

ANNUAL REPORT & ACCOUNTS 2015

SUPPORTING ISRAEL FOR LIFE This Year & Every Year

***The leading UK
charity for Israel***

**JNF Charitable Trust
Company Number 355248
Charity Number 225910**



**Supporting
Israel for Life**



“In the past year, JNF UK has built or refurbished childhood centres, supported youth projects, provided facilities and support to hundreds of less privileged students, funded music schools whilst supporting young families and communities in the Negev. We have already committed to many more exciting projects as part of the JNF’s ambition to further assist and enrich the quality of life in the south of Israel”

Samual Hayek
Chairman of JNF UK

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Chairman's Review

Samuel Hayek, JNF UK Chairman

As Israel approaches the centenary of the Balfour Declaration, that paved the way for the establishment of the State of Israel, the JNF was laying the foundation of this dream over a decade earlier.

Over the last 115 years, the specific needs may have changed but the goal has remained constant; the need to ensure the long term survival of the Jewish people in our homeland.

From the early days of the establishment of the state of Israel, the Negev has been fundamental to its future, essential for the long term security of our country. Over recent years, major advances have been made in transport networks, connecting the Negev to the centre of Israel with new roads and railways. The Negev has become a viable alternative to the other major cities of Israel.

JNF UK, has continued its vital work in the Negev, strengthening weaker communities and enhancing established ones. In 2015, amongst our many projects, we increased our investment in Kiryat Malachi, where we have renovated 8 kindergartens, a park, and laid the corner stone for a new youth centre. We have continued to support Yerucham with the renovation of numerous educational and public buildings. We have invested in our HI- Tech hub in Mitzpe Rimon, where we have purchased and are renovating a new state of the art office building. This will provide essential employment opportunities to the area. We are proud of our growing music and arts school, Bikurim, in the Eshkol Region and our continued support of Hashomer Hachadash, and Derech Eretz. These, and our numerous other projects strengthen communities, making them a viable alternative for families who wish to start their lives in the Negev.

I am pleased to present the 2015 Accounts, showing the JNF in a strong and healthy financial position, as well as our continued investment in the Negev.

Over the coming years, with the help of our loyal and generous donors and volunteers for whom we are always grateful, we will continue to invest and further develop the Negev. We will soon embark on a new initiative, a comprehensive plan to plant hundreds of mature trees in town and city centres throughout the Negev. We will continue to build and renovate essential social and cultural facilities in the under-developed towns and communities, improving their livelihoods and we will continue to invest in our youth for they will one day lead our great nation.

Sincerely



Samuel Hayek
Chairman

Who we are

History and Heritage

JNF Charitable Trust was registered as a charity in England and Wales in July 1939. JNF Charitable Trust is also known as JNF UK, the term used for day-to-day operations. This is particularly important in Israel where 'Jewish National Funds' from all over the world undertake projects.

In 1901, at the Fifth Zionist Congress in Basel, the Jewish National Fund/Keren Kayemet LeYisrael (JNF/KKL) was founded. JNF/KKL was the vision of Theodore Herzl who, having witnessed incidents of anti-Semitism, proposed the establishment of an organisation to purchase land for an independent Jewish state in Eretz Yisrael. JNF/KKL was founded on Zionist principles and ideals: establishing and developing a Jewish state.

The JNF Blue Box was introduced at the same time as the Fund was established, as a vehicle for Jews across the world – rich and poor, young and old, from every community – to contribute towards the building of a Jewish homeland.

Since JNF UK's inception, it has committed to enabling people to live fulfilled, independent lives on Israeli soil. We are the oldest and largest fundraising organisation in the world which is fully dedicated to supporting the growth and prosperity of Israel.

In its early years JNF focused on purchasing land, planting trees, draining swamps, boosting local infrastructure and laying the foundation blocks for a functioning state. The Jewish National Fund became an environmental trail-blazer planting more than 240 million trees, building more than 210 reservoirs, developing over 250,000 acres of land and creating more than 100 parks.

JNF UK Today

Today JNF UK plays a vigorous role in securing the future of Israel, by developing the Negev region in the south, building new communities and nurturing existing ones. The Negev plays an integral role in the continuing story of Israel's success, and we actively support the vision of a thriving and flourishing desert.

With your help, we have already dramatically enhanced the lives of countless people in the region, and continue to work tirelessly to transform the lives of many more. We achieve this through special projects that bring communities together, foster the inspirational pioneering spirit of modern Zionists and support all those who dare to dream.

Our operations span three separate but related organisations. JNF UK continues to support Israel's development through direct fundraising activities, including appeals and events, as well as the much-loved Blue Box; KKL Charity Accounts Limited operates under the operational name SmartGiving providing a charity accounts and payroll giving service and KKL Executor & Trustee Company Limited operates a will writing and executorship service and the JNF UK's legacy administration.

Our Vision

"If you will it, it is no dream..." – Theodore Herzl

Our vision for the Negev is for it to become an area where communities thrive and make a significant contribution to Israel's economy. A region which young families will readily make their homes; where opportunity is brimming, education thriving and where residents get out as much as they put in. We at JNF UK envisage a Negev which is safe and secure, allowing families, young and old, to live the Zionist dream.

Since 1901 JNF has been integral to Israel's growth and progress. Together with our partners, and working closely with the government of Israel, we have helped provide an infrastructure that has benefited many Negev communities, and contributed to the wider goal of providing a sustainable and viable future for Israel.

David Ben-Gurion, Israel's first Prime Minister, famously stated that "it is in the Negev that the creativity and pioneering vigour of Israel shall be tested." Today, JNF UK is meeting that challenge – realising the Zionist dream in the sands of the desert.

Our Mission: Project Negev

JNF UK's core mission is **to help build, develop and strengthen the State of Israel** for all of its citizens.

In its earlier years, JNF focused on basic state-building projects such as buying land, draining malarial swamps and marshlands (achieved in great part through the planting of thousands of trees), building basic infrastructure, establishing farms and many other vital necessities for achieving and maintaining Jewish independence in Israel.

