

STATES OF JERSEY



THE JERSEY CHILD CARE TRUST: REPORT AND FINANCIAL STATEMENTS AT 31ST DECEMBER 200

**Presented to the States on 23rd November 2004
by the Education, Sport and Culture Committee**

STATES GREFFE

**THE JERSEY CHILD CARE TRUST: REPORT AND FINANCIAL STATEMENTS AT 31ST
DECEMBER 2003**

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2003

OFFICERS AND PROFESSIONAL ADVISERS

Trustees

G.C. Powell O.B.E. (Chairman)

A. Breckon (Vice-Chairman) (resigned May 2003)
M. Baudains

P.W. Cullinane (resigned September 2004)

C.J. Anderson (Secretary)

I.M. Le Feuvre M.B.E.

D.R. Graham (resigned 13th June 2003)

A.M. Rabet (Treasurer) (resigned 9th February 2004)
J.A. Martin (appointed 17th March 2003)

S.A. Blackmore (appointed 13th June 2003)

R. Newall

(appointed 9th February 2004)

P. Wojciechowski

(Treasurer)

(appointed 9th February 2004)

Childcare Executive Director

J.C. MacDonald (resigned 30th April 2004, no replacement appointed as at date of signing of the accounts)

Bankers

HSBC Bank
2 Hill Street
St. Helier
Jersey
JE4 8NJ

Legal Advisers

Bailhache Labesse
P.O. Box 207
Piermont House
33/35 Pier Road
St. Helier
Jersey
JE2 1BD

Address

27 Pier Road
St. Helier
Jersey
JE2 4XW

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2003

The Trustees present their report along with the financial statements of the Jersey Child Care Trust ("the Trust") for the year ended 31st December 2003.

The financial statements have been prepared in accordance with the accounting policies set out on page 14, and comply with the trust deed.

Constitution and objectives

The Trust was established under a trust deed by the States of Jersey on 5th December 1997 and was incorporated as an Association under the *Loi (1862) sur les teneures en fideicommiss et l'incorporation d'associations*.

The Trust's charity number is 241.

The Trust's aim is to co-ordinate, promote and facilitate the expansion of high quality and affordable childcare in the Island. The initial objectives first outlined by the working party in December 1997 and incorporated into the Constitution of the Trust remain the core of our work and these are to –

- promote high standards of childcare;
- monitor and seek to improve the accessibility of childcare facilities and services in the Island;
- promote and encourage improvements in the status and conditions of service for childcare staff;
- promote training and development of staff in the childcare sector;
- provide information and advice to all interested parties and co-ordinate childcare provision across all public and private sectors;
- sponsor and support research into childcare needs;
- identify market needs, stimulate and facilitate new developments and encourage and facilitate partnerships which enhance childcare provision; and
- attract funding to pump prime initiatives for all of the above.

Organisation

The Trustees who have served during the year and since the year-end are set out on page 3. The States on the recommendation of the Education, Sport and Culture Committee appoints the chairperson, who is not a member of the States of Jersey. The Education, Sport and Culture Committee appoints one Trustee who can be a member of the States or of that Committee and the Employment and Social Security Committee and the Health and Social Services Committee each can appoint one Trustee, who is not a member of the States or that Committee. The remainder of independent trustees are appointed by the Board of Trustees. The Trustees serve for a period of 3 years.

The Trustees meet 3 times a year. There is an executive committee which includes co-optees of the board, and which meets more frequently to deal with administrative matters and to assess grant applications. The executive committee reports to the full Board of Trustees.

Financial review

The Trust received grants from the States of Jersey of £352,900 in 2003 (2002: £222,900) for administration, core activities and the implementation of the Trust's 5-year strategy.

The Trustees were again grateful to receive donations of £12,626 (2002: £4,874) for both general and strategic activities, and also certain donations in kind, including voluntary help.

The Trust also received grants of £15,000 from BBC Children In Need and a management fee of £10,000 from the Childcare Discount Scheme.

The total funds at the year end, after transfer of the deficit for the year of £14,480 (2002: deficit £22,654) amounted to £167,911 (2002: £182,391).

Staffing

At the end of 2003 the Trust employed 5.2 full-time equivalent Trust staff and 2.4 full-time equivalent project staff funded by external sources (5 full-time equivalent Trust staff and 0.4 full-time equivalent project staff funded by external sources at the end of 2002). Of the increase of 2 project staff of the year, one full-time post is accounted for by the appointment of a peripatetic teacher to support the Foundation Stage Initiative and one full-time post was to provide the Family Friendly NSPCC funded Project.

Grant-making policy

The Trust invites applications for grants from the childcare sector. In the year 2003 this was done on a rolling programme basis and invited providers of childcare services to apply for funding to support the Trust's main objectives of accessible, affordable, quality childcare for the children of Jersey.

