

VISIT JERSEY LIMITED
FINANCIAL STATEMENTS
AT 31 DECEMBER 2019

VISIT JERSEY LIMITED

DIRECTORS

K Beecham (Chief Executive)

NON-EXECUTIVE DIRECTORS

K C Keen (Chairman)

P W Burke

T J Crowley

M A Graham

C R Leech

A J Willmott

SECRETARY

K Beecham

BUSINESS ADDRESS

Third Floor
Commercial House
3 Commercial Street
St Helier
Jersey, JE2 3RU

REGISTERED OFFICE

Third Floor
Commercial House
3 Commercial Street
St Helier
Jersey, JE2 3RU

AUDITOR

Alex Picot
Chartered Accountants
95/97 Halkett Place
St Helier
Jersey, JE1 1BX

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FOR THE YEAR ENDED 31 DECEMBER 2019

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VISIT JERSEY LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 December 2019.

INCORPORATION

The company was incorporated in Jersey, Channel Islands on 26 September 2014 with the registered company number 116716.

PRINCIPAL ACTIVITIES

The company's principal activity is the promotion of tourism to and within Jersey.

RESULTS FOR THE YEAR

The results for the year are set out on page 9.

DIVIDEND AND TRANSFER TO RESERVES

The directors do not recommend payment of a dividend.

DIRECTORS

The directors who held office during the year (or on appointment if later) were:

K C Keen (Chairman)
K Beecham (Chief Executive)
P W Burke
T J Crowley
M A Graham
C R Leech
S J Watts (retired 22 May 2019)
A J Willmott

MEETING ATTENDANCE

During 2019 the attendance of meetings by board members was as follows:

Board Member	Invited To	Attended
K C Keen	8	8
K Beecham	8	8
P W Burke	8	7
T J Crowley	8	8
M A Graham	8	8
C R Leech	8	8
S J Watts	4	3
A J Willmott	8	7

AUDIT & RISK COMMITTEE

The Board has established an Audit & Risk committee, which is chaired by Tim Crowley and includes Patrick Burke and Kevin Keen. By invitation the meetings of the Committee may be attended by the Chief Executive and external auditors. The purpose of the Committee is to:

- Review the audited financial statements and where appropriate recommend their adoption to the Board.
- To oversee the external audit process and manage the relationship with the external auditors.
- To review and monitor the adequacy, operation and effectiveness of the Company's internal financial controls.
- To review and monitor key risks faced by the Company and make recommendations on their mitigation as appropriate.
- To make recommendations to the Board as to the re-election and remuneration of the auditors.

VISIT JERSEY LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

REMUNERATION COMMITTEE

The Board has established a Remuneration Committee, which is chaired by Mike Graham and includes Amanda Willmott and Sam Watts. Sam Watts was only a member of this committee up until she resigned as a director of the company. By invitation meetings of the Committee may be attended by the Chief Executive. The purpose of the Committee is to:

- Review and determine the level of remuneration of the Chief Executive. Executive Director remuneration is designed to promote the long-term success of the Company and performance related elements are designed to be relevant and stretching, with the long-term success of the Company in mind.
- Review and determine the level of remuneration for senior employees and the overall framework of salaried staff remuneration and costs.
- Review periodically the terms and conditions of employment of the Chief Executive and senior employees.

REMUNERATION OF DIRECTORS

Directors' fees are paid only to non-executive directors and in 2019 totalled £87,710 (2018: £94,883). Annual Fees are £12,000 (2018: £12,000) for a non- executive Director, £14,000 (2018: £13,500) for chairing the Audit Committee and £20,000 (2018: £20,250) for the Chairman.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The directors are required to prepare financial statements for each financial period under the Companies (Jersey) Law 1991. As permitted by applicable legislation the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law. The financial statements are required to give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of applicable legislation. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITOR

The auditor, Alex Picot, has indicated its willingness to continue in office.

Third Floor, Commercial House,
3 Commercial Street, St Helier
Jersey, JE2 3RU
5 May 2020

BY ORDER OF THE BOARD



SECRETARY

VISIT JERSEY LIMITED

CHAIRMAN'S STATEMENT

With all that has happened over the last few weeks it is easy to forget that 2019 was a year of continued progress. We welcomed 770,700 visitors staying in excess of 2.7 million nights to our island who went on to spend almost £280 million whilst they were here. At that point Jersey looked on track to meet the 2015 destination plan aspiration of 800,000 visitors by 2020 giving increased confidence in the goal of 1 million visitors by 2030.

