

MINUTES OF THE BOARD OF DIRECTORS OF JERSEY BUSINESS LIMITED ("JBL")

(14th Meeting)

21st May 2013

PART A

Present:

Mr P Funk (Chairman) (PF)
Mr J Box (JB)
Mr E Lincoln (EL)
Mr B Sarre (BS)
Mr A Sugden (AS)
Mr M Robbins (MR)
Mr J Filleul (JF)

In Attendance:

Mr A Cook, CEO, Jersey Business Limited (AC)
Miss A Maskell, AM to PM Secretarial Services (AM)

Apologies

IT WAS NOTED that no apologies were received.

Declarations of Interest

IT WAS NOTED that no additional declarations of interest were made.

Minutes of Previous Meeting held on 19th February 2013

The minutes dated 19th February 2013 had been circulated prior to the Board meeting for review. **IT WAS RESOLVED** that the correction of a typo on page two and an amendment to the final paragraph on page four would be made and thereafter PF would sign them as Chairman.

The minutes of a meeting of the Board of Directors held 19th March 2013 were also circulated prior to the Board meeting for review. **IT WAS NOTED** that these minutes addressed JBL's strategy review and **IT WAS RESOLVED** to accept and approve them subject to minor corrections. **IT WAS FURTHER RESOLVED** to publish these minutes.

Matters arising

IT WAS NOTED that there were no matters arising from the minutes of the meeting of the Board held on 19th February 2013.

Report from the Finance, Audit and Operations Sub-Committee (FA&O)

Operations Report - **IT WAS NOTED** that the operations report, action plan and accounts covering the period ending 31st March were circulated with the agenda and BS provided the Board with a summary of them. He advised that the accounts for the quarter reflect an underspend and the action plan indicates that a number have tasks have not yet been achieved (mainly due to the considerable amount of time required to organise the Enterprise Awards). However, all staff have now joined and AC advised that considerable progress has already been made in quarter two. The Board noted that AC is very pleased with the team and is confident that the action plan, which is now RAG rated, will have advanced significantly by 30th June 2013.

BS advised that the underspend in the accounts is due to timing and that this will be rectified in quarter two although it is anticipated that there will still be a surplus at the year end. Unfortunately, the Enterprise Awards will result in a deficit and the Board agreed that the operating surplus should be used to balance this shortfall. However, if an operating deficit arises in the accounts later in the year **IT WAS RESOLVED** to revert to EDD for assistance.

Upon a review of the financials the following figures were noted:

Actual Income to 31st March 2013 - £157,617

Budgeted Income to 31st March 2013 - £157,596

Actual Operating Expenditure to 31st March 2013 - £74,008

Budgeted Operating Expenditure to 31st March 2013 - £138,183

Actual Enterprise Awards Expenditure to 31st March 2013 - £52,417

Budgeted Enterprise Awards Expenditure to 31st March 2013 - £123,000

Actual Net Surplus to 31st March 2013 - £136,026

Budgeted Net Surplus to 31st March 2013 - £142,413

AC updated the Board on the various types and size of clients JBL had seen in the previous quarter, although he advised that there was no particular trend emerging at this stage. The Board agreed that the reporting processes should continue to be discussed and focused on to ensure that qualitative reporting can start to be recorded as soon as possible.

Internal Controls – IT WAS NOTED that AC has prepared draft Terms of Reference (TOR) for F, A & O. These set out the frame work of F, A & O, the relationship between the Board and the Executive and ensure that there is an effective use of resource. **IT WAS RESOLVED** that AC and PF would draft TORs for the Events and Communications Sub-Committee which they would then ask the Auditors to verify.

Corporate Matters – IT WAS NOTED that draft Report and Financial Statements for the period ending 31st December 2012 was circulated with the agenda. AC advised that these have been based on a Jersey Finance template and the Auditors have confirmed that they are fully compliant.

IT WAS NOTED that Grant Thornton have been appointed as JBL's Auditors and AC advised that they have been on site recently to carry out the Audit. He explained that when this was complete they would revert with their recommendations. However, nothing material has been raised so far, save for a few minor adjustments which he will make at the end of the process.

IT WAS NOTED that the AGM will take place on Wednesday 12th June 2013 at 5pm. AC advised that at the AGM the shareholders will approve the Report and Financial Statements. Therefore prior to this the F, A & O will need to meet to review and approve them on behalf of the Board. AC advised that following the AGM the shareholders, directors and members of staff have been invited to meet informally.

IT WAS NOTED that the F, A & O minutes dated 5th February had been circulated to the Board and the minutes of 16th April 2013 would be circulated in due course.

**Report from the
Events and
Communications
Sub-Committee
(E&C)**

MR provided the Board with an update on the work being carried out by E & C.

IT WAS NOTED that E & C has four main items for discussion:

- Enterprise Awards
- Terms of Reference
- Market Research
- PR Agent

He explained that at present the majority of E & C's work was focussed on the Enterprise Awards and therefore the other items will be picked up after 7th

June 2013.

