



JERSEY Chamber of Commerce

**Annual Report and Financial Statements
for the year ended 28 February 2020**

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 28 February 2020

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Jersey Chamber of Commerce will be held via Zoom video link at 11:00am – 12:00pm on Wednesday 17 June 2020.

AGENDA

1. Attendance and apologies for absence
2. Approval of the minutes of the Annual General Meeting held on Wednesday 15 May 2019
3. Matters arising
4. Receive Annual Reports for the year ended 28 February 2020 and adoption of the Independent Financial Review of the accounts for the year ended 28 February 2020
5. Process for the Election of Vice-President
6. Election of Honorary Treasurer
7. Election of Independent of Financial Reviewers
8. Election of members of the Executive Council
 - Pauline Power – Chair of Employment and Skills Committee
 - Nicole Maltwood – Chair of Future Chamber
9. Adoption of the subscription rates for the year 2020/21.

By order of the Executive Council.

**Murray Norton
Chief Executive
8th June 2020**

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Minutes of the Annual General Meeting held on: 15th May 2019, 11am

The Annual General Meeting (“the Meeting”) of Jersey Chamber of Commerce (“Chamber”)

Held at the Pomme D’Or Hotel, St Helier, Jersey

- 1) Attendance & Apologies for Absence **Attendees:** Eliot Lincoln (“EL”), Jennifer Carnegie (“JC”), Simon Soar (“SS”), Justin Clapham (“JCL”), Andy Jehan (“AJ”), Lorna Pestana (“LP”), Ronnie Isherwood (“RI”), David Dodge (“DD”), Adam Vibert, Murray Norton (“MN”), Martina McGibney (“McG”), Daphne East (“DE”), John Marquis (“JM”), Simon Nash (“SN”), Adam Budworth (“AB”). Jeremy Sweeton, Stephanie Stephens, Andrew Baird, Jim Hopley, Bertrand Dellinger, Martin Toft, Natalie Duffy, Pauline Power, Ian Le Gallais and Cathy Elliott

In Attendance: Lisa Buesnel (minute taker), Helen Roche (Chamber) and Felicity Stather (Chamber)

Apologies: Olaf Blakeley (“AB”)

- 2) Approval of Minutes of the AGM held on 15th May 2019 **IT WAS NOTED** that the minutes of the Annual General Meeting held on 15th May 2018 had been circulated prior to the Meeting and **IT WAS RESOLVED** to approve them without amendment.

The approval of the minutes was proposed by EL and seconded by MN.

- 3) Matters Arising **IT WAS NOTED** that any matters arising from the previous minutes would be noted throughout the Meeting.

- 4) Receive the Annual Report for the year ended 28th February 2019. EL as President advised that a copy of the Annual Report and Financial Statements for the year ending 28th February 2019 had been circulated to all attendees prior to the Meeting and he provided a summary of the same. **IT WAS NOTED** that the accounts were in a good positive position.

EL thanked the Chamber Executive team and AB for preparing the Annual Report and also thanked the Chamber committees and their Chairs for preparing the committee reports.

IT WAS FURTHER NOTED that Bob Henkhuzens query on last year’s accounts and the transfer to realise surplus with the revaluation adjustment not noted in the reserve, **IT WAS NOTED** that the value of the property and the property reserves have been amalgamated.

IT WAS NOTED that Chamber’s Accountants are Bracken Rothwell who charge a very reasonable fee. The President advised that no changes were required to the accounts which were prepared by the Executive Team for Bracken Rothwell’s review.

Approval of the Annual Report and Audited Financial Statements was proposed by EL and seconded by SS.

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- 5) Election & Install new President
EL expressed his thanks to the Executive Team for all their hard worked with moving Chamber technology forward with new CRM system, website and rebrand.

EL thanked the Committees and the Executive Council and their Chairs for their commitment to Chamber.

IT WAS NOTED that EL was standing down as President and it was proposed by EL that JC be installed as President and this was seconded by SN.
- 6) Process for the Election of Vice-President
JC thanked EL and welcomed the role as President of Jersey Chamber of Commerce, noting it was a great organisation with a great Executive team and noted the hard work from the Committee Members who are very busy businesspeople and dedicate their time to Chamber for free.

IT WAS NOTED that there will be an interview process for the Vice-President position an JC noted that she will keep Members informed and updated on this role.
- 7) Election of Honorary Treasurer
JC noted to the Meeting that we are required to re-elect our Honorary Treasurer. JC further extended her thanks to AB and it was proposed by SN that AB remain and act as Honorary Treasurer and this was seconded by MF.
- 8) Election of Independent Financial Reviewers
JC noted to the Meeting that we are required to re-elect our Independent Financial Reviewers.

JC extended her thanks to Bracken Rotwhell who acted as Independent Financial Reviewers for the period 2018/19 and DD proposed, and LP seconded the re-appointment of Bracken Rothwell as Independent Financial Reviewers for 2019/20.
- 9) Election of Members of the Executive Council
IT WAS NOTED that written nominations had been received for the following individuals on to the Executive Council:

McG – Chair, Transport & Tourism Committee

Proposer – AJ
Secunder – SS

DE – Chair, Retail & Supply Committee

Proposer – DD
Secunder – JM

IT WAS FURTHER NOTED that JC thanked AJ for his hard work as Chair of the Transport and Tourism Committee and that DD had stepped in to cover the role of Chair of the Retail and Supply Committee as a temporary measurer and was thanked for his support during this time.
- 10) Adoption of Subscription
JC advised that the Executive Council have proposed a rise in subscription rates for the year 2019/20. JC further noted that the

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- rates for the year 2017/18 Executive Council have agreed a subscription increase in line with the last quarterly RPI figures of 3.6%. JC noted this still represents a significant value given the amount of work undertaken for our Members.
- The increase in subscription rates was proposed by JCL and seconded by AB.
- 11) Any Other Business There being no further business, The President thanked the Executive Team and Executive Council for their on-going support and the members for their attendance and the Meeting was closed at 11.20am.

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Report of the Executive Council

The Executive Council presents its Report and the audited Financial Statements for the year ended 28 February 2020.

Objectives

The association was founded in 1768 and incorporated in the year 1900 in Jersey, Channel Islands, and is proud of its claim to be the oldest Chamber of Commerce in the English-speaking world. The association's principal declared objective is to promote trade, commerce, navigation and the general prosperity of the Island of Jersey. The association's Executive Council, accordingly, seeks to ensure that the association represents and promotes local businesses in the Island, and to work for a business environment conducive to prosperity.

