

**JERSEY ASSOCIATION
FOR YOUTH AND FRIENDSHIP
FINANCIAL STATEMENTS
AT 31 DECEMBER 2022**

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

OFFICERS AND MAIN COMMITTEE

Chairperson: S Famili (appointed 14 March 2023)
Advocate A Binnington (resigned 14 March 2023)

In accordance with article 5iii of the Association's constitution, S Famili has been appointed to fullfull the role as chairperson, the decision to be ratified at the next Annual General Meeting.

Hon. Treasurer: A Creed

Hon. Secretary: T Le Bas (appointed 17 May 2022)
M T Fielding (resigned 17 May 2022)

Committee members: H Jeune
P Ellison (resigned 17 June 2022)
S Temple
Z Robertson (appointed 17 May 2022)
(resigned 7 March 2023)
Advocate A Binnington

AUDITORS

Alex Picot
Chartered Accountants
The Le Gallais Building
6 Minden Place
St Helier
Jersey
JE2 4WQ

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP
INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022

Page

1/3 Independent Auditor's Report

4 Statement of Income and Retained Earnings

5 Hostel Accounts

6 Balance Sheet

7/10 Notes to the Financial Statements



Alex Picot
chartered accountants

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6 Minden Place, St Helier
Jersey JE2 4WQ

INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF THE JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

Qualified opinion on financial statements

We have audited the financial statements of Jersey Association for Youth and Friendship (the "Association") for the year ended 31 December 2022 which comprise statement of income and retained earnings, hostel accounts, balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation are the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, except for the matters described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2022 and of its surplus for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accounting Standards;

Basis for qualified opinion

As disclosed in note 2, the Association's buildings are carried at cost. This does not comply with FRS 102 which requires property to be held at amortized cost and depreciated or at fair value under the revaluation model. It has not been practicable to quantify the effect that this non-compliance would have on the carrying value of the properties or accumulated funds.

In addition, the evidence available to us was limited in respect of cash receipts of £28,468 within fund raising activities income in the Statement of Income and Retained Earnings. There were no other satisfactory audit procedures that we could adopt to confirm that this income was properly recorded. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). 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 requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The committee are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.



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INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF THE JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP (CONTINUED)

Other information (continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Responsibilities of the committee

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 control 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.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud:

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:

During our audit we assessed the risk of material misstatement of the financial statements as a result of non-compliance with relevant laws and regulations (irregularities), including fraud. Based on our understanding of the entity and its environment, together with discussion with senior management where appropriate, we were able to identify those laws and regulations which would have a direct effect on the financial statements as well as those which may have an effect on amounts in the financial statements, for instance through the imposition of fines or litigation. These included, but were not limited to, FRS 102 and Charities (Jersey) Law 2014 as well as general legislation applicable to a business operating in the Jersey charity sector, such as Data Protection requirements, Employment Law, Health and Safety Regulation and Tenancy Regulation. The risks arising from these laws and regulations were discussed amongst the audit engagement team, including consideration as to how and where fraud might occur.

Based on our assessment, the Engagement Partner ensured that the audit engagement team was composed appropriately with suitable competence and capabilities in order to allow identification and recognition of non-compliance with laws and regulations. The risks identified were communicated to all engagement team members who remained alert during the course of the audit for any indication of irregularities, including fraud.



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INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF THE JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (Continued)

Our procedures in response to the risks identified included the following:

- Enquiry of management, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- Review all available minutes of meetings held by those charged with governance;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In common with all audits carried out under the ISAs(UK), we carried out procedures in response to the threat of management override, including those considering the appropriateness of journal entries and judgements made in making accounting estimates;
- Review for any changes to activities which the entity undertakes;

There are inherent limitations in the audit procedures above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. In addition, the risk of not detecting material misstatement due to fraud is higher than detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery, collusion or intentional misrepresentations. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the Association's committee, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Association's committee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's committee as a body, for our audit work, for this report, or for the opinions we have formed.

2023

ALEX PICOT
Chartered Accountants

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		£	£
INCOME			
Donations and bequests		141,549	38,753
Sponsorship income		-	540
Fund raising activities	3	28,468	33,570
Grant income	4	34,450	93,550
Bank interest		5	828
Investment income		8,502	9,377
		<hr/>	<hr/>
		212,974	176,618
EXPENDITURE			
Fund raising activities	3	2,923	551
Brokers fees		3,857	4,081
General (including general telephone costs)		777	204
Audit fee		3,000	1,300
Insurance		2,430	2,473
Depreciation		22,315	23,066
Support salaries		16,657	-
IT Software and Consumables		11,039	-
Consulting		7,550	-
Staff training		1,940	-
		<hr/>	<hr/>
		72,488	31,675
		<hr/>	<hr/>
		140,486	144,943
NET RUNNING SURPLUS/(DEFICIT) OF HOSTELS			
Jeune House (page 5)		1,345	(19,958)
Bryan Skinner House (page 5)		(17,763)	(7,050)
Avalon (page 5)		(7,523)	(13,925)
Lyndale (page 5)		(6,942)	(2,504)
Woodbine Apartments (page 5)		(7,673)	(7,095)
		<hr/>	<hr/>
		(38,556)	(50,532)
		<hr/>	<hr/>
SURPLUS OF OPERATING INCOME OVER EXPENDITURE		101,930	94,411
Loss on investments		(38,861)	(14,886)
		<hr/>	<hr/>
RETAINED SURPLUS FOR THE YEAR		63,069	79,525
RETAINED FUNDS BROUGHT FORWARD		2,149,754	2,070,229
		<hr/>	<hr/>
RETAINED FUNDS CARRIED FORWARD		<u>£2,212,823</u>	<u>£2,149,754</u>