Since then our focus has shifted to that part of the State of Israel known as "the Negev". The Negev is a large desert region in the south of Israel which comprises around 60% of Israel's landmass and is largely unpopulated. It is home to less than 10% of Israel's population. The Negev region is incredibly poor and is in need of support.

JNF UK's support for the Negev dates back over 20 years. The reasons for this support were twofold. First, the Negev was and remains an impoverished area, lacking basic infrastructure and community cohesion. Second, while the central and northern areas of Israel are and have been well supported by numerous charities and organisations for many years, the Negev has received significantly less support: JNF UK saw an opportunity to make a real difference.

Today, JNF UK is building new communities, developing existing ones and nurturing and sustaining the vulnerable front-line towns of southern Israel. We are building schools, parks, roads and community and medical centres. We are repairing reservoirs, planting forests and supporting local agriculture helping to make the desert more fertile. JNF UK is working with a new generation of pioneers, young Israeli volunteers who are leaving behind comfortable lives elsewhere in the country to develop the Negev. We are also forming dynamic partnerships with local NGOs and the Israeli government – which aims to achieve a 70% increase in the Negev's population over the next decade.

Our Strategy

David Ben Gurion saw the development of the Negev as Israel's greatest challenge, a challenge that would define its future. Israel's destiny would only be secure, he foretold, when millions of Jews would call the desert home.

JNF UK shares this vision. Our strategy is to support projects that will not merely improve the lives of those who already call the Negev home, but create incentives for people to settle and stay in the Negev. For this reason, bringing employment, education and better health care to the region is our priority.

Sitting comfortably in our homes in the UK, it is sometimes difficult for us to grasp what it means to live in a town, in the middle of the desert, which lacks infrastructure. Young people in Arad had nowhere to meet before we built a Youth Centre. There were few opportunities for employment in Mitzpe Ramon outside of tourism and agriculture before we began work on the Business Valley. Currently cancer patients and those who have suffered accidents or serious illness are forced to travel to the centre of Israel in order to obtain the care they need - this will soon no longer be the case, thanks to the Ruach Dromit cancer care centre in Be'er Sheva and the Ezra LeMarpeh rehabilitative facility in Sderot, two of the many projects that are benefitting from our recent Appeals.

Infrastructure is more than roads and power stations. If a new generation is to make its home in the Negev, it must feel that it is able to build fulfilling lives in the desert. JNF UK is at the forefront of this mission.

JNF UK is focused on having a more holistic approach to its strategy, developing the Negev, town by town, which is clearly indicated when reading more about Yerucham and Kiryat Malachi.

We hope that with your support we will be able to adopt and support more and more towns like these in the Negev.

Current Projects

INTRODUCTION

JNF UK supports an extraordinary array of projects throughout southern Israel; the breadth of which reflects the diversity of Israeli ingenuity and resourcefulness.

From digital media centres in small desert towns, to centres for the treatment of Post-Traumatic Stress Disorder; from programmes facilitating the integration of Bedouin youth into Israeli society to clubs for Holocaust survivors; if JNF UK believes that a project has the potential to transform Israeli lives, we will endeavour to supply the logistical and material support it needs.

Many of the projects we support would simply not exist without JNF UK and the generosity of our donors.

JNF UK does not merely provide funding. We are proud of our 'added value' – the support we bring to projects in the form of financial and strategic advice, raw materials and teams of enthusiastic volunteers, that make each pound donated to JNF UK go further.

SOME OF THE PROJECTS JNF UK SUPPORT

Bikurim, (Music School)

Located in Eshkol, in its own campus on Kibbutz Magen, just 4.5km from the Gaza Strip, a region which has suffered decades of conflict and neglect, Bikurim is a school of excellence in the performing Arts providing residential music training to 150 high school students - the first institution of its kind in the south of Israel.

Bikurim began with Dr Jonathan Dekel-Chen, an American *oleh* who dreamt of sparking a cultural renaissance in Israel's south. With the help of JNF UK, Jonathan and his family began transforming a complex of abandoned kibbutz dormitories into a modern educational facility.

The key to the success of Bikurim lies in the fact that the students live on campus. Each day the students go to the local High School for general studies before returning to the campus and studying for an additional 5 hours in their respective fields. This gives the students the opportunity to fully immerse themselves in the worlds of music and art, whilst learning and playing with their peers.

This year we have started to provide funding for building a bomb shelter (due to the close proximity to Gaza) in the second wing of the second dormitory, to bring the school to full capacity. We will also be renovating and equipping another residential building to house an additional 32 students, as well as providing extra academic tutoring and support for some of the students, who come from low socioeconomic backgrounds and struggle with the high standard of the local high school.

Prior to the school's opening, many talented youth in the Negev (aged 15-18) lacked the opportunity to fulfil their artistic potential and develop their skills at a higher level. JNF UK foresees the training and tuition offered by Bikurim inspiring a new generation of outstanding musicians from Israel's geographic and socio-economic periphery, revolutionising the cultural life of the country's south.

Derech Eretz (Youth Programme)

The period of time between high school graduation and serving in Israel's Defence Forces is a critical stage for Israeli youth. However, such programmes are almost exclusively geared to either upper middle class youth or youth at risk. Established in 2011 by Avi Cohen and Yonatan Kishinovsky, Derech Eretz is a six-month pre-army programme that was set up to change this reality. The aim of Derech Eretz is to develop the capabilities of high-potential teenagers from Israel's social and geographic periphery, whose circumstances - such as academic failure, family instability or financial difficulty - have affected their prospects of entering military service.

Designed to facilitate social mobility and encourage initiative, pioneering and volunteerism, Derech Eretz encourages participants to take responsibility for their lives – helping to make military service more meaningful, while laying the groundwork for a life of personal fulfilment, success and 'giving back' to the community. Operating from campuses in the Negev, Derech Eretz also hopes to engage and inspire their participants to take up the next great pioneering mission of settling and developing the Negev.

Working closely with the organisation's founders, JNF UK has provided essential support to Derech Eretz from its early days. It began life on a small campus in Nitzana. Since then Derech Eretz has flourished and, with the help of JNF UK, has opened up an additional two campuses in the Negev and created a 'post-army programme'. Currently 140 young people are enrolled. This year we have committed to contribute towards covering the operation costs of the 3 campuses, providing bursaries for participants and also equipment for the Nitzana Campus.

