

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Financial Statements

For the Year Ended 31 December 2020

Sydney Improvised Music Association Incorporated

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Contents

For the Year Ended 31 December 2020

	Page
Financial Statements	
Committee's Report	1
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13
Statement by Members of the Committee	20
Independent Audit Report	21
Schedules	23

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

1. General information

1.0 Overview of 2020

I am pleased to present the Directors' Report of the Sydney Improvised Music Association Incorporated (SIMA) on behalf of SIMA's Directors and staff. SIMA continued to demonstrate artistic excellence across a wide spectrum of jazz and improvised music presented and promoted in 2020.

The year presented unprecedented challenges due to the Coronavirus pandemic that impacted the global economy, and largely shut down the live performance industry. Restrictions impacting the presentation of live music affected Sydney and NSW more generally from March through to June 2020.

Despite this, SIMA presented 101 performances in 181 events, which included live and streamed performances and online mentoring and coaching sessions. In all, SIMA engaged 330 artists and educators, and reached audiences of more than 14,501 people across live and online platforms.

SIMA's 'Jazz Now' Summer Season began as planned, opening with Jeremy Rose's exceptionally successful 'Iron In The Blood' at the Sydney Festival. By March, COVID-19 had severely impacted SIMA's planned programs, causing the cancellation of its six final events in the Summer Season, including the 'Jazz at the Pav' micro-festival.

However, turning misfortune into an innovative response to the impact, SIMA launched the first of its online performance seasons. Filmed in March at Free Energy Device Studios across two sessions, 12 performances were captured and edited down into two series: a seven-part ticketed subscription season, 'Jazz Now Wired', and free weekly programs, 'Meditations in Jazz', which were streamed on Facebook across five weeks. Both series, produced during Australia's 'lockdown', were enthusiastically received. SIMA's Directors acknowledge its executive team, its streaming partners, namely Big Spin Productions, Richard Belkner at Free Energy Device Studios, and all the musicians involved for their willingness to respond to the difficult circumstances with new approaches. Indeed, SIMA emerged as a leader, developing new partnerships, including the digital presentation of the 'Festival of The Winds' with Waverley Council, streamed live from Bondi Surf Life Saving Club in September.

As a result of the pandemic, SIMA had to postpone the Young Women's Jazz Workshops planned for 2020. In their place, SIMA partnered 15 emerging and mid-career artists with 30 established musicians for a two-part mentoring session. The young musicians were encouraged to draw on the expertise of their mentors in the areas of practice, project development and composition.

The 2020 Sydney International Women's Jazz Festival, mounted by SIMA and Sydney International Jazz Festival, with both digital and live performances, was Sydney's first music festival to be staged after restrictions on performances were imposed in March 2020. The SIWJF took place in November with live performances, operating under restricted capacity, and scheduling two shows a night in order to meet box office targets.

Given the shutdown of international travel, and the significant risk associated with interstate travel, the festival was presented entirely in New South Wales. The program was extremely well received by audiences, media and critics alike. Over 39 women participated in the festival. 20 of the 22 live shows were entirely sold out, and a further 14,000 people engaged through the festival's free streamed program, which included performances by Sandy's Evans and her Indian collaborators ('Ahisma: Meditations on Gandhi'). Bossa nova artist, Anna Setton, streamed exclusively for the festival from Sao Paulo, Brazil. The festival also attracted Yamaha as a new sponsor.

SIMA was successful in its application to the Australian Music Centre for a Peggy Glanville Hicks Composer Initiative Grant, which enabled it to commission pianists Mike Nock and Judy Bailey to write a new work for solo performance. Mike's composition, 'River Flows, The River Sings' was written in memory of long-time SIMA supporter Peter Curran and performed by Mike at his 80th Birthday live stream in September at the Australian Institute of Music (AIM). SIMA also assisted Hilary Geddes to achieve a TURA New Music Commission, 'Upstream, Down River', which was produced in 2020 and performed as part of the 'Jazz Now' Summer Season.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

Despite the challenges, regional touring remained a priority, and two tours took place before restrictions closed down planned events. Jonathan Zwartz' This World ensemble toured to 6 destinations on its East Coast tour, including a benefit concert in the bushfire-affected community of Braidwood in NSW, which raised \$1,500 for the local community. Coast toured to 8 destinations in NSW, and conducted masterclasses at the Port Macquarie Conservatorium of Music. Gai Bryant's Caribe tour was restricted, with some shows postponed until 2021, but she was able to tour to Lismore in 2020.

Key presenting and commercial partnerships continued with the Australian Institute of Music, Waverley Council and 107 Projects.

