

31 December 2023



#### **DIRECTORS**

F Walker OBE (Chair)  
G Liew  
A Chatterley  
T Hacquoil  
Dame W Hall  
R Kirkby  
A Moretta (CEO)

#### **SECRETARY**

A Taylor (COO)

#### **REGISTERED OFFICE**

Block 3 The Forum  
Grenville Street  
St Helier  
Jersey  
JE2 4UF

#### **AUDITORS**

Alex Picot  
Chartered Accountants  
1st Floor  
The Le Gallais Building  
6 Minden Place  
St Helier  
Jersey  
JE2 4WQ



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31 DECEMBER 2023

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## PURPOSE

Digital Jersey is the government-backed economic development agency and industry association dedicated to the growth of the digital sector.

Digital Jersey was established in 2013.  
Our primary objectives are:

- to support sustainable economic growth in Jersey's digital sector;
- to enable a connected, digital society and enhanced quality of life;
- and to establish Jersey as an internationally well-regarded digital centre.

As an Arms' Length Organisation Digital Jersey is predominantly funded through grants from the Government of Jersey. The annual business plan and budget is agreed by the Minister for Sustainable Economic Development each year.

2023 was a year of acceleration in the digital space – both globally, with the prominence of AI enabled technologies, and locally as we drove forward our mission in partnership with our members in the digital community. In 2023 we launched Impact Jersey, a significant change in Jersey's approach to innovation and digital adoption and continued to drive forward our work to foster innovation and digital transformation across all industries and aspects of our lives.

### Some of the highlights of our work in 2023 include:

- **Business Support and Development:** We provided advice, mentoring, training and funding opportunities to a significant number of local and incoming digital organisations. We supported ventures ranging from start-ups to scale-ups and established businesses, through our various initiatives, such as the Springboard advice clinics, the Tech Start-Up Bootcamp and the Fintech Sandbox initiative as well as hosting the first Jersey-based Grindstone accelerator programme. We also supported successful applications for 11 new business licences for tech entrepreneurs relocating to Jersey and 13 work permissions for local digital businesses seeking to grow their workforce.
- **Skills and Education:** We delivered over 100 courses and workshops to more than 1,200 attendees, covering a wide range of topics such as digital marketing, data analytics, artificial intelligence and automation. We also partnered with Deloitte and Warm Solutions to deliver a 6 month coding course, as well as working closely with Skills Jersey to promote digital literacy and skills among students and teachers.
- **Research and Development:** We established ourselves as the island's technology research and development agency, focusing on areas where technology can help address our major challenges. We also leveraged our world-leading connectivity and regulatory environment to position Jersey as a sandbox, for tech trials and experiments, attracting global organisations such as Innovate UK, Mastercard and Google to collaborate with us on various projects.
- **Community and Engagement:** We ran our flagship events, such as the Annual Review and the TechAwards, as well as numerous other events and activities, to showcase our achievements and those of our member organisations, celebrate successes and engage with our members, partners, and the public. Our membership continues to grow, with 190 businesses now members of Digital Jersey and accessing the wide range of benefits we offer. We represented Jersey at the Smart City Expo in Barcelona and locally also continued to provide a vibrant and collaborative space for the digital community at our Hub and Xchange facilities, which were fully utilised throughout the year.
- **Advocacy and Influence:** We advised the Government and other stakeholders on the impact and opportunities of digital technology, for example using the Digital Twin to support the Wind Farm consultation by modelling the impact of the proposed site.
- **Impact Jersey:** We also built and maintained relationships with international organisations and jurisdictions, such as Estonia, Canada and New Jersey, to share best practices and explore new avenues for cooperation.
- **Data stewardship:** We launched the world's first data trust under Jersey trust law and have shared key lessons from the early phases of this project with local industry and international partners. We are now actively engaged with industry leaders to develop the Data Trust initiative into commercial opportunities for Jersey and we remain confident that it has considerable potential for the island's economy.
- **Impact Jersey:** Spanning a wide range of our activities and a core focus for 2023 was the design of Impact Jersey, which was formally approved in June 2023 and then the launch of our first programme. Out of 70 applicants, 6 were successful in securing funding for projects that will benefit Jersey and help to apply technology solutions to some of the island's strategic challenges. The projects began in 2023 and will conclude in 2024 and we have developed a robust and detailed evaluation framework against which the impact of these and future projects and activities will be assessed.

## CHAIR AND CEO REPORT (CONTINUED)

There were, of course, some goals that we were unable to fully realise. Despite our best efforts we have been unable to secure a direct partnership with a crowdfunding platform in the UK. Also, in previous years, we have supported business relocations through a Memorandum of Understanding ('MOU') with Government under which, based on agreed criteria, we were able to recommend relocations for approval. This MOU was not renewed due to a change in approach by Government to relocations and this made progress slower and fewer businesses were approved in 2023 than we hoped. That said, we still achieved our target for the year relocating 11 businesses (target 10).

During 2023 we saw a drop in course attendance in our Academy, due to the course funding changing from a fully funded post COVID Government offering to the Business Licensing Grant, which required 25% recovery of costs from course attendees. We continue to face uncertainty around securing funding for the Academy beyond 2024 and have conducted market research in collaboration with an external consultancy firm to develop a strategy for the Academy to potentially address this uncertainty.

We are also aware of the challenges and opportunities that lie ahead. As the digital landscape evolves rapidly and dynamically, we need to ensure that we keep pace with the latest trends and developments, that we anticipate and respond to the changing needs and expectations of our stakeholders and that we maximise the benefits of digital technology for our island. As the adoption of AI tools progresses, we will be at the forefront of exploring opportunities for Jersey to adopt new ways of working and we will continue to promote and develop our Digital Twin as a means for supporting data driven decision making.

We are confident that with the support and collaboration of Government, our members, partners and the wider community, we can make Jersey a leading digital jurisdiction and a better place to live, learn and work.

We hope you enjoy reading the rest of this annual report which provides more details and insights into our performance and impact in 2023.

Date 2/5/2024

Signed *Frank Walker*

Frank Walker OBE, Chairman

Date 2/5/2024

Signed *A I Moretto*

Tony Moretto, CEO



TECH TALENT

RELOCATED

11

tech firms  
to Jersey

88 ACADEMY  
COURSES

delivered to

1,028

islanders

START-UP  
BOOTCAMP

8

entrepreneurs  
incubated



## MEMBER SUPPORT

# 10%

increase in members

# 155

TechAward nominations

# 18

mentors matched

# 2,205

attendees at DJ events



A person is holding a tablet computer, which displays a map or data visualization. In the foreground, the head of a horse is visible, slightly out of focus. The background is a blurred, natural setting.

## PROJECTS

- ProMatch
- Smart Fields
- Lifecycle
- 3 Sandbox Jersey projects



## PARTNERSHIPS

- Mastercard
- Google
- Ericsson
- Grindstone
- Innovate UK
- F1 in Schools
- Impact Canada



## RESEARCH & DEVELOPMENT

### IMPACT JERSEY LAUNCHED

70

applications  
first programme

5

### SPRINGBOARD funding clinics

8

### GRINDSTONE businesses and investors introduced

500

### LIFECYCLE CYCLISTS recruited for Data Trust pilot



JERSEY GLOBALLY

# Smart City Expo



## Solving Jersey's greatest challenges through the power of **people and technology**





# Spotlight on Success:

Meet the successful grant recipients  
of Open Programme One

Realtime Sensor IOT Project  
**Andium Homes**

Drone Emergency Services  
**Air Rescue Channel Islands**

Jersey's Journey to Net Zero Carbon  
**William Church Consulting**

Streamlining Risk and Insurance Management  
for Jersey's Fiduciary Services Sector  
**SPX Limited**

Corporate and Residential Mobility Platform  
**JEV (EVie)**

Breathe Jersey  
**Thrive Jersey**

## ACTIVITIES AND OPERATIONAL PERFORMANCE ANALYSIS

The five-year strategy published in 2021 sets out the core workstreams for Digital Jersey from 2021-2025. There are four key segments:

### TRANSFORMING INDUSTRY

Developing thriving business clusters, supporting digital transformation and enabling access to funding and growth tools.

