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# **THE ASSOCIATION OF JERSEY CHARITIES**

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**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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## THE ASSOCIATION OF JERSEY CHARITIES

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS OFFICERS AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

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## THE ASSOCIATION OF JERSEY CHARITIES

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE ASSOCIATION, ITS OFFICERS AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

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#### COMMITTEE / OFFICERS

Kevin Keen, Chairman (elected 24 September 2020)

Elizabeth Le Poidevin, Deputy Chairman

Kirsty McGregor, Treasurer

Nichola Aldridge, Secretary

Marie du Feu, Grants Officer

Simon LARBALÉSTIER, Officer

Peter Tabb, Officer (elected 24 September 2020)

Jill Ryan, Officer (elected 24 September 2020)

Ivo Le Maistre-Smith (resigned 24 September 2020)

#### GRANTS COMMITTEE

Marie du Feu

Kirsty McGregor

Simon LARBALÉSTIER

Elizabeth Le Poidevin (appointed 10 November 2020)

Ian Silvester, Independent Member (appointed 9 March 2021)

Kevin Keen (resigned 10 November 2020)

#### REGISTERED CHARITY STATUS

Registered with the Jersey Charity Commission, charity number 276

#### PATRON

His Excellency the Lieutenant-Governor of Jersey, Air Chief Marshal Sir Stephen Dalton GCB LLD(Hon) DSc(Hon) BSc FRAeS CCMI

#### INDEPENDENT AUDITOR

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

#### BANKERS

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

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## THE ASSOCIATION OF JERSEY CHARITIES

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### REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2021

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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 2021.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **a) Constitution**

Originally founded in 1971, the Association was incorporated on 16th June 1995 under the "Loi (1862) sur les teneures 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 March 2021 the Officers appointed Ian Silvester as an 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 interests**

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.

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## THE ASSOCIATION OF JERSEY CHARITIES

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### REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2021

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#### CHAIRMAN'S REPORT

The year to March 2021 was without doubt the most challenging for our Island in a very long time. Like our member charities we had no choice but to adapt to the new circumstances, which I believe we did successfully. Unfortunately most of our face-to-face training programmes had to be cancelled, but we sought to support members in other ways, including an increased emphasis on promotion of the sector. Crucially and thanks to previous investment in technology and dedication of our Grants Committee, the grants programme continued uninterrupted and we were able to assist other charities with the distribution of funds during the crisis. Committee members also played an active role in the Jersey Funders Group.

After a period of uncertainty we were pleased that Government and the States Assembly decided to entrust us with one half of the 2019 lottery profits which were received after the year end and we very much hope that this will continue for 2020 and beyond. The expertise and more recently the technology we have available puts us in a great position to deliver this service to the people of Jersey at a low cost, meaning more of the lottery profits can be put to work supporting charities in Jersey.

Like most organisations we took the challenges brought by Covid-19 as an opportunity to review our priorities, and after many discussions concluded that our current objectives remained appropriate and necessary, although the use of social media, webinars and video conferencing are likely to be ongoing features of the way we do things.

Again like every charity the matter of money is never far from our minds. We work hard to keep costs to a bare minimum, principally through reliance on our Committee of dedicated and hardworking volunteers, but also as noted above the increasing use of technology where we can. Although a look at our balance sheet might suggest we are actually quite a wealthy charity, the reality when it comes to covering our own modest operating costs is quite different. Indeed the reserves available for this purpose at the year end were just £28,518, which is clearly insufficient. The Committee are currently examining and pursuing ways to improve our financial resilience, which will need to include a review of subscriptions, which are currently just £15 and have not been increased for some years. Any plans that might impact members will follow appropriate consultation and will not be implemented until after a decision of members at the 2022 AGM.

2021 is a real milestone for the AJC as it represents 50 years of supporting charities in Jersey. In spite of all that has been achieved over that time, it is clear to the Committee that the need for a charity that supports, promotes and champions other local charities is as necessary as ever. We look to the next 50 years with realism about the challenges, but optimism about the opportunities.

