



Moores Rowland
Chartered Accountants

**JERSEY ADVISORY & CONCILIATION
SERVICE - 'JACS'**

**BOARD MEMBERS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2006**

JERSEY ADVISORY & CONCILIATION SERVICE - 'JACS'

INFORMATION

NON EXECUTIVE BOARD

Mike Berry
Tom Slattery
John Noel
Ed Daubeney
Teresa Lamy
Gill Oakes
Lorna Pestana

EXECUTIVE DIRECTOR

David Witherington

SERVICE OFFICE

Trinity House
Bath Street
St Helier
Jersey
JE2 4ST

AUDITORS

MRI Moores Rowland
Chartered Accountants
Charter Place
23/27 Seaton Place
St Helier
Jersey
JE2 3QL

JURISDICTION

JACS was established in Jersey on 1 December 2000

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DIRECTORS' REPORT

For the year ended 31 December 2006

The board members present their report and the financial statements for the year ended 31 December 2006.

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

The board members have prepared the financial statements for each financial year which give a true and fair view of the state of affairs of JACS and of the surplus or deficit of JACS for that period. In preparing those financial statements, the board members have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that JACS will continue in business.

The board members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of JACS and to enable them to ensure that the financial statements comply with the relevant law. They are also responsible for safeguarding the assets of JACS and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of JACS is to assist in the building of harmonious relationships between employers and employees.

RESULTS AND DIVIDENDS

The surplus for the year, after taxation, amounted to £48,976 (2005 - £6,396) .

BOARD MEMBERS

The board members who served during the year and subsequently were:

Mike Berry (Chairman)

Tom Slattery (Deputy Chair)

John Noel

Ed Daubeney

Teresa Lamy

Gill Oakes

Lorna Pestana

AUDITORS

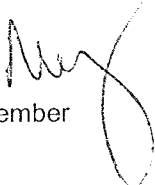
The auditors, MRI Moores Rowland, served throughout the year and have indicated their willingness to continue in office.

This report was approved by the board on

5th April 2007

and signed on its behalf.

Board member



INDEPENDENT AUDITORS' REPORT TO THE BOARD MEMBERS OF JERSEY ADVISORY & CONCILIATION SERVICE - 'JACS'

We have audited the financial statements of Jersey Advisory & Conciliation Service - 'JACS' for the year ended 31 December 2006 set out on pages 4 to 8. These financial statements have been prepared under the accounting policies set out on page 6.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the service's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Jersey Advisory and Conciliation (Jersey) Law 2003. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if JACS has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to JACS' 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.

Partners

**INDEPENDENT AUDITORS' REPORT TO THE BOARD MEMBERS OF JERSEY ADVISORY &
CONCILIATION SERVICE - 'JACS'**

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of JACS' affairs as at 31 December 2006 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Jersey Advisory and Conciliation (Jersey) Law 2003.

M R Moore's Rowland

Chartered Accountants

19 April 2007.

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2006

	Note	2006 £	2005 £
TURNOVER		295,700	253,736
Administrative expenses		(254,769)	(255,223)
OPERATING SURPLUS/(DEFICIT)		40,931	(1,487)
Interest receivable		8,045	7,883
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		48,976	6,396
TAX ON SURPLUS ON ORDINARY ACTIVITIES		-	-
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		48,976	6,396

All amounts relate to continuing operations.

There were no recognised gains and losses for 2006 or 2005 other than those included in the income and expenditure account.

The notes on pages 6 to 8 form part of these financial statements.

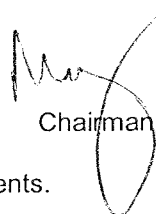
JERSEY ADVISORY & CONCILIATION SERVICE - 'JACS'

BALANCE SHEET
As at 31 December 2006

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Tangible fixed assets	2		6,066		6,141
CURRENT ASSETS					
Debtors	3	6,558		5,569	
Cash at bank and in hand		181,685		131,344	
			<u>188,243</u>	<u>136,913</u>	
CREDITORS: amounts falling due within one year	4	(85,893)		(83,614)	
NET CURRENT ASSETS			<u>102,350</u>	<u>53,299</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>108,416</u></u>	<u><u>59,440</u></u>	
CAPITAL AND RESERVES					
Income and expenditure account	5		<u>108,416</u>	<u>59,440</u>	
ASSOCIATIONS' FUNDS			<u><u>108,416</u></u>	<u><u>59,440</u></u>	

The financial statements were approved by the board on 5th April 2007 and signed on its behalf.