Special COVID support was provided by the City of Sydney's Organisations Resilience Grants, Create NSW's Digitisation and Play the City initiatives. The Australian Government's Jobkeeper payments were received until December 2020 for SIMA's General Manager Amy Curl, and until September 2020 for Marketing Co-ordinator, Laura McLeod.

SIMA continued to partner with the Music Trust in the assessment and management of the Freedman Foundation's Annual Classical and Jazz Fellowships, each of which includes a cash prize of \$21,000, including \$1000 for mentoring. In 2020, the customary live performance process for selection of the winners at the Sydney Opera House was cancelled, interviews instead being conducted via video conferencing, in addition to the contestants' written applications. The Freedman Jazz Fellow was bassist Helen Svoboda from Queensland, and the Classical Fellow was cellist Richard Narroway from Victoria.

In addition to its own presentations and artist development initiatives, SIMA partnered with other performance and educational organisations to provide regional performance and workshop opportunities, including the Open Academy, Sydney Conservatorium of Music, Wollongong Conservatorium, Western Australian Youth Jazz Orchestra, APRA, The Music Trust, and the Freedman Foundation,

2.0 Strategic Highlights

SIMA's re-invigorated regional touring program continued to deliver opportunities via Sima's Regional Touring Fund, offering artists financial, operational and promotional support for regional tours within NSW. In 2020, SIMA supported three such ensembles, namely, This World, Coast and Gai Bryant, to tour to several destinations, including New England; Southern Tablelands, the Blue Mountains, the Mid and Far North Coast, South Coast and interstate to ACT, QLD and VIC.

In 2020 SIMA deepened its ties with the City of Sydney and Joynton Avenue Creative Centre, its current resident home which is managed by 107 Projects. SIMA continues to have a subsidized rental agreement in exchange for performance-based activities. The result is a 'socials' program which has become a regular music event in the 'outside room' at the Centre, aimed at connecting local residents of the newly established Green Square precinct. In 2020 SIMA was able to host only two such performances, due to COVID-19 restrictions.

SIMA received funding in 2020 of \$266,367, made up of multi-year and annual program grants and projects grants from Create NSW, the Australia Council, Creative Partnerships, the City of Sydney and APRA. It received \$63,800 in COVID-relief payments, including Jobkeeper funding for Amy Curl (March 2020 – December 2020) and Laura MacLeod (March 2020 – September 2020). SIMA also received the Small Business Stimulus Boost. Create NSW provided an additional \$10K for digital projects, and the City of Sydney made a one-off payment of \$20K in resilience funding to support arts companies during the shut-down periods.

SIMA's average capacity for performances and events staged across small to mid-sized venues, on festival stages and concert halls, was 89%.

SIMA received nine media reviews that pointed to the excellence of its performance program (average 4 stars), including a five-star review in Arts Hub which was a glowing summation of the 2020 Sydney International Women's Jazz Festival.

SIMA supported the performance of 'Iron in the Blood' at the City Recital Hall as part of the Sydney Festival. The near sold-out performance garnered significant media, and exceptional critical reviews.

The Sydney International Women's Jazz Festival delivered an all-NSW program which sold out 20 of its 22 ticketed events.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

The 2020 Emerging Composers Mentorship was awarded to Sophie Min, to be mentored by Barney McAll. The composition, titled 'Critical Point', was written for the ten-piece ensemble Pharos. It premiered at the Sydney International Women's Jazz Festival and was recorded by Studio 301.

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3.0 Operational Highlights

SIMA welcomed Marketing Coordinator Laura MacLeod in January 2020. Charlton's Accountants oversaw SIMA's book-keeping, and its audit was conducted by DFK Laurence Varney. Contract administration and marketing staff, Sue Spence, Jacob Stone and Jarrah Dylan, assisted across the festival period.

There were no changes to the composition of the SIMA Committee in 2020, SIMA having chosen to take up the grace period granted to Associations for the holding of the 2019 AGM due to the impacts of COVID-19.

4.0 Summary of Financial Outcomes

SIMA reported a surplus of \$137,657 for the year ended 31 December 2020, compared to a surplus of \$2,230 in the prior year. Total income in 2020 was \$473,566, an increase of 38% on the prior year's total income of \$343,420. Expenditure was \$335,909, a decline of \$5,281 or 1% on the prior year's expenditure, which totalled \$341,190.

Whilst it is pleasing to see the organization recover losses sustained in 2018 and the restoration of its Reserves, in future years the company will need to focus further on fundraising from box office, philanthropy, membership income and grants. As at 31 December 2020, SIMA held cash of \$174,329--an increase on 2019 of \$116,446. This cash reflects accumulated surplus and grant monies received in advance.

