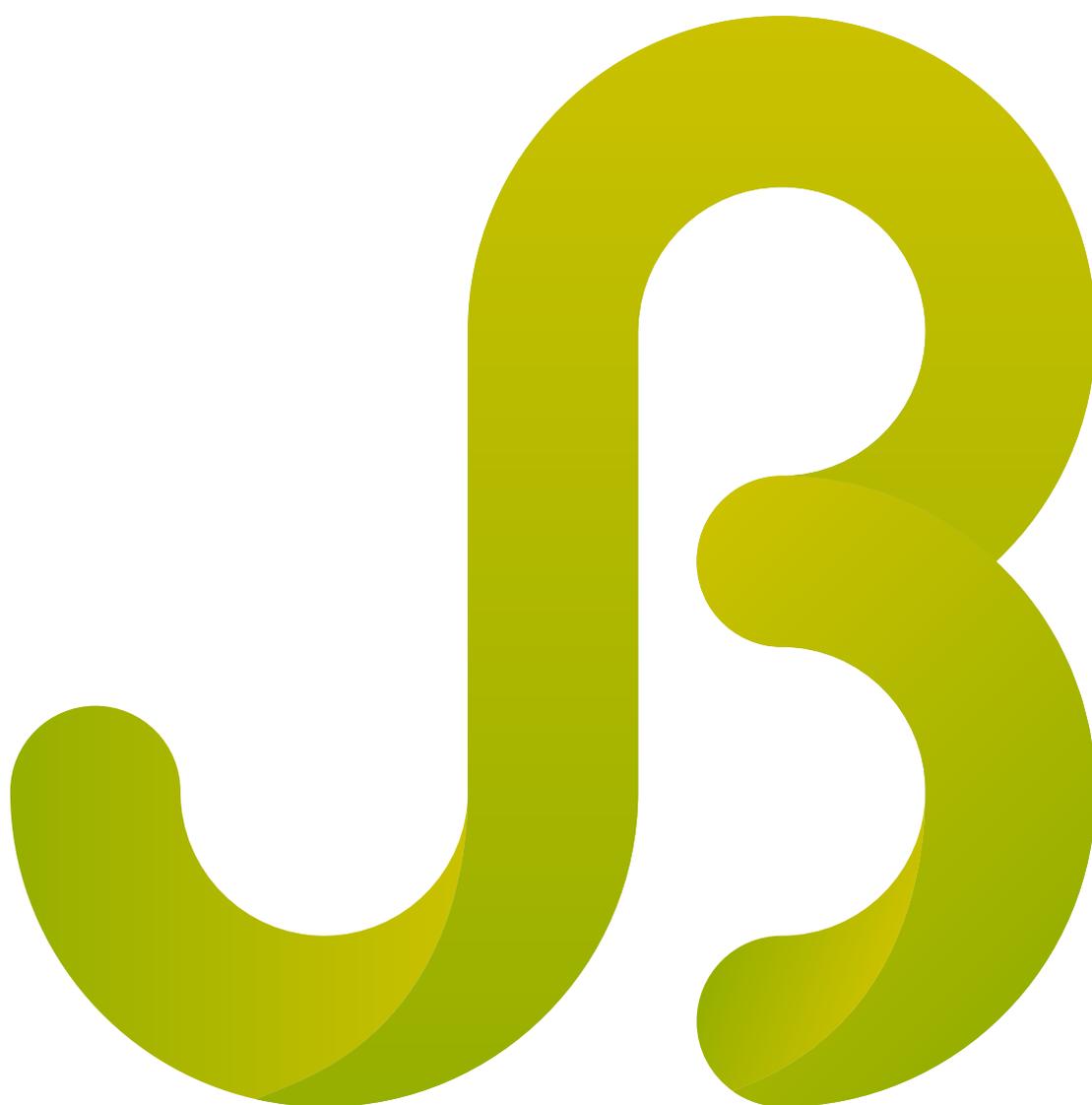

Jersey Business Annual Report & Accounts

2021



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Introduction

As Jersey's business support and development organisation, we focus our activity on improving business performance and increasing economic impact. We are committed to accelerating the growth of a productive economy in which businesses across all sectors contribute positively to the Island's long-term economic sustainability.

Our unique ability to work across sectors enables us to maximise the impact of business support activity by creating a range of interconnecting programmes and building an intimate knowledge and intelligence about the business community.

Purpose, vision and values

Jersey Business provides free, independent, confidential advice and support to businesses in Jersey.

Our purpose
Accelerating business success.



Respectful
We value people as individuals.

Our vision
A prosperous business community in Jersey.



Empowering
We share our expertise to help you achieve your goals.

Our values
Our values are incredibly important to us. They shape the way we do things and who we do them with and they are:



Authentic
We are professional, independent & confidential.



Collaborative
We work as a team and we love what we do.



Honest
We don't shy away from difficult conversations.

How we deliver for Jersey

We have 3 strategic priorities that deliver our core purpose and build on the work we have been delivering over the past two years to support the business community during and post the Covid-19 pandemic as well as the impact of Brexit.

- Supporting entrepreneurial activity to build successful & productive businesses.
- Developing more productive, resilient and sustainable industries.
- Sharing knowledge and best practice.

STRATEGIC PRIORITIES



Throughout 2020 and 2021, the Covid-19 pandemic and its' associated restrictions have emphasised the need for these priorities as we played a prominent role in supporting businesses through the initial crisis. Continuing this support through the **recovery and renewal phases** has been vital to ensuring that those businesses experiencing stress are assisted and those with an opportunity to grow are supported.

