



2022 ANNUAL REPORT AND ACCOUNTS



JNF Charitable Trust
Company Number 355248
Charity Number 225910

*“It is not enough to be up to date;
you have to be up to tomorrow”.*

David Ben Gurion

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Chairman's Review

Samuel Hayek, Chairman, JNF UK



For the last 120 years JNF UK has worked tirelessly to develop the State of Israel and, after 1948, to ensure its ongoing growth and success.

I am delighted to present the financial review of JNF UK's activities for the year ending 31 December 2022. It has been a year of dedication and hard work and I am incredibly proud of our achievements during this time.

First and foremost, I want to express my gratitude to all our donors and supporters who have been instrumental in helping us make a positive impact in Israel. The generosity of our donors has enabled us to continue our mission of developing and supporting communities across the country. From our humble beginnings of planting the first forest in Ben Shemen and establishing the city of Tel Aviv, JNF UK has completed hundreds of projects, which have helped to build new communities and transform entire cities.

I am pleased to report that the Charity maintains a strong balance sheet, providing us with a solid foundation and a springboard for further expansion of our activities and charitable endeavours in Israel. Our prudent financial management ensures that every resource is utilised efficiently, maximising the impact of our efforts.

While the Charity's income remains robust, I acknowledge that fundraising for Israel has been challenging, particularly due to the slowdown in activities resulting from the pandemic and the rising living costs in the UK, which have impacted charitable giving. Despite these obstacles, we remain steadfast in our commitment to our cause and we are working to address these challenges head-on.

Every penny of donations is used with the utmost care. Our projects in the Negev and Galilee uplift communities, providing them with essential education, healthcare, and employment opportunities. Our unwavering commitment is to improve peoples' lives and ensure their well-being.

Looking ahead, we remain driven by the words of David Ben Gurion, who said, "It is not enough to be up to date; you have to be up to tomorrow." We are determined to continue supporting Israel's peripheries and we will continue to stand by Israel's side, every step of the way to secure Israel's future as much today as in 1948.

A handwritten signature in blue ink, which appears to read 'Samuel Hayek'. The signature is stylized with a large, looping 'S' and 'H'.

Samuel Hayek
Chairman



Who we are

History and Heritage

Since its founding in 1901, JNF/KKL and its various member organisations around the world, including JNF UK, have played a significant role in building and developing the State of Israel

In 1939, the UK Charity Commission registered JNF Charitable Trust (the “Charity”), as a charity in England and Wales. The Charity operates under the name JNF UK for its day-to-day operations and for several decades has been entirely independent of JNF/KKL in Israel.

The organisation’s early focus on purchasing land, draining swamps, and planting trees helped to lay the foundations for a flourishing nation. Since then, JNFs from around the world have built reservoirs, created parks and developed land, all of which have contributed to the growth and advancement of Israel’s infrastructure.

JNF UK’s work is continually evolving to meet the changing needs of Israel and its people, and today as the oldest charity in the UK dedicated to developing Israel, the organisation is committed to tackling the sustainability, environmental, social and economic challenges facing the people living in Israel’s peripheries.



JNF UK Today

The JNF/KKL original vision was the creation of a Jewish homeland in the land of our forefathers. Since then, JNF UK has played a significant part in the continued development of the young country, which has flourished into a tolerant, multicultural and liberal society.

Compared to Israel's well-developed centre, the country's peripheries are considerably less prosperous. The Negev region in Israel's south is where much of the charity's recent focus has been. This vast desert region comprises 60% of Israel's total landmass and currently houses barely 13% of its population.

JNF UK projects provide education, healthcare, employment, culture, environmental sustainability and more. Its vision is that the Negev and Galilee will play a key role in the development of Israel in the 21st century.

By partnering with communities, local mayors, municipalities, and a plethora of grassroots organisations, JNF UK has been able to touch the lives of countless residents by developing and growing these communities.

JNF UK's operations span four separate but related organisations. JNF Charitable Trust continues to support Israel's development through direct fundraising activities, including appeals and events, as well as its beloved Blue Box.



KKL Charity Accounts, operating under the trading name SmartGiving™, provides charity accounts, a fundraising platform and payroll giving service.

KKL Executor & Trustee Company Ltd (KKL E&T) is the legacy arm of JNF UK. It was the first UK organisation within the Jewish charity community responsible for the administration of estates, powers of attorney and executorship and assisting with the outsourcing of will drafting. KKL E&T is proud of the services it provides to the Jewish community in the UK, including providing personalised pastoral care services that are caring, professional and dependable.

JNF UK Israel Limited is the team responsible for managing the end to end process in Israel; identifying, executing and overseeing projects to the highest standards, ensuring that these projects meet their expected objectives and goals to ensure that the impact of donations is optimised.

Our Strategy

Our strategy is based on five main principles.

- Holistic Vision
- Project Selection
- Direct Involvement
- Social Investment
- Environmental Responsibility



Holistic Vision

JNF UK's holistic approach recognises that every aspect of a community is interconnected and that improvements in one area can have a positive ripple effect on others. By working closely with local mayors and municipalities, JNF UK has developed a deep understanding of the unique needs and challenges facing each community and has tailored its projects and initiatives accordingly.

Through its focus on education, employment, social and cultural activities, welfare and environmental improvements, JNF UK is working to create sustainable, thriving communities in Israel's peripheries. This is evidenced in the breadth of projects in Yerucham and Kiryat Malachi described later in this report.

JNF UK's holistic vision recognises that progress is not just about building infrastructure or generating economic opportunities, but about creating communities that are sustainable, resilient and vibrant, with scope for all members to thrive.

Project Selection

Investments look to make the greatest impact while achieving the best possible value for money.

JNF UK is looking for and investing in projects that have a significant social impact on the local community. Each year JNF UK receives hundreds of applications from organisations who know, better than anyone, what the needs of their communities are. JNF UK rigorously assesses the proposals to select the optimal projects and then provides support from the planning process right through to the completion of the project.

Direct Involvement

JNF UK is more than just a grant-giving organisation - it is directly involved in all stages of a project, ensuring it runs as efficiently and effectively as possible.

From architects and budgeting at the planning stages to cutting the ribbon upon completion, JNF UK is there to offer professional advice and supervision, if required.

JNF UK is proud of its “added value”, and the support it brings to projects in the form of financial and strategic advice, raw materials and teams of enthusiastic volunteers. This multiplies the impact of each pound donated to JNF UK.

Social Investment

JNF UK’s long-term social impact strategy focuses on projects that not only generate social, economic, environmental and cultural benefits but will also generate income for future reinvestment in further projects.

Looking ahead, these initiatives are critical for JNF UK to continue its life-changing work well into the future.

Environmental Responsibility

Over the past 120 years, JNF has been demonstrating leadership in environmental responsibility.

The organisation’s investment and understanding of the impact of global environmental issues and its obligation to future generations, encompass past, present and future initiatives. Examples include the construction of reservoirs to harvest flood and rainwater for irrigation, the establishment of community gardens in neighbourhoods and schools in towns across the Negev and educating children about sustainability and preservation through various school tree planting initiatives, especially around Tu B’Shtat.

JNF UK’s planned urban forestation in towns in the Negev, not only enhances the area’s beauty but also helps mitigate the effects of global warming.

Alongside KKL’s major afforestation campaigns, JNF UK and other Jewish National Funds worldwide have contributed to the planting of over 250 million trees. Thanks to this long-standing tree-planting tradition, Israel entered the 21st century as one of only two countries to have a net gain in its number of trees.



Our Projects

JNF UK supports a wide array of different projects, primarily in the Negev region of Israel. The diversity of Israeli ingenuity, innovation and resourcefulness is reflected in the many inspiring projects in which the organisation is proudly invested and involved.



Showcasing Our Work

To illustrate the various aspects of our work, our projects are categorised as:

Community Spotlight These focus on Yerucham and Kiryat Malachi, two periphery underdeveloped towns, to show the quantity and value of work as part of JNF UK's holistic vision of improving the overall quality of life in the areas it supports.

Themed categories These contain projects covering education, medical, welfare and similar themes, illustrating the considerable breadth and diversity of the areas and sectors in which JNF UK is making an impact and a life-changing difference.

Yerucham

Founded in 1951, Yerucham is a development town southeast of Be'er Sheva with a population of approximately 12,100.

Yerucham has suffered high levels of social deprivation, poverty and a lack of investment in infrastructure. Located a significant distance from the centre of the country, in the Negev, makes it hard to attract new residents and retain existing ones.

Nonetheless, JNF UK has been working in tandem with the municipality over many years to help support positive change. Following the investment, the town's population has grown by 10% in the last five years having previously been in steady decline. The town's socio-economic ranking has risen from 3 (in 2020) to 4. The unemployment rate is the lowest it has ever been, at 6.5% down from 10% in 2020. Yerucham now ranks first in the Negev in the percentage of eligibility for matriculation from schools at 92.9%.

Below is a showcase of some of JNF UK's milestone projects that have made a substantial difference in encouraging more people to settle in Yerucham.

Early Education

Yerucham is home to over 2,000 children, aged between newborn and nine years, largely from low-income families. JNF UK identified that their basic needs were not being met due to a lack of early years infrastructure in the town. Between 2017 and 2019, JNF UK renovated 15 kindergartens, attended by around 500 children – roughly a quarter of all children in the town.

JNF UK also provided support for the construction of a brand-new day-care centre, which was completed by the local municipality. The facility officially opened in 2021.



Construction of After-School Centres – Moadoniot

Moadoniot (or after-school centres for at-risk children) are a nationally accepted and proven alternative to removing children from their family homes when they come from at-risk families. The project aims to serve as a “second” home to the children – a safe and welcoming place to enable each child to remain within their home environment and the community where they are growing up.

Moadoniot provide children with hot meals, help with homework and the opportunity to enjoy stimulating leisure activities in a protected and safe space. A comprehensive bespoke therapeutic treatment programme is designed for each child and their family.

In Yerucham, the three existing Moadoniot operate within three small, old apartments which are unable to meet the specific needs required effectively to cater for young children.