Responsibilities of the Executive Council for the Financial Statements

The Executive Council is responsible for ensuring that proper financial records are kept by the Honorary Treasurer and for ensuring that there is a thorough review of all financial transactions that are made every year by the Honorary Treasurer.

The Honorary Treasurer prepares financial statements for each financial year that give a true and fair view of the state of affairs of the association as at the end of the financial year, and of the income or deficit for that period.

In preparing the financial statements, the Executive Council:

- Selects suitable accounting policies and then applies them consistently;
- Makes judgements and estimates that are reasonable and prudent;
- States whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepares the financial statements on the going-concern basis unless it is inappropriate to presume that the association will continue in business.

The Executive Council is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the association. The Executive Council is responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with laws and regulations.

Principal Activities

The statement of total comprehensive income for the year is set out on page 22. The principal activities of the association are unchanged since last year. Further information on the association's activities during the year ended 28 February 2020 are contained in the President's, Executive Team and the Honorary Treasurer's reports.

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Report of the Executive Council *(continued)*

President and Vice-President

The President and Vice-President of the association at 28 February 2020 were Jennifer Carnegie and John Shenton respectively. Under the association's constitution, the term of office for the President and Vice-President is two years. These positions are to be elected at the annual general meeting in 2020.

Executive Council

The Executive Council Members and Committee Chairs at 28 February 2020 were:

Jennifer Carnegie	President
John Shenton	Vice-President
Adam Budworth	Honorary Treasurer
Olaf Blakeley	Legal Advisor
Murray Norton	Chief Executive
Jim Hopley	Special Advisor, Sustainable Business & Voluntary Sector
Martina McGibney	Chair, Transport and Tourism Committee
Cathy Elliott	Chair, Building and Development Committee
Justin Clapham	Chair, Finance Committee
Ronnie Isherwood	Chair, Digital Committee
Lorna Pestana	Chair, HR Committee
Daphne East	Chair, Retail and Supply Committee

Honorary Treasurer

The Honorary Treasurer of the association at 28 February 2020 was Adam Budworth who was elected at the 2019 AGM.

Independent Examiners

The Association's Independent Examiners, Bracken Rothwell Limited have indicated their willingness to stand for another year.

Bankers

NatWest Bank Plc

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President Overview

I have greatly enjoyed my first year as your President; not only has it been a privilege, it has also taught me a great deal about the workings of our Island and our Government. I have enjoyed leaning about the inner working of the Chamber itself, conscious of its history and the legacy of our forebears over 250 years that we have a responsibility to carry forward.

Success for Chamber depends on two fundamentals: a vibrant membership that is representative of Commerce on the Island, and a constructive dialogue with our Government to represent the interest of business. It is my belief that we are at our most effective when we have a persuasive and collaborative relationship with politicians and senior officials, rather than an adversarial one.

I am the first to recognise that I represent a taut organisation run by Murray Norton, CEO, whose commitment, energy and skill are so vital to Chamber, and to whom I am personally extremely grateful. I am equally grateful to all of the Chamber committees who give willingly of their time and expertise within their sector and for the support and guidance they give to the Chamber office.

We have made a few changes to our committee structure to reflect new priorities:

- our former HR Committee has broadened its scope and is now the Employment and Skills Committee.
- Chamber Connection is giving way to Future Chamber, chaired by Nicolle Maltwood, to connect through schools with the workers of the future.
- we have formed a new Environment Committee, chaired by Jim Hopley and focusing on the Island Plan, a Carbon Neutral Strategy and the Sustainable Transport Policy.

Our representations to Government have involved a wide range of policy issues including the minimum wage, online shopping, GST *de minimis*, family friendly laws and road closures impacting businesses in St Helier.

Engagement on Brexit continues as we switch focus on the UK exit at the end of the year. This work has led to excellent links with the French Chamber of Commerce and World Trade Centre in Rennes. Chamber input to the Migration Policy Development Board influenced the report that the Government will consider and will ultimately feed into the new Island plan of 2021.

The Jersey Retail Strategy has seen us fully engaged with Government as to the sectors opinion and we await its release. Our longest running campaign, initiated in 1955, came to fruition late last year as the States Assembly endorsed the freedom of the retail sector to choose whether or not to open on a Sunday. Not a bad outcome for 64 years' effort!

As we focus on getting beyond the Covid crisis and reversing the economic setback that it has spawned, the Chamber's work has never been more important to the commercial wellbeing of Jersey. The Chamber Think Tank, established early on in the crisis to look beyond the lockdown is proving influential in Government thinking so far, and there is inevitably much more we will have to think through with the help of all of our Members in the months and years ahead.

My thanks to all in the Chamber, whether Members or officials for all your contributions and your support. I much look forward to representing Chamber as we tackle more challenges in the coming year.

Jennifer Carnegie
President, Jersey Chamber of Commerce

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Chief Executive Overview

The past year has seen the Jersey Chamber of Commerce consolidate its position within the landscape of the business community, building on the delivery of designed operational changes and as an organisation focused on representing the businesses within our membership. Engagement with the States Assembly and Government officers has been crucial in furthering our aim to Interact, Inform and Influence.

This two-way street of dialogue allows businesses to be better informed of legislative changes on the horizon and the aspirations of our island Government, but also supplies valued and appreciated insights for Government and back-bench politicians, directly from the business community, enabling a better understanding of the needs and concerns from those driving the economy – those in business. This year-round work has never had more relevance and value since COVID 19 became the predominant issue.

Chamber made the clarion call for preparations for COVID 19 from early February and quickly became an instrumental organisation in the engagement process to both businesses and Government. This work has helped to shape policy, scrutinise decisions and give members first-hand, up to date information as it evolves. This remains crucial to the work we are currently undertaking and has been recognised by Government and the business community as being of the highest value. It is no coincidence then that I can report sixty-one businesses have joined Chamber in the past twelve months, with forty of these in 2020.

Alongside our new incoming President Jennifer Carnegie, we welcomed a new Vice President, John Shenton and new Chairs in both the Retail & Supply and Transport & Tourism Committees enabling new opportunities to introduce and step up our engagement with the media, as all represented Chamber in front of the media on noteworthy legislation, issues and Chamber policy.