The executive committee in addition to the executive director reviewed the applications and the criteria laid out in the application form, measured and applied to all applicants.

All successful applicants were required to sign a memorandum of agreement. They were required to supply the Trust with a report of the project as detailed in the initial application. Each successful recipient of the grant was then visited either by a Trustee or a member of the Trust staff.

The grant-making policy is reviewed and evaluated at the end of each year.

Review of the activities and future developments

In 2003, activities have been focused on the continued provision of the core activities and the implementation of the 5-year strategy following its acceptance by the States of Jersey in October 2001.

In 2003, the Trust continued to provide **core services** to the childcare sector including –

- (a) Provision of a **Staff bank**. There were 28 members of the bank at the end of 2003 (27 at the end of 2002) though 49 applicants were recruited during the year. The majority of members who left have successfully been recruited by childcare providers. Three members have begun the NVQ 2 in Childcare and Education qualification whilst working on the bank and this is funded by the Trust. In addition, all the members are required to complete basic levels of training within 6 months of joining.
- (b) Provision of **Continuous Professional Development courses** for childcare staff. This has been generously financially supported by the Training and Employment Partnership and we provided 1,067 places in 2003.
- (c) Administration of the **School Age Discount Scheme** for parents.
- (d) Provision of an **information service** for parents and providers of childcare. This also includes the development of publications i.e. "A Guide to setting up a Parent and Toddler Group", and a newsletter and training flyer 3 times a year with a circulation of over 1,300 to childcare providers

parents, professionals and politicians.

- (e) A **Special Needs Project** to facilitate pre-school children being able to access mainstream childcare.
- (f) Assisting the sector with **retention of existing qualified staff** through “(j)” Category Housing Applications.
- (g) Support to the **PAHCC** (professional association of home child carers).
- (h) Raising the status of **issues for children**.

To facilitate the implementation of the 5-year strategy in 2003 the Trust continued to build the **foundation stones** for its delivery. This has included –

- A Day Nursery and Pre-School Survey with a focus on their training and qualification needs, their current staffing issues and which aspects of the Trust’s work is of the most benefit to them.
- Development of working groups to look at the status of the workforce and a co-ordinated approach to training.
- Development of the Trust’s website and information technology equipment to ensure the Trust’s work is as effective as possible.
- Research, in partnership with the NSPCC, to identify the views of Jersey’s parents, children and professionals to establish the current perceptions of how child-friendly Jersey is.
- Development of a database for the Trust to provide an effective means of information storage and retrieval.

The Trust also completed activities in line with the 5-year Strategy.

- Recruited the Foundation Stage Peripatetic Teacher and launched the Foundation Stage Pilot Initiative in 16 day nurseries and pre-schools.
- Launched the Nanny Accreditation Scheme.
- Secured funding from Children in Need to run the Special Needs Project for a further 3 years.
- Awarded 8 scholarships to enable those concerned to achieve the Diploma in Play work qualification at Highlands College.
- Provided 18 Quality Grants to childcare providers.
- Achieved the strategy target of 100 places in afterschool and holiday clubs by awarding Small Grants and working in partnership with providers.
- Private childcare providers also made 62 new pre-school places available with the Small Grants scheme contributing to this success.
- Organised a successful children’s week entitled “Investing in Children” by providing 3 training events for child carers as well as many other professionals working with children. The week ended with the Children’s Exhibition and Fun Day at Springfield Stadium attended by approximately 3,000 people providing information for parents and free fun activities for children.

- Established a parent’s group for consultation and joint working to provide the family friendly awards.
- Established the Family Friendly Island project in partnership with the NSPCC and recruited a children’s practitioner.
- Published “Setting Up a Parent and Toddler Group Guide” and “A Guide to Nanny Accreditation”.
- Supported the continued development of the Jersey Early Learning and Literacy Years (J.E.L.L.Y.) clubs.
- Provided crèche support for parents to attend speech and language development and post-partum exercise sessions for mothers who have recently given birth.
- Worked on the Pathways Project both at strategic and operational level to help the successful development of this project run by the NSPCC.
- The Executive Director and the Deputy Director were involved in the delivery of training to fill the gaps in training provision where appropriate.
- Developed links with key strategic partners and service providers to support the implementation of the 5-year strategy.

For both the core activities and the implementation of the 5-year strategy the Trust worked closely with the Education, Sport and Culture Department, and also with a number of other public and private agencies. With these working relationships much of what the Trust accomplished in 2003 was delivered more effectively than would otherwise have been the case.

For 2004 the Trust will continue with the core activities and the implementation of the 5-year strategy. There will need to be a mid-term review of the strategy to ensure that it continues to meet the needs of the community that the Trust has been appointed to serve.