In 2022, JNF UK committed to establishing two Moadoniot, each measuring approximately 2,000 sq.ft and designed as homes. They will consist of a living room, a bathroom, a kitchen, a learning room, two activity rooms and a treatment room.



Expansion and Renovation of Yerucham Music Conservatory

Yerucham's music conservatory was old, run down and too small to meet demand. It was an unattractive place to study and play music.

Jointly, with the young and dynamic centre manager, JNF UK created a plan to expand and modernise the conservatory to bring it into the 21st century. The initial renovation work and the construction of a new wing were completed in 2020 and fully equipped in 2022.

Since the inauguration of the new conservatory, not only has its utilisation risen, but it also now features an academic degree programme.

Development of the Entrances to the Town

As part of the long-term strategic plans for Yerucham, new neighbourhoods are being built.

JNF UK is assisting the municipality by developing Yerucham's entrances and is helping to beautify its public spaces to attract new families to live there and to give the town's reputation a boost.

JNF UK has built a park lined with trees and shrubbery. It has installed an observation point, cycle paths and new pavements.

Yerucham's town entrance and promenade were dedicated in honour of Israel's seventh Prime Minister, Yitzhak Shamir and inaugurated in November 2022.

Expanding the Senior and Special Needs Employment Centre

The unique Senior and Special Needs Employment Centre is a working factory that has been modified to employ the elderly and those with special needs, such as those with physical and learning disabilities. Not only does this help tackle unemployment in the town, but it also provides a variety of positive benefits such as a sense of self-worth and belonging, as well as boosting employees enabling the workers to earn a salary.

The facility had not been renovated since 1999 and no longer met current standards. The building was too small and crowded, resulting in a waiting list of up to two years.

JNF UK assisted the municipality in expanding and improving the building, including constructing an accompanying warehouse, a dining room and a reinforced bomb shelter. The Centre's capacity has doubled and can now accommodate approximately 100 employees.

The new Senior and Special Needs Employment Centre was opened and inaugurated in November 2022.



Kiryat Malachi

Situated on the northern edge of the Negev, Kiryat Malachi is a development town in the south of Israel with a population of 28,500 and a socio-economic rating of just 4 out of 10. The town's demographic includes many Olim from Ethiopia and the former Soviet Union.

Since 2014, JNF UK has been committed to transforming Kiryat Malachi. From the outset of JNF UK's support, the town has grown from 23,750 in 2015 to 28,500 in 2022, with some significant and large residential development in the town to accommodate this growth.

The percentage of residents in receipt of welfare provisions has reduced from 40% to 17% over the period.



Development of the Entrances into the Town

The main entrance to Kiryat Malachi was dilapidated and poorly maintained. Positioned near a major highway, it conveyed the impression that the town was run down and impoverished.

JNF UK undertook the task of renovating both primary entrances to the town and creating an accompanying boulevard. The inauguration of the refreshed city entrance and welcoming Yitzhak Shamir Boulevard took place in November 2021.

As well as the aesthetic improvements, further new greenery was added in 2022, once the Shmita year had passed, imparting additional environmental benefits for this development town.

Renovation and Upgrade of the Town's Main Square

The main square of Kiryat Malachi comprises a one-storey chain of buildings which are old, dilapidated and in need of major renovation. As with the town entrances, such neglected public spaces contribute to the negative perception of the town by its residents and visitors.

JNF UK is now committed to supporting the renovation of the main square as part of a larger strategic partnership that will generate a long-term impact, improving the lives of all the residents of Kiryat Malachi over the coming years. This renovation project is being completed in three separate stages, starting in 2022. The final stage is due to be completed in late 2023.

Early Education: Renovation of Kindergartens

Kiryat Malachi's old kindergartens had fallen into disrepair.

2022 saw the continuation of the kindergarten renovation project started in 2015 to renovate all the kindergartens across the city ensuring that every child has access to quality facilities. This ambitious project involved significant planning as well as renovation work inside and outside the kindergartens, including painting and decorating, fitting air conditioning units, repairing roofs, fixing toilets and installing playground equipment.

To date, more than half of the work has been completed with a plan to complete all kindergartens by the end of 2024.

Excellence in Innovative Educational Support

Introducing a fresh approach to educational support, JNF UK helped establish a world class "House of Excellence" to assist all teenagers. It is designed to provide both remedial tuition on a one-to-one basis for those at risk of dropping out, as well as extracurricular tuition for students to help achieve their full potential.

This state-of-the-art building consists of multiple learning spaces and relaxation areas. Teenagers can access the House free of charge after school hours for extra help in core subjects such as English, mathematics, and science, as well as classes in hi-tech, technological entrepreneurship and innovation.

In late 2020, the House of Excellence opened its doors, benefiting hundreds of students, before being inaugurated by JNF UK in November 2021. Following on from this success, JNF UK has committed to fund a further House of Excellence in Akko.



Renovation of School Sports Facilities

One of the major shortfalls in Kiryat Malachi's public infrastructure is its sports facilities. Schoolchildren use the facilities for sports activities and larger gatherings during the morning and over lunchtime. In the afternoons, they are available to the wider public for after-school activities run by the local community.

Of the eight sports halls in the city, four are located inside schools and are over 30 years old. In 2020, JNF UK began its project to renovate and equip these four sports halls which were in poor physical condition and unsuitable for existing requirements. Renovation works were completed in all four sports halls in 2022.



New Day Care Centre – Karmei Hanadiv

Kiryat Malachi has a chronic shortage of early years daycare facilities. The new Karmei Hanadiv neighbourhood houses 1,000 young families, with a further 2,200 homes in the building or planning phase. Unfortunately, there are insufficient daycare centres available to cater to the needs of these new families.

In 2022, JNF UK pledged to establish a new day care centre in Karmei Hanadiv accommodating up to 80 children. The centre will have three classes for babies and toddlers up to three years old. A gymnasium complex, outdoor courtyard and playgrounds will be developed to promote child development.



Renovation of the Music and Dance Centre

The Community Centre in Kiryat Malachi has been serving the residents of the town and the surrounding area since 1976. It offers informal education, cultural, sports, and enrichment programmes to all residents, including those from neighbouring areas. Due to the increased needs of the town, the Community Centre conducts its activities in various locations.

JNF UK has committed to renovating the Music and Dance Centre in Kiryat Malachi, which hosts dance classes for 160 students and a music school for 110 students. The current building is nearly 40 years old and is in dire need of renovation, including new dance floors and acoustic rooms. The structure of the building also requires upgrading to meet safety and accessibility standards.

This renovation project will span 6500 sq.ft and will include a seventy-seat concert hall, six private rehearsal rooms, two rooms for group music ensembles, a gathering hall for class concerts, and two large dance studios. All areas will be fully equipped and completely renovated.

Work is due to start towards the end of 2023.



HEALTH

Chimes – New State of the Art Rehabilitative Day Care Centre in Ashkelon

Established 30 years ago, Chimes' aim is to improve the quality of life and the level of services available to people with physical and/or mental disabilities, while promoting their integration into society.

Chimes' facilities in Ashkelon care for approximately 80 children from western Negev and their families. Currently, the rehabilitative outpatient facilities in Ashkelon operate out of four rented, overcrowded and inadequate residential homes, with several children being bussed in daily to Rehovot due to the lack of capacity.

In 2022, JNF UK approved funding for the construction of a new, 8,500 sq.ft state-of-the-art facility providing four large classrooms, treatment and rehabilitation rooms and a kitchen.

Yad Tamar

Established in 2009, Yad Tamar aims to assist cancer patients and their families by helping strengthen their emotional well-being and economic stability.

Their HUG Model (Help. Understand. Give.) for patients suffering long-term illness, draws upon the goodwill of the public to help by empowering the broader community to become the front line of support in a way that is kind, effective and non-intrusive.

JNF UK has funded Yad Tamar since 2017, enabling the charity to expand its operations and provide social relief and assistance to more families. The organisation supported close to 2000 people in 2022 with the ambitious goal to exceed this number in 2023 and then reach many more communities over the next decade.



Marianne Early Childhood and Family Centre

Marianne Early Childhood and Family Centre

Marianne Early Childhood and Family Centre, located in the city of Kiryat Gat, provides early childhood services including daycare and specialised services for children with ADHD, autism and other special needs.

The Centre includes a therapeutic unit providing speech and language therapy, occupational therapy, physiotherapy and therapy for children with emotional difficulties. This is the only facility of its kind in the area.

With high demand and lengthy waiting lists, JNF UK supported the expansion of the therapeutic unit with the building of a second floor. This trebled the number of rooms, with the addition of a further 13, allowing for the provision of over 12,000 treatments for more than 900 children.

The centre officially opened in November 2022.

WELFARE

Tenufa Bakehila (Building Hope)

Tenufa Bakehila transforms the lives of people living in dangerously dilapidated homes. The professional tradesmen and volunteers work to address problems in the homes, such as repairing burst pipes, fixing hazardous electrics and replacing ceilings, while dedicated social workers address the wider issues preventing families from being self-reliant.

JNF UK began supporting this organisation in 2017 and has assisted in the renovation of over 800 homes in places such as Sderot, Kiryat Malachi and Ashkelon, which in turn, has helped restore dignity to 2,500 people. In 2022 alone, over 200 homes were repaired, improving the lives of over 600 people.

JNF UK's 2022 Rosh Hashanah Appeal raised further funds for Tenufa Bakehila to help carry out essential repairs and upgrades to the homes of those most in need.



Akko Community Dental Clinic

JNF UK's 2022 Green Sunday Appeal supported the Akko Community Dental Clinic, which provides life-altering treatment to the financially disadvantaged residents of Akko.

The Akko Community Dental Clinic provides those in desperate need access to crucial dental and emotional care that in some cases can be lifesaving.

