS

| | |
|---|--------------|
| Investments on 1 April 2017 | £2,848.35 |
| Net Decrease in Investments during the year | (£2,848.35) |
| Investments on 31 March 2018 | <u>£0.00</u> |

FINANCED BY

| | |
|---|--------------|
| Sub-Fund Account Balance on 1 April 2017 | £2,848.35 |
| Net Payments during the year | (£2,848.35) |
| Sub-Fund Account Balance on 31 March 2018 | <u>£0.00</u> |

STATEMENT OF INVESTMENTS ON 31 MARCH 2018

| DESCRIPTION OF STOCK | NOMINAL VALUE | PRICE / ACCRUED INTEREST % | VALUE / ACCRUED INTEREST | TOTAL VALUE ON 31 3 18 |
|---------------------------------------|------------------|----------------------------------|--------------------------------|------------------------------|
| Savings Bank Fund - Ordinary Deposits | £0.00 | 100.000 | £0.00 | £0.00 |

GIBRALTAR GOVERNMENT LOTTERY
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018
INCOME AND EXPENDITURE ACCOUNT

INCOME

| | | |
|--|----------------------|----------------------|
| Gross Proceeds on Sale of Tickets | £6,200,000.00 | |
| (less) Returned Tickets | <u>(£507,189.00)</u> | |
| Net Proceeds on Sale of Tickets | | £5,692,811.00 |
| Prizes Unclaimed and Minor Prizes on Returned Tickets in respect of 2016/2017 Lottery Draws which lapsed during 2017/2018. | | <u>£95,726.35</u> |
| Total Income | | <u>£5,788,537.35</u> |

EXPENDITURE

| | | |
|--|----------------------|------------------------|
| Prizes | £4,407,196.00 | |
| Provision for Tickets not yet Presented | <u>£262,447.50</u> | |
| Total Prizes Payable | £4,669,643.50 | |
| (Less) Prizes on Returned Tickets | <u>(£225,500.00)</u> | |
| Net Prizes | | £4,444,143.50 |
| Agents' Selling Commission | £372,000.00 | |
| (less) Commission on Returned Tickets | <u>(£30,431.34)</u> | |
| Net Agents' Selling Commission | | £341,568.66 |
| Agent's Administration Fee | £248,000.00 | |
| (less) Administration Fee on Returned Tickets | <u>(£20,287.56)</u> | |
| Net Agent's Administration Fee | | £227,712.44 |
| Management Charges | | £98,000.00 |
| Agents' Commission on Prizes | £41,817.23 | |
| Provision for Outstanding Prizes | <u>£2,624.36</u> | |
| Total Agents' Commission on Prizes | | £44,441.59 |
| Printing of Lottery Tickets | | £59,878.00 |
| Electricity, Water and Service Charges | | £2,769.70 |
| GBC Expenses | | £8,280.75 |
| Conferences and Subscription to Association of State Lotteries | | £3,666.29 |
| Advertising | | £33,795.00 |
| Cost of Lottery Paper | | £13,747.63 |
| Miscellaneous Expenses | | <u>£669.30</u> |
| Total Expenditure | | <u>(£5,278,672.86)</u> |
| Surplus Transferred to the Consolidated Fund | | <u>£509,864.49</u> |

STATEMENT OF PUBLIC DEBT AS AT 31 MARCH 2018

| DESCRIPTION OF LOAN | AUTHORITY | PUBLIC DEBT Brought Forward | AMOUNT RECEIVED During the Year | AMOUNT REDEEMED During the Year | PUBLIC DEBT OUTSTANDING |
|---|-----------|-----------------------------------|---------------------------------------|---------------------------------------|-------------------------------|
| Barclays Bank PLC (Revolving Facility) | (a) | £150,000,000.00 | £0.00 | £0.00 | £150,000,000.00 |
| Natwest Offshore Ltd (Revolving Facility) | (a) | £50,000,000.00 | £0.00 | £0.00 | £50,000,000.00 |
| Government of Gibraltar Debentures issued on 1 September 2014 | (a) | £100,000,000.00 | £0.00 | £0.00 | £100,000,000.00 |
| Government of Gibraltar Monthly Income Debentures issued on 1 October 2014 | (a) | £147,700,000.00 | £0.00 | £0.00 | £147,700,000.00 |
| | | £447,700,000.00 | £0.00 | £0.00 | £447,700,000.00 |

(a) With effect from June 1988 statutory authority to raise loans and debentures was provided under The Borrowing Powers Act 1988. With effect from July 2008 the authority to raise loans and debentures is provided under the The Public Finance (Borrowing Powers) Act 2008.

All Public Debt is used either for the repayment of existing Public Debt or for the purposes of the Improvement and Development Fund, or held by the Consolidated Fund pending utilisation for the aforementioned purposes.

The Aggregate Public Debt stood at £438.9m (Public Debt £447.7m less General Sinking Fund £8.8m) as at 31 March 2018.

**STATEMENT OF OUTSTANDING LOANS ISSUED BY THE IMPROVEMENT AND DEVELOPMENT FUND
AS AT 31 MARCH 2018**

| BORROWER | DATE OF LOAN | AUTHORITY | SOURCE OF LOAN | AMOUNT OF LOAN | DRAWN TO DATE | AMOUNT REPAID TO DATE | BALANCE OUT- STANDING | ANNUAL INTEREST | TERMS OF REPAYMENT |
|---------------------------------------|-----------------|----------------------------------|--------------------------------------|-------------------|------------------|-----------------------------|-----------------------------|--------------------|---|
| Vineyards (Management) Ltd | 19/08/1999 | Agreement Dated 19/08/1999 | Improvement & Development Fund | £449,970.00 | £449,438.04 | £318,592.50 | £130,845.54 | - | By seventy-two equal instalments of principal. First payment 1 month after agreement executed. Loan extended in August 2004, to be repaid by 180 equal instalments of principal. Loan increased in October 2008, to be repaid by 130 instalments of principal. Loan increased and extended in January 2012, to be repaid in 128 instalments. |
| Sunrise Court Management (Two) Ltd | 17/11/2011 | Agreement Dated 17/11/2011 | Improvement & Development Fund | £30,000.00 | £29,700.00 | £26,500.00 | £3,200.00 | - | By sixty equal instalments of principal. First payment being due at the end of the month of the first drawdown. |
| Gibraltar Taxi Association | 31/05/2012 | Agreement Dated 31/05/2012 | Improvement & Development Fund | £200,000.00 | £200,000.00 | £115,002.23 | £84,997.77 | - | Loan to be repaid over ten years in equal monthly instalments of £1,666.67. |
| Gibraltar Chronicle Printing Ltd | 27/06/2012 | Agreement Dated 27/06/2012 | Improvement & Development Fund | £36,000.00 | £36,000.00 | £36,000.00 | £0.00 | 5% | By sixty equal instalments of principal and interest on the reducing balance. First payment due at the end of the month from the date of the first drawdown and each consecutive month thereafter. |
| Total | | | | £715,970.00 | £715,138.04 | £496,094.73 | £219,043.31 | | |

