

STATES OF JERSEY



JERSEY CHILDCARE TRUST: REPORT AND FINANCIAL STATEMENTS AT 31ST DECEMBER 2007

**Presented to the States on 8th July 2008
by the Minister for Education, Sport and Culture**

STATES GREFFE

THE JERSEY CHILDCARE TRUST

Report and Financial Statements

31st December 2007

THE JERSEY CHILDCARE TRUST

REPORT AND FINANCIAL STATEMENTS 2007

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THE JERSEY CHILDCARE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2007

TRUSTEES

G.C. Powell C.B.E. (Chairman)
P. Wojciechowski (Treasurer)
C. Myers (Secretary) (Appointed 22nd February 2007)
M. Baudains
I.M. Le Feuvre M.B.E.
S.A. Blackmore
R. Newell
L. MacKenzie
J. Hairo
R. Livesey

CHILDCARE EXECUTIVE DIRECTOR

F. Vacher

BANKERS

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THE JERSEY CHILDCARE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2007

TRUSTEES' REPORT

The Trustees are pleased to present their report along with the financial statements of the Jersey Childcare Trust ("the Trust") for the year ended 31st December 2007.

The financial statements have been prepared in accordance with the accounting policies set out on page 10, 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.

Since its establishment in 1997, the Trust's aim, which has remained at the core of its work, has been to co-ordinate, promote and facilitate the expansion of high quality and affordable childcare in the Island. Following a period of review in 2006, the revised objectives were incorporated into the Constitution of the Trust and remain at the core of our work.

These are to –

- Promote high standards of childcare.
- Monitor and seek to improve the accessibility and affordability of childcare facilities and services in the Island.
- Promote and encourage improvements in the status and conditions of service of childcare staff.
- Promote the training and development of staff in the childcare sector.
- Provide information and advice to parents, professionals and other interested parties.
- Co-ordinate childcare provision.
- Sponsor and support research into childcare needs.
- Provide support for childcare providers through grants and other forms of assistance.
- Encourage employers and service providers to develop family-friendly work-places and service facilities.
- Promote quality childcare and engage parents in this process.
- 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 5. The States (on the recommendation of the Minister for Education, Sport and Culture) appoints the chairperson, who is not a member of the States of Jersey. The Minister for Education, Sport and Culture nominates one trustee who can be a member of the States and that Department. The Minister for Social Security and the Minister for Health and Social Services nominate one trustee each, who cannot be members of the States. The Trustees appointed as above appoint no less than 5 independent trustees from a list of persons nominated by, or agreed by, the Chairman. The Trustees serve for a period of 3 years.

The Trustees meet not less than 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 a grant from the Minister for Education, Sport and Culture of £162,500 (2006: £162,500) for administration and core activities. The Trust also received a management fee of £10,000 (2006: £10,000) from the School Age Discount Scheme.

The Trustees were grateful to receive private donations totalling £103,627, in 2007 (2006: £77,883). In addition to these funds the Trust has also received certain donations in kind, including regular and dedicated voluntary help.

The total funds at the year-end, after transfer of the profit for the year of £35,820 (2006: deficit £4,786), amounted to £141,248 (2006: £105,428). This year-end balance will be called upon as necessary to supplement the grant from the Minister for Education, Sport and Culture and private donations in order to support the on-going provision of the Trust's activities.

Staffing

At the end of 2007 the Trust employed 3.6 full-time equivalent (FTE) core staff. The Special Needs Inclusion Project employed 19 support workers offering a minimum of 6 hours of support a week up to a maximum of 20 hours a week, equating to 1.3 FTE staff funded by donations (4 FTE Trust staff and 13 Support Workers equating to 1.2 FTE staff funded by donations at the end of 2006).

Grant-making policy

The Trust invites applications for grants from the childcare sector in support of the Trust's main objectives of accessible, affordable, quality childcare for the children of Jersey.

The Executive Committee, advised by the Executive Director, considers all the applications according to the criteria laid out in the application form which is available to download from our website, www.jcct.org.je.

All successful applicants were required to sign a Memorandum of Agreement. They were also required to supply the Trust with a report of the project as detailed in the initial application. Each successful recipient, depending on the size and nature of the grant, was then either visited by a Trustee or member of Trust staff, or supplied photographs demonstrating the project or equipment being used by the children to ensure that proper use of the grant was made.