Ruach Dromit (Cancer Care Centre)

Ruach Dromit is a non-profit organisation established by Keren Tova Gomel, a therapist from Kibbutz Beit Kama. It is the Negev's first Holistic Treatment Centre for cancer patients and their families in Be'er Sheva. Volunteer therapists operate from two sites – Soroka Hospital and the Clinic. JNF UK assisted Ruach Dromit in establishing an outpatient cancer centre near the Soroka Hospital in Be'er Sheva. The Centre provides cancer patients and their families with a range of alternative treatments, workshops and counselling services to relieve physical, emotional and mental suffering in their centre and at the oncology ward of Soroka Hospital.

Similar to Chai Cancer Care in the UK, Ruach Dromit aims to ease the psychological burden of battling cancer and increase the chances of recovery through the provision of holistic treatments.

There are about 18,000 cancer patients in the Negev and the JNF UK has been Ruach Dromit's chief sponsor since it opened in 2014, playing an instrumental role in establishing the Centre, purchasing equipment and covering running costs. By supporting the organization in the year ahead, JNF UK hope to encourage Ruach Dromit to become more independent and self-sufficient.

Initially the Centre struggled to establish itself and balance its books. JNF UK provided the strategic advice that enabled the organisation to emerge from a difficult first year and flourish. JNF UK continues to provide support to Ruach Dromit, where they are now administering upwards of 220 treatments per month.

Mizpe Ramon

With the vision of creating job opportunities in the Negev, JNF UK is constructing a state-of-the-art business hub – the Business Valley - in the development town of Mitzpe Ramon. Located 80km from Be'er Sheva, Mizpe Ramon was founded in 1956 and has a present population of approximately 5,500. Mitzpe Ramon is an urban desert town with a wide variety of communities and cultures. The town's primary employment sectors are: The IDF, tourism and education. Its social economic ranking is 4/10.

Traditionally the Negev's best and brightest have left southern Israel for the country's centre on graduating high school. By encouraging companies to relocate to the south, we are helping the Negev become a centre for high tech innovation, development and investment.

The construction of the hub will have an economic and social knock-on effect; encouraging other firms to settle in the region, bringing high-paying jobs and disposable income.

The Valley will provide office space for firms active in digital marketing and new media. It is expected that the lower costs of setting up in the Negev will make the location attractive both to start-ups who would struggle to secure office space in Tel Aviv or Jerusalem; and to employees who stand to benefit from reduced rents and a lower cost of living.

One of our first partners in this venture is McCann Erickson, a global leader in the advertising industry. McCann aims to bring 100 families to Mitzpe - a sleepy town traditionally dependent on tourism and agriculture. Already 40 employees and their families have moved to the area – another 80 are expected to follow in the next few years. The demographic shift this influx will bring promises to transform the economy of this underdeveloped corner of southern Israel.

Ramon primary school is the main secular primary school in Mitzpe Ramon where most of the children are from a low socio-economic background whose parents may not have academic degrees. The school is currently lacking computers, which are a basic necessity for any school in the 21st century and a vital learning tool. Consequently, JNF UK is helping to purchase 26 computers for the new computer classroom.

HaShomer HaChadash (Land Protection and Youth Leadership)

Established in 2007, HaShomer HaChadash (The New Guardians) helps farmers in the Negev and Galilee protect their land and livestock from the vandalism, theft and arson that plague rural communities in Israel's periphery.

From forty volunteers at its foundation, HaShomer HaChadash has grown to become a force many thousands strong. The organisation could not have achieved this success without JNF UK.

JNF UK has provided essential support to HaShomer HaChadash – helping the organisation expand from the Galilee into the south. JNF UK has provided fully-equipped caravans for the use of volunteers; enabling the organisation to maintain a presence in remote areas; and purchased all-terrain vehicles to help Guardians negotiate the rugged Negev landscape. Currently JNF UK is helping the organisation as it works to establish a new youth leadership programme to promote shared values of environmental awareness and Zionism.

TheHive

JNF UK, working with the City of Ashdod, is helping Gvachim run a third year of its TheHive programme in Ashdod. TheHive Ashdod acts as a launchpad for new businesses, assisting entrepreneurs in establishing successful start-ups. TheHive provides expert commercial advice and guidance, helping ambitious olim transform their business plans into reality. In addition, the programme opens doors to potential investors, allowing entrepreneurs to secure the funding their projects need.

In the two years since its inception, TheHive Ashdod has helped entrepreneurs launch successful mobile apps, 3D printing programmes, irrigation solutions and aerospace technologies. JNF UK is working to build a Negev whose people do not have to leave their hometowns for Tel Aviv and Jerusalem in order to pursue meaningful careers.

Gvachim is drawing a new generation of ambitious young olim away from Israel's overcrowded centre and into the country's south, transforming the economic fortunes of the Negev.

Orr Shalom (Foster Homes)

Orr Shalom is an NGO that currently cares for around 1,400 Israeli children, under the age of 18, who have been removed from their biological families by social welfare services due to severe physical, sexual and emotional abuse and/or neglect.

Around 200 of these children are currently cared for in 20 'family' homes, (four of which are located in Ashkelon), as they require more care than can be provided in a 'traditional' foster setting. Each 'family' home is located in a residential neighbourhood and accommodates between 9 to 11 foster children. These children live as a family with devoted house parents and are escorted by professional staff including social workers, psychologists, teachers and girls who are on their year of National Service.

The project introduces foster children to the daily rhythms of a functional household – to attend regular schools, meet friends and eat dinner with other family members.

The homes are in need of renovation and Orr Shalom approached JNF UK to provide the funds to enable them to do this. The money will be used to ensure that the children go beyond just having a safe family environment to have a home where they can begin to thrive, put their past behind them and enjoy life again as all children should. This is through renovating the outside area, so that they have more space to play, installing new air-conditioning units to make them comfortable in the Negev heat, and purchasing computers to allow them to work and connect with friends.

