

JERSEY LEGAL INFORMATION BOARD

Annual Report and Financial Statements

31 December 2012

**ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2012**

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JERSEY LEGAL INFORMATION BOARD (JLIB) OFFICERS AND PROFESSIONAL ADVISERS

BOARD MEMBERS

The Bailiff, Michael Birt (Chairman)

Timothy Le Cocq QC, HM Attorney General

Michael de la Haye, Greffier of the States

Advocate Tim Herbert, representative, Jersey Law Society

James Lambert, Director of Services, Judicial Greffe

Senator Alan Maclean, Economic Development Minister

Advocate Carl Parslow, representative, Jersey Law Society

Pam Staley, Law Draftsman

Neil Wells, IT Director, Information Services Department

Michael Wilkins, Judicial Greffier

JLIB PROGRAMMME DIRECTOR

Sue du Feu

ADVISER TO JLIB

Professor Richard Susskind OBE

ANNUAL REPORT FOR 2012

In 2012, the Jersey Legal Information Board (JLIB) maintained the ongoing development of its website, in order to meet the needs of users. A major enhancement to the website was achieved with the completion of work to provide a new and improved search engine. This allows for faster and greatly enhanced free-text searching across the whole of the website, which has met with considerable approval from users.

During the year, JLIB also started publishing the Jersey Employment Tribunal judgments on its website, including retrospective publication of judgments back to 2005. This was undertaken in response to requests from users who wanted all case law available in one place. Although the early judgments are not in a standard format, from 2012 onwards, the judgments are published in a format which is consistent with the unreported judgment series.

The annual update to the revised edition of the laws was published on the website in April 2012. Unreported judgment citations and the Jersey and Guernsey Law Review continued to be available on the World Legal Information Institute and Commonwealth Legal Information Institute websites. In 2012, at no cost to JLIB, Jersey's judgment citations also became available on the Justis Publishing citator, JustCite, further increasing Jersey's global presence and driving traffic to the JLIB website. As a consequence, there has been a noticeable increase in on-line sales (or "pay as you go") as shown in the Profit and Loss Account on page 7.

Such enhancements and additions ensure that the website continues to remain the envy of other jurisdictions as well as a valuable resource for all who live and work in the Island. Whether in terms of adding content or developing its structure, the website project absorbs the majority of JLIB's resources, both financially and in relation to staff time. As a matter of record, it should be noted that the intellectual property within the software developed for the website is wholly owned by JLIB.

Following earlier discussions, the partnership between the Citizens Advice Bureau (CAB) and JLIB has continued to be nurtured and members of the public looking for legal advice on the JLIB website are now redirected to the CAB website where advice and guidance is displayed. The content is updated by Court Service staff and local law firms.

Co-operation between JLIB and the Institute of Law continued in 2012 in a number of areas, particularly in relation to on-line legal resources. The necessary re-establishment of a central, hard-copy Law Library continues to be an area of shared interest between the Institute, the Courts and JLIB. During 2012, the Institute started training for the fourth cohort of students on the Jersey Law Course, and also welcomed students to the third intake for the law degree course in September.

JLIB became a member of the Free Access to Law Movement (FALM) in 2008, since when it has regularly been represented at the annual Law Via the Internet conference which is hosted by FALM members. At the 2012 conference at Cornell University, JLIB presented a paper entitled "Implications of Publishing Legal Information in a Small Island State: Privacy v Open Justice". JLIB has been invited to host the 2013 conference in September; this highly prestigious, international event will attract visitors from all over the world and allow JLIB to showcase its work and the Island.

Since incorporation in 2004, JLIB has put procedures in place to ensure that it adheres to best practice and to ensure that its finances, accounts and administration are able to stand up to scrutiny, as well as being transparent. This has included the formulation of a code of best practice (revised in 2012) for its members to adhere to, as well as engaging external auditors (whose report is also contained in this document). JLIB is funded from both the public sector and the private sector. The contribution by Jersey law firms towards the funding of JLIB continues to be significant, and has ensured that JLIB is in a position to continue to develop the website and provide added value to its users. Close links with the Law Society of Jersey continue to be maintained with the appointment of two of its representatives to the Board (both are also ex officio members of the Executive Group).

JLIB would require a combined revenue and capital budget of approximately £400,000 per annum, in order to achieve all of its strategic aims, especially its aim to support Jersey's position as a leading business centre. Whilst it is difficult to undertake a cost-benefit analysis, the social benefits of JLIB's work are self-evident, particularly in relation to making the law and legal processes freely accessible to the public. Moreover, the extent to which the website continues to be consulted by a wide range of users testifies to its importance as a resource which is valued by the legal profession, as well as the wider public (including, for example, users in the financial services sector, both in and outside the Island).

