
Jersey Business Limited

Report and financial
statements

31 December 2017

JERSEY BUSINESS LIMITED

Non-Executive Directors

Ms W Lambert (Chairperson) (appointed to the board 4 May 2014, appointed Chair 5 May 2015)

Mr J Box (appointed 6th February 2012 resigned 8th May 2017)

Mr E Lincoln (appointed 6th February 2012)

Mr B Sarre (appointed 6th February 2012 resigned 8th May 2017)

Mr A Sugden (appointed 7th June 2013 resigned 8th May 2017)

Mr Jonathan Day (appointed 4th May 2016)

Mrs Kristina Le Feuvre (appointed 4th May 2016)

Executive Director

Mr G Smith (appointed 2nd January 2015)
(Chief Executive Officer from 27th October 2014)

Independent auditors

Grant Thornton Limited
Chartered Accountants
Kensington Chambers
46/50 Kensington Place
St Helier
Jersey, JE1 1ET

Registered office

31 The Parade
St Helier
Jersey
JE2 3QQ

JERSEY BUSINESS LIMITED

Report of the Chairperson

I am pleased to present our Annual Report and audited Financial Statements for the year ended 31 December 2017.

2017 has been a challenging year for the team at Jersey Business, balancing an ever-increasing demand for its services with a reducing budget from the States of Jersey. You will see from our Chief Executive's Report, however, that the 2017 key deliverables were exceeded. Furthermore client feedback remains excellent.

Julian Box and Bill Sarre both founding board members of the Company since its incorporation, retired from the Board this year as did Andrew Sugden and I would like to thank them sincerely for their hard work and commitment in creating the foundations of the Company's success.

I would also like to thank Graeme Smith, our Chief Executive, for managing an extremely tight budget and to Graeme and the rest of the team for their enthusiasm and drive in taking the business forward for the benefit of Jersey's business community as a whole.



Wendy Lambert

Chairperson

23rd May 2018

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer

Jersey Business Limited (JBL) is a service and advisory support business focussed on assisting economic growth for Jersey across all sectors and all sizes of businesses through:

- Directly supporting individual businesses to achieve their full potential throughout the business lifecycle;
- Helping drive productivity and sustainability in key sectors to deliver economic growth and;
- Stimulating and promoting innovation and adoption of market leading practices across the economy.

With team of 10 (8 full-time and 2 part-time) we have more than 200 years' collective front line business experience across a wide range of sectors, in small, medium and large enterprises.

Whilst we are funded by way of grants from Economic Development Tourism Sports & Culture (EDTS&C) we remain independent of Government with our own experienced board and as such are able to provide high quality and confidential advice to both new businesses looking to set up and established businesses looking to grow.

2017 Review

In my report for 2016, I set out our key deliverables for 2017 and I'm pleased to report that these have in the main been exceeded. The table below summarises what we have delivered against those targets as agreed with Economic Development Tourism Sports and Culture Department (EDTS&C):

