

EMPLOY JERSEY (JET) LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2020

EMPLOY JERSEY (JET) LIMITED
REPORT AND FINANCIAL STATEMENTS

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EMPLOY JERSEY (JET) LIMITED

Officers and professional advisors

Incorporation	Jersey, Channel Islands on 21 January 2021
Registered number	130764
Directors	Stephanie De La Cour Carl Howarth Christopher Leck Lorna Pestana Helen Ruelle Nichola Withe Matthew Tabb (appointed on 13 July 2020) Jason Laity (appointed on 26 January 2021)
Secretary	Christopher Leck
Registered office	The Oakfield Building La Rue du Froid Vent St Saviour Jersey JE2 7LJ Channel Islands
Independent auditors	PKF BBA Audit and Assurance Limited

EMPLOY JERSEY (JET) LIMITED

Directors' Report

The directors present their report and the audited financial statements for the period ended 31 December 2020.

Principal activities

The principle activity of the company is an employment, training and support service for people with a disability and or long term health conditions.

Results

The results for the year are set out in the profit and loss account on page 7.

Dividends

The directors have not declared any dividends for the period ended 31 December 2020.

Directors

The membership of the Board is set out on page 1.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to appoint PKF BBA Audit and Assurance Limited as auditors will be put to the member at the Annual General Meeting.

Accountants

PKF BBA Audit and Assurance Limited have expressed their willingness to continue to act as auditors.

By Order of the Board


Secretary

23 June 2021

Independent auditor's report to the members of Employ Jersey (JET) Limited for the period ended 31 December 2020

Opinion

We have audited the financial statements of Employ Jersey (JET) Limited (the 'company') for the period ended 31 December 2020 which comprise the balance sheet, profit and loss account and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A Small Entities *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our 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; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 company 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 company financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, review of board minutes, industry research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company:

- Companies Jersey (Law) 1991;
- FRS 102 Section 1A Small Entities *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

We developed an understanding of the key fraud risks to the company (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for accounting estimates, analysis of journal entries, walkthrough of the key control cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Identifying and assessing the design of key controls implemented by management to prevent and detect fraud;
- Performance of analytical procedures to identify unusual relationships which may indicate a risk of fraud or an irregularity;
- Review of board minutes;
- Journal entry testing - including review of the general ledger to identify entries deemed to represent a higher risk of fraud or error; and
- Assessment of the reasonableness of judgements made by management in accounting estimates.

The inherent limitations of an audit mean that there will always be a risk that irregularities will go undetected, including those which may ultimately lead to a material misstatement. This risk is considered greater where an irregularity results from fraud including misrepresentation, collusion, and forgery.

A further description of our responsibilities is available 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 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.



David Moehle for and on behalf of
PKF BBA Audit and Assurance Limited
Beachside Business Centre,
Rue Du Hocq, St. Clement,
Jersey, JE2 6LF

Date: 29 June 2021

EMPLOY JERSEY (JET) LIMITED

**Balance Sheet
as at 31 December 2020**

	Notes	2020	2020
		£	£
Fixed assets			
Tangible assets	2		41,207
Current assets			
Debtors	3	191,249	
Cash at bank and in hand		40,753	
		<u>232,002</u>	
Creditors: amounts falling due within one year	4	(329,825)	
Net current liabilities			<u>(97,823)</u>
Net liabilities			<u><u>(56,616)</u></u>
Capital and reserves			
Called up share capital	5		10
Profit and loss account	6		(56,626)
Shareholder's (deficit)			<u><u>(56,616)</u></u>

These financial statements were approved by the board of directors on 28 June 2021.



EMPLOY JERSEY (JET) LIMITED

**Profit and Loss Account
for the year ended 31 December 2020**

	Notes	2020
		£
Income		
Revenue grant from The Jersey Employment Trust		1,800,000
Grant - vocational services	7	40,000
Other income		726
		<u>1,840,726</u>
Expenses		
Administrative expenses		(1,897,352)
(Loss) for the year	6	<u>(56,626)</u>
Retained earnings brought forward		<u>-</u>
Retained (deficit) carried forward		<u>(56,626)</u>

There have been no discontinued activities or acquisitions in the current accounting year.