### GROWING INFRASTRUCTURE

Promoting Jersey as an Innovation Island, extending the reach and number of international connections and promoting world-class infrastructure and institutions.

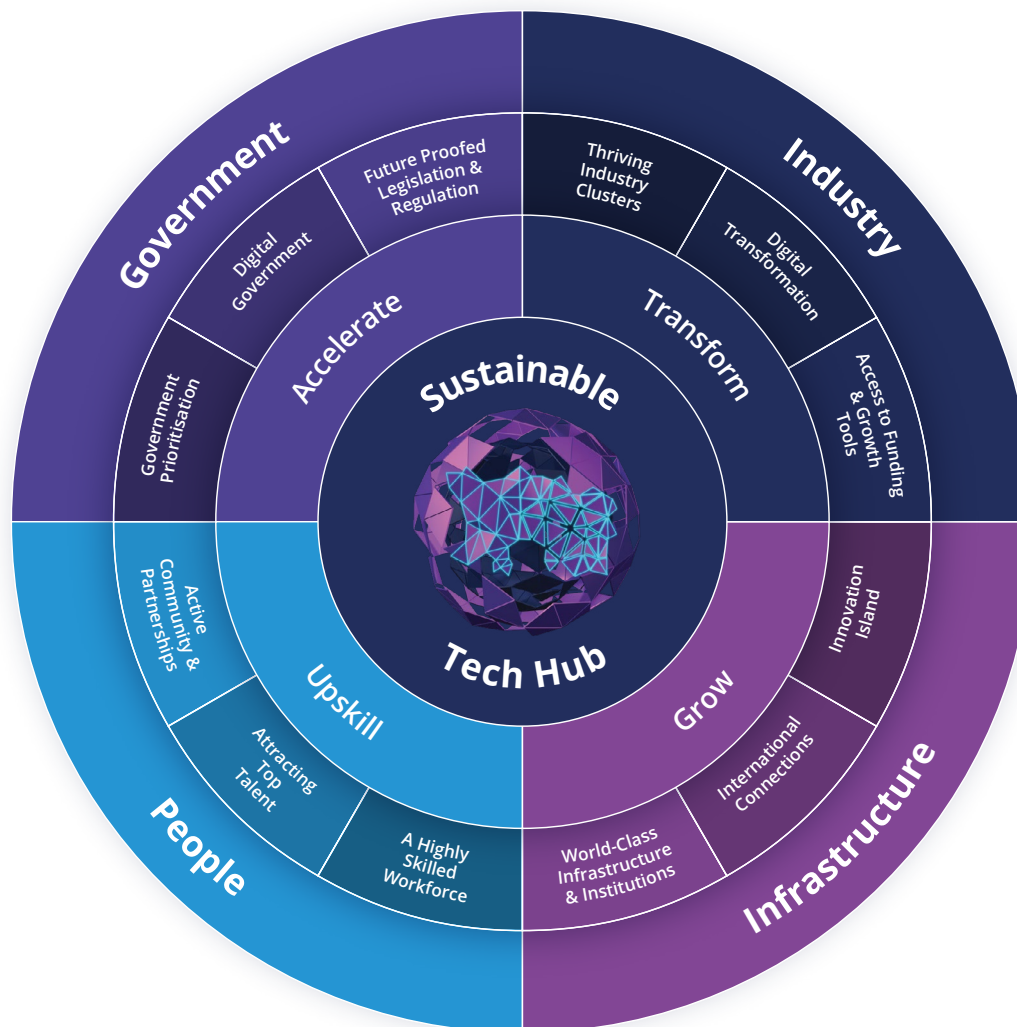
### UPSKILLING PEOPLE

Supporting a highly skilled workforce, attracting top talent and developing an active digital community and partnerships.

### ACCELERATING A DIGITAL GOVERNMENT

Supporting Government prioritisation in the digital sector, promoting a digital Government and participating in the development of future-proofed legislation and regulation for the tech sector.

Set out in the pages that follow is our performance against the Key Performance Indicators ('KPIs') we agreed with government for 2023, an analysis of each of the objectives we set for the year in our Operational Plan and our performance against each one.

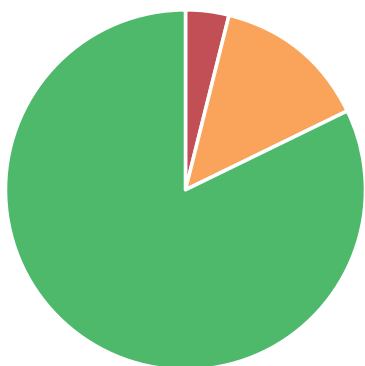


Each year a set of KPIs is agreed by the Board and then with the Government of Jersey under our Partnership Agreement. For 2023 we revised our approach and identified 4 key objectives in our Operational Plan.

We then set out 50 activities with associated targets and metrics which set out in detail the work we planned to deliver.

Of these targets:

- 41 (82%) were met
- 7 (14%) were partially met
- 2 (4%) were not met; and



The highlights of our achievements and the challenges we faced in delivery are set out in the pages that follow.

KEY OBJECTIVE	OUTCOME 2023
Launch the Technology Accelerator Programme (Impact Jersey)	<p>Impact Jersey, the programme funded by the Technology Accelerator Fund, was approved and launched in 2023.</p> <p>In resource commitment this was by far our biggest piece of work and achievement in 2023.</p> <p>The first half of the year was focused on design and engagement with Government leading to approval of the Strategic Programme Plan on 2 June 2023.</p> <p>We then obtained approval for, launched and delivered the first Impact Jersey programme, approving 6 grants for projects seeking to use technology to meet Jersey's strategic priorities. More detail on these projects can be found at <a href="https://www.impact.je">impact.je</a>.</p> <p>We also conducted extensive research for future programmes which we will launch, subject to Government approval, in 2024 and beyond.</p>
Drive the Digital Skills agenda	<p>We have continued to deliver a range of digital skills courses, with over 1,000 attendees in 2023. We also provided extensive support to Skills Jersey in driving digital skills opportunities for teachers and students in schools.</p> <p>However, ongoing funding for the Academy is currently uncertain and course funding has been short term, which has made delivery of a longer term vision harder to achieve. We continue to work with Skills Jersey to shape the future of our contribution in this space.</p>
Provide support to Local Tech Entrepreneurs	<p>We significantly increased our work in this area in 2023. We continued to provide support through our Springboard clinics as well as launching our Tech Start-up Bootcamp and supporting the launch of Grindstone Jersey (for scale-ups). This is in addition to member support, our mentor programme, events, the launch of Promatch and our export workshop. More details on all of these is set out in the pages below.</p>
Develop a digital Impact Assessment Framework	<p>As part of the development of Impact Jersey we researched and created an Impact Assessment Framework for Digital Jersey. We have appointed an external evaluation partner for Open Programme One and will use this partnership to build our capabilities in impact assessment going forward.</p>