5.0 Audiences

Audiences in 2019 totalled 11,324. 6945 were paying audience members, while 4,505 attended free of charge. National broadcasts of the Freedman Jazz and Classical Fellowship finalist concerts by ABC Jazz and ABC Classic FM, along with This World recorded live at Studio 301, extended audiences to over 400,000. A number of SIMA performances at the Sound Lounge series of 'Jazz Now' Summer and Winter seasons were also recorded for later broadcast by Fine Music FM, attracting additional audiences.

6.0 Activities, Objectives and Strategic Directions

6.1 Principal activities: Artists, in partnership with the Perth and Melbourne International Jazz Festivals, Wangaratta Festival of Jazz and Blues, the Sydney Conservatorium, and independently for the Sydney International Women's Jazz Festival. An important focus for SIMA is its Education and Artist Development programs, including the award-winning Young Women's Jazz Workshops and the 'Sonic Futures' initiative for outstanding young and emerging artists.

SIMA is a non-profit organisation and is listed with the Australian Charities and Not-for-Profit Commission.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

SIMA's key areas of activity:

Presentation: 154 performances in 104 events by 631 artists and tutors in 2019, including the collaborations with the Sydney Conservatorium International Jazz Festival and Ettalong Jazz Festival, and international artists including Guitarist of The Year ten years running, Bill Frisell, and three-time Grammy award-winning pianist Billy Childs, who featured in the sold-out Sydney Con Jazz Festival and Anna Setton, Lakecia Benjamin, Chelsea McBride and Veronica Swift who featured in the Sydney International Women's Jazz Festival.

Education and Artist Development: SIMA's regular Young Women's Jazz Workshops and Cool for School delivered in partnership with Riverside Theatres were both cancelled in 2020 due to impacts from COVID-19. Instead, an informal 2-part mentoring initiative was set up for 30 young and mid-career artists whereby they could be mentored by established artists in the areas of composition, project development and practice.

Women in Jazz - providing a pathway and platform for female jazz artists as bandleaders, creators and performers: SIMA's co-production of the Sydney International Women's Jazz Festival with Sydney International Jazz Festival (in its 8th year in 2019) provided a platform for international artists, expatriate Australian musicians, interstate and local artists to perform for Sydney audiences. Selected artists also receive opportunities for composer commissions, with new works presented at the festival. The Young Women's Jazz Workshop program, co-founded in 2002 by SIMA and Sandy Evans OAM, has resulted in more young women successfully auditioning for tertiary jazz studies and engaging in opportunities leading to a career in music.

The Emerging Composers Mentorship provides a commission opportunity for a young female composer (under 30 years of age) to write a new work under the mentorship of an established composer. The work is premiered and recorded at the Sydney International Women's Jazz Festival and provides professional development and profiling opportunities. This program was partly delivered due to the impacts of COVID-19.

6.2 Objectives

SIMA's objectives are to:

Provide inspirational performances of a diverse spectrum of contemporary jazz for musicians and audiences

Assist in the development of new works, recordings and projects

Push the boundaries of the art form and connect with audiences

Foster jazz leadership, thereby addressing a gap in the sector; Support artists to reach their potential; and Strengthen the jazz sector by assisting in the development of partnerships and networks to support a thriving jazz culture.

6.3 Strategic Direction

SIMA has prepared a Strategic Plan to provide a clearly articulated path, showing how it works toward delivering its principal activities and, in so doing, achieves its objectives. Within the SIMA Strategic Plan, there are clearly defined Goals and Targets: For details of the goals, targets, and progress in 2020, please refer to the table on page 6.

SIMA continues to be an important platform for the performance of contemporary jazz and improvised music in Sydney and regional NSW. Its 2020 program featured works by established Australian artists and emerging jazz artists of outstanding talent. It has presented and supported works across a spectrum of jazz from intimate ensembles to large scale collaborations, including 'Iron in the Blood', a large-scale production based on the text of Robert Hughes' book, 'A Fatal Shore', to streamed free and ticketed events streamed to audiences nation-wide. Collaboration and partnerships continue to drive growth of SIMA's performance and education programs. SIMA's continued partnership with the Freedman Foundation and The Music Trust provides important opportunities through the Freedman Jazz and Classical Awards. National broadcasts of the finalist concerts increase the profile of these extremely talented artists as they compete for a \$21,000 award in each genre and benefit from national broadcast opportunities. In addition, this partnership also supports the presentation of new works by jazz Fellows.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

SIMA reached a more diverse audience due to the nature of its streamed events, enabling the company to reach audiences it could not reach prior to producing digital events. SIMA continued to develop its regional audience base via its Regional Touring Fund which saw 19 artists travel to 15 destinations. SIMA also nurtured relationships with cultural institutions in regional NSW with a special digital performance series, 'Free Space', highlighting local artists streamed from regional galleries.