The table below sets out some of the achievements made in 2012; with continued financial support, JLIB will be able to make further progress in the coming years.

ANNUAL REPORT FOR 2012

| Project | Achievements in 2012 |
|--------------------------------------|---|
| Website | <ul style="list-style-type: none"> • Continued on-line publication of Jersey’s customary and civil law • Continued on-line publication of all Practice Directions • Continued on-line publication of the Jersey and Guernsey Law Review • Continued on-line publication of Jersey law firms list • Continued on-line publication of the library of legal books and texts • Continued on-line publication of annotated versions of various laws • Continued to generate monthly statistics on website usage and revised reporting format • Continued to add Jersey Employment Tribunal judgments • Upgraded website search engine |
| Legislation Revision | <ul style="list-style-type: none"> • Continued on-line publication of Jersey’s legislation, as enacted • Continued on-line publication of Jersey’s legislation, as adopted • Continued on-line publication of revised legislation |
| Case Law | <ul style="list-style-type: none"> • Continued on-line publication of Jersey Law Reports (and index) for 1985 to 2011 • Continued on-line publication of Jersey’s Unreported Judgments and prepared pre-1997 judgments for future publication |
| On-line Guidance | <ul style="list-style-type: none"> • Continued to support the Institute of Law and re-establishment of the central Law Library • Met with law firms to discuss approaches to sharing information and other collaborative issues • Continued collaborative project with the Citizens’ Advice Bureau to improve access to legal information for citizens |
| Civil Justice | <ul style="list-style-type: none"> • Continued to pilot the community mediation centre project • Continued involvement with Jersey Accredited Mediators Association and the promotion of mediation as an alternative mode of dispute resolution |
| Criminal Justice | <ul style="list-style-type: none"> • Continued to participate in Criminal Justice System Board projects for the further integration of the Criminal Justice system |
| Land Registry | <ul style="list-style-type: none"> • Considered possible reforms to the Jersey Land Registry system |
| Research and Development | <ul style="list-style-type: none"> • Continued to equip courts with digital recording and retrieval systems • Continued to provide video-conferencing facilities in a number of matters before the Courts, including delivery of reserved judgments and directions hearings before the Court of Appeal • Maintained wireless hot-spots in the Royal Court Building • Maintained preparedness for use of video-conferencing for bail applications and participated in associated Criminal Justice System Board project • Continued to assess feasibility of using iPads in Court |
| Consultation | <ul style="list-style-type: none"> • Continued collection of feedback received from users of the JLIB website • Continued to consult with users regarding the website search facility (including associated enhancements) and overall appearance of the website |
| Programme Management/ Administration | <ul style="list-style-type: none"> • Continued appointment of a part-time Programme Director to provide programme management leadership, and to oversee JLIB’s administration • Continued the use of a code of best practice for members of the Jersey Legal Information Board • Continued to make use of an Executive Group to implement the strategy and policy of the Jersey Legal Information Board • Commenced preparations for hosting of 2013 Law Via the Internet conference |

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

The Jersey Legal Information Board is not a States funded body under the Public Finances (Jersey) Law 2005 (it was incorporated under the Jersey Legal Information Board (Incorporation) Law 2004). However, in 2008 the Board appointed a person to fulfil the functions of Accounting Officer with responsibility for preparing the financial statements and for transmitting them to the relevant authorities. The Board has chosen to prepare the non statutory financial statements under United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In preparing these financial statements, the Accounting Officer is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Board will continue in business.

The Accounting Officer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Board, enabling them to ensure that the financial statements comply with best practice. The Accounting Officer is also responsible for safeguarding the assets of the Board, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

The Accounting Officer has responsibility for maintaining a sound system of internal control that supports the achievement of the Jersey Legal Information Board's policies, aims and objectives as set out by the members thereof, whilst safeguarding the public and other funding for which the Accounting Officer is responsible in accordance with the responsibilities assigned.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives. It therefore only provides reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Board's policies, aims and objectives; to evaluate the likelihood of those risks being realised; and to manage them efficiently, effectively and economically. The system of internal control has been in place during the financial year ended 31 December 2012 and will be maintained for subsequent financial years thereafter.

The risk and control framework

Risk Criteria and Evaluation

The specific approach is tailored to fit the circumstances of each area, but risk management operates on consistent principles of identifying and analysing the management risks against objectives.