Other than the 4 family homes in Ashkelon, Orr Shalom also runs a Psychotherapy Centre called "Bonim Atid" for children in 'traditional' foster settings. The centre, which recently opened, currently serves around 20 foster children with a psychiatric profile (predominately due to their traumatic experiences), as well as their foster families and their biological families. Orr Shalom have requested funding from JNF UK to make the Psychotherapy Centre wheelchair accessible, allowing all foster children with psychological issues to benefit from the centre. Additionally, Orr Shalom also require funds to renovate the outside area, giving the Centre more space for activities and giving these deeply troubled children a more pleasant environment to live in.

Parents are aided by a team of qualified assistants. The assistance provided by these teams of professionals helps children manage the trauma that led to being removed from their biological parents, and provides host parents with advice and support.

Earth's Promise, Community Garden

Be'er Sheva is home to a large Ethiopian community. Newly resident in a country very unlike their land of origin, Israelis of Ethiopian origin face a variety of social problems. The poorer corners of Be'er Sheva offer few outlets for young people. Earth's Promise offers teenagers an alternative to gang culture and drugs.

Earth's Promise is a not-for-profit organisation, working to improve and safeguard the quality of Israel's environment by creating grassroots models of sustainable development in urban desert cities of the Negev region. The Organisation is operating a commercial urban farm within the city of Be'er Sheva, serving the residents of the city's Gimel district, providing them with affordable food and the opportunity to perform community service. Importantly, much of the farm's produce is sold on, teaching participants about business and the opportunities available to those with entrepreneurial drive.

JNF UK is helping Earth's Promise expand Totzeret Gimel further, funding the construction of a multi-functional ecological park and orchard; a project that promises to transform lives in this disadvantaged corner of the Negev.

Soroka Medical Research Initiative

Soroka Medical centre, located in Be'er Sheva, is one of Israel's largest hospitals. Soroka is the only major hospital providing tertiary medicine between Eilat and Kiryat Gat and, therefore, serves the entire Negev population.

Consequently the Hospital is under constant strain. This situation is expected to get worse with the population of the Negev predicted to grow by 30% in the next five years. One of the worst affected departments in the Hospital is the Emergency Room. Indeed, during the last military operation in Gaza, the situation became almost untenable, with the Emergency Room having to deal with wounded soldiers and civilians on top of 'everyday' emergencies.

The Department of Emergency Medicine and the Trauma unit are, therefore, in urgent need of expansion and Soroka have put in a funding request to further expand the Emergency Room by an additional 2,000 Square meters.

Ultimately this project is of great importance, not only because it will save lives, but more importantly, because the dream to populate the Negev will never succeed unless the most basic requirements, such as an adequate hospital, are available in the south.

JNF UK is thrilled to welcome four young doctors aboard its Clinical Research Scholars Programme at Soroka Hospital, Be'er Sheva. The Soroka JNF UK Clinical Research Scholars Programme is a joint effort of JNF UK and the Soroka Clinical Research Centre. The programme provides support – including training and mentoring – to young doctors interested in pursuing careers in clinical research.

Awards were made to Dr Vered Klaitman, for her study 'measurement of thrombin generation in high risk pregnancies', and to a team of three headed by Dr Inbal Golan-Tripto for their study 'Vitamin D administration to premature infants: effects on Vitamin D status and respiratory morbidity'. The awards were confirmed in a ceremony last week.

JNF UK sponsors an array of healthcare projects throughout the Negev.

Gvahim (Career Accelerator Programme and Start-up Accelerator Programme)

The Gvahim Career Accelerator Programme helps highly skilled olim adapt to the Israeli job market and find quality positions in their field.

The programme begins with a month of workshops, followed by individual career consultation, mentoring, placement assistance and networking events. Participants remain within the programme until they find employment. 85% of participants find quality positions within a year of entering the programme.

JNF UK is providing Gvahim with funds to run ten cycles of its career accelerator - ensuring that the organisation can continue running this essential programme for several years to come.

We recently started a new programme with Gvahim and Nefesh b'Nefesh, working with olim before they make Aliyah to move to the Negev which helps them find jobs and get settled.

Yerucham

Yerucham is a small development town in the central Negev, about 30 minutes south east of Be'er Sheva, with a population of 10,000 and a socio economic ranking of 4/10. Historically, Yerucham has been known as a disadvantaged town, suffering from negative immigration and high levels of poverty. However in recent years, thanks to the dynamic leadership of Mayor Michael Biton, the town is experiencing major regeneration and a new lease of life.

Yerucham Development of Public Gardens

The plan is to set up, where necessary, and improve, where they already exist, public gardens, offering green open spaces, recreation facilities, and a playground in each neighbourhood.

Yerucham Expansion and Renovation of Musical Conservatory

Every child in Yerucham is able to study and enjoy music, thanks to a ground-breaking insistence that music should be an integral part of the primary school curriculum. Every one of the 414 primary schoolchildren in the town is being taught how to play a musical instrument. The conservatory, like so many public buildings in Yerucham is small and run down. There is an ambitious plan to upgrade and improve this building, and then to build a whole new wing.

Yerucham Design Terminal

Outbox is a Bat Yam based NGO seeking to promote Israeli Design. Acting as a career accelerator for young designers, the Terminal's goal is to promote the field of design in Israel and to support young designers while collaborating with the community. Yerucham is one of four "satellites" participating in the project. In the absence of permanent premises, the town has offered the Design Terminal the use of the old assembly hall, which JNF UK has agreed to renovate.

Renovation of communal areas of former social housing buildings Yerucham

One of the areas that needs addressing the most within the "old" neighbourhoods of Yerucham is the state of the residential buildings used for social housing. Unfortunately the vast majority of these buildings are over 60 years old, neglected, with both the internal and external communal areas being in need of extensive renovation.

The overall aim is to help improve the quality of life there and make Yerucham more attractive. An energetic charity working with the municipality, Tze'erim B'Yerucham —Young Adults in Yerucham — has become involved in addressing the situation and JNF UK has been approached to help renovate 10 public buildings.

Building up Yerucham's Learning Centre.

Due to the high percentage of welfare dependent citizens in Yerucham, many of the city's children suffer from learning, behavioural and developmental difficulties or diagnosed disabilities. The Centre identifies these students as early as possible and works with them throughout primary school providing them with specific professional support.

