
THE ASSOCIATION OF JERSEY CHARITIES

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

THE ASSOCIATION OF JERSEY CHARITIES

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS OFFICERS AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

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THE ASSOCIATION OF JERSEY CHARITIES

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS OFFICERS AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

COMMITTEE / OFFICERS

Kevin Keen, Chairman

Elizabeth Le Poidevin, Deputy Chairman

Kirsty McGregor, Treasurer

Nichola Aldridge, Secretary

Marie du Feu, Grants Officer

Simon LARBALÉSTIER, Officer

Peter Tabb, Officer

Jill Ryan, Officer

GRANTS COMMITTEE

Marie du Feu

Kirsty McGregor

Simon LARBALÉSTIER

Elizabeth Le Poidevin

Ian Silvester, Independent Member

Marcus Liddiard, Independent Member (appointed 10 August 2021)

REGISTERED CHARITY STATUS

Registered with the Jersey Charity Commission, charity number 276

INDEPENDENT AUDITOR

Bracken Rothwell Limited, 2nd Floor, The Le Gallais Building, 54 Bath Street, St Helier JE1 1FW

BANKERS

Lloyds Bank, 9 Broad Street, St Helier JE4 8NG

THE ASSOCIATION OF JERSEY CHARITIES

REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2022

The Officers present their annual report together with the audited financial statements of the Association of Jersey Charities ("the Association") for the year ended 31 March 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a) Constitution

Originally founded in 1971, the Association was incorporated on 16th June 1995 under the "Loi (1862) sur les teneurs en fidéicomis et l'incorporation d'associations".

Members approved minor changes to the Constitution at the Annual General Meeting in September 2020. There were no changes to the Objectives of the Association.

b) Method of appointment or election of Officers

The management of the Association is the responsibility of the Officers who are elected and co-opted under the terms of the Constitution. All Officers act in a voluntary capacity and therefore receive no payment for their services.

As per the Constitution, the Committee has power to co-opt additional persons, if the Committee considers it desirable for a specific purpose, for such period as the Committee may deem appropriate. In August 2021 the Officers appointed Marcus Liddiard as a second independent member of the Grants Committee in order to bring a greater degree of independence and increase the expertise and diversity on the Committee.

c) Policies adopted for the induction and training of Officers

The Officers on the Committee have a range of professional qualifications and experience. It is open to any of them to attend courses offered by the Association to supplement their skills. The Association does not have a formal induction programme for Officers however this is under development.

d) Organisational structure and decision making

The day to day running of the Association is in the hands of the Committee, which comprises the Officers of the Association who are elected annually by the members. A full list of Officers is provided on page 1. The Association also employs a full-time Administrator.

e) Risk management

The Officers have assessed the major risks to which the Association is exposed, in particular those related to the operations and finances of the Association, and are satisfied that adequate systems and procedures are in place to mitigate exposure to the major risks.

f) Conflicts of interest

The Officers of the Association may also serve as officers, volunteers or employees of member organisations. In such circumstances, the relevant Officer must disclose his or her conflict of interest at any meeting where matters concerning that other charity are discussed. If that other charity makes a grant application, the relevant Officer does not participate in that part of any meeting at which it is considered. The Committee keeps a register of all conflicts of interest.

THE ASSOCIATION OF JERSEY CHARITIES

REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACHIEVEMENTS

The objectives of the Association are:

1. To encourage and facilitate charitable work in Jersey.
2. To encourage co-operation and co-ordination of activities between Members and prospective Members, and discussion and exchange of ideas regarding service to the community.
3. To distribute to Members or any of them any funds available to the Association.
4. To develop and administer a programme of training and information to benefit its Members or any of them.
5. To assist and represent its Members or any of them.

The Chairman's Report and Financial Review that follow note activities that have been undertaken by the Association during the year that have been key to the Association achieving its objectives.

CHAIRMAN'S REPORT

The impacts of Covid 19 and its variants have once again presented many challenges for the AJC and its members but we believe we have adapted well to those challenges.

Encouragement and facilitation of charitable work

In partnership with Jersey Finance and the Ana Leaf Foundation we held the 2021 Charity Awards in September, recognising excellence across the sector. There were awards for small, medium & large charities, and a special 50th Anniversary Award to Jersey Marine Conservation for work on our environment. Details of the winners can be found here <https://www.jerseycharities.org/winners-2021>. The awards are not just about celebrating achievement by the sector but also promoting our work to the rest of the community. This year the event was held virtually.

