

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

GUERNSEY DEVELOPMENT AGENCY UPDATE

The States are asked to decide:-

Whether, after consideration of the policy letter entitled 'Guernsey Development Agency Update' dated 30 October 2024, they are of the opinion:

1. To endorse the Guernsey Development Agency's strategic vision for the Bridge as set out in section 3.5.
2. To agree the Land Transfer Policy as set out in section 5.3.
3. To direct the Policy & Resources Committee to prepare a Land Transfer Portfolio for approval by the States by November 2026.
4. To note the Annual Report and Accounts of the Guernsey Development Agency for the period ended 31st December 2023.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

GUERNSEY DEVELOPMENT AGENCY UPDATE

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

30th October 2024

Dear Sir

1 Executive Summary

- 1.1 Since its formation in July 2023, the Guernsey Development Agency ('GDA') has worked to understand the threats and opportunities facing Guernsey's east coast, which has revealed significant opportunity to revitalise the Bridge area in particular and drive inward investment.
- 1.2 To demonstrate the potential extent of the regeneration and investment opportunities, the GDA has prepared a strategic vision for the Bridge, setting out aspirations for the area in the medium-to-long term and identifying a number of development which would support delivery of this vision.
- 1.3 The right mix of projects and approach to delivery of development will be presented to the States of Deliberation as a Key Infrastructure Delivery Programme in 2026, which, alongside a Business & Funding Plan and Land Transfer Portfolio, will require political approval ahead of the GDA commencing physical delivery of development.
- 1.4 In order to ensure the Key Infrastructure Delivery Programme is sufficiently evidenced and costed, the GDA will require funding to undertake detailed analyses of the potential developments to identify the estimated cost of development and the associated return on investment. This work will inform the content and phasing of development identified in the Key Infrastructure Delivery Programme, as well as informing the extent of funding required in the Business & Funding Plan and will enable the GDA to engage with potential external investors more effectively.

- 1.5 The Policy & Resources Committee has included an allocation of £1,600,000 in the 2025 Budget for use by the GDA in undertaking these detailed analyses, which will become available subject to the States of Deliberation's approval of the strategic vision for the Bridge and the Policy & Resources Committee's approval of a subsequent business case to draw down funding.
- 1.6 Whilst the States of Deliberation re asked to fund the preparation of the Key Infrastructure Delivery Programme, it is not expected that delivery of development will be entirely funded by the States. At the appropriate time, the GDA will work with the private sector to secure funding and will work with the States to identify enabling infrastructure which will require public investment in order to unlock and multiply the value of interrelated development opportunities.

2 Introduction

- 2.1 The GDA was established by the States of Deliberation in July 2023¹ to support the delivery of coordinated and comprehensive development along Guernsey's east coast.
- 2.2 Small but effective, the GDA has built significant momentum and support for how development along the east coast can meet the strategic objectives resolved by the States of Deliberation². At this time, the GDA has decided to initially concentrate on the Bridge area, where it believes there are significant social, economic and environmental gains that can be realised through a strategic approach made possible by the structure of the GDA. It has therefore identified considerable opportunities to bring forward development of the Bridge as part of a first phase of development facilitation.
- 2.3 At the appropriate time, the GDA will prepare a strategic vision for St Peter Port, which will similarly be presented to the States of Deliberation for endorsement before detailed analyses are undertaken into potential developments in this area.
- 2.4 The work of the GDA has been split into two distinct phases: (1) planning phase and, (2) delivery phase. There are three key outputs during the planning phase which must be approved by the States of Deliberation before the GDA can transition into its delivery phase:
- (a) Key Infrastructure Delivery Programme;
 - (b) Business & Funding Plan; and
 - (c) Land Transfer Portfolio.