LINK TO 5-YEAR STRATEGY	PLANNED ACTIVITIES AND METRICS	WHAT WE ACHIEVED - PROGRESS EVIDENCE	OUTCOME
Thriving Industry Clusters	At least 15 digital businesses on the Promatch portal.	38 businesses introduced.	Met
	Cluster Analysis implementation plan approved by Digital Jersey Board.	Delivery of final report was delayed but completed in Q3. Recommendations are being embedded into Impact Jersey activities.	Met
	3 Fintech companies to utilise Sandbox Jersey and publish case studies.	4 companies engaged in Sandbox in 2023. Case studies in final draft.	Met
	Formalise relationships with 3 key brands.	Relationships with 3 Fintech brands formalised.	Met
	Relocate 3 suitable fintech businesses.	1 FinTech business relocated and 2 considering relocation.	Partially met
	Support 10 digital business relocations.	11 digital business relocations supported.	Met
	Attend 2 off-island conferences / expos.	Stand at Smart City Expo and attended Slush conference.	Met
Digital Transformation	Work with JFSC and other partners to: <ul style="list-style-type: none"> <li>– Drive adoption of open banking by at least one bank in Jersey</li> <li>– RegTech adoption plan agreed with JFSC</li> </ul>	Active partner in Open Banking Framework development – this is led by Government.  Team member seconded to JFSC to support RegTech and other innovation adoption.  Supported introduction of RegTech super-deduction as part of 2024 budget.	Met
	10 non-digital businesses supported to digital transform.	Target exceeded – supported transformation in businesses in sectors such as Agriculture (4), Visitor and Retail Economy (20+), Finance (3) and charitable sector (4).	Met
	Provide support on 5 different Smart Island projects.	Supported projects in agriculture, environment (through Impact Jersey and wind farm modelling), sustainable transport (Lifecycle) and automation in government.	Met
	Design a platform to enable a 5% or greater improvement in productivity or environmental performance for the Jersey Royal potato industry.	Initial design and prototype framework has been completed and potential technology partner has been established.	Met
Access to funding and growth tools	Support 10 high potential companies with introductions to the investor community or other support.	28 companies supported through Springboard, Bootcamp and Grindstone programme.	Met
	Secure 1 crowdfunding partnership for Jersey businesses to use.	This could not be concluded as there are legal restrictions relating to Jersey as a jurisdiction that prevented this being achieved.	Not Met
	Enable Jersey companies to access technology tools, specifically: <ul style="list-style-type: none"> <li>– Secure resolution of localisation issues with Google</li> <li>– Pursue agreement with Stripe (unlikely but will continue to encourage)</li> </ul>	Work ongoing with Google.  Stripe agreement not achieved as anticipated. As an alternative, a payments toolkit was created and published to support businesses to identify solutions.	Partially met

LINK TO 5-YEAR STRATEGY	PLANNED ACTIVITIES AND METRICS	WHAT WE ACHIEVED - PROGRESS EVIDENCE	OUTCOME
Innovation Island	At least 5 start-ups supported through island's first technology Start-up Bootcamp programme.	7 start-ups participated on the inaugural programme.	Met
	Develop partnership agreement with Grindstone Jersey (scale-up programme) and implement plan with partners to deliver first programme.	Partnership agreement signed and Grindstone Jersey launched and completed with 5 local and 5 off-island businesses participating. Concluding in-person workshops hosted at Digital Jersey.	Met
International Connections	Run 1 international connections workshop to support 5 businesses.	Full day Software-as-a-Service export workshop delivered in Q4 with 10 businesses attending.	Met
	Attend at least on expo or conference to build off-island connections.	Stand at the Smart City Expo in collaboration with members and Government partners.	Met
	Support the External Relations team in Government through engagement with Ambassadors and UK Government Ministers in Jersey plus key overseas trips including New Jersey Big Data Alliance Event.	Facilitated 2 day visit to Jersey by Estonian Ambassador including meetings with Government departments and presentation at Digital Jersey Annual review.  Established relationship with Canadian government via Impact Canada and met with Canadian High Commissioner on visit to Jersey.  CEO presented at the New Jersey Big Data Alliance Event on data trusts.	Met
	Support the Economy Department with the implementation of the Export Strategy.	Software-as-a-Service export workshop delivered. No further actions for Digital Jersey in 2023 and will continue to support implementation of the Strategy as required by Government.	Met
World Class infrastructure and institutions	Work with Government and mapping partner to launch a suitable start-up licensing scheme for geospatial data.	Scheme launched – hackathon planned for 2024.	Met
	Design, develop and test 1 additional use case for the Digital Twin.	Visualisation developed for the Wind Farm consultation.	Met
	Continue discussions with UK Universities and Children, Young People, Education and Skills Policies ('CYPES') to establish a strategic partnership for Jersey.	Facilitated visit of the Education Minister and Chief Officer of CYPES to Southampton University.	Met
	Establish and chair Telecoms industry group.	Group established and chaired by Digital Jersey CEO.	Met

LINK TO 5-YEAR STRATEGY	PLANNED ACTIVITIES AND METRICS	WHAT WE ACHIEVED - PROGRESS EVIDENCE	OUTCOME
A highly skilled workforce	Help local digital businesses to grow by supporting recruitment (jobs page on DJ website and marketing support) and endorsing at least 10 work permissions for existing companies.	13 work permissions endorsed and granted.  160 job adverts posted on behalf of members and promoted.	Met
	Develop implementation plan for the refreshed Digital Skills Strategy.	Ongoing. Work is being done in partnership with an external consultant to review the Jersey market and propose options for future delivery	Partially met
	Re-establish the Digital Skills Partnership ("DSP").	We worked with Skills Jersey to focus on combining the wider digital needs of all sectors. Digital Jersey will advise and coordinate with businesses (much as the DSP did) and, with Skills Jersey, will focus on the wider needs of the whole economy. Our combined resources will be able to better serve the local economy by sharing project goals and joining up organisations rather than duplicating similar schemes, as had previously occurred.	Partially met
	Deliver a programme of courses in the Digital Jersey Academy including at least 3 specialist courses.	88 digital courses delivered in the Academy supported through the Business Licensing Skills Fund and 4 specialist courses delivered (Coding, 3D Printing, AI and Electronics courses)	Met
	Forge partnerships with industry to expand skills and create a technology pact with at least 5 businesses signed up.	We pivoted away from creating a technology pact to focus on working directly with businesses through specialist courses and our new Skills Credits Scheme. We delivered a 6 month coding course (in partnership with Deloitte and Warm Solutions) and launched the credits scheme in June 2023 with 5 organisations signed up to the scheme.	Met
	Support CYPES to drive digital skills in Education by delivering digital training for teachers and running 10 digital skills related extra-curricular activities and schools visits.	We continued to deliver teacher training throughout 2023. In addition, support was provided to a devices pilot project at Plat Douet school that will continue into 2024 and we delivered a coding course at Le Rocquier for students wanting to achieve a Level 2 STEP qualification out of school hours (remotely, and in person). These two initiatives together exceeded the targeted 10 visits.	Met
Attracting top talent	Revised MOU signed with Government in respect of business relocations.	Government decided not to renew the MOU in 2023. Government have developed a new assessment system for prospective relocations which they will share with us in 2024. We continued to work with relocating businesses.	Not Met
	Attract at least 10 digital businesses to Jersey (subject to MOU).	11 digital business relocations supported.	Met