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

HOSTEL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

	JEUNE HOUSE		BRYAN SKINNER HOUSE		AVALON		LYNDALE		WOODBINE APARTMENTS	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£	£	£	£	£
EXPENDITURE										
Wages and social security	13,243	14,587	14,043	11,655	14,043	11,530	13,017	11,030	13,018	11,030
Heat, gas, light and water (less refunds)	8,547	6,565	4,452	5,621	5,887	4,985	3,944	2,952	4,403	3,421
Rates	584	572	341	334	292	315	243	238	400	-
Rent	-	-	-	-	-	6,434	-	-	5,329	5,533
Telephone (less refunds)	679	323	679	247	679	292	679	200	592	94
Insurance	2,737	2,524	1,274	1,172	1,364	1,260	945	868	251	-
Repairs and renewals	5,325	25,677	14,206	3,922	1,360	4,144	3,010	3,930	380	782
Sundry (including advertising and cleaning)	7,785	4,896	1,043	2,122	2,347	2,552	2,191	2,273	1,310	2,218
	<u>38,900</u>	<u>55,144</u>	<u>36,038</u>	<u>25,073</u>	<u>25,972</u>	<u>31,512</u>	<u>24,029</u>	<u>21,491</u>	<u>25,683</u>	<u>23,078</u>
RECEIPTS										
Residents	<u>40,245</u>	<u>35,186</u>	<u>18,275</u>	<u>18,023</u>	<u>18,449</u>	<u>17,587</u>	<u>17,087</u>	<u>18,987</u>	<u>18,010</u>	<u>15,983</u>
NET SURPLUS/(DEFICIT) ON HOSTELS	<u>£1,345</u>	<u>£(19,958)</u>	<u>£(17,763)</u>	<u>£(7,050)</u>	<u>£(7,523)</u>	<u>£(13,925)</u>	<u>£(6,942)</u>	<u>£(2,504)</u>	<u>£(7,673)</u>	<u>£(7,095)</u>
AVERAGE NUMBER OF RESIDENTS	<u>10</u>	<u>9</u>	<u>4</u>	<u>4.3</u>	<u>5</u>	<u>4.5</u>	<u>4</u>	<u>4.8</u>	<u>2.7</u>	<u>2.9</u>

The notes on pages 7 to 10 form part of these financial statements
Independent auditor's report – pages 1 to 3

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022		2021	
		£	£	£	£
ACCUMULATED FUND					
At 1 January 2022			2,149,754		2,070,229
Total comprehensive surplus for the year			63,069		79,525
At 31 December 2022			<u>£2,212,823</u>		<u>£2,149,754</u>
Represented by:-					
FIXED ASSETS					
Tangible assets	5		1,303,592		1,271,348
Investments	6		722,245		799,330
			<u>2,025,837</u>		<u>2,070,678</u>
CURRENT ASSETS					
Debtors and prepayments		23,547		17,363	
Cash at bank and in hand	7	170,306		102,279	
		<u>193,853</u>		<u>119,642</u>	
CREDITORS: Amounts falling due within one year					
Sundry creditors		6,867		40,566	
			<u>186,986</u>		<u>79,076</u>
NET CURRENT ASSETS			<u>186,986</u>		<u>79,076</u>
NET ASSETS			<u>£2,212,823</u>		<u>£2,149,754</u>

Approved by the Committee on 2023

.....
Chairperson

.....
Hon. Treasurer

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

Jersey Association for Youth and Friendship is an association, formed in Jersey. The association's principal place of business is Jeune House, 32 Havre Des Pas, St Helier, Jersey.

The principal activity of the association was the provision of hostel accommodation. The association is a public benefit entity.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

2.1 Basis of accounting

The financial statements have been prepared in compliance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", adopting the presentation and disclosure requirements of section 1A.

2.2 Income

Income arising from Residents' receipts is brought to the credit of the income and expenditure account on a cash received basis. Income arising from investments is brought to the credit of the income and expenditure account when it is due to the Association. Donations received by the Association are mainly made by cheque. These are entered into the Association's books and deposited into the bank.

Fundraising income derives from a variety of events held throughout the year. These events are organised by members of the Association's Appeals Committee who are responsible for the collection of cash and cheques. Details are subsequently entered into the Appeals Committee records and deposited into the bank.