Working with the Institute of Directors ("IoD") and Jersey Evening Post we promoted the opportunity for fund raising represented by payroll giving and will continue this in 2022 with the objective of a much greater take up by employers. This initiative could lead to a substantial new stream of regular and unrestricted giving as well as greater engagement by the members of community who benefit from the work of our members. I believe this is a major opportunity for member charities but it will clearly take time and effort by all of us to reach its potential. I record my thanks to the IoD, the Jersey Evening Post and the Jersey Fundraisers Forum led by Beth Gallichan.

We also supported the work of Uniti (<https://uniti.life/>) a local business that has created a new app to match volunteers with charities needing them. This is a free service to charities and volunteers, which will sustain itself by providing its technology to the corporate and public sector. The first client for the service was the Government of Jersey with the launch taking place after the year end. We know from our recent survey of members that it has become more difficult to attract volunteers so this is a very welcome initiative as is www.volunteer.je. Without voluntary service very few charities in Jersey would be able to operate so the more the Island can do to encourage volunteering and communicate the benefits to prospective volunteers the better.

Encouragement of co-operation

We have continued to work hard to encourage co-operation between charities through our work with the Jersey Funders Group. We also made co-operation and innovation a feature of our 50@50 awards programme, with £520,000 distributed to 52 Jersey charities.

We also worked with Government to support and promote co-operation between charities.

Distribution of funds

During 2021 we have again played an active role as members of the Jersey Funders Group to co-ordinate the work of grant givers to maximum benefit. We continued to operate a strict grant approval process in accordance with the agreements reached with the respective donors. To provide further assurance we appointed Marcus Liddiard as a second independent member to our grants committee; Ian Silvester was appointed the previous year. I record my thanks for their voluntary work for the AJC in the year.

During the year we received lottery profits for 2019 and 2020 totaling £1,456,102 and approved grants totaling £516,466 during the year. As noted approved distributions from other restricted funds totalled £182,752. In addition and as noted above we distributed £520,000 to members as part of our 50th Anniversary celebrations.

Our total costs of administration and governance were £72,375 in the year (2021: £73,024) which was 5.6% of total grants approved (2021: 6.9%) although, clearly grant giving and administration is not the only service we provide members. We continue to work hard to keep our costs to a very minimum by leaning heavily on the voluntary efforts of our committee, especially Marie du Feu who continued to act as Grants Officer on a voluntary basis. Marie is stepping down this year after 7 years as a Committee member. The Committee and if I may say members owe her a huge debt of gratitude.

THE ASSOCIATION OF JERSEY CHARITIES

REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2022

CHAIRMAN'S REPORT (continued)

Training

Although the Covid pandemic continued to present challenges for our training programme we managed to deliver a number of training events during 2021, which included topics such as:-

- Briefing from the Charity Commissioner
- Outcomes based accountability
- Investment management
- Governance principles for charities
- Accounting for donations
- Safe guarding
- Data protection
- Media training

We also hosted a number of webinars as part of our 50th year celebrations, which proved very popular and will continue in the new financial year. They are not expensive to arrange and tend to attract greater attendance.

Assist and represent members

Lyn Wilton has continued to provide telephone and email support to members on a wide range of matters; this is an especially valuable service for smaller charities. In addition our activity on social media and via our email newsletter and website remained extensive promoting the work of members and their needs as widely as possible.

Through regular engagement with Government we have sought to represent the views of members on a wide range of topics from bank charges to tax repayments.

In early 2022 we carried out a survey of our members to understand their level of satisfaction with our services and to help us understand more clearly the major issues facing charities to enable us to serve them better. We received 100 responses and key ratings out of a maximum score of 5 were as follows:-

Member survey results	Score out of 5
Grant giving including administration & support	4.6
Training programme	4.1
News emails to members	4.5
Representation of the sector	4.5
Informal advice to members	4.6

We were pleased with the results but there is always room for improvement, something we will bring continued focus to in the current year.

Conclusions

As noted in the financial review below our own financial situation remains challenging with only £27,757 in reserves to meet our own operating costs some way short of our target of six months running costs, some £36,000. Given the challenges that also face members we have decided to defer a subscription increase from the current £15 but it is something that we will need to consider again for next year.

I record my thanks to all Committee members but especially Marie du Feu and Kirsty McGregor who are stepping down this year and of course to Lyn Wilton our administrator.

Our 50th year has been another one of progress, whilst there were and are plenty of challenges I truly believe that through our work and that of you our members, the community is more aware of the value of Jersey's charitable sector, which hopefully will lead to greater support in the form of donations of time and money.

THE ASSOCIATION OF JERSEY CHARITIES

REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

a) Principal funding

Income from the Government of Jersey in respect of lottery profits increased from £374,112 in the year ended 31 March 2021 to £1,456,102 in the year ended 31 March 2022 which comprised £694,134 from the 2019 lottery profits and £761,968 from the 2020 lottery profits. Of the £1,456,102 received, £1,423,802 was for grants and £32,300 was grant management fee income to cover the Association's costs of administering the lottery grants.