EMPLOY JERSEY (JET) LIMITED

Notes to the financial statements for the period ended 31 December 2020

1 Accounting policies

Accounting convention

The company meets the small entity criteria and the Directors have chosen to prepare the financial statements in accordance with the provisions of FRS 102 Section 1A. There were no material departures from that standard.

Consolidation

The company is 100% owned by the Jersey Employment Trust. The company's financial statements to 31 December 2020 are not consolidated by the parent.

Group reconstruction

During the year, The Jersey Employment Trust and its subsidiaries (the 'group') have undergone a group reconstruction arrangement, as between the group there has been a transfer of the business of one group entity to another within the year. During the year ended 31 December 2019, The Jersey Employment Trust had one subsidiary, Workforce Solutions Limited, who had a principal activity of the provision of a workshop environment for people with learning or physical difficulties. On 02 January 2020, Workforce Solutions Limited changed its name to Acorn Enterprises Limited. On 21 January 2020, Employ Jersey (JET) Limited was incorporated, with registration number 130764. Upon incorporation, part of the business of Workforce Solutions Limited was transferred to Employ Jersey (JET) Limited. As such, the company has adopted merger accounting according to the provisions of FRS 102 19.27. Page 13 shows the comparative of the income and expenditure of the transferred business to Employ Jersey (JET) Limited in the prior year.

Going concern

At the year end, without the revenue grant from the Jersey Employment Trust of £1,800,000 the company would have reported a loss for the period of £1,863,349. Despite these results which are envisaged to continue for the foreseeable future, the company is deemed to be a going concern on the basis that it will continue to receive continued financial support from the Government of Jersey via the Jersey Employment Trust.

Tangible fixed assets

Tangible fixed assets are stated at their purchase price, including any incidental expenses of acquisition. Tangible fixed assets are depreciated on the straight line basis at the following annual rates calculated to write off their cost to their estimated residual value over their expected useful lives.

All tools and similar equipment are written off in the year of purchase.

Assets under construction are stated at cost incurred to date. No depreciation is charged.

Expenditure on buildings is fully written off each year due to the nature of the buildings and the short term non-transferable nature of the lease.

Motor vehicles	5 years
Fixtures and Equipment	5 years
Lend and lease equipment	3 years

EMPLOY JERSEY (JET) LIMITED

**Notes to the financial statements
for the period ended 31 December 2020**

Revenue grants

Revenue grants are accounted for on an accruals basis.

Deposit interest

Interest on bank deposits is accounted for on a receivable basis.

Income

Income from contracted work is accounted for when the work is completed. Income from cash

Taxation

The Company's parent and hence the Company are together a registered charity (under Jersey Charity Number 158). As such, the Company is exempt from taxation on income and gains to the extent that these are applied for charitable purposes.

2 Tangible fixed assets

	Motor Vehicles	Office and computer equipment	Total
	£	£	£
Cost			
At 21 January 2020	-	-	-
Transferred from Acorn Solutions Limited	61,655	429,480	491,135
Additions	-	14,375	14,375
At 31 December 2020	<u>61,655</u>	<u>443,855</u>	<u>505,510</u>
Depreciation			
At 21 January 2020	-	-	-
Transferred from Acorn Solutions Limited	41,652	406,549	448,201
Charge for the year	6,981	9,121	16,102
At 31 December 2020	<u>48,633</u>	<u>415,670</u>	<u>464,303</u>
Net book value			
At 31 December 2020	<u>13,022</u>	<u>28,185</u>	<u>41,207</u>

3 Debtors

	2020
	£
Trade debtors	40,000
Prepayments and other debtors	33,503
Due from Acorn Enterprises Limited	110,977
GST Receivable	6,769
	<u>191,249</u>

The loan to Acorn Enterprises Limited is interest free, unsecured and has no specified date of repayment.