Risks are assessed for likelihood and potential impact in order to help determine priority risks for action. Accountability for management of individual risks is established as an essential part of the risk management policy.

Risk Management Process

Risks are assessed, managed and reported at strategic and project level. Over-arching threats to delivery are reported to the full Jersey Legal Information Board, which reviews progress of projects against plans set as part of the planning process on a twice yearly basis.

Review of effectiveness

The Accounting Officer also has responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the executive management of the Jersey Legal Information Board, who have responsibility for the development and maintenance of the internal control framework.

Jersey Legal Information Board

The full board of the Jersey Legal Information Board which is comprised of those members as set out on page 1, meets twice yearly to consider the strategic direction and projects of the Jersey Legal Information Board.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JERSEY LEGAL INFORMATION BOARD

We have audited the non-statutory financial statements of Jersey Legal Information Board ('JLIB') for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet, the statement of movement in total funds and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Board's members, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Board'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 Board's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board's members and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Board's members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to JLIB's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of Jersey Legal Information Board's affairs as at 31 December 2012 and of its loss for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Deloitte LLP
Chartered Accountants
St Helier, Jersey
11 April 2013

PROFIT AND LOSS ACCOUNT
1 January 2012 to 31 December 2012

| | Notes | 1 January 2012 to 31 December 2012 | 1 January 2011 to 31 December 2011 |
|---|-------|---|---|
| | | £ | £ |
| INCOME | 2 | | |
| Website (subscriptions) | | 150,111 | 144,358 |
| Website (pay as you go) | | 3,647 | 1,078 |
| Mediation fees | | 160 | 174 |
| Advertising | | 100 | 550 |
| Bank interest | | 1,034 | 883 |
| | | <hr/> | <hr/> |
| | | 155,052 | 147,043 |
| | | <hr/> | <hr/> |
| EXPENDITURE | 10 | | |
| Website | 11 | 112,578 | 88,192 |
| Legislation revision | | 2,794 | 1,892 |
| On-line guidance | | 5,500 | 6,500 |
| Programme management and administration | | 80,703 | 96,766 |
| LVI 2013 conference | | 9,172 | - |
| Audit fee | | 3,150 | 3,079 |
| Audit fee (2011) | | 157 | - |
| | | <hr/> | <hr/> |
| | | 214,054 | 196,429 |
| | | <hr/> | <hr/> |
| Retained loss for the financial year, transferred to accumulated deficit | 7 | (59,002) | (49,386) |
| | | <hr/> <hr/> | <hr/> <hr/> |

All activities are derived from continuing operations.

There are no recognised gains or losses in either year other than the loss for that year, and as such no statement of recognised gains or losses has been presented.

The notes on pages 10 to 12 form an integral part of these financial statements.

BALANCE SHEET
31 December 2012

| | Notes | 31 December 2012 £ | 31 December 2011 £ |
|---|-------|--------------------------|--------------------------|
| RECEIVABLES | 3 | 120,000 | 100,583 |
| CURRENT ASSETS | | | |
| Cash at bank | 4 | 828,482 | 719,793 |
| | | <hr/> | <hr/> |
| CREDITORS: amounts falling due within one year | 5 | (5,009) | (17,852) |
| NET CURRENT ASSETS | | <hr/> | <hr/> |
| | | <hr/> <hr/> | <hr/> <hr/> |
| CAPITAL AND RESERVES | | | |
| Reserves | 6 | 1,465,380 | 1,265,430 |
| Accumulated deficit | 7 | (521,907) | (462,905) |
| NET FUNDS | | <hr/> | <hr/> |
| | | <hr/> <hr/> | <hr/> <hr/> |

These financial statements were approved by the Board of the Jersey Legal Information Board on 11 April 2013.
Signed on behalf of the Board.

James Lambert
Accounting Officer

The notes on pages 10 to 12 form an integral part of these financial statements.

STATEMENT OF MOVEMENT IN TOTAL FUNDS
1 January 2012 to 31 December 2012

| | Note | 31 December 2012 £ | 31 December 2011 £ |
|----------------------------------|------|--------------------------|--------------------------|
| Loss for the year | | (59,002) | (49,386) |
| Net funding received | 6 | 199,950 | 180,575 |
| | | <hr/> | <hr/> |
| Net addition to net funds | | 140,948 | 131,189 |
| Opening net funds | | 802,524 | 671,335 |
| | | <hr/> | <hr/> |
| Closing net funds | | 943,473 | 802,524 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 10 to 12 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
1 January 2012 to 31 December 2012

1. INCORPORATION

The Jersey Legal Information Board was incorporated pursuant to the Jersey Legal Information Board (Incorporation) Law 2004, which law was registered by the Royal Court of Jersey on 27 August 2004.