¹ Billet d'État X of 2023, Article 14 East Coast Development

² East Coast Development Policy Letter – section 2

- 2.5 The Key Infrastructure Delivery Programme ('KIDP') will identify a number of specific developments which are aligned with the strategic objectives of the States of Deliberation and will set out a timescale and approach to the delivery of these developments.
- 2.6 Before bringing it to the States' Assembly, the KIDP will require approval by the Political Oversight Group, comprising representatives from the Policy & Resources Committee, the Committee *for the* Environment & Infrastructure, and the Committee *for* Economic Development.
- 2.7 The Business & Funding Plan ('B&FP') will set out the GDA's approach towards funding over a five-year period, both in terms of the ongoing day to day operations of the GDA and the delivery of any specific developments proposed in the KIDP.
- 2.8 The B&FP will set out the GDA's proposed sources of income, including any requirement for further financial support from the States which will include the criteria by which the States may be asked to invest in potential future development opportunities.
- 2.9 The B&FP will require approval from the Political Oversight Group, Policy & Resources Committee and ultimately the States of Deliberation.
- 2.10 The Land Transfer Portfolio will set out the land in States' ownership which will be made available for transfer to the GDA, at such time when it is required, in order to facilitate the delivery of developments set out in the KIDP.
- 2.11 The identification of the Land Transfer Portfolio will be guided by a Land Transfer Policy, which sets out a framework within which the Policy & Resources Committee, States' Trading Supervisory Board and GDA will work to identify land that is not critical to the operation of the Ports for transfer to the GDA to support delivery of the KIDP.
- 2.12 The Land Transfer Portfolio will require approval from the States of Deliberation before any transfer can be enacted.
- 2.13 Whilst all three of the above outputs will require political approval, it is unlikely that any can be approved in isolation of the other. As such, it is necessary for these three documents to be presented as a package, so that an informed decision on the next steps for the GDA can be made based on (a) broadly what development is being proposed, (b) the funding that is required to deliver the development, and (c) the land which is required to deliver the development.
- 2.14 Only after the KIDP, B&FP and Land Transfer Portfolio have been approved

politically can the GDA transition to its delivery phase, which will focus on preparing for and undertaking the physical delivery of developments identified in the KIDP.

3 Preparation of the Key Infrastructure Delivery Programme

3.1 The GDA has engaged with key stakeholders and the general public in order to identify and understand the important issues and greatest opportunities along the east coast.

3.2 In December 2023 the GDA undertook a public consultation to gain and understanding of what the public believed should be the priority in terms of development opportunities. This consultation received over 1,120 responses and provided valuable evidence as to where the GDA should focus its attention.

3.3 The stakeholder and public engagement revealed that there was significant public and political appetite for the enhancement of the Bridge area, which has the potential to deliver considerable social, economic and environmental benefit not only to the immediate vicinity but also to Guernsey as a whole.

3.4 The information gathered by the GDA has informed the preparation of a strategic vision for the Bridge. This establishes the outcomes that delivering development should achieve and identifies the specific types of developments which would need to be explored further in order to give a more accurate estimation of their financial viability.

3.5 Strategic Vision for the Bridge

3.5.1 In summary, the vision is to maximise the Bridge as the second main centre of the Island by creating a vibrant and energetic locale which encourages people to live, work and play in the area. It puts the Bridge's industrial and maritime character at the heart of its proposals for enhancement in order to create spaces which connect people to the waterfront and to the heritage of the area, and, most importantly, creates spaces where people want to spend their time.

3.5.2 The Bridge should not seek to compete with Town as the core commercial hub of the Island. Instead, there is significant opportunity for the Bridge to realise its potential as the second main centre on the Island through the provision of infrastructure which delivers the following outcomes:

- **Supports and maximises the value of the marine economy.**
- **Creates a lively and modern public realm along the waterfront which supports commercial and recreational activities.**
- **Enables the increase of the resident population in the immediate vicinity.**

- **Provides transport choice and connectivity which effectively supports the resident and visiting population of the area.**

3.5.3 The States of Deliberation will consider the plan in 2026. The following initial ideas being explored by the GDA are provided as an illustration.

1. Supports and maximises the value of the marine economy.

The creation of a marine centre at Longue Hougue would provide the marine industry with modern and fit for purpose facilities and will make available significant areas of land along the St Peter Port and St Sampson waterfront for uses which maximise the social, economic and environmental potential of the areas.

Development of a gated breakwater from Blackrock to Longue Hougue would provide flood deference for the whole of the Bridge as well as the low-lying areas of land along the Braye du Valle. This would also allow for a significant expansion in the marina offering, with commercial shipping activities to support the Island's construction industry relocated alongside the marine centre at Longue Hougue.

2. Creates a lively and modern public realm along the waterfront which supports commercial and recreational activities.

Rerouting and reconfiguring traffic movement along the Bridge frontage will allow for the creation of a green promenade which spans the majority of the water's edge on Northside and wraps around the Bridge frontage to La Crocq Pier. This will create an environment which is conducive to encouraging people to spend time in these areas, which will in turn provide opportunities for supporting commercial activities to be developed.

3. Enables the increase of the resident population in the immediate vicinity.

Alongside the neighbouring potential residential developments, there is opportunity to provide much needed rental accommodation close to the heart of the Bridge. Development of this nature is considered critical to supporting the Island's economy by providing suitable accommodation to assist in encouraging recruitment to key industries. The primary aim of the GDA in providing residential development is not to maximise one-off income through selling luxury apartments, instead it is the intention to provide apartments to the rental market that are affordable to a larger section of the community, particularly in the early years of the GDA's operation.

