
Jersey Business Limited

Report and financial
statements

31 December 2012

JERSEY BUSINESS LIMITED

Non-Executive Directors

Mr P Funk (Chairman) (appointed 6th February 2012)

Mr J Box (appointed 6th February 2012)

Mr J Filleul (appointed 6th February 2012)

Mr E Lincoln (appointed 6th February 2012)

Mr M Robins (appointed 6th February 2012) (Chairman of the Events & Communications Sub-Committee from 6th December 2012)

Mr B Sarre (appointed 6th February 2012) (Chairman of the Finance, Audit & Operations Sub-Committee from 6th December 2012)

Chief Executive Officer

Mr A Cook (appointed 10th September 2012)

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 Chairman

I am pleased to present, along with my fellow board members and our staff, our first Annual Report and Financial Statements for the period ending 31 December 2012.

Jersey Business Limited is an independent grant-funded company incorporated on 30 November 2011 following a policy decision by the Minister for Economic Development and the States of Jersey to integrate the activities and resources of Jersey Enterprise's business support team and Jersey Business Venture. The organisation of the company was the result of a thorough review by stakeholders, the organizations' participating in the integration and public consultation. The Board of Jersey Business was appointed early in 2012 following an intensive review and recruitment process carried out with the assistance of the Appointments Commission. I am fortunate to have been selected as Chairman and to be joined on the Board by a very experienced and entrepreneurial team.

Our Board has met numerous times during the past year and we have made considerable progress in advancing our primary objective, which is to support local enterprise. We have recruited Andy Cook as our Chief Executive, established new offices and facilities, and at the commencement of 2013 we concluded an extensive recruitment process and engaged the staff we need to take Jersey Business forward. Most importantly, since the commencement of our trading activities on 1st June 2012 we have been providing advice, assistance and support to a wide range of new and existing businesses on a day to day basis.

Jersey Business has also taken on the responsibility for organising the annual Jersey Enterprise Awards for 2013, and considerable work with our sponsors, suppliers and the awards' application process took place during 2012.

The Financial Statements that follow set out our income and expenditure for the period which was prudently spent by the Company in its establishment and the delivery of services for seven months during 2012. We have laid strong foundations in this initial year of Jersey Business Limited and on behalf of my fellow Board members and staff I am pleased to say with confidence that we are looking forward to 2013 and the further development of our company and our services to the community.

Peter C Funk
Chairman

7th June 2013

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer

Following extensive preparatory work by the Board of Jersey Business Limited and with support from the Economic Development Department, Jersey Business opened for business on the 1st June 2012. Utilising the offices available at 33 Gloucester Street, Jersey Business ensured seamless continuity from its predecessors, Jersey Enterprise and Jersey Business Venture.

An interim team was put in place to deliver the launch on time and to maintain continuity in the provision of business support and advisory services. I was delighted to join the Company from mid-September 2012 and whilst taking over the role of principal business advisor, set about the development of Jersey Business's own three year business plan. That plan, a copy of which is available from our website, forms the basis of the Partnership Agreement that Jersey Business has entered into with the Economic Development Department setting out our objectives for the next three years and the actions we will take to deliver them.

The overarching aim of Jersey Business Limited is:

To support the creation and development of enterprise for the social and economic benefit of Jersey.

To deliver JBL's overarching aim, its strategic objectives are to:

- (A) Provide pre-start advice and support to those considering an enterprise.**
- (B) Aid the development of existing businesses.**
- (C) Support the removal of barriers to the development of economic activity.**
- (D) Stimulate and support the availability of funding for sustainable business activity.**
- (E) Promote the role of business in the Jersey economy and society overall.**

There was also a need to secure suitable premises from which Jersey Business could develop its future services and the requirement to recruit appropriately qualified and experienced team to deliver those services. Following an extensive refurbishment program, we moved into our new premises at 31 The Parade on 20th December 2012 and commenced sharing the premises with Digital Jersey Limited, another newly formed States Grant funded organisation, from early in 2013. The premises are ideally located and include suitable meeting facilities to provide a confidential service to our clients.

Having advertised for staff in November 2012, candidates were shortlisted before the year-end and appointments made early in the New Year. All appointees were required to serve out notice with their existing employers and so the new team was not fully in place until May 2013. However, I am particularly delighted with the calibre of staff that Jersey Business has been able to attract and their personal commitment to supporting the development of enterprise in Jersey.