Your committee reports as follows.

#### 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 and 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 Committee would like to note performance in the following areas as they relate to activities that are key to the Association achieving its objectives.

##### a) Grants

During the year ended 31 March 2021 the Association approved grants to applicants totalling £1,059,426 (2020: £942,836), of which £531,573 was funded from profits from the 2018 Channel Islands lottery and £331,510 was funded by Ocorian Trustees and the National Emergencies Trust in relation to emergency Covid-19 funding, with the balance funded from other sources.

The cost of administering the Association was £73,024 in the year ended 31 March 2021 which equated to just 6.9% of the total value of grants awarded in the year. This has reduced from £117,967 in the previous year due to the Association making considerable investment in software that has enabled the Association to run its grants programme on a largely voluntary basis and reduce the Association's administration support costs.

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## THE ASSOCIATION OF JERSEY CHARITIES

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### REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2021

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#### OBJECTIVES AND ACHIEVEMENTS (continued)

##### b) Training

The Association's Objects include development of a programme of training and information to benefit its members. Training is usually provided free of cost to attendees.

Unfortunately the Covid-19 pandemic effectively stopped virtually all face-to-face training for the entire financial year, although the counselling sessions usually provided by the professional charity management lecturer and adviser, who usually supports the Association's work in this area, have continued, at distance, to support members during this particularly challenging era.

As an alternative to face-to-face training, and in view of the severe impact of the pandemic on fundraising activities, a series of webinars on attracting donors was prepared and remains available to members online.

A course on Legacy Fundraising was also delivered online.

Links were circulated to other online training provided by nationally recognised agencies such as NCVO and Charity Digital as well as Jersey Care Academy.

Finally, as soon as circumstances permitted, a new course was launched late in 2020 on the Disability Law (Discrimination (Disability) Jersey Regulations 2018).

Pursuant to discussions with Government and in tandem with updated Government reporting requirements for its grantees, training on Outcomes Based Accountability was sourced and recently launched on behalf of the Jersey Funders Group, with costs being shared.

##### c) Communications, representation and advocacy

Activity during the year included reaffirming our members' needs of the Association by a short survey and promoting the needs of our members and the sector generally.

The Jersey Funders Group met very frequently throughout the year (weekly at the height of lockdown) to deal with emergency funding needs. The Association was represented at all meetings and on the review panel.

Our ability to represent members and the sector has also been evidenced by offers of funding by direct approach from national and local sources.

We were also able to develop a new line of financial support via the Charity Booster Appeal, which was launched last autumn alongside and to complement the Government Spend Local fiscal stimulus initiative.

A charity supplement was launched in the Jersey Evening Post, providing opportunities for members to raise their profile, and other articles have been published.

The Association also participated on the editorial board of Give magazine.

On 23 March 2021 the Association celebrated its golden jubilee and this, our grants and fundraising activities, plus highlighting the plight of charities during this exceptional year, have provided increased opportunities for press coverage, raising public awareness.

The 23 March was the launch date of a series of initiatives to celebrate our anniversary, starting with the first of a series of webinars. These will continue throughout the coming year.

This year is not only our 50th anniversary year but also the 60th anniversary of the finance industry in Jersey and the 20th anniversary of Jersey Finance Limited. We are the chosen partner of Jersey Finance for 2021 and are working with them to raise the profile of the charity sector across the community, provide opportunities for collaboration and partnership and also raise some money.

#### FINANCIAL REVIEW

##### a) Principal funding

Grant income of £406,175 was received from Ocorian Trustees and the National Emergencies Trust to help charities suffering from reduced fundraising opportunities due to the Covid-19 pandemic.

Grant income from the Government of Jersey in respect of lottery profits decreased from £1,000,000 in the year ended 31 March 2020 to £374,112 in the year ended 31 March 2021, with the funds received in the year ended 31 March 2021 being the remaining profits from the 2018 lottery profits.