In some cases, waterfront residential development will only be deliverable where pre-existing limitations, such as the location of Major Hazards Public

Safety Zones³, can be removed. This will require new, modern infrastructure to consolidate uses using land more effectively and reducing the adverse impact of these zones.

Providing purpose built infrastructure in this area enables the increase of the resident population along the Bridge which will further strengthen the economic viability of the wider initiatives identified in the strategic vision.

4. Provides transport choice and connectivity which effectively supports the resident and visiting population of the area.

Critical to the success and viability of the wider enhancement of the Bridge is ensuring that there is sufficient transport infrastructure to ensure residents and visitors to the area are able to move throughout the Bridge and between the main centres efficiently.

Improving parking provision through the reorganisation and consolidation of existing parking and the development of multi-storey parking on underutilised sites will support residential and commercial activities in the area. This will be further strengthened by the provision of a mobility hub, which will enable residents and visitors to move efficiently throughout the Bridge and will provide improved transport options for individuals commuting to other areas of the Island.

- 3.5.4 This vision for the Bridge represents a jigsaw of developments, all of which are interlinked and must come forward as a phased package in order to release the greatest overall benefit to the Bridge as a whole.
- 3.5.5 The GDA is cognisant of the fact that critical to the success of the regeneration of the Bridge will be striking the right balance between bringing forward development which revitalises and drives the local economy whilst preserving and cultivating the existing positive cultures in the area so that the outcome of development is an area that still feels definitively like 'the Bridge'.
- 3.5.6 Delivery of the vision is contingency on a number of enabling developments including: the delivery of 400-600 new homes; provision of improved transport infrastructure including additional parking and a transport hub; consolidation of fuel storage facilities to improve efficiency of land use and remove development restriction zones; provision of an industry-leading marine centre to make land available along the St Sampson harbourfront; and development of a new cross harbour route to improve traffic flow and reduce the need for traffic to use the Bridge frontage.

³ Page 347 of Island Development Plan ([Island Development Plan 2016 \(gov.gg\)](#))

- 3.1 The GDA has been directed to present the KIDP to the Political Oversight Group for approval within 12-months following States' approval of the Harbour Action Areas Local Planning Brief, which is expected to be debated in April 2025.
- 3.2 The initial high-level analysis undertaken by the GDA identified a number of developments which had the potential to result in significant economic, social and environmental benefit to the Bridge area and to the Island as a whole.
- 3.3 However, in order to ensure the KIDP can present a comprehensive case for development which is sufficiently evidenced and costed, the GDA will be required to undertake further feasibility analysis of potential developments.
- 3.4 The feasibility analysis will allow the GDA to set out in detail the estimated capital and operational costs of development and the potential return on investment. This evidence will enable the GDA to determine the specific development to be included in the KIDP as well as the extent of additional funding requested in the B&FP and will enable the GDA to engage with potential investors to encourage and secure private investment.
- 3.5 The Policy & Resources Committee has provided seed funding of £200,000 in 2024 and has included an allocation of £1,600,000 in the 2025 Budget for use by the GDA in undertaking these detailed analyses.
- 3.6 From January 2025, the GDA will be able to request draw down of this funding by submitting a request to the Policy & Resources Committee, which will include a business case setting out the extent of funding required and the expected outputs and outcomes arising from the work undertaken.

4 Preparation of the Business & Funding Plan

- 4.1 In tandem with the preparation of the KIDP, the GDA is also responsible for preparing the B&FP which will set out the GDA's approach to funding its operations and delivery of developments over a five-year period, and the associated requirement for financial support from the States of Guernsey during that time.
- 4.2 Alongside establishing the requirement for financial support from the States of Guernsey during the initial years of the GDA's delivery phase, the B&FP will also set out the approach for how and over what timeframe the GDA will become cost neutral to the States, including identifying options for how surplus profit will be returned to the States or reinvested to further support delivery of the States' strategic objectives for the east coast.

- 4.3 The deadline for delivery of the B&FP has been revised from June 2025 to early 2026, to enable completion of the KIDP, which will directly inform the content of the B&FP.
- 4.4 As a result, the B&FP will be submitted to the Policy & Resources Committee, via the Political Oversight Group, by July 2026, in order to be incorporated into the Policy & Resources Committee's considerations for the proposed 2027 Budget which can be drawn down by the GDA subject to the States of Deliberation's subsequent approval of the B&FP in November 2026.