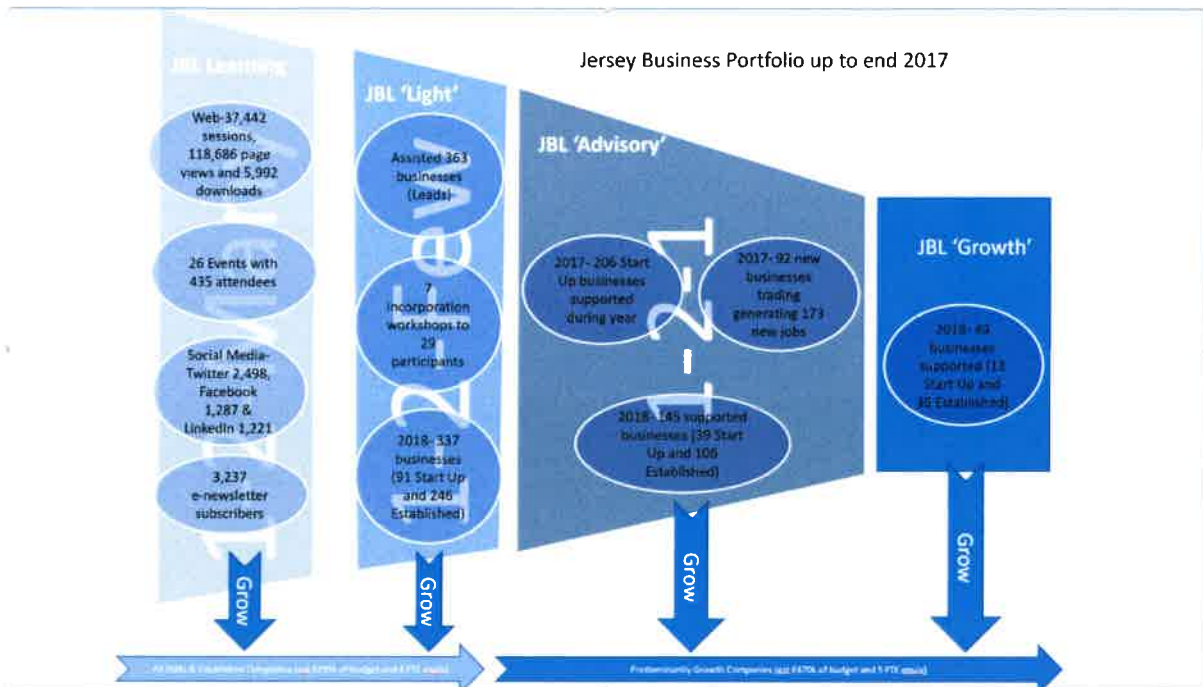
Key Result Areas	Core Activities	Targets	Results
Businesses Directly supporting individual businesses to achieve their full potential throughout the business lifecycle	Start-Up help	140 businesses receiving start-up support at any one time	<ul style="list-style-type: none"> • 206 'Start-Up' businesses supported with 143 (91 Light/ 39 Advisory and 13 Growth) into 2018 • 305 'Lead' start-up client interactions
	Strategic One to One	275 trading portfolio clients (of which 90 continue to receive detailed 1:1 support)	<ul style="list-style-type: none"> • 388 'trading' portfolio clients (246 Light/ 106 Advisory and 36 Growth) into 2018 • 53 'Lead' trading client interactions
Learning To stimulate and promote innovation and adoption of market leading practices across the economy	Celebrate Success and spread best practice	Deliver Enterprise Week	<ul style="list-style-type: none"> • In addition to a successful Enterprise Week we also supported Customer Service Week and Global Entrepreneurship Week

This was despite a reduction in funding of 16%, which meant we were not able to progress a number of the pro-active programmes we had originally planned. With tight cost control and greater use of on-line support however we were able to continue to service our client demand to very high standards as evidenced by the annual independent feedback survey.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued

The following graphic helps illustrate the full range of activities undertaken by Jersey Business:



We conducted a detailed feedback survey during December of our entire portfolio of clients, the key highlights of which were as follows:

- Independent survey by 4Insight
- Jersey Business was rated highly for adding value, mainly through start-up advice and providing confidence/ reassurance;
- Business advisors are seen as a key strength and their relationship with the client is valued strongly and trusted
- All aspects of expertise, credibility, integrity and independence were rated higher than last year's average;
- Net Promoter Score (NPS*) of 72% (up from 54% 2016). This is well above UK sector averages (which vary from -10 to +20%) and on a par with some of the world's leading global service providers.
- Majority of clients felt that Jersey Business support had had a material or significant impact on their profitability (48%), turnover (39%), and operational efficiency (54%)

People

My continued thanks must go to all my team at Jersey Business, for their hard work but most importantly for their absolute professionalism in delivering high quality and valued advisory services to our clients. I would also like to thank my Chair and Board of Directors for their direction and support during what has been a very challenging but in the end successful year in continuing to deliver high quality business advisory services to new and growing Jersey businesses.

With all the services and support we deliver we continue to deliver on our collective core JBL values

'Committed to do our best for the business community in our island, we are professional, knowledgeable, and act with complete integrity towards our clients, staff and stakeholders. Above all we love what we do'.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued

Finance

The financial statements for the year ending 31st December 2017 are set out in pages 10 to 17.