Whilst not moving away from our core purpose, our strategic plan for 2021 focused on:

Continuing to support businesses and sectors through a COVID-19 recovery phase.

Driving productivity improvement across key sectors as the economy started to recover.

Supporting businesses in response to the impact of Brexit which came into effect on 1st January 2021.

Performance report



With our strategic plan firmly in place, we evolve our structure and expertise for long-term impact whilst being responsive to prevailing business challenges and Government priorities.

In 2021 we:

Provided 1:1 advice and support to businesses to help them address continuing challenges presented by Covid-19 and to capitalise on opportunities when they arose.

Worked with targeted sectors to ensure the economic environment provided opportunities for long term sustainable growth.

Leveraged our understanding of business to influence Government policy making particularly in relation to Covid-19 support and the long-term impact of Brexit.

This performance report provides an overview of the work Jersey Business has undertaken in 2021.

Message from the Chair



I was honoured to be appointed to the Chair of Jersey Business in May 2021 having been a Non-Executive Director for the previous three years. My sincere thanks to our previous Chair, Andy Jehan, who greatly assisted me during this hand-over period.

It is clear to me that Jersey Business has an opportunity to build on its strong reputation with the business community and across Government to help the island navigate the continuing challenges of Covid-19 and build capability to support the longer-term challenges that we face as an island economy.

The Jersey Business team, with its connectivity and expertise across the range of commercial sectors, is ideally placed to help Government develop and deliver key economic strategies to ensure we maximise the potential of our physical and human resources here in Jersey.

We were grateful that the Economic Development Minister and the Economy Department recognised how critical Jersey Business would be through Covid-19 and ensured that we were suitably funded to scale up our capability and meet the increased demand for business support.

Feedback from the businesses we supported has been very positive so far. There is, of course, more to do for which continued funding will be essential.

In the next phase of this journey, under the leadership of our CEO Graeme Smith, we are ready to play an increasing role helping to shape the Future Economic Strategy for Jersey.

I am very grateful to the Jersey Business team and my fellow directors for their commitment and professionalism in very challenging circumstances. I look forward to working with them to ensure Jersey Business delivers the essential support businesses will need in the years ahead, which look to be every bit as demanding as the recent past.

Jennifer Carnegie
Chair

Review from the Chief Executive Officer



There is no doubt that the impact of the Covid-19 pandemic continued to influence business and Government decision making throughout 2021. We started the year in a 'Winter lockdown' with retail, hospitality and close-contact services all forced to close.

Travel was practically impossible with every country classified as 'red' and requiring 10 days of mandatory isolation on return. Working from home and mask wearing were mandatory as we waited for a Covid-19 vaccine rollout that promised to protect the most vulnerable and eventually our whole community.

The impact of the pandemic continued to dominate the work of our entire team throughout the year. Like most organisations we had become used to virtual meetings and crisis management but in early 2021 it was clear that the team could not continue to absorb work with the pace and intensity of the previous nine months. We invested in a Team Resilience programme that helped us all understand how we respond to stress and gave us the tools to be more resilient. This programme had broader benefits in providing a language that is now common across the team, enabling everyone to speak and support each other openly. The programme gave us the tools to handle what was another challenging year.

Our involvement in shaping the Government's Covid-19 support packages continued from the very start of 2021. We provided advice to policy makers to ensure that the criteria included in the five schemes introduced during the year would deliver the desired outcome, much of which was taken on board.

As an example, the Visitor Car Hire Support Scheme, which was developed by us during the first half of 2021, was a direct result of our understanding of the interconnected nature of the tourism and hospitality industry and the economic impact that travel restrictions had on visitor numbers. At that time the ongoing changes to border restrictions meant that the commercial risks of making commitments to new hire cars were too great. In addition, there was a growing shortfall in new car production which meant any delay in placing orders would result in Jersey having an inadequate supply of rental cars for the peak summer period with both short and long-term implications for the expected tourist offering. The introduction of the car hire support scheme allowed local operators to make lease and purchase commitments during the first quarter of 2021 which added approximately 327 hire cars to the fleet, meeting the demand for hire cars during the peak summer season.

Throughout the year we continued to provide help and advice to individual businesses applying to Government's Covid-19 support schemes and to those who were negotiating with landlords, creditors and staff. I am confident that our one-to-one support, telephone support and the information on our website helped business leaders navigate the ongoing challenges that they faced in 2021.

Review from the Chief Executive Officer (cont.)

It was noticeable that as the Covid-19 restrictions eased and travel began to return, we started to see more entrepreneurialism and innovation. Individuals had the courage to launch new business ventures and we began to see established businesses planning for a post Covid-19 world. In response, in June 2021 we issued a 'request for proposals' to identify new ways to help businesses and to find potential new partners to work with. After receiving 42 responses, we relaunched both the Leading Growth and Business Improvement programmes and piloted three new support packages which we hope to roll-out in early 2022.

2021 was not only shaped by the continuing response to Covid-19 but also by Brexit which came into effect on 1st January 2021 and brought significant changes to the import of goods into Jersey from the European Union. New declarations were not uniformly understood by the many organisations in the supply chain, even when goods came to Jersey through the UK. I am pleased to say that throughout the year our team worked very closely with Jersey Customs to deliver online and bespoke advice and guidance to clarify these complicated issues.

Similarly, we worked closely with the Department for the Economy, our sponsoring department in Government, to introduce the Fisheries Support Scheme. This was designed to help those fishing businesses affected by the post-Brexit dispute with France on fishing rights. Our role was to help businesses shape their application along with the necessary supporting evidence and I'm pleased to say that all applicants have received the help they needed.

