

**UNDER STRICT EMBARGO UNTIL 0001 ON TUESDAY 10 OCTOBER 2006**

**2006 BATTLE OF FLOWERS  
Report of the Comptroller & Auditor General  
APPENDIX 1 ~ TERMS OF REFERENCE  
October 2006**

*These terms of reference for the review were made known to involved parties at its commencement.*

1. This review is commissioned in accordance with the powers of the Comptroller & Auditor General as set out in the Public Finances (Jersey) Law 2005 to take place in the light of:
  - (1) the recent grant of funds to the Battle of Flowers Association ('the Association') from the Economic Development Department;
  - (2) public concern about the organisation of the 2006 Battle of Flowers;
  - (3) public concern about the way in which the Association reached decisions concerning the 2006 Battle of Flowers and managed its relationship with certain commercial organisations; and
  - (4) public concern about the manner in which the Association incurred financial liabilities.
  
2. The purpose of the review is to examine:
  - (1) the circumstances surrounding the public concern mentioned in paragraph 1 above;
  - (2) the constitution and governance arrangements of the Association and their fitness for purpose;
  - (3) the internal control arrangements within the Association with particular regard to the assumption and discharge of liabilities;
  - (4) the organisation of the Association and its arrangements for the execution of the decisions of its Council and its officers;
  - (5) the manner in which the Economic Development Department ('the Department') decided to grant funds to the Association and in which the Department specified how its relationship with the Association should be conducted (for example in a Service Level Agreement or a Partnership Agreement); and
  - (6) any other detailed matters that appear relevant to items (1) to (5) above and the issues to which paragraph 1 above refers.
  
3. The outcome of the review will be a report prepared and published in accordance with the provisions of the Public Finances (Jersey) Law 2005.
  
4. I intend that this report will be completed and published by the end of September 2006.