

# **STATES OF JERSEY**



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

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**Presented to the States on 20th September 2005  
by the Education, Sport and Culture Committee**

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**STATES GREFFE**

**THE JERSEY CHILD CARE TRUST**  
**REPORT AND FINANCIAL STATEMENTS 2004**

**CONTENTS**

	<b>Page</b>
Trustees' report.....	3
Statement of Trustees' responsibilities.....	8
Independent Auditors' report.....	9
Statement of financial activities.....	11
Balance sheet.....	12
Notes to the accounts.....	13

## **THE JERSEY CHILD CARE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2004**

#### **TRUSTEES**

G.C. Powell C.B.E.	(Chairman)	
M. Baudains		
P.W. Cullinane		(resigned September 2004)
C.J. Anderson	(Secretary)	
I.M. Le Feuvre M.B.E.		
A.M. Rabet	(Treasurer)	(resigned 9th February 2004)
J.A. Martin		
S.A. Blackmore		
R. Newell		(appointed 9th February 2004)
P. Wojciechowski	(Treasurer)	(appointed 9th February 2004)

#### **CHILD CARE EXECUTIVE DIRECTOR**

J.C. MacDonald	(resigned 30th April 2004)
F. Breen	(appointed 18th May 2005)

#### **BANKERS**

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

#### **LEGAL ADVISERS**

Bailhache Labesse  
13 – 14 Esplanade  
St. Helier  
Jersey JE1 1BD

#### **ADDRESS**

27 Pier Road  
St. Helier  
Jersey JE2 4XW

## **THE JERSEY CHILD CARE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2004**

The Trustees present their report along with the financial statements of the Jersey Child Care Trust ("the Trust") for the year ended 31st December 2004.

The financial statements have been prepared in accordance with the accounting policies set out on page 9, 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 fidéicommis 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 child care in the Island. The initial objectives first outlined by the working party in December 1997 were incorporated into the Constitution of the Trust and remain the core of our work. These are to –

- promote high standards of child care;
- monitor and seek to improve the accessibility of child care facilities and services in the island;
- promote and encourage improvements in the status and conditions of service for child care staff;
- promote training and development of staff in the child care sector;
- provide information and advice to all interested parties and co-ordinate child care provision across all public and private sectors;
- sponsor and support research into child care needs;
- identify market needs, stimulate and facilitate new developments and encourage and facilitate partnerships which enhance child care provision; and
- attract funding to boost 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 nominate one trustee who can be a member of the States and that Committee. The Employment and Social Security Committee and the Health and Social Services Committee nominate one trustee each, who may not be members of the States or those Committees. 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 £287,729 in 2004 (2003: £352,900) made up of £222,729 (2003: £222,900) for administration and core activities and £65,000 (2003: £105,000) in support of the implementation of the Foundation Stage Initiative.

The Trustees were again grateful to receive donations of £21,009 in 2004 (2003: £12,626) 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 School Aged Discount Scheme.

The total funds at the year-end, after transfer of the deficit for the year of £13,640 (2003: deficit £14,480) amounted to £154,271 (2003: £167,911).

### **Staffing**

At the end of 2004 the Trust employed 4.6 full-time equivalent Trust staff and 1.4 full-time equivalent project staff funded by external sources (5.2 full-time equivalent Trust staff and 2.4 full-time equivalent project staff funded by external sources at the end of 2003).

### **Grant-making policy**

The Trust invites applications for grants from the child care sector. In the year 2004 this was done on a rolling programme basis and invited providers of child care services to apply for funding to support the Trust's main objectives of accessible, affordable, quality child care 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 2004, the Trust underwent a number of changes to its structure and work, following a review commissioned by the Education, Sport and Culture Committee. The Trust continues to work towards its aim "to co-ordinate, promote and facilitate the expansion of high quality and affordable child care provision in the Island". Its role, however, within Family-friendly issues and employment has been put on hold until the Education, Sport and Culture Committee's policy on early childhood education and care for children in Jersey has been agreed by the States as the way forward for Jersey.

The Trust's core activities were continued in 2004 to ensure the Trust is making a difference to the quality, accessibility and affordability of child care provision in Jersey. These core activities include –

- (a) Provision of a **Staff Bank**. There were 32 members of staff bank at the end of 2004 (28 at the end of 2003) though 51 applicants were recruited during the year (49 in 2003). The majority of members who left have successfully been recruited by child care providers. One member successfully qualified with the NVQ2 in Child care and Education and 3 members are currently undertaking this qualification. They are all working on the bank and this qualification is initially 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 child care staff. This has been generously financially supported by the Training and Employment Partnership and we provided 1,082 places in 2004 (1,067 in 2003).