In addition, grant income of £200,000 was received from Ocorian Trustees to help charities suffering from reduced fundraising opportunities due to the Covid-19 pandemic.

During the year total incoming charitable resources have therefore increased from £913,440 in the year ended 31 March 2021 to £1,729,673 in the year ended March 2022.

Grants approved were £788,543 for the year compared to £1,059,426 in the year to 31 March 2021. After deduction of grant funds released by applicants, net grants for the year were £767,179 (2021: £1,025,390). Of the total grants approved £89,325 (2021: £78,028) were made from the Association's own reserves. In addition, to celebrate its 50th anniversary the Association made awards totalling £520,000 from the Anonymous Donation reserve.

b) Reserves policy

At 31 March 2022 the Association had total unrestricted funds of £2,822,560 (2021: £3,352,724). The table in note 13.1 on page 20 provides an analysis of this figure.

The largest element is the designated reserve relating to an anonymous donation from a private donor of £2,625,736 which was received in the year ended 31 March 2010. At 31 March 2022 the balance on the anonymous donation reserve was £2,752,337 (2021: £3,194,058) but of this £780,000 (2021: £877,500) is not yet available for distribution. The capital sum invested in the year the donation was received was £1,950,000 and this amount is being amortised in twenty equal annual instalments (i.e. 5% p.a.) of £97,500 terminating in September 2029.

During the year ended 31 March 2019, the Association formalised its reserves policy such that it will aim to maintain a balance in free reserves equivalent to at least one year's funding for its members, such sum to be determined based on the amount of grants approved in the previous financial year. As of 31 March 2021, this policy requires £800,000 to be held in free reserves and the actual sum is £1,743,459.

From the 2017 and 2018 lottery profits the Officers created a designated development reserve in order to complete certain sector initiatives including the restructuring of the Association. At 31 March 2021 expenditure against this reserve totalled £116,656 leaving a balance of £63,344 (2021: £71,550) which will be used to fund development projects deemed necessary by the Committee, however should any of those initiatives be cancelled or delivered under budget, the amount in the designated reserve will be released to general reserves and available to members by way of grants.

The Committee aims to hold six month's running costs of the Association in its own free reserves. Excluding the designated reserve for the Anonymous Donation and the designated reserve for sector development, at 31 March 2022 the Association held £27,757 in its unrestricted and undesignated reserves (2021: £28,518).

c) Investment policy and performance

In the year ended 31 March 2010, the Association invested a capital sum of £1,950,000 from the anonymous donation received in the same year in a portfolio of securities and this is currently managed on a discretionary basis by the Royal Bank of Canada (Channel Islands) Limited. The capital sum plus the accumulated profits form the entirety of the Association's investment portfolio which is now valued at £2,749,723 (2021: £2,900,635). Covid-19 resulted in significant volatility in the performance of the investment portfolio and realised and unrealised gains on investments of £110,945 were recorded in the accounts for the year ended 31 March 2022 (2021: unrealised gain of £527,230). IAM Advisory have a continuing role in the oversight of investment performance.

The remainder of the Association's funds are held on call or short-term deposit or in the current account so that the Association always has sufficient cash on hand to meet its liability to settle grant obligations.

The Association's Officers have a general power of investment and so enjoy considerable freedom to invest in such investment assets as they see fit.

d) Accumulated fund

The accumulated fund totalled £4,048,986 at 31 March 2022 (2021: £3,647,443). Of this amount, there are restricted funds of £1,226,426 (2021: £294,719); leaving £2,822,560 (2021: £3,352,724) in unrestricted funds. Of this amount £780,000 (2021: £877,500) relates to the element of the anonymous donation which is not currently distributable. The decrease in unrestricted funds is due to awarding £520,000 to 52 charities to celebrate the Association's 50th anniversary.

THE ASSOCIATION OF JERSEY CHARITIES

REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW (continued)

e) Association operating costs

In the year ending 31 March 2022 the operating costs of the Association, including costs associated with administering the grants programme and governance costs amounted to £72,375 (2021: £73,024). In addition costs of £7,120 were incurred on member advertising space in the Jersey Evening Post. As at 31 March 2022 the Association only had free reserves of £27,757 (2021: £28,518) to put towards this annual cost in the coming year, however under the terms of the SLA with Government to distribute the 2020 lottery profits and under the terms of other agreements to distribute other charitable income, the Association will receive a fee to help cover its annual running costs.

STATEMENT OF THE COMMITTEE'S RESPONSIBILITIES

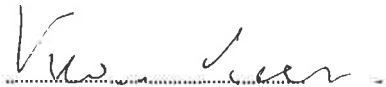
The Committee is responsible for preparing the Committee's report and the financial statements in accordance with the Constitution.

