

THE JAZZ CENTRE (UK)
UNAUDITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

THE JAZZ CENTRE (UK)

UNAUDITED

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 30 JUNE 2017**

Trustees

R Campbell-Carr (appointed 2 June 2016)

P Richards (appointed 2 June 2016)

A Green (appointed 2 June 2016)

A J Barrett (appointed 2 June 2016)

D Fairweather (appointed 2 June 2016)

R Michalski (appointed 2 June 2016)

S West (appointed 13 April 2017)

M R Fisher (appointed 13 April 2017)

M S Foster (appointed 4 October 2017)

Charity registered number

1167421

Principal office

129 Westborough Road, Westcliff-on-Sea, Essex, SS0 9JG

Accountants

Venthams, Millhouse, 32 - 38 East Street, Rochford, Essex, SS4 1DB

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TRUSTEES' REPORT FOR THE PERIOD ENDED 30 JUNE 2017

The Trustees present their annual report together with the financial statements for the period 2 June 2016 to 30 June 2017.

Objectives and Activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit.

The object of the charity is to advance the arts for the public benefit by the promotion, preservation and celebration of jazz music in all its forms.

b. Activities for achieving objectives

Archive research, showing jazz-related films, art exhibitions, heritage celebrations via museum, jazz and java cafe, display of jazz performers' memorabilia, on-line personal study facilities, in-house live performance, jazz workshops, schools related jazz activities including exhibitions.

c. Main activities undertaken to further the charity's purposes for the public benefit

Engaged Spires Heritage as fundraisers, weekly film programme, charity presentation by Sir Michael Parkinson, Chas and Dave and others, two month exhibition at Metal headquarters celebrating our services, school workshops and exhibitions, records recitals, specialist enquiry services, public tours of The Jazz Centre (UK), assembly of specialist film collection for public showing.

Achievements and performance

a. Review of activities

Activities have been successful in fundraising, educational outreach, free public concerts by major national and international artists, assembly of first public heritage room for celebration of British jazz history, acquisition of historic artefacts including the Lyttelton Collection (including awards), first piano of Sir John Dankworth, trumpets of Louis Armstrong, Nat Gonella and others, opening of jazz cafe, extension of opening hours to two full days per week, extension of public exhibition facility to five days a week, achievement of first HLF grant (£62,800) towards exploring the influence of jazz: how jazz has influenced modern popular culture in the UK.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 30 JUNE 2017**

Structure, governance and management

a. Constitution

The charity was established as a Charitable Incorporated Organisation by a Constitution on 2 June 2016.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution.

c. Organisational structure and decision making

Trustees are elected who have specialist skills including publicity, digital media, accountancy, IT, musical outreach, strategic and business planning and charitable research. They meet monthly to discuss ongoing issues and reach conclusions for action under the chairmanship of Digby Fairweather.

Plans for future periods

a. Future developments

It is planned to extend the space occupied at The Beecroft Gallery by establishing a media centre (500 square feet) in February 2018 and extend the area currently occupied by the heritage museum by a further 1,000 square feet at the end of 2018. Plans are currently being considered also to cover in the external area of the lower ground floor comprising approximately 1,200 square feet to be used as a performance/rehearsal area.

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**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 30 JUNE 2017**

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 9 January 2018 and signed on their behalf by:

A J Barrett
Trustee

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**INDEPENDENT EXAMINER'S REPORT
FOR THE PERIOD ENDED 30 JUNE 2017**

Independent examiner's report to the Trustees of The Jazz Centre (UK)

I report on the financial statements of the charity for the period ended 30 June 2017 which are set out on pages 7 to 15.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on the after 1 January 2015.

Respective responsibilities of Trustees and examiner

The charity's Trustees are responsible for the preparation of the financial statements, and they consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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**INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE PERIOD ENDED 30 JUNE 2017**

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the Act; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of the Act.have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

Dated: 10 January 2018

Stuart Harrison FCA

Venthams

Chartered Accountants

Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 30 JUNE 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Income from:				
Donations and legacies	2	10,805	31,400	42,205
Charitable activities	3	6,954	-	6,954
Total income		17,759	31,400	49,159
Expenditure on:				
Charitable activities	4,5,6	10,882	12,576	23,458
Total expenditure	7	10,882	12,576	23,458
Net income before transfers		6,877	18,824	25,701
Transfers between Funds	12	4,184	(4,184)	-
Net income before other recognised gains and losses		11,061	14,640	25,701
Net movement in funds		11,061	14,640	25,701
Reconciliation of funds:				
Total funds brought forward		-	-	-
Total funds carried forward		11,061	14,640	25,701

The notes on pages 9 to 15 form part of these financial statements.