During the year total incoming charitable resources have therefore reduced from £1,141,864 in the year ended 31 March 2020 to £913,440 in the year ended 31 March 2021. Grants approved were £1,059,426 for the year compared to £942,836 in the year to 31 March 2020. After deduction of grant funds released by applicants, net grants for the year were £1,025,390 (2020: £840,366). Of the total grants approved £78,028 (2020: £364,115) were made from the Association's own reserves.

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## THE ASSOCIATION OF JERSEY CHARITIES

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### REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2021

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#### FINANCIAL REVIEW (continued)

##### b) Reserves policy

At 31 March 2021 the Association had total unrestricted funds of £3,352,724 (2020: £2,781,241). The table on page 18 provides an analysis of this figure.

The largest element is £877,500 (2020: £975,000) which represents the balance of the anonymous donation received in the year ended 31 March 2010 which is not yet available for distribution. Under the terms of that donation, the Officers cannot spend more than 5% of the capital in any one year. The capital sum invested in the year ended 31 March 2010 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 £1,000,000 to be held in reserves and the actual sum is £2,085,184.

Also in the year ended 31 March 2019 the Officers created a designated development reserve of £150,000 out of the 2017 lottery profits in order to complete certain sector initiatives including the restructuring of the Association. During the year ended 31 March 2021 a further £30,000 was added to this reserve from the 2018 lottery profits. At 31 March 2021 expenditure against this reserve totalled £108,450 leaving a balance of £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.

##### c) Investment policy and performance

In the year ended 31 March 2010, the Association received an anonymous donation from a private donor of £2,625,736 which included a capital sum of £1,950,000 of which a maximum of 5% pa may be distributed by way of grants. This sum was invested in a portfolio of securities and is currently managed on a discretionary basis by the Royal Bank of Canada. The capital sum plus the accumulated profits form the entirety of the Association's investment portfolio which is now valued at £2,900,635, despite withdrawing £160,000 during the year. Covid-19 has resulted in significant volatility in the performance of the investment portfolio and an unrealised gain on investments of £527,230 was recorded in the accounts for the year ended 31 March 2021 (2020: unrealised loss of £224,818). 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. Under the terms of the Service Level Agreement with Government, funds received from lottery profits for the purpose of making grants are expected to be distributed in full in the year in which they are received however due to not receiving the balance of the 2018 lottery profits until October 2020 this was not possible and there were lottery funds carried forward as at 31 March 2021 totalling £127,909 that will be used to fund the grant applications in June 2021 and subsequent quarters until fully distributed.

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 £3,647,443 at 31 March 2021 (2020: £3,332,554). Of this amount, there are restricted funds of £294,719 (2020: £551,313); leaving £3,352,724 (2020: £2,781,241) in unrestricted funds. Of this amount, £877,500 (2020: £975,000) relates to the element of the anonymous donation which is not currently distributable. The increase in unrestricted funds is due to unrealised gains in the Association's investments.

##### e) Association operating costs

In the year ending 31 March 2021 the operating costs of the Association, including costs associated with administering the grants programme, governance costs and the cost of member advertising space in the Jersey Evening Post amounted to £90,039 (2019: £141,581). As at 31 March 2021 the Association only had free reserves of £28,518 to put towards this annual cost in the coming year, however under the terms of the SLA with Government to distribute the 2019 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.

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THE ASSOCIATION OF JERSEY CHARITIES