**STATEMENT OF LOSSES OF CASH AND STORES WRITTEN-OFF
AND CLAIMS ABANDONED FOR THE YEAR ENDED 31 MARCH 2018**

| DEPARTMENT | DETAILS | CASH LOSSES WRITTEN-OFF | ABANDONED CLAIMS | TOTAL |
|------------------------------|-----------------------------|----------------------------|---------------------|-----------|
| Housing - Administration | House Rent Cash Shortage | £10.00 | £1,242.59 | £1,252.59 |
| Social Security | Cash Shortages | £25.00 | | £25.00 |
| Income Tax | Cash Shortage | £20.00 | | £20.00 |
| Immigration and Civil Status | Cash Shortage | £10.00 | | £10.00 |
| Driver and Vehicle Licensing | Cash Shortage | £0.50 | | £0.50 |
| | | £65.50 | £1,242.59 | £1,308.09 |

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2018

| HEAD | SUBHEAD | | PREVIOUS YEAR |
|--|---|--------------------|----------------|
| 1. INCOME TAXES (a) | 1. INCOME TAX (b) | £14,729,664.69 (d) | £17,681,582.59 |
| | 2. COMPANY TAX (c) | £2,630,190.92 (e) | £4,154,056.12 |
| | | £17,359,855.61 | £21,835,638.71 |
| 2. DUTIES, TAXES AND OTHER RECEIPTS | 1. IMPORT DUTIES | £156,296.10 | £156,296.10 |
| | 3. TRANSIT AND BONDED STORES OPERATORS FEES | - | - |
| | | £156,296.10 | £156,296.10 |
| 3. GAMBLING CHARGES, FEES AND LOTTERY | 1. GAMBLING CHARGES AND FEES | £82,898.00 | £49,924.94 |
| | | £82,898.00 | £49,924.94 |
| 4. RATES AND RENTS | 1. GENERAL RATES AND SALT WATER CHARGES | £6,029,618.65 (f) | £6,248,509.90 |
| | 2. GROUND AND SUNDRY RENTS | £807,823.05 (g) | £1,033,300.06 |
| | | £6,837,441.70 | £7,281,809.96 |
| 5. DEPARTMENTAL FEES AND RECEIPTS | 7. AIRPORT DEPARTURE TAX | £508,048.00 | £248,420.00 |
| | 8. FEES AND CONCESSIONS | £60,376.29 | £60,892.53 |
| | 9. AIRPORT LANDING FEES | £161,703.50 | £87,615.20 |
| | 10. PUBLIC HEALTH AND ENVIRONMENTAL FEES | £8,008.28 | £1,483.16 |
| | 15. SALE OF ELECTRICITY TO CONSUMERS | £6,715,288.53 (h) | £7,445,728.30 |
| | 16. CONSUMERS' CONNECTION FEES | £1,964.23 | £1,964.23 |
| | 19. COMMERCIAL WORKS | £894,474.87 | £185,170.26 |
| | 20. TOURIST SITES RECEIPTS | £371,432.90 (i) | £347,855.55 |
| | 24. SCHOLARSHIP FEES - REIMBURSEMENTS | £857,777.05 (j) | £720,630.76 |
| | 25. NON RESIDENTS SCHOOL FEES | £96,267.72 | £98,027.72 |
| | 27. VEHICLE LICENCES AND FEES | £25.00 | £25.00 |
| | 28. VEHICLE TESTING | £20.00 | £20.00 |
| | 32. TOWN PLANNING AND BUILDING CONTROL FEES | £4,220.00 | £1,990.00 |
| | 36. HOSTEL FEES | £105,633.50 | £91,857.00 |
| | 39. HOUSE RENTS | £5,072,652.66 (k) | £5,286,363.57 |
| | 42. OTHER RECEIPTS | £2,842,987.51 | £2,269,186.22 |
| | 44. RESIDENTS CONTRIBUTIONS | £17,119.76 | - |
| | 47. FINES AND FORFEITURES | - (l) | - |
| | 51. COACH TERMINAL FEES | - | £9,240.00 |
| | 55. TONNAGE DUES | £247,221.28 | £501,047.19 |
| | 56. BERTHING CHARGES | £156,926.91 | £93,850.21 |
| | 58. PORT ARRIVAL AND DEPARTURE TAX | £16,150.75 | £7,873.00 |
| | 60. BUNKERING CHARGES | £44,000.00 | £128,226.53 |
| | 61. MISCELLANEOUS RECEIPTS | £7,750.00 | £16,500.00 |
| | 62. SHIP REGISTRATION FEES | £65,953.79 | £136,928.31 |
| | 67. GARRISON LIBRARY FEES | £949.73 | £1,900.00 |
| | 72. ADVERTISING REVENUE | £950.00 | £950.00 |
| | 73. EVENTS | £7,273.98 | £7,273.98 |
| | 76. POSTAL SERVICES RECEIPTS | £31,922.24 (m) | £102,036.51 |
| | | £18,297,098.48 | £17,853,055.23 |
| 6. GOVERNMENT EARNINGS | 4 SERVICES PERFORMED BY PUBLIC OFFICERS | £13,873.40 | £14,097.93 |
| | 5 OTHER REIMBURSEMENTS | £795.00 | £609.00 |
| | | £14,668.40 | £14,706.93 |
| | | £42,748,258.29 | £47,191,431.87 |

PLEASE REFER TO EXPLANATORY NOTES ON NEXT PAGE

STATEMENT OF AGGREGATE ARREARS OF REVENUE BY SUBHEADS AS AT 31 MARCH 2018 -
(CONT'D)

Notes:

(a) The Income Tax Act 2010 came into effect on 1 January 2011. Consequently for the fiscal year ended 31 March 2018 the references to the various legislative sections under which estimated assessments have been raised include those applicable to both the Income Tax Act 1952 (1952 Act) and the Income Tax Act 2010 (2010 Act).

(b) Income Tax arrears includes an element of estimated assessments raised on self-employed persons and on private individuals in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(c) Company Tax arrears includes an element of estimated assessments raised on companies in accordance with Section 72 of the 1952 Act and Section 33 of the 2010 Act.

(d) Income Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2018. The amounts are: Self-Employed - £92,225.82 and Individuals - £558,580.28. Furthermore, these arrears exclude amounts standing as 'credits' in self-employed and individual tax accounts. The amounts are: Self-Employed - £3,714,374.29 and Individuals - £8,024,129.65.

(e) Company Tax arrears includes tax assessments where the tax owing has the due date (in accordance with Section 82 of the 1952 Act and Sec 39(9) of the 2010 Act) after 31 March 2018. This amount totals £131,751.43. Furthermore, these arrears exclude amounts standing as 'credits' in Company tax accounts; this amount totals £40,291,018.79.