LINK TO 5-YEAR STRATEGY	PLANNED ACTIVITIES AND METRICS	WHAT WE ACHIEVED - PROGRESS EVIDENCE	OUTCOME
Government Prioritisation	Prepare business cases for Government investment in Digital Jersey for operational growth and Skills funding.	Business cases for growth submitted but not progressed in Government planning process.  Impact Jersey funding secured and partnership agreements extended for both Digital Jersey and the Academy.	Met
	Support Government to run 3 engagement and procurement workshops to help local companies win more government work.	3 sessions run in collaboration with Government Procurement team.	Met
	Work with Statistics Jersey to ensure that the standalone digital sector is properly measured.	Discussions on this are ongoing but overall this action sits with Government to take forward.	Partially met
	Develop an impact assessment framework for Digital Jersey	Impact Assessment Framework approved by the Digital Jersey Board and will now be used to deliver project evaluation going forward.	Met
Digital Government	Continue to support Government digital adopting for example through: <ul style="list-style-type: none"> <li>– Participation on the Digital and Data Board</li> <li>– Supporting the Digital Health and Care Strategy</li> <li>– Providing advisory support to Government departments</li> <li>– Participating in the new Construction Innovation Hub</li> </ul>	Our CEO was a member of the Government's Digital Leadership Group to develop the Government's internal digital strategy.  We arranged a visit to University Hospital Southampton with the Health Minister and Assistant Minister for Digital to discuss use of technology. Follow up discussions were held on behalf of the Health Minister.  We continued to participate as requested by government and provide advice on digital adoption in government.  As part of that we worked closely with Strategic Policy, Planning and Performance ('SPPP') to lead automation workshops to identify key opportunities for government.	Met
Future Proofed Legislation and Regulation	Make recommendations through the Data Stewardship special interest group on changes to relevant legislation.	Workshops held with Government and Industry partners to discuss options. Reference to data stewardship will be included in the trust law consultation in 2024.	Met
	Support the Jersey Legislative Drafting Office in Rules as Code programme of work.	Project plan confirmed and project delivery partner contracted in 2023. Project will be completed in 2024.	Met
	Support Digital Economy Team with industry engagement for new developments in areas such as Cyber Security and Data Protection.	We hosted a consultation workshop for our members on the new Cyber Security proposals.	Met
		We also supported the Digital Economy Team with the development of the Digital Economy Strategy consultation document.	

LINK TO 5-YEAR STRATEGY	PLANNED ACTIVITIES AND METRICS	WHAT WE ACHIEVED - PROGRESS EVIDENCE	OUTCOME
Technology Accelerator Programme (Impact Jersey)	Deliver a Strategic Programme Plan that is approved by the Minister	Strategic Programme Plan approved in the first week of June 2023.	Met
	Launch the first programme in Q2 2023	First programme launched (Open Programme One) at the end of June 2023 and grant awards announced October and November 2023.	Met
Data Stewardship services programme	Establish the first Jersey data trust and recruit 500 cyclists	Lifecycle Trust established in February 2023 and 500 cyclists recruited.	Met
	Operate the trust, including set up of the data advisory panel and delivery of active travel insights	Trust operation established and panel convened. The first data request was received in 2023 and data will be shared in early 2024.	Partially met
	Resources permitting, conduct market investigations and develop local interest and expertise	<p>Responded to interest from local and UK market to the data trust and coordinated meetings between potential clients and relevant industry professionals in Jersey.</p> <p>We also ran two Special Interest Group Sessions (March 2023 and December 2023) sharing progress and lessons learned with Jersey stakeholders and showcasing existing market opportunities in the UK and beyond.</p> <p>We engaged with interested local industry representations including at a speaking slot at the STEP Jersey conference in October 2023.</p>	Met

## FINANCIAL PERFORMANCE

The company's activities are primarily funded by a core grant from the Government of Jersey. The 2023 core grant was £2,325,000 (2022: £2,225,000).

Total income was 35% higher than budgeted (2022: 20% higher than budgeted) and total expenditure was 6% higher than budgeted (2022: 15% higher than budgeted). For 2023, an additional £95,600 of funding was provided through the Economic Recovery and Business Licencing Skills programmes for the continued provision of a range of free and paid courses. With the launch of Impact Jersey, a further £901,000 was provided from the Technology Accelerator Fund of which £316,000 was spent by the end of 2023 (2022: £230,000 with £77,000 unspent and carried forward to 2023).

Membership income increased by 9% in 2023 to £221,500 primarily driven by increased member numbers. This follows a 28% increase in the previous year. This aligns overall with an increase in number of business memberships of 10% and increased utilisation of our facilities and membership services.

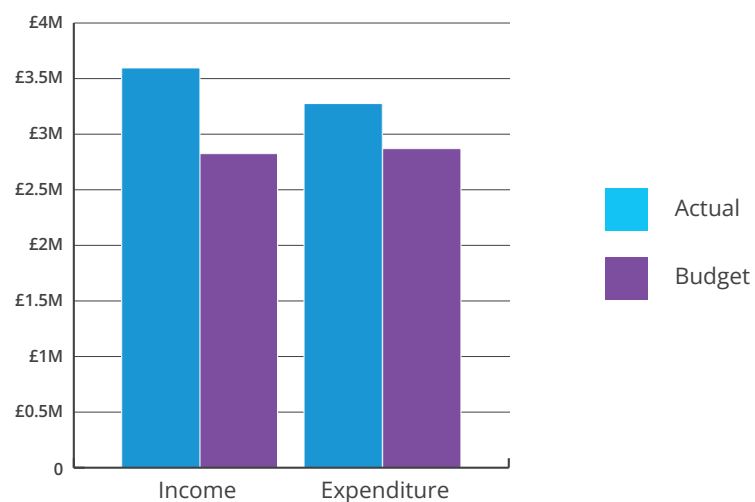
Operational expenditure for 2023 was broadly in line with expectations (4% variance from budget). Additional expenditure related to course costs funded by the Economic Recovery and Business Licencing Skills fund grants. A significant proportion of costs for the organisation are fixed (rental and salary costs). The small overspend on staff costs relates to additional resource to support the courses and to consultancy staff expenditure to support the Data Trust project which was not included in the budget but is funded as a joint initiative by Digital Jersey and the Jersey Office of the Information Commissioner ('JOIC').

## SUMMARY OF PERFORMANCE AGAINST BUDGET

	ACTUAL £'000	BUDGET £'000	VARIANCE £'000
Government grants	2,325	2,325	-
Impact Jersey grant	393 <sup>1</sup>	-	393
CYPES funding for the Digital Jersey Academy	202	202	-
Training and courses income	151	-	151
Other income	497	301	196
Staff and Board costs	(1,838)	(1,663)	(175)
Other expenditure	(1,243)	(1,201)	(43)
Funded training and courses - Academy	(194)	-	(194)
<b>NET OPERATING SURPLUS BEFORE DEPRECIATION*</b>	<b>293</b>	<b>(36)</b>	<b>328</b>

\*Results are shown before depreciation and exclude the facilities grant, which was received and spent in 2019 but is being recognised over the useful life of the facilities improvements, as well as the rent incentive recognised in the current period.

## ACTUAL VS BUDGET AS AT 31 DECEMBER 2023



<sup>1</sup> Includes £77,000 unspent from 2022 brought forward and £316,000 drawn in 2023

## LEADERSHIP AND GOVERNANCE

Digital Jersey is led by a Board of 7 Directors comprising 6 non-Executive Directors and the CEO. The company is owned by a non-charitable purpose trust, the Digital Jersey Trust which has three trustees and for which there is an independent enforcer.