5 Land Transfer Policy and Portfolio

- 5.1 At their meeting in March 2022 the States of Deliberation directed the Policy & Resources Committee to (a) establish a clear land management transfer policy for approval by the States, (b) consult with the States' Trading Supervisory Board on the areas of land to be transferred from the States to the GDA and on the revenue implications that would result, and (c) to effect that transfer once the GDA has been established⁴.
- 5.2 The following Land Transfer Policy has been prepared by the three parties in order to ensure the Policy & Resources Committee, States' Trading Supervisory Board and GDA are able to engage effectively on which areas of States' land may have potential to be transferred to the GDA.
- 5.3 Land Transfer Policy
- 5.3.1 The States of Guernsey will transfer land to the GDA where it supports and enables the delivery of developments set out in the KIDP, once approved.
- 5.3.2 By transferring land to the GDA, the States of Guernsey are seeking to increase the social, economic and/or environmental value of land transferred.
- 5.3.3 Only land which is not critical to the operation of the harbours will be considered available for potential transfer to the GDA.
- 5.3.4 Any loss of net income (after costs) to the States' Trading Supervisory Board and States Property Unit from land transferred to the GDA will be replaced from other sources.
- 5.3.5 The GDA will be required to support the States of Guernsey in identifying suitable new premises for existing users of land identified for transfer.

⁴ [Billet d'État VI of 2022 Article 6 Establishment of a Development Agency](#)

- 5.3.6 The B&FP will set out an approach to how the GDA may provide returns to the States of Guernsey as a result of increased value of land transferred following development.
- 5.3.7 The Ports, the Policy & Resources Committee and the GDA will agree a mutually acceptable land transfer value.
- 5.3.8 Land transfer arrangements must maintain or improve the financial sustainability of the Ports.
- 5.3.9 Land transfers will be considered in the context of other key strategies agreed by the relevant Committees.
- 5.3.10 In accordance with the Resolution⁵ of the States, all proposed land, buildings, or asset transfers from the States of Guernsey to the GDA or to its agents, investors or partners must first be approved by the States of Deliberation
- 5.3.11 The GDA will not be able to dispose or sell any land or assets transferred by the States of Guernsey to third parties without approval from the States of Deliberation.
- 5.4 Application of Land Transfer Policy
- 5.4.1 Using the Land Transfer Policy as a framework, the Policy & Resources Committee, States' Trading Supervisory Board and GDA will work collectively to agree a portfolio of land for transfer to be presented to the States of Deliberation for approval.
- 5.4.2 Furthermore, elements of the KIDP may require the GDA to undertake development on areas of land which will remain within the ownership of the States. The Land Transfer Portfolio will identify these areas of land and set out any licensing arrangements required to facilitate the GDA to deliver development on States' owned land.
- 5.4.3 The Land Transfer Portfolio will set out the financial implications (arising from loss of revenue) associated with transferring land to the GDA. Whilst this may represent a short-term cost to the States of Guernsey, the KIDP will evidence the financial, economic, social and environmental benefit arising from development on land transferred. In this sense, the transfer of land to the GDA can be seen as an investment made by the States of Guernsey which will have evidence of the expected returns. Furthermore, it is envisaged that comprehensive delivery of the KIDP will maximise overall return on investment by regenerating the Bridge.

⁵ [Billet d'État X of 2023, Article 14 East Coast Development](#)

- 5.4.4 The Land Transfer Portfolio will be submitted to the States of Deliberation in November 2026, accompanying the KIDP and B&FP as a package setting out the GDA's approach to east coast development and collectively providing detail as to what developments will come forward and the subsequent funding and land required to facilitate said development.

6 Interrelated East Coast Development Workstreams

- 6.1 Alongside the work of the GDA to bring forward a plan for delivery of development along the east coast, there are a number of workstreams underway or upcoming within the States of Guernsey with which east coast development must comply, or which will be required to align closely with the work of the GDA, to ensure consistency with States' policies, achieve economies where possible and ease delivery of development.

6.2 Local Planning Brief for the St Peter Port and St Sampson Harbour Action Areas

- 6.2.1 Preparation of a Local Planning Brief ('LPB') for the St Peter Port and St Sampson Harbour Action Areas was commenced by the Development & Planning Authority in August 2023 and is expected to be brought before the States of Deliberation for approval by April 2025.