EMPLOY JERSEY (JET) LIMITED

Notes to the financial statements for the period ended 31 December 2020

4 Creditors: amounts falling due within one year	2020
	£
Trade creditors	-
Other creditors	859
Other taxes and social security costs	141,160
Due to The Jersey Employment Trust	187,806
	<u>329,825</u>

The loan from the Jersey Employment Trust is unsecured, interest free and has no specified repayment period.

5 Share capital	2020
	£
Authorised:	
Ordinary shares of £1 each	<u>10,000</u>

	2020	2020
	No	£
Allotted, called up and fully paid:		
Ordinary shares of £1 each	10	<u>10</u>
		<u>10</u>

6 Profit and loss account	2020
	£
At 21 January	-
Retained (loss) for the financial period	(56,626)
At 31 December	<u>(56,626)</u>

7 Related parties

The ultimate and controlling party are the members of the Jersey Employment Trust ("JET"), which is the parent entity of Employ Jersey (JET) Limited.

The company also received a total of £40,000 from the Government of Jersey, Health and Community Services, through a grant for vocational services.

EMPLOY JERSEY (JET) LIMITED

**Notes to the financial statements
for the period ended 31 December 2020**

8 Post balance sheet events

No material events have occurred since 31 December 2020 which would have influenced the results of the Company.

EMPLOY JERSEY (JET) LIMITED
Unaudited Detailed Profit and Loss Account
for the year ended 31 December 2020

	Note	2020
		£
Income		
Revenue grant from The Jersey Employment Trust		1,800,000
Grant - vocational services		40,000
Other income		726
		<u>1,840,726</u>
Administrative expenses		
General administrative expenses:		
Wages, salaries and social security		1,570,426
Training and recruitment		22,544
Rent and rates		40,530
Heat, light and water		8,258
Insurance		26,804
Telephone		23,131
IT expenses		84,102
Advertising and PR		15,496
Printing, postage and stationery		6,927
Tools, equipment, repairs and renewals		7,911
Transport		10,701
Travel and entertainment		3,526
Food provision		3,763
Cleaning		32,145
Dues and subscriptions		2,402
Audit and accountancy		2,750
Legal and professional		19,317
Bank charges		336
Bad debts		148
Sundry expenses		33
Depreciation		16,102
		<u>1,897,352</u>
		<u>(56,626)</u>

EMPLOY JERSEY (JET) LIMITED
Unaudited Detailed Profit and Loss Account
for the year ended 31 December 2020

	Note	2020 £	2019* £
Income			
Revenue grant from The Jersey Employment Trust		1,800,000	1,850,000
Grant - vocational services		40,000	40,000
Other income		726	1,719
		<u>1,840,726</u>	<u>1,891,719</u>
Administrative expenses			
General administrative expenses:			
Wages, salaries and social security		1,570,426	1,570,764
Training and recruitment		22,544	31,931
Rent and rates		40,530	38,397
Heat, light and water		8,258	10,373
Insurance		26,804	26,488
Telephone		23,131	22,840
IT expenses		84,102	30,782
Advertising and PR		15,496	27,948
Printing, postage and stationery		6,927	6,534
Tools, equipment, repairs and renewals		7,911	14,400
Transport		10,701	18,034
Travel and entertainment		3,526	5,139
Food provision		3,763	6,706
Cleaning		32,145	32,104
Dues and subscriptions		2,402	1,764
Audit and accountancy		2,750	2,750
Legal and professional		19,317	10,331
Bank charges		336	568
Bad debts		148	-
Sundry expenses		33	1,877
Depreciation		16,102	15,942
		<u>1,897,352</u>	<u>1,875,672</u>
		<u>(56,626)</u>	<u>16,047</u>

* of business transferred by Acorn Enterprises Limited.