2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting standards applicable in the United Kingdom. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Income

Income is comprised of website usage subscriptions, bank interest and other miscellaneous items. The subscription income is recognised over the period during which the benefit for such subscriptions is derived. Income received in advance is treated as deferred income and released to the profit and loss account during the period of account to which it relates.

Expenditure

Expenses are accounted for on an accruals basis. The costs of developing and maintaining the design and content of the website are charged to the profit and loss account as incurred.

Going concern

The Board has no fixed term borrowing and is not reliant on short term borrowings. The Board is in a net asset position at the year end and will be able to meet its liabilities as they fall due. Consequently, the members have a reasonable expectation that the Board has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Board continues to adopt the going concern basis in preparing these financial statements.

Cash flow statement

A cash flow statement has not been included in these financial statements on the grounds that the Board qualifies for the small company exemption under paragraph 5(g) of the Financial Reporting Standard No 1 (Revised) "Cash Flow Statements".

3. RECEIVABLES

| | 31 December 2012 | 31 December 2011 |
|---|-----------------------------|-----------------------------|
| | £ | £ |
| Transfer from Judicial Greffe (general) | 100,000 | 100,000 |
| Transfer from Judicial Greffe (mediation) | 20,000 | - |
| Website subscription | - | 583 |
| | <hr/> | <hr/> |
| | 120,000 | 100,583 |
| | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS
1 January 2012 to 31 December 2012

4. CASH AT BANK

| | 31 December 2012 | 31 December 2011 |
|--------------|-----------------------------|-----------------------------|
| | £ | £ |
| Cash at bank | 828,482 | 719,793 |
| | <u>828,482</u> | <u>719,793</u> |

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2012 | 31 December 2011 |
|-----------|-----------------------------|-----------------------------|
| | £ | £ |
| Accruals | 1,859 | 14,859 |
| Audit fee | 3,150 | 2,993 |
| | <u>5,009</u> | <u>17,852</u> |
| | <u>5,009</u> | <u>17,852</u> |

6. RESERVES

| | 31 December 2012 | 31 December 2011 |
|---|-----------------------------|-----------------------------|
| | £ | £ |
| Balance brought forward | 1,265,430 | 1,084,855 |
| Transfer from Judicial Greffe (general) | 179,950 | 180,575 |
| Transfer from Judicial Greffe (mediation) | 20,000 | - |
| | <u>1,465,380</u> | <u>1,265,430</u> |
| | <u>1,465,380</u> | <u>1,265,430</u> |

During the year, funding was received from the Judicial Greffe in the form of a capital contribution. There are no restrictions attaching the use or distribution of the reserves, except that £20,000 received in 2012 is ring-fenced for mediation.

7. ACCUMULATED DEFICIT

| | 31 December 2012 | 31 December 2011 |
|-------------------------|-----------------------------|-----------------------------|
| | £ | £ |
| Balance brought forward | (462,905) | (413,519) |
| Loss for the year | (59,002) | (49,386) |
| | <u>(521,907)</u> | <u>(462,905)</u> |
| | <u>(521,907)</u> | <u>(462,905)</u> |

NOTES TO THE FINANCIAL STATEMENTS

1 January 2012 to 31 December 2012

8. TAXATION STATUS

In accordance with Article 123C of the Income Tax (Jersey) Law 1961, as amended, the Jersey Legal Information Board is subject to tax at a rate of 0% (31 December 2011: 0%).

9. RELATED PARTY TRANSACTIONS

A number of Board members are also members of law firms that use the services of the Jersey Legal Information Board. Total revenue for the year in relation to these firms was £15,250 (£24,000 in 2011). As at the year end, £nil was due to the Board (£nil in 2011). All services provided by the Jersey Legal Information Board are provided on an arms length basis.

10. EXPENDITURE

A number of nil balance line items have been removed from the Profit and Loss Account on the basis that they have been inactive for several years. Although they were an expense in the past and may be again in the future, these projects were dormant in 2012. This relates to the following projects: case law, civil justice, criminal justice, and land registry.

11. INTELLECTUAL PROPERTY

The intellectual property within the software developed for the Jersey Legal Information Board website is wholly owned by the Jersey Legal Information Board.

12. ULTIMATE CONTROLLING PARTY

In the opinion of the Board members, there is no one individual who controls the Board.