

**WRITTEN QUESTION TO THE CHIEF MINISTER  
BY DEPUTY S.Y. MÉZEC OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 14TH NOVEMBER 2017**

**Question**

In relation to the loan provided to Logfiller Ltd from the Jersey Innovation Fund (JIF), will the Chief Minister advise –

- (a) whether the then Minister for Economic Development accepted all of the recommendations made by the JIF Board and, if not, why not;
- (b) whether the States secured any rights over intellectual property before the loan was granted;
- (c) why all of the loan was released in one go, given that the loan was to assist with cash flow for the business; and
- (d) whether his Department considers the absence of any terms in its agreement with Logfiller to be the cause which led to the loss of £400,000?

**Answer**

- (a) The then Minister for Economic Development accepted the recommendations of the JIF Advisory Board.
- (b) The States did not secure rights over Logfiller's intellectual property before the loan was granted. This was not recommended by the JIF Advisory Board, and the Minister accepted the recommendations of the Board. The Comptroller and Auditor General's report on the Innovation Fund expressed concerns that the consideration of all reasonable security was not evident in all cases.
- (c) The JIF Advisory Board's recommendation to the then Minister for Economic Development proposed the advancement of £500,000 to enable Logfiller to 'rapidly scale the business', 'create a significant number of full time jobs in the Island' and 'support the needs of the business in the first year'. The Minister accepted the recommendations of the JIF Advisory Board.
- (d) This matter is under investigation by the Jersey Financial Crimes Unit. The liquidator's proceedings are also ongoing. We do not wish to prejudice this work. It would therefore be inappropriate for us to comment on this point at this time.