The Constitution requires the Officers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the incoming resources and application of resources of the Association for that period. In preparing these financial statements, the Officers are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

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

This report was approved by the Officers on *5 July 2022* and signed on their behalf by:



Kevin Keen, Chairman



INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF JERSEY CHARITIES

Auditor Authorisation

Bracken Rothwell Limited is authorised to act as auditor to The Association of Jersey Charities since it satisfies the requirements set out in Article 102(1)(c) of the Companies (Jersey) Law 1991.

Opinion

We have audited the financial statements of The Association of Jersey Charities (the 'Association') for the year ended 31 March 2022 which comprise the Statements of Financial Activities, Financial Position and notes 1 to 17 to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (Charities SORP (FRS 102)).

In our opinion, the financial statements:

- present a true and fair view of the financial position of the Association as at 31 March 2022, and of its financial performance for the year then ended;
- have been properly prepared in accordance with Charities SORP (FRS 102)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the Ethical Standards as issued by the Financial Reporting Council ("FRC") in the United Kingdom and other guidance and ethical requirements that are relevant to our audit of the financial statements in Jersey, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Committee with respect to going concern are described in the relevant sections of this report.



INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF JERSEY CHARITIES (continued)

Other Information

Other information comprises the information included in the Report of the Committee other than the financial statements and our auditor's report thereon. The Committee are responsible for the other information contained within the Report of the Committee. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on Other Matters

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Committee for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Committee has been prepared in accordance with applicable legal requirements.

Matters on Which We Are Required to Report by Exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Committee.

We have nothing to report in respect of the following matters, in our opinion:

- the financial statements are in agreement with the accounting records and returns; and
- we have received all the information and explanations we require for our audit.

Responsibilities of the Committee

As explained more fully in the Statement of Committee's Responsibilities on page 6, the Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Committee are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF JERSEY CHARITIES (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Association and the industry in which it operates, and considered the risk of non-compliance or fraud by the Association. We designed audit procedures to detect material misstatements due to fraud and error. We note that it can be harder to detect those arising due to fraud as they may involve deliberate concealment or collusion. We focused on laws and regulations that could give rise to material misstatement in the Association's financial statements, including, but not limited to, Charities (Jersey) Law 2014. Our tests included, but were not limited to, agreement of the financial statement disclosures to underlying supporting documentation, review of correspondence with regulators and legal advisers and enquiries of management. There are inherent limitations in the audit procedures described above and the more removed from the financial transactions, the less likely it is that we would become aware of non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Adam Gavin, FCA

For and on behalf of

Bracken Rothwell Limited

2nd Floor, The Le Gallais Building

54 Bath Street, St Helier

Jersey, JE1 1FW

Date: *5 July 2022*

THE ASSOCIATION OF JERSEY CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	1,661,612	68,061	1,729,673	913,440
Investment income	3	-	8,066	8,066	35,777
TOTAL INCOMING RESOURCES		1,661,612	76,127	1,737,739	949,217
RESOURCES EXPENDED					
Charitable activities	4	(727,060)	(690,996)	(1,418,056)	(1,125,296)
Governance costs	5	-	(5,645)	(5,645)	(10,412)
Investment management costs	3	-	(23,440)	(23,440)	(25,850)
TOTAL RESOURCES EXPENDED		(727,060)	(720,081)	(1,447,141)	(1,161,558)
NET RESOURCES EXPENDED BEFORE REVALUATIONS		934,552	(643,954)	290,598	(212,341)
Realised and unrealised gains on investments	8	-	110,945	110,945	527,230
NET RESOURCES EXPENDED AFTER REVALUATIONS		934,552	(533,009)	401,543	314,889
Transfers between funds	13	(2,845)	2,845	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		931,707	(530,164)	401,543	314,889
<i>Total funds brought forward</i>		294,719	3,352,724	3,647,443	3,332,554
TOTAL FUNDS AT 31 MARCH		1,226,426	2,822,560	4,048,986	3,647,443

All movements in resources are derived from continuing activities.

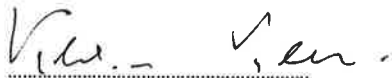
The notes on pages 12 to 21 form part of these financial statements.