Review of the activities and future developments

The Trust continues to strive to make a difference to the quality, accessibility and affordability of childcare provision in Jersey. The Trust is engaged in a variety of activities in support of its aim and objectives, and its commitment to the view that all forms of investment in the Island's children from the earliest years are an important and necessary investment in the Island's future. There are demonstrable long-term benefits for the children, their families and the community at large which more than justify the investment called for.

In 2007 these activities included –

- 21 **Quality Grants** to childcare providers totalling £22,676 (£19,967 in 2006).
- A **Special Needs Inclusion Project**, which facilitated 2,590 hours of support (2,406 hours in 2006) to 21 children (14 children in 2006) to enable them to access **mainstream** early years childcare through one-to-one Support Workers. In addition to funding from the Trust's core budget, the Project has received generous charitable donations. In 2007, these include the Lloyds TSB Foundation for the Channel Islands and Channel 103 "Help a Jersey Child".

- **Support for 27 parttime nursery places** (9 in 2006) for children starting school in September at a cost of £19,166 (£7,138 in 2006). The children, who were unable to access a free nursery class place, were referred by a professional for a social and/or developmental reason and met strict criteria to receive these places. The Project ensures that the children have received some early education and care before commencing formal schooling in September. This project was supported entirely by 2 local charitable Trusts.
- Provision of 43 **Continuous Professional Development courses** for childcare staff. A nominal fee is applied for each place to fund this provision, and 900 places were provided in 2007 (1,046 in 2006). Trainers are recruited from a variety of professions and the Trust is grateful to them all for providing a wealth and breadth of knowledge to those working in childcare.
- Administration of the **School Age Discount Scheme** on behalf of the Social Security Department. Funds totalling £239,433 were administered (£328,000 administered in 2006) of school-aged children attending school-aged care settings such as activity, breakfast and after school clubs.
- Provision of an **Information Service** for parents and providers of childcare. The Trust received an average of 257 enquiries per month (250 in 2006) by telephone, e-mail and in person. The Trust offers a central point of contact for parents, childcare providers and other professionals to seek information and support in childcare-related matters located within the Bridge centre. The service includes our website www.jcct.org.je with a comprehensive childcare search and a variety of childcare related newsletters, guides and publications.
- Compilation of a list of **39 Approved Babysitters** (54 in 2006) who are police-checked and referenced, to assist parents with a flexible form of childcare in the child's own home. With a good number of babysitters on file, the list is circulated to any enquiring parents.
- Assistance to the sector on **the retention of existing qualified staff** through support for J-Category Housing Applications. The childcare sector currently has 5 staff (5 in 2006) with J-Category housing status.
- The 24 private Foundation Stage settings in Jersey were offered training and support by the **Foundation Stage Teacher** contracted to the Trust from the Department for Education, Sport and Culture. 98 visits (135 visits in 2006) were made to settings; and a comprehensive training programme offering 7 (18 in 2006) training sessions was designed to meet the needs of the sector. Emphasis on a more focussed approach has proved an effective way of developing practice. Working closely with managers and offering tailor made support for whole staff teams has proved to be more successful this year.
- Accrediting 5 nannies to the **Nanny Accreditation Scheme**, which professionally recognises qualified nannies meeting strict quality criteria. It was confirmed by the Minister for Treasury and Resources in 2007 that parents employing an Accredited Nanny will be able to access the same tax breaks as other parents accessing Registered Childcare from the 2008 tax year. A **Nanny Forum** has also been established which enables nannies to meet to discuss practice and issues of mutual interest.
- Organising the **Family Friendly Employer of the Year Award 2007** which attracted 86 nominations for 51 different employers.
- The executive director has acted as Chair of the Steering Group for the **NSPCC Pathways Project** and as a member of the Strategic Group for **Child Accident Prevention (Jersey)**.
- The Trust made several representations in 2007 to further raise the status of **issues surrounding childcare, including the need for a public/private partnership in child care provision and for equality of treatment of parents and children**. These were to the Council of Ministers, the Minister for Treasury and Resources and to the Early Years Scrutiny Panel, and can be viewed on our website

www.jcct.org.je. The Trust made representations to the Minister for Social Security on Income Support and to the Minister for Treasury and Resources on the exemption of private providers of child care from GST.