Performance targets from SIMA's 2016 – 2020 Strategic Plan were dependent on an increase to SIMA's base level funding for a four-year period from the Australia Council for the Arts. However, SIMA performed strongly in most areas, despite limitations to performance as a result of COVID-19.

Targets during this period relating to substantial increases in donations and membership were dependent on funding to support a dedicated position to drive growth in these areas, which SIMA has not been able to fund in recent years. During 2020, SIMA had the stability of funding from federal, local and State funding, and multi-year grants from Create NSW, Australia Council and City of Sydney for Sydney International Women's Jazz Festival, which also received confirmation of multi-year funding from the Anthony and Sharon Lee Foundation for the 2019 – 2021 period. From 2021, SIMA will return to annual funding from Create NSW.

The strategic focus in 2020 was:

i. Consolidation of SIMA's Regional Touring Fund to support tour-ready artists and ensembles to realise regional touring opportunities in NSW and nationally. The program provides operational, financial and promotional support. It will offer significant opportunities for networking and resource-sharing, and provide artists with publicity contacts and venue/presenter networks to integrate and consolidate the program objectives, whilst providing multiple benefits for touring artists.

ii. Continuation of the Sydney International Women's Jazz Festival, to include artists of

world-wide reputation, such as Terri Lyne Carrington, and the continuation of key

opportunities for women as band leaders, composers and performers to perform for Sydney audiences. In 2020, due to the restrictions arising from the pandemic, the Festival was necessarily restricted to a NSW program.

iii. SIMA's partnerships with a national touring network, such as the Sydney Conservatorium, Perth International Jazz Festival, Melbourne International Jazz Festival and the Ettalong Jazz Festival, offer opportunities to present shows in Sydney by international artists such as Bill Frisell. This approach helps to defray international touring costs across multiple events.

iv. Local presenting partners such as Regional Galleries and Waverley Council provide SIMA with increased capacity to program events and festivals with performance guarantees for local artists.

SIMA values its continued status as a resident company of the City of Sydney-owned 107 Projects at Joynton Avenue Creative Centre (JACC). The residency offers real opportunities to develop audiences in a newly developed neighbourhood which until now has had limited access to music venues and cultural activities. SIMA's status as a resident allows SIMA to present music at JACC in exchange for rental subsidy, providing employment opportunities for artists. SIMA will seek to amortise costs for the presentation of key Australian and interstate artists through festival and other key partnerships.

SIMA will continue to pursue its policy of strategic partnerships to expand its program, giving access where possible to new venues and new educational and performance opportunities.

In the opinion of the Directors, there were no significant changes in the state of affairs of SIMA that occurred during the financial year under review.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

Goal	Target	Progress in 2020
Artistic excellence	<ul style="list-style-type: none"> Commission two new works Premiere four new works Facilitate six larger scale productions (more than eight musicians) 85% positive feedback by Artistic Advisory Group, media reviews, audience surveys Commission two new works Premiere four new works Facilitate six larger scale productions (more than eight musicians) 	<p><i>Achieved</i> <i>Exceeded</i> <i>Exceeded</i></p> <p><i>Achieved</i></p> <p><i>Achieved</i> <i>Exceeded</i> <i>Exceeded</i></p>
Grow audiences	<ul style="list-style-type: none"> Achieve audience satisfaction rating of 85% Five performances in regional NSW Increase audience to 150,000 including digital media Six performances to be presented in Western Sydney 	<p><i>Achieved</i></p> <p><i>Exceeded</i></p> <p><i>Partially Achieved</i></p> <p><i>Not Achieved</i></p>
Education and Artist Development	<ul style="list-style-type: none"> Present 24 Sydney Women's Jazz Workshops nationally Present two Cool for School events 	<p><i>Partially Achieved</i></p> <p><i>Not Achieved</i></p>
Strengthen the sector	<ul style="list-style-type: none"> Present 10-12 international artists Present 16 interstate artists 	<p><i>Partially Achieved</i></p> <p><i>Partially Achieved</i></p>
Sustainability	<ul style="list-style-type: none"> Increase membership base to \$5,000 Increase box office revenue to \$159,653 	<p><i>Partially Achieved (\$4.8K)</i></p> <p><i>Partially Achieved (\$90K)</i></p>

7.0 Corporate Governance and SIMA's Committee

7.1 Office-Bearers, the Committee and Processes

Under SIMA's Constitution, SIMA must have four Office-Bearers, namely the President, Vice-President, Secretary and Treasurer, and may have up to 9 Committee members in total. The Committee is supported by two sub-committees, one focusing on Finance, and the other on programming, acting in a support and advisory capacity to the Artistic Director.