Our role in implementing a support and assessment process for businesses accessing Government funding evolved with the pilot Productivity Support Scheme which was introduced in the summer of 2021. Several factors, not least the timing of the scheme, meant that it was not as well subscribed as expected, however the pilot has enabled us to make several recommendations to improve the scheme and it is our hope that it will be reintroduced in a revised form in 2022.

Underpinning all our one-to-one advice and support is the Jersey Business website which continued to evolve rapidly throughout the year. The information on both our Covid-19 and Importing sections, reinforced by regular email newsletters, have been crucial in providing clear information and guidance to the business community and interaction with the site continues to grow year-on-year.

Of course, the work of our team is enabled by an internal infrastructure that grows with it. In early 2021, working with our local IT partner Prosperity 24/7, we concluded a move to using Microsoft Dynamics as our customer relationship management system. This has improved our own productivity and our ability to build performance and value for money data sets to aid investment decision making. We have dedicated time and effort to building this reporting capability which will transform how we measure, manage and continue to develop our service provision in 2022.

In further support of our people, when the working from home requirement was lifted we were keen to embed the benefits of a new way of working. We introduced a flexible working policy that now gives everyone the opportunity, within a simple set of guidelines, to work when and where suits them and their clients best. This approach has empowered our team to deliver their work in an environment that treats them like the experience, professional and dedicated people they are. As a result of this change, our office has become more of a meeting place for discussion and collaboration than a location for fixed desk time.

This shift in how we work has highlighted how unsuitable our current premises are. They do not have the facilities or infrastructure to support a larger and more flexible team. We started the search for new office space in the Autumn of 2021, looking for somewhere that would give our team the facilities they need, enable us to host our own events and programmes and to incorporate a space that businesses could also use to meet and collaborate. We continue to work with Government to identify the right solution as soon as possible during 2022.

Having strong relationships with Government colleagues remains critical to securing our long-term funding. It is equally important in developing holistic economic plans that result in real actions delivered to support businesses to grow sustainably as we move into Covid-19 recovery phase. These proactive and collaborative discussions resulted in a new Jersey Business performance framework that will be rolled-out in detail in 2022.

In addition to our core funding, our increased activity was funded through a top up Covid-19 recovery grant which enabled us to bring new experienced people into our team, enhancing our capability and capacity to deliver relevant and timely business support. Consolidating this funding into one grant is vital so that we can plan our support for business with certainty and will be a key objective for 2022.

As I look forward to 2022, I am immensely proud of the role we have played in continuing to support businesses through these turbulent Covid-19 times.