In Conjunction with adding to our strategy of this greater visibility of our work, Chamber invested in media training for all Committee Chairs and will continue this throughout the coming year. Our switch to online meetings for all committees, has proved both seamless and highly effective in managing the business of Chamber throughout the current restrictions related to COVID19.

I am extremely grateful to all of the Chamber committees who give willingly of their time and expertise within their sector, to sit on various Committees and for the support and guidance they give to the Chamber executive.

It is the second year of the Jersey Chamber Skills Fund, to play its part in funding skills development within our community, with the next recipients to be announced next month.

Improving our communication of the work of Chamber includes six pages within the widely circulated publication Connect, providing a monthly update of our activities and highlighting the new members to Chamber.

Chamber lunches continued to be a focal point for engaging business and increased attendance and sponsorship was indicative of their relevance. The loss of events throughout the COVID19 crisis is an impact we must continue to work tirelessly to overcome. Our increased engagement with regular daily and weekly updates supported by webinars attended by up to two hundred viewers are reflective of the creativity we must maintain to deliver value to our membership.

The small Executive team continues to support our Executive Council and eight Committees by providing them the opportunities to talk directly with Government officers, Ministers, Scrutiny, and other business organisations. This dialogue remains a crucial gateway to a better exchange of understanding and ensures Chamber maintains and values its independence, as that of a critical friend and advisor, acting in the interests of island businesses.

My gratitude to our Executive Administrator Helen Roche, for her excellent support and professionalism in the operation of the Chamber office and to Zara Raymond, Events and Marketing Manager for the events we have held the past year.

Thank you to our House Committee of Legal Advisor Olaf Blakely, Vice President John Shenton and Treasurer Adam Budworth for their valued wise counsel in managing the business operation of Chamber.

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Finally, thank you to our President Jennifer Carnegie. This AGM completes the first of a three-year tenure and I'd like to recognise her time, energy, knowledge and support given to Chamber and to me personally. It is a pleasure to serve alongside her and the team, and as we navigate through these challenging times, it remains an honour to represent the Jersey Chamber of Commerce.

Murray Norton
Chief Executive, Jersey Chamber of Commerce

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Committee Reports

Finance Committee

The Finance sector is somewhat resilient to short-term challenges. Many firms are subject to the supervision and regulation of the Jersey Financial Services Commission. Regulation dictates that all regulated firms require contingency plans in case of potential financial hardship, system failures and the potential for denial of access to premises, such as in the event of a fire. Most firms have a detailed disaster recovery plan which can be invoked at short notice, should any one of a list of scenarios occur.

Few firms had envisaged a scenario where the majority of the global Finance industry would be working from home for an extended period at the same time as the worldwide economy is put under pressure.

Jersey regulated firms are required to hold 130% liquid capital in relation to expected expenses. The primary purpose of this financial buffer is to reduce the likelihood of cashflow problems and the failure to support the firm's financial liabilities. This protection will delay financial impacts, but it does not protect against longer-term economic challenges.

Throughout 2019 many firms were already experiencing a decline in profits due to the increasing overheads and decline in overall productivity. The Covid-19 related events which followed have further impacted these firms.

Many firms could support most senior staff members working remotely, but not all firms had the infrastructure to support 100% of staff working from home. Within a matter of weeks, these firms required additional hardware (laptops, tablets or smartphones), software licences, cloud services, policy and procedure changes. Many staff have had to quickly adapt to an alien working environment with support provided by electronic methods only.

Productivity challenges continue to be experienced and the downturn of the global economy has had many firms strategising on cost reductions measures. Many smaller firms have implemented salary reductions, and some firms have already made redundancies, in an attempt to protect themselves from further declining profits.

The cyber-related threats of 2019 have become even more prevalent, as staff acclimatise to the new working conditions and as cyber criminals attempt to take advantage of any weaknesses. It is commonly understood the weakest element of any IT system is the end-user, and feedback from industry suggests users have been less vigilant and more prone to making mistakes than while in a secure and professional office environment. Over time these risks will diminish as staff become more comfortable working remotely and as new technological solutions are implemented.

As the softening of Covid-19 lockdown restrictions continue, we will see more people return to the office. Still, as the ultimate test of remote working appears to have been largely successful, a significant number of people will continue to work remotely, whether that be from home or from anywhere outside of the office.

While experiencing unprecedented challenges, the Finance sector has remained resilient, but there are so many unknowns still to contend with.

The Chamber Finance Committee continues to meet regularly and has membership representation across most financial services sectors. We have had the pleasure of meeting a number of governmental and quasi-governmental representatives. We have collated and shared industry views for a number of Scrutiny Panel enquiries and through other feedback channels.

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The main topics debated during committee meetings and fed back to decision-makers include Covid-19, Brexit, taxation, migration policy, cybersecurity, punitive implications for directors, technology, legislation and the general management of the amount of industry change.

I thank all of the Finance Committee members for their continued engagement, for the experience that they bring and for the valuable contributions made over the last 12 months.

Justin Clapham
Chair, Finance Committee.

Retail and Supply Committee

The Chamber of Commerce's Retail and Supply committee promotes the independent voice of retailing and supply.

The last 12 months have been extremely busy supporting and discussing key areas of concern and future proofing the industries for the future. Brexit was a headline for many months and will return in the coming months as we get closer to the leave date.

During the last 12 months our committee has welcomed Statics Jersey, the Constable of St Helier, Matt Thomas CEO Ports of Jersey, Jersey Customs Department, Deputy Chief Minister Senator Lyndon Farnham and officers from government to discuss the impending retail strategy. These are just a few of the many interesting and challenging discussions the committee has taken part in. Sunday Trading was one of those debates with a split in members support for the deregulation of Sunday trading. An interesting debate ensued in the States Chamber and eventually deregulation was agreed.

Christmas 2019 was a mixture of reduced footfall on the previous year and some strong sales, the Christmas Light Switch On was again a big success with retailers holding gala evenings. The committee also worked closely with government, retailers and parishes to remove the proposed retail tax proposition however this was defeated in the States Assembly. The committee also worked to remove or reduce the de minimus to enable local retailers a level playing field against online retailers.

Since 14th March nothing has been the same, normal isn't what we thought was normal and everyone is talking about the 'new normal'. The Retail and Supply industries have been decimated overnight.

Food retail has seen a massive increase in demand while consumers are under lock down, some wholesalers have diversified their business to now offer home deliveries while non-food retail has either mothballed or launched online platforms and home deliveries.