(f) General Rates and Salt Water Charges arrears exclude £314,080.57 in respect of amounts standing as credits.

(g) Arrears of Ground and Sundry Rents exclude credit amounts in respect of prepayments, and payments from tenants whose leases have expired or are awaiting a rent review. The amounts are £153,983.55 in respect of tenants whose leases have expired and £11,807.88 in respect of tenants with prepayments.

(h) Sale of Electricity to Consumers arrears is made up of (a) Current Arrears - Payable within 60 days - £2,069,090.83 (b) Historic arrears - over 60 days - £4,012,002.99 (c) MOD - £289,795.71 (d) £ GMES Ltd - £344,399.00. The consumer connection fees of £1,964.23 are also historic arrears.

(i) Tourist Sites Receipts arrears include amounts with credit periods after 31 March 2018. The amounts are: payable within 30 days - £42,349.10, within 60 days - £78,564.50 and within 90 days - £141,738.90. Over the 90 days credit - £108,780.40.

(j) Scholarship Fees - Reimbursements arrears are significantly understated but have not been adjusted, as the exact amount due at the year-end has not been established by the Director of Education.

(k) House Rents arrears is made up of (a) Current Rent amounting to £221,938.46, (b) Arrears amounting to £2,705,816.21 and Arrears Agreements amounting to £2,144,897.99.

(l) After discussions held between the Chief Executive, Gibraltar Courts Service, senior managers at the Central Arrears Unit and the Chief Justice it was agreed that fines and forfeitures does not constitute arrears of revenue since - as the Chief Justice highlighted - they are not a revenue-raising mechanism but rather exclusively part of the judicial process. On 10 June 2019 after considering the conclusions raised from the same discussions, the Accountant General agreed that outstanding fines and forfeitures does not constitute arrears of revenue.

(m) Postal Services Receipts arrears do not include the amount outstanding from Terminal Dues as the Post Office Manager could not provide the information on these arrears. On 29 October 2019, information on terminal dues was provided and £72,631.12 was identified as owing on 31 March 2018.

Social Insurance contributions arrears as at the year ended 31 March 2018 amounted to £4,946,835.98 of which 65% - £3,215,443.39 was receivable by the Consolidated Fund Revenue Head 5 Subhead 40 - Group Practice Medical Scheme.

**Unaudited Accounts of Government
Statutory Authorities, Agencies and
Corporations**

for the year ended 31 March 2018

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 27:

| | |
|-------------------------------------|----------------|
| Contribution from Revenues Received | £60,568,685.30 |
| Additional Contribution | £55,757,000.00 |

| | |
|---|------------------------|
| Contribution from the Social Assistance Fund | £3,500,000.00 |
| Contribution from the Statutory Benefits Fund | £494,983.00 |
| | <u>£120,320,668.30</u> |

PAYMENTS

Personal Emoluments

| | | |
|----------------|--------------------|----------------|
| (1) Salaries | £34,185,620.94 | |
| (2) Overtime | £3,255,167.86 | |
| (3) Allowances | £6,352,096.54 | |
| (4) Gratuities | <u>£785,303.07</u> | |
| | | £44,578,188.41 |

Ambulance Service

| | | |
|----------------|--------------------|---------------|
| (5) Salaries | £1,127,625.50 | |
| (6) Overtime | £207,481.04 | |
| (7) Allowances | <u>£433,008.14</u> | |
| | | £1,768,114.68 |

Industrial Wages

| | | |
|-----------------|-------------------|---------------|
| (8) Basic Wages | £3,026,457.89 | |
| (9) Overtime | £1,251,949.10 | |
| (10) Allowances | <u>£53,959.12</u> | |
| | | £4,332,366.11 |

Other Personnel

| | | |
|--|--------------------|---------------|
| (11) Relief Cover | £5,443,658.13 | |
| (12) Visiting Consultants' Fees and Expenses and Other Contracted Medical Services | £1,664,108.15 | |
| (13) Recruitment Contractual Expenses and Accommodation | <u>£986,128.19</u> | |
| | | £8,093,894.47 |

(14) Employer's Social Insurance Contributions £2,076,264.10

(15) Employer's Pension Contributions £2,340,329.92

Other Recurrent Expenditure

Prescribed Drugs and Pharmaceuticals:

| | | |
|--------------------------------|----------------------|----------------|
| (16) GPMS Prescriptions | £11,713,079.98 | |
| (17) Drugs and Pharmaceuticals | <u>£6,815,611.13</u> | |
| | | £18,528,691.11 |

Equipment and Related Expenses:

| | | |
|--------------------------------------|--------------------|---------------|
| (18) Medical Departments | £2,800,355.21 | |
| (19) Medical and Surgical Appliances | £2,116,710.89 | |
| (20) Hardware, Uniforms and Linen | £290,587.78 | |
| (21) Patients' Appliances | <u>£306,495.73</u> | |
| | | £5,514,149.61 |

(22) Dressings, Medical Gases and Tests £1,712,073.67

(23) Provisions £698,229.98

Laundry and Cleaning:

| | | |
|------------------------|--------------------|-------------|
| (24) Laundry Expenses | £509,701.96 | |
| (25) Cleaning Expenses | <u>£191,510.83</u> | |
| | | £701,212.79 |

carried forward £90,343,514.85

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

| | | | |
|---|-----------------|----------------------|------------------------|
| | brought forward | £90,343,514.85 | |
| <u>PAYMENTS (cont)</u> | | | |
| (26) ICC Health Centre | | £425,528.02 | |
| (27) Motor Vehicle and Fuel Expenses | | £295,349.41 | |
| Office Expenses: | | | |
| (28) General Expenses | £94,769.56 | | |
| (29) Electricity and Water | £994,835.00 | | |
| (30) Telephone Service | £286,636.45 | | |
| (31) Records, Printing and Stationery | £82,645.89 | | |
| | | <u>£1,458,886.90</u> | |
| (32) Legal Fees | | £731,495.10 | |
| (33) Official Travel Abroad | | £20,611.29 | |
| (34) School of Health Studies Expenses | | £750,336.33 | |
| (35) Insurances and Claims | | £1,487,563.79 | |
| (36) Sponsored Patients | | £12,782,407.83 | |
| (37) Dialysis | | £268,580.47 | |
| (38) Ground Rent | | £22,318.74 | |
| (39) Information Technology Expenses | | £436,410.82 | |
| (40) Registration Board | | £17,886.67 | |
| (41) Repairs and Maintenance | | £97,503.59 | |
| (42) Disposal of Clinical Waste | | £1,666,247.30 | |
| <u>Facilities Management</u> | | | |
| (43) Maintenance Agreements: | | | |
| (i) Techno-Medical Services provided by GEA | £945,869.05 | | |
| (ii) Other Maintenance Agreements | £1,447,560.73 | | |
| | | <u>£2,393,429.78</u> | |
| (44) Equipment Spares/Repairs | £293,499.10 | | |
| (45) Security | £524,723.64 | | |
| (46) Fire Prevention | £27,231.93 | | |
| (47) Planted Areas | £34,238.29 | | |
| | | <u>£879,692.96</u> | |
| <u>Other Recurrent Expenditure</u> | | | |
| (48) Hospital Rental | | £4,833,896.00 | |
| (49) GHA Ambulance Service - Direct Expenses | | £144,703.26 | |
| (50) Contribution to the Gibraltar Development Corporation - Staff Services | | £46,778.43 | |
| (51) Postage Expenses | | £15,699.90 | |
| Contracted Services: | | | |
| (52) Day Care Facility | | £1,062,565.54 | |
| (53) CT Scanner - Finance Repayment | | £126,453.48 | |
| (54) Ex-Gratia Payments | | £0.00 | |
| (55) Electronic Health Records Recurrent Costs | | <u>£13,087.13</u> | |
| | | | <u>£120,320,947.59</u> |
| | | | <u>(£279.29)</u> |
| | Net Payments | | |