With total income of £740,790 and an expenditure of £767,669 we saw a net deficit of £26,879 (in line with our budget) resulting in reserves reducing from £176,349 to £149,470.

2018 Plans

With a core grant agreed with EDTS&C of £734,000 (same as 2017), our 2018 business plan outlines our key priorities and how we will look to maintain the current high service levels. The key deliverables are:

Key Result Areas		Core Activities	Detailed Activity
Businesses	To directly support businesses to achieve their full potential throughout their lifecycle	Start Up	<ul style="list-style-type: none"> • 140 'Start-Up' portfolio clients • 75 of which receiving detailed 1:1 support at any one time 'Active'
		Strategic one-to-one	<ul style="list-style-type: none"> • 250 'Trading' portfolio clients (c9% reduction) • 90 of which receive detailed 1:1 support at any one time 'Active'
Learning	To stimulate and promote a culture of business excellence and innovation across the economy	Celebrate success Entrepreneurial activity JB Services Awareness Plan Enterprise Week	Min 3 Events, with cumulative min 75 business leaders in attendance

We are however currently liaising with EDTS&C to progress our High Growth bid for funding which will enable us to deliver more pro-active services. At the same time, we are hoping to bid for additional funding later in 2018 to develop programmes to support productivity growth for the Retail, Construction, Tourism and Agriculture sectors.

*NPS- is a globally accepted customer service metric



Graeme Smith
Chief Executive Officer

23rd May 2018

JERSEY BUSINESS LIMITED

Directors' Report

The Directors submit their report and the audited financial statements for the year ended 31 December 2017.

Incorporation and principle activities

Jersey Business Limited ("the Company") was incorporated on 30 November 2011.

The principal activity of the Company is the provision of advice and support to on-island businesses and enterprises and the promotion of Jersey businesses in general. The Company is a not-for-profit limited liability company.

Results

The results for the year are shown in the Income Statement on page 10. The Company has reported a Deficit for the period of (£26,879), (2016: Surplus £99,448).

Directors

The Directors of the Company who served during the period and up to the date of signing the financial statements are stated on page 1.

Independent Auditors

Grant Thornton Limited are appointed auditors of the Company and have indicated their willingness to continue in office.



Wendy Lambert
Chairperson

23rd May 2018

JERSEY BUSINESS LIMITED

Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and UK accounting standards.

Company law in Jersey requires the Directors to prepare financial statements for each accounting year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that year. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- prepare 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 accounting records which are sufficient to show and explain the Company's transactions and are such as to disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991, as amended. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

The Directors confirm that in so far as each director is aware that, in accordance with the Companies (Jersey) Law 1991, as amended, there is no relevant information of which they have not made the auditors aware of, and they confirm that each director has taken all the steps they ought to have taken as a director to make themselves aware of any relevant audit information and establish that they are aware of that information.

JERSEY BUSINESS LIMITED

Independent auditor's report To the members of Jersey Business Limited

Opinion

We have audited the financial statements of Jersey Business Limited (the 'Company') for the year ended 31 December 2017 which comprise the Income Statement, Statement of Financial Position, including a summary of significant accounting policies and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its net deficit for the year then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

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 in Jersey, 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.

Who we are reporting to

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements set out on pages 1 to 7, 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

JERSEY BUSINESS LIMITED

Independent auditor's report continued...

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.

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 (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Company financial statements are not in agreement with the accounting records; or
- we have not received proper returns adequate for our audit from branches not visited by us; 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.

Responsibilities of directors for the financial statements

As explained more fully in the statement of directors' responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with UK GAAP, 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 (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.

