
Jersey Business Limited

Report and financial
statements

31 December 2016

JERSEY BUSINESS LIMITED

Non-Executive Directors

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

Mr J Box (appointed 6th February 2012)

Mr J Filleul (appointed 6th February 2012 resigned 4th May 2016)

Mr E Lincoln (appointed 6th February 2012)

Mr M Robins (appointed 6th February 2012 resigned 4th May 2016) (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)

Mr A Sugden (appointed 7th June 2013)

Mr Jonathan Day (appointed 4th May 2016)

Mrs Kristina Le Feuve (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 2016.

Jersey Business Limited has had a busy year developing its service lines to both new and existing clients. The number of clients working actively with us has increased by 52% in the last year and this has been both exciting and challenging for the team.

Graeme Smith, our Chief Executive Officer, has continued to work strongly for the business and has proved himself to be an effective leader, especially in the management of funding with the States of Jersey and in leveraging his existing business contacts to assist the business community in the Island.

Graeme and the Jersey Business team have risen to the challenge of servicing the growing demands for our services within a tightly managed budget and I would like to thank them as well as my fellow board members and the Economic Development team for their support, hard work and contributions throughout 2016. We have had two new board members this year, in Kristina Le Feuvre and John Day, who have both taken time to get to know the business and have settled in well, for which I am grateful.



Wendy Lambert

2nd May 2017

Chairperson

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.

2016 Review

In my report for 2015, I set out our key deliverables for 2016 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:

Key Result Areas	Core Activities	Targets	Results
Businesses Directly supporting individual businesses to achieve their full potential throughout the business lifecycle	Start-Up help	200 businesses receiving start-up support	<ul style="list-style-type: none"> • 143 'Start-Up' portfolio businesses currently being supported (up from 80) • 448 'Start-Up' services delivered to Non Portfolio clients
	Strategic One to One	Increase to 95 number of established businesses being supported	<ul style="list-style-type: none"> • 278 'Trading' portfolio clients (up from 187) of which 127 are currently receiving detailed support (up from 97).
	Export	Minimum 12 businesses helped into export programme	<ul style="list-style-type: none"> • 18 clients receiving on-going support • Programme roll out delayed (June 16) pending EPGDP bid
	Efficiency	Minimum 50 productivity audits	<ul style="list-style-type: none"> • 5 clients receiving on-going support • Programme roll out delayed (June 16) pending EPGDP bid

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued...

<p>Key Sectors To help drive productivity and sustainability in key sectors to deliver economic growth</p>	<p>Retail Development Plan</p>	<p>20 retail outlets supported Mystery shopper rating ahead of the UK 50 Retail Ambassadors qualified</p>	<ul style="list-style-type: none"> • 22 retailers received dedicated 1:1 support/ 135 retailers joined Retail Business Club • Eat, Shop, Save Repeat campaign completed • 176 Retail Ambassadors trained within programme over a 3 year period. • 2016 mystery shopper rating 74% fell slightly below UK at 77.4% • Led setting up of Retail Association with final funding approval anticipated early 2017
<p>Learning To stimulate and promote innovation and adoption of market leading practices across the economy</p>	<p>Celebrate business success Deliver thought leadership activities Stimulate entrepreneurial activity</p>	<p>Enterprise Week (EW) Customer Service Week (CSW) Global Entrepreneurship Week (GEW) JBL Social Media Awareness campaign Summary of On-line & Social Media</p>	<ul style="list-style-type: none"> • EW- 6 days, 10 events, 36 speakers of whom 4 international, 10 partner organisations involved, c550 senior business leaders involved at 8 different venues • CSW- 5 days, 13 events, 8 speakers, 400+ participants, across 6 venues • GEW- Profiling 10 local entrepreneurs via social media (10,000 plus saw the posts) and 'Billion Pound' journey event - 42 attendees • 9 short videos with 49,869 seeing the posts • Facebook campaign with 43,674 seeing posts • 19,486 visitors to website up 12.3% YoY, 1,800 downloads since launch of new site in last 6 months • Followers i) Twitter 2,170 up 35% YoY, ii) Linked In 1,112 up 20% YoY and Facebook 1,040 up 63% YoY.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued...

In addition, we conducted a detailed feedback survey during the last quarter of the year the key highlights of which were as follows:

- Independent survey by 4Insight
- Jersey Business was perceived as mainly for start-ups with lower awareness of the other services offered, especially throughout the lifecycle;
- Of the support services most highly valued, growth strategy, marketing/ branding, confidential sounding board and access to a mentor were featured and;
- In general Jersey Business was received very positively by clients, reflected by a positive Net Promoter Score (NPS*) of 55% (up from 31.57% 2015). 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.

People

My thanks must go to all my team at JBL, 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 productive year as we continue to develop the range and quality of support we deliver to the business community.

During the year we saw two of our Directors (James Filleul and Matthew Robbins) retire and I would like to say a personal thanks for all their support and guidance since JBL was originally formed. At the same time I am delighted that we were successful in recruiting two new board members namely Kristina Le Feuvre and Jon Day, both of whom bring valuable new experience to our board.