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REPORT OF THE COMMITTEE FOR THE YEAR ENDED 31 MARCH 2021

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**STATEMENT OF THE COMMITTEE'S RESPONSIBILITIES**

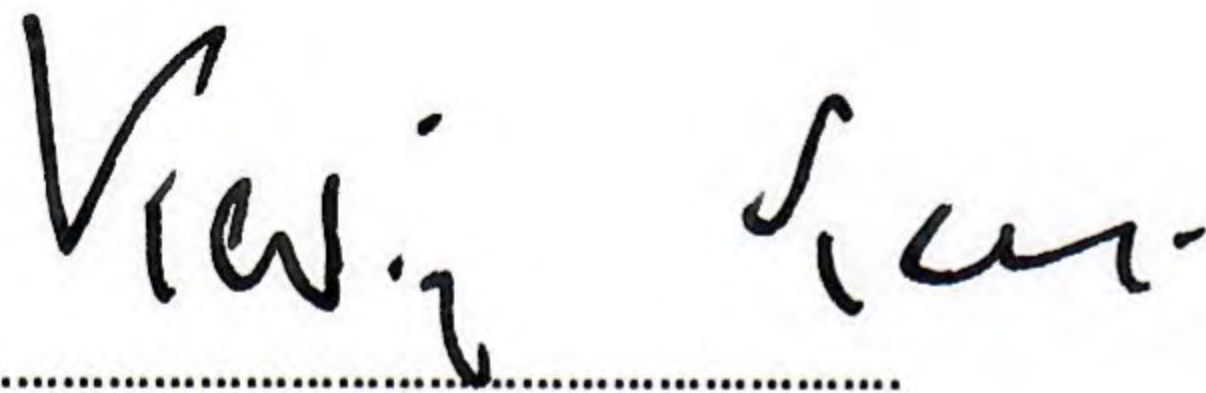
The Committee is responsible for preparing the Committee's report and the financial statements in accordance with the Constitution.

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 *29 June 2021* and signed on their behalf by:



.....  
Kevin Keen, Chairman





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

### Opinion

We have audited the financial statements of The Association of Jersey Charities (the 'Association') for the year ended 31 March 2021 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 2021, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Alistair Rothwell, FCA**  
For and on behalf of  
**Bracken Rothwell Limited**  
*2<sup>nd</sup> Floor, The Le Gallais Building*  
*54 Bath Street, St Helier*  
*Jersey, JE1 1FW*

Date: 29 June 2021

**THE ASSOCIATION OF JERSEY CHARITIES**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	801,506	111,934	<b>913,440</b>	1,141,864
Investment income	3	-	35,777	<b>35,777</b>	82,498
<b>TOTAL INCOMING RESOURCES</b>		<u>801,506</u>	<u>147,711</u>	<u><b>949,217</b></u>	<u>1,224,362</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4	(976,195)	(149,101)	<b>(1,125,296)</b>	(1,079,103)
Governance costs	5	-	(10,412)	<b>(10,412)</b>	(12,528)
Investment management costs	3	-	(25,850)	<b>(25,850)</b>	(28,269)
<b>TOTAL RESOURCES EXPENDED</b>		<u>(976,195)</u>	<u>(185,363)</u>	<u><b>(1,161,558)</b></u>	<u>(1,119,900)</u>
<b>NET RESOURCES EXPENDED BEFORE REVALUATIONS</b>		(174,689)	(37,652)	<b>(212,341)</b>	104,462
Realised and unrealised (losses) and gains on investments	8	-	527,230	<b>527,230</b>	(224,218)
<b>NET RESOURCES EXPENDED AFTER REVALUATIONS</b>		<u>(174,689)</u>	<u>489,578</u>	<u><b>314,889</b></u>	<u>(119,756)</u>
Transfers between funds	13	(81,905)	81,905	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<u>(256,594)</u>	<u>571,483</u>	<u><b>314,889</b></u>	<u>(119,756)</u>
<i>Total funds brought forward</i>		551,313	2,781,241	<b>3,332,554</b>	3,452,310
<b>TOTAL FUNDS AT 31 MARCH</b>		<u><b>294,719</b></u>	<u><b>3,352,724</b></u>	<u><b>3,647,443</b></u>	<u>3,332,554</u>

All movements in resources are derived from continuing activities.

The notes on pages 12 to 20 form part of these financial statements.