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



Alexander R Langley

For and on behalf of
Grant Thornton Limited
Chartered Accountants
St Helier, Jersey, Channel Islands

24 May 2018

JERSEY BUSINESS LIMITED

INCOME STATEMENT

For the year ended 31 December 2017

		2017		2016	
	Note	£	£	£	£
Income					
States of Jersey Grant	4		734,000		870,980
Interest income			360		456
Client Event Income	5		6,430		1,616
			<u>740,790</u>		<u>873,052</u>
Expenditure					
Non-executive Directors fees	6	32,600		39,824	
Staff costs	6	559,685		523,349	
Employment costs		<u>592,285</u>		<u>563,173</u>	
Legal and professional fees		3,277		5,847	
Training		12,995		8,104	
Information, communications & technology		24,440		16,587	
Insurance		2,576		2,585	
Property and infrastructure		51,155		47,702	
Marketing		29,889		26,456	
Equipment operating lease costs		3,362		3,550	
Depreciation		8,019		9,401	
Client support	7	7,125		48,635	
Client events	8	16,773		24,417	
Grants approved		-		2,500	
Audit fee		5,250		4,650	
Administrative expenses		10,523		9,997	
		<u>175,384</u>		<u>210,431</u>	
			767,669		773,604
Net (Deficit)/ Surplus for the year			<u>(26,879)</u>		<u>99,448</u>

JERSEY BUSINESS LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

		2017		2016	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		20,840		20,605
Current assets					
Debtors and prepayments	10	24,302		38,679	
Cash at bank and in hand		122,552		124,728	
		<u>146,854</u>		<u>163,407</u>	
Creditors: falling due within one year					
Creditors and accruals	11	18,221		7,660	
		<u>18,221</u>		<u>7,660</u>	
Total Assets less current liabilities			128,633		155,747
Net Assets			<u>149,473</u>		<u>176,352</u>
Capital and reserves					
Share capital	12		3		3
Retained earnings	13		149,470		176,349
			<u>149,473</u>		<u>176,352</u>

The financial statements on pages 10 to 17 were approved and authorised for issue by the Board of Directors on 23 May 2018 and are signed on its behalf by:



Wendy Lambert
Chairperson

JERSEY BUSINESS LIMITED

Notes to the financial statements

For the year ended 31 December 2017

1. Company information

Jersey Business Limited ("the Company") was incorporated on 30 November 2011 in the Bailiwick of Jersey. Its registered office is 31 Parade, St Helier, Jersey JE2 3QQ. The principal activity of the company is disclosed in the Director's Report.

2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards Financial Reporting Standard 102 section 1A and with Companies (Jersey) Law 1991.

The financial statements are presented in Pounds Sterling which is also the Company's functional currency.

Going Concern

After reviewing the forecasts and the continuous funding from the States of Jersey, the Directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and therefore continues to prepare the accounts on a going concern basis.

3. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the Company's financial statements.

Accounting convention

The financial statements have been prepared on the historical cost convention and in accordance with United Kingdom accounting standards.

States of Jersey Grant

Funding received from the States of Jersey is recognised in the Income Statement in the year to which the funding relates. Therefore, core funding for general activities is recognised in full for the financial year to which it relates with Grants that relate to additional designated project funding being recognised against the expenditure of the specific project. Any element of the designated funding which remains unspent at the yearend is treated as deferred income and carried forward and recognised in the Income Statement of the year to which it will relate.

Expenditure

Expenditure, is recognised in the Income Statement on an accruals basis.

Taxation

The Company has been granted charitable status under article 115(a) of the Income Tax (Jersey) Law 1961, as amended, by the Comptroller of Income Tax, and therefore is not liable for Jersey income tax.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Website development costs are charged to the Income Statement as incurred.

Depreciation

Depreciation is charged so as to write off fixed assets over their useful lives. The rates at which depreciation is charged is set out below.

Leasehold improvements	- up to 9 years straight line
Computer equipment	- up to 3 years straight line
Fixtures and fittings	- 2 to 9 years straight line

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2017

Leases

Operating lease rentals are charged to the Income Statement in the relevant period on a straight-line basis.

Cash flow statement

Under FRS102 section 1A the Company is exempt from the requirement to prepare a cash flow statement.

4. States of Jersey Grant

	2017	2016
	£	£
Core funding for the period	734,000	826,154
Additional funding for the period	-	44,826
	<u>734,000</u>	<u>870,980</u>

The States of Jersey Grant is financed via the Economic Development Tourism, Sport and Culture Department of the States of Jersey by way of core funding and by additional designated project related funding. Core funding is utilised for the general running of the Company and no element of it is allocated against any project. Additional designated project funding is allocated against specific and committed projects; unspent grant funding in relation to this is deferred to be recognised in a subsequent financial period.