At a team level whilst we saw a further increase in the number of clients we were able to support, which we were able to achieve with no increase in our staff levels through continuing to develop our on line capabilities which culminated in the relaunch of our web site during the year.

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'.

Finance

The financial statements for the year ending 31st December 2016 are set out in pages 11 to 18 of the report

With the introduction of the new Enterprise & Productivity Growth Development Program (EPGDP) we submitted a formal bid for a new 'High Growth' pilot programme which amongst other aspects would include rolling out both our Export and Business Efficiency programmes. As a result, we delayed implementation of these programmes (originally envisaged for the second half of 2016). This allowed us to reallocate resources to support the increased client base that otherwise could not have been adequately serviced without seeking additional top up grant support.

With total income of £873,052 and an expenditure of £773,604 we saw a net surplus of £99,448 with the majority of this being a delay in recruitment of additional advisers as a result of uncertainty over the 2017 budget. This surplus resulted in reserves increasing from £76,901 to £176,349.

2017 Plans

With a core grant now agreed with EDTS&C of £734,000 (down from £800,000), our 2017 business plan outlines our key priorities and how we will have to reduce some of our planned activity.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued...

These can be summarised as follows:

Key Result Areas		Core Activities	Targets
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 businesses being supported (maintain)
		Strategic one-to-one	<ul style="list-style-type: none"> • 275 'Trading' portfolio clients (maintain) • 100 of which continue to receive detailed 1:1 support at any time
Key Sectors	To help drive productivity and sustainability in key sectors to deliver economic growth	Continue to support Retail Association Cannot develop programmes for Agriculture, Tourism and Construction	<ul style="list-style-type: none"> • Delivered via High Growth pilot (separately funded)
Learning	To stimulate and promote a culture of business excellence and innovation across the economy	On-line and social media EW 17 GEW and CSW cannot be supported	<ul style="list-style-type: none"> • Feedback Survey • EW- 4 events supported

*NPS- is a globally accepted customer loyalty metric.



Graeme Smith
Chief Executive Officer

2nd May 2017

JERSEY BUSINESS LIMITED

Directors' report

The Directors submit their report and the audited financial statements for the year ended 31 December 2016.

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 Income Statement on page 11. The Company has reported a Surplus for the period of £99,448 (2015: Deficit £53,505).

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
Chairman

2nd May 2017

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.

The Directors confirm that in so far as each director is aware that, in accordance with the Companies (Jersey) Law 1991, 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 he ought to have taken as a director to make himself aware of any relevant audit information and establish that they are aware of that information.

Independent auditors' report To the shareholders of Jersey Business

Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its net surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- comply with the Companies (Jersey) Law 1991.

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.

What we have audited

Jersey Business financial statements comprise the Income Statement, 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, including FRS 102 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland'.

Matters on which we are required to report by exception

Under the Companies (Jersey) Law, 1991 we are required to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the 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.

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- otherwise misleading.

We have nothing to report in respect of the above.

Responsibilities for the financial statements and the audit

What an audit of financial statements involves:

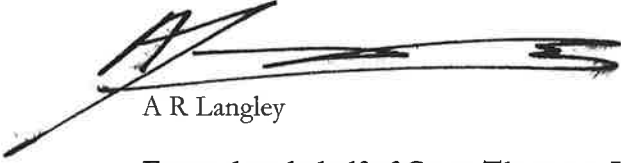
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

What the directors are responsible for:

As explained more fully in the Directors' Responsibilities Statement set out on page 6 and 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

What are we responsible for:

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

A handwritten signature in black ink, appearing to read 'A R Langley', with a long horizontal stroke extending to the right.

A R Langley

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

May 2017

JERSEY BUSINESS LIMITED

INCOME STATEMENT

For the year ended 31 December 2016

		2016		2015	
	Note	£	£	£	£
Income					
States of Jersey Grant	4		870,980		706,286
Rental income			-		-
Interest income			456		140
Client Event Income	5		1,616		110,060
			<u>873,052</u>		<u>816,486</u>
Expenditure					
Non-executive Directors fees	6	39,824		41,632	
Staff costs		523,349		471,259	
Employment costs		<u>563,173</u>		<u>512,891</u>	
Legal and professional fees		5,847		3,746	
Training		8,104		-	
Information, communications & technology		16,587		8,451	
Insurance		2,585		2,026	
Property and infrastructure		47,702		40,878	
Marketing		26,456		17,705	
Equipment operating lease costs		3,550		2,917	
Depreciation		9,401		8,701	
Client support	7	48,635		86,286	
Client events	8	24,417		159,566	
Grants approved		2,500		9,289	
Audit fee		4,650		4,500	
Administrative expenses		9,997		13,035	
		<u>210,431</u>		<u>357,100</u>	
			773,604		869,991
Net surplus (deficit) for the period			<u>99,448</u>		<u>(53,505)</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