- 6.2.2 The LPB will set the high-level policy framework within which the GDA will be expected to operate in terms of preparing and delivering the KIDP and is therefore critical to the delivery and implementation of the KIDP. Without an agreed LPB for the Harbour Action Areas, it will not be possible for the GDA (and other potential developers) to deliver significant development, as Policy MC10 of the Island Development Plan specifies:

"Where there is not an approved Local Planning Brief for the Harbour Action Area, or where a proposed development is of a minor or inconsequential nature, proposals will be supported providing that the development:

- a. would not prejudice the outcomes of the Local Planning Brief process; or
- b. would not inhibit the implementation of an approved Local Planning Brief; and,
- c. in all cases accords with other relevant policies of the Island Development Plan."

- 6.2.3 The GDA has been identified as a key stakeholder in the process for preparing the LPB for the St Peter Port and St Sampson Harbour Action Areas and will continue to work closely with the Development & Planning Authority to ensure consistency between the developing LPB and KIDP.

6.2.4 The GDA has confirmed that the policies and guidance within the current draft LPB align with the strategic vision for the Bridge and, unless amended via a Planning Inquiry or by the States of Deliberation, should facilitate the expeditious delivery of developments set out in the KIDP.

6.3 Future Harbour Development

6.3.1 The Policy & Resources Committee has been directed to complete the workstream, described as the “future operational and commercial harbour infrastructure requirements” for approval by the States of Deliberation⁶.

6.3.2 Work is planned to determine the economic and strategic benefits of three options for harbour development:

- (a) Reconfiguration of the existing harbours with no new harbour construction,
- (b) Development of a new harbour east of the QEII Marina,
- (c) Development of a new harbour at Longue Hougue South.

6.3.3 It is expected that the findings of this economic and strategic analysis will be presented to the States’ Assembly in Q2 2026 for selection of a preferred option for harbour development. Detailed analysis of the physical feasibility and proposals for delivery will then be progressed – the outcomes of which will again be brought before the States of Deliberation before any physical development commences.

6.3.4 The ability to deliver the KIDP will not be restricted by the lack of a decision on future harbour development whilst these analyses are undertaken in the coming years. The GDA has prepared the strategic vision for the Bridge based on the assumption of no new harbour development, which means that delivery of the vision does not rely on a decision from the future harbour workstream.

6.3.5 Should the States of Deliberation resolve to support the development of new harbour infrastructure, either east of the existing St Peter Port harbour or at Longue Hougue South, the likely result would be the release of additional high-value land (mostly in St Peter Port) with significant opportunity for development, either by the GDA or another developer.

6.3.6 The GDA will be identified as a key stakeholder in the preparation of the economic and strategic analyses of the future harbour development options so that progress on the KIDP can be factored into the analysis and likewise the findings of the future harbour development work can be shared with the GDA which may inform the preparation of the KIDP.

⁶ [Billet d’État X of 2023 Article 14 East Coast Development](#)

6.4 St Peter Port Pool Marina

- 6.4.1 The GDA has worked closely with the Pool Marina Project Team since its formation and has worked to ensure alignment between the two workstreams. As the most immediate plans from the GDA focus on opportunities in and around St Sampson Harbour, there is no direct conflict or compromise with the GDA's Strategic Vision for the Bridge and the Pool Marina proposal.
- 6.4.2 The potential for additional leisure marina berths in St Sampson Harbour arising from the development proposed in the vision, the States' Trading Supervisory Board would consider such future capacity for leisure moorings would be provided over and above that met through the Pool Marina scheme, for which demand already exists.
- 6.4.3 The provision of additional leisure mooring capacity in St Sampson would most likely only be possible after the relocation of some or all of the existing commercial vessels from that harbour, and this would therefore inevitably become a longer-term project, which a number of other key dependencies.
- 6.4.4 The GDA does not consider that the Pool Marina proposal would in any way compromise or be compromised by the proposals for development set out in the vision, and that both can be considered to be mutually inclusive.

6.5 Other Workstreams

- 6.5.1 The workstreams identified above are not an exhaustive list of projects undertaken by the States of Guernsey which require coordination with the work of the GDA. It will be critical for the States of Guernsey and GDA to continue to work closely throughout the development and implementation of the KIDP in order to ensure the GDA's objectives of aligning with existing and upcoming States of Guernsey strategy and policy. Further workstreams which the GDA will need to align with include but are not limited to:
- Hydrocarbons Supply Programme – future decisions by the States regarding the import of hydrocarbons will likely have an impact on the types of infrastructure required to deliver and store fuel in the Island, which in turn will impact the amount of land potentially available to the GDA for development.

- Long-Term Flood Mitigation – the development of a flood defence strategy will require technical studies and surveys to ensure a proportionate response is designed, is affordable and deliverable. The strategy will be informed by the work of the GDA, identifying proposals which may require additional flood defences in order to facilitate development.