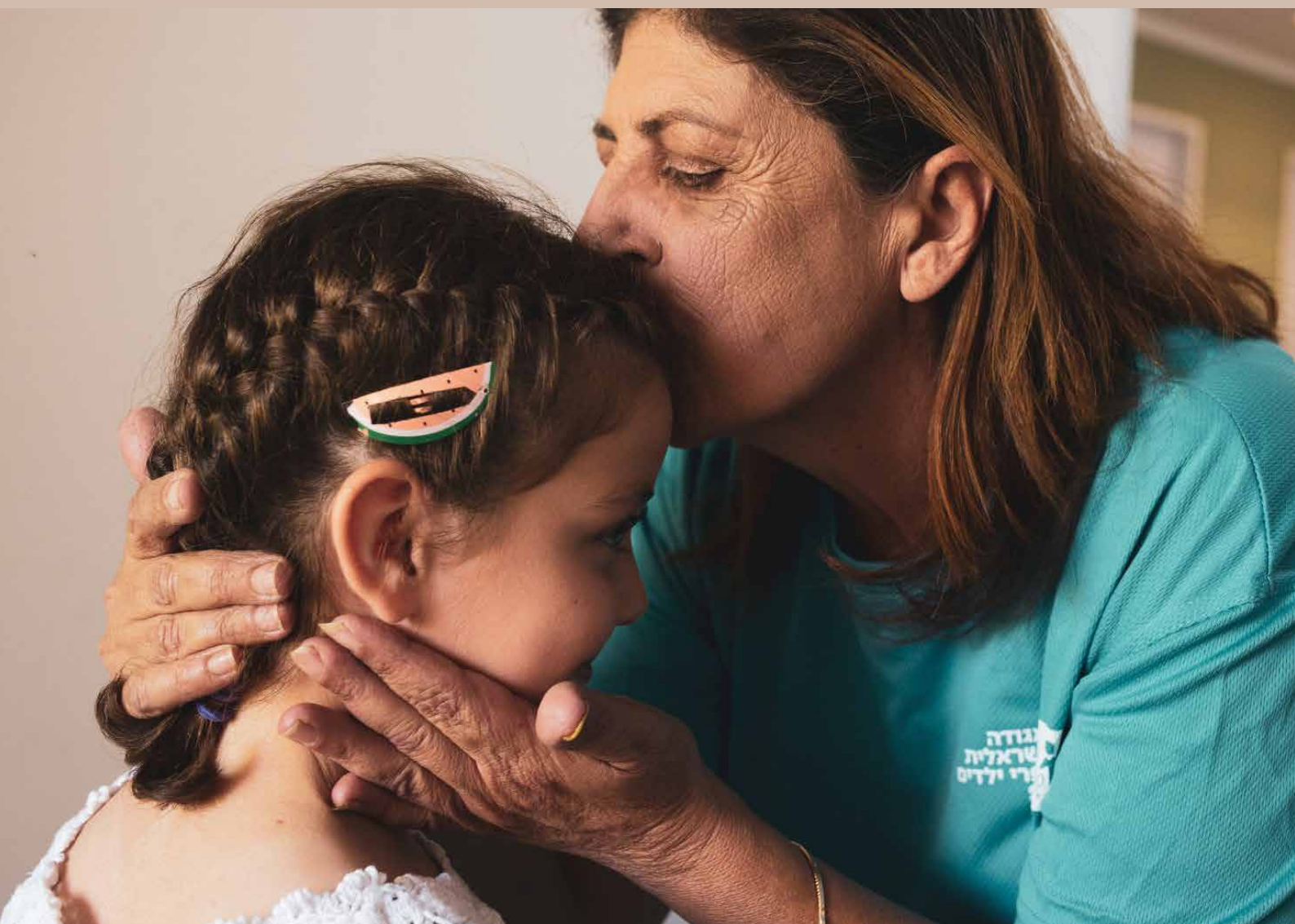
During 2022, JNF UK positively impacted the lives of over 160 patients who received treatment over the course of almost 600 visits.

Neradim Village – Expansion of the Emergency Centre in Arad

The Neradim Village in Arad serves as a haven and loving home for approximately 90 at-risk children, who have suffered poverty, neglect, violence or abuse.

The Emergency Centre, located within the village, is an immediate-care secure unit for children aged 3-13 years old who arrive at short notice having been urgently removed from their homes. The facilities are situated in an old temporary building, with insufficient treatment rooms, and classrooms which are too small to accommodate the residents.

In 2022 JNF UK agreed to fund the construction of a new building that will provide five new treatment rooms, two classrooms, a computer room and a relaxation room. As part of the project, the area surrounding the new building will be developed into a small playground and garden. Since the children in the centre are not allowed to socialise with other youngsters in Neradim, the need for these outdoor recreational areas is vital. Work is due to commence in 2023.



HOLOCAUST SURVIVORS

Project Connected

Israel has the largest Holocaust survivor community in the world, but many of them suffer from financial challenges and isolation.

Through its partnership with Project Connected, JNF UK aims to combat loneliness by bringing together teenagers and survivors to form meaningful and enduring relationships. As part of the initiative, Holocaust survivors are supplied with a home computer. Teenage volunteers then visit the survivors' homes to provide computer training, including useful programmes such as Microsoft Word, navigating the internet and using different social media platforms.

This project is a lifeline. It not only helps survivors acquire new skills but also connects them to the outside world and the wealth of information and entertainment that the internet can offer.

To date, JNF UK has funded over 220 computers and arranged weekly visits from volunteers. Further funding was approved in 2022 to support the project for another year.



The Immediate Assistance Fund

Despite receiving monthly pensions and other welfare benefits, approximately 25% of Holocaust survivors living in Israel face significant shortfalls in meeting their needs.

In 2022, JNF UK committed to funding The Immediate Assistance Fund, which provides micro-grants to over 400 Holocaust survivors in need, to cover bills, debt relief and provide other essential items like hearing aids, medicines, electrical products and basic furniture.



Living in Dignity

Since 2011 the Foundation for the Benefit of Holocaust Victims has renovated more than 1,750 flats for underprivileged Holocaust survivors. Their homes are upgraded, providing more suitable and safer environments, including providing wheelchair accessibility, installing safety accessories, transforming baths into walk-in showers and fixing plumbing and electrical hazards.

In 2022, JNF UK committed to supporting the project for a further year, which will add to the 50 flats already renovated.



ENVIRONMENT

Urban Forests

Over the past century, KKL/JNF has planted millions of trees across Israel, turning barren wastelands into thriving forests.

JNF UK is now focusing on “urban forestation” – the planting of mature trees in towns, cities and communities across Israel’s Negev and southern districts. Urban forest projects provide an abundance of benefits. They help purify the air, beautify an area and provide much-needed shade and shelter from the sweltering desert sun across public pathways, parks and schools.

Each urban forest project is unique and involves more than just planting. Often, JNF UK will landscape, lay grass, irrigate the land and add seating areas. Ongoing developments at various locations around the Negev include Yerucham, Kiryat Malachi, Mitzpe Ramon, Bnei Dekalim, Be’er Sheva, Kiryat Gat and the Carmit Community Village.

In Yerucham and Kiryat Malachi JNF UK’s urban forest initiatives form part of larger projects to update the town entrances including planting tree-lined paths and parks.

Public Park in Beit Jann

The Druze village on Mount Meron in northern Israel suffers from a lack of public areas such as parks and playgrounds, with the closest recreational space situated a car ride away. As many of the female residents do not drive, they don’t have the means to access these facilities for their children nor to socialise with other mothers.

JNF UK is funding the development of a new park in Beit Jann which will include playgrounds and picnic tables and will be a place where families can connect and children can play. Work has continued during 2022 with completion expected in 2023.

LONG-TERM SOCIAL IMPACT

The Valley (JNF UK Roburn Business Centre) and The Lab

With the vision of creating job opportunities in the Negev, JNF UK constructed the Valley, a state-of-the-art business centre in Mitzpe Ramon, named after John Roburn, a JNF UK donor.

The Valley, which opened in early 2018, provides office space for a digital marketing and new media agency. It has attracted a Fortune 500 company, global advertising agency McCann Erickson. This has increased the number of higher-paying roles and in turn the levels of disposable income, resulting in a positive net economic gain for the region.

To take the impact of this project one step forward, JNF UK has recently started supporting an educational programme taking place in McCann Erickson's offices. The programme includes the development of the Makers Lab which runs educational Maker's activities that will engage and benefit dozens of children and youth from the town.

Orr Shalom House

Orr Shalom is a not-for-profit organisation that provides foster homes for neglected or at-risk children.

Their mission is for suitable families to foster children, up to 12 at a time. To take on this number of youngsters requires a large house, renovated specifically for this purpose. In most cases, the families live in rented accommodation which leaves them vulnerable to rent increases or eviction. Finding a new property adequate to accommodate a large foster family can be very challenging.

Hence in 2019, JNF UK stepped in to alleviate this challenge by purchasing and renovating a foster home in Ashkelon. Since then, the building has continued to house a family with foster children, providing them with a safe and stable environment, whilst also generating rent for JNF UK, which is then invested into other projects.

MindCET Flats

MindCET is a hub of innovation and development in the field of education technology (EdTech), pioneering the use of the latest technology to benefit the teaching sector and encouraging research and development projects on their campus in Yerucham.

JNF UK purchased flats which have been renovated to a modern, high specification as the residences previously on offer were substandard, and deterred people from applying to the programme.

Not only do the flats help attract young talented individuals to the programme, they also in turn help to energise Yerucham's population as programme participants integrate themselves and their families into community life.

As with other JNF UK social impact projects, the rents have generated funds for other worthwhile projects.





OLIM AND REFUGEES

Flats for New Olim

The development of the State of Israel relies heavily on new immigrants ('Olim' in Hebrew).

Settling in a new country can be challenging, resulting in many Olim returning to their country of origin.

JNF UK identified that offering accommodation at subsidised rates eases the process of establishing oneself in a new country and coupled with support on integrating into Israeli society significantly reduces the risk of failure.

The income generated will be invested back into JNF UK's projects, making it a mutually beneficial solution for JNF UK, the Olim and the development of the State of Israel.

New Olim Centre, Arad

Arad, in the northeast Negev, has a population of 28,000. The remote city has been experiencing growth due to the addition of 1,500 new houses built as part of a major programme to attract many young families and Olim to the city.