The supply chain has been hit by reduced supply of goods with manufacturing sites closed down or running on reduced capacity causing shortages for our customers.

The next 12 months will see the fittest survive and unfortunately the business that cannot diversify may not be here. These changes will be driven by the consumer and if they feel safe shopping in store again. Retail stores have made every effort to ensure the safety of their staff and customers throughout this pandemic.

The current way we work may remain as more and more business work from home as this has proven efficient from an administrative point of view. It has reduced congestion and improved the environment. However, service industries like retail and supply are face to face with the customer / consumer then this requires careful planning and risk assessments.

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The biggest question is will consumers want to shop in bricks and mortar stores in 12 months' time or have they adjusted to increased online shopping since March. Our local postal service has recently confirmed our worst fears that the April Amazon parcel volume is more than November and December 2019 combined. This combined with government delays in reducing or removing the de minimus from incoming goods is not supporting the local retail sector.

This pandemic has also opened our eyes even further to food security on the island and how reliant we are on the UK supply chain. What can government do to support local agriculture, aquaculture and manufacturers to future proof our local supply. A strategic plan incorporating all these sectors of local industry is key at this time.

Thank you to the Retail & Supply Committee for all their support and insight over the last 12 months.

Daphne East
Chair, Retail & Supply Committee

Digital Committee:

The Chamber of Commerce Digital Business Committee has been less productive than earlier years as a combination of hosting less events and a lack of engagement from the Government of Jersey. Very specifically the procurement and technology departments have not managed to attend meetings in turn reducing our ability to meet our objectives.

In relation to industry trends and critical issues we have continued to observe and discuss developments in:

- Data Protection
- Information Security
- Telecommunications

The committee has members on other boards and received updates from Digital Jersey, BCS, Women in Tech and the Channel Island Information Security Forum. This continued to inform the committee of local activities and helped to reduce overlap in proposed events.

We have again managed to invite several people to our committee meetings this year hearing from Jerseys Statistics Unit, Barclays Eagle Lab and the Policy and Strategy Department.

In terms of events we arranged a well-attended event covering Incident Response, Cyber Essentials, Data Protection and the overall update on Cyber Security risks and best practices.

We continue to write articles for Chamber Connect and have moved our meetings online since March.

We have updated our terms of reference which can be located on the Chamber website.

I would like to extend my thanks to all committee members, welcome new members and thank Murray, Jennifer and the Chamber team for their ongoing support.

Ronnie Isherwood
Chair, Digital Committee

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Employment & Skills Committee:

2019/2020 was a year of change for what was the HR and Training committee to a change of name, and focus, to the Employment and Skills committee. It was once again an honour to serve as chair of this committee and to sit on the Executive Council during what was an exceptional year with the impact of Covid-19 taking us all by surprise and testing our resilience and sustainability during what was unrepresented times.

Our remit is to listen to our members concerns, lobby government and push forward an agenda to help the island and businesses flourish. In the last twelve months there has been a number of employment related consultations, such as minimum wage and annual leave entitlement and rest breaks, and in October 2019 we saw the proposed amendment to family friendly legislation. These proposed amendments were the second stage of changes to these rights following a recommendation from the Employment Forum in December 2017. Chamber worked with the Minister on this amendment and although not all of our representations were successful, we certainly contributed enough to make some difference to the final amendment. The amended law was approved by the States Assembly in October 2019 and is likely to come into force on 28 June 2020. The outcome of the consultation on annual leave entitlements and rest breaks has been postponed due to Covid-19 until later in 2020. The planned minimum wage increase went ahead as planned on 1 April 2020.

Migration was a subject at the top of the agenda for the committee this year. Pre Covid-19 this was a common issue among all business sectors however, the employment landscape is now looking very different to where it was for the first couple of months of 2020. Some progress was made with the formation of the Migration Policy Development Board, which Chamber was involved in and contributed to the debate on the way forward for Jersey.

During this year Brexit, and the uncertainty as to what affect this would have on island life and business, was apparent and of course we are still to see this in the coming months as the UK continue Brexit talks with the hope of finding some common ground by early autumn.

The next 12 months will be a period of uncertainty in all business sectors as the impact of Covid-19 is realised and felt by everyone. Employers will have the challenge of dealing with increased employee wellbeing needs and the predicted changes to working patterns and the expectations of increased flexible working options. There is set to be an increase in employment disputes from the fall out of the reactions to Covid-19 by employers, some of whom may find themselves having to defend their actions in the employment tribunal.

I must take this opportunity to thank the committee members for the contribution they have made over the last 12 months as I step down as chair this year and I am sure the committee will continue to be successful on working on behalf of our members on Employment and Skills related issues.

Lorna Pestana
Chair, HR Committee

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Transport & Tourism Committee:

The past twelve months have been a busy and challenging time for the Transport and Tourism sectors. More importantly the last 3 months have been testing on every business in Transport and Tourism.

In 2019 we saw a new Chair to the T&T committee in Martina McGibney. Martina had big shoes to fill. Unfortunately, due to work pressures Martina has now relinquished her role, the committee would like to thank Martina for her valued input and drive over her year as Chair. Due to the close links between Transport and Tourism and Retail and Supply, Daphne East agreed to co-chair both Committees and over the past few months, during the COVID 19 crisis, where closer understanding and operations has assisted all of the sectors involved. Both Committees have agreed, to continue this arrangement during the short-term period of the pandemic and the recovery stage, before separating back into two Committees.

2019 was a successful year with visitor numbers coming to the Island up. 2019 saw the highest number of holidaymakers coming to Jersey since 2001, with 439,200 overnight holiday visitors (up 6%). Jersey was also named tenth best-rated destination in the UK and Channel Islands by TripAdvisor for 2019.

Condor Ferries was sold to a consortium including Brittany Ferries and asset management firm Columbia Threadneedle Investments. The ferry firm confirmed a deal had been reached between current owners Macquarie Infrastructure and Real Assets (MIRA) and the new partnership. Columbia Threadneedle Investments will own a majority stake in Condor, with Brittany Ferries taking a smaller share. This gives us all hope that the ferry service will continue and the link with Brittany Ferries will further strengthen the Jersey visitor economy. A strong January and February in 2020 was severely disrupted by the collapse of Flybe in early March 2020. Thankfully, some regional airlines including Blue Islands retained some of the routes.

