STATES OF JERSEY

JERSEY BANK DEPOSITORS COMPENSATION BOARD 2026 ACCOUNTS

Presented to the States on 1st July 2026
by the Minister for External Relations

STATES GREFFE

Jersey Bank Depositors Compensation Board

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

REPORT AND AUDITED FINANCIAL STATEMENTS

31 MARCH 2026

HALFORD accountants

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD
REPORT AND AUDITED FINANCIAL STATEMENTS
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THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Information

Board members	Mike Mitchell, Chair Amy Taylor Ian Henderson Katherine Hitchins
Independent auditor	BDO Limited Windward House La Route de la Liberation St Helier Jersey JE1 1BG
Bankers	HSBC Bank plc PO Box 14 27 Halkett Street St Helier Jersey JE4 8NJ Lloyds Bank Corporate Markets plc. PO Box 10 9 Broad Street St Helier Jersey JE4 8NG
Accountants	Halford Accountants Limited Chartered Certified Accountants Les Sapins Rue De La Guilleaumerie St Saviour Jersey JE2 7XF

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Board's Report
for the period from 1 February 2025 to 31 March 2026

The Jersey Bank Depositors Compensation Board (the "Board") presents its report and the audited financial statements for the period ended 31 March 2026.

Principal activities

The Board was created under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 ("the Law").

The functions of the Board have been to administer the Bank Depositors Compensation Scheme ("DCS"), including establishing and maintaining arrangements in readiness for the possibility of a default of a bank operating in Jersey and administering compensation for any such default. Its functions further include arranging for the publication of information for the public on the operation of the DCS.

Chair Overview

This accounting period represents the final period of operation for the Board. On 01 April 2026, the responsibility for the administration of the DCS was transferred from the Board to the Jersey Resolution and Depositors Compensation Authority ("JRDCA"), formerly the Jersey Resolution Authority. This transfer of functions (the "Transfer") was the culmination of an intensive and collaborative piece of work, led by the Government of Jersey, to update the legislative regime and bring together depositor compensation and bank resolution functions under the purview of one combined authority.

Throughout the period, the Board worked closely with colleagues from the Jersey Resolution Authority (JRA), the Jersey Financial Services Commission ("JFSC") and the Government of Jersey ("Government") to finalise and prepare for the transfer of the functions of the DCS to the JRDCA. The Board was represented on the Project Board set up to oversee the Transfer, by the Chair Mike Mitchell, who has served alongside representatives from the Government and the JRA.

The intention, as stated in the annual report last year, was to complete the Transfer by 31 December 2025 but the legislation was delayed to allow a Scrutiny review and report, and therefore the transfer timeline was extended to the 1 April 2026. As a result, the contracts for Board members were also extended. The contract for the depositor compensation payout tool was due to expire in February 2026, however the further delay in the timeline resulted in both Boards (the DCS and JRA) working together on the revised contract with the payout tool supplier. The new payout tool was made live in February 2026 and the transfer of responsibility for the payout tool contract, together with all depositor compensation related functions, was successfully transferred by the Board to the JRDCA with effect from 01 April 2026.

During the year, the Board continued the rolling programme of testing banks' live Single Customer View (SCV) files for potential utilisation by the payout tool. The Board also conducted an unannounced SCV File Summary Report test. Both actions supported orderly handover to the JRDCA and further details of the results are set out below.

On the financial front, the Board posted a deficit for the year of £12,564 as compared to a surplus of £7,660 in 2024/25. Expenditure at £359,668 was higher than in the previous year (£325,646) because of the costs of run-off insurance resulting from the transfer of responsibilities and pending winding up of the Board. The Board reviewed all available options to provide retiring Board members with appropriate cover, and run-off insurance was concluded to be the most suitable option. Other operational costs were higher due to the 14-month period (compared to 12 months), but this was offset by reduced IT costs due to lower levels of SCV testing than in previous periods.