The municipality has increased its care for the Olim with services including immediate support for housing, employment opportunities, community activities, Hebrew Ulpan, as well as assistance with receiving government support. However, these services have been provided in temporary locations.

In 2022, JNF UK committed to supporting the municipality in addressing this challenge by approving funding for a permanent location. The new centre, measuring 6,000 sq.ft, will consist of four classrooms, a large event hall, an office, a kitchen, and a developed outdoor area.

The centre will serve as a "home away from home" and be a place for Olim to meet and socialise as a community. This will allow for greater integration into Arad and into Israeli society.

Gvahim

Every year, about 20,000 to 30,000 Olim arrive in Israel, approximately a third of whom are classed as being highly skilled or having an academic background. Recently the numbers have significantly increased due to the situation in Ukraine and Russia.

Despite Israel's need for additional skills, research indicates that around 40% of these professionals will leave Israel within three years of making Aliyah due to a failure to meet their career expectations.

Established in 2010, Gvahim is a not-for-profit organisation that assists Olim from all countries to promote their professional skills to potential employers, which is a critical first step towards successful integration into the Israeli workforce.

Over the past 12 years, more than 5,800 individuals have been supported.

JNF UK helps to fund training courses and mentoring schemes and in 2022 sponsored Gvahim's career programme supporting over 550 Olim.

Refugees from Ukraine

Since the start of the Russian invasion of Ukraine, thousands of Ukrainian refugees have arrived in Israel. Many have fled the war with nothing but a small bag.

The Ministry of Welfare opened a call centre where refugees are directed to receive support. The centre receives hundreds of daily requests for help, many from refugees in need of financial support to buy food.

In 2022 JNF UK donated funds for food vouchers to Matan, an organisation with which JNF UK successfully worked during the Covid-19 crisis, who agreed to fully match JNF UK's donation. Together they assisted over 400 families in need.

COMMUNITY DEVELOPMENT

Merchav Am Community Centre

Merchav Am, located in Ramat Negev, is a growing peripheral community established in 2001. Currently, 550 people including around 100 families live in Merchav Am with many having made Aliyah from all over the world.

The community has limited public infrastructure and lacks a suitable space for the community to be able to gather to celebrate births, and other important events.

JNF UK has committed to renovating and equipping the Merchav Am Community Centre adding a multipurpose hall, kitchen, bathrooms, acoustic ceiling, furniture and providing wheelchair-accessible areas.

In renovating this key hub, JNF UK will help Merchav Am to become a viable and desirable location for new families and Olim to make their homes. The project is due to commence in 2023.



EDUCATION

Dekalim High School

Dekalim High School in Be'er Sheva is a specialised school for special needs children aged 13 to 21 from across the Negev. Although its current capacity can only accommodate 74 students, the high demand for its services means the school admits 110 students in an academic year.

The students have a variety of conditions, including autism, cerebral palsy and a range of other physical disabilities.

In addition to the school's academic programme, the students are supported to integrate into society. Dekalim High School cultivates social and work skills that further enrich the lives of the students and their communities.

All the services are provided within the school, overcoming the need to travel long distances, accessibility challenges, and limited availability of clinics elsewhere in the Negev. Having all these services under one roof is life-changing for the students and their families.

JNF UK has committed to building a new 9,000-sq.ft building that will include a multi-purpose hall and various treatment rooms. This will enable the school to accommodate even more students and provide additional essential services.

Establishment of the Akko House of Excellence

Akko (Acre) is one of Israel's most ancient cities, with a mixed population of over 49,000 people. The city is in Israel's northern periphery and faces many social, economic, and educational challenges exacerbated by its location. Following the success of the House of Excellence built in Kiryat Malachi, in 2021, JNF UK committed to establishing the Akko House of Excellence to enhance the city and provide a secure state-of-the-art facility for its youth.

The House will comprise five classrooms, a multipurpose hall, a meeting room and a unique experiential learning hub. The multipurpose hall is designed to accommodate about 90 people and will be used for workshops, lectures, performances and film screenings. The entire facility will extend over an area of 8,500 sq.ft and will also be accessible to people with disabilities.



Akko House of Excellence

LEADERSHIP & VOLUNTEERING

Derech Eretz (Youth Leadership Programme)

Derech Eretz is a leadership programme aimed at developing the capabilities of teenagers from Israel's social and geographic peripheries.

The programme inspires participants to take responsibility for their lives, laying the groundwork for a life of personal fulfilment, success and giving to the community.

Reflecting on the past 11 years, Derech Eretz has achieved steady and sustainable growth:

- Increasing from 23 students on one campus to 220 students across five campuses. The fifth campus in Revivim opened in September 2022.
- Expanding from an organisation with four staff members to an organisation that employs over 40 staff members, bringing employment to the Negev.
- Increasing community engagement and volunteer work, which has exceeded 100,000 hours in local Negev communities.

JNF UK has actively supported all activities since Derech Eretz was established, played a key role in the creation of the campuses and committed to continue its assistance in 2022.





Osim Shchuna

Osim Shchuna, which translates to 'building neighbourhoods', is a non-profit organisation whose primary objective is to improve the social, communal and physical conditions of underprivileged neighbourhoods in cities across Israel. It empowers local youth who volunteer and take ownership for their own local community.

Osim Shchuna targets the most vulnerable neighbourhoods and carries out its activities through four programmes:

1. **Building Communities:** involves renovating and upgrading neglected communal areas in underprivileged neighbourhoods with the help of residents and volunteers.
2. **The Night Watch:** founded by young leaders within the neighbourhoods and aims to reduce crime, alcohol, and drug abuse among the youth.
3. **Renovating Bomb Shelters:** teams of volunteers work towards renovating and reopening neglected bomb shelters across Israel.
4. **Leadership Development Seminars:** offer empowerment workshops and trips to youth from vulnerable neighbourhoods, empowering them to become agents of change and local leaders.

JNF UK has been supporting Osim Shchuna since its early stages and has continued its commitment in 2022.

DIY Volunteering Programme

JNF UK recognises the vital role played by volunteers in the building of Israel and their importance in the future success of the Jewish State. To this end, JNF UK launched a professional volunteering programme. This innovative scheme involves enlisting volunteers to work on JNF UK projects, often with the project beneficiaries as volunteers themselves. The programme provides an opportunity for the volunteers to make an immediate and lasting contribution to Israel's success, strengthens their connection to the land and helps develop their teamwork skills.

In October 2022, JNF UK undertook a significant project at the Nitzana Educational Campus, a residential educational community located in Ramat Negev. The project included gardening, painting, and carpentry work. This two-day event involved 450 volunteers. It improved the lives of all participants and residents of Nitzana, including Masa participants, Russian and Ukrainian Olim and Bedouin students.

Year after year, this initiative has been extremely successful. From 2021 to 2022, the number of projects increased from 10 to 25 and the number of volunteering days from 64 to 131. In total, across all the volunteering days, JNF UK engaged with over 2,300 participants.

Connecting to Israel

Jewish communities in the UK are at the heart of JNF UK's work.

A key part of JNF UK's mission is fostering a strong relationship between communities in the UK and those in Israel, in particular by showcasing the remarkable impact that donors' contributions make to JNF UK's campaigns and projects.



Trips and Missions

JNF UK's day trips take people to see a different side of Israel.

JNF UK introduces participants to grassroots organisations, shows them the impact that their donations are having on local communities and allows them to enjoy the beautiful scenery and visit historical sites.

JNF UK's 2022 Sukkot trip to the Negev included a visit to the KKL/JNF Agricultural Research and Development Centre in Ramat Negev and the incredible Ashlim Thermal Power Station. The trip provided a wonderful opportunity to meet and connect with extraordinary people, including future leaders from the JNF UK-supported Derech Eretz Young Leadership Programme, who are helping make the dream of Ben Gurion a reality.

JNF UK's Legacy Department has been running missions to Israel for over 20 years, allowing participants to see the valuable work JNF UK is doing in helping communities in the Negev, and providing an opportunity to see some of Israel's hidden gems.



Education Grants

In 2018, JNF UK in partnership with SmartGiving™ sponsored a four-year £1.2m grant campaign to help strengthen young students' Jewish identity and connection to Israel and JNF UK through boosting Israel education programmes and teaching pupils in Jewish schools across the UK about JNF UK's projects.

The grants ensured that the schools delivered a diverse range of projects and activities to deepen young people's association with Israel and show the important role they can play in the country's future. The four-year programme continued during 2022 and ended in September 2022.

JNF UK Connect 6th Form (2021-2022 Academic Year)

Following the successful launch in September 2020 of JNF UK's Year 12 JNF UK Connect programme, 2021-22 saw the expansion of the programme and number of attendees to over 330 Year 12 students across four schools, increasing from 69 students across two schools in 2020-21.

With a total of 39 sessions across the schools, up from 25 sessions in 2020-2021, JNF UK provided the students with the confidence and skills needed to address challenges as strong advocates for the Jewish community, Israel and JNF UK's projects.

JNF UK Fellowship Programme (Year 12/13)

September 2021 saw the launch of the JNF UK Fellowship Programme, an elite leadership programme for 11 students from seven different schools.

The programme consists of seminars during Year 12 with a 4-day trip to Israel during the school summer holiday.

During the trip to Israel, the Fellows experience first-hand the work of JNF UK, visiting numerous projects and organisations.



Structure, Governance, Management and Financial Review

Governing Document

The company is a registered charity and a company limited by guarantee, without share capital, originally incorporated on 21 July 1939. It is governed by its Memorandum and Articles of Association, the most recent version of which was adopted on 1 November 2022.

Appointment of Trustees

As set out in the Articles of Association the Chairman and up to 2 Vice-Chairmen are elected by the members for a term of up to 3 years. Up to 2 Treasurers are appointed by resolution of the Trustees for a similar period. The foregoing (together with the Chairman of Charity's subsidiary KKL Executor & Trustee Company Limited) comprises the Honorary Officers of the Charity. Up to 19 Trustees comprise the Board of Trustees of the Charity.

Trustee Induction and Training

New Trustees undergo an orientation process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the recent financial performance of the Charity. During the induction period, they meet key employees and other Trustees.