Clearly we are now in a very different world where survival of our sector becomes the priority for all involved. The team at Visit Jersey are dedicated to doing all they can to make this a horrible but temporary blip, rather than the cause of permanent and irreversible decline of a crucially important sector for our community.

Money

In 2019 we received a grant of £4.9 million (2018- £5 million) a 2% reduction in nominal terms and getting on for 5% when inflation is taken into account. Expenditure was kept under tight control and below the level of 2018 as we used our digital channels to best effect and where feasible brought resources in house to save money. A major marketing initiative ended up being delayed to 2020, which meant we ended up with a modest surplus of £323,601.

Over the years the company has built up reserves of £614,768 and at the request of the Minister £522,000 of this will be returned in 2020 to support exceptional expenditure by Government in dealing with the Covid-19 pandemic.

Governance

The board continued to both support and when appropriate challenge the executives. We met on eight occasions as a full board, the audit committee met four times and the remuneration committee once. Outside of our formal work a number of board members were involved in the search and recruitment of our new CEO Amanda Burns who starts in July.

We continued to progress the recommendations of the Comptroller & Auditor General including an external review of internal controls, which we had hoped to conclude during the first quarter of 2020. Unfortunately the completion of this review was delayed by recent events. The preliminary findings identified some opportunities for improvement, which will be worked on in the coming months and the final report presented to our audit committee before the end of the current year.

As in previous years we were fortunate to have representatives from Government attending our Board meetings. As well as providing an important element of oversight for the tax- payer these representatives were a constant source of advice and an excellent way to maintain communication between the company and Government. I would particularly like to thank Darren Scott who has been involved with Visit Jersey since its inception for his advice, support and when appropriate constructive challenge.

Disclosure of director's fees appears on page 2 which are basically unchanged since 2015. In 2020 board members have volunteered to reduce their fees by 50% from April 1st 2020 as a small token of our solidarity with the sector. I record my thanks to my fellow non-executives for this gesture and for their hard work in 2019; Visit Jersey is extremely lucky to have such a dedicated and talented group of people.

Early in 2020 we commenced the recruitment of two new board members but in the light of the Covid-19 pandemic have decided to suspend this until the Autumn, Mike Graham will now step down later this year. There was clearly a lot of interest in the vacancies and expect more when we resume the recruitment.

People & partnerships

We are so lucky to have such an amazing team of executives at Visit Jersey; they love their job of inspiring more people to spend at least some of their vacation time in our special island. Their campaigns have always been imaginative and with value for money at the forefront of everyone's minds, I record the board's sincere thanks to all of them.

Over the years we have also benefited greatly from a close partnership with Ports of Jersey. During 2019 Alan Merry attended a number of our board meetings as Interim CEO of Ports until Matt Thomas joined as the new CEO of that company. I record our sincere thanks to both Alan & Matt for their advice & support for our work.

A successful tourism industry is all about working together and we are fortunate to have seen so many partnerships grow over the years. I would particularly like to recognise the work of the Jersey Hospitality Association led by Simon Soar, which has been even more valuable than usual over the last few weeks.

For the first 5 years of its life Visit Jersey has been led by Keith Beecham who is retiring in the summer. Keith has done a simply amazing job; he has quite literally built this organisation from an aspiration to a workable and successful reality. Although Keith joined us with vast experience of destination promotion, he has always taken care to listen carefully and when ever possible take on board the points of view of all stakeholders. The success of his approach has been clear for all to see, in an industry which is so fiercely competitive we have moved from managing decline to sustainable growth, which I am confident will resume if we can get through the present crisis.

VISIT JERSEY LIMITED

CHAIRMAN'S STATEMENT (continued)

People & partnerships (continued)

After an extensive process overseen by the Jersey Appointments Commission we were delighted to be able to appoint Amanda Burns to succeed Keith as Chief Executive. Amanda brings extensive experience of our sector, and although Keith is going to be a hard act to follow the board is confident we have found a very worthy successor in Amanda.