The Office-Bearers and the Committee have ultimate responsibility for SIMA, even though operating authority is delegated to management via the General Manager. SIMA's Constitution provides for the Committee to comprise a minimum of six and a maximum of nine members (referred to in this report as directors) and is intended to incorporate a range of skills and experience that are relevant to SIMA's governance needs and stakeholder profile. The Committee is supported by two sub-committees that focus on Finance and Programming, which act in a support and advisory capacity to the Artistic Director.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report

For the Year Ended 31 December 2020

7.2 The Committee (Directors)

The appointment of Directors of SIMA and their respective roles during the end of the financial year ending 31 December 2020 are identified in the table below.

Director & Role	Period of Appointment
Emeritus Professor Di Yerbury, AO, President	Appointed October 2013 Appointed as President 2014
Raphael Tarazy, Treasurer	Appointed April 2014 as Treasurer
Iain Rothwell, Vice-President & Chair of Finance Committee	Appointed August 2018 as Chair of Finance Committee, & as Vice-President in June 2019
Kirstin Fischer, Secretary	Appointed August 2018 as Secretary
Brett Boon	Appointed June 2019 to SIMA Committee
David Theak	Appointed June 2019 to SIMA Committee
Jackson Harrison	Appointed June 2019 to SIMA Committee
Katy Tyrrell	Appointed June 2019 to SIMA Committee

7.3 Information About SIMA Directors In 2020

Di Yerbury, AO: Di was Telstra NSW Businesswoman of the Year, 2001, and was honoured by the Claes Nobel World Betterment Award, 2016. An industrial lawyer, she was Australia's first female First Assistant Secretary (in charge of National Wage Cases and Industrial Relations Policy); first female Professor of Management (as a founding professor of the Australian Graduate School of Management at UNSW); and first female Vice-Chancellor (appointed to Macquarie University in 1987). A previous CEO of the Australia Council for the Arts, she has chaired many arts, education, business boards and start-up companies since 1983, including as a Governor of the Sydney Conservatorium of Music, and as previous Chair and current Patron of the Australian Youth Orchestra. She also conducts governance reviews of private colleges for purposes of TEQSA's regulatory requirements.

Iain Rothwell: Iain has 23 years' experience in the education sector with a particular focus on the commercial interface. He has held a range of executive roles, most recently Chief Commercial Officer of Navitas, and has also been both a CFO and CEO. He has held a range of board appointments, with significant experience in innovation and business start-ups as a founder, director and a mentor. He is a co-founder of MultiLit Pty Ltd, a literacy business where he continues as Managing Director. Iain is a Certified Practising Accountant (CPA).

Kirstin Fischer: A corporate lawyer, with a practising certificate and AICD qualifications and membership, Kirstin has led a consultancy group at Ernst & Young, with a strong focus on the arts. Now with NSW Transport, she manages a \$2.5 billion regional transport program. She is Secretary also on the Board of Stalker Productions, a multi-arts physical theatre for all ages, operating on a global scale, with a leading edge in the use of immersive and interactive digital arts.

Raphael Tarazy: Raph's qualifications are in Economics and Finance, and his working life has been primarily spent in financial planning, real estate and property management in the private and public sectors. As SIMA's Treasurer, he has been on SIMA's Finance Committee since its inception.

Brett Boon: Brett, a lawyer, is a partner at the national law firm, Thomson Geer, where he specialises in the provision of legal advice to the Gaming and Leisure Industry, having more than 25 years' specialised experience in this field. Brett played a valuable role in connection with the introduction of the Sydney International Women's Festival. He has also generously assisted SIMA with expert legal advice over a number of years.

David Theak: Jazz saxophonist, educator and band leader. National Jazz Award Finalist (2003), Senior Lecturer in Jazz Studies at the Sydney Conservatorium of Music (2006 - present) and Artistic Director of the Australian National Jazz Orchestra and the Sydney Conservatorium International Jazz Festival (2017 - present).