Organisation

The Board of Trustees, which can have up to 19 members, administers the Charity. The Board meets not less than quarterly and there are sub-committees which meet more regularly.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity.

Related Parties

KKL Charity Accounts is a connected party as most of the board members of that Charity are on the board of JNF Charitable Trust. Their results are consolidated into JNF Charitable Trust's results. KKL Executor & Trustee Company Limited is a wholly owned subsidiary of the Charity and operates in facilitating a will writing and executorship service (in its capacity as a Trust Corporation) and Charity's legacy administration. JNF UK Israel Limited is a wholly owned subsidiary, which sources and manages the projects in Israel.

Internal Control and Risk Management

The Trustees have overall responsibility for the Charity's systems of internal control that are designed by Senior Management to ensure effective and efficient operations, including financial reporting, and compliance with laws and regulations. In establishing and reviewing the system of internal control, the Trustees and Senior Management have regard to the materiality of relevant risks, the likelihood of loss being incurred and the cost of control. A risk assessment report and register of risks are produced and reviewed by the Trustees at least annually and key managers and staff have been consulted to ensure that all areas of risk are identified and managed appropriately.

The Charity is committed to a policy of identifying, monitoring and managing the risks that might adversely affect the activities in which it is involved. In this context, risk is defined as the potential for loss, financial and reputational, inherent in the environment in which the Charity operates and the transactions undertaken. The Trustees believe that an appropriate review of risks is necessary, that risks are ranked and periodically reviewed, and that appropriate action is identified to mitigate the consequences of the risks. The Trustees believe that the principal risk faced by the Charity is the effect an economic downturn might have on our donors.

The Trustees have resolved that project commitments are booked in Sterling to mitigate exchange risk with the Israeli Shekel.

The organisation is run on a day-to-day basis by the Chief Executive who is supported by a Senior Management Team consisting of the Finance Director, the Head of Marketing, the Director of KKL Executor & Trustee Company Limited and the Head of the team based in Israel.

The Trustees and Senior Management Team are supported by the following committees:

Finance and Management Committee

The Finance and Management Committee comprises several Trustees and selected members of the Senior Management Team.

The Committee meets approximately six times per year and has been delegated by the Board certain decision-making powers. It also discusses all financial matters relating to the Group.

Projects Committee

This Committee receives and considers requests for funding projects, deciding how the application fits in with the medium to long-term plan of JNF UK and how much to allocate from both existing funds and potential future funds.

Criteria for the assessment of projects are contained in the Charity's Project Criteria Policy and summarised as follows:

- Projects can only be for charitable purposes as set out in the Charity's Articles.
- The project must be charitable under UK law and must comply with all relevant legal and regulatory constraints both in the UK and Israel.
- The project may be anywhere in Israel but preferably in the peripheral regions of Israel (i.e., the Negev and Galilee).
- Projects shall not be over the "Green line".
- The contribution and support of JNF UK and its donors will make a significant difference in whether the project is implemented and succeeds.
- Both the project and partner organisations must satisfy JNF UK's requirements regarding transparency and accountability.

In setting its programme of funding each year, the Charity takes into consideration the Charity Commission's general guidance on public benefit. The Trustees always ensure that the funding JNF UK undertakes is in line with its charitable objectives and aims.

Education Committee

This Committee, consisting of Trustees and senior management, monitors the Israel Educational Grants Programme that is operated by KKL Charity Accounts (SmartGiving) on behalf of JNF UK.

Volunteers

JNF UK is grateful for the considerable contribution made by volunteers to its activities. As well as the expertise provided by lay experts on the Charity's Board and Committees, which is hugely beneficial to the professional management of the organisation, JNF UK's fundraising and operational activities are substantially enhanced by our loyal team of volunteers.

Financial Review

The full results for the year to 31 December 2022 are shown in the attached Financial Statements. The Consolidated Statement of Financial Activities set out on page 36 reflects all incoming resources.

Our total income increased by 11% from the previous year to £15,739,000 (2021: £14,129,000). Donations have decreased to £1,244,000 (2021: £2,982,000). Legacies increased to £4,448,000 (2021: £1,904,000), an increase of 134%. KKL Charity Accounts income increased to £9,156,000 (2021: £8,661,000), an increase of 6%. Rental income from long-term social impact projects increased by £252,000 (45%) to £819,000 (2021: £567,000). The 7-fold increase in interest and dividend income was largely due to the rise in interest rates. In 2021 the Charity claimed £3,000 of Furlough Grants from the UK Government.

The funding of project commitments in Israel showed a net charge of £3,403,000 (2021: £6,235,000). This was the result, as shown in note 3 on page 44, of the Charity approving new project commitments of £2,855,000 (2021: £6,979,000).

As a result, there was a net income of £1,470,000 (2021: £3,097,000) resulting in a net increase in funds of £1,470,000.

Fundraising

The Charity is actively involved in fundraising activities either through legacies, regular donations from individuals and corporations or fundraising events. Potential donors are approached by email, post, telephone, or newsletter. For this purpose, the Charity is regulated by the Fundraising Regulator.

Reserves Policy

It is the policy of the Trustees of the Charity to hold reserves against its obligations. The Trustees believe that a reserve equivalent to not less than 3 months of operating expenditure should be held. The unrestricted reserves, as of 31 December 2022, comfortably exceeded this level. Operating expenditure is defined as unrestricted expenditure less donations to projects in Israel net of support costs.

Plans for Future Periods

Guided by its longstanding mission and dedication, the Charity remains committed to its core purpose of supporting projects in Israel and driving impact investments in alignment with its well-established criteria and processes. With a track record of many years of successful initiatives, the Charity aims to build upon its past achievements and continue to make a meaningful difference in the lives of communities across Israel and in particular the peripheries. The Charity's commitment to the agreed criteria ensures that each project selected will not only serve immediate needs but also contribute to the sustainable development and prosperity of the region.

Going Concern

The Charity's free reserves are monitored on an ongoing basis by key management to ensure that these meet the minimum requirements set out by the Trustees. The Trustees concluded that the group have sufficient reserves to fund its activities and therefore consider it appropriate to adopt the going concern basis in preparing the financial statements.

Investment Powers and Policy

The Memorandum and Articles of Association empower the Charity to invest monies not immediately required for its purposes in such investments, securities or properties as may be thought fit. JNF UK holds its assets in long-term social impact projects in Israel to earn rental income and provide an associated level of social and economic impact, bank deposits so that monies can be quickly sent to projects in Israel by the objects of the charity and some investments, including, in the past, where it has been bequeathed some properties where there is a life tenant.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of the charitable company for the purposes of company law) 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 and the Charities Act 2011. 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.

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.

Statement as to Disclosure of Information to the Auditors

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware and each trustee has taken all the steps that they ought to have taken as a trustee to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution proposing the re-appointment of Nyman Libson Paul LLP as Auditors of the charity will be put to members at the Annual General Meeting.

This report was approved by the Board on 27 September 2023.



Samuel Hayek
Chairman

Independent Auditors Report

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE JNF CHARITABLE TRUST

Opinion

We have audited the financial statements of J.N.F Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of 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 state of the Group's and of the parent charitable company's affairs as at 31 December 2022 and of the Group's 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 requirements of the Companies Act 2006 and the Charities Act 2011.

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. 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.

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.

Opinion 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the 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.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an 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 based on 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and the Charities Act 2011. Our tests included agreeing on the financial statement disclosures to underlying supporting documentation, reading minutes of meetings of those charged with governance, enquiries with management and review of accounting estimates. 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. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



JENNIFER POPE
Senior Statutory Auditor Nyman Libson Paul LLP
Chartered Accountants and Statutory Auditors
124 Finchley Road
London NW3 5JS

Date 27 September 2023

Nyman Libson Paul LLP is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS

Consolidated statement of financial activities for the year ended 31 December 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total £'000
INCOME							
Donations & Legacies							
Donations		325	919	1,244	286	2,696	2,982
Legacies		4,445	3	4,448	1,829	75	1,904
KKL Charity Accounts income		243	8,913	9,156	255	8,406	8,661
Investment Income							
Investment income - rental income		819	-	819	567	-	567
Investment income – interest and dividends receivable		64	-	64	8	-	8
Other Income		-	-	-	3	-	3
Government grant from CJRS		8	-	8	4	-	4
Other income		-	-	-	-	-	-
Total Income		5,904	9,835	15,739	2,952	11,177	14,129
EXPENDITURE							
Fundraising costs of donations and legacies	2	1,706	-	1,706	1,407	-	1,407
Charitable activities							
Funding project commitments in Israel	2 & 3	2,252	1,151	3,403	4,423	1,812	6,235
UK Charitable projects	2 & 4	420	8,759	9,179	833	8,448	9,281
Total Expenditure	2, 5 & 13	(4,378)	(9,910)	(14,288)	(6,663)	(10,260)	(16,923)
Realised gains on investments		19	-	19	-	-	-
Increase in fair value of property assets and investments		-	-	-	5,891	-	5,891
NET INCOME/(EXPENDITURE)		1,545	(75)	1,470	2,180	917	3,097
RECONCILIATION OF FUNDS							
Total funds brought forward		34,266	8,211	42,477	32,086	7,294	39,380
Transfer between funds		520	(520)	0	-	-	-
TOTAL FUNDS CARRIED FORWARD		36,331	7,616	43,947	34,266	8,211	42,477

The Charity has no recognised gains or losses other than the results for the year, as set out above.

All the above incoming resources and resources expended were generated from continuing operations.

The notes on pages 39 to 59 form part of these financial statements.