Within the next year the municipality wants to double the size of the centre by adding an additional floor to the existing building. This space will allow the staff to continue working with children as they progress into high school, ensuring a continuity of care throughout their education.

Renovating Renanim Kindergarten in Yerucham

Located in a poor neighbourhood in Yerucham, Renanim is an inclusive state kindergarten, a number of whose students have special needs. A kindergarten is a child's first step into the world of education and it is imperative that they enter a building that is clean, bright and has all the facilities they require. Renanim currently operates from a building that is over 50 years old and very run down. The outside area lacks greenery and a professionally planned playground. JNF UK has been asked to fund the redevelopment of the outside play area and repair the building's dilapidated exterior.

Shiur Acher

Shiur Acher ('a different lesson') introduces students from underprivileged backgrounds to high-flying professionals in a variety of fields – providing role models to children who might otherwise never encounter lawyers, economists, engineers or journalists; transforming young people's sense of what they can achieve in life.

Shiur Acher encourages civic engagement in the Israeli public education system, working with an array of high-profile firms to provide instruction and guidance. Bank Hapoalim, Unilever and Intel are just some of the household names who have chosen to volunteer with the organisation.

Shiur Acher coordinates classes with the firms who participate in its programmes. Classes aim to broaden students' horizons and ambitions, providing young people with an insight into what is possible through drive and hard work.

This project would not be taking place were it not for the help of JNF UK.

Thousands of children at hundreds of schools throughout Israel have benefitted from Shiur Acher programmes. Thanks to the assistance of JNF UK, who are funding a new Classes Coordinator for the southern region, Shiur Acher has expanded its programme into the Negev for the first time.

This particular project has received the approval of a wider educational authority and is now being introduced across the country.

Kiryat Malachi

Kiryat Malachi is a development town in the northern Negev. The town's population increased by 40% to 22,000 during the 90's, when a stream of new olim from Ethiopia and the former Soviet Union settled in the community. The effects of this rapid increase in population, and the strain it placed on resources and infrastructure, are still being felt today. This town is extremely poor with nearly 50% of the community on social benefits.

In view of its prominent location next to one of the major highways in the Negev, thousands of people drive past the run down area on a daily basis and are left with an impression of an extremely impoverished town.

JNF UK has committed to four different new projects to help towards the rebuilding of the town of Kiryat Malachi.

Kiryat Malachi Development of the Entrances into the Town

The renovation of the two main entrances to the town and adjoining promenade with a view to totally transforming the perception of the town and attracting new residents and businesses to Kiryat Malachi, which is vital to the town's future survival. This has been done in other towns with great success.

Kiryat Malachi Renovation of 8 State Kindergartens

Equipping and renovating 8 kindergartens that are in a serious state of disrepair. A kindergarten is a child's first step into the world of education and it is imperative that they enter a building that is clean, bright and has all the facilities they require. This is of particular importance in Kiryat Malachi where many of the children have grown up in poor families and need to fight to break the cycle of poverty that they were born into. Ultimately, if they are to succeed in life they and their parents must be helped from day one.

Kiryat Malachi Community Park

Renovating a run-down public space through the creation of a children's playground, outdoor gym, garden and upgrading the current football/basketball court situated there. Kibbutz Galuyot is one of the oldest and poorest neighbourhoods in the town and is in urgent need of modernisation. This project will transform residents' lives, providing the children and adults with a suitable outdoor recreational area – a basic necessity for any family living in Israel, due to the high percentage of the population who live in flats.

Kiryat Malachi Renovation of Community Centre and Deaf Club

Renovation of the outside area of the Community Centre, as well as refurbishing and equipping the space in the centre allocated to the 'Deaf Club.' In a run-down neighbourhood of Kiryat Malachi is a two-floor complex that serves the wider population of the town. The top floor serves as the town's only Community Centre. On the ground floor there is a space allocated to the town's 'Deaf Club', with very limited basic facilities. Being deaf can be isolating and having the Centre proves an invaluable lifeline of communication for its members. We have committed to contributing towards transforming the club and making it a place that the members can use every day, giving them a chance to thrive and feel part of a community.

STRUCTURE, GOVERNANCE, MANAGEMENT & FINANCIAL REVIEW

Governing document

The company is a registered charity and a company limited by guarantee, without share capital originally incorporated on 21st July 1939. It is governed by its Memorandum and Articles of Association, the most recent version of which was adopted on 11th February 2008.

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 the Charity's subsidiary KKL Executor & Trustee Company Limited) comprises the Honorary Officers of the Charity. They, together with up to 12 further Trustees, comprise the Board of Trustees of the Charity. One third of them must offer themselves for re-election each year.

The Trustees retiring by rotation are B.Pearl and D. Berens who, being eligible, offer themselves for re-election. During the year new trustees were appointed as follows:

Guy Avshalom 10 August 2015
Salomon Aron 18 November 2015

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 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 Limited is a connected party as a majority 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 a will writing and executorship service (in its capacity as a Trust Corporation), and the Charity's legacy administration.

Risk management and internal control

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 in the nature of 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 organisation is run on a day-to-day basis by the Chief Executive who is supported by a Senior Management Team

consisting of Finance Director, Head of Marketing and Events, Operations and Projects Manager and the Director of KKL Executor & Trustee Company Ltd.

The Trustees and Senior Management Team are supported by a number of committees which are as follows:

Management Committee

The Management Committee comprises a number of Trustees and members of the Senior Management Team, which meets more regularly than the main Board and to which the Board has delegated certain decision-making powers.

Finance Committee

The Finance Committee meets on a monthly basis to discuss all financial matters relating to the Charity. The Committee is chaired by the Chairman and consists of selected members of the Board together with selected members of the Senior Management Team.

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 is summarised as follows:

- projects should be in Israel and preferably in the Negev
- the contribution and support of JNF UK will make a significant difference to the success of the project.

STRUCTURE, GOVERNANCE, MANAGEMENT & FINANCIAL REVIEW

- continued

Projects Committee

- continued

- the project and any partners organisation must satisfy JNF UK's requirements regarding transparency and accountability
- the project must be charitable under UK law and adhere to any legal restraints
- the project should not be in receipt of funds from any other UK charity

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

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.