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BALANCE SHEET

AS AT 30 JUNE 2017

	Note	£	2017 £
Fixed assets			
Tangible assets	10		5,226
Current assets			
Cash at bank and in hand		21,575	
Creditors: amounts falling due within one year	11	(1,100)	
Net current assets			20,475
Net assets			25,701
Charity Funds			
Restricted funds	12		14,640
Unrestricted funds	12		11,061
Total funds			25,701

The financial statements were approved by the Trustees on 9 January 2018 and signed on their behalf, by:

A J Barrett

The notes on pages 9 to 15 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Jazz Centre (UK) constitutes a public benefit entity as defined by FRS 102.

1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

1. Accounting policies (continued)

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.4 Tangible fixed assets and depreciation

All assets costing more than £300 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	25% Reduced balance method
Computer equipment	-	33% Reduced balance method

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

1. Accounting policies (continued)

1.6 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity 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 charity 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.

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Donations	10,305	-	10,305
Grants	500	31,400	31,900
	<hr/>	<hr/>	<hr/>
Total donations and legacies	10,805	31,400	42,205
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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3. Income from charitable activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Preservation of Jazz Music	6,954	-	6,954

4. Direct costs

	Preservation of Jazz Music £	Total 2017 £
Fundraising fees	7,000	7,000
Advertising	844	844
Bank charges	7	7
Insurance	374	374
Events	1,014	1,014
Postage and stationery	182	182
Raffles	185	185
Sundries	315	315
Professional fees	12,150	12,150
Repairs and maintenance	506	506
Musician	180	180
Travel	45	45
	<u>22,802</u>	<u>22,802</u>

5. Support costs

	Preservation of Jazz Music £	Total 2017 £
Depreciation	56	56

6. Governance costs

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Governance - Independent Examiner's remuneration	600	-	600

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of Expenditure by expenditure type

	Depreciation 2017 £	Other costs 2017 £	Total 2017 £
Preservation of Jazz Music	56	22,802	22,858
Expenditure on governance	-	600	600
	<u>56</u>	<u>23,402</u>	<u>23,458</u>

8. Net income/(expenditure)

This is stated after charging:

	Period ended 30 June 2017 £
Depreciation of tangible fixed assets: - owned by the charity	56
Independent Examiner's fee	<u>600</u>

During the period, no Trustees received any benefits in kind.

During the period, no Trustees received any reimbursement of expenses.

9. Independent Examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £ 600 (2016 - £ -).

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10. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 2 June 2016	-	-	-
Additions	3,693	1,589	5,282
At 30 June 2017	<u>3,693</u>	<u>1,589</u>	<u>5,282</u>
Depreciation			
At 2 June 2016	-	-	-
Charge for the period	28	28	56
At 30 June 2017	<u>28</u>	<u>28</u>	<u>56</u>
Net book value			
At 30 June 2017	<u>3,665</u>	<u>1,561</u>	<u>5,226</u>

11. Creditors: Amounts falling due within one year

	2017 £
Accruals and deferred income	<u>1,100</u>

12. Statement of funds

Statement of funds - current year

	Balance at 2 June 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2017 £
Unrestricted funds					
General Fund	-	17,759	(10,882)	4,184	11,061
Restricted funds					
Heritage lottery grant fund	-	31,400	(12,576)	(4,184)	14,640
Total of funds	<u>-</u>	<u>49,159</u>	<u>(23,458)</u>	<u>-</u>	<u>25,701</u>

The heritage lottery grant fund relates specifically to a grant received towards project costs for a project with the purpose of exploring the heritage of jazz music in the UK through volunteer-led research groups, exhibitions and events.

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NOTES TO THE FINANCIAL STATEMENTS
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Summary of funds - current year

	Balance at 2 June 2016	Income	Expenditure	Transfers in/out	Balance at 30 June 2017
	£	£	£	£	£
General funds	-	17,759	(10,882)	4,184	11,061
Restricted funds	-	31,400	(12,576)	(4,184)	14,640
	<u>-</u>	<u>49,159</u>	<u>(23,458)</u>	<u>-</u>	<u>25,701</u>

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017	Restricted funds 2017	Total funds 2017
	£	£	£
Tangible fixed assets	5,226	-	5,226
Current assets	6,935	14,640	21,575
Creditors due within one year	(1,100)	-	(1,100)
	<u>11,061</u>	<u>14,640</u>	<u>25,701</u>

14. Related party transactions

During the year, R Michalski a Trustee, received £4,000 for services supplied. D Fairweather, a Trustee, received £4,500 for services supplied. Charity Commission consent to pay these sums has been received.