Balance Sheets as at 31 December 2022

Registered Company Number: 355248

Registered Charity Number: 225910

	Notes	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
FIXED ASSETS					
Tangible Assets	8	1,538	1,412	65	75
Investments	9	32,827	33,023	31,386	31,738
		34,365	34,435	31,451	31,811
CURRENT ASSETS					
Debtors falling due within one year	10	4,128	3,548	6,799	5,866
Cash at bank and in hand		14,574	12,617	7,443	5,468
		18,702	16,165	14,242	11,334
Creditors falling due within one year	11	(2,895)	(4,111)	(2,964)	(3,836)
NET CURRENT ASSETS		15,807	12,054	11,278	7,498
Creditors falling due after one year	12	(6,225)	(4,012)	(6,225)	(4,012)
NET ASSETS		43,947	42,477	36,503	35,297
FUNDS					
Unrestricted funds		36,331	34,266	35,608	33,653
Restricted funds	13 & 14	7,616	8,211	895	1,644
TOTAL FUNDS		43,947	42,477	36,503	35,297

The financial statements were approved and authorised by the Board of Trustees on 27 September 2023 and were signed on its behalf by:



Samuel Hayek
Chairman

The notes on pages 39 to 59 form part of these financial statements.

Consolidated Cash Flows for the year ended 31 December 2022

	Notes	2022 Group £'000	2021 Group £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	16	1,095	1,010
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income		884	575
Acquisition of tangible assets		(264)	(1,236)
Acquisition of investment assets		(2,429)	(4,791)
Insurance claim proceeds for vehicle		20	-
Disposal of investments		2,651	282
Net cash (used)/provided by investing assets		862	(5,170)
Change in cash and cash equivalents in the reporting period		1,957	(4,160)
Cash and cash equivalents at the beginning of the reporting period		12,617	16,777
Cash and cash equivalents at the end of the reporting period		14,574	12,617

The notes on pages 39 to 59 form part of these financial statement

Notes to the Accounts

1 - Accounting Convention and Policies

JNF Charitable Trust is registered under the Companies Act 2006 no 355248 and is registered with the Charity Commission no 225910.

a. Accounting Conventions

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FR102) (second edition effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The reporting currency is GBP and the figures in the accounts are rounded to the nearest thousand pounds. JNF Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b. Group Financial Statements

These financial statements consolidate the results of the Charity and its wholly owned subsidiaries KKL Executor and Trustee Company Limited, JNF UK Israel Limited and 95 Church Road Hendon Limited, and its connected company, KKL Charity Accounts Limited. A separate statement of financial activities (SOFA) is not presented because the charity has taken advantage of paragraph 397 of SORP FRS102.

The registered office for all subsidiaries and the parent is Mountcliff House, 154 Brent Street, London, NW4 2BF.

c. Incoming Resources

Income is recognised when there is an entitlement, receipt is probable, and it can be measured with reasonable accuracy.

Donations and receipts from functions are accounted for on a receivable basis.

Legacies are accounted for either when received or when the Charity is notified of the legacy and receipt of the legacy is considered by the Trustees to be both probable and measurable. Donated services are included at their fair value to the Charity.

Gift Aid recoverable in respect of income is accounted for on a receivable basis. Income from shares in subsidiary undertakings is accounted for on a received basis.

Other interest receivable and similar income is accounted for on a receivable basis.

Rental income from long-term social impact projects is accounted for on a receivable basis.

Income from services provided is recognised when invoiced.

1 - Accounting Convention and Policies (cont'd)

Government grants received are from the Coronavirus Job Retention Scheme ("CJRS"). Income from government grants is credited to the statement of financial activities as the related expenditure is incurred.

d. Resources Expended

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised when the conditions attaching are fulfilled. Grants offered, which are subject to conditions that have not been met at the year-end, are noted as a commitment but are not accrued as expenditure in the financial statements. Project commitments in Israel include all funds remitted to Israel by the charity in direct pursuit of its charitable objectives and their associated support costs and governance costs. Remittances to UK Charities consist of (i) those made in accordance with instructions received for donors' individual accounts within KKL Charity Accounts Limited and include their associated support costs and governance costs, (ii) grants made to UK schools under the KKL Charity Accounts educational grants programme, and (iii) payments to other UK charities. Support costs is expenditure incurred in providing administrative and financial services in support of the charitable expenditure above. Support costs are generally allocated over charitable expenditure headings in a similar proportion to existing expenditure under those headings. Governance costs are incurred in compliance with constitutional, legal, and statutory requirements related to the general running of the Charity and are incurred in support of the charitable expenditure above. Governance costs are generally allocated over charitable expenditure. Irrecoverable VAT is included under the relevant expense headings.

e. Capitalisation and depreciation of tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation. Depreciation is provided to write off the cost of fixed assets over their estimated useful lives.

Rates of depreciation:

- Leasehold improvements are amortised over the period of the lease.
- Furniture and Equipment - 10% of the net book value.
- Computer Equipment - 33 1/3% of the net book value.
- Motor Vehicles - 25% of the net book value.

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

1 - Accounting Convention and Policies (cont'd)

f. Impairment

Property and investments are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the value in use of the asset based on its service potential. The resulting impairment loss is recognised as expenditure in the Statement of Financial Activities.

g. Pension Scheme

Payments to defined contributions schemes are written off as incurred.

h. Funds

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects. Restricted funds are funds which have been given for particular purposes and projects. Income and expenditure are allocated to the appropriate fund in the consolidated statement of financial activities.

i. Investments

Investments are initially recorded at cost at the date of acquisition.

Listed investments are revalued to market value at the balance sheet date based off publicly traded prices.

Investment properties consist of properties acquired and held purely for economic benefit. Long-term social impact projects are long-term investments made into Israeli properties with the intention to generate social and economic impact alongside a financial return. Investment properties and social investment properties are revalued to fair value at the balance sheet date based off internal and external valuation reports.

Realised gains and losses on investments are calculated by comparing the sale proceeds with the market value at the end of the previous financial year. Unrealised gains and losses represent the difference between the market value of investments held at the end of the financial year with their value at the beginning of the year or their cost if purchased subsequently.

j. Debtors

Debtors include amounts owed to the Charity for the provision of goods and services or amounts the Charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding and legacies to which the charity is entitled. Debtors are measured at their recoverable amounts (the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services). An amount recoverable more than a year after the end of the reporting date is measured at its present value at the balance sheet date if the time value of money is material and the settlement terms constitute a financing transaction.

1 - Accounting Convention and Policies (cont'd)

k. Liabilities

Liabilities are amounts due to creditors and any provision made as a result of an obligation to transfer economic benefits, usually in the form of a cash payment, to a third party. Liabilities are measured at their settlement amount except for certain types of financial liabilities. A liability is recognised for the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

l. Financial Instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

m. Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

n. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

o. Estimations during the year

During the year ended 31 December 2021, the Group revalued several properties. When it was not feasible to obtain a professional external valuation, values were estimated internally based off initial costs and house price indices.

The value of the properties at 31 December 2022 was reviewed to ensure that there had been no diminution in value compared with the market.

p. Going concern

The Charity's free reserves are monitored on an ongoing basis by key management to ensure that these meet the minimum requirements set out by the Trustees. The Trustees conclude that the group have sufficient reserves to fund its activities and therefore consider it appropriate to adopt the going concern basis in preparing the financial statements.

2 - Total Resources Expended

	Fundraising £'000	Project Funding in Israel £'000	UK Charitable Projects £'000	2022 Total £'000	2021 Total £'000
Staff costs	513	281	211	1,005	906
Direct costs	320	2,907	8,713	11,940	14,961
	833	3,188	8,924	12,945	15,867
Share of support costs	873	215	255	1,343	1,056
	1,706	3,403	9,179	14,288	16,923

The analysis by fund is:

	Fundraising £'000	Project Funding in Israel £'000	UK Charitable Projects £'000	2022 Total £'000	2021 Total £'000
Unrestricted fund	1,706	2,252	420	4,378	6,663
Restricted fund	-	1,151	8,759	9,910	10,260
	1,706	3,403	9,179	14,288	16,923

The resources expended are stated after charging:

	2022 £'000	2021 £'000
Depreciation	120	39
Payments to auditors for audit services	35	21
Payments to auditors for non-audit services	8	4

3 - Funding Project Commitments in Israel

	2022 £'000	2021 £'000
Education/Training	752	3,151
Infrastructure and landscape development	103	-
Advancement of Health	-	250
Youth	85	927
Economic/Community	716	1,015
Welfare	1,068	1,585
Projects less than £25,000	131	51
Total funding committed to new projects	2,855	6,979
Adjustment to prior year project commitments	75	(1,013)
Currency exchange adjustments	(23)	(146)
Direct staff and other costs and share of allocated costs	496	415
	3,403	6,235

The funding of project commitments in Israel showed a net charge of £3,403K (2021: £6,235k).

A full list of the project expenditure is set out on pages 58 and 59.

4 - Donations to UK Charities

	2022 £'000	2021 £'000
(a) KKL Charity Accounts through individual and corporate sub-accounts	8,823	8,710
(b) KKL Charity Accounts educational programme	101	371
	8,923	9,081
Share of support costs	220	175
	9,144	9,256

Payments to UK charities principally represent:

(a) Payments from KKL Charity Accounts through individual and corporate KKL Charity sub-accounts. Details of these payments are not disclosed as they are made in accordance with specific restrictions imposed by the donors and are not necessarily representative of the Charity's grant-making policies.

During the year, the top 20 donations by value, were made to the following charities:

Federation of Jewish Communities of the CIS Inc	£712,939
International Fellowship of Christians and Jews	£665,726
Achim Bead Achim	£370,000
Yad Binyamin v'Sara	£329,500
World Jewish Relief	£285,564
Jewish Care	£190,745
Hasmonean High School Charitable Trust	£184,367
United Jewish Israel Appeal	£123,772
Community Security Trust	£118,559
Norwood	£106,828
JFS General Charitable Trust	£89,587
Chai Cancer Care	£79,431
Southgate Country Football Club	£73,875
United Synagogue Head Office/Kol Nidre Appeal	£71,754
SEED	£70,020
Camp Simcha	£69,321
Jami	£68,620
Hassadna Jerusalem Conservatory	£68,020
Kisharon	£64,504
British Friends of Shalva	£60,607

4 - Donations to UK Charities (cont'd)

(b) Educational grants. KKL Charity Accounts used its free reserves to make educational grants of £101k (2021: £371k) to UK primary and secondary schools.

