
Jersey Business Limited

Report and financial
statements

31 December 2018

JERSEY BUSINESS LIMITED

Non-Executive Directors

Mr Andrew Jehan (Chairperson appointed 23 May 2018)

Mrs Jennifer Carnegie (appointed 23 May 2018)

Mr Jonathan Day (appointed 4th May 2016)

Mrs Kristina Le Feuvre (appointed 4th May 2016)

Ms W Lambert (Chairperson) (appointed to the board 4 May 2014, appointed Chair 5 May 2015, resigned 23 May 2018)

Mr E Lincoln (appointed 6th February 2012 resigned 23 May 2018)

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

Having joined the Board last May, my first year as Chair has been a very interesting one. Learning more details about the work of the organization and helping to promote the good work of the team to key stakeholders. Whilst it's still important to us, Jersey Business does so much more than offer new businesses advice on how to get started. As the organization has matured its services have extended, the Board continues to review the level of resource required in each area and we continue to have regular dialogue with Government about not only what we currently deliver, but more importantly how we could improve in the future.

Enterprise Week

Building on previous years, this was once again a successful week. The main event at the start of the week saw attendees, from many Industries, challenged about how they are planning for the future. The very experienced panel shared their experiences from the past and discussed forthcoming challenges, from both a business and an Island perspective.

Productivity

As Jersey continues to face challenges around population, as well as the cost of doing business in Jersey, we heard a lot of candidates in the 2018 General Election talk about "productivity". The team at Jersey Business has been offering practical advice in this area with good levels of success. This is an area that we would like to do more in, and we continue to have dialogue about increased funding so that we can deliver more programs to help in this area in the future.

Diversification in the Economy

Another encouraging aspect of the work that is carried out by the team is the amount of different industries that the team work in. Some good traction has been made in both Agriculture and the Care industry this year.

Events

The team continues to put on good quality events in areas that are helpful to local businesses. The quality of the events is first class and my thanks go to the team, our partners, speakers and especially our sponsors who assist us in extending our program.

Team

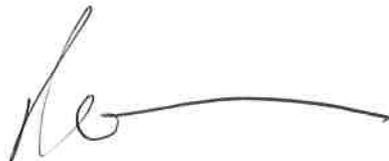
We are grateful to all those who take the time to give us feedback. Elsewhere in this report you will be able to read the excellent performance results achieved by the team (measured independently, by 4Insight). The results are excellent and again see an improvement on previous years from what was already a very high standard. This is due to the efforts of the whole team, who are dedicated to delivering a high standard of support. I would like to place on record my thanks to everyone in the team for their continued contribution; I would also like to express my personal thanks to Graeme Smith for his leadership of the team and the support he has given me in my first year with the business.

Future

As we look to the future our priorities are to build on what we currently deliver. We hope to be able to further extend our program, to do this we will need to secure additional funding and it is our aim to secure funding for a longer period of time to give the organization more certainty, in turn allowing the team to focus more on delivery for our clients

Mr Andrew Jehan

Chairperson



24 May 2019

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.