By order of the trustees:

G.C. Powell O.B.E. (Chairman)

Date.....

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for the preparation of the financial statements which give a true and fair view. In preparing them, the trustees are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, adopt applicable accounting standards and to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue. The trustees are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JERSEY CHILD CARE TRUST

We have audited the financial statements of Jersey Child Care Trust for the year ended 31st December 2003 which comprise the statement of financial activities, the balance sheet and the related notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Trustees in accordance with our engagement letter dated 19th June 2004. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' 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 charity and the Trustees as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the statement of trustees' responsibilities the trustees are responsible for the preparation of financial statements in accordance with the Trust deed and United Kingdom accounting standards. Our responsibility is to audit the financial statements in accordance with United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Trust deed. We report if, in our opinion, the trustees' report is not consistent with the financial statements, if the Trust has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the trustees' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Trust's affairs as at 31st December 2003 and of its net deficit in funds for the year then ended and have been properly prepared in accordance with the Trust deed.

Deloitte & Touche
Chartered Accountants
St Helier, Jersey

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st December 2003

		2003	2002
	Note	£	£
INCOMING RESOURCES	1		
Donations		12,626	4,874
Activities in furtherance of the Trust objectives:			
States of Jersey grant – General		352,900	222,900
Net income from training courses		–	3,652
BBC Children in Need		15,000	–

Discount scheme	10,000	–
Rental income	292	3,500
Deposit interest	4,555	6,078
TOTAL INCOMING RESOURCES	<u>395,373</u>	<u>241,004</u>
	<u> </u>	<u> </u>

RESOURCES EXPENDED

Costs of generating funds:

Fundraising and publicity	21,367	25,578
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Charitable expenditure

Grants payable	17,387	9,380
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Childcare activities	108,368	47,277
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Support costs	182,589	136,822
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Management and administration	80,142	44,601
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TOTAL RESOURCES EXPENDED

409,853

263,658

	_____	_____
NET MOVEMENT IN FUNDS	(14,480)	(22,654)
Fund balances at 1st January	182,391	205,045
FUND BALANCES AT 31ST DECEMBER	_____167,911	_____182,391
	_____	_____

All activities are derived from continuing operations.

The notes on pages 14 to 18 form part of these accounts.

BALANCE SHEET

31st December 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Intangible assets	3	24,655	16,660
		_____	_____
CURRENT ASSETS			
Loans	4	15,097	19,750
Debtors		7,871	3,276
Short-term deposits		129,595	136,162

Cash at bank and in hand		11,227	14,829
Cash at bank – Childcare Discount Scheme	5	18,489	84,744
		<u>182,279</u>	<u>258,761</u>
		<u> </u>	<u> </u>

CREDITORS: amounts falling due within one year

Bank overdraft		–	(712)
Creditors and accruals		(20,534)	(6,504)
Net leasing liability		–	(1,070)

creditor – Childcare Discount Scheme	5	(18,489)	(84,744)
		<u>(39,023)</u>	<u>(93,030)</u>
		_____	_____
NET CURRENT ASSETS		143,256	165,731
		_____	_____
TOTAL ASSETS LESS CURRENT LIABILITIES		167,911	182,391
		_____	_____
NET ASSETS		167,911	182,391

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represented by:

UNDS

Inrestricted 167,911 182,391

Restricted - -

167,911 182,391

=====

The notes on pages 14 to 18 form part of these accounts.

These financial statements were approved by the trustees on 2004.

Chairman

Secretary

NOTES TO THE ACCOUNTS

31ST DECEMBER 2003

1. Principal accounting policies

The accounts have been prepared in accordance with applicable accounting standards in the United Kingdom and the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2006).

Basis of accounting

The accounts have been prepared under the historical cost convention.

Donations and other income

Donations and other income are credited as income in the year in which they are receivable.

Grants receivable

Grants are credited as income in the year in which they are receivable.

Charitable expenditure

Grants payable are recognised as a liability when the Trust is under an obligation to make a transfer to a third party.

Childcare activities include all expenditure incurred on activities in pursuance of the Trust's objectives under its constitution. The direct costs of supporting these activities, including staff, establishment and other overhead costs are separately analysed and shown as support costs under this heading.

A proportion of staff, establishment and other costs is attributed to support costs, fundraising and publicity and to management and administration costs according to an estimate of the staff involved supporting each activity or other estimated basis.

Tangible fixed assets

Depreciation is calculated to write down the cost of tangible fixed assets less their residual values at the following annual rates in order to write off each asset over its estimated useful life.