- (c) Administration of the **School Age Discount Scheme** for parents.
- (d) Provision and further development of an **Information Service** for parents and providers of child care. A database has provided the Trust with a superb information storage and retrieval system. The Trust is receiving, on average per month, over 150 calls to the Information Service primarily from parents, child carers and child care providers. This service also includes the development of publications and leaflets for example, “The Babysitting Guide for Parents” and a newsletter and training flyer 3 times a year with a circulation of over 1,500 to child care providers, parents, professionals and politicians.
- (e) A **Special Needs Project**, which facilitated 25 pre-school children being able to access mainstream child care.
- (f) Assistance to the sector with **retention of existing qualified staff** through “(j)” Category Housing Applications.
- (g) Raising the status of **issues for children**.

The Trust facilitates the implementation of the 5-year strategy and in 2004 –

- The **Foundation Stage Initiative** was extended to the remaining 13 providers. A comprehensive training programme was designed to meet the needs of the sector culminating in a trip to the U.K. for 10 practitioners to visit a child care and education exhibition and Foundation Stage settings in Birmingham.
- Interest within the **Nanny Accreditation Scheme** grew to a National Level with an invite for the Trust to speak at the Annual Professional Nanny Conference in London. Five nannies were accredited by the end of 2004, with many more working towards Accreditation.
- The Trust **secured funding** from the Association of Jersey Charities to ensure the Special Needs Project could meet the referral needs.
- The Trust provided 11 **Quality Grants** to child care providers totalling £15,037.
- A successful **Children’s Exhibition and Fun Day** was organised with over 3,000 children and their families attending taking part in activities and receiving information.
- **Six Family-friendly Places Awards** were judged and presented in partnership with the Parent’s Group.
- The Trust supported the continued development of the **Jersey Early Learning and Literacy Years (J.E.L.L.Y)** clubs.
- The Trust 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 was involved in the **delivery of training** to fill the gaps in training provision where appropriate.
- The Trust **developed links** with key strategic partners and service providers to support the implementation of the work of the Trust.

To ensure successful implementation of its work, the Trust worked closely with the Education, Sport and Culture Department, and also with a number of other public and private agencies. These working relationships are important and enabled the Trust to meet its objectives in 2004 more effectively than would otherwise have been the case.

For 2005, the Trust has recognised the need to play its part in controlling public expenditure. Through staff restructuring, the prioritisation of its work programme, and the use of reserves, the Trust will be able to maintain its essential core activities but with a significantly reduced budget.

By order of the trustees:

G.C. Powell C.B.E. (chairman)

Date.....

## **THE JERSEY CHILD CARE TRUST**

### **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, state whether applicable accounting standards have been followed 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 2004, 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 2004 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  
2005

## THE JERSEY CHILD CARE TRUST

STATEMENT OF FINANCIAL ACTIVITIES Year ended 31st December 2004	Note	2004 £	2003 £
<b>INCOMING RESOURCES</b>	1		
Donations		21,009	12,626
Activities in furtherance of the Trust objectives:			
States of Jersey grant – General		287,729	352,900
BBC Children In Need		15,000	15,000
Discount scheme		10,000	10,000
Rental income		–	292
Deposit interest		5,120	4,555
<b>TOTAL INCOMING RESOURCES</b>		<u>338,858</u>	<u>395,373</u>
<b>RESOURCES EXPENDED</b>			
Costs of generating funds:			
Fundraising and publicity		20,808	21,367
Charitable expenditure			
Grants payable		15,037	17,387
Child care activities		76,308	108,368
Support costs		167,899	182,589
Management and administration		72,446	80,142
<b>TOTAL RESOURCES EXPENDED</b>	2	<u>352,498</u>	<u>409,853</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>(13,640)</u>	<u>(14,480)</u>
Fund balances at 1st January		167,911	182,391
<b>FUND BALANCES AT 31 DECEMBER</b>		<u><u>154,271</u></u>	<u><u>167,911</u></u>

All activities are derived from continuing operations.

The notes on pages 9 to 11 form part of these accounts.