7 Guernsey Development Agency Annual Report

- 7.1 In accordance with the direction in Section 3.8.9 of the East Coast Development Policy Letter⁷ the Policy & Resources Committee is required to submit the GDA's Annual Report and Accounts to the States of Deliberation for consideration.
- 7.2 This is the first Annual Report of the GDA, which covers the period 19th October 2022 to 21st December 2023 and is appended to this Policy Letter in Appendix A.

8 Compliance with Rule 4

- 8.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.
- 8.2 In accordance with Rule 4(1):
- a) The propositions contribute to the States' objectives and policy plans by progressing Resolutions 1A and 4 made by the States of Deliberation on 5th July 2023 following consideration of the Policy Letter entitled "Establishment of a Development Agency" (Billet d'État VI & VII).
 - b) In preparing the propositions, consultation has been undertaken with the Political Oversight Group and Guernsey Development Agency Board.
 - c) The propositions have been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.
 - d) There are no financial implications to the States of carrying the proposal into effect.
- 8.3 In accordance with Rule 4(2):
- a) The propositions relate to the Committee's duties and powers to advise the States and to develop and implement policies and programmes relating to leadership and co-ordination of the work of the States, which includes promoting and facilitating cross-committee policy development.

⁷ [Billet d'État X of 2023 Article 14 East Coast Development](#)

b) The propositions has/have the unanimous support of the Committee.

Yours faithfully

L S Trott
President

H J R Soulsby MBE
Vice President

J P Le Tocq
R C Murray
J A B Gollop

The Board of Directors
Guernsey Development Agency
KGV Playing Fields
Rue Cohu
Castel
Guernsey
GY5 7SZ

Our Ref: MC/NDS/74767G

26 July 2024

Dear Members of the Board,

Guernsey Office
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

T +44 (0) 1481 753400

Jersey Office
Kensington Chambers
46/50 Kensington Place
St Helier
Jersey C.I.
JE1 1ET

T +44 (0)1534 885885

www.grantthorntonci.com

The Guernsey Development Agency (the “Company”)

Audit completion letter for the period ended 31 December 2023

Introduction

This letter is intended to formally bring to your attention the findings from the recent audit in accordance with our requirements under International Standards on Auditing 260 to communicate certain matters formally in advance of the signing of the financial statements.

Audit report modifications

No modifications have been made to our standard **audit** report wording.

Letter of representation

A draft representation letter has been sent to you separately. It is an ISA requirement that we obtain written confirmation from you of certain representations made to us during the course of the audit. If you could kindly arrange for this letter to be signed on behalf of the Board at the same time as the financial statements are approved, it would be appreciated. We are not aware of any matters where management is reluctant to make any of the representations which we have requested.

Deficiencies in internal control

Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of internal control.

The matters being reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with ISA 265. If we had performed more extensive procedures on internal control, we might have identified more deficiencies to be reported.

There are no matters regarding significant deficiencies in the accounting and internal control systems that we wish to draw to your attention.

**Views about qualitative aspects of accounting practice and financial reporting**

There are no matters regarding qualitative aspects of accounting practice and financial reporting that we wish to draw to your attention.

Significant difficulties encountered during the audit

There were no such matters or issues arising during the audit which we wish to bring to your attention.

Significant matters arising during the audit

During the audit we identified that no formal employment contracts for the directors are in place. There is a risk that the payroll expenses may be misstated due to this, however this risk is mitigated as the directors are closely involved in the business operations. We recommend that each director has a formal employment contract signed and agreed by the Board of the Company.

Unadjusted misstatements

Audit evidence obtained has not identified any unadjusted misstatements other than those which we believe to be clearly trivial.

Misstatements corrected by management

The following misstatements were identified as part of the audit process and have been corrected by management: None

Matters required by other auditing standards to be communicated to you

There are no matters required by other auditing standards to be communicated to you.

Any other audit matters of governance interest

There are no other audit matters of governance interest to bring to your attention.

Independence and ethical requirements

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with The International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA") (the "Code") and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements. We confirm that we have implemented policies and procedures to meet the requirement of the Code.

Confidentiality and distribution

Whilst we seek to ensure our audit findings are distributed to those individuals charged with governance, as a minimum a requirement exists for our findings to be distributed to all the company directors and those members of senior management with significant operational and strategic responsibilities. We are grateful for your consideration and onward distribution of our report, to those charged with governance.

This report has been prepared for the sole use of the Board of the Company and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed by us to any other person.

