ECOF JERSEY PCC

Annual report and audited Financial Statements

for the period ended 31 December 2022

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CHAIRMAN'S STATEMENT

I am pleased to present the Chairman's Statement for the period August 2021 to December 2022 outlining our significant achievements and progress, including the launch of a number of new programmes. Every Child Our Future recognises that not all children have the same start in life and making the most of all that school has to offer can require some additional support. The charity has remained steadfast, over the last seven years, in its commitment to supporting children in Jersey, providing them with the educational foundations they need to thrive. We have continued to make a meaningful difference in the lives of the young learners we serve.

Developing essential reading skills, early language and early numeracy have been at the forefront of our efforts, with both specialist and volunteer programmes in place. Over the period our existing initiatives have been strengthened, as well as the introduction of new projects aimed at further enriching the educational journey of the children we support.

The charity continues to deliver its successful volunteer reading programme, **Ready to Read**, to over five hundred children across local primary schools. Both community and corporate volunteers support children on an individual basis each week. The charity also supports a specialist reading programme delivered by trained teachers, **Reading Recovery,** by funding additional places to those provided by the government. The children on this programme make exceptional progress.

We know that the disadvantage gap widens as children grow therefore interventions need to be put in place as early as possible. We work in partnership with UK charity Coram Beanstalk to deliver **Story Starters** in eight Nursery classrooms. Trained volunteers share stories with individual children each week which helps them become familiar with books and develop an enthusiasm for reading. Three new schools will be included in September 2023. The charity has developed a programme to develop early number skills, **Number Starters**. Using books and games volunteers work with individual children in five schools.

The disruption that children faced over the period of the pandemic created even greater need for many children, particularly from more disadvantaged backgrounds, and it is clear that the effects of the pandemic on children's learning will be long lasting and require concerted support both within and outside school. Early language was in particular an area that was significantly impacted. In partnership with the GoJ departments of Health and Community Services and Children Young People Education and Skills, ECOF is piloting a **Speech and Language project** over a three-year period with a therapist based in two schools with the aim of understanding how a joint working model could improve outcomes for children. Outcomes for children in the first year of the pilot have shown accelerated progress.

Reading for pleasure from an early age is a strong indicator of academic attainment and with this in mind we launched **Book Buddies** in January 2022 starting with one school with two further schools being added in September 2022. Children have spent an hour each week with their volunteer enjoying the library, selecting books, reading and being read to. The relationship with the library is strong and support is provided by them each week. At the end of each term the children visit a book shop and with funding provided by a corporate partner, each child is able to purchase a book.

In partnership with UK charity Education and Employers and Skills Jersey, **Inspiring the Future Jersey** was established in September 2022. The programme aims to broaden children's horizons and raise their aspiration. Volunteers are matched with schools enabling children to find out what the world of work is really like. Over one thousand pupils have attended events.

CHAIRMAN'S STATEMENT (CONTINUED)

ECOF has also begun working with local students who speak Portuguese Polish or Romanian, aiming to provide opportunities for Nursery children to enjoy stories in their home language (in the first instance Portuguese). The charity has also researched summer reading programmes that aim to prevent children's reading skills slipping back over the summer holiday. A programme that provides, books, tuition and works alongside parents will be piloted over the 2023 summer holidays in one school.

The charity has significantly increased its resources over the period appointing its first CEO in July 2021 and subsequently two new programme managers and an operations manager, all with a background in education. This increased depth of knowledge and experience further professionalises the charity and will enable us to further embed and expand our language, literacy and numeracy support programmes whilst also looking at other ways we can help children with the educational foundations they need to thrive.

We express our heartfelt gratitude to all our partners, volunteers, funders and other stakeholders for their unwavering support, and we look forward to continuing this journey together to create a promising future for every child in our community.

Nicholas Kershaw

Date:

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Company for the 17 months ended 31 December 2022.

Incorporation

The Company was incorporated in Jersey on 17 February 2016.

Principal activities

The principal activity of the Company is that of a registered charity.

Directors

The Directors of the Company, who served during the period and subsequently, are:

- Gillian Arthur
- Nicholas Kershaw
- Andy Wood
- Clifford Chipperfield
- Adam Middleton

Statement of Directors' responsibilities with regards to the financial statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 – 1A The Financial Reporting Standard applicable in the UK and Republic of Ireland applicable to smaller entities ("FRS 102-1A").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with Companies (Jersey) Law 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps

DIRECTORS' REPORT (CONTINUED)

as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Results and dividends

The results for the period are shown in the audited statement of financial activities on page 9. During the period, the Company changed the year-end of its financial statements from 31 July to 31 December. The financial statements for the current period reflect the results and performance for the 17-month period ended 31 December 2022.

As the Company operates as 'not for profit' the Directors do not recommend the payment of a dividend in respect of the 17 month period ended 31 December 2022 (year to 31 July 2021: Nil).

Secretary

On 19 October 2021, Lucy Le Poidevin resigned as Secretary and Nicholas Kershaw was appointed in her place.

Independent Auditor

KPMG Channel Islands Limited were appointed as the Company's auditor and have agreed to continue to act as auditor of the Company.