In September 2025, the Board members were shocked and saddened by the unexpected loss of our Administrative Officer, Harry McRandle. Harry was a highly valued member of the team, and he is very much missed. We extend our continued thoughts and condolences to Harry's family and friends. I would also like to thank my colleagues on the Board and at the JRA, as well as our service providers, who stepped up to support us at this difficult time.

Government has asked the successor organisation, the JRDCA, to undertake a holistic review of the DCS and produce a report for Government so that it can consider improvements to the Scheme going forward.

As this is the final report of the DCS Board, I want to take this opportunity to acknowledge the hard work, professionalism and commitment of all those across the Government, the JFSC and the Scheme's service providers that have contributed to the successful development of the Scheme and payout tool, and helped us to ensure that we have handed over a fit-for-purpose Scheme to the JRDCA. I am particularly grateful for the support and engagement of the Jersey Bankers Association over the lifetime of the Scheme, enabling a collaborative and constructive approach to depositor protection since the Scheme's inception. Finally, I would like to thank my Board colleagues, past and present, for their hard work and public service.

Transfer of the DCS functions to the Jersey Resolution and Depositors Compensation Authority

The legislation to transfer the DCS functions has now been enacted, and functions were transferred to the JRDCA with effect from 01 April 2026.

The DCS Board participated in the transfer project and remained committed throughout the period to ensuring the transfer was as smooth as possible.

We have worked alongside colleagues at the JRDCA to review contracts with third parties and to ensure these contracts have been novated and extended to the new organisation as appropriate.

All assets and liabilities of the Board, including cash balances, will be transferred to the JRDCA on 30 June 2026 and the Jersey Bank Depositor Compensation Scheme Board will be dissolved.

We will be transferring our existing records to the JRDCA prior to dissolution and our respective IT suppliers have supported us in achieving this objective.

SCV File Data Quality Testing

The major operational focus during the year was the commencement of the second round of testing of the SCV files produced by the banks in Jersey that hold eligible deposits. Four banks were tested in 2025.

The Board has recommended that the JRDCA continue the rolling programme of testing banks' live SCV files to ensure that overall quality continues to improve and to ensure that any changes made within a bank do not result in issues with that bank's SCV File.

Testing Results

Those files tested during the year were generally of good quality and the Board liaised with each of the banks tested to discuss their test results and any remediation works that were necessary. The test reports also provided each bank with an insight into the quality of its client records. Responsibility for ongoing testing has now been passed to the JRDCA, together with the Board's records of previous testing and banks' remediation work.

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Board's Report (continued)
for the period from 1 February 2025 to 31 March 2026

SCV File Preparedness Testing

In December 2025, the Board required all banks, on short notice, to deliver to the Board their SCV File Summary Report which provides a précis of each bank's eligible depositor client base. The Board was pleased to note that all banks submitted their report within the stipulated timeframe. A review of those Summary Reports highlighted some aspects that will be factored into future SCV File testing.

SCV Data Protection Safeguards

The SCV Testing regime is conducted in line with the requirements of a Data Protection Impact Assessment ("DPIA") that governs the protocols and security rules in respect of the handling of sensitive client data provided to the Board by the banks. When the SCV data quality testing work for each bank is completed, the SCV files and any client specific reports are securely deleted in line with the DPIA procedures.

DCS Claims Management System Testing

In line with continuing contractual obligations to test the Claims Management System, the Board's service provider completed annual 'smoke testing' and 'penetration testing' of the claims management workflow and pay-out tool. This testing has been undertaken on an annual basis to ensure the technical efficacy and security of the system.

Continuing Levy Structure

The Board was empowered to raise an Annual Administration Levy ("Levy") on licensed banks under the provisions of the Banking Business (Depositors Compensation) (Jersey) Regulations 2009. The Board is obligated to inform the Minister for External Relations of its proposed budget prior to the beginning of the financial year in which the Levy will apply.