THE ASSOCIATION OF JERSEY CHARITIES

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Investments	8		2,749,723		2,900,635
CURRENT ASSETS					
Debtors	9	4,331		1,476	
Cash at bank and in hand	10	1,867,931		1,402,079	
		1,872,262		1,403,555	
CREDITORS: amounts falling due within one year	11	(572,999)		(656,747)	
		(572,999)		(656,747)	
NET CURRENT ASSETS			1,299,263		746,808
NET ASSETS			4,048,986		3,647,443
CHARITY FUNDS					
Restricted funds	13		1,226,426		294,719
Unrestricted funds	13		2,822,560		3,352,724
TOTAL FUNDS AT 31 MARCH			4,048,986		3,647,443

The financial statements were approved by the Officers on 5 JULY 2022 and signed on their behalf by:



Kevin Keen, Chairman



Kirsty McGregor, Treasurer

The notes on pages 12 to 21 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' published in October 2019 (effective January 2019) as issued by the Charity Commission and Financial Reporting Standard 102 Section 1A, the Financial Reporting Standard applicable in the United Kingdom and Ireland applicable to smaller entities (FRS 102 Section 1A).

1.2. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Committee in furtherance of the general objectives of the Association and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Association for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.3. Incoming resources

All incoming resources are included in the Statement of Financial Activities ("SoFA") when the Association has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Association where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services of facilities are included as income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

1.4. Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs include the costs of the Association's administrator and other administration costs. Governance costs are those incurred in connection with administration of the Association and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure. Multi-year grants are reassessed on the anniversary of the original approval for financial need and are therefore conditional grants to be recognised only when financial need has been ascertained. At 31 March 2022 there were £429,035 of conditional grants noted as a commitment (2021: £nil).

1.5. Going Concern

The Association had conditional grants noted as a commitment of £429,035 at 31 March 2022. These are expected to be funded either from the lottery profit reserves which had a balance at 31 March 2022 of £1,056,225 or from the designated reserve relating to the Anonymous Donation which had a balance at 31 March 2022 of £2,752,337. These accounts have therefore been prepared on a going concern basis.

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1.6. Cash flow

The financial statements do not include a Cash Flow Statement because the Association, as a small reporting entity, is exempt from the requirement to prepare such a statement.

1.7. Tangible fixed assets

All assets costing more than £5,000 are capitalised.

There were no such assets at 31 March 2022 (2021: £nil).

1.8. Investments

Investments are stated at market value at the balance sheet date.

The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

2. VOLUNTARY INCOME

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds</i> 2021 £
Donations (see note 2.2 below)	237,810	30,986	268,796	532,233
Grant income – lottery profits	1,423,802	-	1,423,802	374,112
Grant management fees – lottery profits	-	32,300	32,300	-
Grant management fees – other	-	-	-	2,725
Subscriptions	-	4,775	4,775	4,370
TOTAL VOLUNTARY INCOME	1,661,612	68,061	1,729,673	913,440

2.1. Grant receipts

During the year the Association received grants of £1,456,102 (2021: £374,112) being the share of the proceeds from the 2019 lottery allocated to the Association to distribute of £694,134 and the share of the proceeds from the 2020 lottery allocated to the Association to distribute of £761,968.

Of the £1,456,102 received, £1,423,802 was for grants and £32,300 was grant management fee income to cover the Association's costs of administering the lottery grants.

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. VOLUNTARY INCOME (continued)

2.2. Donations received

	2022	2021
	£	£
Unrestricted:		
Anonymous	297	72,790
Parish of Grouville	12,000	9,000
Corporate Donations and Trusts	12,514	-
Anonymous internet donations via Paypal	6,175	19,109
Other	-	3,940
Total unrestricted	<u>30,986</u>	<u>104,839</u>
Restricted:		
Ocorian Trustees	200,000	300,000
National Emergencies Trust	-	106,175
Charity Booster Appeal	-	13,800
Anonymous donations via Paypal for specific charities	18,319	-
Corporate Donations and Trusts	-	7,419
Total restricted to specific grants and beneficiaries	<u>218,319</u>	<u>427,394</u>
Jersey Finance	15,799	-
Ana Leaf Foundation	3,692	-
Total restricted to Jersey Charity Awards	<u>19,491</u>	<u>-</u>
Total restricted	<u>237,810</u>	<u>427,394</u>
TOTAL DONATIONS RECEIVED	<u>268,796</u>	<u>532,233</u>

3. INVESTMENT INCOME

	Restricted	Unrestricted	Total funds	Total funds
	funds 2022	funds 2022	2022	2021
	£	£	£	£
Dividends	-	8,066	8,066	35,719
Interest	-	-	-	58
Portfolio management fees	-	(19,779)	(19,779)	(22,499)
Investment advisor fees	-	(3,661)	(3,661)	(3,351)
BANK INTEREST AND DIVIDENDS NET OF CHARGES	<u>-</u>	<u>(15,374)</u>	<u>(15,374)</u>	<u>9,927</u>