Yours faithfully

For Grant Thornton Limited

DS


Michael Carpenter
Engagement Leader

Grant Thornton Limited

The Guernsey Development Agency Limited

St James Place
St James Street
St Peter Port
Guernsey C.I.
GY1 2NZ

KGV Playing Fields
Rue Cohu
Castel
Guernsey
GY5 7SZ

26 July 2024

Dear Auditor

The Guernsey Development Agency

Financial Statements for the Period Ended 31 December 2023

This representation letter is provided in connection with the audit of the financial statements of the Guernsey Development Agency (the "Company") for the period ended 31 December 2023 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

These financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements.

The Board confirms that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 13 June 2024, for the preparation of the financial statements in accordance with FRS 102; in particular the financial statements are fairly presented in accordance therewith.
- ii We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- iii Accounting estimates included in the financial statements reflect our judgements based on our knowledge and experience about past and current events and are also based on our assumptions about conditions we expect in the future. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- iv The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets.
- v Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of FRS 102.
- vi All events subsequent to the date of the financial statements and for which FRS 102 require adjustment or disclosure have been adjusted or disclosed.

- vii The financial statements are free of material misstatements, including omissions.
- viii Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of FRS 102.
- ix In our opinion, it is appropriate for the going concern basis to be adopted in preparing the financial statements. In making this judgement, we have paid particular attention to:
 - a. circumstances which we consider may occur in the period up to one year after the date of approval of the financial statements;
 - b. any planned or expected changes in operations in that period;
 - c. the need to disclose in the financial statements information regarding any significant uncertainty regarding going concern in the financial statements

After making these enquiries, we have a reasonable expectation that the Company has adequate resources to continue operations for the foreseeable future.

Information Provided

- x We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- xi All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xii We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xiii We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.

We are not aware of any fraud or suspected fraud.

- xiv We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

We are not aware of any fraud or suspected fraud.

- xv We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We are not aware of any instances of non-compliance or suspected non-compliance.

xvi We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

xvii We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

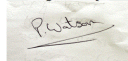
We are not aware of any litigations and claims against the Company.

Approval

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The approval of this letter of representation was minuted by the board of directors at its meeting on 26 July 2024.

Signed on behalf of the board of directors

Signed by:

CEBE56E0EE5648B...

Peter Watson

Name

Director

Position

27 July 2024

Date

Appendix 1: Definitions

Financial Statements

A complete set of financial statements comprises:

- a Balance Sheet as at the end of the period
- a Income Statement for the period; and
- notes, comprising a summary of significant accounting policies and other explanatory information.

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or combination of both, could be the determining factor.

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- was available when financial statements for those periods were authorised for issue; and
- could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Management

For the purposes of this letter, references to "management" should be read as "management and, where appropriate, those charged with governance".

Related Party and Related Party Transaction

Related party:

A related party is a person or entity that is related to the entity that is preparing its financial statements

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions apply:
 - i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii. Both entities are joint ventures of the same third party.
 - iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi. The entity is controlled, or jointly controlled by a person identified in (a).
 - vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party transaction:

A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023
FOR
THE GUERNSEY DEVELOPMENT AGENCY LIMITED**

THE GUERNSEY DEVELOPMENT AGENCY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Income Statement	4
Balance Sheet	5
Notes to the Financial Statements	6
Detailed Profit and Loss Account	8

THE GUERNSEY DEVELOPMENT AGENCY LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023**

DIRECTORS:

Mr L Le Poidevin
Mr S J Kildahl
Mr P Watson

REGISTERED OFFICE:

KGV Playing Fields
Rue Cohu
Castel
Guernsey
GY5 7SZ

AUDITORS:

Grant Thornton Limited
Chartered Accountants
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

THE GUERNSEY DEVELOPMENT AGENCY LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023

The directors present their report with the financial statements of the Company for the period 19 October 2022 to 31 December 2023.

PRINCIPAL ACTIVITY

The Company was incorporated on 19 October 2022. The principal activity of the Company is to deliver developments, amongst other areas, along the East coast between the Aquarium and the Vale Castle.

RESULTS

The results for the period are shown in the income statement.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors who have held office during the period from 19 October 2022 to the date of this report are as follows:

Mr L Le Poidevin - appointed 24 July 2023

Mr S J Kildahl - appointed 6 August 2023

Mr P Watson - appointed 23 July 2023

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

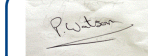
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE BOARD:

Signed by:



.....CEBE56E0EE5648B.....

Director

Date: 27 July 2024
.....

Opinion

We have audited the financial statements of the Guernsey Development Agency (the 'Company') which comprise the Income Statement, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cashflows for the period then ended;
- are in accordance with the United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', (FRS 102), Section 1A and
- comply with The Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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, 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 directors for the financial statements

The directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with FRS 102 Section 1A, and for such internal control as the directors 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 directors are responsible for assessing the Company'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 directors 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 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.