GIBRALTAR HEALTH AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£1,122,000.00

PAYMENTS

Works and Equipment

(£1,122,064.09)

Net Payments (£64.09)

GIBRALTAR HEALTH AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£426.31

FINANCED BY

Account Balance on 1 April 2017

£705.60

Net Payments during the year

(£279.29)

Account Balance on 31 March 2018 £426.31

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£15.84

FINANCED BY

Account Balance on 1 April 2017

£79.93

Net Payments during the year

(£64.09)

Account Balance on 31 March 2018 £15.84

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account

£426.31

Capital Account

£15.84

Net Balance held by the Government of Gibraltar £442.15

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 28:

Contribution from Revenues Received

£1,660,745.88

Additional Contribution

£19,086,000.00

£20,746,745.88

PAYMENTS

Personal Emoluments

(1) Salaries

£5,966,911.31

(2) Overtime

£531,529.97

(3) Allowances

£1,673,837.43

(4) Gratuities

£9,008.10

£8,181,286.81

Industrial Wages

(5) Basic Wages

£1,256,117.73

(6) Overtime

£426,628.09

(7) Allowances

£125,107.65

£1,807,853.47

Employer's Contributions

(8) Social Insurance

£583,347.95

(9) Pension

£980,052.33

£1,563,400.28

Other Personnel

(10) Relief Cover

£1,985,869.11

(11) Recruitment Contractual Expenses

£0.00

£1,985,869.11

Other Recurrent Expenditure

(12) Residents' Pocket Money

£144,825.59

(13) Dressings and Aids

£312,726.44

(14) Hardware, Uniforms and Linen

£90,355.37

(15) Clinical Waste

£496,718.56

(16) Provisions

£579,265.46

(17) Assistance to Residents

£0.00

Laundry and Cleaning:

(18) Laundry Expenses

£27,422.28

(19) Cleaning Expenses

£116,465.51

£143,887.79

Training and Study:

(20) Medical Books

£4,912.04

(21) Training Courses and Official Travel

£74,090.89

£79,002.93

carried forward

£15,385,191.81

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

brought forward £15,385,191.81

PAYMENTS (cont)

Office Expenses:

| | | |
|------------------------------------|-------------|-------------|
| (22) General Expenses | £31,026.66 | |
| (23) Electricity and Water | £185,117.88 | |
| (24) Telephone Service | £51,118.55 | |
| (25) Printing and Stationery | £18,810.03 | |
| (26) Computer and Office Equipment | £21,164.30 | |
| | | £307,237.42 |

Contracted Services:

| | | |
|------------------------------------|---------------|---------------|
| (27) Cleaning | £9,853.75 | |
| (28) Planted Areas | £6,001.90 | |
| (29) Lift Maintenance | £31,018.00 | |
| (30) Security Services | £155,589.12 | |
| (31) Dementia Residential Facility | £2,464,664.61 | |
| (32) John Mackintosh Wing | £1,530,582.57 | |
| | | £4,197,709.95 |

Miscellaneous Expenses:

| | | |
|---------------------------------|-------------|-------------|
| (33) Rent and Service Charges | £68,168.00 | |
| (34) Fuel and Gas | £14,777.06 | |
| (35) Motor Vehicle Expenses | £5,086.13 | |
| (36) Insurance | £15,423.75 | |
| (37) Maintenance Works | £128,665.16 | |
| (38) Contingencies | £1,504.26 | |
| (39) IT Support | £31,312.44 | |
| (40) Pharmaceutical Stock Items | £550,000.00 | |
| | | £814,936.80 |

(41) Contribution to Gibraltar Development Corporation - Staff Services £41,349.74

(£20,746,425.72)

Net Receipts

£320.16

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £577,000.00

PAYMENTS

Works and Equipment (£576,868.66)

Net Receipts

£131.34

GIBRALTAR HEALTH AUTHORITY - ELDERLY RESIDENTIAL SERVICES SECTION

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£937.54</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2017 | £617.38 |
| Net Receipts during the year | <u>£320.16</u> |
| Account Balance on 31 March 2018 | <u>£937.54</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£913.58</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|----------------|
| Account Balance on 1 April 2017 | £782.24 |
| Net Receipts during the year | <u>£131.34</u> |
| Account Balance on 31 March 2018 | <u>£913.58</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|------------------|
| Recurrent Account | £937.54 |
| Capital Account | <u>£913.58</u> |
| Net Balance held by the Government of Gibraltar | <u>£1,851.12</u> |

Note:

These accounts are not the audited accounts of the Gibraltar Health Authority - Elderly Residential Services Section

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

EMPLOYMENT AND TRAINING

RECEIPTS

Contributions from the Consolidated Fund - Head 24 Economic Development:

| | |
|---|-----------------------|
| Contribution from Revenues Received | £271,082.19 |
| Additional Contribution | £12,205,000.00 |
| Contributions by Government Departments for Staff Services | £4,508,854.60 |
| Contribution by the Borders and Coastguard Agency | £107,650.94 |
| Contribution by the Gibraltar Health Authority | £46,778.43 |
| Contribution by the Gibraltar Health Authority - Elderly Residential Services Section | £41,349.74 |
| | <u>£17,180,715.90</u> |

PAYMENTS

Personal Emoluments

Salaries:

| | | |
|--------------------------|----------------------|---------------|
| (1) Economic Development | £340,738.81 | |
| (2) Other Divisions | <u>£3,099,980.04</u> | |
| | | £3,440,718.85 |

Overtime:

| | | |
|--------------------------|--------------------|-------------|
| (3) Economic Development | £11,364.10 | |
| (4) Other Divisions | <u>£322,384.00</u> | |
| | | £333,748.10 |