Jackson Harrison: Solicitor and practitioner in commercial law, specialising in Copywrite Law, Jackson is also a jazz pianist and composer, and winner of the 2006 National Jazz Award.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Committee's Report For the Year Ended 31 December 2020

Katy Tyrrell: Katy is a senior executive with experience working across the philanthropic, not for profit and for purpose sectors. Katy currently works for the National Justice Project and Melbourne Symphony Orchestra. She is a Board Member for Regional Opportunities Australia and Curious Works. Katy also volunteers as a Primary School Ethics Teacher. She has previously worked for The Balnaves Foundation, Philanthropy Australia, Australia Council for the Arts, Milk Crate Theatre, Darlinghurst Theatre and Sculpture by the Sea.

7.4 Meetings of Committee Members

Meetings are typically held four times a year. Meetings were held in 2020 on the following dates:

- Tuesday, March 17, 2020
- Tuesday, July 14, 2020
- Tuesday, September 17, 2020
- Tuesday, October 27, 2020

7.5 Corporate Governance Objectives

The Directors believe that sound corporate governance practices will help SIMA better achieve its objectives whilst facilitating conformance with the multiple requirements that SIMA operates within.

The committee seeks to apply best practice principles and recognises the expectations of funding supporters that provide public money (grant income) and private sources (donations) to enable SIMA to achieve its objectives.

The regulatory framework and legislation most relevant to SIMA includes:

- Australian Charities and Not-for-profits Commission Act 2012
- Associations Incorporation Act 2009 (NSW)
- Charitable Fundraising Act 1991 (NSW)
- Income Tax Assessment Act 1997

Environmental regulation

SIMA's operations are not subject to significant environmental regulations under Commonwealth or State legislation.

Events after the reporting date

As the COVID-19 pandemic continues to create uncertainty in both local and global communities and economies, the Association continues to consider the impact on its future operations and undertake appropriate measures and precautions in response.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Signed in accordance with a resolution of the Members of the Committee:



President

Professor Di Yerbury, AO

Dated 30 June 2021

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
Income			
Grant income	3	266,367	143,000
Other income	3	207,199	200,420
Employee benefits expense		(129,970)	(120,459)
Depreciation expense		-	(13)
Other operating expenses	4	(205,939)	(220,718)
Surplus before income tax		137,657	2,230
Income tax expense	2(a)	-	-
Surplus after income tax		137,657	2,230
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		137,657	2,230

The accompanying notes form part of these financial statements.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Statement of Financial Position

As At 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	174,329	57,883
Trade and other receivables	6	37,228	12,717
Other assets	7	-	13,987
TOTAL CURRENT ASSETS		<u>211,557</u>	<u>84,587</u>
TOTAL ASSETS		<u>211,557</u>	<u>84,587</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	17,760	17,882
Employee benefits	9	5,957	7,785
Deferred revenue	10	31,593	40,000
Other liabilities		-	330
TOTAL CURRENT LIABILITIES		<u>55,310</u>	<u>65,997</u>
TOTAL LIABILITIES		<u>55,310</u>	<u>65,997</u>
NET ASSETS		<u>156,247</u>	<u>18,590</u>
EQUITY			
Retained Surplus		<u>156,247</u>	<u>18,590</u>
TOTAL EQUITY		<u>156,247</u>	<u>18,590</u>

The accompanying notes form part of these financial statements.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Statement of Changes in Equity For the Year Ended 31 December 2020

2020

	Retained Surplus	Total
	\$	\$
Balance at 1 January 2020	18,590	18,590
Surplus attributable to members	137,657	137,657
Balance at 31 December 2020	156,247	156,247

2019

	Retained Surplus	Total
	\$	\$
Balance at 1 January 2019	16,360	16,360
Surplus attributable to members	2,230	2,230
Balance at 31 December 2019	18,590	18,590

The accompanying notes form part of these financial statements.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from grants	321,760	183,000
Receipts from workshop fees	-	10,530
Receipts from box office	38,925	63,950
Receipts from management fees	25,455	25,455
Receipts from membership fees	4,129	4,804
Receipts from performance fees	46,338	25,780
Other receipts	-	50
Reimbursements	1,035	21,680
Payments to suppliers and employees	(348,714)	(361,547)
Donations received	26,561	48,157
Interest received	957	64
Net cash provided by operating activities	116,446	21,923
Net increase in cash and cash equivalents held	116,446	21,923
Cash and cash equivalents at beginning of year	57,883	35,960
Cash and cash equivalents at end of financial year	5 <u><u>174,329</u></u>	<u><u>57,883</u></u>

The accompanying notes form part of these financial statements.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

The financial report covers Sydney Improvised Music Association Incorporated (SIMA) as an individual entity. SIMA is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2016* ('the Act').