## THE JERSEY CHILD CARE TRUST

<b>BALANCE SHEET</b> <b>31st December 2004</b>	<b>Note</b>	<b>2004</b> <b>£</b>	<b>2003</b> <b>£</b>
<b>FIXED ASSETS</b>			
Tangible assets	3	18,586	24,655
<b>CURRENT ASSETS</b>			
Loans	4	8,083	15,097
Debtors		592	7,871
Short-term deposits		108,106	129,595
Cash at bank and in hand		86,300	11,227
Cash at bank – Child care Discount Scheme	5	14,557	18,489
		<u>217,638</u>	<u>182,279</u>
<b>CREDITORS: amounts falling due within one year</b>			
Creditors and accruals		(67,396)	(20,534)
Creditor – Child care Discount Scheme	5	(14,557)	(18,489)
		<u>81,953</u>	<u>(39,023)</u>
<b>NET CURRENT ASSETS</b>		<u>135,685</u>	<u>143,256</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>154,271</u>	<u>167,911</u>
<b>NET ASSETS</b>		<u>154,271</u>	<u>167,911</u>
<b>Represented by:</b>			
<b>FUNDS</b>			
Unrestricted		154,271	167,911
Restricted		–	–
		<u>154,271</u>	<u>167,911</u>

The notes on pages 9 to 11 form part of these accounts.

These financial statements were approved by the trustees on 2005.

Chairman

Secretary

# THE JERSEY CHILD CARE TRUST

## NOTES TO THE ACCOUNTS

31st December 2004

### 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 2005).

#### **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.

Child care 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

#### **Operating leases**

Rental costs under operating leases 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.

# THE JERSEY CHILD CARE TRUST

## NOTES TO THE ACCOUNTS

31st December 2004

### 2. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Depreciation £	2004 Total £	2003 Total £
<b>Charitable expenditure:</b>					
Grants payable	–	15,037	–	15,037	17,387
Child care activities	–	76,308	–	76,308	108,368
Support costs	129,208	32,350	6,341	167,899	182,589
Management and administration	53,671	17,253	1,522	72,446	80,142
	<u>182,879</u>	<u>140,948</u>	<u>7,863</u>	<u>331,690</u>	<u>388,486</u>
<b>Costs of generating funds:</b>					
Fund raising and publicity	15,903	4,314	591	20,808	21,367
Total resources expended	<u>198,782</u>	<u>145,262</u>	<u>8,454</u>	<u>352,498</u>	<u>409,853</u>
<b>Staff costs:</b>					
Wages and salaries				177,506	185,453
Social security costs				19,318	20,367
Fund raising costs				1,958	6,766
				<u>198,782</u>	<u>212,586</u>
<b>Other costs:</b>					
Grants payable				15,037	17,387
Child care activities				76,308	108,368
Rent and rates				18,661	18,711
Light and heat				1,890	2,275
Insurance				1,927	1,691
Repairs, maintenance and cleaning				4,141	2,888
Printing and stationery				11,142	11,844
Telephone and postage				6,593	7,943
Publications and subscriptions				739	612
Travel and entertaining				3,235	5,287
Audit fee				1,150	2,200
Finance lease interest				–	132
Miscellaneous				4,439	7,104
				<u>145,262</u>	<u>186,442</u>

Average number of employees during the year: 6 (2003: 6).

None of the Trustees received any emoluments or reimbursements for expenses during the year (2003: £Nil).

None of the employees earned in excess of £50,000 in the year (2003: None in excess of £50,000).

During the year an insurance premium of £473 was incurred by the Trust in respect of Trustees' and officers' liability (2003: £359)

## THE JERSEY CHILD CARE TRUST

### NOTES TO THE ACCOUNTS 31st December 2005

#### 3. TANGIBLE FIXED ASSETS

	Office equipment £	Furniture fixtures and fittings £	Total £
<b>Cost</b>			
At 1st January 2003	45,053	10,028	55,081
Additions	2,235	150	2,385
At 31st December 2004	47,288	10,178	57,466
<b>Depreciation</b>			
At 1st January 2003	26,905	3,521	30,426
Charge for year	7,788	666	8,454
At 31st December 2004	34,693	4,187	38,880
<b>Net book values</b>			
At 31st December 2004	12,595	5,991	18,586
At 31st December 2004	18,148	6,507	24,655

#### 4. LOANS

The loan to 'The Kids' Club' of £2,833 (2003: £6,847) 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 to The Spring Trust of £5,250 (2003: £8,250) is interest free and unsecured, and repayable over a 5 year period. The last repayment will be made in October 2006.

#### 5. CHILD CARE DISCOUNT SCHEME

The Trust administers the Child care 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 2004 and 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:

	2004 £	2003 £
<b>Leases which expire</b>		
After five years	18,000	18,000

**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.