Allowances:

| | | |
|--------------------------|--------------------|-------------|
| (5) Economic Development | £12,153.88 | |
| (6) Other Divisions | <u>£181,982.92</u> | |
| | | £194,136.80 |

Wages - Economic Development

| | | |
|----------------|------------------|-------------|
| (7) Basic | £66,057.16 | |
| (8) Overtime | £35,413.13 | |
| (9) Allowances | <u>£1,206.92</u> | |
| | | £102,677.21 |

Wages - Other Divisions:

| | | |
|-----------------|--------------|-------------|
| (10) Basic | £265,402.23 | |
| (11) Overtime | £17,430.96 | |
| (12) Allowances | <u>£0.00</u> | |
| | | £282,833.19 |

| | |
|---|-------|
| (13) Temporary Assistance - Other Divisions | £0.00 |
|---|-------|

Employer's Contributions:

| | | |
|---------------------------|--------------------|-------------|
| (14) Economic Development | £53,324.28 | |
| (15) Other Divisions | <u>£534,244.57</u> | |
| | | £587,568.85 |

| | |
|-----------------------------------|-------------------|
| (16) Gratuities - Other Divisions | <u>£34,032.90</u> |
|-----------------------------------|-------------------|

carried forward £4,975,715.90

GIBRALTAR DEVELOPMENT CORPORATION
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

brought forward £4,975,715.90

PAYMENTS (cont)

Other Recurrent Expenditure

(17) Contribution to the Economic Development & Employment Company Ltd £11,782,000.00

(18) Wage Subsidies:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £79,843.54

£79,843.54

(b) Other Projects - Government Financed

£0.00

£79,843.54

(19) Training and Development Courses:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£60,307.73

£60,307.73

(20) Construction Training Centre:

(a) EU Projects:

(i) Government Financed £0.00
(ii) Planned ESF Funds £0.00

£0.00

(b) Other Projects - Government Financed

£189,605.64

£189,605.64

(21) Public Sector Human Resources

£93,447.43

(£17,180,920.24)

Net Payments

(£204.34)

CAPITAL ACCOUNT

RECEIPTS

Loan from Government-Owned Companies

£30,000,000.00

PAYMENTS

Purchase of Shares

(£30,000,000.00)

Net Receipts/Payments

£0.00

GIBRALTAR DEVELOPMENT CORPORATION

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£567.43

FINANCED BY

General Fund Balance on 1 April 2017

£771.77

Net Payments during the year

(£204.34)

General Fund Balance on 31 March 2018

£567.43

Note:

These accounts are not the audited accounts of the Gibraltar Development Corporation

GIBRALTAR ELECTRICITY AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 13:

| | |
|--|-----------------------|
| Contribution from Revenues Received | £28,300,243.90 |
| Contribution from Revenues Received - Commercial Works | £3,725,276.63 |
| Additional Contribution | £17,699,000.00 |
| Payment of Electrical Services provided for Government | £1,449,717.74 |
| Techno-Medical Services provided to GHA | £945,869.05 |
| | <u>£52,120,107.32</u> |

PAYMENTS

Personal Emoluments

| | | |
|--------------------------|---------------|---------------|
| (1) Salaries | £6,223,368.76 | |
| (2) Overtime | £1,203,865.01 | |
| (3) Allowances | £1,121,632.22 | |
| (4) Temporary Assistance | <u>£0.00</u> | |
| | | £8,548,865.99 |

Employer's Contributions

| | | |
|----------------------|--------------------|-------------|
| (5) Social Insurance | £304,866.59 | |
| (6) Pension | <u>£583,793.22</u> | |
| | | £888,659.81 |

Other Recurrent Expenditure

Office Expenses:

| | | |
|------------------------------|-------------------|-------------|
| (7) General Expenses | £56,483.70 | |
| (8) Electricity and Water | £29,072.47 | |
| (9) Telephone Service | £39,389.62 | |
| (10) Printing and Stationery | <u>£12,454.06</u> | |
| | | £137,399.85 |

Operational Expenses:

| | | |
|--|--------------------|-------------|
| (11) Protective Clothing and Fire Prevention | £25,258.91 | |
| (12) Computer and Office Equipment Expenses | £69,945.31 | |
| (13) Training Expenses | £52,207.63 | |
| (14) Transport Expenses | £33,889.24 | |
| (15) Training Related to New Power Station | <u>£108,055.61</u> | |
| | | £289,356.70 |

Contracted Services:

| | | |
|--|------------------|-------------|
| (16) Security Services | £75,578.00 | |
| (17) Messengerial Services | £7,101.75 | |
| (18) Cleaning Services | £57,820.06 | |
| (19) Electricity Collections - AquaGib Ltd | £390,750.01 | |
| (20) Employer's and Public Liability Insurance | £47,715.48 | |
| (21) Legal Fees (Advice and Consultation) | £13,065.00 | |
| (22) Health and Safety Advisors | <u>£8,000.00</u> | |
| | | £600,030.30 |

Fuel and Lubricants:

| | | |
|-----------------|--------------------|---------------|
| (23) Fuel | £2,998,195.29 | |
| (24) Lubricants | <u>£170,382.50</u> | |
| | | £3,168,577.79 |

carried forward £13,632,890.44

GIBRALTAR ELECTRICITY AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

brought forward £13,632,890.44

PAYMENTS (cont)

| | | |
|---|----------------|------------------|
| (25) Materials | £845,300.39 | |
| (26) Public Lighting | £99,921.11 | |
| (27) Public Illuminations | £82,590.21 | |
| | | £1,027,811.71 |
| (28) Purchase of Electricity: | | |
| (1) Additional Generating Capacity | | |
| (i) Fuel Costs | £22,623,685.96 | |
| (ii) Other Costs | £11,691,557.28 | |
| | | £34,315,243.24 |
| (29) GHA Related Expenditure | £3,369.21 | |
| (30) Purchase of Carbon Credits | £900,000.00 | |
| (31) Relief Cover | £24,467.10 | |
| (32) Commercial Works Operating Expenditure | £2,216,361.43 | |
| | | (£52,120,143.13) |
| Net Payments | | (£35.81) |

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £1,295,000.00

PAYMENTS

| | | |
|------------------------|---------------|-----------------|
| Works and Equipment | £1,095,388.63 | |
| MOD Transfer Programme | £200,002.00 | |
| | | (£1,295,390.63) |
| Net Payments | | (£390.63) |

GIBRALTAR ELECTRICITY AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £918.91 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|----------|
| Balance on 1 April 2017 | £954.72 |
| Net Payments during the year | (£35.81) |
| Account Balance on 31 March 2018 | £918.91 |