The functional and presentation currency of Sydney Improvised Music Association Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Committee (subsequently referred to as members), SIMA is not publicly accountable. These financial statements are Tier 2 general purpose financial statements that have been prepared on an accruals basis and in accordance with Australian Accounting Standards - Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Accounting policies

Accounting policies for items analysed in notes to these financial statements are described in those notes, other significant accounting policies are described below. Except for the change explained in Note 2(k), SIMA has consistently applied these accounting policies to all periods presented in these financial statements.

(c) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies (cont'd)

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	10%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Association's trade and other receivables fall into this category of financial instruments.

Financial liabilities

The Association's financial liabilities include borrowings, trade and other payables.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

Impairment of Financial Assets

At the end of the reporting period the Association assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Leases

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies (cont'd)

(i) Employee benefits (cont'd)

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

(j) Economic dependence

SIMA is partially dependent on grants from Arts NSW and Australia Council for the Arts to deliver its educational and performance programs. The funding from these two bodies currently make up 57% (2019: 42%) of total revenue.

(k) Use of Judgements and estimates

The Association has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

(l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided not to early adopt these Standards.

(m) Segment Information

SIMA undertakes activities that promotes Jazz through:

- Education
- Women in Jazz
- Presentation of high quality Australian and international performers.

These activities are delivered by a support function where grant income is not specifically advanced for one of the core segments is reported.

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

3 Revenue and Other Income

Revenue

	2020	2019
	\$	\$
Grant income		
- Philanthropic Grant	10,867	-
- Local Government	46,500	16,000
- Freeman Grant	-	12,000
- Australia Council	40,000	20,000
- Arts NSW	155,000	90,000
- APRA	14,000	5,000
Total grant income	266,367	143,000
Other Income		
- Box office receipts	38,925	63,950
- Donations & fundraising	26,561	48,157
- Performance fees	46,338	25,780
- Management fees	25,455	25,455
- Reimbursements	1,035	21,680
- Workshop fees	-	8,905
- Membership fees	4,129	4,804
- Instrument hire	-	825
- Advertising	-	750
- Miscellaneous	-	50
- Job keeper/Cash flow boost	63,800	-
- Interest income	956	64
Total other income	207,199	200,420

4 Result for the Year

The result for the year includes the following specific expenses:

Other expenses:

Advertising	33,506	24,426
Travel - domestic	1,531	18,283
Consulting and professional fees	-	1,100
Venue hire and technical expense	27,156	23,559
Artist fees	92,479	99,051

5 Cash and Cash Equivalents

Cash at bank and in hand	174,329	57,883
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Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

6 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	<u>37,228</u>	<u>12,717</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

7 Other Assets

CURRENT		
Accrued income	<u>-</u>	<u>13,987</u>

8 Trade and Other Payables

CURRENT		
Trade payables	8,935	11,915
GST payable	6,325	3,314
Sundry payables and accrued expenses	<u>2,500</u>	<u>2,653</u>
	<u>17,760</u>	<u>17,882</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

9 Employee Benefits

CURRENT		
Provision for employee benefits	<u>5,957</u>	<u>7,785</u>

10 Deferred Income

CURRENT		
Deferred income from Australia Council	<u>31,593</u>	<u>40,000</u>

11 Auditors' Remuneration

- auditing or reviewing the financial statements of subsidiaries	<u>5,727</u>	<u>4,008</u>
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Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Notes to the Financial Statements For the Year Ended 31 December 2020

12 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2020 (31 December 2019: None).

13 Related Parties

(a) Transactions involving committee members

SIMA's President is a board member of the Sydney International Jazz Festival with whom SIMA co-presents the Sydney International Women's Jazz Festival.

All Committee members are members of SIMA and pay membership fees which entitles them to attend performances at the same beneficial ticket prices as all other members.

(b) Key Management Personnel

The Key Management Personnel during the year were the Members listed on page 1 and Amy Curl, General Manager. Key management personnel remuneration for the year was \$ 60,500 (2019: \$50,830). No Committee members received remuneration for their roles.

14 Events Occurring After the Reporting Date

As the COVID-19 pandemic continues to create uncertainty in both local and global communities and economies, the Association continues to consider the impact on its future operations and undertake appropriate measures and precautions in response.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

15 Statutory Information

The registered office and principal place of business of the Association is:

Sydney Improvised Music Association Incorporated
3a Joynton Ave
Zetland NSW 2017

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

Statement by Members of the Committee

In the opinion of the Committee members of Sydney Improvised Music Association (SIMA)

1. SIMA is not publicly accountable;
2. The financial statements and notes, as set out on pages 4 to 14, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act 2009* :
 - (a) giving a true and fair view of the financial position of SIMA as at 31 December 2020 and of its performance for the financial year ended on that date; and
 - (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Regulation 2013* and *Associations Incorporation Regulation 2016*; and
 - (c) there are reasonable grounds to believe that SIMA will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee members.