The educational grants paid during 2022 were as follows:

Jewish Free School, London	£33,000
King David High School, Manchester	£20,000
Immanuel College, Bushey	£16,500
Yavneh College, Borehamwood	£15,000
Brodetsky Primary School, Leeds	£10,000
Hasmonean Primary School	£ 6,600
Independent Jewish Day School	£ 6,000
Etz Chaim	£ 5,000
Rimon Primary School	£ 5,000
Bury & Whitefield Jewish Primary School	£ 4,000
King David Primary Liverpool	£ 4,000
North Cheshire Jewish Primary School	£ 4,000
Nancy Reuben Primary School	£ 3,000
Simon Marks Jewish Primary School	£ 2,000

5 - Support Costs

An analysis of the major support costs in note 2 is as follows:

	2022	2021
	£'000	£'000
Staff costs	431	382
Direct costs	912	674
	1,343	1,056
Analysed between:		
Fundraising	873	686
Funding project commitments in Israel	215	169
UK charitable projects	255	201
	1,343	1,056

6 - Trustees' Remuneration and Benefits

No payments were made to Trustees for their services as trustees other than the reimbursement of expenses incurred in providing such services. During the year £2,835 (2021: £1,868) was reimbursed to 5 (2021:3) Trustees in respect of travel and subsistence.

7 - Staff Costs

	2022	2021
	£'000	£'000
Salaries	1,230	1,107
Social security costs	122	112
Pension costs	85	69
	1,437	1,288

The average monthly number of employees during the year was as follows:

	2022	2021
Fundraising	8	7
Israel Project Team	6	6
Finance, Management, Administration, Legacy & Education	13	16
	27	29

The number of employees whose emoluments (including benefits), as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2022	2021
£60,000 - £70,000	2	-
£70,000 - £80,000	1	-
£80,000 - £90,000	-	1
£90,000 - £100,000	3	1
£100,000 - £110,000	-	1

Pension contributions were made to defined contribution schemes for six high-paid employees (2021: three employees) and these amounted to £19,153 (2021: £13,496). The total is disclosed in the above.

The total remuneration of key management within the Charity totalled £406,000 (2021: £398,000)

8 - Tangible Fixed Assets

GROUP

	Property & Improvements £'000	Furniture, Computer and Equipment £'000	Motor Vehicles £'000	Total £'000
COST				
At 1 January 2022	1,231	588	155	1,974
Additions	50	112	102	264
Disposals	-	-	(23)	(23)
At 31 December 2022	1,281	700	234	2,215
DEPRECIATION				
At 1 January 2022	45	445	72	562
Charge for year	10	80	30	120
Disposals	-	-	(5)	(5)
At 31 December 2022	55	525	98	677
NET BOOK VALUE				
At 31 December 2022	1,227	175	136	1,538
At 31 December 2021	1,186	143	83	1,412

CHARITY

	Leasehold Improvements £'000	Furniture, Computer and Equipment £'000	Motor Vehicles £'000	Total £'000
COST				
At 1 January 2022	91	335	-	426
Additions	-	9	-	9
Disposals	-	-	-	-
At 31 December 2022	91	344	-	435
DEPRECIATION				
At 1 January 2022	45	306	-	351
Charge for year	10	9	-	19
Disposals	-	-	-	-
At 31 December 2022	55	315	-	370
NET BOOK VALUE				
At 31 December 2022	36	28	-	65
At 31 December 2021	46	29	-	75

The leasehold improvements relate to the Charity's current Head Office, based in Hendon, London. Additions in the year relate to the development of the freehold at 95 Church Road for the future Head Office.

9 - Investments

GROUP	Investment Property £'000	Long-term social impact projects £'000	Investment in subsidiary undertakings £'000	Quoted investments £'000	Total £'000
COST OR VALUATION					
At 1 January 2022	2,723	23,606	-	114	26,443
Additions	16	1,867	-	545	2,429
Disposals	(2,400)	-	-	(230)	(2,630)
At 31 December 2022	339	25,473	-	429	26,242
REVALUATIONS					
At 1 January 2022	95	6,397	-	88	6,580
Revaluations in the year		(25)	-	30	5
Disposals		-	-	-	-
At 31 December 2022	95	6,372	-	118	6,585
NET BOOK VALUE					
At 31 December 2022	434	31,845	-	548	32,827
At 31 December 2021	2,818	30,003	-	202	33,023

CHARITY	Investment Property £'000	Long-term social impact projects £'000	Investment in subsidiary undertakings £'000	Quoted investments £'000	Total £'000
COST OR VALUATION					
At 1 January 2022	2,723	22,052	291	92	25,158
Additions	16	1,867		345	2,228
Disposals	(2,400)	-	-	(92)	(2,492)
At 31 December 2022	339	23,919	291	345	24,894
REVALUATIONS					
At 1 January 2022	95	6,397	-	88	6,580
Revaluations in the year		(25)			(25)
Disposals		-	-	(88)	(88)
At 31 December 2022	95	6,397	-	-	6,492
NET BOOK VALUE					
At 31 December 2022	434	30,316	291	345	31,386
At 31 December 2021	2,818	28,449	291	180	31,738

Long-term social impact projects relate to commitments in Israel, where the Group owns properties and receives rental income and where there is an associated high level of social and economic impact.

Social impact projects were revalued based off valuation reports performed by qualified locally based agents at the end of 2021. There has been no change in value to the investment properties since 31 December 2021.

10 - Debtors: Amounts Falling Due Within One Year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Donations and legacies receivable	3,991	3,346	3,991	3,346
Prepayments and accrued income	41	29	36	21
Other debtors	96	173	15	12
Due from subsidiary undertakings	-	-	2,757	2,487
	4,128	3,548	6,799	5,866

11 - Creditors: Amounts Falling Due Within One Year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade creditors	103	46	68	19
Other creditors	127	190	93	24
Accruals and deferred income	191	228	181	53
Taxation and social security	34	28	32	23
Loan payments	42	-	42	-
Project commitments	2,398	3,619	2,398	3,619
Due to subsidiary undertakings	-	-	150	98
	2,895	4,111	2,964	3,836

12 - Creditors: Amounts Falling Due Over One Year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Due within 1-5 years				
Project commitments	5,107	4,012	5,107	4,012
Loan	184	-	184	-
Due after more than 5 years				
Loan	934	-	934	-
	6,225	4,012	6,225	4,012

13 - Restricted Funds

With the exception of donations via KKL Charity Accounts, all other restricted donations were for projects in Israel.

	Balance at 1 January 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfer between funds £'000	Balance at 31 December 2022 £'000
KKL Charity Accounts	6,567	8,913	(8,759)	-	6,721
Benji Hillman	2	98	(93)	-	7
Environmental projects	31	24	(55)	-	-
Refua Vesimcha	13	-	-	(13)	-
Be'er Sova - Soup kitchen	10	20	(20)	(10)	-
Ben Hashitin - Leadership programme	29	50	(50)	(29)	-
Derech Eretz - Youth Programme	30	50	-	(80)	-
Kerem Shalom Community Project	35	-	-	(35)	-
Meitarim Lachish	650	82	(30)	-	702
Ramat Hanegev- Young Adult Centre	70	-	(70)	-	-
Simcha Layeled	61	22	(86)	6	3
Tenufa Bakehila	10	20	(36)	15	9
Afike Orot -Ofakim	25	19	(88)	44	-
Bnei HaMenashe Community	10	4	(9)	(5)	-
Be'er Milka Community	20	30	-	(20)	30
Be'er Milka Gymboree	-	30	-	(30)	-
Nitzan LaNoar Therapeutic Farm	8	-	-	(8)	-
Kiryat Malachi Commercial Centre	250	-	(250)	-	-
Yad Tamar	-	72	(105)	35	2
House of Excellence	-	1	-	-	1
Nitzana	-	30	-	-	30
Keren Kayemet L'Israel	-	76	(38)	-	38
Beit Uri	-	11	-	-	11
YBA	-	6	(4)	-	2
AM Va'aretz	-	30	-	-	30
Kedma	-	50	(50)	-	-
Latet	-	15	(15)	-	-
Be'er Sova	-	20	(20)	-	-
Garin Harel	-	35	(35)	-	-
Ezra Sassoon	-	11	(11)	-	-
Gvahim Ashdod	-	30	-	-	30
Osim Shchuna	-	18	(18)	-	-
Yeruham	-	10	(10)	-	-
Kiryat Malachi Kindergarten	-	30	(30)	-	-
Marianne ECC Kiryat Gat	-	10	(10)	-	-
DIY	-	15	(15)	-	-
Others	390	-	-	(390)	-
Legacies	-	3	(3)	-	-
	8,211	9,835	9,910	(520)	7,616

13 - Restricted Funds (cont'd)

Transfers between funds have been made following a comprehensive review of the total expenditure incurred by the project at the end of 2022. For each project where the expenditure incurred during the year was in excess of the restricted funds held, a transfer was made from restricted to unrestricted funds. The appropriate transfer has been made between funds so that the balances at 31 December 2022 represent the remaining restricted funds held at that date.

14 - Analysis of Net Assets Between Funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Fixed assets	1,538	-	1,538	1,412
Investments	32,827	-	32,827	33,023
Current assets	11,086	7,616	18,702	16,165
Current liabilities	(2,895)	-	(2,895)	(4,111)
Creditors more than 1 year	(6,225)	-	(6,225)	(4,012)
	36,331	7,616	43,947	42,477

15 - Subsidiary Undertakings and Intra-Group Transactions

The Charity owns two active wholly owned subsidiaries, KKL Executor and Trustee Company Limited and JNF UK Israel Limited, and a property holding company, 95 Church Road Hendon Limited wholly owned subsidiary. A summary of their results is shown below:

(i) KKL: Executor & Trustee Company Limited Statement of Comprehensive Income

	2022 £'000	2021 £'000
Turnover	573	508
Administrative Expenses	(567)	(503)
Operating Profit	6	5
Interest receivable and similar income	-	-
Profit before taxation	6	5
Tax on profit on ordinary activities	-	(1)
Prior year adjustment for group relief on the previous year's tax	1	-
Profit for the financial year after taxation	7	4

15 - Subsidiary Undertakings and Intra-Group Transactions (cont'd)

Net asset statement at 31 December

	2022 £'000	2021 £'000
Tangible fixed assets	6	7
Current assets	154	146
Current liabilities	(43)	(43)
Total net assets	117	110
Represented by:		
Share Capital	250	250
Statement of Comprehensive Income	(113)	(140)
Shareholders' funds	117	110

The staff costs and some administrative costs of KKL E&T are incurred by the Charity and recharged to KKL E&T at the end of each month. At the end of the year, the Charity paid management fees of £565,000 (2021: £505,000) to KKL E&T.