The Trustees believe that the principal risk faced by the Charity is the effect of the recent economic downturn on our donors.

The Trustees have recently resolved that future project commitments will be in Sterling to mitigate exchange risk.

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, which we hope to expand in future years.

Financial Review

The full results for the year to 31st December 2015 are shown in the attached Financial Statements.

The Consolidated Statement of Financial Activities set out on page 19 reflects all incoming resources.

Our total income increased by 7.1% to £14,389,000 compared to £13,431,000 for the previous year. Donations have decreased to £1,624,000 from £1,739,000, a decrease of 6.6%. Legacies increased by £3,154,000 to £4,330,000 and KKL Charity Accounts income decreased by £2,033,000 as a result of fewer clients depositing large additions to their accounts in 2015.

Remittances to Israel decreased to £4,215,000 from £4,957,000 in line with funds being available to support our projects:

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 operating expenditure

should be held. The unrestricted reserves at 31 December 2015 comfortably exceeded this level. Operating expenditure is defined as unrestricted expenditure less remittances to Israel net of support costs.

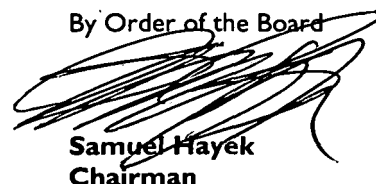
Investment Powers and Policy

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. As monies received are normally sent to Israel in accordance with the objects of the charity as soon as possible after receipt, no significant investments other than bank deposits are held by the charity, although JNF UK have in the past been bequeathed some properties where there is a life tenant.

Auditors

A resolution proposing the re-appointment of the RPG Crouch Chapman LLP as Auditors of the charity will be put to members at the Annual General Meeting.

By Order of the Board



Samuel Hayek
Chairman

7/9/16

Statement of Trustees' Responsibilities

The Trustees (who are also directors of the Charity 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 state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation; and

- 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.

Independent Auditor's Report to the Members of JNF Charitable Trust

We have audited the financial statements of JNF Charitable Trust and its group for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part of the Companies Act 2006 regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees' and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, 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. The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the

Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/auditscopeukprivate

Opinion of financial statements

In our opinion the financial statements give a true and fair view of the state of the charitable group's and company's affairs as at 31 December 2015 and of its incoming resources and application resources, including its income and expenditure, for the year ended. The accounts 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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.

RPG Crouch Chapman
LLP

Paul Randall
(Senior Statutory Auditor)
for and on behalf of RPG
Crouch Chapman LLP
Chartered Accountants

Senior Statutory Auditor

62 Wilson Street
London
EC2A 2BU

7 September
2016

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2015

	NOTE	Restricted Funds £'000	Unrestricted Funds £'000	Total 2015 £'000	Restricted Funds £'000	Unrestricted Funds £'000	Total 2014 £'000
Incoming Resources							
Donations		598	1,026	1,624	384	1,355	1,739
Legacies		770	3,560	4,330	-	1,176	1,176
Investment income and interest receivable		-	348	348	-	396	396
KKL Charity Accounts Income		7,809	278	8,087	9,842	278	10,120
Total Incoming Resources		9,177	5,212	14,389	10,226	3,205	13,431
Resources Expended							
Fundraising costs of donations and legacies		-	906	906	-	691	691
Charitable Activities							
Remittances to Israel	2	551	3,664	4,215	692	4,265	4,957
Remittances to UK Charities	3	8,689	164	8,853	8,866	50	8,916
Legal expenses		-	31	31	-	69	69
Governance costs	4	-	16	16	-	93	93
Total Resources Expended	5,613	9,240	4,781	14,021	9,558	5,168	14,726
Net Incoming /(Outgoing) Resources		(63)	431	368	668	(1,963)	(1,295)
Increase in fair value of property assets and investments		-	336	336	-	335	335
Net Movement In Funds		(63)	767	704	668	(1,628)	(960)
Fund Balances Brought Forward		7,892	5,384	13,276	7,224	7,012	14,236
Fund Balances at Year End		7,829	6,151	13,980	7,892	5,384	13,276

The Charity has no recognised gains or losses other than the results for the year as set out above. All activities of the Charity are classed as continuing.

The notes on pages 21 to 31 form an integral part of these accounts.

CONSOLIDATED AND CHARITY

BALANCE SHEETS

AS AT 31ST DECEMBER 2015

(Company Number 355248)

(CHARITY Number 225910)

	NOTE	2015 GROUP £'000	2014 GROUP £'000	2015 CHARITY £'000	2014 CHARITY £'000
Fixed Assets					
Tangible assets	8	1,555	1,567	1,552	1,552
Investments	9	899	563	985	649
		2,454	2,130	2,537	2,201
Current Assets					
Debtors: amounts due in less than one year	10	4,265	3,137	4,761	3,324
Debtors: amounts due in greater than one year	10	75	235	75	235
Cash at bank and in hand		19,168	18,236	11,969	10,652
		23,508	21,608	16,805	14,211
Creditors due in one year	11	(6,581)	(10,462)	(6,325)	(10,203)
Net Current Assets		16,927	11,146	10,480	4,008
Creditors greater than one year	12	(5,401)	-	(5,401)	-
Total Assets Less Total Liabilities		13,980	13,276	7,616	6,209
NET ASSETS		13,980	13,276	7,616	6,209
Represented By					
Unrestricted funds		6,151	5,384	5,836	5,243
Restricted funds	13,14	7,829	7,892	1,780	966
TOTAL CHARITY FUNDS		13,980	13,276	7,616	6,209

Approved and authorised for issue by the Trustees on the7..... of ...Sept.... 2016 and signed on their behalf by


Samuel Hayek
Trustee


Gary Mond
Trustee

The notes on pages 21 to 31 form an integral part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31ST DECEMBER 2015

	NOTE	2015 GROUP £'000	2014 GROUP £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	16	598	4,694
Cash flows from investing activities			
- Investment Income		348	396
- Acquisition of Tangible Assets		(14)	(14)
- Disposal of Shorter Term Investments		-	553
- Acquisition of Longer Term Investments		-	(225)
Net cash provided by investing activities		334	710
Change in cash and cash equivalents in the reporting period		932	5,404
Cash and cash equivalents at the beginning of the reporting period		18,236	12,832
Cash and cash equivalents at the end of the reporting period		19,168	18,236

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015

I. 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Group Financial Statements

These financial statements consolidate the results of the charity and its wholly owned subsidiaries KKL Executor and Trustee Company Limited and 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 Charity had incoming resources of £6,529,000 (2014: £2,784,000) and expenditure of £5,122,000 (2014: £4,865,000) and net incoming resources of £1,407,000 for the year (2014: Net outgoing resources of £2,081,000).

c) Incoming resources

Donations, legacies and receipts from functions are accounted for when received or notified. 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.