The Committee were briefed and gave considerable input into the Migration Strategy Report throughout the year and work permits, as an ongoing discussion for the last couple of years, were eventually agreed to trial 150 work permits in hospitality in 2019/20. On Brexit the T&T committee were in constant dialogue with Government and retailers to discuss forecasted delivery issues in respect of Brexit, with much of the engagement related to getting stock into this Island and the effected storage both in the UK and on island. The Committee had good engagement with Jersey Customs and Immigration with the Settlement Scheme and future Immigration policies under discussion.

Covid-19 has now dominated and overshadowed the work of the last year and puts into perspective how fragile these sectors are and how demand on our hospitality, tourism sector can change at the drop of a hat. We have seen the collapse of Paul Davies Freight Services and it is conceivable that many businesses will suffer and not recover as a result of this pandemic.

There will be continued and heightened concern about what the market is going to look like for future employment on Island and the ability to recruit from off Island may look very different. The Ports of Jersey are reviewing the development of the airport given the current climate and the Committee will work hard to keep abreast of the situation. The next twelve months will be challenging as the world adapts because of Covid-19. The Committee work will focus on the economic recovery of these sectors as we plan how to progress to a viable and sustainable future for our connectivity and hospitality industries.

Kevin Hart, Vice Chair, Transport and Tourism Committee

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Building & Development Committee:

2019/20 saw yet another busy year for the Building and Development Committee with an ever-changing set of issues to deal with not least the current situation in the construction industry brought about by the Covid 19 Situation. Key issues that we have been addressing on a day to day basis are listed below and outlined in more detail in the following paragraphs.

In relation to the Government of Jersey:

- Planning Procedure
- New Island Plan

In relation to wider industry related and other critical issues:

- Brexit
- Environmental issues, Sustainability.
- Housing & Immigration
- Covid 19

The building and Development committee started the year in meetings with the Planning Minister discussing issues centred around Planning Process and specifically the Planning Officers Society report published earlier this year. We are currently liaising with Government and trying to work with them to provide feedback and suggestions for improvement.

Requests have been made to be included as a part of the more detailed consultation process for the Island Plan and specifically in terms of its wording which if correctly termed may help to avoid future issues with Planning Policy interpretation and 3rd party appeals. With committee members having detailed working knowledge of such policy, it has been agreed with various govt. personnel that the Building & Development Committee input is extremely valuable in determining where issues could arise as a result of certain policies and wording. Comments have been sent in as part of the initial consultation process but to date no further requests for consultation or meetings to go into further detail have been forthcoming. We believe however that this has largely been as a direct result of the Covid 19 situation, though we are continuing to chase up on requests and monitor the progress of the Island Plan.

The Building and Development committee also continue to monitor the potential effects of Brexit on the industry as well as maintaining a watching brief on outcomes from the migration committees all of which will affect and influence the new Island Plan.

In terms of environmental policy, the Building and Development committee are keen to find ways to achieve some joined up thinking between various Government bodies Sustainability policies and as such have held meetings with utility companies, government personnel and states members in relation to areas such as electrical charging points for vehicles and the implementation of solar and other sustainable technologies.

Finally, the last quarter of this year has been largely spent dealing with the ongoing challenges that the Covid 19 situation has presented for the industry. The building and development committee in conjunction with other industry committees, such as the JeCC, and the AJA have successfully ensured that all members of the construction industry including Consultants were included in the Government co-funding scheme. Further to this they have given advice to members on the changing regulations and permit systems in place for the construction industry by way of the daily updates. We continue to monitor the situation to ensure that our members receive the assistance they require to remain in operation through these difficult times and following this we are looking at ways to assist in the return to the 'new normal' and to try and ensure that methods are put in place to assist businesses in their

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economic recovery. This includes trying to free up planning process to allow for much needed essential work to continue in reasonable timescales as well as ensuring that government and the general public use local companies wherever possible.

Cathy Elliott
Chair, Building & Development Committee.

Environment Committee / Sustainable Business

The last year has proved dynamic in the evolution of Chamber's reaction to all things Environmental as well as seeing sea changes within Third Sector, particularly of late, as all sorts of voluntary organisations both charities and other NPO's along with much of business start grappling with the rising consequences of Covid-19.

As predicted a year ago with a revised Government Strategic Policy making "Protecting and Valuing our Environment" one of its five major objectives there was every possibility of all things environmental rising up the political agenda but perhaps it was not anticipated how quickly and how substantially this would be the case. When the States Assembly voted in favour of the island developing a policy of becoming carbon neutral by 2030 the issues surrounding the achievement of this objective were immediately thrust to the fore. Both a revised Energy Policy and an emerging Sustainable Transport Policy suddenly became a political necessity and these plus other initiatives, particularly around reducing the use of plastics, surged into the debate.

With the inception of these emerging policies likely to have a dramatic impact on all business sectors Chamber's immediate reaction was to establish a new Environment Committee drawn from a wide spectrum of interests, including campaigning Third Sector representation, to consider the likely direction of travel and to attempt to ensure that commercial interests were not absent from the debate and input was had both at a strategic level but also eventually into the practical discussion concerning implementation of the new policies as they come before the States Assembly. It is early days yet and of course things have been delayed and thrown off track by the current pandemic, but they are certain to come back with a vengeance in due course.

Now the "genie is out of the box" there is every possibility that the recovery from the current crisis will have a green edge to it. The UK Government has adopted the slogan "Build Back Better" and it is inevitable that the Government of Jersey will likely follow this mantra. To quote our Assistant Chief Minister in his new roles with the island's Political Oversight Group and Economic Council "this is a watershed moment for our island. One where we can decide the future of our economy, our community and our society. One where we can ensure that we can create full living wage employment. One where we can look to sustainability of our economy, and how we can lead in a technological and environmental context." Add to this the propensity of both politicians and the media to talk loudly of the benefits of localism and supporting the island economy by spending the pound with island businesses then the necessity for Chamber in ensuring its members has a loud voice in what is being proposed must be obvious to all. The next year is going to be busy as these discussions move forward to definite policies which will have both immediate and longer-term consequences for the whole of the business sector along with the general populous.

As I have mentioned above if this is a critical point in time for businesses it is certainly a similar situation for many of Chamber's Charity and NPO membership. The financial hit of the Covid crisis has been immediate and substantial and without urgent Government help and assistance many organisations like commercial concerns face a very uncertain future. They must not be left behind in the forthcoming debate surrounding the Recovery Plan that eventually develops as the island will inevitably be reliant on the Third Sector to play its part fully in whatever evolves.