One of the major undertakings that Jersey Business is committed to is the delivery of the Jersey Enterprise Awards. Although this annual event will take place on Friday 7th June 2013 much of the planning and forethought took place during the second half of 2012. The event, which involves more than 80 businesses and 600 guests to the gala dinner, is held at Fort Regent and celebrates the entrepreneurial spirit that pervades many Jersey businesses. This is a significant undertaking for Jersey Business and will drive circa 25% of its 2013 budget. However, event costs are predominately met from the event sponsors and ticket sales.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer (continued)

At the heart of Jersey Business is the delivery of support and advisory services to the business community. For the period 1 June to 31 December 2012 the Company reported the following contacts.

	<u>2012</u>
Phone enquiries	295
Email enquiries	334
Drop in clients	192
Pre booked meetings	317

The majority of telephone and email enquiries, as well as drop in clients, were those at an early stage of considering a new venture. Whilst, pre-booked meetings tend to reflect support with business plans (primarily aimed at securing funding) and/or support for established businesses.

In almost all cases, the underlying need for most clients was access to finance. The other prominent issue is the support of established businesses with trading difficulties, more often than not, relating to the management of cost pressures arising from a reduction in turnover.

The key activity for 2013 will be the development of services that address specific business issues and the measures that will enable Jersey Business to appropriately demonstrate the value that it adds to the commercial sector.

Finance Report

For the period ended the 31 December 2012 Jersey Business received a grant of £304,000 under an Interim Partnership Agreement with the Economic Development Department of the States of Jersey. Additional funding from the department of £48,279 was received by way of payments made on behalf of Jersey Business prior to the Company establishing operational resources.

The most significant expenditure for the period, as you would expect, was the cost of human resource at £123,782. Professional fees of £52,556 were incurred relating to the formation of the Company, the acquisition of premises and the recruitment of staff. Marketing costs of £29,730 primarily relate to pre-start research and development expenditure.

The net surplus of income less expenditure for the period was £98,108 and represents the value of investment in premises and office infrastructure, £57,146, and the surplus of our current assets less our liabilities, £40,965. This modest balance at the period end is considered by the Company's Board as an appropriate level of reserves to meet the Company's commitments.

Looking Forward

Our Business Plan for 2013 set out a significant program of development for Jersey Business. Primarily, this will be the establishment of a range of products together with clearly defined measure to monitor our "value added" as well as to ensure our "quality of service". As Peter has mentioned above, during 2012 we have put in solid foundation so that we have the right resources, both physical and human, to deliver our agenda for 2013. All of the staff at Jersey Business are looking forward to the year ahead.

Andy Cook
Chief Executive Officer

7th June 2013

JERSEY BUSINESS LIMITED

Directors' report

The Directors submit their report and the audited financial statements for the period 30 November 2011 to 31 December 2012.

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 organisation.

Results

The results for the year are shown in the revenue and expenditure account on page 9. The Company has reported a surplus for the period of £98,108. This was in line with the 2012 budget and brings accumulated reserves to a level commensurate with an organisation such as Jersey Business Limited.

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.



Peter C Funk
Chairman

7th June 2013

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. 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.

Independent auditors' report
To the shareholders of Jersey Business Limited

We have audited the financial statements of Jersey Business Limited for the period ended 31 December 2012 which comprises the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 6 the company's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Chairman, Report of the Chief Executive Officer and the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its net surplus for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.


Independent auditors' report

To the shareholders of Jersey Business Limited - continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you, if in our opinion:

- the company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.



A R Langley

**For and on behalf of
Grant Thornton Limited
Chartered Accountants
St Helier, Jersey, Channel Islands
7 June 2013**

JERSEY BUSINESS LIMITED

Income and expenditure account

For the period 30 November 2011 to 31 December 2012

		Period 30/11/2011 to 31/12/2012	
	Note	£	£
Income			
States of Jersey Grant	2		352,279
Interest income			109
			<u>352,388</u>
Expenditure			
Non-executive Directors fees	3	48,163	
Staff costs		75,619	
		<u>123,782</u>	
Employment costs			
Legal and professional fees		52,556	
Training		275	
Information, communications & technology costs		7,189	
Insurance		3,002	
Property and infrastructure		16,717	
Marketing		29,730	
Equipment operating lease costs		2,057	
Depreciation	4	10,625	
Promotional events		550	
Audit fee		4,000	
Administrative expenses		3,797	
		<u>130,498</u>	
			<u>254,280</u>
Net surplus for the period			<u><u>£ 98,108</u></u>

There are no other recognised gains or losses for the period except for those stated above.