The role of tourism in Jersey

The board of Visit Jersey believe passionately in the value of the sector, a value well beyond a simplistic view of the Gross Value Added of the Hotels & Restaurants sector would have you believe. I make no apology for again repeating the many benefits of a vibrant visitor sector, which go far beyond the purely economic: -

- Tourism is synergistic with our financial, digital and agricultural industries in supporting many high-quality hotels and restaurants.
- Visitors underpin the viability of numerous routes by air and sea for the benefit of local residents whether on holiday or business after all 65% of passengers coming through our ports are visitors.
- Visitor spending is crucial to the financial viability of many leisure facilities enjoyed by Islanders, a number of which are operated by charities.
- Visitor spending generates around £27 million of extra turnover for retail helping keep our high street vibrant.
- Visitors spend money on our taxis and buses supporting their viability.
- Visitors paid GST of some £14 million in 2019, about 14% of the take. They also paid duties on fuel, alcohol all of which fund public services for locals.
- Customer service training and work ethic gained working in the tourism sector is almost certainly the foundation of many successful careers in other sectors.
- Tourism provides all-important diversity to our economy.

Our sector was one of the first to feel the impacts of Covid-19, as I write this it is quite easy to see the short-term impact, which has been devastating, but the longer-term impacts are harder to gauge. As an eternal optimist I believe that even in the medium and certainly long-term people will still want to enjoy a holiday. Jersey maybe a small island but it certainly has many big attractions for potential visitors. If we can all get through the Covid-19 crisis with the minimum of damage to our capacity in terms of accommodation, attractions, restaurants, cafes and of course the all important access routes to our Island I am confident growth will be resumed.

We are fortunate and grateful that Senator Lyndon Farnham has been a long-standing supporter of tourism in Jersey and are very hopeful that he and his colleagues will continue supporting us and crucially investing boldly in the recovery when it comes.



Kevin Keen
CHAIRMAN

Date: 5 May 2020

VISIT JERSEY LIMITED

CHIEF EXECUTIVE'S REPORT

I am writing this working remotely during the coronavirus crisis when so many businesses and livelihoods are threatened, and hard and challenging decisions are having to be made. However, it is also bringing out people's resilience, commitment and passion for what they do, how they do it and who they do it for- our island community and our visitors. Our visitor economy staff are showing what value to guests and community really looks like.

Tourism is a resilient industry; the crisis will fade and visitors will return to our special island. We and our partners will rebuild the Jersey visitor economy.

2020 is my final year as CEO of Visit Jersey. It's been five years of hard work from so many who contribute in the visitor economy. In addition to all the travel and hospitality firms, I wish to thank our community, voluntary and charity bodies and the Government of Jersey. They all help, in myriad ways, the world to fall in love with Jersey and deliver wonderful experiences for our visitors.

Our vision is to help the world fall in love with Jersey and Jersey to fall in love with tourism. Our role, set out in 2015, is to promote tourism to and within Jersey in an innovative, economic and efficient way, delivering on our vision of a vibrant and sustainable tourism industry. Over the longer term our priorities are to:

- Inspire visitors from overseas to visit and explore Jersey,
- Maximise public investment through partner engagement, and
- Advise government and the industry on tourism issues, particularly those affecting our competitiveness.

The hard work of Jersey tourism and hospitality firms is paying off. Working together we will recover from COVID-19 and get back on track to achieve our ambition of 1m visitors spending £500m by 2030. In 2019 the total number of visits reached 770,700, which was 6% higher than in 2018. This is the highest volume of visits since 2002. Visitor spending during the year totalled £279.8m. In real terms, this is the highest level of visitor spending since 2011. The world is increasingly falling in love with Jersey. The Net Promoter Score for holidaymakers, a measure of consumer sentiment was 58, up from 55 in 2018.

We are pleased to record that more visitors are enjoying Jersey off-season. Over the last three years our short break campaigns have targeted off-season travel. In 2019, staying holiday visitors visiting outside of the main April to September season accounted for 24% of all staying holiday visitors, a percentage not seen this century. Overall, all year-round staying holiday visitor numbers grew 6% on 2018.

The Jersey Destination Plan published in 2015 initially set the target of achieving visitor numbers of 782,700 and £294 million of visitor spending by 2019 (with the eventual aim of reaching one million visitors spending £500 million by 2030). On this basis we have achieved 98% of this visitor number target and 95% of the visitor spend target as at 2019.

Visit Jersey's core duty is to excite potential visitors about Jersey. We use social media, jersey.com, and digital and PR communication platforms to inspire an interest in Jersey. In 2019 we recorded 1.53m million page views. Our PR work generated over 1,000 articles and we teamed up with over 30 travel trade partners from the Channel Islands, UK, Ireland, France, Germany, The Netherlands, Austria and Switzerland. We have a tiered partnership programme and worked with over 31 suppliers such as hotels, airlines, attractions, shops, bars and restaurants. Our marketing campaigns; Explorers Wanted, Summer is Here, Serving up Island Life and Rediscover Yourself, delivered a combined return on investment (ROI) of 8.4:1 (7.6:1 in 2018).