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. CHARITABLE ACTIVITIES

	2022	2021
	£	£
Grants to institutions:		
Grants approved (see below)	88,940	51,686
Awards	520,000	-
Internet donations paid	-	17,788
Total grants to institutions from unrestricted funds	608,940	69,474
Support costs:		
Staff costs	45,998	44,205
Telephone	944	821
IT, website and social media costs	12,262	11,158
Insurance	4,065	3,238
Printing, postage and stationery	302	843
Miscellaneous expenses	2,576	1,903
Bank and internet donation charges	583	444
Total support costs	66,730	62,612
Sector development costs:		
Advertising member events	7,120	17,015
Jersey Charity Awards prize money	3,756	-
Sector salary survey	4,450	-
Total sector development costs	15,326	17,015
Total unrestricted funds	690,996	149,101
Restricted:		
Grants approved (see below)	678,239	973,704
Donations paid	20,594	-
Training costs	8,736	2,491
Jersey Charity Awards	19,491	-
Total restricted funds	727,060	976,195
TOTAL CHARITABLE ACTIVITIES	1,418,056	1,125,296

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. CHARITABLE ACTIVITIES (continued)

List of grants approved

	Restricted (Lottery) 2022 £	Restricted (Other) 2022 £	Unrestricted 2022 £	Total 2022 £	Total 2021 £
Grants (including emergency funding):					
Brighter Futures	30,000	30,000	-	60,000	40,000
Jersey Child Care Trust	22,243	30,000	-	52,243	31,500
Aspire Charitable Trust	30,000	-	-	30,000	25,000
Centrepoint	30,000	-	-	30,000	-
Community Savings	30,000	-	-	30,000	36,877
Dementia Jersey	30,000	-	-	30,000	-
NSPCC Jersey	30,000	-	-	30,000	30,000
St Paul's Centre	30,000	-	-	30,000	-
Arthouse Jersey	-	-	30,000	30,000	30,000
Brightly	-	30,000	-	30,000	58,653
Caritas	-	30,000	-	30,000	-
Jersey Cheshire Home	30,000	-	-	30,000	8,622
Jersey Hospice Care	30,000	-	-	30,000	35,405
Jersey Sea Cadets	30,000	-	-	30,000	-
You Matter	30,000	-	-	30,000	-
JSPCA	27,820	-	-	27,820	-
Jersey Employment Trust	25,400	-	-	25,400	5,632
Family First	-	25,000	-	25,000	-
Jersey Recovery College	23,573	-	-	23,573	26,557
Every Child Our Future	23,320	-	-	23,320	-
Wetwheels	23,000	-	-	23,000	-
Jersey Action Against Rape	20,000	-	-	20,000	26,260
Salvation Army	-	-	20,000	20,000	90,372
Good Companions Club	-	16,650	-	16,650	-
St John's Ambulance	15,066	-	-	15,066	15,490
Shelter Trust	-	11,576	-	11,576	-
Library Service	-	9,526	-	9,526	-
Tiny Seeds	6,044	-	-	6,044	-
Band of the Island of Jersey	-	-	5,000	5,000	-
Grand Vaux Youth Centre	-	-	5,000	5,000	-
Jersey Bat Group	-	-	5,000	5,000	-
Jersey Children's Charity	-	-	5,000	5,000	-
La Pouquelaye Youth Project	-	-	5,000	5,000	-
Trinity School PTA	-	-	5,000	5,000	-
First Tower Community Association	-	-	4,500	4,500	-
Aureole Music	-	-	3,825	3,825	1,500
Project Linus	-	-	1,000	1,000	-
Caring Cooks of Jersey	-	-	-	-	37,936
Jersey Alzheimer's Association	-	-	-	-	37,224
Autism Jersey	-	-	-	-	30,000
Headway Jersey	-	-	-	-	30,000
Jersey Association of Youth and Friendship	-	-	-	-	30,000
Jersey Mencap	-	-	-	-	30,000
Macmillan Jersey	-	-	-	-	30,000
Silkworth Lodge	-	-	-	-	30,000
7 Overseas ATC	-	-	-	-	29,950
Kairos Arts	-	-	-	-	29,350
Sanctuary Trust	-	-	-	-	27,690
Family Mediation	-	-	-	-	26,260
Jersey Trees for Life	-	-	-	-	25,000
Words and Numbers Matter	-	-	-	-	21,000
Parkinsons Jersey	-	-	-	-	20,000
St Clements Sports Club	-	-	-	-	20,000
Jersey Zoo	-	-	-	-	19,985
Liberate	-	-	-	-	16,618
Oxygen Therapy Centre	-	-	-	-	14,352
Lymphoedema Jersey	-	-	-	-	12,900

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516,466	182,752	89,325	788,543	980,133
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THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. CHARITABLE ACTIVITIES (continued)

List of grants approved (continued)