**THE ASSOCIATION OF JERSEY CHARITIES**

**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021**

	Notes	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Investments	8		2,900,635		2,520,238
<b>CURRENT ASSETS</b>					
Debtors	9	1,476		7,072	
Cash at bank and in hand	10	1,402,079		1,465,860	
		1,403,555		1,472,932	
<b>CREDITORS: amounts falling due within one year</b>	11	(656,747)		(660,616)	
		(656,747)		(660,616)	
<b>NET CURRENT ASSETS</b>			746,808		812,316
<b>NET ASSETS</b>			3,647,443		3,332,554
<b>CHARITY FUNDS</b>					
Restricted funds	13		294,719		551,313
Unrestricted funds	13		3,352,724		2,781,241
<b>TOTAL FUNDS AT 31 MARCH</b>			3,647,443		3,332,554

The financial statements were approved by the Officers on 29 June 2021 and signed on their behalf by:

*Kevin Keen*

Kevin Keen, Chairman

*Kirsty McGregor*

Kirsty McGregor, Treasurer

The notes on pages 12 to 20 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.

### 1.5. 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.

### 1.6. Tangible fixed assets

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

There are no such assets at 31 March 2021 (2020: £nil).

### 1.7. 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.

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**2. VOLUNTARY INCOME**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations (see note below)	427,394	104,839	532,233	137,244
Grant income – lottery profits	374,112	-	374,112	1,000,000
Grant management fees	-	2,725	2,725	-
Subscriptions	-	4,370	4,370	4,620
<b>TOTAL VOLUNTARY INCOME</b>	<b>801,506</b>	<b>111,934</b>	<b>913,440</b>	<b>1,141,864</b>

**2.1. Grant receipts**

During the year the Association received grants of £374,112 (2020: £1,000,000) representing the remaining 27% (2020: 73%) of the Jersey portion of the profits from the Channel Islands Lottery in the year ended 31 December 2018.

The share of the proceeds from the 2019 lottery allocated to the Association to distribute (£694,134) were received on 18 June 2021.

**2.2. Donations received**

	2021 £	2020 £
Unrestricted:		
Anonymous	72,790	79,280
Parish of Grouville	9,000	9,000
Anonymous internet donations via Paypal	19,109	11,255
Other	3,940	3,621
Total unrestricted	104,839	103,156
Restricted:		
Ocorian Trustees	300,000	-
National Emergencies Trust	106,175	-
Charity Booster Appeal	13,800	-
Corporate Donations and Trusts	7,419	27,594
Total restricted to specific grants	427,394	27,594
Ana Leaf Foundation and private donor	-	6,494
Total restricted to Jersey Charity Awards	-	6,494
Total restricted	427,394	34,088
<b>TOTAL DONATIONS RECEIVED</b>	<b>532,233</b>	<b>137,244</b>

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**3. INVESTMENT INCOME**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends	-	35,719	35,719	80,539
Interest	-	58	58	1,959
Portfolio management fees	-	(22,499)	(22,499)	(26,481)
Investment advisor fees	-	(3,351)	(3,351)	(1,788)
<b>BANK INTEREST AND DIVIDENDS NET OF CHARGES</b>	<b>-</b>	<b>9,927</b>	<b>9,927</b>	<b>54,229</b>

**4. CHARITABLE ACTIVITIES**

	2021 £	2020 £
Grants to institutions:		
Grants approved (see below)	51,686	354,740
Internet donations paid	17,788	11,077
Total grants to institutions from unrestricted funds	69,474	365,817
Support costs:		
Staff costs	44,205	93,174
Telephone	821	1,016
IT, website and social media costs	11,158	2,378
Insurance	3,238	2,460
Printing, postage and stationery	843	3,252
Miscellaneous expenses	1,903	2,741
Bank and internet donation charges	444	418
Total support costs	62,612	105,439
Sector development costs:		
Advertising member events	17,015	23,614
Jersey Charity Awards prize money	-	21,375
Grants administration software	-	39,600
Total sector development costs	17,015	84,589
Total unrestricted funds	149,101	555,845
Restricted:		
Grants approved (see below)	973,704	485,626
Donations paid	-	21,174
Training costs	2,491	9,964
Jersey Charity Awards running costs	-	6,494
Development and restructuring	-	-
Total restricted funds	976,195	523,258
<b>TOTAL CHARITABLE ACTIVITIES</b>	<b>1,125,296</b>	<b>1,079,103</b>