Non-Executive Board members are appointed for an initial 3-year term, extendable by approval of the Board, up to a maximum of 9 years.

The Board of Directors has three sub-committees, one of which was new in 2023. These are:

- 1) **Remuneration and Nominations ('R&N') Committee:** responsible for setting remuneration principles, agreeing the remuneration of the CEO and overseeing the nomination and appointment of Board members.
- 2) **Audit and Risk Committee ('A&R'):** responsible for overseeing finance and risk including the annual audit and budgeting processes.
- 3) **Impact Jersey Steering Committee ('SteerCo'):** responsible for overseeing the operation of the Impact Jersey scheme.

BOARD MEMBER  
AND ROLES**Frank Walker OBE\***

Non-Executive Director and Chair of the Board / member of R&N

**Gailina Liew\***

Non-Executive Board Director / Chair of R&N / member of A&R and Senior Independent Director

**Aaron Chatterley\***

Non-Executive Board Director / Member of A&R / Member of SteerCo

**Tom Hacquoil**

Non-Executive Board Director / Member of A&R / Member of SteerCo

**Dame Wendy Hall**

Non-Executive Board Director

**Robert Kirkby**

Non-Executive Board Director / Chair of A&R / Chair of SteerCo

**Tony Moretta**

Chief Executive Officer and Director / Member of SteerCo

DATE OF FIRST  
APPOINTMENT

01/07/2017

01/01/2016

01/01/2016

01/07/2020

01/07/2020

01/07/2020

07/09/2015

\*The terms of office for Gailina Liew and Aaron Chatterley were considered by the Board during the year on the recommendation of the R&N Committee. Terms were extended to 31 December 2024 (which will be the final extension as both individuals will have then served for 9 years). The term of office for the Chair, Frank Walker was reviewed in February 2024 and was extended by up to a further 12 months to 30 June 2025 to enable a smooth transition to a new Chair. A recruitment process for new members of the Board will commence in the second half of 2024.

There were 8 Board meetings (4 Quarterly and 4 Ad-Hoc), 3 R&N meetings, 3 A&R meetings and 4 SteerCo meetings during 2023. Attendance of each board member is detailed here:

BOARD MEMBER	QUARTERLY BOARD	AD-HOC BOARD	A&R	R&N	STEERCO
Frank Walker OBE	4	1	-	3	-
Gailina Liew	4	3	2	3	-
Aaron Chatterley	4	4	3	3	3
Tom Hacquoil	4	4	-	3	4
Dame Wendy Hall	4	2	-	-	-
Robert Kirkby	4	4	3	-	4
Tony Moretta	4	4	1	3	4

In addition to the company structure, there is direct oversight of the activities and performance of Digital Jersey under the grant agreements with the Government of Jersey.

In the year the Board undertook an external Board effectiveness review which demonstrated good alignment with the UK Corporate Governance Code and overall a strong effectiveness score.

The Board proactively manages conflicts of interest. All new interests are declared formally at the start of each Board meeting. Where interests may be conflicts, or perceived to be conflicts, Board members raise these as they occur. There are no current interests of Board members which are deemed to be conflicts for their work for Digital Jersey.

**THE KEY ACTIVITIES OF THE SUB-COMMITTEES IN 2023 WERE:****R&N Committee**

- Receive regular updates employee benefits, working arrangements and remuneration
- Board effectiveness review
- Board succession planning
- Review and recommendation of CEO remuneration and bonus

**A&R Committee**

- Review of annual report and accounts
- Review and recommend to the Board a revised scheme of delegation
- Approve amendments to banking arrangements to meet operational needs
- Review and update the risk register

**SteerCo**

- Approve the Impact Jersey Strategic Programme Plan to recommend to Government
- Approve the programme proposal for Open Programme One to recommend to Government
- Oversee the governance and operations of the Impact Jersey Scheme including approving key policies and procedures
- Approve the grants and grant conditions under Open Programme One
- Review and monitor performance of the scheme

**KEY BOARD DECISIONS IN 2023**

- 1) Approve matters recommended by the Committees
- 2) Approve the annual report and accounts
- 3) Approve appointment of auditors
- 4) Approve the terms of reference for the Impact Jersey Steering Committee and appoint its members
- 5) Approve the budget and operational plan for 2024
- 6) Approve remuneration proposals for 2024

The Board relies on data produced by the Leadership team on a quarterly basis. The data used by the Board in 2023 included:

- Quarterly performance reports provide financial, performance and risk data. This is compiled from the financial system, the Customer Relationship Management ('CRM') system and other operational records managed by the team
- The Board update report sets out a quarterly update on business activity and operational matters and identifies matters for the Board to approve.

**CEO RESPONSIBILITIES**

The CEO has overall responsibility for leading the delivery of the organisation's strategy and for setting and overseeing the objectives of the team. The CEO also represents Digital Jersey in the media, with Government and industry and acts as ambassador on behalf of the company on the international stage.

Operationally the CEO is supported by the COO and six Heads of Department who together comprise the organisation's leadership team.



## RISK MANAGEMENT

Set out below are the principal risks and uncertainties included within the company's strategic risk register.

The Board identifies and manages risks through our risk management processes including regular review at the A&R Committee. These processes are designed to manage and mitigate risk (rather than to eliminate it).

The A&R Committee regularly reviews the company risk register and reports to the Board on any material changes. The significant risks are summarised here:

RISK		RISK DESCRIPTION	MITIGATION
<b>DELIVERY RISK</b> Risk increased in year due to new workload for Impact Jersey.	↑	Strategy and objectives cannot be fully delivered due to external constraints.	Active stakeholder management including both public and private sector. Promotion of Jersey as a Tech Hub. Promotion of 5 year strategy to generate wide support across Jersey. Encouragement of entrepreneurial culture through initiatives such as Sandbox Jersey. Explore non-Governmental funding streams to diversify income. Increase resources (headcount and external resource) to support Impact Jersey delivery.
<b>INFORMATION AND TECHNOLOGY RISK</b> No change in risk profile in year.	→	Island is no longer, or is no longer perceived to be, a cyber secure location.	Support for Government cyber strategy and membership of task force. Active influencer in the Island debate. including with non-Governmental organisations.
<b>REPUTATIONAL RISK</b> Increased risk due to novel and high profile projects, especially Impact Jersey.	↑	Risk that Digital Jersey is unable to prevent or mitigate the impact of an incident that damages the reputation of the island or organisation for digital initiatives.	Open and transparent approach to operations. Recruitment of a high-quality executive and non-executive team. Implementation of key operational controls and robust corporate governance. Regular dialogue with key island stakeholders to ensure that the island's reputation is managed within available resources.
<b>FINANCIAL RISK</b> Grant agreement with Government extended but full renewal still pending. Funding for Academy confirmed for one year.	↑	Insufficient funding to enable the organisation to fulfil its financial obligations.	Regular financial reporting to the Board. Grant with Government agreed annually with full visibility of 5 year plan provided. Continued development of diversified funding approaches.
<b>COMPLIANCE RISK</b> No change in risk profile in year.	→	Failure to comply with relevant laws and regulations	Oversight by the A&R Committee. Oversight by Trustees and Enforcer. Appointment of appropriately skilled and experienced COO with direct responsibility for compliance matters. Appointment of external expert support for key risk areas such as data privacy and Human Resources ('HR') as and when required.

There were no incidents of significant lapses of security or data losses in the year.