The Levy charged to the banks is in three separate tiers, reflecting the value of eligible deposits, as defined under the law, held by each bank. This revised structure came into force in 2021/22 and was again used during the 2025/26 Financial Year.

When the year began, the Board was working to an expected timetable for the transfer of functions of the DCS to the JRDCA to be completed by 31 December 2025. At such time, the Board agreed to maintain the Levy for 2025 at the same rate as the prior period. However, as the Transfer timeline was further extended (for the Transfer to be finally effected on 01 April 2026), the Board reviewed the financial position of the Scheme mid-year and determined that, as a further extension to its operation was required, it would be more appropriate for the Board to utilise reserves, as necessary, to meet any additional costs occasioned by the extension rather than to raise a further administration Levy. Any remaining assets and liabilities, including cash reserves, will be transferred to the JRDCA on 30 June 2026.

No compensation levy fee was required to be raised as there was no bank default which required funding from the DCS in the current year.

Future developments

The compensation pay-out tool developed by the Board can pay-out, within a matter of days, to those depositors whose records are delivered by the bank in complete and good order.
Part of the work to effect the Transfer included addressing legislative changes contained in the Bank (Recovery and Resolution) (Jersey) Amendment Law 2025 that will allow for the pay-out tool functionality to be more efficiently utilised in the event of a bank default.

Board Membership and attendance, Remuneration, Administration, Staffing

Mike Mitchell (Chair), Peter Shirreffs, Amy Taylor, Katherine Hitchins and Ian Henderson were members of the Executive Board during the Financial Period. Peter Shirreffs retired from the Board on 10 March 2025 after serving nine years. Katherine Hitchins was appointed as a new Board member on 11 March 2025.

During the 2025/26 Financial Period, six Board meetings were held and all current members of the Board attended all meetings. In addition, the Board, or sub-groups of the Board, met as required to progress various workstreams.

The Board relied on the services of an administrative officer, Harry McRandle, until September 2025. Thereafter the administrative functions were undertaken by the JRA and additional support for the Board's financial administration duties were taken up by Halford Accountants and by members of the Board.

Board remuneration

The level of Board Members Remuneration in the 2025/26 accounts was £84,958 as compared to £60,276 in 2024/25. The Chair is remunerated at £20,000 pa and other Board members at £12,000 pa. The Chair can authorise the payment of additional fees to individual Board members for extra work up to a maximum of £10,000 pa.

Board members receive no performance pay, no bonuses are available, no pension benefits, no non-cash benefits and no compensation for loss of office or other severance payments available beyond statutory provisions.

Diversity, Equality, Inclusion

The Board's recruitment process aims to ensure a diversity of thought and professional experience on the Board. As a small organisation any further statistics or analysis of diversity is not deemed meaningful.

Accountability/ Corporate Governance

The Board is accountable to the Minister for External Relations.

A senior Government of Jersey representative from the Department of the Economy attends Board meetings as an observer/rapporteur and is provided with relevant Board papers. In addition, senior representatives of the JFSC and the JRA also attend Board meetings.

The Board continued its practice of open and effective dialogue with Government, financial regulators and the JRA. The Board also communicated regularly with members of the Jersey Bankers Association, either individually or at association level, when necessary. The Board provided updates in relation to ongoing projects as and when these occurred.

Enhanced cooperation between the DCS and the JRA was facilitated by Mike Mitchell's appointment as Chair of both boards, as well as Katherine Hitchins' appointment as she is also a member of the JRA Board. Further, the Board is a member of the Bank Resolution Planning Group ("BRPG") which was formally established to enhance joint agency response within Jersey to a bank failure.

The Board continues, where practicable, to follow the guidance on annual reporting issued by the Comptroller & Auditor General.

Benchmarking/International Standards

The Jersey Bank Depositors Compensation Scheme retained full membership of the European Forum of Deposit Insurers www.efdi.eu ("EFDI") and was a key member of the Affiliation of Micro European States ("AMES"), a working group of EFDI.