Graeme Smith
Chief Executive Officer



Highlights from 2021

Timeline of key milestones

2021

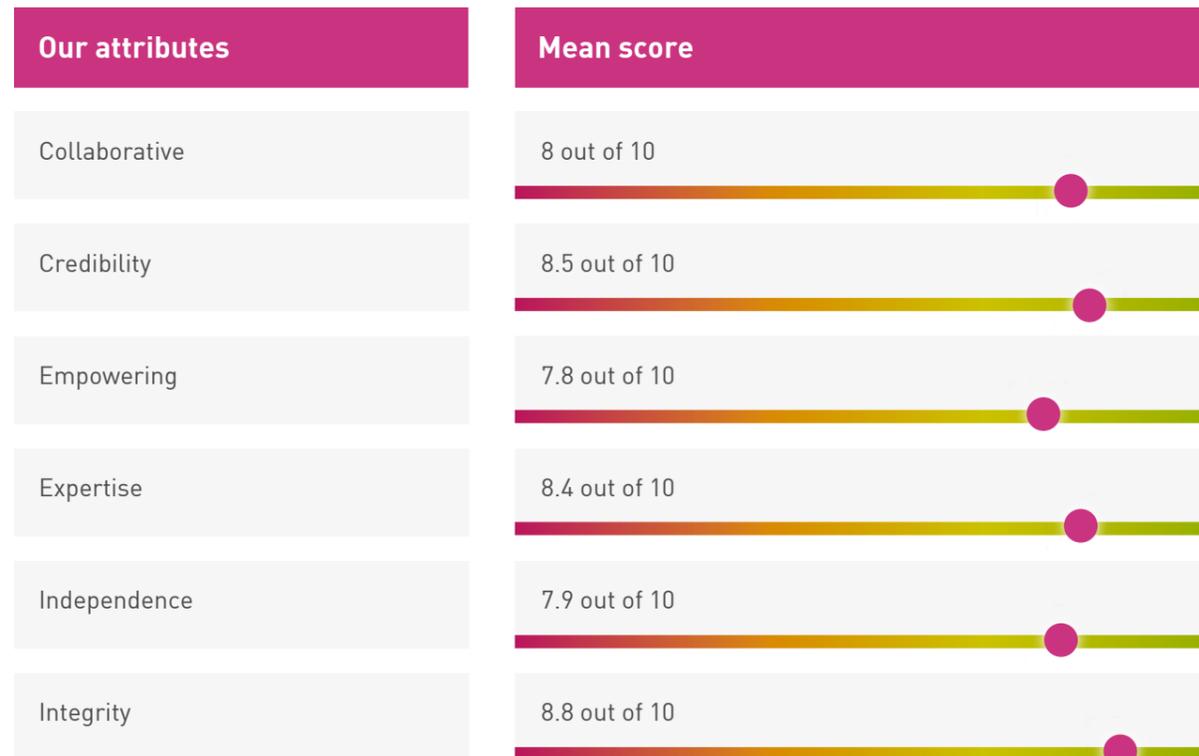
External factor	Internal factor	January	July	External factor	Internal factor
<ul style="list-style-type: none"> Covid-19 winter lockdown in place that restricted gathering and closed hospitality, non-essential retail & close contact services. Travel is effectively stopped as countries are classified 'red'. Visitor Attractions and Events support scheme launched. Pre-declaration of goods imported from the EU become mandatory. 	<ul style="list-style-type: none"> Joined Tourism & Hospitality Economic Taskforce. Concluded the move to a new CRM system. 			<ul style="list-style-type: none"> 13th July traffic light system removed for travel to Jersey. States Assembly votes to ban single use plastic bags. 	<ul style="list-style-type: none"> Concluded a Request for Proposals process to identify support partners which attracted 42 proposals.
<ul style="list-style-type: none"> Fixed Cost Support Scheme launched. 2nd February retail & close contact services reopened. 22nd February hospitality venues reopened. 	<ul style="list-style-type: none"> Introduced Team Resilience training to support our people's mental wellbeing. 	February	August	<ul style="list-style-type: none"> Jersey's Government lifted almost all Covid-19 restrictions. 	<ul style="list-style-type: none"> Leading Growth and Business Improvement programmes restarted.
<ul style="list-style-type: none"> Visitor Car Hire Support Scheme launched. 2021 census takes place. 	<ul style="list-style-type: none"> Delivered 'Beyond Brexit' webinars on changes to importing procedures. 	March	September	<ul style="list-style-type: none"> Large events held throughout September. 	<ul style="list-style-type: none"> Graeme Smith and Simon Soar recognised by the IOD for their significant contributions during the Covid-19 crisis.
<ul style="list-style-type: none"> 26th April reintroduction of 'traffic light' classifications to allow travel in and out of the UK with isolation depending on vaccination status. 	<ul style="list-style-type: none"> Introduced fully flexible working policy to empower our team in managing where and when they work. 	April	October	<ul style="list-style-type: none"> Immigration permission extension for hospitality workers agreed. 	<ul style="list-style-type: none"> Facilitated a business delegation in a meeting with UAE Ambassador to the UK. Facilitated a business group in a webinar roundtable with Kuwait Chamber of Commerce & Kuwait Investment Authority.
<ul style="list-style-type: none"> Traffic light system extended to international travel. 	<ul style="list-style-type: none"> Jennifer Carnegie appointed as Chair of Jersey Business. 	May	November	<ul style="list-style-type: none"> Covid-19 Omicron restrictions introduced including isolation. 	<ul style="list-style-type: none"> 4 businesses received offers from Productivity Support Scheme.
<ul style="list-style-type: none"> Productivity Support Scheme launched. Fisheries Support Scheme launched. 14th June nightclubs and large events reopened & legal requirement to wear masks in indoor public spaces is removed. 	<ul style="list-style-type: none"> Opened applications and guidance for the Productivity Support Scheme. 	June	December	<ul style="list-style-type: none"> Jersey's Government published its Draft Carbon Neutral Roadmap for consultation. 	<ul style="list-style-type: none"> Reintroduced support for eligible Co-Funded Payroll Support Scheme claimants.