**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**4. CHARITABLE ACTIVITIES (continued)**

**List of grants approved**

	Restricted (Lottery) 2021 £	Restricted (Other) 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Grants (including emergency funding):					
Salvation Army	-	55,372	35,000	90,372	-
Brightly	30,000	28,653	-	58,653	44,000
Brighter Futures	30,000	10,000	-	40,000	25,000
Caring Cooks of Jersey	-	37,936	-	37,936	27,094
Jersey Alzheimer's Association	30,000	-	7,224	37,224	30,000
Community Savings	-	36,877	-	36,877	30,000
Jersey Hospice Care	23,072	12,333	-	35,405	30,000
Jersey Child Care Trust	23,200	8,300	-	31,500	25,495
Arthouse Jersey	30,000	-	-	30,000	30,000
Autism Jersey	30,000	-	-	30,000	30,000
Macmillan Jersey	30,000	-	-	30,000	-
NSPCC Jersey	30,000	-	-	30,000	50,000
Headway Jersey	-	30,000	-	30,000	30,000
Silkworth Lodge	-	30,000	-	30,000	27,000
Jersey Association of Youth and Friendship	-	30,000	-	30,000	-
Jersey Mencap	-	30,000	-	30,000	-
7 Overseas ATC	29,950	-	-	29,950	-
Kairos Arts	26,106	3,244	-	29,350	-
Sanctuary Trust	27,690	-	-	27,690	29,160
Jersey Recovery College	24,057	2,500	-	26,557	29,970
Family Mediation	8,020	-	18,240	26,260	-
Jersey Action Against Rape	26,260	-	-	26,260	20,000
Aspire Charitable Trust	25,000	-	-	25,000	50,000
Jersey Trees for Life	25,000	-	-	25,000	-
Words and Numbers Matter	-	21,000	-	21,000	-
Parkinsons Jersey	-	20,000	-	20,000	-
St Clements Sports Club	10,000	10,000	-	20,000	-
Jersey Zoo	-	11,921	8,064	19,985	30,000
Liberate	12,500	4,118	-	16,618	-
Normandy Rescue	-	15,850	-	15,850	-
St John's Ambulance	-	15,490	-	15,490	30,000
Jersey Council on Alcoholism	14,630	-	-	14,630	-
Oxygen Therapy Centre	-	14,352	-	14,352	-
Friends of St Thomas'	12,491	422	-	12,913	-
Lymphoedema Jersey	12,900	-	-	12,900	-
Grouville School PTA	10,065	535	-	10,600	-
Jersey Cheshire Home	-	8,622	-	8,622	21,600
Causeway Association	-	7,800	-	7,800	-
Jersey Employment Trust	5,632	-	-	5,632	28,875
Crimestoppers	-	3,000	2,000	5,000	-
Jersey RAYNET	5,000	-	-	5,000	-
Ostomy Society	-	-	5,000	5,000	-
Jersey Search and Rescue	-	-	2,500	2,500	-
Aureole Music	-	1,500	-	1,500	-
Jersey Heritage Trust	-	-	-	-	36,536
Every Child Our Future	-	-	-	-	30,000
Jersey Battle of Flowers Association	-	-	-	-	30,000
Les Amis	-	-	-	-	29,995
Youth Arts Jersey	-	-	-	-	29,744
Music in Action	-	-	-	-	29,600
Holidays for Heroes	-	-	-	-	28,000
Jersey Marine Conservation	-	-	-	-	21,000
Good Companions Club	-	-	-	-	16,487
St Johns School PTA	-	-	-	-	14,000
Grace Trust Jersey	-	-	-	-	12,780
Eating Disorder Support Group	-	-	-	-	11,000
Carried forward to next page	531,573	449,825	78,028	1,059,426	907,336

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**4. CHARITABLE ACTIVITIES (continued)**