By Order of the Board

Director

Date

Registered Office

Douet De Rue
La Rue Du Douet
St Mary
Jersey
JE3 3EF
Channel Islands

Independent Auditor's Report to the Members of ECOF Jersey PCC

Our opinion is unmodified

We have audited the financial statements of ECOF Jersey PCC (the “Company”), which comprise the balance sheet as at 31 December 2022, the statement of financial activities for the period then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2022, and of the company’s financial performance for the period then ended;
- are prepared in accordance with United Kingdom accounting standards, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland; and
- have been prepared in accordance with the Companies (Jersey) Law, 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”), and the terms of our engagement letter. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the “going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

Independent Auditor's Report to the Members of ECOF Jersey PCC (continued)

- enquiring of management as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of litigation or impacts on the Company's ability to operate. We identified company law as being the area most likely to have such an effect. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on

Independent Auditor's Report to the Members of ECOF Jersey PCC (continued)

the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. 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.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on pages 4 and 5 the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company'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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members, as a body

This report is made solely to the Company's members, as a body, in accordance with our terms of engagement as detailed in our letter of 11 August 2022. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Channel Islands Limited

KPMG Channel Islands Limited

Chartered Accountants

Jersey

5 October 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2022

	1 August 2021 to 31 December 2022 £	1 August 2020 to 31 July 2021 £
Incoming resources		
Donations	157,335	317,510
Total income	**157,335**	**317,510**
Resources expended		
Story Starters programmes expenses	(3,738)	(1,990)
Inspiring Futures programme expenses	(5,000)	-
Reading Recovery programme expenses	(36,710)	(1,094)
School support	(25,408)	(275,048)
Speech & language expenses	(1,785)	-
Administration expenses	(130,940)	(40,854)
Advertising and marketing	(1,269)	(9,943)
Total operating expenses	**(204,850)**	**(328,929)**
Net movement in funds for the period / year	**(47,515)**	**(11,419)**

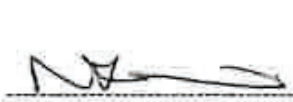
All the items dealt with in arriving at net movement in funds for the period to 31 December 2022 and year ended 31 July 2021 relate to continuing operations.

The notes on pages 11 to 13 form part of these financial statements.

BALANCE SHEET

	Notes	31 December 2022 £	31 July 2021 £
Current assets			
Other debtors		23,423	30,384
Cash & cash equivalents		279,752	245,177
		303,175	**275,561**
Total assets		**303,175**	**275,561**
Creditors (amounts falling due within one year)			
Other creditors		(8,781)	(600)
Deferred income	3	(174,201)	(107,253)
Total Liabilities		**(182,982)**	**(107,853)**
Total net assets		**120,193**	**167,708**
Funds			
Share capital	5	2	2
Unrestricted general funds	6	120,191	167,706
Total funds		**120,193**	**167,708**

The financial statements on pages 9 to 13 were approved and authorised for issue by the Board of Directors on and were signed on its behalf by:



Director

Director

The notes on pages 11 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

ECOF PCC ('the Company') is a protected cell company and is a registered charity.

The Company is incorporated and domiciled in Jersey. The address of its registered office is:

Douet De Rue
La Rue Du Douet
St Mary
Jersey
JE3 3EF

2. Basis of preparation

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Section 1A of the Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Ireland applicable to smaller entities' ('FRS 102 Section 1A') and the Companies (Jersey) Law 1991, as amended.

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with applicable accounting standards adopted in the United Kingdom. Following the change in the year-end, the financial statements for the current period reflect the results and performance for the 17-month period from 1 August 2021 to 31 December 2022 and therefore not fully comparable with the 12-month period as presented in the comparative financial statements.

A summary of the more important policies adopted in dealing with items that are considered material to the Company are shown in Note 3.

3. Accounting policies

The Company has adopted FRS 102 Section 1A which has been consistently applied unless otherwise stated.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In making this assessment the Directors have considered the current and future liabilities of the Company together with the value of committed donations. Accordingly, they consider the going concern basis to be appropriate for the preparation of these financial statements.

Cash flow statement

Under the Financial reporting Standard FRS102 Section 1A the Company is exempt from the requirement to prepare a cash flow statement on the basis of its size.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Incoming resources

Donation relating to revenue shall be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the donation is expected to be compensate. All incoming resources are accounted for when the Company becomes entitled to the income, when the funds are certain to be received, the amount can be measured reliably and the receipt is probable.

Income received in advance is accounted for as deferred income in creditors on receipt and released to the Statement of Financial activities in the period in which the Company becomes entitled to the income.

Income is included net of tax where levied at source.

4. Taxation

The Company is currently taxed in Jersey at the standard rate of 0%. The Company 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.

5. Share capital

	31 December 2022	31 July 2021
	£	£
Issued and fully paid:	2	2
2 ordinary shares of no par value		

There are no special rights attached to the shares. The Company is authorised to issue unlimited ordinary shares of no par value.

6. Unrestricted general funds

	31 December 2022	31 July 2021
	£	£
Unrestricted general funds brought forward	167,706	179,125
Net movement in funds for the period	(47,515)	(11,419)
	120,191	**167,706**

The funds held at the period-end were in anticipation of supporting schools with specialist summer school programmes, providing training for additional reading recovery teachers and supporting schools in addressing the impact of teaching and learning as a result of the Covid pandemic.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7. Ultimate controlling party

The ultimate controlling parties during the period were Nicholas John Kershaw, Gillian Mary Arthur, Michelle Seeger McMahon and John Bertram Stares as Trustees of the ECOF Trust.

8. Related party transactions

Nick Kershaw, a director of the Company, was also a director of various companies in the Allan & Gill Gray Philanthropies group and the Jersey Community Foundation during the period. Donations totalling £45,045 (2021 £254,850) and £50,000 (2021 £nil) respectively were received during the period.

9. Subsequent events

In the opinion of the Directors there are no events subsequent to the period-end that should be adjusted for or disclosed in these Financial Statements.

On 6 July 2023 the 2 shares of no par value held by the ECOF Trust were transferred, 1 to Nicholas John Kershaw and 1 to Gillian Mary Arthur who became the ultimate controlling parties at that date.