Performance analysis

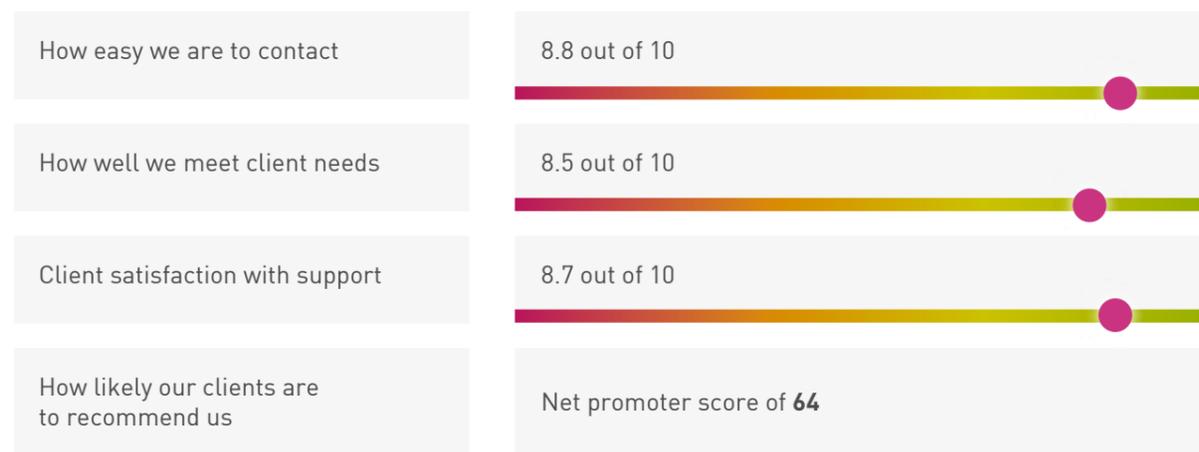
	2021 Objectives	What we planned	What we delivered	The difference that we made
People	To support 20 leaders to improve their leadership skills to grow their business.	1 Leading Growth Programme.	17 business leaders from 12 organisations were given leadership development.	Over 85% of participants had started to implement their leadership growth plans or were committed to implementing the plans within the next 6 months. 92% of participants reported an increase in leadership skills. 92% of participants reported an increase in confidence and self belief.
Productivity	To support 5 businesses to implement business process changes that will improve their efficiency.	1 Business Improvement programme.	5 businesses supported to improve processes and increase efficiency. 10 people involved in learning business improvement techniques.	80% of business had started to make changes to improve their efficiency during the programme. 100% of participants said their organisation would go on to facilitate further business efficiency projects.
	To support 40 entrepreneurs to improve their social media outcomes.	4 Social Media & Marketing programmes.	47 entrepreneurs helped to improve their social media presence.	Participants said the course was 'extremely' or 'very' relevant to their role and that they would recommend it to others.
Innovation	To support new innovative business opportunities that will diversify the economy in Jersey.	2 new on-island investment projects supported.	2 projects supported bringing new investment into Jersey.	Our help & support assisted the owner of Millbrook House Hotel to develop a business case to obtain planning permission for the development of a new boutique hotel. Our networks and support helped Grovida make a business case that secured a Government of Jersey Growing and Processing License that will enable them to establish their business in Jersey.
Financial Resilience	To support 4 businesses to access new investment to take their business to the next stage.	All businesses expressing an interest in the Productivity Support Scheme given advice and support.	9 businesses supported to make applications to the Productivity Support Scheme.	4 projects approved for the productivity support scheme resulting in £331,512 (£100,144 grant £231,168 company) investment into new improvement projects.
	To support our clients to implement plans and resources for long term resilience and growth.	Client businesses receive one-to-one business and financial planning support.	156 businesses supported with bespoke advice and support.	88.5% customer satisfaction score shows that 9 out of 10 clients are satisfied after getting our support.
Information sharing & foresighting	To provide businesses in Jersey with the advice, support and information they need.	All enquiries received via phone, email and website successfully answered. Website engagement increased year-on-year.	514 enquiries handled through our information service. 65,822 website sessions. 8,308 website documents downloads. 46 individual online & inperson events held. 488 event attendees on topics ranging from import procedures to tools for self maintenance.	88.5% customer satisfaction score shows that 9 out of 10 clients are satisfied after getting our support.
	To support Government's policy and strategy development through provision of real time data and insights.	Considered responses submitted to all relevant Government consultations.	6 submissions to Government consultations on topics ranging from Brexit to migration policy and the ban on single use plastic bags. Insights provided to influence the structure of 5 government support schemes (Visitor Attractions & Events; Fixed Cost Support; Visitor Care Hire; Productivity Support; Fisheries Support)	As a result of our influence in shaping Jersey's migration policy, the hospitality industry can retain staff for 18 months in 2022. Retailers can use up existing carrier bags minimising waste and costs of implementing the new regulations because of the evidence we provided to policy makers. We worked with Jersey Customs to make the post-Brexit process of import declarations faster and easier for local businesses. An additional 327 hire cars were available in 2021 as a result of the visitor car hire scheme designed by us.

Performance analysis

2021 client feedback was gathered in an independent survey conducted by 4 Insight in February 2022.



Our service delivery



Financial analysis

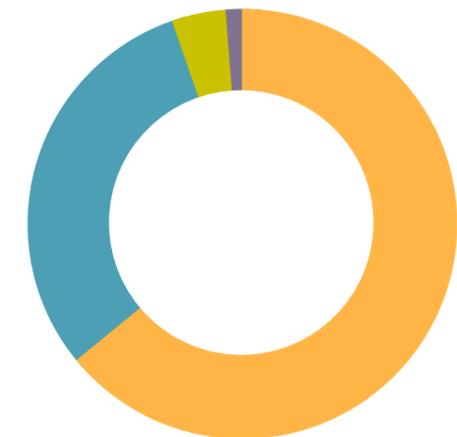
Jersey Business's core activity was funded through a grant from the Government's Department for the Economy. This grant was used to fund our team members, office infrastructure including IT and administration costs. It enabled us to provide one-to-one advisory support, our telephone helpline and our communications activity.

During 2021, additional grant funding was received from the Covid-19 Recovery fund and from Skills Jersey. This funding enabled us to deliver business support programmes and focused expertise designed to support individual businesses and industry sectors.

During 2021 our income was split as follows:

2021 Income

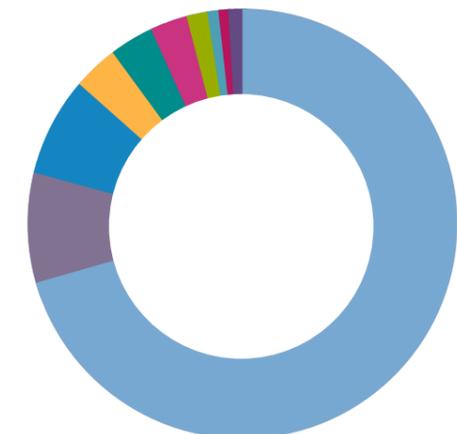
- Core grant from DfE
- Covid-19 recovery grant
- Grant from Skills Jersey
- Event income



During 2021 our expenditure was split as follows:

2021 Income

- Employment costs
- Client support
- Professional fees
- ICT costs
- Property costs
- Marketing expenses
- Training & development
- Depreciation
- Website expenses
- Sundries
- Equipment costs
- Insurance



Priorities for 2022

At the end of 2021 Jersey Business had agreed a new business plan for 2022. Core and Covid-19 business support activity will continue focused on delivering against one or more of these outcome areas:

People: Improving workplace practices to better attract, retain and develop talent to meet existing and future needs.

Productivity: Enabling businesses to improve their operational efficiency.

Environmental impact: Increasing awareness and understanding of environmental impact and how to reduce the carbon footprint.