The Chair attended the EFDI annual general meeting and conference in Madrid in June 2025. The annual general meeting of AMES is also held at the conference venue.

EFDI Working Groups provide expertise in matters relevant to all Deposit Compensation Schemes including smaller jurisdictions. AMES members sit on various EFDI Working Groups and provide feedback on important topics.

It is part of the Board's role to develop a depositor compensation scheme proportionate to the size of the jurisdiction. It is under the auspices of AMES that the Board has been able to work alongside similar sized jurisdictions, both EU and non-EU, to develop policy frameworks that are appropriate to such jurisdictions.

AMES members, which include the other Crown Dependencies and Gibraltar, have contributed to the development of a common risk management policy framework designed by an EFDI working group to cover a range of subjects related to risk in an ever-changing environment. The Board also continued to maintain its own Risk Register, which is updated on a quarterly basis.

By having access to expertise from EFDI, the Board was aware of the most up-to-date developments in the field of depositor compensation.

Although the DCS is not a member of the International Association of Deposit Insurers ("IADI"), the Board sought to comply with relevant IADI standards by maintaining a watching brief on IADI activity through publicly published material and from regular IADI updates issued through EFDI.

Data protection

The DCS remained registered as a data controller/processor with the Jersey Office of the Information Commissioner as required under the Data Protection (Jersey) Law 2018. Board member Amy Taylor is the Board's Data Protection Officer. That registration was renewed in January 2026.

As has been highlighted in previous annual reviews, apart from its obligations under the Data Protection (Jersey) Law 2018, the GDPR and all UK and EU equivalent legislation, when processing bank data, the Board, its servants and agents have to comply with the specific requirements of the Banking Business (Depositors Compensation) (Amendment No 2) (Jersey) Regulations 2020 which require that data be encrypted at all times and only be decrypted for specific purposes.

As part of the compliance with the provisions of the 2020 legislative requirements, during 2022 the Board finalised the detailed requirements of a Data Protection Impact Assessment ("DPIA") that governs the handing/storage/security/deletion protocols for all bank data provided to the Board for testing/analysis. The protocols contained therein continue to govern all processes and provide continued reassurance that sensitive client data is being properly protected.

Values Statement

The Board maintained and published a Values Statement on its website.

Board's Report (continued)
for the period from 1 February 2025 to 31 March 2026

Ongoing risks

It is acknowledged that deposit compensation schemes operate within an evolving global financial system.

Through its membership of EFDI/AMES and the BRPG, the Board continued to consider emerging risks within the context of Jersey's own domestic policy settings and wider policy forums.

The following headline risks continue to be monitored and considered for policy development.

Digitisation. Digitisation of financial services continues apace, and concerns remain regarding financial stability and competitive distortions. Future policy in respect of digitisation will be developed by the JRDCA, the JFSC, and the Government of Jersey.

The Board remained mindful of an ever-increasing risk that making compensation payouts by cheque will become obsolete. Current legislation mandates that method be used for such payments. Both the UK FSCS and Gibraltar are working to establish alternatives. Through AMES, the Board continues to follow developments in both centres. Replacing cheque payments with a viable alternative is likely to be a high priority for the successor authority following the transfer of functions to the JRDCA.

Contingency Planning. The DCS operated within an overall legislative framework intended to mitigate and manage the risk of a bank default. The Board was a member of the BRPG, which was formed in 2022 to improve communication within the framework and make provision for enhanced contingency planning. The Board and the other agencies that are part of the legislative framework are members of the BRPG. The Board continued to progress its planning under the above framework and on the understanding that should a bank default occur, the Board would work in conjunction with the BRPG members (which includes Government) to take whatever remedial action would be considered appropriate to achieve an efficient pay-out. No such default event occurred, and the Board has now transferred all functions relating to the DCS to the JRDCA.