**List of grants approved (continued)**

	Restricted (Lottery) 2021 £	Restricted (Other) 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Brought forward from previous page	531,573	449,825	78,028	1,059,426	907,336
Jersey Fire & Rescue Cadets	-	-	-	-	8,000
Move on Youth Project	-	-	-	-	7,000
Art in the Frame Foundation	-	-	-	-	6,000
La Pouquelaye Youth Project	-	-	-	-	5,000
First Tower Community Association	-	-	-	-	4,000
Band of the Island of Jersey	-	-	-	-	3,000
Le Congres des Parlers Normands et Jerriais	-	-	-	-	1,500
Jersey Foster Carers Association	-	-	-	-	1,000
Less: amounts released in the year	(7,694)	-	(26,342)	(34,036)	(102,470)
<b>TOTAL GRANTS APPROVED</b>	<b>523,879</b>	<b>449,825</b>	<b>51,686</b>	<b>1,025,390</b>	<b>840,366</b>

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 £1,025,390 awarded in the year £348,412 related to emergency grants resulting from the Covid-19 pandemic funding and was funded by Ocorian Trustees, the National Emergencies Trust and the Association's own funds.

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. At 31 March 2021 there were no conditional grants.

**5. GOVERNANCE COSTS**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Auditors' remuneration	-	3,650	3,650	4,150
Support costs including member meetings	-	2,418	2,418	1,387
Legal fees	-	4,344	4,344	6,991
<b>TOTAL GOVERNANCE COSTS</b>	<b>-</b>	<b>10,412</b>	<b>10,412</b>	<b>12,528</b>

**6. STAFF COSTS**

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

2021 No	2020 No
1	2

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.

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**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 investments £	Equity investments £	Total £
At 1 April 2020	200,990	1,134,757	1,184,491	2,520,238
Additions	(2,788,640)	1,050,752	1,737,888	-
Disposals	2,967,414	(1,583,898)	(1,383,516)	-
Investment income	35,719	-	-	35,719
Management fees	(22,499)	-	-	(22,499)
Transaction fees	(53)	-	-	(53)
Realised gain / (loss) for the year	892	(3,590)	83,961	81,263
Movement in unrealised gains and losses for the year	(277)	92,959	353,285	445,967
Transfer to current account	(160,000)	-	-	(160,000)
<b>At 31 March 2021</b>	<b>233,546</b>	<b>690,980</b>	<b>1,976,109</b>	<b>2,900,635</b>

At 31 March 2021, 89% of the investments were global investments, 8% were European investments and 3% were emerging market investments (2020: 85%, 13% and 2%).

**9. DEBTORS**

	2021 £	2020 £
Prepayments	1,476	6,722
GST to be refunded	-	350
<b>TOTAL DEBTORS</b>	<b>1,476</b>	<b>7,072</b>

**10. CASH AT BANK AND IN HAND**

	Restricted 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Current accounts	-	341,339	341,339	404,498
Money Market account	258,637	802,103	1,060,740	1,060,862
Petty cash	-	-	-	500
<b>TOTAL NET ASSETS</b>	<b>258,637</b>	<b>3,352,724</b>	<b>1,402,079</b>	<b>1,465,860</b>

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Charitable activity creditors	644,394	637,391
Accruals	10,647	19,029
Social security and ITIS obligations	1,706	4,196
<b>TOTAL CREDITORS</b>	<b>656,747</b>	<b>660,616</b>

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**

The Association had no financial commitments at the year end (2020: £nil).

**13. STATEMENT OF FUNDS**

	Brought forward	Incoming resources	Resources expended	Transfers in / out	Gains / (losses)	Carried forward
	£	£	£	£	£	£
Unrestricted funds	2,781,241	121,861	(159,513)	81,905	527,230	3,352,724
Restricted funds						
Anonymous donation (training)	92,216	-	(2,491)	-	-	89,725
Anonymous donation (specified grants)	93,095	-	(93,095)	-	-	-
Anonymous donations (specified grants)	6,420	21,219	(25,220)	-	-	2,419
Ocorian Trustees & NET (emergency funding)	-	406,175	(331,510)	-	-	74,665
Lottery (2018 grant)	359,582	374,112	(523,879)	(81,905)	-	127,910
	551,313	801,506	(976,195)	(81,905)	-	294,719
<b>TOTAL FUNDS</b>	<b>3,332,554</b>	<b>923,367</b>	<b>(1,135,708)</b>	<b>-</b>	<b>527,230</b>	<b>3,647,443</b>

The transfer of £81,905 from the 2018 lottery profits to unrestricted funds consists of £51,905 to cover the cost of administering the grants programme during the year ended 31 March 2021 and £30,000 into the Development reserve.