Our product team worked with hospitality and tourism providers throughout 2019 to ensure the experiences visitors received were great. Building on research insights such as the Visitor Experience Research and the Product Audit, we worked with the Product Action Group to identify how we collectively can improve Jersey's tourism assets. Drawing on these insights we launched three "signature experiences"- Field to Fork, Liberation75, and Rewild Yourself.

Our Tourist Information Centre (TIC), at the Bus terminal provides world class information support answering on average each month, 4,000 enquiries. Especially pleasing was that over half of the interactions (56%) were with first-time visitors to Jersey. In 2018 this was 28%.

VISIT JERSEY LIMITED

CHIEF EXECUTIVE'S REPORT (continued)

Our trade team based in the UK, and Germany represented Jersey at two of the world's leading travel trade shows ITB and WTM, with over 160,000 visitors. Visit Jersey hosted over 20 key trade events throughout the year and participated in 500 plus sales industry meetings. We worked with trade partners on 20 campaigns and over 300 travel agents completed training on destination Jersey. We retendered for our German account and appointed TMR. I would like to record my thanks to Expert PR, our German representative agency, who had been helping Jersey in Germany for many years.

One of our most cost-effective and unusual promotions was our Christmas Jersey cows, which featured in media all around the world. The video has been viewed thousands of times and brought a smile to the faces of our community.

Our Government invested £4.9 million in tourism through Visit Jersey. This was spent marketing Jersey year-round and supporting our suppliers. We generated 775,422 sales referrals to businesses from jersey.com (up 1.2% year on year), we subsidized our suppliers' attendance at travel shows such as ITB Berlin and we provided a free-to-list service on jersey.com.

Our successes result from the unstinting support of the Government of Jersey, our suppliers and trade partners, and the people of Jersey. I would also like to thank members of the Visit Jersey board for their guidance and support, and my colleagues for their passion, dedication and hard work.

The Jersey visitor economy is experiencing real turmoil at the time of writing. People have not fallen out of love with Jersey, they are just not travelling and taking holidays. But the evidence of the last five years gives me confidence that Jersey will bounce back. With our Island passion and great experiences awaiting visitors we will seize opportunities and rebuild our industry and cement Jersey as #theislandbreak for all seasons.



Keith Beecham
CHIEF EXECUTIVE

Date: 5 May 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISIT JERSEY LIMITED

Opinion

We have audited the financial statements of Visit Jersey Limited (the "company") for the year ended 31 December 2019 which comprise the Statement of Income and Retained Earnings, Balance Sheet and 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.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards;
- 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 the UK, 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.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VISIT JERSEY LIMITED
(CONTINUED)**

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;
- returns adequate for the audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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

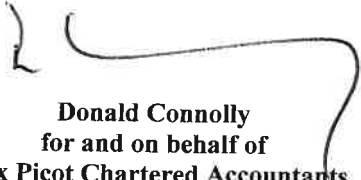
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

Use of our report

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.

2 June
~~5 May~~ 2020



Donald Connolly
for and on behalf of
Alex Picot Chartered Accountants

VISIT JERSEY LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	£	2018 £	£
INCOME					
Grant from States of Jersey		4,900,000		5,000,000	
Other net income		72,299		73,217	
		<u>4,972,299</u>		<u>5,073,217</u>	
OPERATING EXPENSES					
Marketing Costs		3,190,299		3,575,819	
Staff Costs	3	821,405		886,623	
Other Operating Costs		636,994		663,413	
		<u>4,648,698</u>		<u>5,125,855</u>	
TOTAL COMPREHENSIVE SURPLUS/ (DEFICIT) FOR THE YEAR			323,601		(52,638)
BALANCE BROUGHT FORWARD			291,167		343,805
BALANCE CARRIED FORWARD			<u>£614,768</u>		<u>£291,167</u>

The company has not made any acquisitions or discontinued any operations during 2018 and 2019. The revenue derives entirely from continuing operations. Furthermore the company made no recognised gains or losses during the year other than as reported in the statement of income and retained earnings.