The role of Deposit Compensation in Bank Resolution. Policy in this area continues to be developed by the Government of Jersey in conjunction with the JRDCA, the JFSC, the BRPG and other stakeholders.

Cross-border considerations. Deposit compensation regimes continue to be affected by the growing inter-connectedness of global financial flows and the increasingly borderless and digital nature of financial services. EFDI has highlighted a growing number of cross-border interactions when dealing with resolutions. In Jersey's case, there are currently no formal cross-border arrangements.

Sustainability. As an EFDI member, the Board is mindful of the EFDI charter for Sustainable Deposit Guarantee and Investor Compensation Schemes, which aims to demonstrate support and adherence to the principles of sustainability and social responsibility, and answer the call made in that field by various international organisations and initiatives, including the United Nations Environment Programme Finance Initiative arrangements.

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Board's Report (continued)
for the period from 1 February 2025 to 31 March 2026

Climate change. Climate Change is a continuing risk to financial stability. The potential disruption to infrastructure of individual banks or to the wider financial system could significantly impact the ability of a deposit compensation scheme to ensure timely pay-outs. Operational risks need to be identified and managed appropriately.

The Board's climate impact footprint remains minimal. A small team utilises well-tested computer software and hardware remotely. There is no physical office. Physical meetings were held locally. On an annual basis, one Board member travels to the EFDI annual conference at a European venue. Two physical AMES meetings are usually held annually with plans for individual states to host in their own locations in future.

Results

The Statement of Comprehensive Income of the Board for the year is set out in detail on page 13.

Disclosure of information to auditor

Each of the persons who were members of the Board at the time when this Board's report is approved has confirmed that:

- As far as that member is aware, there is no relevant audit information of which the Board's auditor is unaware, and

- That member has taken all the steps that ought to have been taken as a member to be aware of any relevant audit information and to establish that the Board's auditor is aware of that information.

Independent auditors

The independent auditor is BDO Limited.

This report was approved by the Members on 24/04/2026

and signed on their behalf by Mike Mitchell

Chair

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Board's Responsibilities Statement
for the period from 1 February 2025 to 31 March 2026

The Board is responsible for preparing the report and financial statements in accordance with applicable Jersey law and regulations and generally accepted accounting principles.

The Banking Business (Depositors Compensation) (Jersey) Regulations 2009 (the "Law") requires the Board to prepare financial statements for each financial year. Under that Law the Board has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") . Under the Law, as applied to the Board, the Board must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Board and of the surplus or deficit of the Board for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies for the Board's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the entity will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Board's transactions and disclose with reasonable accuracy at any time the financial position of the Board and to enable them to ensure that the financial statements comply with the Law. They are also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board confirms that they have complied with the above requirements in the preparation of the financial statements.

The Financial Statements have been prepared for the period to 31 March 2026 in accordance with the requirements of the Bank (Recover and Resolution) (Jersey) Amendment Law 2025.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JERSEY BANK DEPOSITORS COMPENSATION BOARD

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Board's affairs as at 31 March 2026 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the requirements of the Banking Business (Deposit Compensation) (Jersey) Regulations 2009.

We have audited the financial statements of The Jersey Bank Depositors Compensation Board ("the Board") for the period ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and notes 1 to 10 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - financial statements prepared on a basis other than going concern

We draw attention to note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than of a going concern. The approval of the Draft Bank (Recovery and Resolution) (Jersey) Amendment Law 2025 has effected the transfer of functions from the Jersey Bank Depositors Compensation Scheme Board to the Jersey Resolution and Deposit Compensation Authority with effect from 1 April 2026. Consequently, the going concern basis of preparation is no longer appropriate. Our opinion is not modified in respect of this matter.

Other information

The Board Members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Board members

As explained more fully in the Boards' responsibilities statement, the Board members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board members are responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board members either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on:

- Our understanding of the Board and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Board's policies and procedures in place to prevent and detect non-compliance with laws and regulations.