Executive Director


Chairman

The notes on pages 6 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. A full years charge is taken in the year of acquisition and none in the year of disposal. Leased assets are depreciated over the period of the lease. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

1.3 Government Grants

Grants provided by the States of Jersey Employment and Social Security Services Department have been given to finance the general activities of JACS over the year and as such constitute the Service's major income source. Grants are therefore, recognised in the income and expenditure account of the period in respect of which they relate. The Employment and Social Services Department have made a demonstrative commitment to the continued provision of grant finance to JACS.

1.4 Cash flow statement

JACS is exempt from preparing a cash flow statement under Financial Reporting Standard 1 (revised) on the grounds of its size.

1.5 Taxation

For taxation purposes the above entity is treated as a charity and will therefore be exempt from paying Jersey income tax.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

2. TANGIBLE FIXED ASSETS

	Furniture, Fixtures & Fittings £	Computer equipment £	Leased assets £	Total £
Cost				
At 1 January 2006	13,500	16,666	7,093	37,259
Additions	3,706	-	-	3,706
At 31 December 2006	<u>17,206</u>	<u>16,666</u>	<u>7,093</u>	<u>40,965</u>
Depreciation				
At 1 January 2006	13,500	10,525	7,093	31,118
Charge for the year	741	3,040	-	3,781
At 31 December 2006	<u>14,241</u>	<u>13,565</u>	<u>7,093</u>	<u>34,899</u>
Net book value				
At 31 December 2006	<u>2,965</u>	<u>3,101</u>	-	<u>6,066</u>
At 31 December 2005	<u>-</u>	<u>6,141</u>	-	<u>6,141</u>

3. DEBTORS

	2006 £	2005 £
Other debtors	1,518	529
Prepayments and accrued income	5,040	5,040
	<u>6,558</u>	<u>5,569</u>

4. CREDITORS:
Amounts falling due within one year

	2006 £	2005 £
Trade creditors	8,893	6,614
Accruals and deferred income	77,000	77,000
	<u>85,893</u>	<u>83,614</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2006

5. RESERVES

	Income and expenditure account £
At 1 January 2006	59,440
Surplus retained for the year	48,976
At 31 December 2006	<u>108,416</u>

6. OWNERSHIP

JACS is managed by an executive director and a non-executive board consisting of a chairman and 6 other board members. JACS, as a quasi-government body, is funded by the States Employment and Social Services Department. The aim of JACS is to assist in the building of harmonious relationships between employers and employees.

DETAILED INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2006

	Page	2006 £	2005 £
TURNOVER	10	295,700	253,736
Less: OVERHEADS			
Administrative expenses	10	(254,769)	(255,223)
OPERATING SURPLUS/(DEFICIT)		<u>40,931</u>	<u>(1,487)</u>
Interest receivable	10	8,045	7,883
SURPLUS FOR THE YEAR		<u><u>48,976</u></u>	<u><u>6,396</u></u>

JERSEY ADVISORY & CONCILIATION SERVICE - 'JACS'

SCHEDULE TO THE DETAILED ACCOUNTS
For the year ended 31 December 2006

	2006 £	2005 £
TURNOVER		
Grant received	285,000	236,000
Other income	10,700	17,736
	<u>295,700</u>	<u>253,736</u>
	2006 £	2005 £
ADMINISTRATIVE EXPENSES		
Auditors' remuneration	2,975	2,450
Rent	21,600	16,560
Depreciation	3,781	5,770
Staff costs	175,663	178,737
Motor running costs	3,735	3,617
Travel and entertainment	2,669	1,802
Stationery, printing and production	1,908	6,058
Telephone	2,282	2,143
Computer support and maintenance	6,046	4,475
Marketing and advertising	8,053	9,296
Subscriptions	979	1,325
Legal and professional	696	-
Equipment/room rental	4,910	5,415
Sundry expenses	5,017	4,454
Leasing interest	-	2
Light and heat	1,792	1,501
Service charges	4,865	4,354
Insurances	2,843	2,843
Repairs and maintenance	4,955	4,195
Arbitration costs	-	226
	<u>254,769</u>	<u>255,223</u>
	2006 £	2005 £
INTEREST RECEIVABLE		
Bank interest receivable	<u>8,045</u>	<u>7,883</u>