**THE ASSOCIATION OF JERSEY CHARITIES**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**13. STATEMENT OF FUNDS (continued)**

**13.1. Unrestricted funds**

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

	2021 £	2020 £
<b>Anonymous Donation reserve:</b>		
Distributable reserve (excluding revaluation reserve)	2,056,666	1,864,723
Undistributable reserve: amortising in equal instalments over 20 years	877,500	975,000
Revaluation reserve	259,892	(186,075)
<b>Total funds relating to the Anonymous Donation</b>	<b>3,194,058</b>	<b>2,653,648</b>
<b>Other unrestricted reserves:</b>		
Development reserve	71,550	50,056
Small grants reserve	58,598	83,000
Distributable reserves	28,518	(5,463)
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>3,352,724</b>	<b>2,781,241</b>

The development reserve represents funds set aside to cover the costs of a number of sector development initiatives. In the year ended 31 March 2021 a further £30,000 was set aside from the 2018 lottery profits and total of £8,506 was expended from this reserve which included £4,204 on legal fees associated with amending the constitution of the Association, £2,700 on sector-wide surveys and £1,602 on updating the Association's website.

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 2021 £7,500 of this fund was used for grants with a value of £5,000 or less, and £16,902 was used to provide emergency funding in the wake of the Covid-19 pandemic.

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, the sum required is £1,000,000 out of total distributable reserves of £2,085,184.

**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 2021 there was a balance of £44,550 (2020: £44,550) to be paid out and included in current liabilities. During the year ended 31 March 2020 the Officers were advised that £93,095 of approved funding was not required by the applicant and therefore this sum was fully distributed to other beneficiaries in the year ended 31 March 2021.
- b) £250,000 was allocated for use in providing training. £2,491 was paid during the year ended 31 March 2021 (2020: £9,964) leaving a balance of £89,725 (2020: £92,216) in restricted funds at 31 March 2021.
- c) The balance of the anonymous donation was allocated to unrestricted funds and, with the addition of gains to date, forms the entirety of the investment portfolio.
- d) As at 31 March 2021 there was an additional condition which stated that the Officers are not allowed to expend more than 5% of the total capital each year and accordingly, the Committee made an annual allocation of the amount available to it for distribution from the anonymous donation and the amount carried forward for distribution in subsequent years. As at 31 March 2021 the distributable element was £1,072,500 (2020: £975,000) and the non-distributable element was £877,500 (2020: £975,000). 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.

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**THE ASSOCIATION OF JERSEY CHARITIES**

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fixed asset investments	-	2,900,635	2,900,635	2,520,238
Current assets	761,989	641,566	1,403,555	1,472,932
Creditors: amounts falling due within one year	(467,270)	(189,477)	(656,747)	(660,616)
<b>TOTAL NET ASSETS</b>	<b>294,719</b>	<b>3,352,724</b>	<b>3,647,443</b>	<b>3,332,554</b>

**15. RELATED PARTY TRANSACTIONS**

There were no transactions with related parties in the year ended 31 March 2021 (2020: 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**

An agreement was signed with the Government for the distribution of half of the 2019 lottery profits, being £694,134 and these funds were received on 18 June 2021. A proposition has been made to the States Assembly that the Association distributes £761,698 (50%) of the 2020 lottery profits.

On 21 June 2021 an Instrument of Amendment was signed with the trustees of the anonymous donation received in 2010. This allows the Association to distribute the income and capital in its absolute discretion and determined according to need.

The Officers are acutely aware of the impact Covid-19 is continuing to have across the sector although the impact on the Association itself has been largely restricted to volatility of the value of the investment portfolio, the impact of which will not be known for some time yet.