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's 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 Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Company's financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

DocuSigned by:

A4A7EB1F67764B2...
Grant Thornton Limited
Chartered Accountants
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

29 July 2024
Date:

THE GUERNSEY DEVELOPMENT AGENCY LIMITED

INCOME STATEMENT
FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023

	£
STATES GRANT	50,000
Administrative expenses	<u>(48,421)</u>
	1,579
	<hr/>
OPERATING PROFIT and PROFIT BEFORE TAXATION	1,579
Tax on profit	<hr/> -
PROFIT FOR THE FINANCIAL PERIOD	<u><u>1,579</u></u>

The notes form part of these financial statements

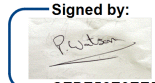
THE GUERNSEY DEVELOPMENT AGENCY LIMITED

BALANCE SHEET
31 DECEMBER 2023

	Notes	£
CURRENT ASSETS		
Debtors	4	996
Cash at bank		<u>25,080</u>
		26,076
CREDITORS		
Amounts falling due within one year	5	<u>(24,496)</u>
NET CURRENT ASSETS		<u>1,580</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,580</u>
CAPITAL AND RESERVES		
Called up share capital	6	1
Retained earnings	7	<u>1,579</u>
		<u>1,580</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2024 and were signed on its behalf by:

Signed by:

.....CEBE56E0EE5648B.....
Director

The notes form part of these financial statements

1. **COMPANY INFORMATION**

The Guernsey Development Agency Limited is a private Company, limited by shares, incorporated in Guernsey with registration number CMP71160. The registered office is as detailed on page 1.

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements are prepared under the historical cost convention, give a true and fair view, have been prepared in compliance with the United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland September 2015 ('FRS102') Section 1A for Small Entities, issued by the Financial Reporting Council "accounting standards" and are in compliance with The Companies (Guernsey) Law, 2008.

The financial statements are prepared in Sterling (£) being the functional and presentational currency of the Company.

Going concern

The Directors, having considered the Company's objectives and available resources along with its projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors remain confident that the going concern basis remains appropriate in preparing these financial statements.

Government grants

Government grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure. Grants received for the purpose of giving immediate financial support to the company with no future related costs are recognised in "other income" within profit or loss in the period in which they become receivable. The company has not directly benefited from any other forms of government financial assistance.

Cash and cash equivalents

Cash and cash equivalents represent those balances held within the Company's bank accounts and in term deposits of three months or less.

Debtors

Debtors are initially measured at transaction price less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, are measured at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 3.

4. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Other debtors	149
Unpaid share capital	1
Prepayments and accrued income	<u>846</u>
	<u>996</u>

5. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Credit card	898
Other creditors	3,479
Social security & other taxes	2,533
Accruals	<u>17,586</u>
	<u>24,496</u>

6. **CALLED UP SHARE CAPITAL**

Allotted, issued and unpaid:

Number:	Class:	Nominal value:	£
1	Ordinary	£1	<u>1</u>

7. **RESERVES**

	Retained earnings £
Profit for the period	<u>1,579</u>
At 31 December 2023	<u>1,579</u>

8. **RELATED PARTY DISCLOSURES**

During the year the Company has been awarded a government grant amounting to £50,000 from the ultimate controlling party, the States of Guernsey. Further, details in respect of the related party balance receivable from the ultimate controlling party is set out in debtors (note 4).

The Company paid a director's fee of £12,973, £6,639, and £6,217 to Peter Watson, Simon Kildahl, and Louis Le Poidevin, respectively.

9. **SUBSEQUENT EVENTS**

There have been no events subsequent to the balance sheet that would affect the financial statements.

10. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the States of Guernsey.

THE GUERNSEY DEVELOPMENT AGENCY LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 19 OCTOBER 2022 TO 31 DECEMBER 2023

	£	£
Income		
States grant		50,000
		<hr/>
		50,000
Expenditure		
Directors' fees - Guernsey	19,613	
Director's fees - UK	6,217	
Telephone and postage	127	
Post and stationery	279	
Advertising and marketing	4,398	
Travel	1,052	
Repairs and renewals	297	
IT Software and consumables	392	
General expenses	600	
Accountancy fee	4,242	
Audit fees	10,500	
Subscriptions	128	
Subsistence and entertainment	493	
	<hr/>	48,338
		1,662
Finance costs		
Bank charges		83
		<hr/>
NET PROFIT		<u>1,579</u>

This page does not form part of the statutory financial statements