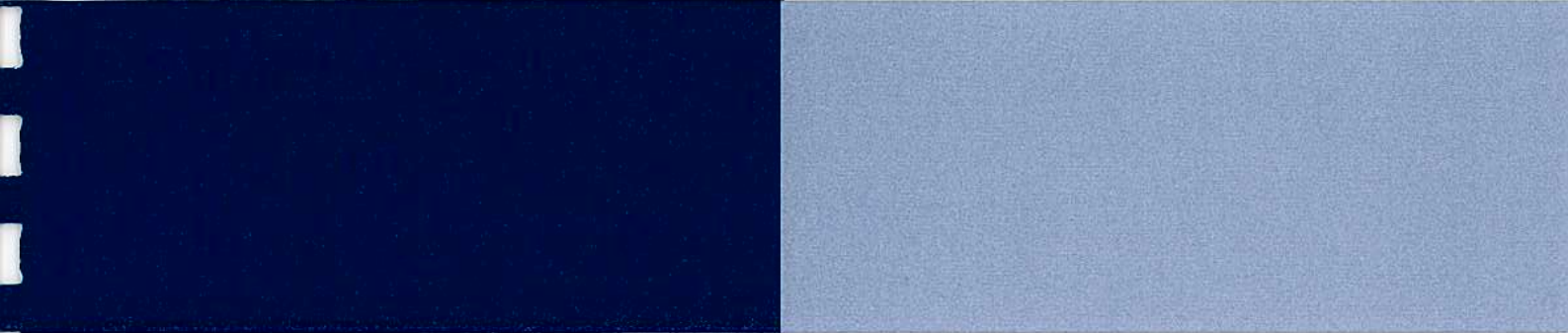

STATES OF JERSEY



JERSEY ADVISORY AND CONCILIATION SERVICE: BOARD MEMBERS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2007

**Presented to the States on 30th May 2008
by the Minister for Social Security**

STATES GREFFE



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

**BOARD MEMBERS' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2007**

INFORMATION

NON EXECUTIVE BOARD

Mike Berry
Tom Slattery
John Noel
Ed Daubeney
Lorna Pestana
Kevin Keen (appointed 24 January 2008)
David Warr (appointed 24 January 2008)

EXECUTIVE DIRECTOR

David Witherington

SERVICE OFFICE

Trinity House
Bath Street
St Helier
Jersey
JE2 4ST

AUDITORS

Mazars Channel Islands Limited
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 2007

The board members present their report and the financial statements for the year ended 31 December 2007.

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 £623 (2006 - £48,976) .

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 (resigned 15 November 2007)
Gill Oakes (resigned 15 November 2007)
Lorna Pestana
Kevin Keen (appointed 24 January 2008)
David Warr (appointed 24 January 2008)

AUDITORS

The entire business of MRI Moores Rowland was purchased on 1 October 2007 by Mazars Channel Islands Limited, who have expressed their willingness to continue in office.

DIRECTORS' REPORT
For the year ended 31 December 2007

This report was approved by the board on 22/04/08 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 2007 set out on pages 5 to 9. These financial statements have been prepared under the accounting policies set out on page 7.

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.

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 2007 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.

Mazars Channel Islands Limited

Chartered Accountants

30 April 2008

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2007

	Note	2007 £	2006 £
TURNOVER		263,375	295,700
Administrative expenses		<u>(277,919)</u>	<u>(254,769)</u>
OPERATING (DEFICIT)/SURPLUS		(14,544)	40,931
Interest receivable		<u>15,167</u>	<u>8,045</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		623	48,976
TAX ON SURPLUS ON ORDINARY ACTIVITIES		<u>-</u>	<u>-</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		<u><u>623</u></u>	<u><u>48,976</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2007 or 2006 other than those included in the income and expenditure account.

The notes on pages 7 to 9 form part of these financial statements.

BALANCE SHEET
As at 31 December 2007

	Note	£	2007	£	£	2006	£
FIXED ASSETS							
Tangible fixed assets	2			3,662			6,066
CURRENT ASSETS							
Debtors	3	5,785			6,558		
Cash at bank and in hand		166,933			181,685		
				<u>172,718</u>			<u>188,243</u>
CREDITORS: amounts falling due within one year	4	(67,341)			(85,893)		
NET CURRENT ASSETS				<u>105,377</u>			<u>102,350</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>109,039</u>			<u>108,416</u>
CAPITAL AND RESERVES							
Income and expenditure account	5			109,039			108,416
ASSOCIATIONS' FUNDS				<u>109,039</u>			<u>108,416</u>

The financial statements were approved by the board on 30 April 2008 and signed on its behalf.



Executive Director



Chairman

The notes on pages 7 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2007

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 2007

2. TANGIBLE FIXED ASSETS

	Furniture, Fixtures & Fittings £	Computer equipment £	Leased assets £	Total £
Cost				
At 1 January 2007	17,206	16,665	7,093	40,964
Additions	-	2,055	-	2,055
At 31 December 2007	<u>17,206</u>	<u>18,720</u>	<u>7,093</u>	<u>43,019</u>
Depreciation				
At 1 January 2007	14,241	13,564	7,093	34,898
Charge for the year	741	3,718	-	4,459
At 31 December 2007	<u>14,982</u>	<u>17,282</u>	<u>7,093</u>	<u>39,357</u>
Net book value				
At 31 December 2007	<u>2,224</u>	<u>1,438</u>	<u>-</u>	<u>3,662</u>
At 31 December 2006	<u>2,965</u>	<u>3,101</u>	<u>-</u>	<u>6,066</u>

3. DEBTORS

	2007 £	2006 £
Other debtors	745	1,518
Prepayments and accrued income	5,040	5,040
	<u>5,785</u>	<u>6,558</u>

4. CREDITORS:
Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	705	-
Trade creditors	7,636	8,893
Accruals and deferred income	59,000	77,000
	<u>67,341</u>	<u>85,893</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2007

5. RESERVES

	Income and expenditure account £
At 1 January 2007	108,416
Surplus retained for the year	623
	<hr/>
At 31 December 2007	<u>109,039</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.

SCHEDULE TO THE DETAILED ACCOUNTS
For the year ended 31 December 2007

	2007	2006
	£	£
TURNOVER		
Grant received	250,125	285,000
Other income	13,250	10,700
	<u>263,375</u>	<u>295,700</u>
	2007	2006
	£	£
ADMINISTRATIVE EXPENSES		
Auditors' remuneration	2,840	2,975
Rent	21,600	21,600
Depreciation	4,459	3,781
Staff costs	202,142	175,663
Motor running costs	3,795	3,735
Travel and entertainment	2,003	2,669
Stationery, printing and production	2,647	1,908
Telephone	2,228	2,282
Computer support and maintenance	7,898	6,046
Marketing and advertising	9,621	8,053
Subscriptions	370	979
Legal and professional	179	696
Equipment/room rental	4,134	4,910
Sundry expenses	4,089	5,017
Light and heat	2,400	1,792
Service charges	4,671	4,865
Insurances	2,843	2,843
Repairs and maintenance	-	4,955
	<u>277,919</u>	<u>254,769</u>
	2007	2006
	£	£
INTEREST RECEIVABLE		
Bank interest receivable	<u>15,167</u>	<u>8,045</u>