Innovation: Supporting innovation in established and new industries.

Financial resilience: Increasing financial resilience for long term growth and sustainability.

Information sharing and foresighting: Sharing knowledge and data to better inform decision making at a policy, industry and business level.



Accountability report



Corporate Governance

Governance structure

Jersey Business Ltd 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.

The limited company is governed by a Board of Directors consisting of a Chair and two Non-Executive directors, appointed on a three-year rotation, and two Executive Directors. The Board met every quarter to review the performance of the business, the risk register and to discuss any other issues that might have an impact on the business going forwards.

The Non-Executive Directors:

- Provide oversight and leadership to the business within a framework that enables risk to be assessed and managed.
- Develop and approve the strategic aims of the business and verify that the business has the necessary financial and human resources to deliver its activities.
- Ensure that the business's values and standards are upheld and that its obligations to its stakeholders are understood and met.
- Along with the executive, build and maintain a positive reputation for the business so that it has the trust and respect of its stakeholders.
- Comply with their Directors' duties.

Risk Management

Risks are managed at both an operational level, through the internal processes and procedures that are clearly set out and shared across the business, and at a Board level during quarterly board meetings that review and update a risk register.

The risk register is organised around key themes that have the potential to have a significant adverse impact on the operation of the business.

The risk register is a live document that is used by the Executive on an on-going basis. It is subject to a formal quarterly board review and revised, if necessary, with a list of mitigating actions to ensure that the risks are maintained within acceptable levels.

Theme	Risk	Mitigation
Financial	There is a risk associated with being an arms-length Government organisation (ALO) in that funding is allocated and agreed on an annual basis with reference to the Government's own business and funding plan.	Documentation including a partnership agreement ensure the ongoing Government support for Jersey Business. Strong, proactive relationships with key stakeholders at all levels in Government ensure that the organisation receives an appropriate level of funding for the strategic outcomes it is being asked to deliver.
Relationship	A significant change in Government policy, outside the control of Jersey Business, may have a medium to long term impact on the activities of the business.	We ensure there are strong, proactive relationships, meetings and consultations with key stakeholders at all levels and across all relevant Government departments to shape policy and the organisation's role in delivery.
Operational	The risk is that poor management, under investment in infrastructure and weak financial controls lead to regulatory breaches and reputational damage.	Strong processes and procedures, separation of duties, regular training and investment in IT systems are all measures taken to minimise the risk of operational failures.

Remuneration and people report

The Board of Directors

The table below details the Board of Directors and attendance during 2021.

Board member	Position	Date of Appointment to the Board	Attendance
Andy Jehan	Chair to 6th April 2021	23rd May 2018	1/1
Jennifer Carnegie	Chair from 12th May 2021	23rd May 2018	5/5
Jonathan Day	Non-Executive Director	4th May 2016	5/5
Kristina le Feuvre	Non-Executive Director	4th May 2016	5/5
Graeme Smith	Chief Executive Officer	2nd January 2015	5/5
Alexia McClure	Chief Operating Officer	1st June 2019	5/5

Remuneration

Jersey Business believes that the business should provide a remuneration and reward package that will attract and retain a skilled and professional team necessary to deliver high quality business support.

Non-Executive board members are paid a fee, which has not increased since 2016. Executive board members remuneration consists of a salary and pension contribution. Jersey Business does not have a company pension scheme.

The basic salary is determined by taking into account an individual's responsibilities, skills and experience. In accordance with contracts of employment and the employee handbook, the Non-Executive board members review the prevailing economic conditions in January each year and recommend an annual salary increment for all staff.

During the year, the Board was concerned that, because Jersey Business has a relatively flat structure it was difficult for the business to recognise and reward individuals who progress. Consequently, work was initiated towards the end of the year to design a new role matrix to clarify the skills and experience required to advance within Jersey Business. The matrix will be used to re-evaluate job descriptions, individual roles and reward packages against market rates to determine if the salaries being paid are at an appropriate level. This work, which will include Non-Executive director fees, was not complete at the year end and will conclude in 2022.

The average number of employees for the year was 13 full-time and 2 part-time.

Details of Board fees can be found in note 7 of the financial statements.

Financial Statements



Directors' Report

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Principal activities

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 not-for-profit limited liability Company.

Results

The results for the year are set out in the Statement of Income & Retained Earnings on page 26.

Dividends

The shareholders have not paid a dividend for the year 31 December 2021 (2020: £Nil).

Directors

The membership of the Board is as below.

Non-Executive Directors

Mr Andrew Jehan - resigned 6 April 2021
Mrs Jennifer Carnegie
Mr Jonathan Day
Mrs Kristina Le Feuvre

Executive

Mr Graeme Smith
Mrs Alexia McClure

Directors' Report

Directors' responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and all accounting standards. Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- state whether applicable accounting standards have been followed subject to any material departure, disclosed and explained in the financial statements;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

Disclosure of information

The Directors confirm that in so far as each director is aware 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.

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Independent Auditors

Grant Thornton Limited, Chartered Accountants, have expressed their willingness to continue to act as auditors.

By order of the Board



Graeme Smith

Director

11th April 2022

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 2021 which comprise the Statement of Financial Position, the Statement of Income & Retained Earnings and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards 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 2021 and of its profit 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 (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 ethical requirements that are relevant to our audit of the financial statements in Jersey, including the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, 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.

Other information

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

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

We have nothing to report in this regard.

Independent auditor's report

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 directors' responsibilities statement set out on page 21, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Practice, 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.