Jim Hopley
Chair, Environment Committee & Chamber Special Advisor
Sustainable Business/Third Sector

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 28 February 2020

Honorary Treasurer Report

The year ended 28 February 2020 represented a solid financial performance for Chamber. Subscription income was budgeted at £123,000, however actual income was £126,000 as a result of an increase in the membership number during the course of the year confirmed in the Chief Executive's report with 61 new members in the last 12 months.

Another significant income stream for Chamber is rental income from the property we own at 25 Pier Road. This year rental income was slightly below budget with actual income of £31,500 compared to budgeted income of £32,600. With a change of tenants during the year, I can advise the building is currently fully let, and thanks must go to the Chief Executive in ensuring the when tenants leave, they are quickly replaced. Other income (excluding bank interest) totals £39,382 compared to the prior year of £37,524 whether disclosed as lunch income or sponsorship it is this "event, sponsorship and marketing" income which enables us to make a surplus or a deficit, and this year I am pleased we have a small surplus of £6,913. We moved a significant portion of our cash reserves onto a fixed deposit account during the year which has increased our bank interest received to £1,700 compared to £400 in the previous year.

Turning to expenditure, the most significant cost Chamber incurred was on our staff. Actual staff costs were £137,057 compared to budgeted costs of £137,975. The increase in budgeting staff costs from the previous year was as a result of taking the decision to recruit a full time Marketing support resource, which was previously a part-time role.

As noted above there is a small surplus of £6,913 for the year which is transferred to the accumulated surplus.

A review of the options available to us regarding use of our property is currently underway, until this review has been completed, we will continue to keep our cash with Natwest rather than investing in other assets.

Looking forward, Covid19 will have an adverse impact on our financial performance as we are unsure when we will be able to host events this will have a significant negative impact on our income levels, however we continue to explore other ways to generate new income sources. As yet, we are unable to quantify the effects of Covid19 on our financial performance.

Adam Budworth FCA
Honorary Treasurer

Subscription Fees 2020/21 - Proposed

Category	Number of Employees	2019/20 Current fees	2020/21 Proposed Fees No Change
O	Single Person Business	£79	£79
A	Employing 2 to 5 persons	£146	£146
B	Employing 6 to 20 persons	£183	£183
C	Employing 21 to 30 persons	£267	£267
D	Employing 31 to 50 persons	£365	£365
E	Employing 51 to 100 persons	£470	£470
F	Employing 101 to 200 persons	£582	£582
G	Employing 201 to 400 persons	£979	£979
H	Employing 401 to 700 persons	£1,512	£1,512
I	Employing 701 persons upwards	£1,623	£1,623
J	Individual Private Members (Retired members only)	£29	£29
K	Voluntary and Community Sector Organisations	£46	£46

Independent Chartered Accountant's Review Report to the Executive Council of The Jersey Chamber of Commerce

We have reviewed the financial statements of The Jersey Chamber of Commerce (the "Chamber") for the year ended 28 February 2020, which comprise of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is the Financial Reporting Standard 102 (the "FRS 102"), which are summarised in the financial statements, with the exception of the items detailed in the Statement of Compliance. This report is made solely to the Chamber, as a body, in accordance with the terms of our engagement letter dated 24 October 2018. Our review has been undertaken so that we may state to the Chamber those matters we have agreed with them in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chamber and the Chamber as a body for our work, for this report or the conclusions we have formed.

Chambers' Responsibility for the Financial Statements

As explained more fully in the Report of the Executive Council set out on pages 7-8, Chamber is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Chartered Accountant's Responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures, which have been agreed in the engagement letter and are listed below in addition to those required under a review engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

The review of the engagement encompassed the following agreed upon procedures:

Agreed procedures

1. Obtain a trial balance as at the year end.
2. Obtain a nominal ledger from 1 March 2019 to 28 February 2020.
3. Agree opening balances to the prior year financial statements.
4. Review the nominal ledger entries to determine whether transactions for the year are reasonable in the light of our expectations and in comparison against prior year figures.
5. Review of the fixed asset register.
6. Agree bank balances to original year end bank statements and to obtain bank confirmations.
7. Review and suggest amendments to the financial statements to ensure presentation is in line with the accounting policies therein.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 28 February 2020

Independent Chartered Accountant's Review Report to the Executive Council of The Jersey Chamber of Commerce *(continued)*

8. Review cash entries around the year end to determine that cut-off procedures in relation to 28 February 2020 are correct.
9. Review minutes of meetings held throughout the year and from the year-end to-date to confirm any significant changes affecting the financial statements have been accounted for correctly.
10. Complete a correspondence review to determine whether any material transactions need to be investigated.
11. Obtain year end supporting documentation for debtors and creditors.
12. Ensure depreciation is correct by recalculating for accuracy.
13. Review income and expenses ledger and agree key balances to appropriate transactions' evidence in order to ensure existence and completeness of income and expenditure items.

In relation to salaries and payroll related expenses, we will undertake the following work:

14. Obtain a list of all employees as at the period end; for the sample of selected employees, we will review pay rates as per the employment contract, review monthly payslips, recalculate monthly ITIS in line with ITIS slips and agree net pay as per payslip and monthly payroll workings to the actual transfer to the employee bank account.

We will review a sample of payroll journal entries in the accounting records and compare them to the payroll internal documentation as listed above.

15. We will report any difference noted in our Report of Factual Findings.
16. We will perform analytical review of payroll expenses comparing total expense and average number of employees as at year ended 28 February 2020.