## REMUNERATION AND STAFF REPORT

### REMUNERATION OF DIRECTORS

#### POLICY

Non-Executive Director ('NED') fees are agreed in advance and are not variable during the course of the year. Reasonable expenses (travel, etc.) are also reimbursed. All NEDs are paid the same (currently £15,000) except the Chairperson (£25,000). The fees have been the same for three years with no inflationary increases. The Board reviewed this position in 2023 and approved an increase of 7.5% with effect from 1 January 2024. Fees are reviewed by the R&N Committee and approved by the Board. In addition, the Board agreed a fee of £3,000 per annum for Committee Chairs with effect from 1 January 2024.

Details on the remuneration received by each Director is shown in note 5 of the financial statements on page 42 and is therefore not repeated here.

The company pension scheme arrangements are available to Executive Directors on the same basis as for other employees. Pension contributions are not available to NEDs.

#### STAFF REPORT

The Board has decided it is not appropriate to disclose detailed information on the range and levels of staff remuneration. Given the team is small (20 employees at year end: 10 men and 10 women) and each role is unique within the team, such disclosures would enable individual colleagues to be identified.

The organisation has a diversity policy which is applied during recruitment and ongoing employment. Where individuals have needed adaptations to working environment or practices to enable them to work effectively, this has been implemented. Further details on how this has been applied cannot be provided in this report as they would risk identifying individuals within the small team.

During the year 6 new appointments were made to new and existing roles, and 3 employees left. Exit interviews were conducted with those that resigned from which there were no adverse findings.

In addition to direct employment contracts a range of contract / consultancy staff were engaged during 2023. These included:

- HR consultancy services
- Data Protection Management
- Technology consultancy
- Project Management services

The total expenditure on these consultancy and contract services was £160,700 in 2023 (£164,000 in 2022). The expenditure predominately related to services engaged as part of the data trust project, which is a £300,000 project over two years that started in 2022 and is jointly funded by Digital Jersey and JOIC. The consultancy related cost for this workstream in 2023 was £68,000 (£114,000 in 2022). Impact Jersey, the programme launched through the Technology Accelerator Fund, incurred £49,000 consultancy related cost. Shared services comprised of £20,000 related to HR consultancy services and £23,700 related to Data Protection Management.

These contracted services have been engaged based on a cost-benefit analysis, where outsourced services are better value for money than employment of staff directly. This is generally due to the specialist nature of the services provided, which are only required on a part-time basis.

## SUSTAINABILITY AND CLIMATE CHANGE REPORTING

In 2023, Digital Jersey continued its improvement towards delivering on Environmental, Social and Governance ('ESG') goals.

In line with our commitment to measure emissions where possible, the company monitored its most significant Scope 1 and 2 carbon emissions, focusing on energy consumption and flight emissions.

We gathered data on the total annual electricity usage and calculated the carbon dioxide equivalent ('CO<sub>2</sub>e') emissions. The company's annual energy consumption (kWh) amounted to 60,390, which has an equivalent of 1,450 KgCO<sub>2</sub>e.

We also utilised travel policies to minimise our carbon footprint and support net-zero initiatives. In 2023, Digital Jersey staff, board members and guest speakers altogether took 37 flights with an average of 253 KgCO<sub>2</sub>e per flight.

We continued the pilot initiative launched in 2022 to understand the performance of our building through the Tether devices and will aim to develop a baseline data set in 2024.

We also supported wider ESG goals through some of our key projects:

- Sustainable transport: through the launch of our data trust initiative, Lifecycle, we are collecting journey data on active travel journeys across the island through 500 smart bike light sensors which will be used to inform transport planning and encourage cycling on the island.
- Impact Jersey: in 2023, Digital Jersey launched the Impact Jersey initiative, which sought projects that address the Government's 8 strategic priorities through technology, including 4 specific ESG target areas. Following a robust judging process, 6 projects were selected for funding including projects that will see the installation of sensors in homes to track efficiency, air quality sensors around the island, flood defence sensors to manage storm impact, and carbon mapping to support future net-zero initiatives. Digital Jersey is monitoring and supporting these projects and ensuring their impact is evaluated.

Digital Jersey's approach to governance is in line with best practice for an organisation of our scale.



## Directors' Report

The Directors present their report and the audited financial statements for year ended 31 December 2023.

### INCORPORATION

The company was incorporated in Jersey, Channel Islands on 2 July 2012 with the registered number 110982.

### PRINCIPAL ACTIVITIES

The company's principal activity during the year was to represent Jersey as a digital centre and promote Jersey's digital industries.

### STRATEGY AND OBJECTIVES

Digital Jersey Limited ("Digital Jersey") is an independent organisation, funded by the Government of Jersey, acting as a development agency and industry association for the digital economy. Digital Jersey's purpose is to accelerate the growth of the digital sector and the development of a digitally enabled society. A strategy is produced every 5 years and these longer-term strategic objectives are enabled through annual business plan targets.

A 5-year strategic plan was published in 2021.

The 5-year strategy sets out a new approach to delivering our overall aim of developing Jersey as a sustainable Tech Hub. There are four key segments to the strategy:

- 1) Transforming Industry: developing thriving business clusters, supporting digital transformation and enabling access to funding and growth tools.
- 2) Growing Infrastructure: promoting Jersey as an Innovation Island, extending the reach and number of international connections and promoting world-class infrastructure and institutions.
- 3) Upskilling people: supporting a highly skilled workforce, attracting top talent and developing an active digital community and partnerships.
- 4) Accelerating a digital Government: supporting Government prioritisation in the digital sector, promoting a digital Government and participating in the development of future-proofed legislation and regulation for the tech sector.

Details of the long-term objectives and annual business plans are available on the Digital Jersey website.

**DIRECTORS' REPORT (CONTINUED)****DIVIDEND AND TRANSFER TO RESERVES**

The Directors do not recommend the payment of a dividend for the year (2022: £nil).

It is proposed that the surplus of £279,000 is transferred to reserves.

**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 year 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 income or expenditure of the Company for that period.

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.

The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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 (s)he ought to have taken as a director in order to make herself/himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**SECRETARY**

Date 2/5/2024

Signed *Amy Taylor*

Amy Taylor, COO

**CHIEF EXECUTIVE**

Date 2/5/2024

Signed *A I Moretta*

Tony Moretta, CEO

**AUDITOR**

Alex Picot Chartered Accountants have indicated their willingness to continue in office.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIGITAL JERSEY LIMITED

### OPINION

We have audited the financial statements of Digital Jersey Limited (the "company") for the year ended 31 December 2023 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position 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 FRS 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 2023 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

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 directors' 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. 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:

- 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 set out on page 31, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIGITAL JERSEY LIMITED (CONTINUED)

### 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud:

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:

During our audit we assessed the risk of material misstatement of the financial statements as a result of non-compliance with relevant laws and regulations (irregularities), including fraud. Based on our understanding of the company and its environment, together with discussion with senior management where appropriate, we were able to identify those laws and regulations which would have a direct effect on the financial statements as well as those which may have an effect on amounts in the financial statements, for instance through the imposition of fines or litigation. These included, but were not limited to, Jersey Company Law as

well as general legislation applicable to a business operating in Jersey, such as Data Protection requirements, Employment Law and Health and Safety Regulation. The risks arising from these laws and regulations were discussed amongst the audit engagement team, including consideration as to how and where fraud might occur.