President
Professor Di Yerbury, AO

Dated 30 June 2021

Sydney Improvised Music Association Incorporated

Independent Auditor's Review Report to the members of Sydney Improvised Music Association Incorporated

Report on the Review of the Financial Report

Conclusion

We have reviewed the accompanying Yearly Financial Report of Sydney Improvised Music Association Incorporated (the association), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income for the year ended 31 December 2020, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee members' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Yearly Financial Report of Sydney Improvised Music Association Incorporated is not in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act 2009*, including:

- giving a true and fair view of the Association's financial position as at 31 December 2020 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act 2009*.

Members' Responsibility for the Yearly Financial Report

The Members of the Association are responsible for:

- the preparation of the Yearly Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and *Associations Incorporation Act 2009*; and
- for such internal control as the Members determine is necessary to enable the preparation of the Yearly Financial Report that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Sydney Improvised Music Association Incorporated

Independent Auditor's Review Report to the members of Sydney Improvised Music Association Incorporated

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the Yearly Financial Report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement *ASRE 2415 Review of a Financial Report: Association Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation (Compiled)*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the Yearly Financial Report is not in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 and Associations Incorporation Act 2009* including: giving a true and fair view of the Association's financial position as at 31 December 2020 and its performance for the year ended on that date; and complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting and the Australian Charities and Not-for-profits Commission Act 2012 and Associations Incorporation Act 2009*. As the auditor of Sydney Improvised Music Association Incorporated, ASRE 2415 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Yearly Financial Report consists of making enquires, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting or review we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 and Associations Incorporation Act 2009*.

DFK Laurence Varnay Auditors Pty Ltd



Faizal Ajmat
Director

Sydney
30 June 2021

22

Local knowledge. National connections. Global reach.



DFK Laurence Varnay is a member of DFK International, a worldwide association of independent accounting firms and business advisers. Our DFK membership means that we can assist you with expanding your business overseas by networking with other member firms. You can have the essential combination of global reach and local knowledge.

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Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

For the Year Ended 31 December 2020

Disclaimer

The additional financial data presented on page 20 is in accordance with the books and records of the Association which have been subjected to the auditing procedures applied in our statutory audit of the Association for the year ended 31 December 2020. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Sydney Improvised Music Association Incorporated) in respect of such data, including any errors or omissions therein however caused.

DFK Laurence Varnay Auditors Pty Ltd



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Faizal Ajmat, Director

Dated 30 June 2021

Sydney Improvised Music Association Incorporated

ABN: 72 643 038 240

For the Year Ended 31 December 2020

Profit and Loss Account

	2020	2019
	\$	\$
Income		
Administration and management fees	25,455	25,455
Membership fees	4,129	4,804
Performance fee	46,338	25,780
Grant income	266,367	143,000
Interest income	956	64
Box office receipts	38,925	63,950
Jobkeeper and Cash Flow Boost	63,800	-
Donations	26,561	48,157
Workshop fees	-	8,905
Reimbursements	1,035	21,680
Instrument hire	-	825
Advertising	-	750
Miscellaneous	-	50
Total income	473,566	343,420
Less: Expenses		
Accounting fees	10,437	7,481
Administration and management fees	12,305	8,089
Advertising	33,506	24,426
Auditors remuneration	5,727	4,008
Catering expenses	2,685	2,695
Ticket booking fee	11	601
Consulting and professional fees	-	1,100
Depreciation	-	13
Entertainment	1,148	1,325
Equipment < \$300	420	291
Artist fees	92,479	99,051
Bank fees	517	691
Fines and penalties	116	-
Insurance	3,640	3,712
IT Expenses	-	720
Venue hire and production expense	27,156	23,559
License fees	176	509
Postage	642	1,647
Printing and stationery	1,602	8,871
Rent	7,500	4,483
Salaries	115,752	119,094
Software expenses	968	5,222
Subscriptions	1,332	968
Sundry expenses	410	2,538
Superannuation contributions	13,459	1,365
Telephone and fax	437	435
Travel - domestic	1,531	18,283
Workers compensation insurance	758	-
Other expenses	1,195	13
Total Expenses	335,909	341,190
Surplus before income tax	137,657	2,230