Report of Factual Findings

- (a) With respect to item 1 we were provided with a trial balance for the year under review.
- (b) With respect to item 2 were provided with a nominal ledger from 1 March 2019 to 28 February 2020.
- (c) With respect to item 3 we were able to agree all opening balances to the prior year signed financial statements.
- (d) With respect to item 4 a review of the nominal ledger confirmed that all transactions were reasonable and in line with our expectations.
- (e) With respect to item 5 we were provided with a fixed assets register to review. We found no unusual transactions during our testing and we are satisfied that there were no additions during the financial year that were wrongly classified. In respect of the Fixtures and Fittings, no breakdown was found on the FA register, which doesn't allow for appropriate assessment of each assets economic value (or for impairment purposes). We would advise that this breakdown be made for future use and consideration of the existence/use of office equipment to determine whether it should be removed from the financial statements.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 28 February 2020

Independent Chartered Accountant's Review Report to the Executive Council of The Jersey Chamber of Commerce *(continued)*

- (f) With respect to item 6 we matched the bank statement amounts back to the Xero trial balance and the Xero nominal ledger, no differences were noted here.
- (g) With respect to item 7 there were no amendments to the financial statements that were not discussed and agreed with management.
- (h) With respect to item 8 we carried out cut off procedures testing for the current year-end, and up to the date of signing and approval of the financial statements for issue, which did not reveal any items that needed adjusting.
- (i) With respect to item 9 a review of the minutes for all meetings held throughout the year did not reveal any significant items affecting the financial statements which had not already been included.
- (j) With respect to item 10 a correspondence review was carried out and did not reveal any significant items affecting the financial statements which had not already been included.
- (k) With respect to item 11 supporting documentation was reviewed for both debtors and creditors which were then agreed to the nominal ledger. We inspected all invoices dates to ensure they were being included in the correct financial year.
- (l) With respect to item 12 the depreciation calculation was reviewed and recalculated. We did not reveal any items that needed adjusting.
- (m) With respect to item 13 a random sample of income and expense items were selected for testing. We received audit evidence for all transaction amounts and no errors were identified.
- (n) With respect of item 14 a list of employees for the current year was obtained and a sample of two employees were selected for testing. A comparison and recalculation was made between their employment contracts, ITIS slips and payslips were carried out to ensure all of the documents reconciled. No errors were identified.
- (o) With respect of item 15 all differences noted during our testing have been made aware to management and have been reported within this Report of Factual Findings.
- (p) With respect of item 16 an analytical review was performed on the payroll expenses. We compared the current year figures to the prior year for any large movements or inconsistencies. The current year payroll expense is in line with our expectations.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 28 February 2020

Independent Chartered Accountant's Review Report to the Executive Council of The Jersey Chamber of Commerce *(continued)*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the Chamber's affairs as at 28 February 2020, and of its net surplus for the year then ended;
- in accordance with the Financial Reporting Standard 102 (the "FRS 102"), which is summarised in the financial statements, with the exception of the items detailed in the Statement of Compliance; and
- in accordance with the requirements of the Chamber's Constitution.



Bracken Rothwell Limited
Chartered Accountants
Jersey, Channel Islands

Date: 30 April 2021

Statement of Total Comprehensive Income for the year ended 29 February

	Notes	2020	2019
		£	£
Income			
Subscriptions		126,095	119,291
Lunches and seminars incl. sponsorship income (net)	1	28,950	33,898
Rent receivable		31,491	33,924
Hire of rooms		1,205	836
Chamber Online incl. sponsorship (net)		-	2,634
Reimbursed expenses		1,080	-
Chamber news: business brief		8,000	-
Other income		147	156
Deposit interest		1,729	415
		<u>198,697</u>	<u>191,154</u>
Expenditure			
Staff costs		137,057	117,231
Depreciation		8,711	5,352
Legal and professional fees		4,659	12,671
IT support and maintenance		5,159	4,062
Rates and insurance		3,220	3,147
Caretaking and cleaning		5,411	4,415
Committee expenses		9,604	9,754
Light, heat and water		1,897	2,022
Telephone and postage		1,590	1,556
Office expenses		3,178	1,424
Printing, stationery and advertising		2,333	607
Sundry expenses		5,830	3,690
Travelling and entertaining		2,876	1,617
Affiliation fees		1,014	835
Accountants fee		1,312	1,575
General repairs and maintenance		1,419	914
		<u>195,270</u>	<u>170,872</u>
		-	-
Net surplus before tax		<u>3,427</u>	<u>20,282</u>
Tax	4	-	-
Net surplus for the financial year and total comprehensive income		<u>3,427</u>	<u>20,282</u>

Continuing operations: all the items dealt with in arriving at the net surplus relate to continuing operations with the exception of the property revaluation.

The notes on pages 28 - 34 form a part of these accounts

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Statement of Financial Position at 29 February

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Investment property	5		710,000		710,000
Property, plant and equipment	6		<u>21,696</u>		<u>30,407</u>
			731,696		740,407
Current assets					
Trade and other receivables	2	20,411		16,532	
Cash and cash equivalents		<u>424,176</u>		<u>411,178</u>	
		444,587		427,710	
Creditors: amounts falling due within one year					
Trade and other payables	3	<u>54,262</u>		<u>49,523</u>	
Net current assets			<u>390,325</u>		<u>378,187</u>
Net assets			<u>1,122,021</u>		<u>1,118,594</u>
Reserves:					
Capital reserve	7		1,009,348		1,009,348
Accumulated surplus	7		<u>112,673</u>		<u>109,246</u>
			<u>1,122,021</u>		<u>1,118,594</u>

The financial statements were approved and authorised by the Executive Council on 26/05/2021.

The notes on pages 28 to 34 form a part of these accounts.

Jennifer Carnegie
President

Adam Budworth
Honorary Treasurer



The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Statement of Changes in Equity at 29 February

	Note	Capital reserve £	Accumulated reserve £	Total reserves £
Balance as at 1 March 2019		1,009,348	109,246	1,118,594
Surplus for the financial year	7	-	3,427	3,427
Balance as at 29 February 2020	7	<u>1,009,348</u>	<u>112,673</u>	<u>1,122,021</u>

The notes on pages 28 to 34 form a part of these accounts.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Notes to the financial statements for the year ended 29 February 2020

General information

Jersey Chamber of Commerce (the "Association") is engaged in the promotion of trade, commerce and general prosperity of Jersey. The Association is a body corporate and its registered office is Chamber House, 25 Pier Road, St Helier, Jersey.

Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the financial reporting standard applicable to the United Kingdom and the Republic of Ireland ("FRS 102"). There was a departure from FRS 102 in relation to how income has been disclosed on the face of the Statement of Comprehensive Income. FRS 102 section 23.4 does not permit the 'netting' of income and expenditure under one heading. The executive committee believe that the 'net' figure helps the users of the financial statements to have a better understanding of the results. The gross income and expenditure have been disclosed in note 1 of the financial statements.

A further departure from FRS102 is in relation to Investment Property, as noted below. Again the Executive Committee believe the treatment adopted provides a more relevant perspective of the financial position of the Association.

Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention. The Association has applied the small entities regime under FRS 102(1A), which allows qualifying entities certain disclosure exemptions. The Association has taken advantage of the exemption from preparing a statement of cash flows.

Accounting estimates

The preparation of financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. Accounting estimates involve management's judgment of expected future benefits and obligations relating to assets and liabilities (and associated expense and income) based on information that best reflects the conditions and circumstances that exist at the reporting date. There have been no changes to the accounting estimates from the previous financial period.

Going concern

The Association meets its day-to-day working capital requirements through its bank facilities. After reviewing the Association's forecasts and projections, the Executive Council have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. The Association therefore continues to adopt the going concern basis in preparing its financial statements.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Notes to the financial statements for the year ended 29 February 2020

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for services rendered. Revenue comprises the fair value of consideration received and receivable after discounts.

Subscription, rental and other income

Subscription, rental and other income is brought into account on an accruals basis. Rolling subscriptions are recorded as deferred income and released evenly to the income and expenditure over the period to which they relate. The membership year runs from 1 June to 31 May annually.

Interest income is brought into account when received.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement. Current tax is the amount of income tax payable in respect of net rental income and investment income at a rate of 20%.

Deferred Tax

There are no timing differences between the taxable profits and net profit per the financial statements and therefore no deferred tax liability/asset has arisen.

Investment property

Investment property has been included at the most recent valuation. Gains or losses on revaluation are included in the statement of comprehensive income.

As noted below this includes some of the property used by the Association and is therefore not in accordance with the requirements of FRS 102 (which would require the own use element to be held at cost and depreciated).

Property, plant and equipment

Property, plant and equipment are recorded at historical cost or deemed cost, less accumulated depreciation and impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use.

Equipment and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

Repairs and maintenance costs are expensed as incurred.

Fully depreciated property, plant & equipment are retained in the cost of property, plant & equipment and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the profit and loss account.

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Notes to the financial statements for the year ended 29 February 2020

Property, plant and equipment *(continued)*

Depreciation is calculated to allocate the depreciable amount on the assets over their estimated useful economic lives as follows:

	%	Basis
Owned assets:		
Website and CRM system	33 1/3	Straight Line
Office and computer equipment	20	Straight Line
Fixtures, fittings and furniture	10	Reducing Balance

The Association's policy is to review the remaining useful economic lives and residual values of property, plant and equipment on an ongoing basis and to adjust the depreciation charge to reflect the remaining estimated useful economic life and residual value.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Cash and cash equivalents

Cash and cash equivalents represent those balances held within bank accounts and in term deposits of three months or less.

Financial liabilities

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

Notes to the financial statements for the year ended 29 February 2020

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Related party transactions

Transactions between Executive Council members and the Association for services rendered have been disclosed in the financial statements.

1. Income from events

	Lunches and seminars £
Gross income	67,108
Expenses	<u>(38,158)</u>
Net Income	<u>28,950</u>

2. Trade and other receivables

	2020 £	2019 £
Accounts receivable	13,275	14,480
Loan	5,000	-
Other debtors and prepayments	<u>2,136</u>	<u>2,052</u>
	20,411	16,532

3. Trade and other payables

	2020 £	2019 £
Accounts payable	4,626	4,769
Other taxes and social security	2,403	1,196
Accruals and deferred income	<u>47,233</u>	<u>43,558</u>
	54,262	49,523

The Jersey Chamber of Commerce

Annual Report and Financial Statements for the year ended 29 February 2020

Notes to the financial statements for the year ended 29 February 2020

4. Taxation

Income tax is charged at the rate of 20% (2019: 20%) and is assessed on net rental income and interest income less allowable expenditure.

5. Investment Property

	Land and buildings £
Valuation	
At 1 March 2019	<u>710,000</u>
At 29 February 2020	<u>710,000</u>
Net book value	
At 29 February 2020	<u>710,000</u>
At 28 February 2019	<u>710,000</u>

In 2018 the value attributed to 25 Pier Road, St Helier, Jersey has been derived by asking three local estate agents to value the property and adopting the middle valuation. The Executive are of the opinion this valuation is still relevant.

Notes to the financial statements for the year ended 29 February 2020

6. Property, plant and equipment

	Website and CRM System	Office Equipment	Fixtures, Fittings and Furniture	Total
	£	£	£	£
Cost				
At 1 March 2019	<u>21,341</u>	<u>50,424</u>	<u>62,938</u>	<u>134,703</u> At
29 February 2020	21,341	50,424	62,938	134,703
Depreciation				
At 1 March 2019	3,621	49,081	51,594	104,296
Charge for the year	<u>7,107</u>	<u>470</u>	<u>1,134</u>	<u>8,711</u>
At 29 February 2020	10,728	49,551	52,728	113,007
Net book value				
At 29 February 2020	<u>10,613</u>	<u>873</u>	<u>10,210</u>	<u>21,696</u>
At 28 February 2019	<u>17,720</u>	<u>1,343</u>	<u>11,344</u>	<u>30,407</u>

7. Accumulated fund and reserves

The balance on capital reserve represents principally the surplus arising from the disposal of the association's previous freehold property, less cost incurred on the newly acquired property to bring that property into prime condition.

8. Related party transactions

Executive Council members give up their time to support Chamber, and on occasion Chamber requires services that members, as business owners, provide to the public.

All related party transactions have been undertaken on arm's length terms.

There were no related party transactions during the year.

9. Events after the statement of financial position date

No events occurred after the Statement of Financial Position date which are required to be disclosed by the entity.

10. Ultimate controlling party

In the opinion of the Executive Council there is no ultimate controlling party.

11. Post Balance Sheet Events

COVID-19 is a developing situation and as of the date of approval of these financial statements, the assessment of this situation will need continued attention and will evolve over time. From the view of the Executive Council, COVID-19 is considered to be a non-adjusting subsequent event and as a result will, no adjustment is made in these financial statements. The Executive Council will continue to closely monitor the latest developments relating to COVID-19 and any possible future impact on the Chamber of Commerce.

The income from Chamber events, which have been restricted throughout 2020 has reduced, as has rental income from some tenants. A combination of careful adjustments to the business operations in the ongoing COVID pandemic, through successfully seeking alternative sponsorship revenues, alongside reduced staffing and therefore salary expenditure. This vigilance of Chamber income and expenditure is expected to continue to the end of the next financial year in February 2021, to ensure any potential financial losses are mitigated against and will form an integral part of the next financial statements.