IT WAS NOTED that, as of yesterday (20th May 2013) the event had sold 575 tickets which was close to the target sales of 600. Unfortunately, as noted above, the event would result in a deficit. MR anticipates that this will be approximately £30,000 and explained that it has arisen due to no sponsorship being available for the exporter award or for the host. However, MR believes that this figure may be improved upon before the event if savings can be made elsewhere.

The Board noted that judging takes place this week with each category having a judging panel of four people chaired by the sponsor. AC advised that the panels consist of a representative of the sponsors, where possible the previous year's winners, and either two or three (dependent on inclusion of previous year's winner) additional judges. **IT WAS ALSO NOTED** that one finalist would be making their presentation to the panel by web cam from Singapore.

IT WAS NOTED that the level of entrants has been strong this year which AC believes is driven by the two stage and on line application process. However, the Board noted that the two stage entry process has also had implications on ticket sales as a number of companies cancelled their table bookings when they were advised that they had not been shortlisted.

The host for the event was discussed and **IT WAS NOTED** that Kate Silverton had been booked.

Following a recommendation of E & C, **IT WAS RESOLVED** that all directors would be given a table of ten for the evening that they would host in their company name. It was agreed that this would attract additional people to the event and also act as good advertising in terms of future sponsors and/or entrants.

MR thanked everyone for their effort in putting the event together, in particular AC, Christine Holmes and Alexia McLure.

IT WAS NOTED that minutes of E & C dated 28th March, 9th and 19th April 2013 were circulated to the Board for their review.

Business Plan 2014

AC advised that JBL need to provide details of any increased budget or changes in their Business Plan to EDD as soon as possible. AS advised that EDD are committed to providing the funding set out in JBL's 2014 budget however in order for any additional requirements to be considered a bid must be submitted along with bids from other States Organisations (e.g. Locate Jersey/Digital Jersey etc.). The Board noted that a recommendation has been made to transfer Jersey Finance Limited to the Chief Minister's Department and therefore EDD may be in a better position to provide any additional funding sought.

IT WAS NOTED that the Strategy Meeting held on 19th March 2013 discussed the proposed amendments in detail and AC has summarised the changes in a paper which was circulated with the agenda. **IT WAS RESOLVED** that JBL's objectives, activities and resources would remain as previously stated in the Business Plan for 2012-15. However, additional funds would be sought for 2014 and these are set out on page two of AC's paper. He advised that these show a comparison between 2012's actual spend and 2013's budget.

IT WAS NOTED that an additional £250,000 was being sought to explore an investment fund to support businesses ("Business Support Programs"). AC advised that this was on top of the existing £120,000 currently budgeted for in this regard, making a total of £370,000. PF explained that JBL wants to be an organisation that can vet prospective business ideas and recommend them to the financial community. In order to do that it may need to invest some of its own money into the business to back up its recommendation. However, it will not be the main investor, it will merely be behind the business and give a commitment to it and seek others to do the same.

The terminology and proportions of the funding were discussed and **IT WAS RESOLVED** to split the £370,000 as follows:

£250,000 - Investment Programs

£120,000 - Business Support Programs

IT WAS FURTHER RESOLVED that the £250,000 would be ring fenced and this would be addressed appropriately in the Partnership Agreement.

Once these changes have been made **IT WAS RESOLVED** to submit page two of AC's paper to EDD as JBL's bid.

Election of Directors

IT WAS NOTED that the Memorandum and Articles of JBL requires amendment in order to appoint additional directors. The Board agreed that a director with financial experience was required and that AC should be appointed to the Board. **IT WAS THEREFORE RESOLVED** to ask the shareholders to approve this amendment at the forthcoming AGM. In addition, **IT WAS NOTED** that AS was never officially appointed to the Board and **IT WAS THEREFORE RESOLVED** to also address this at the AGM.

Policy Review – Enterprise Strategy

AS advised that the last consultation on the Enterprise Strategy Policy was undertaken two years ago and therefore EDD have decided to review the policy further before releasing it into the public domain for consultation. **IT WAS NOTED** that JBL have already provided comments on the current document (copies of which were circulated with the agenda) which AS will feed into EDD's future consultations. However, in the meantime, **IT WAS RESOLVED** that JBL will await further consultation from EDD which AS anticipates will be in quarter three. **IT WAS THEREFORE RESOLVED** to remove this item from the JBL Board meeting agenda until such time as EDD revert to JBL on the matter.

Any Other Business

JB advised that he was unable to attend the scheduled Emerging Themes meeting on 18th June 2013 and **IT WAS THEREFORE RESOLVED** to reschedule it for 9th July 2013 at 9am.

Date of Next Meeting

IT WAS NOTED that the next Board meeting would take place on 30th July 2013 at 9am at JBL.

Termination

There being no further business to discuss, the meeting was closed at 1045am.



Chairman

10 December 2014

Date Signed