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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Use of our report

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.



Jason Richard Lees-Baker

For and on behalf of Grant Thornton Limited

Chartered Accountants
St Helier, Jersey

Date: 13 April 202

Statement of Financial Position as at 31 December 2021

	Notes	2021	2020
		£	£
Fixed assets			
Tangible assets	3	12,343	8,086
Current assets			
Debtors and prepayments	8	33,703	31,435
Cash at bank and in hand		506,042	214,221
		539,745	245,656
Creditors: amounts falling due within one year			
Creditors and accruals	9	42,417	60,100
Deferred income		433,555	129,678
		475,972	189,778
Net current assets		63,773	55,878
Net assets		76,116	63,964
Capital and reserves			
Share capital	10	3	3
Retained earnings	11	76,113	63,691
		76,116	63,964

These financial statements were approved and authorised for issue by the board of directors on 11th April 2022 and are signed on its behalf by:



Graeme Smith
Executive Director

Statement of Income & Retained Earning for the year ended 31 December 2021

	Notes	2021	2020
		£	£
Income			
Government of Jersey Grant	4	860,000	860,000
COVID Grant	5	405,583	308,822
Skills Jersey Grant	6	55,000	5,300
Client Event Income		17,527	-
Rental Income		-	1,200
Interest income		45	61
Sale of assets	3	1,535	-
Other income		1,102	-
		1,340,792	1,175,383
Expenditure			
Staff costs	7	642,583	675,058
Non-Executive directors' fees	7	22,234	26,724
Employment costs		664,817	701,782
COVID expenditure	5	397,845	308,822
Skills Jersey expenditure	6	80,114	-
Information, communications & technology		44,910	60,095
Property & infrastructure		50,722	52,264
Administrative expenses		6,217	26,404
Website		8,373	14,889
Marketing		5,742	14,800
Depreciation	3	3,288	9,023
Client support		3,250	11,509
Training		7,829	11,393
Other legal and professional fees		16,557	7,095
External accountancy support		23,100	-
Audit fees		11,481	6,000
Insurance		2,435	2,519
Equipment operating lease costs		1,960	2,097
		663,823	526,910
Net profit/ (loss) for the year		12,152	[52,309]
Retained earnings as at 1 January		63,961	117,270
Retained earnings as at 31 December		76,113	63,961

Notes to the financial statements for the year ended 31 December 2021

1 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

The Covid-19 pandemic continues to have an impact across all sectors of the Jersey economy and the additional support Jersey Business provides, funded by Government of Jersey, will continue through the recovery phase in line with activities in 2021.

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

2 Principal Accounting Policies

Accounting Convention

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

Government of Jersey Grant

Funding received from the Government of Jersey is recognised in the Statement of Income & Retained Earnings 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 year end is treated as deferred income and carried forward and recognised in the Statement of Income & Retained Earnings of the year to which it will relate.

Expenditure

Expenditure is recognised in the Statement of Income & Retained Earnings on an accruals basis.

Notes to the financial statements for the year ended 31 December 2021

Tangible fixed assets

Tangible fixed assets are stated at their purchase price, including any incidental expenses of acquisition. Website development costs are charged to the profit and loss account as incurred. Depreciation is calculated to write down the net book value of the tangible fixed assets over their estimated useful lives. The annual rates are as follows:

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

Financial instruments

The Company applies the provisions of Section 11 and Section 12 of FRS102 in full.

Financial assets

All financial assets are initially measured at transaction price including transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Subsequent to initial recognition investments are measured at fair value through the Statement of Income & Retained Earnings.

Other basic financial assets, including debtors and prepayments and cash at bank and in hand, are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method which is tested for impairment to reflect any specific provision against the value of accrued income where recovery will not be made in full.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment loss is recognised in the Statement of Income & Retained Earnings.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Given the types of basic financial assets held by the Company, there is no material difference between the amortised cost of these financial assets and cost.

Notes to the financial statements for the year ended 31 December 2021

Financial Liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are classified as current liabilities if payment is due within one year or less. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Given the type of basic financial liabilities held by the Company, there is no material difference between the amortised cost of these financial liabilities and cost.

Share Capital and reserves

Share Capital

Share capital represents the nominal value of shares that have been issued. Ordinary shares are classified as equity. Any incremental costs directly attributable to the issue of new shares are shown as deductions from the proceeds.

Retained earnings

Retained earnings includes all current and prior period retained profits.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the Company, are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Taxation

The Company is liable to income tax in Jersey at the rate of 0%.

Cash Flow Statement

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

Notes to the financial statements for the year ended 31 December 2021

	Leashold improvements	Computer equipment	Fixture & fittings	Total
3 Tangible fixed assets				
Costs	£	£	£	£
At 1 January 2021	40,633	28,644	19,849	89,126
Additions	-	13,528	-	13,528
Disposals	-	(3,381)	-	(3,381)
At 31 December 2021	40,633	38,791	19,849	99,273
Depreciation				
At 1 January 2021	40,633	21,613	18,794	81,040
Charge for the year	-	8,216	1,055	9,271
On disposals	-	(3,381)	-	(3,381)
At 31 December 2021	40,633	26,448	19,849	86,930
Net book value				
At 31 December 2021	-	12,343	-	12,343
At 31 December 2020	-	7,031	1,055	8,086

Included in depreciation is £5,983 (2020: £3,324), which relates to assets acquired using the COVID19 budget. This amount is included in the COVID19 expenditure in Note 5.

During the year the Company sold fully depreciated assets for £1,535 (2020: £0).