The above results were derived from continuing operations.

JERSEY BUSINESS LIMITED

Balance Sheet

As at 31 December 2012

	Note	£	2012 £
Fixed assets			
Tangible assets	4		57,146
Current assets			
Debtors and prepayments	5	15,285	
Bank balances		104,751	
		<u>120,036</u>	
Liabilities falling due within one year			
Creditors and accruals	6	<u>79,071</u>	
Net current assets			40,965
			<u>£ 98,111</u>
Equity shareholders' funds			
Share capital	7		3
Revenue reserves			98,108
	8		<u>£ 98,111</u>

The financial statements on pages 9 to 13 were approved and authorised for issue by the Board of Directors on 7th June 2013 and are signed on its behalf by:


Peter C Funk
Chairman

JERSEY BUSINESS LIMITED

Notes to the financial statements

For the period 30 November 2011 to 31 December 2012

1. 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 revenue and expenditure account in the year to which the funding relates in accordance with Statement of Standard Accounting Practice 4 – Accounting for Government Grants. 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 revenue and expenditure account of the year to which it will relate.

Expenditure

Expenditure, including operating leases, is recognised in the revenue and expenditure account 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 revenue and expenditure account 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

Leases

Operating lease rentals are charged to the revenue and expenditure account in the relevant period on an accruals basis.

Cash flow statement

Under Financial Reporting Standard 1 Cash Flow Statements (Revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

JERSEY BUSINESS LIMITED

Notes to the financial statements (continued)

For the period 30 November 2011 to 31 December 2012

2. States of Jersey Grant

	2012 £
Core funding for the period	304,000
Additional funding for the period	48,279
	<u>£ 352,279</u>

The States of Jersey Grant is financed via the Economic Development Department 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 particular 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. Additional funding was received by way of the Economic Development Department making payment of expenses prior to the Company commencing trading.

3. Non-executive Directors' fees

	2012 £
Mr P Funk (Chairman)	9,163
Mr J Box	7,800
Mr J Filleul	7,800
Mr E Lincoln	7,800
Mr M Robins	7,800
Mr B Sarre	7,800
	<u>48,163</u>

4. Tangible assets

	Leasehold improvements £	Computer equipment £	Fixtures & Fittings £	Total £
Cost				
Additions	46,122	8,778	12,871	67,771
Disposals	-	-	-	-
At 31 December 2012	<u>46,122</u>	<u>8,778</u>	<u>12,871</u>	<u>67,771</u>
Depreciation				
Additions	(5,125)	(2,926)	(2,574)	(10,625)
Disposals	-	-	-	-
At 31 December 2012	<u>(5,125)</u>	<u>(2,926)</u>	<u>(2,574)</u>	<u>(10,625)</u>
Net book value at 31 December 2012	<u><u>40,998</u></u>	<u><u>5,852</u></u>	<u><u>10,296</u></u>	<u><u>57,146</u></u>

5. Analysis of debtors and prepayments

	2012 £
Debtors	6,599
Prepayments	8,686
Total Debtors and prepayments	<u>£ 15,285</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements (continued)

For the period 30 November 2011 to 31 December 2012

6. Analysis of creditors and accruals

	2012
	£
Creditors	28,974
Accruals	50,097
Total creditors and accruals	<u>£ 79,071</u>

7. Share capital

	2012
Authorised:	
10,000 Ordinary shares at £1 each	<u>10,000</u>
Issued:	
3 Ordinary shares at £1 each	<u>£ 3</u>

8. Reconciliation of movement in shareholders' funds

	2012
	£
Issuance of shares	3
Net surplus for the period	98,108
Shareholders' funds brought forward	-
Shareholders' funds carried forward	<u>£ 98,111</u>

9. Commitments and contingencies

The Company is committed to making payments in 2013 in respect of operating leases as follows:

	2013
	£
Operating leases expiring within 1 year	7,403
Operating leases expiring within 5 years – annual cost	3,024
Operating leases expiring within 9 years – annual cost	25,262
	<u>£ 35,689</u>

10. 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 period were Julie Melia, Martin Holmes and Jason Laity.

11. Related parties

The key transactions with related parties are the funding received from the States of Jersey, as outlined in note 2, and the fees paid to non-executive Directors within note 3.