The Trust took part in several **consultation exercises**, including Economic Development's National Lottery Consultation and the Employment Forum's Maternity, Paternity and Family Friendly Working Consultation.

The Trust **developed and maintained links** with the Jersey Early Years Association and other key strategic partners and service providers to support the implementation of the work of the Trust.

The Trust issues a regular **Newsletter** covering the activities of the Trust and related matters considered of interest to those concerned with early years childcare.

The Education and Home Affairs Scrutiny Panel report on Early Years is anticipated by the Trust in the New Year and it is hoped that the outcomes of this, together with recommendations in other reports to be published in 2008 relevant to the care of children, will help to determine the future direction for early years provision in the Island and the continued role of the Trust. Until this time, for 2008, the Trust will continue the projects detailed above in support of its aim and objectives set out in its present Constitution, which to be altered requires the approval of the Minister for Education, Sport and Culture and the Royal Court.

The Trust continues to recognise the part all must play in responding to the States' objective of controlling public expenditure, and has contributed towards this, while maintaining its services, by the supplementation of its grant through successful fund-raising activities during 2007. For 2008, the Trust plans to actively continue its fund-raising role and to ensure that all funds raised are invested directly into activities and projects that meet its core aims.

Finally, a word of thanks to the Board of Trustees, the Executive Director and the staff of the Trust for their total commitment and endeavour, and for their overall much valued contribution to the work of the Trust throughout 2007.

By Order of the Trustees:

G.C. Powell CBE (chairman)

Date.....

THE JERSEY CHILDCARE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements in accordance with the applicable Law and Regulations.

The Trust Deed requires the Trustees to prepare financial statements for each financial year. Under that Deed the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). The financial statements are required to give a true and fair view of the state of affairs of the Trust and of the profit or loss of the Trust for that period. In preparing these financial statements, the Trustees are required to –

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Trust Deed. They 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.

THE JERSEY CHILDCARE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE JERSEY CHILDCARE TRUST

We have audited the financial statements of The Jersey Child Care Trust for the year ended 31st December 2007 which comprise the statement of financial activities, the balance sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Trustees, as a body, in accordance with our engagement letter dated 31st March 2008. 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The Trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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 Trust Deed. We also report to you if, in our opinion, 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 or material inconsistencies with the financial statements.

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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Trust's affairs as at 31st December 2007 and of its movement in funds for the year then ended, and the financial statements have been properly prepared in accordance with the Trust Deed.

St. Helier, Jersey

THE JERSEY CHILDCARE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st December 2007

	Note	2007 £	2006 £
INCOMING RESOURCES	1		
Donations		103,627	77,883
Activities in furtherance of the Trust objectives:			
States of Jersey grant – General		162,500	162,500
BBC Children In Need		–	–
School Age Discount scheme		10,000	10,000
Deposit interest		4,655	3,357
Other income		<u>9,490</u>	<u> </u>
TOTAL INCOMING RESOURCES		<u>290,272</u>	<u>254,235</u>
RESOURCES EXPENDED			
Costs of generating funds:			
Fund-raising and publicity		14,736	17,182
Charitable expenditure			
Grants payable		23,298	19,967
Childcare activities		46,777	23,521
Support costs		118,385	138,798
Management and administration		<u>51,250</u>	<u>59,550</u>
TOTAL RESOURCES EXPENDED	2	<u>254,452</u>	<u>259,021</u>
NET MOVEMENT IN FUNDS		35,820	(4,786)
Fund balances at 1st January		<u>105,428</u>	<u>110,214</u>
FUND BALANCES AT 31st DECEMBER		<u>141,248</u>	<u>105,428</u>

All activities are derived from continuing operations.

The notes on pages 17 to 21 form part of these accounts.

THE JERSEY CHILDCARE TRUST

BALANCE SHEET

Year ended 31st December 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	3	<u>6,32</u>	<u>7,38</u>
CURRENT ASSETS			
Debtors		1,665	866
Short-term deposits		138,795	71,053
Cash at bank and in hand		3,674	32,500
Cash at bank – Childcare Discount Scheme	4	<u>125,180</u>	<u>28,47</u>
		<u>269,314</u>	<u>132,894</u>
CREDITORS: amounts falling due within one year			
Creditors and accruals		(9,209)	(6,376)
Creditor – Childcare Discount Scheme	4	<u>(125,180)</u>	<u>(28,475)</u>
		<u>(134,389)</u>	<u>(34,851)</u>
NET CURRENT ASSETS		<u>134,925</u>	<u>98,04</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>141,248</u>	<u>105,428</u>
NET ASSETS		<u>141,248</u>	<u>105,428</u>
Represented by:			
FUNDS			
Unrestricted		<u>141,248</u>	<u>105,428</u>
		<u>141,248</u>	<u>105,428</u>

The notes on pages 17 to 21 form part of these accounts.