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	9		20,605		27,487
Current assets					
Debtors and prepayments	10	38,679		426,538	
Cash at bank and in hand		124,728		116,851	
		<u>163,407</u>		<u>543,389</u>	
Creditors: falling due within one year					
Deferred income	11	-		444,826	
Creditors and accruals	12	7,660		49,146	
		<u>7,660</u>		<u>493,972</u>	
Total Assets less current liabilities			155,747		49,417
Net Assets			<u>176,352</u>		<u>76,904</u>
Capital and reserves					
Share capital	13		3		3
Retained earnings	14		176,349		76,901
			<u>176,352</u>		<u>76,904</u>

The financial statements on pages 11 to 18 were approved and authorised for issue by the Board of Directors on 8th May 2017 and are signed on its behalf by:



Wendy Lambert
Chairman

JERSEY BUSINESS LIMITED

Notes to the financial statements

For the year ended 31 December 2016

1. Company information

Jersey Business Limited ("The Company") was incorporated on 30 November 2011 in Bailiwick of Jersey, registered at 33 Parade, St Helier, Jersey JE2 3QQ.

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 2016

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

	2016	2015
	£	£
Core funding for the period	826,154	651,112
Additional funding for the period	44,826	55,174
	<u>870,980</u>	<u>706,286</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 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

	2016	2015
	£	£
2015 Awards for Enterprise Sponsorship	-	69,000
2015 Enterprise Tickets	216	41,060
2016 Enterprise week Sponsorship	1,400	-
	<u>1,616</u>	<u>110,060</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2016

6. Non-executive Director's fees

	2016	2015
	£	£
Current		
Mrs W Lambert (Chairman)	10,200	9,269
Mr E Lincoln (Deputy Chairman)	7,500	6,813
Mr J Box	5,508	5,508
Mr B Sarre	5,508	5,508
Mr J Day	3,672	-
Mrs K Le Feuvre	3,636	-
Former		
Mr J Filleul	1,900	5,508
Mr M Robins	1,900	5,508
Mr P Funk (Chairman - Resigned)	-	3,518
	<u>£39,824</u>	<u>£41,632</u>

7. Client Support

	2016	2015
	£	£
Export Development	11,625	4,040
Retail Development	22,466	72,832
Business Efficiency Programme	8,469	9,414
Other Activities	6,075	-
	<u>48,635</u>	<u>£86,286</u>

8. Client Events

	2016	2015
	£	£
Enterprise Awards	-	150,559
Enterprise Week	24,417	8,105
Promotional Events	-	902
	<u>£24,417</u>	<u>£159,566</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2016

9. Tangible Assets

	Leasehold improvements	Computer equipment	Fixtures & Fittings	Total
Cost	£	£	£	£
At 31 December 2015	40,632	10,372	13,692	64,696
Additions	-	1,634	885	2,519
Disposals	-	(70)	-	(70)
At 31 December 2016	40,632	11,936	14,577	67,145
Depreciation				
At 31 December 2015	(18,044)	(8,376)	(10,789)	(37,209)
Additions	(4,514)	(1,807)	(3,080)	(9,401)
Disposals	0	70	0	70
At 31 December 2016	(22,558)	(10,113)	(13,869)	(46,540)
Net book value at 31 December 2016	18,074	1,823	708	20,605
Net book value at 31 December 2015	22,588	1,996	2,903	27,487

10. Analysis of debtors and prepayments

	2016 £	2015 £
Debtors	11,575	411,694
Prepayments	27,104	14,844
Total Debtors and prepayments	38,679	426,538

11. Deferred Income

	2016 £	2015 £
EDD Funding for 2016	-	400,000
Export programme	-	25,960
Business efficiency programme	-	10,587
Retail development programme	-	8,279
	-	444,826

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2016

12. Analysis of creditors and accruals

	2016 £	2015 £
Creditors	-	34,480
Accruals	7,660	14,666
Total creditors and accruals	<u>7,660</u>	<u>49,146</u>

13. Share capital

	2016	2015
Authorised:		
10,000 Ordinary shares at £1 each	10,000	10,000
Issued:		
3 Ordinary shares at £1 each	£3	£3

14. Reconciliation of movement in shareholders' funds

	2016 £	2015 £
Net surplus / (deficit) for the period	99,448	(53,505)
Shareholders' funds brought forward	76,901	130,406
Shareholders' funds carried forward	<u>176,349</u>	<u>76,901</u>

15. Commitments and contingencies

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

	2016 £	2015 £
Within one year	34,204	35,716
Between one and five years	130,768	166,484
Over five years	-	-
	<u>164,972</u>	<u>202,200</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2016

16. 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 Martin Holmes, Wendy Dorman, and Kristina Le Feuvre.

17. 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 6. In addition, the total value of other transactions with related parties was as follows.

	2016	2015
	£	£
CBRE - Mr B Sarre (JBL Non-Executive Director, CBRE Director) - re property management for landlord (until April 2015)		9,916
Greenlight - Mr E Lincoln (JBL Non-Executive Director, Greenlight Director) – re provision of Management services		4778
Benest Corbett Renouf - Mrs W Lamber (JBL Chairman) - Professional service for employee handbook	2,050	-