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.

Remittances to Israel includes 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 - in accordance with instructions received for donors' individual accounts within KKL Charity Accounts Limited and include their associated support costs and governance costs.

Support costs - 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 - costs that are incurred in compliance with constitutional, legal and statutory requirements related to the general running of the Charity and are incurred in support on the charitable expenditure above. Governance costs are generally allocated over charitable expenditure.

Irrecoverable VAT is included under the relevant expense headings.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

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:

Freehold property - 2% of cost at the year end down the net realisable value of the property

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.

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.

i) Investments

Investments are valued at market value at the balance sheet date. 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 with their cost if purchased subsequently.

i) 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.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

2. REMITTANCES TO ISRAEL

DONATIONS TO CHARITIES/PROJECTS	2015	2014
	£'000	£'000
Education / Training		
Nitzana/Yerucham Derech Eretz programmes	135	216
Yerucham Expansion and Renovation of Musical Conservatory	165	-
Yerucham - Equipping Second Floor of Learning Centre	25	-
Yerucham - Renovating Renanim Kindergarten	25	-
Equipping New Kindergartens for Autistic Children in Be'er Sheva	35	-
HaShomer HaChadash	157	146
Bikurim – Youth Village	24	89
Bikurim – Music school	304	-
Kiryat Malachi – young adults center	-	138
Kiryat Gat Mariann's early childhood center	-	52
Reut Sderot Association – 3 projects	-	34
Beit HaOle-Needy Immigrants	-	35
Arava - Pre-School Education Centre	-	29
Shavei Darom - Ampitheatre (formerly Building 2 Rocket Proof Classrooms)	76	-
Shavei Darom - Construction of Sports Grounds	87	-
Yeruham - Early Childhood Centre	-	69
Nachson Pre Army Programme - Developing New Campus in Eshkol (Habsor campus)	117	-
Kiryat Malachi - Renovation of state kindergartens	262	-
Ono Academic College	1,000	-
Matnat Shichrur (Heritage Gift) - 10 days trips for new veteran soldiers to learn about Israel	33	-
Ofanim - Mobile Labs in the Negev	32	-
Be'er Sova - Community Nutritional Centre	26	-
Meitarim Lachish Pre Army Programme - Equipping the Campus of Eliav	29	-
The Carasso Science Museum - Creating and equipping Scientific and Fabrication Laboratories	86	-
	2,618	808
Advancement of Health		
Ezra le'Marpe – Sderot*	-	195
Beit Uri	2	32
Ruach Dromit- Out Patient clinic	24	27
Hashomer HaChadash Caravans Unit	-	73
	26	327
Youth		
Sderot Young Adult Centre	18	-
Lakia Youth at risk :Center & Van	-	26
Desert Stars- Leadership program for Bedouins	-	45
Sderot Young Adult Center	-	35
Arad Youth Center	-	81
	18	187
Development/Employment		
Gvachim Accelerator Programs	143	37
Kibutz Erez Shaar Hanegev- Opus TV	-	28
Arava - Absorption of 15 Families	-	406
	143	471

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

2. REMITTANCES TO ISRAEL - continued

Economic/Community

Ayalim Student Villages*	-	1,624
Community Gardens Project	-	-
Shiur Acher - Expanding Horizons in the Southern Periphery 2015-2017	49	-
Nitzanei Hanegev - Renovation of Beer Sheva Scouts Centre	35	-
Ramat Hanegev - Young adult centre	42	-
Ahuzat Negev Ofakim - Developing Community Garden and renovation of centre	34	-
Café Britain in southern Israel – expansion	-	487
Gevahim Training Center	-	65
Arad Ayalim garden renovation	-	41
Kiryat Malachi - Renovation of the Community Centre and deaf club	24	-
Renovation of Yachini Community Centre	29	-
Yerucham - Yeruham Design Terminal	48	-
Yerucham - Renovation of Communal Areas of Former Social Housing Buildings	37	-
OR- Har Amasa Community Centre	-	44
Hof Ashkelon Regional Council - Renovation of the Community Centre	58	-
	356	2,261

Environment

Sderot - Bicycle Trail	-	325
Ofakim - A Park & Playgoround	134	325
Yerucham Northen Entrance & Lake Camping Site	-	568
Yerucham Developing Public Gardens	174	-
Kiryat Malachi - Development of the entrances	416	-
Kiryat Malachi - Community Park	87	-
Arad	66	244
Earth Promise- Productive Ecological Park	-	49
Mitzpe Ramon - Skate Park & Central Park	-	162
	877	1,673

Emergency

Rahat Shelters	-	29
Tzuk Eitan 9 Gaza war Effort	-	114
	-	143

Welfare

Refua Vesimcha – Ambulance for the Negev	-	73
Ofakim – Day Center for senior citizens	-	122
Eden Karmia - Renovation of a Home for Girls "at-risk"	143	-
Orr Shalom - Renovation of Foster Homes and Psychotherapy Centre	25	-
Orr Shalom- Beer Sheva cluster of family group home	-	30
	168	225
Donation less than £25,000	133	355

TOTAL DONATIONS TO CHARITIES/PROJECTS

	4,339	6,450
Release of prior year project commitments*	(1,631)	(2,519)
Currency exchange adjustments	432	(336)

PAYMENTS ON BEHALF OF SMARTGIVING CLIENTS

Other charitable expenditure	750	1,248
Support Costs (see note 6)	325	71
	4,215	4,957

*The majority of the amount released was re-allocated to the Ayalim Student villages.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

3. REMITTANCES TO UK CHARITIES

Payments to charities represent 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 own grant making policies

4. GOVERNANCE

Governance costs includes those costs that are incurred in compliance with constitutional, legal and statutory requirements related to the general running of the Charity.

