

Company Registration No. 08747913 (England and Wales)
Charity Registration No. 1156248

JW3 Development

Annual Report and Financial Statements for the Year Ended 31 December 2020

JW3 Development

Legal and administrative information

Trustees	Graham Harris Denise Joseph Amy Dorfman
Charity Number	1156248
Company Number	08747913
Principal Address and Registered Office	341-351 Finchley Road London NW3 6ET
Independent Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Bankers	Lloyds Bank plc 39 Threadneedle Street London EC2R 8AU

JW3 Development

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JW3 Development

Trustees' Report

For the year ended 31 December 2020

The Trustees present their report and accounts for the period ended 31 December 2020. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and the 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 (FRS 102).

AIMS AND OBJECTIVES OF THE CHARITY

The objectives of JW3 Development are to support the aims and objectives of JW3 Trust Ltd (Company Registration Number 5679146; Charity Registration Number 1117644), specifically to further those aims by raising funds in support of the work of JW3 Trust. JW3 Trust operates JW3, the Jewish Community Centre London, based on the Finchley Road in North West London. Funds raised by JW3 Development are granted to JW3 Trust and it is through this grant making that JW3 Development undertakes its charitable activities.

BACKGROUND TO JW3

JW3 is London's flagship Jewish Community Centre, and the UK Jewish community's only such public venue for arts, culture, learning and community of its kind. It opened its doors to the public in October 2013 and by the end of 2020 over 1.3 million visitors had been welcomed through its doors.

JW3's Vision:

JW3's vision is of a vibrant, diverse, unified British-Jewish community, inspired by and engaged with Jewish arts, culture, learning and life.

JW3's Mission:

JW3 will achieve this by:

1. Creating outstanding events, activities, classes and courses – the diversity of which reflects the diversity of our community;
2. Offering multiple entry points into Jewish life, culture and community for the widest possible range of people regardless of age, background or belief;
3. Increasing the quality, variety and volume of Jewish conversation in London and beyond.

"Since I first attended your ground-breaking ceremony in 2011, I have followed your progress with interest and I am delighted to hear that you are going from strength to strength in your mission to be a home for all who are interested in Jewish life and to foster greater understanding between all sections of our society."

Prime Minister Boris Johnson

ACHIEVEMENTS AND PERFORMANCE OF JW3 DEVELOPMENT IN 2020

1. Funds Raised

2020 was extremely challenging for everyone. JW3 Development had planned three fundraising Business Breakfasts, a summer Fundraising Lunch, and our annual Gala Dinner for November – all of which had to be cancelled due to the Covid-19 pandemic and consequential lockdown. We also took the decision, along with many other charities within the Jewish community, to hold back from public fundraising efforts during March to June, in order not to compete with the elderly care and social care organisations which launched an important major cross-communal joint emergency fundraising campaign.

We are extremely grateful to individual donors and foundations that have supported JW3's ongoing efforts and successes in continuing to deliver innovative, engaging, wide-ranging, inclusive programming to tens of thousands of people of all ages – from young babies and toddlers all the way through to those in their 80s and 90s. We are particularly grateful for grants and donations we received that were used to support JW3 Trust's inspiring work responding to the dire effects of food poverty around the London Borough of Camden. Between April-December 2020 JW3 sorted, packed and delivered over 87,000 meals' worth of food to families and households in need, including many thousands of freshly cooked meals made in the JW3 kitchen. A full report on JW3's activities and achievements in 2020 can be found in the JW3 Trust Ltd Annual Report.

Despite all the challenges of 2020, total funds raised amounted to £2.66m (2019: £2.74m)

The trustees of JW3 Development would like to especially acknowledge the support of key benefactors: Dame Vivien Duffield and the Clore Duffield Foundation, Sir Lloyd Dorfman and the Dorfman Foundation, Sir Trevor Pears and the Pears family, through Pears Foundation, and Mikhail Fridman and the Genesis Philanthropy Group.