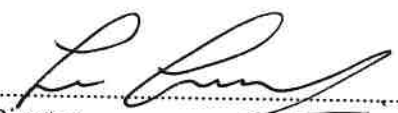
The notes on pages 11 to 15 form part of these financial statements.
Independent auditor's report on pages 7 and 8.

VISIT JERSEY LIMITED

BALANCE SHEET AT 31 DECEMBER 2019

	Note	2019		2018	
		£	£	£	£
TANGIBLE FIXED ASSETS	6		86,964		85,441
CURRENT ASSETS					
Debtors	7	140,717		51,616	
Cash at bank		761,820		455,164	
		<u>902,537</u>		<u>506,780</u>	
CREDITORS: Amounts falling due within one year	8		<u>374,730</u>		<u>301,051</u>
NET CURRENT ASSETS			527,807		205,729
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£614,771</u>		<u>£291,170</u>
CAPITAL AND RESERVES					
Called up share capital	10		3		3
Reserves			614,768		291,167
Shareholder's Funds			<u>£614,771</u>		<u>£291,170</u>

The financial statements were approved by the Board on 5 May 2020 and signed on its behalf by:



 Director



 Director

The notes on pages 11 to 15 form part of these financial statements.
 Independent auditor's report on pages 7 and 8.

VISIT JERSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

Visit Jersey Limited is a private company limited by shares, incorporated in Jersey. The company's principal place of business, which is also its registered office, is Third Floor, Commercial House, 3 Commercial Street, St Helier, Jersey.

The principal activity of the company is the promotion of tourism to and within Jersey.

2. ACCOUNTING POLICIES

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

2.1 Statement of compliance

The financial statements have been prepared in compliance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", adopting the presentation and disclosure requirements of chapter 1A, and the Companies (Jersey) Law, 1991, as amended.

2.2 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with FRS102.

2.3 Turnover

Turnover represents amounts invoiced in respect of goods sold and services provided during the year.

2.4 Other income

The States of Jersey grant and bank deposit interest are credited to the statement of income and retained earnings when they are due to the company.

2.5 Expenses

Expenses are recognised on an accruals basis.

2.6 Depreciation

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost of the tangible assets over their estimated useful lives:-

Leasehold improvements	-	straight line over 5 years
Display Fixtures	-	straight line over 5 years
Computer Equipment	-	straight line over 3 years
Office Equipment	-	straight line over 2 to 5 years

2.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

2.8 Taxation

The company is subject to Jersey income tax at 0%.

2.9 Financial Instruments

The company has chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments.

(a) 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 the market rate of interest. Such assets are subsequently stated at amortised cost using the effective interest method.

VISIT JERSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.9 Financial Instruments (continued)

(b) Financial liabilities

Basic financial liabilities including trade and other payables and bank loans 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. Debt instruments are subsequently carried at amortised cost using the effective interest method.

(c) Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying value and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

2.10 Foreign exchange

Foreign currency transactions are translated into the functional currency using the rate of exchange on the date of the transaction.

At each year end foreign currency monetary items are translated at the closing rate. Non-monetary items measured at historic cost are translated at the exchange rate on the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised through the statement of income and retained earnings.

3. STAFF COSTS

	2019	2018
	No.	No.
Salaries	661,271	610,279
Performance-related payment	-	62,084
Social Security	37,698	43,258
Pensions (see notes below)	61,325	58,870
Other staff-related costs	61,111	112,132
Total	<u>£821,405</u>	<u>£886,623</u>

Visit Jersey Limited employed 15 members of staff (13 FTE) during the year (2018: 13 members of staff - 12.5 FTE).

The Company does not operate a pension scheme but most employees receive an additional payment, over and above their basic salary to enable the employee to make their own pension arrangements.

VISIT JERSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

4. DIRECTORS' REMUNERATION

	Basic Salary £	Performance- Related Payment £	Pension Contributions (see note below) £	Other Staff Related Costs £	2019 Totals £	2018 Totals £
Non-Executive Directors:						
K C Keen	£20,000	-	-	-	£20,000	£20,250
D Bannister	-	-	-	-	-	£12,000
P W Burke	£12,000	-	-	-	£12,000	£3,633
T J Crowley	£14,000	-	-	-	£14,000	£13,500
M A Graham	£12,000	-	-	-	£12,000	£9,000
C R Leech	£12,000	-	-	-	£12,000	£12,000
D Seymour	-	-	-	-	-	£5,000
S J Watts	£5,710	-	-	-	£5,710	£12,000
A J Willmott	£12,000	-	-	-	£12,000	£7,500
Executive Directors:						
K Beecham	£115,473	-	£11,547	£2,191	£129,211	£151,098
2019 Totals	£203,183	£-	£11,547	£2,191	£216,921	£245,981
2018 Totals	£206,851	£25,809	£11,197	£2,124	£245,981	

The Company does not operate a pension scheme but most employees receive an additional payment, over and above their basic salary to enable the employee to make their own pension arrangements.