5. Client event income

	2017	2016
	£	£
Enterprise week Tickets	1,532	216
Enterprise week Sponsorship	2,000	1,400
Incorporation workshops	2,230	-
Other events	668	-
	<u>6,430</u>	<u>1,616</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2017

6. Directors and Employees

	2017	2016
	£	£
Non-executive Directors' fees		
Current		
Mrs W Lambert (Chairperson)	10,200	10,200
Mr E Lincoln (Deputy Chairperson)	7,500	7,500
Mr J Day	5,508	3,672
Mrs K Le Feuvre	5,508	3,636
Former		
Mr J Box	1,942	5,508
Mr B Sarre	1,942	5,508
Mr J Filleul	-	1,900
Mr M Robins	-	1,900
	<u>32,600</u>	<u>39,824</u>
Employee Costs		
Salaries	492,165	459,149
Pension Contribution	37,046	33,456
Social Security	28,851	26,163
Consultancy/Temporary Staff	1,623	4,581
	<u>559,685</u>	<u>523,349</u>

The average number of employers for the year was 8 full-time and 2 part-time (2016: 8 full time 1 part-time).

7. Client Support

	2017	2016
	£	£
Export Development	-	11,625
Retail Development	-	22,466
Business Efficiency Programme	-	8,469
Other Activities	7,125	6,075
	<u>7,125</u>	<u>48,635</u>

The Export, Retail and Business efficiency programmes were completed in 2016.

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2017

8. Client Events

	2017 £	2016 £
Enterprise week expenditure	16,773	24,417
	<u>16,773</u>	<u>24,417</u>

9. Tangible Assets

	Leasehold improvements £	Computer equipment £	Fixtures & Fittings £	Total £
Cost				
At 31 December 2016	40,632	11,936	14,577	67,145
Additions	0	2,982	5,272	8,254
Disposals				0
At 31 December 2017	<u>40,632</u>	<u>14,918</u>	<u>19,849</u>	<u>75,399</u>
Depreciation				
At 31 December 2016	(22,558)	(10,113)	(13,869)	(46,540)
Additions	(4,515)	(2,273)	(1,231)	(8,019)
Disposals				0
At 31 December 2017	<u>(27,073)</u>	<u>(12,386)</u>	<u>(15,100)</u>	<u>(54,559)</u>
Net book value at 31 December 2017	<u>13,559</u>	<u>2,532</u>	<u>4,749</u>	<u>20,840</u>
Net book value at 31 December 2016	18,074	1,823	708	20,605

10. Analysis of debtors and prepayments

	2017 £	2016 £
Debtors	5,189	11,575
Prepayments	19,114	27,104
Total Debtors and prepayments	<u>24,302</u>	<u>38,679</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2017

11. Analysis of creditors and accruals

	2017 £	2016 £
Accounts Payable	2,026	-
Creditors - ITIS	6,650	-
Accruals	9,545	7,660
Total creditors and accruals	<u>18,221</u>	<u>7,660</u>

12. Share capital

	2017	2016
Authorised: 10,000 Ordinary shares at £1 each	10,000	10,000
Issued: 3 Ordinary shares at £1 each	3	3

13. Reconciliation of movement in shareholders' funds

	2017 £	2016 £
Net (deficit)/surplus for the period	(26,879)	99,448
Shareholders' funds brought forward	176,349	76,901
Shareholders' funds carried forward	<u>149,470</u>	<u>176,349</u>

14. Commitments and contingencies

The Company is committed to making total payments in respect of operating leases as follows:

	2017 £	2016 £
Within one year	34,612	34,204
Between one and five years	100,956	130,768
	<u>135,568</u>	<u>164,972</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2017

15. Ownership

The Company is wholly owned by a non-charitable purpose trust, The Jersey Business Trust. In the Directors opinion The Jersey Business Trust is the ultimate controlling party of the Company. Trustees of the Jersey Business Trust for the year were the Chairperson of the Jersey Construction Council, Chamber of Commerce, and Institute of Directors Jersey Branch.

16. Related parties

The key transactions with related parties are the funding received from the States of Jersey, as outlined in note 4, and the fees paid to non-executive Directors within note 6.