At 31 December 2022, KKL E&T was owed £149,892 (2021: £97,786) by its parent company; and owed KKL Charity Accounts, a connected charity £21,988 (2021: £21,988). There were no other related party transactions between KKL E&T and the other group companies.

(ii) JNF UK Israel Limited Statement of Comprehensive Income

	2022 £'000	2021 £'000
Turnover	815	758
Administrative Expenses	(709)	(661)
Operating Profit	106	97
Interest receivable and similar income	-	-
Profit before taxation	106	97
Tax on profit on ordinary activities	(8)	(6)
Profit for the financial year after taxation	98	91

15 - Subsidiary Undertakings and Intra-Group Transactions (cont'd)

Net asset statement at 31 December

	2022 £'000	2021 £'000
Tangible fixed assets	1,665	1,640
Current assets	108	77
Current liabilities	(1,186)	(1,220)
Total net assets	587	497
Represented by:		
Share Capital		
Statement of Comprehensive Income	587	497
Shareholders' funds	587	497

JNF UK Israel Limited is a wholly owned subsidiary of JNF Charitable Trust with issued share capital of Israeli Shekel 1,000. During the year JNF UK Israel Limited charged its parent, the Charity, fees of £387,048 inclusive of Israeli VAT at 17%, (2021: £190,116) for project and property management. It also recharged expenses of £148,230 (2021: nil) to its parent company.

At 31 December 2022, JNK UK Israel Limited owed its parent company £ 1,080,438 (2021: £1,043,639). There were no other related party transactions between JNF UK Israel Limited and the other companies in the group.

(iii) 95 Church Road Hendon Limited
Statement of Income and Expenditure

	2022 £'000	2021 £'000
Administrative Expenses	(14)	(12)
Operating Loss	(14)	(12)
Loss for the year	(14)	(12)

15 - Subsidiary Undertakings and Intra-Group Transactions (cont'd)

Net asset statement at 31 December

	2022 £'000	2021 £'000
Tangible fixed assets	990	940
Current assets	5	5
Current liabilities	(1,022)	(957)
Total net assets	(27)	(12)
Represented by:		
Share Capital		
Statement of Comprehensive Income	(27)	(12)
Shareholders' funds	(27)	(12)

95 Church Road Hendon Limited is a wholly owned subsidiary of the Charity, with issued share capital of £100. During the year development expenditure of £50,206 incurred was capitalised. Administrative expenses of £14,232 (2021: £12,692) were incurred during the year. All expenses have been paid by its parent company. At 31 December 2022, 95 Church Road Hendon Limited owed its parent company £1,020,409 (2021: £957,175).

There were no other related company transactions between 95 Church Road Hendon Limited and the other group companies.

The Charity also owns the following dormant subsidiaries:

- JNF Limited
- Jewish National Fund Limited
- Jewish National Fund for Israel Limited
- JNF UK Limited
- JNF Executor and Trustee Company Limited
- KKL Limited

16 - Reconciliation of Net Income to Net Cashflow from Operating Activities

	2022 £'000	2021 £'000
Net Income for the year, as per the Statement of Financial Activities	1,470	3,097
Adjustments for:		
Investment Income	(884)	(575)
Depreciation	120	39
Decrease/(Increase) in fair value of investments	(5)	(5,891)
Profit on disposal of investments	(19)	(146)
Profit on disposal of vehicle	(3)	-
Increase/(decrease) in creditors	997	2,123
(Increase)/decrease in debtors	(581)	2,363
Net cash flow from Operating Activities	1,095	1,010

17 – Connected Charities

KKL Charity Accounts is a connected charity (Charity Number 1105998), which operates from the same address as the Charity. All but one of the Trustees of KKL Charity Accounts are also Trustees of this Charity and it is therefore treated as a subsidiary. A summary of its results is shown below:

	Restricted Funds £'000	Unrestricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Total income	8,914	366	9,280	9,014
Total expenditure	(8,759)	(330)	(9,089)	(8,998)
Net result	155	36	191	16

The aggregate of its assets, liabilities and funds were:

	2022 £'000	2021 £'000
Assets	7,464	7,336
Liabilities	(597)	(660)
Net assets	6,867	6,676
Unrestricted funds	145	109
Restricted funds	6,722	6,567
Total funds	6,867	6,676

17 – Connected Charities (cont'd)

The staff costs and some administrative costs of KKL Charity Accounts are incurred by JNF Charitable Trust and recharged to KKL Charity Accounts at the end of each month. During the year JNF Charitable Trust donated £69,044 (2021: £350,000) towards its educational programme.

At 31 December 2022, KKL Charity Accounts owed JNF Charitable Trust £527,233 (2021: £486,773) and was owed £21,988 (2021: £21,988) by KKL Executor & Trustee Company Limited. The latter has been paid since 31 December 2022. There were no other related party transactions between KKL Charity Accounts and the companies in the JNF Group.

18 - Financial Assets and Liabilities

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Financial assets measured at fair value through the Statement of Financial Activities	32,827	33,023	31,386	31,738
Financial assets measured at amortised cost	18,702	16,165	14,242	11,334
Financial liabilities measured at amortised cost	(9,120)	(8,123)	(9,189)	(7,848)

19 - Financial Commitments

As at 31 December 2022, the Board of Trustees had the following commitments:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Lease obligations due within 1 year	52	85	52	85
Other obligations due within 1 year	1,498	-	1,498	-
Lease obligations due between 1 and 5 years	13	-	13	-
	1,563	85	1,563	85

The Charity lease obligations relate to the lease on its office at 154 Brent Street, London NW4 2BF which expires on 31 March 2024. The other obligations relate to the payment due on completion of the social investment property at Petakh Tikvah.

Since the reporting date, the Charity has agreed to purchase a social investment property at Ashkelon for Israeli Shekel 4.35m.

19 – Financial Commitments (cont'd)

The renovations of the property purchased by 95 Church Road Hendon Limited were estimated to be £950,000 at the reporting date although no contractual commitments had been made at that date. When the renovations are completed in early 2024, the property will become the Group's head office.

The Charity plans to fund its commitments from its existing unrestricted reserves.

20 - Related Parties

Details of the related party transactions are set out in notes 2,6, 15 and 17.

21 - Full List of Project Expenditure in Israel

	2022 £'000	2021 £'000
Education/Training		
Derech Eretz Programme	131	276
Kiryat Malachi Renovation of State Kindergartens	-	392
Be'er Sheva Dekalim School	-	309
Sderot new high school	-	1,334
Ami-Chai Leadership Programme in Kramim	-	51
Student Village in Kibbutz Misgav Am	-	50
Meitarim Lachish	30	710
Otzem	-	29
Kedma	50	-
Kiryat Malachi – new daycare centre	188	-
Yeruham-establishing a new building for two “moadoniot”	188	-
Akike Orot Ofakim	165	-
	752	3,151
Infrastructure & Landscape Development		
Playground in Sderot	50	-
Kiryat Malachi-development of entrances into Kiryat Malachi	53	-
	103	-
Advancement of Health		
Refua Vesimcha	-	170
Rachashei Lev	-	80
	-	250
Youth		
Kiryat Malachi Renovation of the Music and Dance Centre	-	333
Akko - KKL-JNF Heritage Centre	-	594
Garin Harel (Partnership)volunteer programme	35	-
Ruach Arava (Bein Hashitin)	50	-
	85	927

21 - Full List of Project Expenditure in Israel (cont'd)

	2022 £'000	2021 £'000
Economic/Community		
Gvahim Operational Costs	100	105
JNF UK Historical project	-	92
Urban Forest	-	126
DIY volunteering project	227	190
JNF UK TUBE	-	212
Merchav Am Establishing a New Multipurpose Hall	-	95
Matan Arvut Hadadit	167	136
Osim Shchuna - Building Neighbourhoods 2022	17	59
Karmeit Gat-Olim project	88	-
Osim Shchuna - Building Neighbourhoods- Operational Costs for 2023	117	-
	716	1,015
Welfare		
Orr Shalom	-	87
Hakeren Leyedidut	-	590
Akko Dental Care	-	59
Benji Hillman	99	75
ESRA	-	505
The Foundation for the Benefit of Holocaust Victims - Living with Dignity	28	48
The Foundation for the Benefit of Holocaust Victims - Project Connected	9	29
The Foundation for the Benefit of Holocaust Victims in Israel – Immediate Assistance Fund	38	-
Tnufa Bakehila – renovation of low-income family homes	90	72
Yad Tamar	148	120
Food vouchers for Ukrainian refugees in Israel	47	-
Arad - Olim Centre Establishing a new Olim Centre in Arad	187	-
Neradim Village-Expansion of the Neradim Emergency Centre in Arad	187	-
Chimes Israel - Rehabilitative Daycare Centre in Ashkelon for children with disabilities and special needs	235	-
	1,068	1,585
Projects less than £25,000	131	51
Total donations to charities/projects	2,855	6,979
Net adjustment to prior year project commitments	75	(1,013)
Currency exchange adjustments	(23)	(146)
Direct staff and other costs and share of allocated costs	496	415
	3,403	6,235

Reference and Administrative Details

Registered Company number	355248 (England and Wales)
Registered Charity number	225910
Registered office	Mountcliff House 154 Brent Street London NW4 2BF
Trustees	S Hayek – Chairman G Falter L Julius M Lee A Mendoza M Waisman H Wayne T Kendal B Oakland G Mond (resigned 28 February 2023)
Company Secretary	David Berens (resigned 23 May 2023)
Auditors	Nyman Libson Paul LLP 124 Finchley Road London NW3 5JS
Solicitors	Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP



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