CAPITAL ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £136.54 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|-----------|
| Balance on 1 April 2017 | £527.17 |
| Net Payments during the year | (£390.63) |
| Account Balance on 31 March 2018 | £136.54 |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|-----------|
| Recurrent Account | £918.91 |
| Capital Account | £136.54 |
| Net Balance held by the Government of Gibraltar | £1,055.45 |

Note:

These are not the audited accounts of the Gibraltar Electricity Authority

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 45:

Contribution from Revenues Received :

Additional Contribution

£148,871.91

£5,825,000.00

£5,973,871.91

PAYMENTS

Personal Emoluments

| | | |
|---|--------------------|---------------|
| (1) Salaries | £1,751,922.55 | |
| (2) Overtime | £547,758.80 | |
| (3) Allowances | £229,049.82 | |
| (4) Temporary Assistance | £100,116.64 | |
| (5) Employer's Social Insurance Contributions | £119,675.29 | |
| (6) Employer's Pension Contributions | <u>£202,366.69</u> | |
| | | £2,950,889.79 |

Operational Expenses:

| | | |
|------------------------------------|-------------------|-------------|
| (7) Electricity and Water | £401,532.38 | |
| (8) Telephone Service | £17,289.96 | |
| (9) Printing and Stationery | £3,858.85 | |
| (10) Sports Development Unit | £10,438.29 | |
| (11) Running Expenses | £57,503.59 | |
| (12) Vehicles and Plant | £3,384.50 | |
| (13) Training Courses | £6,537.25 | |
| (14) Computer and Office Equipment | £9,071.14 | |
| (15) Stay and Play Programme | £887.21 | |
| (16) Uniforms | <u>£10,901.48</u> | |
| | | £521,404.65 |

Sports Facilities and Equipment:

| | |
|-------------------------------------|------------|
| (17) Europa Gymnasium | £0.00 |
| (18) Other Facilities and Equipment | £12,436.66 |

Contracted Services:

| | | |
|-----------------------------|--------------|-------------|
| (19) Upkeep of Facilities | £314,395.11 | |
| (20) Swimming Pool Expenses | £249,385.11 | |
| (21) Playground Expenses | £122,108.99 | |
| (22) Anti Doping Measures | <u>£0.00</u> | |
| | | £698,325.87 |

| | | |
|---|----------------------|---------------|
| (23) Sports Grants | £647,013.04 | |
| (24) Hosting of Special Sports and Leisure Events | <u>£1,020,186.64</u> | |
| | | £1,667,199.68 |

| | | |
|--------------------------------|--|------------|
| (25) Bathing Pavilion Expenses | | £93,462.12 |
|--------------------------------|--|------------|

| | | |
|----------------------------------|--|------------|
| (26) Gibraltar Island Games 2019 | | £41,164.57 |
|----------------------------------|--|------------|

| | | |
|-------------------|--|----------------|
| (27) Relief Cover | | <u>£863.68</u> |
|-------------------|--|----------------|

Net Receipts

(£5,973,310.36)

£561.55

GIBRALTAR SPORTS AND LEISURE AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

CAPITAL ACCOUNT

RECEIPTS

| | |
|---|-------------|
| Contribution from the Improvement and Development Fund - Head 101 | £332,000.00 |
|---|-------------|

PAYMENTS

| | |
|---------------------|---------------|
| Works and Equipment | (£332,400.21) |
| Net Payments | (£400.21) |

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £925.02 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|---------|
| Account Balance on 1 April 2017 | £363.47 |
| Net Receipts during the year | £561.55 |
| Account Balance on 31 March 2018 | £925.02 |

CAPITAL ACCOUNT

ASSETS

| | |
|---|--------|
| Balance held by the Government of Gibraltar | £25.22 |
|---|--------|

FINANCED BY

| | |
|----------------------------------|-----------|
| Account Balance on 1 April 2017 | £425.43 |
| Net Payments during the year | (£400.21) |
| Account Balance on 31 March 2018 | £25.22 |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|---------|
| Recurrent Account | £925.02 |
| Capital Account | £25.22 |
| Net Balance held by the Government of Gibraltar | £950.24 |

Note:

These accounts are not the audited accounts of the Gibraltar Sports and Leisure Authority

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 37:

Contribution from Revenues Received

£5,649,000.00

Additional Contribution

£0.00

£5,649,000.00

PAYMENTS

Personal Emoluments

| | | |
|--------------------------|-------------------|---------------|
| (1) Salaries | £2,061,525.95 | |
| (2) Overtime | £779,603.83 | |
| (3) Allowances | £233,556.57 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Gratuities | <u>£13,451.75</u> | |
| | | £3,088,138.10 |

| | | |
|---|------------|--|
| (6) Employer's Social Insurance Contributions | £98,268.73 | |
|---|------------|--|

| | | |
|--------------------------------------|-------------|--|
| (7) Employer's Pension Contributions | £149,598.08 | |
|--------------------------------------|-------------|--|

Other Recurrent Expenditure

Office Expenditure:

| | | |
|------------------------------|-------------------|------------|
| (8) General Expenses | £6,404.12 | |
| (9) Electricity and Water | £34,521.17 | |
| (10) Telephone Service | £28,322.97 | |
| (11) Printing and Stationery | <u>£13,342.18</u> | |
| | | £82,590.44 |

Operational Expenses:

| | | |
|--|------------------|-------------|
| (12) Transport Expenses | £5,518.08 | |
| (13) Maintenance of Port Installations and Equipment | £294,544.67 | |
| (14) Protective Clothing and Uniforms | £19,713.17 | |
| (15) Training | £85,770.96 | |
| (16) Inspections | £11,496.69 | |
| (17) Oil Pollution Expenses | £40,535.58 | |
| (18) Publications | <u>£7,267.04</u> | |
| | | £464,846.19 |

Contracted Services:

| | | |
|---|------------------|---------------|
| (19) Oil Pollution | £116,046.90 | |
| (20) Port Security | £342,882.42 | |
| (21) Cleaning Services - Government Cleaning Scheme | £21,583.80 | |
| (22) Waste Discharge | £874,363.60 | |
| (23) Weather Transmission Reports | <u>£8,570.00</u> | |
| | | £1,363,446.72 |

| | | |
|--|-------------|--|
| (24) Advertising, Marketing and Travel | £117,246.78 | |
|--|-------------|--|

| | | |
|--|-------------------|--|
| (25) Contribution to Mediterranean Mission to Seamen | <u>£10,000.00</u> | |
|--|-------------------|--|

| | | |
|-----------------|---------------|--|
| carried forward | £5,374,135.04 | |
|-----------------|---------------|--|