We considered the significant laws and regulations to be the Banking Business (Depositors Compensation) (Jersey) Regulations 2009.

The Board is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations; and
- Enquiry with management and those charged with governance regarding any known or suspected instances of non-compliance with laws and regulations.

Fraud
We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;

- Obtaining an understanding of the Board's policies and procedures relating to detecting and responding to the risks of fraud and internal controls established to mitigate risks related to fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Agreement of financial statement disclosures to underlying supporting documentation.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the period, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Evaluation of the appropriateness of the accounting disclosures.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Board's members, as a body, in accordance with the requirements of the Banking Business (Deposit Compensation) (Jersey) Regulations 2009. Our audit work has been undertaken so that we might state to the Board's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Board's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
BDO Limited
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BDO Limited
Chartered Accountants
Jersey, Channel Islands

25 June 2026

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD
Statement of Comprehensive Income
for the period from 1 February 2025 to 31 March 2026

	Notes	01/02/2025 to 31/03/2026 £	Year ended 31/01/2025 £
Revenue		341,600	328,500
Administrative expenses			
Information technology, maintenance and support costs		150,454	195,576
Board members' remuneration		84,958	60,276
Membership fees		3,200	3,487
Professional and secretarial fees		53,501	38,492
Travel and subsistence		2,842	1,858
Auditor's fees	3	12,441	9,707
Accountancy fees		3,791	1,747
Conferences and training		-	357
Telephone charges		1,705	1,247
General office expenses		1,828	1,273
Repairs and renewals		1,587	-
Insurances		42,253	10,972
Bank charges		1,108	654
Total administrative expenses		359,668	325,646
Operating (loss)/profit		(18,068)	2,854
Interest receivable		5,504	4,806
Total comprehensive income for the period		(12,564)	7,660

There were no recognised gains or losses other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2026 (2025 : £NIL).

The notes on pages 15 to 18 form part of these financial statements.

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD
Statement of Financial Position
as at 31 March 2026

	Notes	As at 31/3/2026		As at 31/01/2025	
		£	£	£	£
Current assets					
Debtors	4	7,000		88,237	
Cash at bank and in hand	5	269,615		214,340	
		276,615		302,577	
Creditors: amounts falling due within one year	6	(71,501)		(84,899)	
Net current assets			205,114		217,678
Net assets			205,114		217,678
Represented by:					
Retained surplus	7		205,114		217,678
Total administrative reserve fund			205,114		217,678

These financial statements on pages 15 to 18 were approved and authorised for issue by the Board and were signed on their behalf on 24/06/26

Chair

The notes on pages 15 to 18 form part of these financial statements.

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD
Notes to the financial statements
for the period from 1 February 2025 to 31 March 2026

1 Accounting policies

General information

The Jersey Bank Depositors Compensation Board (the "Board") was created by the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 (the "Law") and is domiciled in Jersey. The Board consists of four appointed members attended by a representative of the Government of Jersey.

Statement of compliance

These Financial Statements have been prepared under United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A. The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland - Small Entities ("FRS 102 Section 1A") . The financial statements have also been prepared in accordance with the Law, which came into force on 6 November 2009, which was subsequently amended on 2 October 2012 by the Banking Business (Depositors Compensation) (Amendment and Miscellaneous Provision) (Jersey) Regulations 2012 and further amended on 28 January 2020 by the Banking Business (Depositors Compensation) (Amendment No 2) (Jersey) Regulations 2020.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of preparation

The financial statements have been prepared on a break-up basis. In previous years, the financial statements were prepared on a going concern basis; however, the enactment of the Bank (Recovery and Resolution) (Jersey) Amendment Law 2025 has effected the transfer of functions from The Jersey Bank Depositors Compensation Scheme Board to the Jersey Resolution and Depositors Compensation Authority with effect from 01 April 2026. Consequently, the going concern assumption is no longer appropriate. Assets and liabilities are measured at estimated net realisable value, and liabilities have been measured at their expected settlement amounts. There were no non-current assets or liabilities that required reclassification. Provision has been made for all unavoidable costs associated with winding up the operations