2018 Review

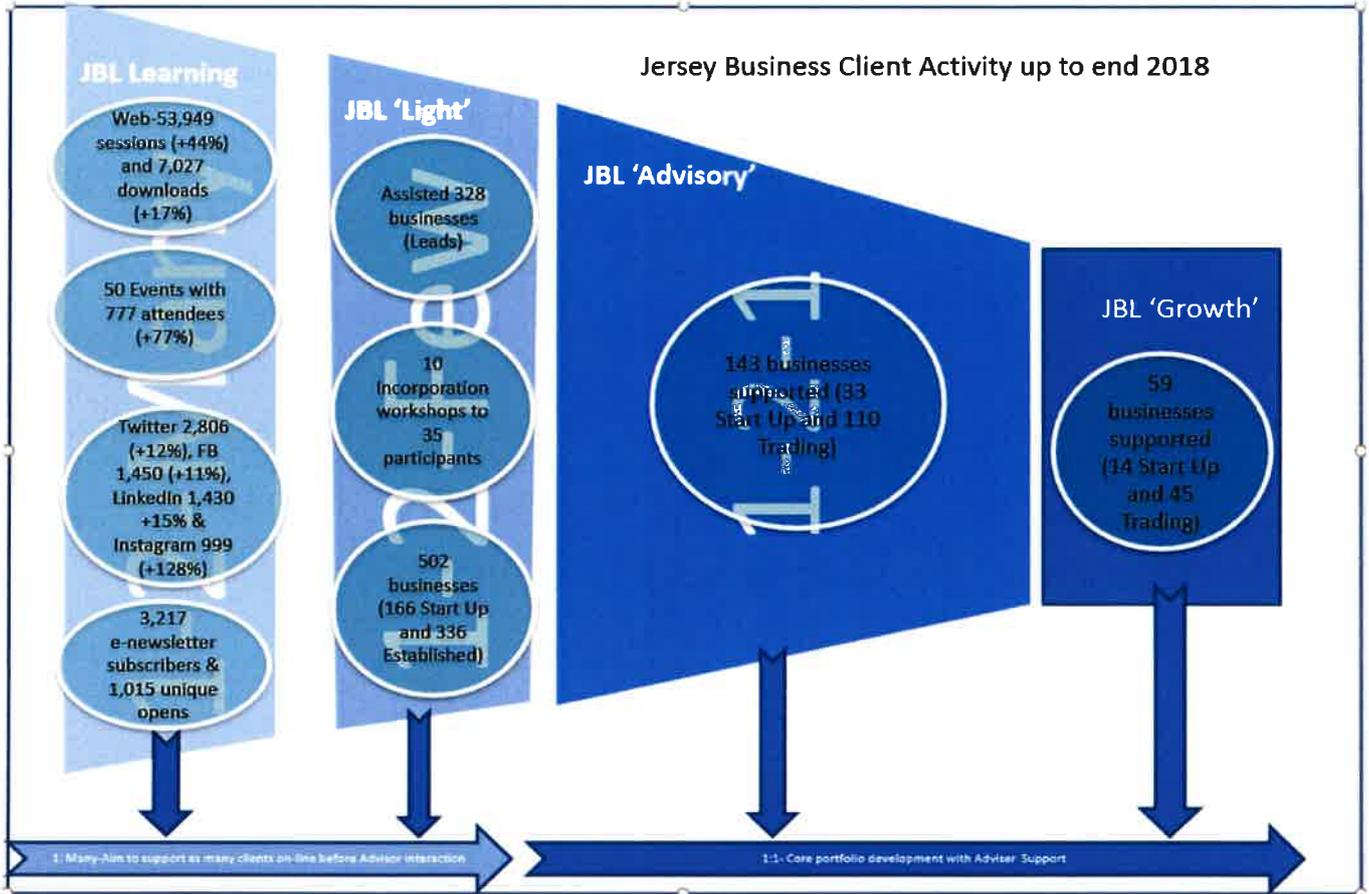
In my report for 2017, I set out our key deliverables for 2018 and I'm pleased to report that these have in the main been exceeded. The table below summarises what we have delivered against those targets as agreed with Economic Development Tourism Sports and Culture Department (EDTS&C):

Key Result Areas	Core Activities	Targets	Results
Businesses Directly supporting individual businesses to achieve their full potential throughout the business lifecycle	Start-Up help	140 'start-up' portfolio businesses supported at any one time, 75 of which receiving detailed 1:1 support	<ul style="list-style-type: none"> • 213 'Start-Up' businesses supported (14 Growth, 33 Advisory and 166 Light) into 2019 • 328 'Lead' start-up client interactions
	Strategic One to One	250 'trading' portfolio clients (of which 90 continue to receive detailed 1:1 support)	<ul style="list-style-type: none"> • 491 'trading' portfolio clients (336 Light/ 110 Advisory and 45 Growth) into 2019 • 91 'Lead' trading client interactions
Learning To stimulate and promote innovation and adoption of market leading practices across the economy	Celebrate Success and spread best practice	Min 3 events, with cumulative min 75 business leaders in attendance	<ul style="list-style-type: none"> • In addition to a successful Enterprise Week we also supported Cyber Security and Business Improvement events/ programmes • Total 50 separate events, with 777 attendees

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued

The following graphics help illustrate the full range of activities undertaken by Jersey Business:



£,000	2015	2016	2017	2018
Inputs				
EDTS&C Grant £,000	706	871	734	734
Expenses £,000	723	774	768	754
Surplus/ deficit £,000	(17)	99	(27)	(10)
Staff FTE	9.0	8.5	8.5	9.0
Portfolio Outputs				
Start-up supported	80	143	206	214
Trading supported	187	278	388	491
Net Promoter Score	31%	55%	59%	74%