THE JERSEY CHILDCARE TRUST

These financial statements were approved by the Trustees on 2008.

Chairman

Treasurer

THE JERSEY CHILDCARE TRUST

NOTES TO THE ACCOUNTS Year ended 31st December 2007

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.

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, fund-raising 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.

THE JERSEY CHILDCARE TRUST

NOTES TO THE ACCOUNTS **Year ended 31st December 2007**

Funds

The Trust's funds consist of unrestricted amounts. The Trust may use unrestricted amounts at its discretion.

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 CHILDCARE TRUST

NOTES TO THE ACCOUNTS Year ended 31st December 2007

2. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Depreciation £	2007 Total £	2006 Total £
Charitable expenditure:					
Grants payable	–	23,298	–	23,298	19,967
Childcare activities	–	46,777	–	46,777	23,521
Support costs	98,090	19,224	1,071	118,385	138,798
Management and administration	<u>40,740</u>	<u>10,250</u>	<u>25</u>	<u>51,250</u>	<u>59,550</u>
	138,836	99,552	1,328	239,716	241,839
Costs of generating funds:					
Fund-raising and publicity	<u>12,073</u>	<u>2,560</u>	<u>100</u>	<u>14,733</u>	<u>17,180</u>
Total resources expended	<u>150,909</u>	<u>102,115</u>	<u>1,428</u>	<u>254,452</u>	<u>259,020</u>
Staff costs:					
Wages and salaries				140,388	162,081
Social security costs				9,235	8,839
Training costs				<u>1,280</u>	<u>1,280</u>
				<u>150,909</u>	<u>171,300</u>
Other costs:					
Grants payable				23,298	19,967
Childcare activities				46,777	23,521
Rent and rates				15,540	15,000
Light and heat				960	1,804
Insurance				1,611	3,150
Printing and stationery				5,287	8,615
Telephone and postage				1,675	2,905
Publications and subscriptions				712	563
Travel and entertaining				1,184	1,815
Audit fee				1,500	1,500
Relocation costs				–	80
Advertising				1,521	395
Miscellaneous				<u>2,050</u>	<u>2,320</u>
				<u>102,115</u>	<u>81,634</u>

THE JERSEY CHILDCARE TRUST

NOTES TO THE ACCOUNTS **Year ended 31st December 2007**

Average number of employees during the year: 3.6 (2006: 4).

J. Hairon as Trustee received £5,477 as salary (2006: £Nil).

None of the employees earned in excess of £50,000 in the year (2006: None in excess of £50,000).

During the year an insurance premium of £294 was incurred by the Trust in respect of Trustees' and officers' liability (2006: £294).

THE JERSEY CHILDCARE TRUST

NOTES TO THE ACCOUNTS Year ended 31st December 2007

3. TANGIBLE FIXED ASSETS

	Office equipment £	Furniture, fixtures and fittings £	Total £
Cost			
At 1st January 2007	48,421	11,224	59,645
Additions	<u> </u>	<u> 3</u>	<u> 3</u>
At 31st December 2007	<u>48,421</u>	<u>11,590</u>	<u>60,010</u>
Depreciation			
At 1st January 2007	46,899	5,361	52,260
Charge for year	<u> 8</u>	<u> 58</u>	<u> 66</u>
At 31st December 2007	<u>47,741</u>	<u>5,947</u>	<u>53,688</u>
Net book values			
At 31st December 2007	<u> 680</u>	<u>5,643</u>	<u>6,323</u>
At 31st December 2006	<u>1,522</u>	<u>5,863</u>	<u>7,385</u>

4. CHILDCARE DISCOUNT SCHEME

The Trust administers the Childcare Discount Scheme on behalf of the Minister for Social Security, and the bank balances held on behalf of that Minister and the related liability at 31st December 2007 and 2006 are reflected in current assets and creditors in the balance sheet.

5. TAXATION

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

6. 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 current or prior years.