Based on our assessment, the Engagement Partner ensured that the audit engagement team was composed appropriately with suitable competence and capabilities in order to allow identification and recognition of non-compliance with laws and regulations. The risks identified were communicated to all engagement team members who remained alert during the course of the audit for any indication of irregularities, including fraud.

Our procedures in response to the risks identified included the following:

- Enquiry of management, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- Review all available minutes of meetings held by those charged with governance;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In common with all audits carried out under the ISAs(UK), we carried out procedures in response to the threat of management override, including those considering the appropriateness of journal entries and judgements made in making accounting estimates;
- Review for any changes to activities which the company undertakes;

There are inherent limitations in the audit procedures above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. In addition, the risk of not detecting material misstatement due to fraud is higher than detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery, collusion or intentional misrepresentations. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

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](http://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.

2024  
 Donald Connolly *Don Connolly* 2/5/2024  
 for and on behalf of  
 Alex Picot Chartered Accountants



**DIGITAL JERSEY LIMITED STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE PERIOD ENDING 31 DECEMBER 2023**

	NOTE	2023 (£'000)	2022 (£'000)
<b>INCOME</b>			
Government grants	3	3,083	2,814
Training and courses income		151	388
Other income		497	249
		<b>3,732</b>	<b>3,451</b>
<b>EXPENDITURE</b>			
Salaries and emoluments	4	1,718	1,452
Non-executive board fees	5	111	100
Non-executive board expenses		9	6
Premises and maintenance		328	325
Courses and training costs		194	400
Business operating expenditure		882	821
Depreciation	8	211	266
		<b>3,453</b>	<b>3,370</b>
<b>RETAINED SURPLUS FOR THE YEAR</b>		<b>279</b>	<b>81</b>
Reserves brought forward		657	576
<b>RESERVES CARRIED FORWARD</b>		<b>936</b>	<b>657</b>

The company has not made any acquisitions nor discontinued any operations during the year. The results derive entirely from continuing operations. Furthermore, the company has not incurred any recognised gains or losses other than as reported in the Statement of Income and Retained Earnings.

The notes on pages 38 to 46 form part of these financial statements. Independent Auditor's Report – pages 33 to 34

**DIGITAL JERSEY LIMITED STATEMENT OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2023**

	NOTE	2023 (£'000)	2022 (£'000)
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	204	378
<b>CURRENT ASSETS</b>			
Debtors and prepayments	9	225	164
Cash at bank and in hand		1,866	1,064
		<b>2,091</b>	<b>1,228</b>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(1,359)	(878)
<b>NET CURRENT ASSETS</b>		<b>732</b>	<b>350</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>936</b>	<b>728</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year			
Deferred Income	11	-	(71)
		<b>936</b>	<b>657</b>
<b>CAPITAL AND RESERVES</b>			
Reserves	12	936	657
		<b>936</b>	<b>657</b>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime and were approved by the Board on 2 May 2024, who confirmed that they had made available all relevant records and information, and signed on its behalf by:

Date 2/5/2024

Signed *Frank Walker*

Frank Walker OBE, Chair

The notes on pages 38 to 46 form part of these financial statements. Independent Auditor's Report – pages 33 to 34

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

**1. GENERAL INFORMATION**

Digital Jersey Limited is a company limited by shares and incorporated in Jersey, Channel Islands. The company's principal place of business, which is also its registered office, is Block 3, The Forum, Grenville Street, St Helier, Jersey, JE2 4UF. The principal activity of the company is described in the report of the Directors.

**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 the years presented, and remain unchanged from the previous year.

**2.1 BASIS OF PREPARATION**

The financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with FRS 102 and Companies (Jersey) Law, 1991 (as amended).

The company has a Partnership Agreement with the Government of Jersey for which the original term ended on 31 December 2023. An extension of this agreement was approved by the Board on 11 January 2024 and signed on 23 January 2024. This extension continues the existing agreement until 31 December 2026.

As at the date of this report, the company's annual grant which forms part of the Agreement (as detailed in Note 2.3 below) for 2024 had been approved and the first half of the grant had been received in accordance with standard arrangements. The Board has relied on this extension letter of comfort in conducting a going concern assessment.

**2.2 STATEMENT OF COMPLIANCE**

The financial statements have been prepared in compliance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", adopting the presentation and disclosure requirements of Section 1A. There were no material departures from that standard.

**2.3 INCOME RECOGNITION AND GRANTS**

The company receives a grant from the Government of Jersey in order for it to achieve its objectives of working alongside industry and Government to coordinate activities that improve the environment for digital business in Jersey. In addition, the company receives a grant from the Department for Children, Young People, Education and Skills to enable the creation of the Digital Jersey Academy and the ongoing running costs of this education facility.

In 2022 the Technology Accelerator Fund was established in Government and Digital Jersey received a one-off grant of £230,000 to fund the set up of Impact Jersey. Thereafter the operations of Impact Jersey are funded via a service agreement (signed in 2023) and programmes are funded by grants approved by the Minister for Sustainable Economic Development.

Government grants are recognised on an accruals basis and accounted for in line with the grant agreement for each year, with grant income being matched with the expenditure it is intended to compensate. Grant proceeds that are used for investment in fixed assets are therefore recognised in income on a systematic basis over the expected useful life of the asset.

Membership fee income is recognised on an accruals basis when services have been delivered to members.

Other income (fees, sponsorship and interest income) is recognised on an accruals basis when services or activities have been delivered.

**2.4 EXPENSES**

Expenses are recognised on an accruals basis.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

**2. ACCOUNTING POLICIES (CONTINUED)****2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are capitalised when the purchase cost is £1,000 or greater, and are included in the financial statements at cost less depreciation and impairment. Depreciation is charged on all fixed assets on a straight-line basis, calculated to write each asset down to its estimated residual value over its expected useful life as follows:

Computer equipment	3 years
Office equipment	3 years
Leasehold improvements	5 years
Audio Visual Equipment	3 years

Depreciation is charged in the year of acquisition from the month the asset becomes operational and until the month of disposal.

**2.6 LEASES AND LEASE INCENTIVES**

Rents payable under operating leases are charged to the statement of income and retained earnings on a straight line basis over the period of the lease.

The benefits of lease incentives are recognised in the statement of income and retained earnings over the lease period.

**2.7 FINANCIAL INSTRUMENTS**

The company has chosen to adopt Sections 11 and 12 of FRS 102 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.

**(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 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.

**2.8 PENSION COSTS**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the statement of income and retained earnings when due.

**2.9 TAXATION**

The company is subject to Jersey income tax at 0% (2022: 0%).



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

## 3. GOVERNMENT OF JERSEY FUNDING

	2023 (£'000)	2022 (£'000)
Government of Jersey core grant	2,325	2,225
Skills Jersey funding – Digital Jersey Academy	202	219
Impact Jersey funding	393	153
Facilities development grant	163	217
	<b>3,083</b>	<b>2,814</b>

In addition to the core grant and Academy funding, in 2019 Digital Jersey received a facilities development grant.

This grant received for the fit out of the Hub and the Academy is being recognised over the useful economic life of the improvements in accordance with the requirements for accounting for Government grants.

The Impact Jersey funding of £393,000 relates to £77,000 brought forward from 2022 underspend which funded the design and set up of the scheme, Scheme Management fees of £166,000 and Open Programme 1 funding for Project grants of £150,000.

## 4. SALARIES AND EMOLUMENTS

	2023 (£'000)	2022 (£'000)
Salaries	1,310	1,077
Contract and consultancy staff	142	164
Social Security	75	60
Pension and other benefits	191	151
	<b>1,718</b>	<b>1,452</b>

The average number of staff employed by Digital Jersey Limited (excluding Non-Executive Directors) during the year was 19 (2022: 16).