We would also like to thank all individual and family donors, and all trusts and foundations whose generous contributions enabled JW3 Development to reach its fundraising target in the year in order to support the charitable activities of JW3.

2. JW3's Big Night In

The highlight of JW3 Development's fundraising activities in 2020 was September's JW3's Big Night In, the first high profile online fundraising gala in the Jewish community, and one of the first of its kind by any communal or cultural organisation in the UK. This was the most successful fundraising event JW3 Development has ever run, raising in excess of £420,000. An estimated 50,000 people across approximately 17,000 households watched an outstanding array of talent from the stage, film, TV and music genres. We are hugely grateful to Tracy-Ann Oberman who co-hosted the event with JW3's CEO Raymond Simonson, and to Boy George, Stephen Fry, Imelda Staunton, Jim Carter, Mark Ronson, Simon Callow, Adam Kay, Jason Isaacs, Alex Edelman, Shappi Khorsandi, Victoria Coren Mitchell, G4, Lord Grade, Claude-Michel Schonberg and others who donated their time and talents to help us raise vital funds.

Feedback on JW3's Big Night In was excellent. In addition to raising a record amount of donations, the event also contributed materially to achieving two of JW3's other key fundraising goals: to showcase the important, diverse, impactful work of JW3, and to ensure attendees gained a clear understanding of JW3 Development's fundraising needs, thereby strengthening our fundraising proposition.

Trustees' Report (continued)

For the year ended 31 December 2020

We are extremely grateful to the trustees of JW3 Development and JW3 Trust, and the Non-Executive Directors of JW3 Trading for all of their efforts to help ensure a successful night, in particular for encouraging a high level of engagement and generosity from their own networks.

We would not have been able to achieve the fantastic sum raised without the generous support of the Genesis Philanthropy Group who generously match funded the first £100,000 of donations. The matched funding was a key aspect of the event's success, as attendees reported that it was a motivating factor in their giving.

3. Online Auction

In December 2020 we held our first online auction. Through the generous donations of gifts and experiences we were able to auction these and raise in excess of £14,000.

FUTURE OBJECTIVES AND PLANS

JW3 Development's overall objective for 2021 is to raise at least £2 million. Specific objectives are:

- To launch a Patron scheme which will underpin all individual giving over the next 7 years.
- Targeted and robust Trust and Foundations applications, focusing on current foundations, those which have in the past granted gifts but have not in recent years, and new applications to foundations we have not yet approached.
- Building on the unprecedented success of our 2020 "Big Night In" to exceed the total raised at the event in 2020.
- Fundraising Communications: To develop a compelling and comprehensive fundraising communications plan for the next 5 years, that will underpin all campaigns as we come out of the pandemic, and provide the content, and messaging required to effectively support fundraising initiatives, including the Patron scheme over this period.

PUBLIC BENEFIT STATEMENT

The trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission. They consider that the activities set out on the pages above demonstrate the benefit to the public.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 25 October 2013 and was registered as a charity with the Charity Commission on 18 March 2014. The trustees (who are also directors of JW3 Development for the purposes of company law) have ultimate legal responsibility for JW3 Development and work to ensure good governance. They agree the overall strategic direction and work alongside the executive leadership team, who are responsible for implementation of policy and for the management of the day-to-day running of the organisation. The trustees who served during the period, and following the period-end, were:

Nicholas Viner (chair of JW3 Development and trustee of JW3 Trust, resigned 6 August 2020)

Graham Harris

Denise Joseph (trustee of JW3 Trust)

Amy Dorfman (trustee of JW3 Trust, appointed 6 August 2020)

JW3 Development

Trustees' Report (continued)

For the year ended 31 December 2020

The Board of Trustees has the power to appoint additional trustees as it considers appropriate. Potential trustees are identified as part of an ongoing review by the Board and senior management of the charity's needs, with particular reference to enriching skills and increasing representation from different sections of the Jewish community.