	Restricted (Lottery) 2022 £	Restricted (Other) 2022 £	Unrestricted 2022 £	Total 2022 £	Total 2021 £
Brought forward from previous page	516,466	182,752	89,325	788,543	980,133
Normandy Rescue	-	-	-	-	15,850
Jersey Council on Alcoholism	-	-	-	-	14,630
The Friends of St Thomas's Church	-	-	-	-	12,913
Grouville School PTA	-	-	-	-	10,600
Causeway Association	-	-	-	-	7,800
Crimestoppers	-	-	-	-	5,000
Jersey RAYNET	-	-	-	-	5,000
Ostomy Society	-	-	-	-	5,000
Jersey Search and Rescue	-	-	-	-	2,500
Less: amounts released in the year	(20,979)	-	(385)	(21,364)	(34,036)
TOTAL GRANTS APPROVED	495,487	182,752	88,940	767,179	1,025,390

All grants were for use in charitable purposes, as requested by the charities, and are listed in the category which applies in the current financial year.

Of the £767,179 awarded in the year £182,752 related to emergency grants resulting from the Covid-19 pandemic funding and was funded by Ocorian Trustees and the National Emergencies Trust.

Amounts released in the year represent sums previously approved as grants and expensed in current or previous years that either a) have not been claimed by the beneficiaries of those grants within two years of the approval of the grant (or the most recent payment under that grant, if later); or b) are no longer required by the beneficiary.

Conditional grants are included in current liabilities provided there is a reasonable expectation that the conditions will be fulfilled. Multi-year grants are reassessed on the anniversary of the original approval for financial need and are therefore recognised only when financial need has been ascertained. At 31 March 2022 there were £429,035 of conditional grants noted as a commitment (2021: £nil).

5. GOVERNANCE COSTS

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Auditors' remuneration	-	3,800	3,800	3,650
Support costs including member meetings	-	1,845	1,845	2,418
Legal fees	-	-	-	4,344
TOTAL GOVERNANCE COSTS	-	5,645	5,645	10,412

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

2022	2021
No	No
<u>1</u>	<u>1</u>

No employee received remunerations amounting to more than £60,000 in either year. None of the Officers received any remuneration for acting as Officers of the Association.

7. TAXATION

The Association of Jersey Charities is established for charitable purposes within the terms of Article 115(a) of the Income Tax (Jersey) Law 1961, with the result that its income, to the extent that it is applied for charitable purposes, is exempt from income tax.

8. FIXED ASSET INVESTMENTS

Market Value	Cash	Fixed income	Equity	Total
	£	investments	investments	£
		£	£	£
At 1 April 2021	233,546	690,980	1,976,109	2,900,635
Additions	(1,039,002)	781,865	257,137	-
Disposals	1,339,597	(565,384)	(774,213)	-
Investment income	8,066	-	-	8,066
Management fees	(19,779)	-	-	(19,779)
Transaction fees	(144)	-	-	(144)
Realised gain / (loss) for the year	1,569	4,402	129,109	135,080
Movement in unrealised gains / (losses) for the year	2,162	(32,946)	6,649	(24,135)
Transfer to current account	(250,000)	-	-	(250,000)
At 31 March 2022	<u>276,015</u>	<u>878,917</u>	<u>1,594,791</u>	<u>2,749,723</u>

At 31 March 2022, 77% of the investments were global investments, 12% were North American investments, 6% were European investments and 5% were Asia and Australasia investments (2021: 78%, 8%, 8%, 3% and 3% other emerging).

9. DEBTORS

	2022	2021
	£	£
Prepayments	1,826	1,476
Other debtors	2,505	-
TOTAL DEBTORS	<u>4,331</u>	<u>1,476</u>

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10. CASH AT BANK AND IN HAND

	Restricted 2022 £	Unrestricted 2022 £	Total 2022 £	Total 2021 £
Current accounts	973,097	221,594	1,194,691	341,339
Money Market account	667,637	5,603	673,240	1,060,740
TOTAL CASH	1,640,734	227,197	1,867,931	1,402,079

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Charitable activity creditors	564,729	644,394
Accruals	6,290	10,647
Social security and ITIS obligations	1,980	1,706
TOTAL CREDITORS	572,999	656,747

All creditors are unsecured.

Charitable activity creditors relates to grants that have not yet been claimed; grantees have two years within which to claim grants unless an extension is agreed.

12. COMMITMENTS

At 31 March 2022 the Association had financial commitments relating to multi-year grants that are conditional on various factors including an assessment of financial need on the anniversary of each approval of £429,035 (2021: £nil).

