

Minutes of the second Annual General Meeting of Visit Jersey Limited (“VJL”)

Held at the Pomme D’Or Hotel, St Helier Jersey, on Tuesday 17th May 2016

Present:	John Henwood (JPH) – Chair
Keith Beecham (KB)	Mike Graham (MG)
Tim Crowley (TC)	Kevin Keen (KK)
David Seymour (DS)	Sam Watts (SW)
(the “Directors”)	
Pierre Horsfall (PH)	Gerald Voisin (GV)
(the “Shareholders”)	
In Attendance	
Darren Scott (DSC) representing Economic Development, Tourism, Sport and Culture	
Aimee Maskell, AM to PM Secretarial Services (Scribe)	

1. OPENING OF MEETING

The Chairman formally convened the meeting and apologies were noted from Philip Callow, Charles Clarke, Doug Bannister (DB) and Catherine Leech.

2. CHAIRMAN’S STATEMENT

The Chairman made the following statement to the meeting:

“Welcome to the AGM.

You will recall in December we began the meeting in the knowledge that the Company had been incorporated for 15 months, but because we had been operational for less than 9 months we had no meaningful financial report to lay before you.

Today we have an audited financial report to consider and, in due course I will invite Kevin, as chairman of the Audit Committee, to deal with any questions you may have in relation to that report.

Later, Keith will provide a tour d’horizon of the progress we have made and his thoughts on the next stage of our plans.

First though I’d like to offer just a few thoughts of my own.

We have made a very positive start; an increase in 2015 of 2.7% in SLVs and 4.7% growth in visitor spend, if maintained, will see us reach the target of a million visitors and £500 million spend within 15 years. However, it would be prudent to avoid extravagant claims so soon. For the first three months of the year Jersey Tourism was in the driving seat and they might claim credit for the improvement.

For too long we heard upbeat early statements in the spring only to be disappointed at the end of the year when the outcome was further decline. We must not create expectations only to disappoint.

That said, this year the sharp increase in January and February visitors – up 16% year on year - is all our own work and though from a low base does tend to indicate we’re on the right track .

Keith will say more about the work we’ve undertaken, our belief in digital marketing, and our investment in research. All I will add is that we have replaced the wishing and hoping with analysis and performance measurement.

We expect to come under close government scrutiny and have nothing to fear in that regard, but in a sense it's a two way street and we have a right to expect government will continue to play a far bigger role than the £5 million grant we receive.

Government needs to be more joined-up in its approach to the opportunity presented by tourism. Environment and Infrastructure must be prepared to support industry growth and the Treasury must cease to regard tourism as a failing old cow which should be milked for duty while it lives.

The underlying truth is that government had come to believe the falsehood that the decline of tourism was inevitable and that it didn't really matter. It isn't and it does.

A word on our staff: seven individuals left the public sector for an opportunity with Visit Jersey and they were the nucleus of the team which Keith skilfully built. I'm very proud of them all for so quickly becoming unified and effective and I thank them for their contributions.

I should also like to thank my board colleagues; each of whom makes a valuable and different contribution. I know they join me in thanking Keith who has brought a wealth of knowledge and experience and deployed it with energy, enthusiasm and unfailing goodwill.

I felt very privileged to have been asked, in 2012, to head the process that led to the setting up of Visit Jersey. It was a task through which I felt I might be able to make a difference. Now having seen the Company through its first year of operation, and taken considerable satisfaction from the progress made, it's time to step back and allow others, led by Kevin, to steer it through the next stage which, I have not the slightest doubt, will ultimately lead to the achievement of its key goals."

3. APPROVAL OF MINUTES OF THE PREVIOUS MEETING HELD ON 15th DECEMBER 2015

The minutes of the previous meeting held 15th December 2015 had been circulated with the agenda and it was resolved to approve them.

4. FINANCIAL STATEMENTS AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON FOR THE PERIOD ENDED 31st DECEMBER 2015

KK provided a summary of the Financial Statements and Auditor's Report for the period ended 31st December 2015, copies of which had been circulated with the agenda. He highlighted that VJL started operating on 31st March 2015 by which time 50% of the £2.6m States of Jersey grant and additional income of £0.2m had been committed by the previous Tourism Department putting arrangements in place for the coming year.

KK reported that the majority of VJL's expenditure (£1,618,379) during the year focused on its core proposition of marketing the Island as a tourist destination. A further £815,666 was spent on staff costs and costs required to create the VJL entity. It was noted that there was a small surplus of £179,430 at the year-end which has been carried forward into 2016 in accordance with VJL's plans.

KK advised that VJL's first year of trading went well and although some minor points were raised, VJL received a clean audit opinion. It was noted VJL's Audit Committee, consisting of KK, DB and TC, have met the Auditor separately.

KK welcomed any questions or comments from the meeting and GV requested that the Shareholders be provided with a breakdown of marketing and digital costs. It was agreed that KB would provide this. The Chairman noted that more of the budget is spent on marketing than was previously the case due to the fact that staff costs have been reduced by approximately

£200k. In addition, KK noted that the majority of VJL staff are now engaged in marketing. KB echoed this, noting that VJL outsource all non-essential services (e.g. finance support) and keep marketing in-house. He explained that this results in a lower cost solution and ensures that most of the staff costs are a front-line investment in marketing.

PH noted that he was very reassured by the financial statements and auditor's report, particularly as VJL is a new venture. Nevertheless, he noted that significant focus was being placed on digital marketing and suggested that care should be taken not to forget Jersey's existing visitor market which may not use social media.

KB referred to page 16 of the VJL Annual Report, copies of which were tabled to the meeting, which sets out the various influences on a visitor's decision to come to Jersey by age, noting that regardless of age, the website is the main source of information for all age groups even the 65+ age group. He added that television adverts were no longer a significant influence for visitors when selecting a destination. The Chairman noted that the average age of a Facebook user is 56.

KB noted that this was a question which was raised frequently and he reassured the meeting that VJL are still actively participating with their older visitors and stressed that VJL continues to look at and listen to its consumers. He explained that the older visitors tend to come through tour operators and therefore a key way to influence them is through charters, travel agents and tour operators and he reported that VJL spent as much influencing this market in 2015 as Jersey Tourism did the year before. He stressed therefore that they were not being forgotten but were being approached differently.

GV suggested that business and life generally is now omni-channel and it is therefore important to communicate with customers through as many different channels as possible without closing any of them off. KB echoed this view noting that VJL seeks to "fish where the fish are". KK added the importance of VJL ensuring that it receives a return on its investment and noted that this was no longer the case with television advertising.

There being no further questions or comments it was resolved to approve the financial statements and auditor's report for the period ending 31st December 2016.

5. RE-APPOINTMENT OF AUDITORS

Following positive feedback from both the Executive Team at VJL and Alex Picot, KK proposed the re-appointment of Alex Picot as auditors of VJL for a further year. This was supported by GV and PH and it was resolved that KK would advise Alex Picot accordingly.

6. ANY OTHER BUSINESS

There being no further business the meeting was closed at 12.25pm.