Trustees maintain a good working knowledge of charity and company law and best practice. New trustees are provided with full details of Board minutes, financial reports, and the charitable company's Memorandum and Articles of Association, which are the company's governing documents. There are also informal procedures in place for their induction and training.

Other non-executive members of the JW3 Development Board during this period were:

Pamela Jacobs (resigned October 2020)

Lisa Ronson (resigned as trustee of JW3 Trust December 2020)

Patricia Abram

The charitable company is managed day-to-day by a team of experienced professionals, reporting to the Board. They are:

Raymond Simonson, Chief Executive

Sharon Blackstone, Director of Development

Adam Daniels, Director of Finance (resigned February 2021)

Gary Cohen, Director of Finance (appointed February 2021)

The management were supported over 2020 by a small team of 2.1 FTE when fully resourced:

- Fundraising Manager (p/t) - primarily face-to-face fundraising, donor stewardship and care, and fundraising events. When the person left the role was replaced by the new Head of Patrons position.
- Trusts & Foundations Officer (p/t) – researching, writing and submitting grant proposals; reporting on received grants to trusts and foundations; planning, developing and implementing a legacy campaign.
- Fundraising Assistant (f/t) – fundraising event support and logistics; administrative support to Director of Development.

FUNDRAISING

Fundraising approach

We rely on a number of different fundraising approaches in order to raise funds cost-effectively from a range of sources, raising awareness of our work and allowing supporters to contribute in ways that are most appropriate for them. This includes: fundraising through letters, emails and online; from legacies, events and community fundraising; from philanthropists, trusts and foundations.

JW3 Development

Trustees' Report (continued)

For the year ended 31 December 2020

Fundraising standards

We fundraise from our database of customers and only approach those who have consented to be contacted. Our database is refreshed on a continuous basis, ensuring that only those who have engaged with JW3 and consented within the last 36 months will be contacted.

Monitoring of fundraising activities and protecting people in vulnerable circumstances

Our fundraising activities are overseen by our Development Board and our wider Trustee Board and our fundraising team receive professional training and mentoring from industry specialists. JW3 Development does not work directly with commercial sponsors or engage external professional fundraisers. It is registered with the Fundraising Regulator and operates in compliance with their current Code of Fundraising Practice.

Complaints

We did not receive any complaints in 2020.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

Trustees' Report (continued)

For the year ended 31 December 2020

- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FINANCIAL REVIEW

Financial systems appropriate to an operation of this nature have been implemented. We continue to update these to ensure compliance with relevant legislation and ensure the assets of the organisation are safeguarded.

The target for the charitable company is to raise at least £2m per year and the staffing and infrastructure has been set up to enable this level of fundraising.

In the period under review a total of £2,656,277 was raised, of which £429,556 was restricted. This exceeded the target set by the Board. The trustees consider this to be a very good level of performance and congratulate the team on their excellent work during the year.

A grant of £2,445,699 was made to JW3 Trust in the period to support its charitable activities carried out in the advancement of its mission.

RESERVES POLICY

The current policy is to transfer funds raised to JW3 Trust and to maintain a minimum level of reserves conducive to maintaining future fundraising activities, with three months of salaries.

The net reserves of the charitable company at the end of the period amounted to £36,000 in unrestricted funds. The trustees consider this to be an adequate level of reserves for this company.

RISK FACTORS

The trustees acknowledge their responsibility to manage the risks faced by the charity as a prime responsibility. The trustees have procedures in place to manage risk. These procedures are periodically reviewed to ensure they continue to meet the needs of the charity. Key controls include:

- Formal agendas for, and minutes of, JW3 Development Board meetings, which are held at least four times a year.
- Comprehensive budgeting, management accounts, cash flow projections and reforecasting processes.

The principal risks have been identified as:

- The impact Covid-19 will have on 2021 and future fundraising
- Reputational risk caused by JW3 Development or JW3 Trust action that make it hard to fundraise

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Trustees' Report (continued)

For the year ended 31 December 2020

- Inadequate cultivation/stewardship of key donors resulting in the reduction in or cessation of ongoing funding
- Staff turnover - both losing key staff and the challenge of recruiting excellent staff within this sector.