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued

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

4Insight Independent Feedback	2017	2018
Expertise out of 10	7.3	8.49
Credibility out of 10	7.45	8.72
Integrity out of 10	7.88	9.09
Independence out of 10	7.29	8.42
Start-Up Advice out of 10	7.36	8.7
Established Business Advice out of 10	6.65	7.98
Net Promotor Score	59%	74%
JBL support contributed to productivity growth	76%	88%

People

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

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

Finance

The financial statements for the year ending 31st December 2018 are set out in pages 11 to 18 of the report

With total income of £744,175 and an expenditure of £754,284 we saw a net deficit of £10,109 resulting in reserves reducing from £149,470 to £139,361.

2019 Plans

With a core grant agreed with EDTS&C of £725,000 ([1.2 % reduction on income in 2018), our 2019 business plan outlines our key priorities and how we will look to maintain the current high service levels. In order to support these we have agreed with EDTS&C, to utilise c£65k of our cash reserves.

JERSEY BUSINESS LIMITED

Report of the Chief Executive Officer continued

	2018	2019
	Actual	KPI BAU budget
<u>Portfolio's Supported</u>		
Growth	60	65
Advisory	143	150
Light	502	500
Net Promoter Score	74%	70%
<u>JBL Learning</u>		
Events Attendees	777	800
Web Sessions	54,000	55,000
Downloads	7,000	7,200

*Net Promotor Score- is a globally accepted customer



Graeme Smith
Chief Executive Officer

24 May 2019

JERSEY BUSINESS LIMITED

Directors' Report

The Directors submit their report and the audited financial statements for the year ended 31 December 2018.

Incorporation and principle activities

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

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

Results

The results for the year are shown in the Income Statement on page 11. The Company has reported a Deficit for the period of (£10,109), (2017: Deficit £26,880).

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.



Andrew Jehan
Chairperson

24 May 2019

JERSEY BUSINESS LIMITED

Statement of Directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping accounting records which are sufficient to show and explain the Company's transactions and are such as to disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991, as amended. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, errors and other irregularities.

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

JERSEY BUSINESS LIMITED

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

Opinion

We have audited the financial statements of Jersey Business Limited (the 'Company') for the year ended 31 December 2018 which comprise the Income Statement, Statement of Financial Position, 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 2018 and of its net deficit for the year then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Jersey, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Chairperson, Report of the Chief Executive Officer, Directors' Report and Statement of Directors' responsibilities set out on pages 2 to 8, 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.

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 8, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with UK GAAP, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Alexander R Langley

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

3 JUNE 2019

JERSEY BUSINESS LIMITED

INCOME STATEMENT

For the year ended 31 December 2018

		2018		2017	
	Note	£	£	£	£
Income					
States of Jersey Grant	4		734,000		734,000
Client Event Income	5		9,768		6,430
Interest income			407		360
			<u>744,175</u>		<u>740,790</u>
Expenditure					
Staff costs	6	564,382		559,685	
Non-executive Directors fees	6	27,052		32,600	
Employment costs		<u>591,434</u>		<u>592,285</u>	
Property and infrastructure		49,598		51,155	
Information, communications & technology		19,569		24,440	
Client events	8	13,976		16,773	
Website		13,849		13,078	
Marketing		12,100		16,812	
Client support	7	11,885		7,125	
Depreciation		9,713		8,019	
Training		9,224		12,995	
Administrative expenses		8,725		10,523	
Audit fee		5,300		5,250	
Legal and professional fees		4,750		3,277	
Insurance		2,240		2,576	
Equipment operating lease costs		1,921		3,362	
		<u>162,850</u>		<u>175,385</u>	
			754,284		767,670
Net Deficit for the year			<u>(10,109)</u>		<u>(26,880)</u>
Retained earnings as at 1 January			<u>149,470</u>		<u>176,349</u>
Retained earnings as at 31 December			<u>139,361</u>		<u>149,470</u>

JERSEY BUSINESS LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	9		18,411		20,840
Current assets					
Debtors and prepayments	10	25,663		24,302	
Cash at bank and in hand		108,961		122,552	
		<u>134,624</u>		<u>146,854</u>	
Creditors: falling due within one year					
Creditors and accruals	11	13,671		18,221	
		<u>13,671</u>		<u>18,221</u>	
Total current assets less current liabilities			120,953		128,633
Net Assets			<u>139,364</u>		<u>149,473</u>
Capital and reserves					
Share capital	12		3		3
Retained earnings	13		139,361		149,470
			<u>139,364</u>		<u>149,473</u>