2.3 Tangible fixed assets

Freehold property is stated in these financial statements at cost and no depreciation is provided. This is not in compliance with FRS 102, which requires property to be shown at depreciated cost or at fair value at the balance sheet date. It is in the opinion of the committee that, whilst a fair value could be obtained, the cost of obtaining such a fair value would outweigh any benefit to the shareholders.

Other fixed assets are stated at cost less depreciation.

2.4 Depreciation

a) Freehold properties

No depreciation has been provided on freehold properties.

b) Fixtures and fittings and computer equipment

Depreciation of these assets is charged on a straight line basis calculated to write each asset down to its estimated residual value over a five year period.

2.5 Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publically traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

2.6 Financial Instruments

The association has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Such assets are subsequently stated at amortised cost using the effective interest method.

Financial liabilities

Basic financial liabilities including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method.

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying value and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3. FUND RAISING

	2022			2021		
	Income	Costs	Net	Income	Costs	Net
	£	£	£	£	£	£
Open gardens	22,686	1,740	20,946	33,570	551	33,019
Bridge afternoon	4,777	415	4,362	-	-	-
Other	1,005	768	237	-	-	-
	<u>£28,468</u>	<u>£2,923</u>	<u>£25,545</u>	<u>£33,570</u>	<u>£551</u>	<u>£33,019</u>

4. GRANT INCOME

	2022	2021
Parish grants	4,450	3,550
Government Fiscal Stimulus Grant	-	30,000
Jersey Community Foundation	-	30,000
Association of Jersey Charities	-	30,000
Ocorian Trustees (Note 1)	30,000	-
	<u>£34,450</u>	<u>£93,550</u>

Note 1 – The purpose of the first £10,000 of this grant was to fund food and fuel vouchers to residents of the hostels and other vulnerable people with whom the association works. The remaining amount was for general purposes of funding the activities of the association.

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

5. TANGIBLE ASSETS	Freehold Properties	Computer Equipment £	Fixtures and Fittings £	Total £
Cost or valuation and subsequent cost				
At 1 January 2022	1,191,531	-	135,776	1,327,307
Additions	53,804	755	-	54,559
At 31 December 2022	<u>1,245,335</u>	<u>755</u>	<u>135,776</u>	<u>1,381,866</u>
Depreciation				
At 1 January 2022	-	-	55,959	55,959
Charge for the year	-	151	22,164	22,315
At 31 December 2022	<u>-</u>	<u>151</u>	<u>78,123</u>	<u>78,274</u>
Net book value				
At 31 December 2022	<u>£1,245,335</u>	<u>£604</u>	<u>£57,653</u>	<u>£1,303,592</u>
At 31 December 2021	<u>£1,191,531</u>	<u>£ -</u>	<u>£79,817</u>	<u>£1,271,348</u>
Freehold properties comprise:				£
Hostels: - Jeune House, Havre des Pas				579,236
- Bryan Skinner House				364,892
- Avalon, St Mark's Road				141,738
- Lyndale, Tower Road				159,471
				<u>£1,245,337</u>

6. INVESTMENTS		2022 Cost £	2022 Market Value £	2021 Cost £	2021 Market Value £
£492	I shares GBP Corp	52,601	47,822	52,601	51,832
4,213.6311	Melville Douglas Income Fund	44,000	39,182	44,000	43,255
9,954	Invesco Management Bond A GBP QD DIS	23,321	23,825	23,321	27,735
17,531	M&G Guernsey Offshore Opt. Income	20,175	22,207	20,175	25,855
-	Euro Inv Bank 2.5% 31/10/2022	-	-	95,505	91,888
160,000	Int. Bank Recon 0.625% 15/12/2023	159,856	155,212	159,856	159,196
-	Kreditanst Fur Wie	-	-	49,798	50,406
209.8921	Twentyfour Global Bond IGBP DIS	21,600	17,163	21,600	21,545
1,827.7423	Lion Trust Inv Strategic Bond	19,500	16,707	19,500	19,353
122,000	Inter-Amer Dev Bk 1.25% 15/12/23	124,882	119,249	124,882	123,385
147,000	Kreditanst Fur Wie 1.25% 29/12/23	149,402	143,479	114,596	112,800
141,000	Euro Inv Bank 0.875% 15/12/23	140,388	137,399	72,898	72,080
		<u>£755,725</u>	<u>£722,245</u>	<u>£798,732</u>	<u>£799,330</u>

JERSEY ASSOCIATION FOR YOUTH AND FRIENDSHIP
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

7. CASH AT BANK AND IN HAND

	2022	2021
	£	£
Main accounts	5,244	16,020
Hostel accounts	12,483	73,657
Appeals Committee accounts	145,067	2,699
Cash in hand	-	511
Cash at broker	7,512	9,392
	<u>£170,306</u>	<u>£102,279</u>

8. AVERAGE NUMBER OF EMPLOYEES DURING THE YEAR

The average number of employees of the association during the year was three (2021:two).

9. ULTIMATE CONTROLLING PARTY

In the opinion of the committee, the association has no ultimate controlling party.