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in / out £	Gains / (losses) £	Carried forward £
Unrestricted funds	3,352,724	76,127	(720,081)	2,845	110,945	2,822,560
Restricted funds						
Anonymous donation (training)	89,725	-	(8,736)	-	-	80,989
Anonymous donations (specified grants)	2,419	18,319	(20,594)	(144)	-	-
Ana Leaf and Jersey Finance (Charity Awards)	-	19,491	(19,491)	-	-	-
Ocorian Trustees & NET (emergency funding)	74,665	200,000	(182,752)	(2,701)	-	89,212
Lottery profits (2018, 2019 and 2020)	127,910	1,423,802	(495,487)	-	-	1,056,225
	<u>294,719</u>	<u>1,661,612</u>	<u>(727,060)</u>	<u>(2,845)</u>	<u>-</u>	<u>1,226,426</u>
TOTAL FUNDS	<u>3,647,443</u>	<u>1,737,739</u>	<u>(1,447,141)</u>	<u>-</u>	<u>110,945</u>	<u>4,048,986</u>

13.1. Unrestricted funds

The Association's unrestricted funds are comprised of the following:

	2022 £	2021 £
Anonymous Donation reserve:		
Distributable reserve (excluding revaluation reserve)	1,715,702	2,056,666
Undistributable reserve: amortising in equal instalments over 20 years	780,000	877,500
Revaluation reserve	235,757	259,892
Total funds relating to the Anonymous Donation	<u>2,731,459</u>	<u>3,194,058</u>
Other unrestricted reserves:		
Development reserve	63,344	71,550
Small grants reserve	-	58,598
Distributable reserves	27,757	28,518
TOTAL UNRESTRICTED FUNDS	<u>2,822,560</u>	<u>3,352,724</u>

The development reserve represents funds set aside to cover the costs of a number of sector development initiatives. In the year ended 31 March 2022 a total of £8,206 was expended from this reserve which included £3,756 on prizes for the Jersey Charity Awards and £4,450 on sector-wide surveys.

In the event that any of these projects do not proceed or are delivered under budget, the associated sums will be released to distributable reserves.

Creation of the small grants reserve was approved by members in July 2018 with the intention of encouraging smaller, volunteer led charities to apply for grants from non-lottery funds using a simplified process. During the year ended 31 March 2022 all of the brought forward balance of the fund of £58,598 was used for grants with a value of £10,000 of less.

THE ASSOCIATION OF JERSEY CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. STATEMENT OF FUNDS (continued)

In accordance with the Association's stated reserves policy it retains distributable reserves sufficient to cover the annual cost of grants approved so that in the event its main source of funding is withdrawn or curtailed it will be able to continue its grant making activities while seeking an alternative source of funds. Based on this year's results and excluding the 50@50 awards which can be classed as a one-off, the sum required is £800,000 out of total distributable reserves of £1,780,137.

13.2. Restricted funds

During the year ended 31 March 2010, an anonymous donation of £2,625,736 was received, upon which there were various restrictions:

- a) £320,000 was allocated for use in providing grants to sixteen specified charities. As at 31 March 2022 this had been fully expended (2021: £44,550).
- b) £250,000 was allocated for use in providing training. £8,736 was paid during the year ended 31 March 2022 (2021: £2,491) leaving a balance of £80,989 (2021: £89,725) in restricted funds at 31 March 2022.
- c) £1,950,000 was invested with the Royal Bank of Canada (Channel Islands) Limited and, with the addition of capital gains to date, forms the entirety of the investment portfolio.
- d) The £1,950,000 capital sum is being amortised in twenty equal annual instalments (i.e. 5% p.a.) of £97,500 terminating in September 2029 and any amounts not distributed in the year of amortisation are carried forward for distribution in subsequent years. On 21 June 2021 an Instrument of Amendment was signed with the Trustees of the donation which allows the Association to distribute the income and capital in its absolute discretion and determined according to need. The Instrument of Amendment also allows the Association to recover some of its annual operational costs from the reserve.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fixed asset investments	-	2,749,723	2,749,723	2,900,635
Current assets	1,640,734	231,528	1,872,262	1,403,555
Creditors: amounts falling due within one year	(414,308)	(158,691)	(572,999)	(656,747)
TOTAL NET ASSETS	1,226,426	2,822,560	4,048,986	3,647,443

15. RELATED PARTY TRANSACTIONS

There were no transactions with related parties in the year ended 31 March 2022 (2021: nil) and none of the Officers received payment for services during their period of office.

16. CONTROLLING PARTY

In the opinion of the Committee there is no ultimate beneficial controller of the Association, which instead works for the benefit of its members directly and the charity sector indirectly.

17. SUBSEQUENT EVENTS

In March 2022 a proposition was approved by the States Assembly that the Association receives £488,855 (50%) of the 2021 lottery profits to distribute, subject to the agreement of a Service Level Agreement.