5. RESULTS FOR THE YEAR

The results for the year are stated after charging the following:

	2019 £	2018 £
Depreciation	30,200	35,437
Audit Fee	5,340	5,040
Non-Executive Directors Fees	87,710	94,883

6. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Display Fixtures £	Computer Equipment £	Office Equipment £	Total £
Cost					
At 1 January 2019	71,481	3,800	33,274	41,420	149,975
Additions	-	-	32,069	-	32,069
Disposals	-	-	(238)	(866)	(1,104)
At 31 December 2019	71,481	3,800	65,105	40,554	180,940
Depreciation					
At 1 January 2019	14,296	1,520	29,165	19,553	64,534
Charge for the year	14,296	760	5,878	9,266	30,200
Disposals	-	-	(238)	(520)	(758)
At 31 December 2019	28,592	2,280	34,805	28,299	93,976
Net book value					
At 31 December 2019	£42,889	£1,520	£30,300	£12,255	£86,964
At 31 December 2018	£57,185	£2,280	£4,109	£21,867	£85,441

VISIT JERSEY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2019****7. DEBTORS**

	2019	2018
	£	£
Accounts receivable	-	12,856
GST refund due	4,390	6,521
Prepayments	93,712	32,239
Sundry debtors	42,615	-
	<u>£140,717</u>	<u>£51,616</u>

8. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	266,498	201,231
Sundry creditors and accruals	108,232	99,820
	<u>£374,730</u>	<u>£301,051</u>

9. FINANCIAL COMMITMENTS

At 31 December 2019 the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2019	2018
	£	£
Within one year	42,921	42,921
Within two to five years	98,105	141,026
After five years	-	-
	<u>£141,026</u>	<u>£183,947</u>

Visit Jersey Limited entered into a nine year lease on the 13th April 2018 with an annual rental of £42,921 and a break clause on the 13th April 2023. The commitment above is calculated up to the date of this break clause.

10. CALLED UP SHARE CAPITAL

	2019	2018
Authorised		
10,000 Ordinary shares of £1 each	£10,000	£10,000
Allotted, called up and fully paid		
3 Ordinary shares of £1 each	£3	£3

VISIT JERSEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

11. MARKETING IN KIND

During the year ended 31 December 2019 the company received discounted meals, accommodation, room hire and other tourism services to the value of £45,981 (2018: £38,356).

This information has been included to recognise the value of the support received by the company from the local tourism industry that the team at Visit Jersey have generated to supplement the annual grant received. Note that this amount is not included in the results for the year.

12. RELATED PARTY TRANSACTIONS

Visit Jersey Limited received a grant of £4,900,000 (2018: £5,000,000) from the States of Jersey. All services consumed by the company from the different departments of the States of Jersey and its subsidiaries are on an arm's length basis.

13. CONTROLLING PARTY

The Company is wholly owned by a non-charitable purpose trust, the Visit Jersey Trust, and by definition the company has no controlling party.

14. COVID-19

The Company's 2020 grant from Government was set at £4.9m and was approved before COVID-19 entered our vocabulary. Our priority at the time of writing, as a funded body of Government, is to support Jersey's efforts in this coronavirus fight. As custodians of public funds, we are, of course, backing Government efforts to support local businesses and our community. Following discussions with Government during March we agreed to return £522,000 of our 2020 grant to the government. This hand back reflected cost savings from cancelled events and reduced marketing activity plus a return of a portion of reserves held at the end of 2019. Additionally we have seconded three staff members to Government and Jersey Business.

Visit Jersey's 2020 expenditure from quarter 2 onwards will be adjusted and a revised business plan and budget produced to include a recovery campaign. The business plan covers the period 2020-2023. Later this year we will be working with Government officers on 2021 budgets and tourism, as a key plank of the Jersey economy, will be expected to contribute to our island's recovery.

The directors are of the opinion that there are no indications from Government at present why a 2021 grant will not be paid to the company.