The trustees and CEO take these issues seriously and have established controls and measures to mitigate the impact of these risks.

Management time is devoted to supporting the trust, foundation, and "major donor" relationships, which have been developed over recent years; and to working closely with the JW3 Development Board and the professional team to identify and maximise new sources of funding. The charity has reviewed and refined its fundraising strategy to ensure the fundraising base is as diversified as possible.

Detailed consideration of risks is performed by the JW3 CEO and COO, who operate and refine the risk management policy.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

AUDITORS

The auditors, Saffery Champness LLP, are deemed appointed under section 487(2) of the Companies Act 2006.

On behalf of the Board of Trustees:

D Joseph, Trustee



Dated:21st June.. 2021

**Independent auditors' report to the members of JW3 Development
For the year ended 31 December 2020**

Opinion

We have audited the financial statements of JW3 Development for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 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, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. 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.

Independent auditors' report to the members of JW3 Development (continued)
For the year ended 31 December 2020

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 prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemptions in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also directors of the charitable company for the purposes of company law) 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' report to the members of JW3 Development (continued) For the year ended 31 December 2020

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include the Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Independent auditors' report to the members of JW3 Development (continued)
For the year ended 31 December 2020

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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Liz Hazell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

20 July 2021.

JW3 Development

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 December 2020

		Unrestricted Funds General	Restricted Funds	Total 2020	Total 2019
	Note	£	£	£	£
Income from:					
Donations and legacies		1,725,937	429,056	2,154,993	2,392,609
Charitable activities	3	482,325	500	482,825	337,689
Investments	4	1,363	-	1,363	13,262
Government grants (CJRS)		17,096	-	17,096	-
Total income		<u>2,226,721</u>	<u>429,556</u>	<u>2,656,277</u>	<u>2,743,560</u>
Expenditure on:					
Raising funds	5	38,502	-	38,502	84,449
Charitable activities	6	<u>2,188,219</u>	<u>429,556</u>	<u>2,617,775</u>	<u>2,659,111</u>
Total expenditure		<u>2,226,721</u>	<u>429,556</u>	<u>2,656,277</u>	<u>2,743,560</u>
Net income for the year/net movement in funds		-	-	-	-
Fund balances at 1 January		<u>36,000</u>	<u>-</u>	<u>36,000</u>	<u>36,000</u>
Fund balances at 31 December		<u>36,000</u>	<u>-</u>	<u>36,000</u>	<u>36,000</u>

The notes on pages 15 to 22 form part of these financial statements.

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Balance Sheet

For the year ended 31 December 2020

		2020		2019	
	Note	£	£	£	£
Current Assets					
Debtors	11	50,585		85,979	
Cash at bank and in hand		<u>1,117,675</u>		<u>1,042,597</u>	
		1,168,260		1,128,576	
Creditors: amounts falling due within one year	12	<u>(1,132,260)</u>		<u>(1,092,576)</u>	
Total assets less current liabilities			<u>36,000</u>		<u>36,000</u>
Income Funds					
Unrestricted Funds	15		<u>36,000</u>		<u>36,000</u>
			<u>36,000</u>		<u>36,000</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 15 to 22 form part of these financial statements.

The accounts were approved by the Trustees on

21st June 2021



D Joseph

Trustee

Company Registration No. 0874713

JW3 Development**Statement of Cash Flows
For the year ended 31 December 2020**

		2020		2019	
	Note	£	£	£	£
Cash flows from operating activities					
Cash provided by/(used in) operating activities	16		73,715		(1,517,902)
Investing activities					
Interest received		<u>1,363</u>		<u>13,262</u>	
Net cash provided by investing activities			1,363		13,262
Net cash used in financing activities			<u>-</u>		<u>-</u>
Net increase/(decrease) in cash and cash equivalents			75,078		(1,504,640)
Cash and cash equivalents at beginning of year			<u>1,042,597</u>		<u>2,547,237</u>
Cash and cash equivalents at end of year			<u>1,117,675</u>		<u>1,042,597</u>

The notes on pages 15 to 22 form part of these financial statements.