Owned assets:

Office equipment	25%	Straight line
Furniture, fixtures and fittings	10%	Reducing balance

Leased assets:

Office equipment	33 1/3%	Straight line
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Operating losses

Rental costs under operating losses are charged to the statement of financial activities in equal amounts over the period of the lease.

Funds

The Trust's funds consist of unrestricted and restricted amounts. The Trust may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

Cash Flow Statement

The Trust is exempt from the requirement to prepare a cash flow statement in accordance with FRS 1 Cash Flow Statements (Revised 1), as it falls within the definition of a small trust.

NOTES TO THE ACCOUNTS

31ST DECEMBER 2003

2. Analysis of total resources expended

2003 2002

	Staff costs £	Other costs £	Depreciation £	Total £	Total £
able expenditure:					
payable		17,387		17,387	9,380
re activities		108,368		108,368	47,277
costs	137,697	36,774	8,118	182,589	136,822
ment and administration	<u>58,86</u>	<u>19,32</u>	<u>1,94</u>	<u>80,14</u>	<u>44,60</u>
	<u>196,561</u>	<u>181,858</u>	<u>10,067</u>	<u>388,486</u>	<u>238,080</u>

f generating funds:

ing and publicity	<u>16,02</u>	<u>4,58</u>	<u>7</u>	<u>21,36</u>	<u>25,57</u>
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sources expended	<u>212,586</u>	<u>186,442</u>	<u>10,825</u>	<u>409,853</u>	<u>263,658</u>
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sts:

and salaries				185,453	118,964
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ecurity costs				20,367	13,184
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g costs				<u>6,7</u>	<u>3,9</u>
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	<u>212,586</u>	<u>136,101</u>			
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osts:

payable	17,387	9,380
re activities	108,368	47,277
d rates	18,711	23,036
id heat	2,275	2,135
ce	1,691	926
, maintenance and cleaning	2,888	4,411
; and stationery	11,844	10,935
me and postage	7,943	8,942

ions and subscriptions	612	405
nd entertaining	5,287	2,116
re	2,200	1,150
lease interest	132	159
aneous	<u>7,10</u>	<u>9,30</u>
	<u>186,442</u>	<u>120,175</u>

Average number of employees during the year: 6 (2002: 5).

The Treasurer received an honorarium of £Nil (2002: £800) in respect of the year ended 31st December 2003. None of the other Trustees received any emoluments or reimbursements for expenses during the year (2002: £Nil).

None of the employees earned in excess of £50,000 in the year (2002: None in excess of £50,000).

During the year an insurance premium of £359 was incurred by the Trust in respect of Trustees' and officers liability (2002: £312).

NOTES TO THE ACCOUNTS

31ST DECEMBER 2003

3. Tangible fixed assets

	Office equipment £	Furniture, fixtures and fittings £	Total £
Cost			
At 1st January 2003	26,377	9,883	36,260
Additions	<u>18,675</u>	<u>1^c</u>	<u>18,820</u>
At 31st December 2003	<u>45,052</u>	<u>10,028</u>	<u>55,080</u>
Depreciation			
At 1st January 2003	16,802	2,798	19,600
Charge for year	<u>10,102</u>	<u>72</u>	<u>10,825</u>
At 31st December 2003	<u>26,904</u>	<u>3,521</u>	<u>30,425</u>
Net book values			
At 31st December 2003	<u>18,148</u>	<u>6,507</u>	<u>24,655</u>
At 31st December 2002	<u>9,575</u>	<u>7,085</u>	<u>16,660</u>

The net book value of assets held under finance leases at 31st December 2003 amounted to £ nil (2002: £ nil) and the depreciation charged in the year thereon amounted to £ nil (2002: £1,172).

4. Loans

The loan to 'The Kids' Club' of £6,847 (2002: £8,500) is interest-free, unsecured and repayable in equal instalments over a 3-year period. The last repayment will be made in December 2006.

The loan with The Spring Trust of £8,250 (2002: £11,250) is interest-free and unsecured, and repayable over a 5-year period. The last repayment will be made in October 2006.

5. Childcare Discount Scheme

The Trust administers the Childcare Discount Scheme on behalf of the States of Jersey Employment and Social Security Committee, and the bank balances held on behalf of that Committee and the related liability at 31st December 2003 are reflected in current assets and creditors in the balance sheet.

6. TAXATION

The income of the Trust is exempt from income tax under Article 115(a) of the Income Tax (Jersey) Law 1961.

7. Operating lease commitments

At the year end, the Trust was committed to make the following payment during the next year in respect of operating leases –

	2003 £	2002 £
Leases which expire		
After five years	<u>18,000</u>	<u>18,000</u>

8. Controlling and ultimate controlling party

In the opinion of the Trustees, they are the controlling and ultimate controlling party of the Trust. There have been no related party transactions during the year.