The financial statements on pages 11 to 18 were approved and authorised for issue by the Board of Directors on May 2019 and are signed on its behalf by:



Andrew Jehan

Chairperson

24 May 2019

JERSEY BUSINESS LIMITED

Notes to the financial statements

For the year ended 31 December 2018

1. Company information

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

2. Basis of preparation

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

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

Going Concern

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

3. Principal accounting policies

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

Accounting convention

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

States of Jersey Grant

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

Expenditure

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

Taxation

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

Fixed assets

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

Depreciation

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

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

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2018

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

	2018	2017
	£	£
Core funding for the period	734,000	734,000
	<u>734,000</u>	<u>734,000</u>

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

5. Client event income

	2018	2017
	£	£
Incorporation workshops	2,573	2,230
Enterprise week Sponsorship	2,500	2,000
Enterprise week Tickets	1,957	1,532
GDPR Workshops	1,731	-
Other events	1,007	668
	<u>9,768</u>	<u>6,430</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2018

6. Directors and Employees

	2018	2017
	£	£
Non-executive Directors' fees		
Current		
Mrs A Jehan (Chairperson)	6,225	-
Mrs J Carnegie	2,754	-
Mr J Day	5,508	5,508
Mrs K Le Feuvre	5,508	5,508
Former		
Mrs W Lambert (Former Chairperson)	4,067	10,200
Mr E Lincoln (Former Deputy Chairperson)	2,990	7,500
Mr J Box	-	1,942
Mr B Sarre	-	1,942
	<u>27,052</u>	<u>32,600</u>
Employee Costs		
Salaries	497,251	492,165
Pension Contribution	37,282	37,046
Social Security	29,264	28,851
Consultancy/Temporary Staff	585	1,623
	<u>564,382</u>	<u>559,685</u>

The average number of employees for the year was 8 full-time and 2 part-time (2017: 8 full time 2 part-time).

7. Client Support

	2018	2017
	£	£
Client workshops, events & other activities	11,885	7,125
	<u>11,885</u>	<u>7,125</u>

8. Client Events

	2018	2017
	£	£
Enterprise Week	13,976	16,773
	<u>13,976</u>	<u>16,773</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2018

9. Tangible Assets

	Leasehold improvements	Computer equipment	Fixtures & Fittings	Total
Cost	£	£	£	£
At 31 December 2017	40,632	14,918	19,849	75,399
Additions	-	7,284	-	7,284
Disposals		(4,662)		(4,662)
At 31 December 2018	40,632	17,540	19,849	78,021
Depreciation	9yr	3yr	5yr	
At 31 December 2017	(27,073)	(12,386)	(15,100)	(54,559)
Additions	(4,515)	(3,967)	(1,231)	(9,713)
Disposals		4,662		4,662
At 31 December 2018	(31,588)	(11,691)	(16,331)	(59,610)
Net book value at 31 December 2018	9,044	5,849	3,518	18,411
Net book value at 31 December 2017	13,559	2,532	4,749	20,840

10. Analysis of debtors and prepayments

	2018 £	2017 £
Debtors	9,692	5,189
Prepayments	15,971	19,114
Total Debtors and prepayments	25,663	24,302

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2018

11. Analysis of creditors and accruals

	2018 £	2017 £
Accounts Payable	5,039	2,026
Creditors - IT IS	-	6,650
Accruals	8,632	9,545
Total creditors and accruals	<u>13,671</u>	<u>18,221</u>

12. Share capital

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

13. Reconciliation of movement in shareholders' funds

	2018 £	2017 £
Net deficit for the period	(10,109)	(26,880)
Shareholders' funds brought forward	149,469	176,349
Shareholders' funds carried forward	<u>139,360</u>	<u>149,469</u>

14. Commitments and contingencies

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

	2018 £	2017 £
Within one year	34,612	34,612
Between one and five years	66,344	100,956
	<u>100,956</u>	<u>135,568</u>

JERSEY BUSINESS LIMITED

Notes to the financial statements continued...

For the year ended 31 December 2018

15. Ownership

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

16. Related parties

The key transactions with related parties are the funding received from the States of Jersey, as outlined in ⁵⁴ note 4, and the fees paid to non-executive Directors within note 6.