1 Accounting policies

Company information

JW3 Development is a company limited by guarantee incorporated in England and Wales. The registered office is 341-351 Finchley Road, London NW3 6ET.

1.1 Accounting convention

The financial statements have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities, the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approving these accounts. The ongoing COVID-19 pandemic has not impacted our ability to access foundations and donors, as we continue to programme both virtually and in the building. It has altered our type of fundraising events, with a movement from physical to virtual.

Planning for the next 12 months continues to recognise that virtual fundraising events will be required, but alongside the gradual return to physical fundraising events. We continue to adapt to the changing circumstances surrounding the response to COVID-19 and the gradual removal of lockdown restrictions. We continue to benefit from a significant 10-year pledge made in 2017, and a further 10-year major gift pledged by a donor in May 2018. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated by the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, including government grant income, is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Notes to the financial statements (continued)

For the year ended 31 December 2020

1.5 Expenditure

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the objectives including any irrecoverable VAT.

Support costs consist of expenditure incurred in support of charitable activities. This includes recharges of staff costs and governance costs. Governance includes the costs of compliance with constitutional and statutory requirements. Support costs are allocated to different activities on the basis of time spent.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

1.7 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.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The trustees do not consider there to be any significant accounting estimates or areas of judgement in these financial statements.

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2020

3 Income from charitable activities

	2020 £	2019 £
Fundraising events and corporate sponsorship	<u>482,825</u>	<u>337,689</u>

4 Investment income

	2020 £	2019 £
Interest receivable	<u>1,363</u>	<u>13,262</u>

5 Cost of raising funds

	2020 £	2019 £
Fundraising and publicity		
Staging fundraising events	<u>38,502</u>	<u>84,449</u>

6 Charitable expenditure

	2020 £	2019 £
Staff costs	114,934	124,497
Other costs	<u>3,163</u>	<u>4,652</u>
	118,097	129,149
Grant funding of activities (see note 7)	2,445,699	2,476,385
Share of support and governance costs (see note 8)	<u>53,979</u>	<u>53,577</u>
	<u>2,617,775</u>	<u>2,659,111</u>

7 Grants payable

	2020 £	2019 £
Grants payable to JW3 Trust Ltd	<u>2,445,699</u>	<u>2,476,385</u>

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2020

8 Support and governance costs

	2020	2019
	£	£
Staff costs (recharged)	41,264	40,416
Audit fees	8,657	9,000
Accountancy	4,058	4,161
Allocated to charitable activities	<u>53,979</u>	<u>53,577</u>

9 Trustees

None of the trustees (nor any persons connected with them) received any remuneration, benefits or expenses from the charity during the year. £19,810 was donated by JW3 Development trustees in the year (2019: £12,120)

10 Employees

	2020 Number	2019 Number
Number of employees		
The average number of employees during the year was:		
- Administration	<u>3</u>	<u>3</u>
	2020 £	2019 £
Employment costs		
Wages and salaries	100,071	109,359
Social security costs	9,618	9,996
Other pension costs	3,025	2,800
	<u>112,714</u>	<u>122,155</u>

The charity's key management personnel comprises the Board of Trustees, the Chief Executive Officer, the Finance Director and the Fundraising Director.

Total benefits received by the Chief Executive Officer, the Finance Director and the Fundraising Director in the year in respect of JW3 Development amounted to £101,857 (2019: £99,666). The amounts owed to the Chief Executive Officer and Finance Director are charged via the management fee. The trustees received no remuneration during the year (2019: £Nil).

There were no employees whose annual remuneration for services to the charity was £60,000 or more.