GIBRALTAR PORT AUTHORITY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

| | | | |
|---|------------------|-------------------|------------------------|
| | brought forward | £5,374,135.04 | |
| (26) Vessel Tracking System: | | | |
| (i) Maintenance | £60,562.73 | | |
| (ii) Finance Repayment | <u>£8,015.37</u> | | |
| | | £68,578.10 | |
| (27) Low Sulphur Fuel Oil Analysis | | £20,721.50 | |
| (28) Insurance | | £103,678.69 | |
| (29) Port Incidents and Associated Expenses | | £3,073.66 | |
| (30) Contribution to Seamen's Welfare Fund | | £5,000.00 | |
| (31) Maintenance of Beach Marker Buoys | | £57,650.00 | |
| (32) Relief Cover | | <u>£15,688.85</u> | |
| | | | <u>(£5,648,525.84)</u> |
| | | Net Receipts | <u>£474.16</u> |
| <u>CAPITAL ACCOUNT</u> | | | |
| <u>RECEIPTS</u> | | | |
| Contribution from the Improvement and Development Fund - Head 101 | | | £169,000.00 |
| <u>PAYMENTS</u> | | | |
| Works and Equipment | | | <u>(£169,290.85)</u> |
| | | Net Payments | <u>(£290.85)</u> |

GIBRALTAR PORT AUTHORITY

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£504.39

FINANCED BY

Account Balance on 1 April 2017

£30.23

Net Receipts during the year

£474.16

Account Balance on 31 March 2018

£504.39

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£342.75

FINANCED BY

Balance on 1 April 2017

£633.60

Net Payments during the year

(£290.85)

Account Balance on 31 March 2018

£342.75

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account

£504.39

Capital Account

£342.75

Net Balance held by the Government of Gibraltar

£847.14

Note:

These accounts are not the audited accounts of the Gibraltar Port Authority

CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contributions from the Consolidated Fund - Head 29:

| | |
|-------------------------------------|-----------------------|
| Contribution from Revenues Received | £9,221.51 |
| Additional Contribution | £15,595,000.00 |
| | <u>£15,604,221.51</u> |

PAYMENTS

Personal Emoluments

| | | |
|----------------|-------------------|---------------|
| (1) Salaries | £5,018,407.69 | |
| (2) Overtime | £301,579.56 | |
| (3) Allowances | £740,610.74 | |
| (4) Gratuities | <u>£16,284.03</u> | |
| | | £6,076,882.02 |

Industrial Wages

| | | |
|-----------------|----------------|-------------|
| (5) Basic Wages | £109,613.97 | |
| (6) Overtime | £20,988.17 | |
| (7) Allowances | <u>£392.49</u> | |
| | | £130,994.63 |

Employer's Contributions

| | | |
|----------------------|--------------------|-------------|
| (8) Social Insurance | £430,986.71 | |
| (9) Pension | <u>£545,157.51</u> | |
| | | £976,144.22 |

Other Personnel

| | | |
|-------------------|--|---------------|
| (10) Relief Cover | | £3,571,222.76 |
|-------------------|--|---------------|

Other Recurrent Expenditure

| | | |
|--|--|------------|
| (11) Recruitment Contractual Expenses and Accommodation | | £52,490.08 |
|--|--|------------|

Residential Services:

| | | |
|------------------------------------|--------------------|-------------|
| (12) Children Respite Services | £11,762.40 | |
| (13) Children Protection Committee | £1,015.00 | |
| (14) Children in Care | £389,433.20 | |
| (15) Dr Giraldi Home | <u>£261,500.04</u> | |
| | | £663,710.64 |

Non-Residential Services:

| | | |
|-----------------------------------|--|---------------|
| (16) St Bernadette's Centre | | £74,058.92 |
| (17) Domiciliary Care | | £2,340,777.53 |
| (18) Special Care Abroad | | £1,026,642.16 |
| (19) Hardware, Uniforms and Linen | | £2,140.04 |
| (20) Provisions | | £2,722.48 |

Laundry and Cleaning:

| | | |
|------------------------|--|-----------|
| (21) Cleaning Expenses | | £3,126.70 |
|------------------------|--|-----------|

| | |
|-----------------|-----------------------|
| carried forward | <u>£14,920,912.18</u> |
|-----------------|-----------------------|

CARE AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

| | | | |
|---|-----------------|----------------|------------------|
| | brought forward | £14,920,912.18 | |
| <u>PAYMENTS (cont)</u> | | | |
| (22) Day Centre | | | £32,613.28 |
| Training and Study: | | | |
| (23) Training Manuals and Subscriptions | £10,283.84 | | |
| (24) Training Courses and Official Travel | £128,874.18 | | |
| (25) Registration Fees | £715.56 | | |
| | | | £139,873.58 |
| Office Expenses: | | | |
| (26) General Expenses | £14,420.97 | | |
| (27) Electricity and Water | £73,952.93 | | |
| (28) Telephone Service | £85,474.88 | | |
| (29) Printing and Stationery | £16,444.47 | | |
| (30) Computer and Office Equipment | £21,255.91 | | |
| | | | £211,549.16 |
| Contracted Services: | | | |
| (31) Cleaning | £48,289.23 | | |
| (32) Planted Areas | £6,282.00 | | |
| (33) Lift Maintenance | £1,880.75 | | |
| (34) Security Services | £30,815.40 | | |
| | | | £87,267.38 |
| Miscellaneous Expenses: | | | |
| (35) Health and Safety Expenses | £0.00 | | |
| (36) Rent and Service Charges | £6,046.00 | | |
| (37) Motor Vehicle Expenses | £30,249.62 | | |
| (38) Insurance | £33,575.06 | | |
| (39) Maintenance Works | £45,249.87 | | |
| (40) Contingencies | £0.00 | | |
| (41) IT Support | £83,278.76 | | |
| (42) Legal Fees | £8,732.00 | | |
| (43) Compensation and Legal Costs | £4,000.00 | | |
| | | | £211,131.31 |
| | | | (£15,603,346.89) |
| | Net Receipts | | £874.62 |

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101 £278,000.00

PAYMENTS

Works and Equipment (£277,582.80)

Net Receipts £417.20

CARE AGENCY

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £960.10 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|---------|
| Account Balance on 1 April 2017 | £85.48 |
| Net Receipts during the year | £874.62 |
| Account Balance on 31 March 2018 | £960.10 |

CAPITAL ACCOUNT

ASSETS

| | |
|---|---------|
| Balance held by the Government of Gibraltar | £521.16 |
|---|---------|

FINANCED BY

| | |
|----------------------------------|---------|
| Account Balance on 1 April 2017 | £103.96 |
| Net Receipts during the year | £417.20 |
| Account Balance on 31 March 2018 | £521.16 |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|-----------|
| Recurrent Account | £960.10 |
| Capital Account | £521.16 |
| Net Balance held by the Government of Gibraltar | £1,481.26 |

Note:

These accounts are not the audited accounts of the Care Agency

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 25

£8,249,000.00

PAYMENTS

Personal Emoluments

| | | |
|---|---------------|---------------|
| (1) Salaries | £2,160,182.89 | |
| (2) Overtime | £73,905.24 | |
| (3) Allowances | £147,291.31 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Bonus Payments | £336,711.10 | |
| (6) Employer's Pension Contributions | £0.00 | |
| (7) Employer's Social Insurance Contributions | £98,564.24 | |
| | | £2,816,654.78 |

Industrial Wages

| | | |
|-------------------------------------|---------------|---------------|
| (8) Basic Wages | £2,029,100.10 | |
| (9) Overtime | £148,168.72 | |
| (10) Allowances | £0.00 | |
| (11) Bonus Payments | £510,695.23 | |
| (12) Pension Contributions | £0.00 | |
| (13) Social Insurance Contributions | £144,327.77 | |
| | | £2,832,291.82 |

Other Recurrent Expenditure

Office Expenditure:

| | | |
|---|------------|------------|
| (14) General Expenses | £20,284.62 | |
| (15) Electricity and Water | £14,625.29 | |
| (16) Telephone Service | £31,442.92 | |
| (17) Printing and Stationery | £6,994.13 | |
| (18) Contracted Services: Office Cleaning | £22,880.00 | |
| | | £96,226.96 |

Operational Expenses:

| | | |
|---------------------------------------|-------------|-------------|
| (19) Protective Clothing and Uniforms | £19,342.45 | |
| (20) Transport Expenses | £24,851.38 | |
| (21) Small Plant and Tools | £5,806.57 | |
| (22) Materials | £158,308.72 | |
| (23) Training | £9,340.00 | |
| (24) Outsourced Works | £59,830.84 | |
| (25) Self Repair Scheme | £145,911.11 | |
| | | £423,391.07 |

| | |
|------------------------------------|-----------|
| (26) Technical and Design Expenses | £3,346.27 |
|------------------------------------|-----------|

| | |
|-----------------------------|---------------|
| (27) Maintenance of Estates | £1,643,144.84 |
|-----------------------------|---------------|

| | |
|--------------------------------|-------------|
| (28) Lift Maintenance Contract | £233,055.31 |
|--------------------------------|-------------|

| | |
|--|-------------|
| (29) Estates - Cleaning of Internal Communal Areas | £199,983.16 |
|--|-------------|

| | |
|--|---------|
| (30) Estates - Upkeep of Communal Lighting | £427.25 |
|--|---------|

| | |
|-------------------|-------|
| (31) Relief Cover | £0.00 |
|-------------------|-------|

| | |
|-------------------------|---------|
| (32) Ex-Gratia Payments | £614.51 |
|-------------------------|---------|

Net Payments

(£8,249,135.97)

(£135.97)

HOUSING WORKS AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

CAPITAL ACCOUNT

RECEIPTS

| | |
|---|-------|
| Contribution from the Improvement and Development Fund - Head 101 | £0.00 |
|---|-------|

PAYMENTS

| | |
|-----------------------|--------------|
| Works and Equipment | £0.00 |
| Net Receipts/Payments | <u>£0.00</u> |

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£368.88</u> |
|---|----------------|

FINANCED BY

| | |
|----------------------------------|------------------|
| Account Balance on 1 April 2017 | £504.85 |
| Net Payments during the year | <u>(£135.97)</u> |
| Account Balance on 31 March 2018 | <u>£368.88</u> |

CAPITAL ACCOUNT

ASSETS

| | |
|---|----------------|
| Balance held by the Government of Gibraltar | <u>£265.17</u> |
|---|----------------|

FINANCED BY

| | |
|---------------------------------------|----------------|
| Account Balance on 1 April 2017 | £265.17 |
| Net Receipts/Payments during the year | <u>£0.00</u> |
| Account Balance on 31 March 2018 | <u>£265.17</u> |

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

| | |
|---|----------------|
| Recurrent Account | £368.88 |
| Capital Account | <u>£265.17</u> |
| Net Balance held by the Government of Gibraltar | <u>£634.05</u> |

Note:

These accounts are not the audited accounts of the Housing Works Agency

BORDERS AND COASTGUARD AGENCY
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

RECURRENT ACCOUNT

RECEIPTS

Contribution from the Consolidated Fund - Head 7

£6,494,000.00

PAYMENTS

Personal Emoluments

| | | |
|------------------------------|---------------|---------------|
| (1) Salaries | £3,576,906.79 | |
| (2) Overtime | £80,230.55 | |
| (3) Allowances | £1,486,228.73 | |
| (4) Temporary Assistance | £0.00 | |
| (5) Bonus Payments | £69,730.00 | |
| (6) Employer's Contributions | £769,494.79 | |
| | | £5,982,590.86 |

Other Recurrent Expenditure

Office Expenditure:

| | | |
|---|------------|------------|
| (7) General Expenses | £10,449.45 | |
| (8) Electricity and Water | £4,467.95 | |
| (9) Telephone Service | £14,494.03 | |
| (10) Printing and Stationery | £6,439.03 | |
| <u>Contracted Services:</u> | | |
| (11) Office Cleaning - Government Cleaning Scheme | £12,026.00 | |
| (12) Radio Communications System - Gibtelecom Ltd | £8,139.35 | |
| | | £56,015.81 |

Operational Expenses:

| | | |
|---|-------------|-------------|
| (13) Computer and Office Equipment | £37,446.75 | |
| (14) Motor Vehicle Expenses | £879.20 | |
| (15) Uniforms and Protective Clothing | £29,289.66 | |
| (16) Training Courses | £47,960.28 | |
| <u>Contracted Services:</u> | | |
| (17) Security Services | £230,487.48 | |
| | | £346,063.37 |
| (18) Contribution to Gibraltar Development Corporation - Staff Services | | £107,650.94 |
| (19) Relief Cover | | £1,029.21 |

(£6,493,350.19)

Net Receipts

£649.81

CAPITAL ACCOUNT

RECEIPTS

Contribution from the Improvement and Development Fund - Head 101

£42,000.00

PAYMENTS

Works and Equipment

(£42,506.49)

Net Payments

(£506.49)

BORDERS AND COASTGUARD AGENCY

BALANCE SHEET AS AT 31 MARCH 2018

RECURRENT ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£958.94

FINANCED BY

Account Balance on 1 April 2017

£309.13

Net Receipts during the year

£649.81

Account Balance on 31 March 2018

£958.94

CAPITAL ACCOUNT

ASSETS

Balance held by the Government of Gibraltar

£478.33

FINANCED BY

Account Balance on 1 April 2017

£984.82

Net Payments during the year

(£506.49)

Account Balance on 31 March 2018

£478.33

SUMMARY OF BALANCES HELD BY THE GOVERNMENT OF GIBRALTAR

Recurrent Account

£958.94

Capital Account

£478.33

Net Balance held by the Government of Gibraltar

£1,437.27

Note:

These accounts are not the audited accounts of the Borders and Coastguard Agency