4 Government of Jersey Grant

	2021	2020
	£	£
Core funding for the period	860,000	860,000
	860,000	860,000

The Government of Jersey Grant is financed via the Economy Department of the Government 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.

Notes to the financial statements for the year ended 31 December 2021

5 COVID-19 Grant Income and Expenditure for the period

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.

	2021	2020
	£	£
COVID income in period		
Government Grant Received	838,013	438,500
Grant income deferred	(432,430)	(129,678)
Total grant income for the period	405,833	308,822
COVID client workshop income	3,250	-
Total income for the period	408,833	308,822
COVID expenditure in period		
Staff costs	269,572	135,875
Costs of programme delivery	122,290	169,623
COVID related IT Equipment Depreciation	5,984	3,324
Total COVID expenditure	397,846	308,822
COVID Grant - Skills Jersey top up	10,987	-
	408,833	308,822

6 Skills Jersey Grant Income and Expenditure

	2021	2020
	£	£
Skills Jersey Grant received	55,000	-
Skills Jersey event income	14,127	-
COVID Grant - Skills Jersey top up	10,987	-
	80,114	-
Skills Jersey Grant Expenditure in period		
Cost of programme delivery	80,114	-
	80,114	-

Notes to the financial statements for the year ended 31 December 2021

7 Directors and employees

	2021	2020
	£	£
Employee remuneration	573,794	584,511
Pension contribution	40,285	43,838
Social security	33,048	35,881
Consultancy and temporary staff	-	774
Carried forward holiday	(4,544)	10,054
	642,583	675,058

	Salary	Pension	Total 2021	2020
	£	£	£	£
Executive Directors				
Ms A Mclure	92,396	6,930	99,326	98,345
Mr G Smith	116,394	8,730	125,124	115,295
Non-Executive Directors			2,707	10,200
Mr A Jehan (Chairperson)			8,511	5,508
Mrs J Carnegie			5,508	5,508
Mr J Day			5,508	5,508
Mrs K Le Feuvre				
			246,684	240,364

In 2020 Mr G Smith worked reduced hours in the first quarter of the year and this is reflected in his total 2020 salary.

Executive and Non-Executive Directors have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel under FRS102.

The Company does not operate a pension scheme but all employees receive a monthly payment of 7.5% of their basic salary to enable them to make their own personal pension arrangements.

The average number of employees for the year was 13 full-time and 2 part-time (2020: 10 full time 2 part-time.)

Notes to the financial statements for the year ended 31 December 2021

8 Debtors and prepayments

	2021	2020
	£	£
Debtors	375	-
Prepayments	33,328	31,435
Total debtors and prepayments	<u>33,703</u>	<u>31,435</u>

9 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accounts payable	20,107	39,514
Accruals	22,310	20,586
Total creditors and accruals	<u>42,417</u>	<u>60,100</u>

10 Share capital

	2021	2020
	£	£
Authorised: Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allocated, called up and fully paid: Ordinary shares of £1 each	<u>3</u>	<u>3</u>

11 Reconciliation of Movement in Shareholders' Funds

	2021	2020
	£	£
At 1 January	63,961	117,270
Retained profit / (loss)	12,152	(53,309)
At 31 December	<u>76,113</u>	<u>63,961</u>

12 Related parties

The key transactions with related parties are the funding received from the Government of Jersey, as outlined in notes 4, 5 and 6 and total compensation paid to key management personnel in note 7.

The Company is a member of the Chamber of Commerce and pays an annual membership fee and event attendance fees on an arm's length basis. During the year the total fees were £828 (2020: £183). The president of the Chamber of Commerce is a non-executive director and Chair of the Company, and a trustee of the controlling trust (see Note 14).

13 Commitments and Contingencies

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

	2021	2020
	£	£
Within one year	19,123	32,913
Between one and five years	2,613	-
	<u>21,736</u>	<u>32,913</u>

14 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.

15 Events after the year end

The Company has extended the lease on its premises until 16th December 2022.

Detailed Profit and Loss Account for the year ended 31 December 2021

	Notes	2021	2020
Income		£	£
Government of Jersey Grant	4	860,000	860,000
COVID Grant	5	405,583	308,822
Skills Jersey Grant	6	55,000	-
Client Event Income		17,527	-
Rental Income		-	1,200
Interest income		45	61
Sale of assets	3	1,535	-
Other income		1,102	-
		<u>1,340,792</u>	<u>1,170,083</u>
Administrative expenses			
Employee costs:	7		
Employee remuneration		573,794	584,511
Pension Contributions		40,285	43,838
Social Security		33,048	35,881
Consultancy and temporary Staff		-	774
Carried forward holiday		(4,544)	10,054
Non-Executive directors' fees	7	22,234	26,724
		<u>664,817</u>	<u>701,782</u>
General administrative expenses:			
COVID expenditure	5	397,845	308,822
Skills Jersey expenditure	6	80,114	-
Information,communications & technology		44,910	60,095
Property and infrastructure		50,722	52,264
Website		8,373	14,889
Marketing		5,742	14,800
Client support		3,250	11,509
Training		7,829	11,393
Administrative expenses		6,217	26,404
Insurance		2,435	2,519
Equipment operating lease costs		1,960	2,097
Depreciation		3,288	9,023
		<u>612,685</u>	<u>513,815</u>
Legal and professional costs:			
Audit fees		11,481	6,000
External accounting and finance support		23,100	-
Other legal and professional fees		16,557	7,095
		<u>51,138</u>	<u>13,095</u>
		<u>1,328,640</u>	<u>1,228,692</u>