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2020

11 Debtors: amounts falling due within one year:

	2020	2019
	£	£
Trade debtors	29,209	44,152
Other debtors	1,733	-
Prepayments and accrued income	19,643	41,827
	<u>50,585</u>	<u>85,979</u>

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	2,596
Trade creditors	-	6,450
Other creditors	441	469
Amounts due to connected parties	930,331	932,191
Accruals and deferred income	201,488	150,870
	<u>1,132,260</u>	<u>1,092,576</u>

13 Retirement benefit schemes

The charge to the statement of financial activities in respect of defined contribution schemes was £3,025 (2019: £2,800).

14 Restricted funds

The income funds of the charity include restricted funds comprising donations and grants held on trust for specific purposes:

	Movement in Funds - 2020			
	Balance at 1 Jan 2020	Incoming Resources	Resources Expended	Balance at 31 Dec 2020
	£	£	£	£
Programming and activities	-	379,556	379,556	-
Building and operations	-	50,000	50,000	-
	<u>-</u>	<u>429,556</u>	<u>429,556</u>	<u>-</u>

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2020

Movement in Funds - 2019				
	Balance at 1 Jan 2019	Incoming Resources	Resources Expended	Balance at 31 Dec 2019
	£	£	£	£
Programming and activities	-	474,480	474,480	-
Building and operations	-	176,327	176,327	-
	<u>-</u>	<u>650,807</u>	<u>650,807</u>	<u>-</u>

Programming and Activities includes funds provided by various organisations to fund programmes and events, raised to support specific areas of programming. Included, for example, is funding to subsidise events for Young Professionals and funding to support Gateways, a project offering skills-based and vocational learning for vulnerable young adults. Building and Operations includes funds received to purchase production equipment.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2020 are represented by:			
Current assets/(liabilities)	36,000	-	36,000
	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Fund balances at 31 December 2019 are represented by:			
Current assets/(liabilities)	36,000	-	36,000
	<u>36,000</u>	<u>-</u>	<u>36,000</u>

16 Cash generated from operations

	2020 £	2019 £
Net income for the year	-	-
Adjustments for:		
Investment income recognised in statement of financial activities	(1,363)	(13,262)
Movements in working capital:		
Decrease/increase) in debtors	35,394	(31,902)
(Increase)/decrease in creditors	39,684	(1,472,738)
Cash provided by/(used in) operating activities	<u>73,715</u>	<u>(1,517,902)</u>

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2020

17 Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash at bank and in hand	1,042,597	75,078	1,117,675
	<u>1,042,597</u>	<u>75,078</u>	<u>1,117,675</u>

18 Transactions with Connected Parties

During the year JW3 Development made a grant of £2,445,699 to JW3 Trust Limited (charity registration number 05679146), of which £2,016,143 was unrestricted and £429,556 was restricted (as set out in note 14). A management fee of £41,264 (2019: £40,416) was charged by JW3 Trading Ltd to JW3 Development.

At the year end, "amounts due to connected parties" (as set out in note 12) contained amounts of £308,900 (2019: £529,436) due to JW3 Trust Ltd and £621,431 (2019: £402,755) due to JW3 Trading Ltd, which are limited companies with some of the board of directors in common with the trustees of JW3 Development.

19 Comparative Period Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total 2019 £
Income from:			
Donations and legacies	1,751,802	640,807	2,392,609
Charitable activities	327,689	10,000	337,689
Investments	13,262	-	13,262
Total	<u>2,092,753</u>	<u>650,807</u>	<u>2,743,560</u>
Expenditure on:			
Raising funds	84,449	-	84,449
Charitable activities	2,008,304	650,807	2,659,111
Total	<u>2,092,753</u>	<u>650,807</u>	<u>2,743,560</u>
Net income/(expenditure) for the year/net movement in funds	-	-	-
Funds balances at 1 January 2019	36,000	-	36,000
Fund balances at 31 December 2019	<u>36,000</u>	<u>-</u>	<u>36,000</u>

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.