The company operates a defined contribution pension scheme on behalf of employees which they can opt in to following successful completion of probation. Alternatively, employees can elect to receive additional remuneration equivalent to 10% of salary as part of their basic remuneration in order to make their own pension arrangements.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

## 5. DIRECTORS' REMUNERATION

	BASIC SALARY £'000	PERFORMANCE- RELATED PAYMENT £'000	PENSIONS CONTRIBUTIONS £'000 (see note below)	2023 TOTALS £'000	2022 TOTALS £'000
Non-Executive Directors	111	–	–	111	100
Executive Director	221	20	22	263	256
				<b>374</b>	<b>356</b>

Non-Executive remuneration for 2023 is approved at £25,000 per annum for the Chair with all other Non-Executive Directors receiving £15,000 per annum. The remuneration for 2023 includes fees paid to SteerCo, which is based on a fee per meeting including preparation, attendance and follow up of £1,000 for Non-Executive Directors.

The company pension scheme arrangements (described in note 4 above) are available to Executive Directors on the same basis as for other employees. Pension contributions are not available to non-Executive Directors.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

## 6. DIGITAL JERSEY ACADEMY INCOME AND EXPENSES

	2023 (£'000)	2022 (£'000)
<b>INCOME</b>		
Skills Jersey funding – Digital Jersey Academy	202	219
Course and training income	151	388
Sponsorship	17	-
<b>Total income</b>	<b>370</b>	<b>607</b>
<b>EXPENDITURE</b>		
Digital Jersey direct expenses	229	187
Course and training costs	138	330
Service provider grant funding	50	70
<b>Total expenditure</b>	<b>418</b>	<b>587</b>
Net position	(48)	20

Direct expenses and service provider support costs are shown as part of overall expenditure in the Statement of Income and Retained Earnings, allocated to the appropriate expense line. Here the costs are analysed separately to show expenditure against the separate funding agreement with CYPES.

During 2023 the Digital Jersey Academy provided level 6 qualification in Digital Leadership and short courses in digital skills. Funding for the Academy was provided by CYPES under a grant agreement, which funded direct expenses for Digital Jersey and seed funding for the course provider. During 2023 the model changed from a commissioned model to an in-house delivery, which saw a decrease in funding received as well as a decrease on course and training costs.

Government grant funding was received from the Economic Recovery fund until April 2023, after which 75% of course costs were recovered from the Business Licensing Skills fund to extend the programme of free digital skills courses.

## 7. IMPACT JERSEY INCOME AND EXPENSES

	2023 (£'000)	2022 (£'000)
<b>INCOME</b>		
Programme funding	180	-
Scheme and Programme Management	213	153
<b>Total income</b>	<b>393</b>	<b>153</b>
<b>EXPENDITURE</b>		
Grants paid to successful applicants	149	-
Scheme Management	213	153
Programme Management	31	-
<b>Total expenditure</b>	<b>393</b>	<b>153</b>
Net position	-	77

An amount of £230,000 was received during 2022 to fund the Technology Accelerator Programme, known as Impact Jersey. Of this amount, £153,000 was spent during 2022 and £77,000 was brought forward to 2023 and is included in the £213,000 amount for 2023.

Programme funding in 2023 relates to Open Programme 1. Expenditure is recognised on an accruals basis and Income is recognised to match expenditure incurred.

Included in the Scheme Management expenditure of £213,000 is an amount of £84,600 management charge expense. This relates to the incremental staff and other costs incurred by Digital Jersey since the launch of Impact Jersey in June 2023.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 8. TANGIBLE FIXED ASSETS

	LEASEHOLD IMPROVEMENTS (£'000)	COMPUTER EQUIPMENT (£'000)	OFFICE EQUIPMENT (£'000)	AUDIO VISUAL EQUIPMENT (£'000)	TOTAL (£'000)
<b>COST</b>					
At 31 December 2022	992	167	128	8	1,295
Additions	-	34	-	3	37
Disposals	-	-	-	-	-
At 31 December 2023	<b>992</b>	<b>201</b>	<b>128</b>	<b>11</b>	<b>1,332</b>
<b>DEPRECIATION</b>					
At 31 December 2022	650	139	127	1	917
Charge for the year	189	19	-	3	211
Disposals	-	-	-	-	-
At 31 December 2023	<b>839</b>	<b>158</b>	<b>127</b>	<b>4</b>	<b>1,128</b>
<b>NET BOOK VALUE</b>					
At 31 December 2023	<b>153</b>	<b>44</b>	<b>-</b>	<b>7</b>	<b>204</b>
At 31 December 2022	342	28	1	7	378

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

## 9. DEBTORS AND PREPAYMENTS

	2023 (£'000)	2022 (£'000)
Trade debtors	64	32
Prepayments	149	111
Other debtors	12	21
	<b>225</b>	<b>164</b>

## 10. CREDITORS

Amounts falling due within one year

	2023 (£'000)	2022 (£'000)
Sundry creditors <sup>1</sup>	1,202	596
Lease incentive	21	54
Deferred Income (see explanation in Note 11)	136	228
	<b>1,359</b>	<b>878</b>

<sup>1</sup>£585,000 of this amount relates to funding received in advance for Impact Jersey

## 11. CREDITORS

Amounts falling due after one year

	2023 (£'000)	2022 (£'000)
Facilities development grant from Government of Jersey	-	71
	<b>-</b>	<b>71</b>

A grant received in 2019 from the Government of Jersey was used to fund the creation of the Digital Jersey Academy and expanded Hub, including the purchase of fixed assets and investment in Leasehold Property. In accordance with the company's accounting policy for Grants, the income is being recognised in the Statement of Income and Retained Earnings over the expected useful life of the assets as deferred income.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

**12. RESERVES**

During 2022 the Board decided to retain 1 month Operational Expenditure as a reserve (£240,000). In 2023 this was extended to 2 months (total of £453,000), as a result of inflationary pressures.

The remaining reserves position relates to the net book value of fixed assets (204,000) and the 2023 surplus.

Following discussions with Government, there is ongoing uncertainty about future grant levels. As a result, the Board has decided to increase the operating expenditure reserve by the 2023 surplus of £279,000.

**13. GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

The company has the following future operating lease commitments at the balance sheet date:

	LESS THAN 1 YEAR (£ £'000)	BETWEEN 2 & 5 YEARS (£ £'000)	GREATER THAN 5 YEARS (£ £'000)
<b>PREMISES</b>			
Forum 3, Grenville Street	83	302	–
Forum 4, Grenville Street	84	303	–
	<b>167</b>	<b>605</b>	<b>–</b>

**14. CALLED UP SHARE CAPITAL**

	2023 (£)	2022 (£)
<b>AUTHORISED</b>		
Ordinary shares of £1 each	10,000	10,000
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
Ordinary shares of £1 each	3	3

**15. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year that require disclosure (2022: £nil).

**16. POST BALANCE SHEET EVENTS**

There were no post balance sheet events that require adjustment or disclosure.

**17. ULTIMATE CONTROLLING PARTY**

The Company is wholly owned by a non-charitable purpose trust, the Digital Jersey Trust. In the Directors' opinion, the Digital Jersey Trust is the ultimate controlling party of the Company. The Trustees of the Digital Jersey Trust during the year were as follows:

Amanda Icton

Tim Bullock

Ray Parker

For more information, please contact:

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