The Board has determined that liability for all payments due in the period after the end of the final accounting period has been incurred by the reporting date. Accordingly such expenditure, which includes board fees, legal and professional fees, run off insurance and other minor administrative costs, has been accrued as at 31 March 2026. Invoices will be settled as they fall due either by the Board, or after 30 June by the JRDCA. All assets and liabilities of the Board, including cash balances, will be transferred to the JRDCA on 30 June 2026.

The Board has qualified for exemption as a small entity during the period and the prior year and adopted FRS 102 Section 1A.

The financial statements of the Board are presented in British Pounds ("£"), being the functional currency of the Board. The Board has determined its functional currency based on its primary economic environment.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the entity's accounting policies.

1 Accounting policies (continued)

Valuation of Assets

Under the break-up basis, assets are recorded at their estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. In practice the only assets remaining are cash and debtors and no material adjustments have been required.

Recognition of Liabilities

Liabilities are recognised at the amounts expected to be paid to settle the obligations.

Contractual Obligations: Provision has been made for costs arising directly from the decision to wind down, including the cost of run-off Directors & Officers insurance.

Liquidation Costs: Estimated costs associated with the formal winding-up of the Board, such as directors fees and legal and professional fees, are accrued where a constructive or legal obligation exists.

Classification

As the Board is expected to be wound up within 3 months of the reporting date, all assets and liabilities have been reclassified as current.

Comparative Information

The comparative figures for the period ended 31 January 2025 remain prepared on a going concern basis and have not been restated. As a result, the current period figures, which cover the full final period of operation from 01 February 2025 to 31 March 2026, may not be directly comparable to the prior year.

2 Taxation

The Board is exempt from Jersey income tax, therefore no provision has been made in these financial statements for Jersey income tax.

3 Auditor's remuneration	**01/02/2025 to 31/03/2026 £**	**Year ended 31/01/2025 £**
Fees payable to the Board's auditor	12,441	9,707

THE JERSEY BANK DEPOSITORS COMPENSATION BOARD
Notes to the financial statements
for the period from 1 February 2025 to 31 March 2026

4 Debtors

	As at 31/3/2026 £	As at 31/01/2025 £
Other debtors and prepayments	7,000	88,237

5 Cash and cash equivalents

	As at 31/3/2026 £	As at 31/01/2025 £
Cash at bank	269,615	214,340

6 Creditors: amounts falling due within one year

	As at 31/3/2026 £	As at 31/01/2025 £
Trade creditors	5,241	65,381
Accountancy accrual	1,150	905
Audit accrual	11,441	9,817
Other taxes and social security costs	3,550	281
Other creditors:		
Accruals	425	414
Board members' remuneration	19,783	-
Insurance	23,911	-
Professional and secretarial fees	6,000	2,276
Information technology, maintenance and support costs	-	5,825
	71,501	84,899

7 Retained surplus

	As at 31/3/2026 £	As at 31/01/2025 £
At 1 February	217,678	210,018
Profit for the period / year	(12,564)	7,660
At 31 March 2026 / 31 January 2025	205,114	217,678

8 Post balance sheet events

The transfer of functions of the JDCS was effected on 01 April 2026 and the Board is winding up. Assets and liabilities will be transferred to the JRDGA on 30 June 2026 and the Board will cease to exist from that date.

9 Other financial commitments

	As at 31/3/2026 £	As at 31/01/2025 £
At the year end the Board had annual commitments under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within one year	-	57,567

The operating lease relates to a software service contract (CMS Pro proprietary software) which was being provided over a term of 5 years from 1 January 2021.

10 Controlling party

In the opinion of the Board, there is no ultimate controlling party or beneficial owner meeting the definitions as prescribed by FRS 102.