5. TOTAL RESOURCES EXPENDED

The resources expended figures are stated after charging:

	2015 £'000	2014 £'000
Depreciation	26	59
Payment to auditors for audit services	12	11
Payment to auditors for non-audit services	3	5

6. SUPPORT COSTS

	Fundraising & Publicity £'000	Remittances to Israel £'000	Remittances to UK Charities £'000	Governance costs £'000	Total 2015 £'000	Total 2014 £'000
Staff & Contractor Costs	30	163	106	-	299	172
General Overheads	30	162	58	-	250	196
	60	325	164	-	549	368

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

7. STAFF COSTS AND TRUSTEE REMUNERATION

Trustees are not remunerated. No reimbursements were made to Trustees in 2015 or 2014 for expenses.

	2015 £'000	2014 £'000
Staff Costs		
Wages & Salaries	778	735
Social Security	84	80
Pension Costs	20	18
	882	833

Number of Employees

The average number of employees during the year was:

Fundraising	5	4
Bequest Department	3	3
Charity Accounts	3	3
Finance	3	3
Marketing	3	3
Management, HR & Administration	3	3
	20	19

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

£60,000 - £70,000	-	1
£70,000 - £80,000	1	2
£80,000 - £90,000	1	-
> £100,000	-	1

Contributions were made to defined contribution schemes for 1 high paid employees (2014: two employees) and contributions amounted to £4,000 (2014: £6,000). The total is disclosed above.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

8. FIXED ASSETS

	Freehold Property £'000	Furniture, Computer & Equipment £'000	Motor Vehicles £'000	Total £'000
GROUP				
Costs				
At 1st January 2015	1,500	424	30	1,954
Additions	-	3	11	14
Revaluation	-	-	-	-
At 31st December 2015	1,500	427	41	1,968
Depreciation				
At 1st January 2015	-	371	16	387
Charge for Year	-	20	6	26
Revaluation	-	-	-	-
At 31st December 2015	-	391	22	413
Net Book Values				
At 31st December 2014	1,500	53	14	1,567
At 31st December 2015	1,500	36	19	1,555
CHARITY				
Costs				
At 1st January 2015	1,500	293	30	1,823
Additions	-	3	11	14
Revaluation	-	-	-	-
At 31st December 2015	1,500	296	41	1,837
Depreciation				
At 1st January 2015	-	255	16	271
Charge for Year	-	8	6	14
Revaluation	-	-	-	-
At 31st December 2015	-	263	22	285
Net Book Values				
At 31st December 2014	1,500	38	14	1,552
At 31st December 2015	1,500	33	19	1,552

The freehold property is the Charity's Head Office based in Edgware, Middlesex. The property was valued in 2015 by local estate agents.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

9. LONGER TERM INVESTMENTS

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Property investments	803	467	803	467
Investment in subsidiary undertakings	-	-	89	89
Quoted investments	93	93	93	93
Investment held for SG clients	3	3	-	-
	899	563	985	649

The company owns all of the issued share capital of its subsidiary undertakings, which are incorporated in the United Kingdom and registered in England and Wales. The quoted investments were acquired as part of a bequest.

10. DEBTORS

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Donations and legacies receivable	3,189	2,139	3,189	2,130
Prepayments and accrued income	367	630	277	507
Keren Kayemet Lelsrael	784	603	784	602
Due from subsidiary undertakings	-	-	586	320
	4,340	3,372	4,836	3,559

Prepayments and accrued income includes an amount greater than 1 year of £75,000 (2014: £235,000).

11. CREDITORS LESS THAN ONE YEAR

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Trade creditors	407	371	149	122
Accruals and deferred income	47	38	47	28
Taxation and social security	22	30	24	30
Project commitments	6,105	10,023	6,105	10,023
	6,581	10,462	6,325	10,203

12. CREDITORS MORE THAN ONE YEAR

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Project commitments	5,401	-	5,401	-
	5,401	-	5,401	-

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

13. RESTRICTED FUNDS

	Brought Forward 1st January 2015 £'000	Incoming resources £'000	Resources expended £'000	Carried Forward 31st December 2015 £'000
KKL Charity Accounts	6,928	7,809	(8,689)	6,048
Yerucham	116	92	-	208
Environmental	188	47	-	235
Reservoirs	150	-	-	150
Emergency	134	-	(132)	2
Soroka Medical Research	82	-	(17)	65
OR Movement	93	-	(87)	6
Benji Hillman	-	45	(44)	1
Tel Sheva playground	16	-	-	16
Beit Uri	41	26	(41)	26
Holocaust centre	20	-	-	20
Ezra Lemarpe	50	82	(45)	87
Desert Stars	-	21	(1)	20
GS Autistic centre	-	114	(10)	104
Kibbutz Lavi	-	33	89	122
Kiryat Malachi Kintergartens	-	50	-	50
ESRA	-	647	-	647
Other	74	211	(263)	23
	7,892	9,177	(9,240)	7,829

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Fixed assets	2,453	-	2,453	2,130
Current assets	15,679	7,829	23,508	21,608
Current liabilities	(6,581)	-	(6,581)	(10,462)
Creditors greater than 1 year	(5,401)	-	(5,401)	-
Net Assets	6,151	7,829	13,980	13,276

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

15. SUBSIDIARY COMPANIES

The Charity owns the subsidiary KKL Executor and Trustee Company Limited which acts as Executors and Trustees.

A summary of its results are shown below.

	2015 £'000	2014 £'000
Total Income	407	469
Total Expenditure	(402)	(459)
Net Results	<u>5</u>	<u>10</u>

The aggregate of the assets, liabilities and funds were:

	2015 £'000	2014 £'000
Assets	259	17
Liabilities	(174)	63
Funds	<u>85</u>	<u>80</u>

The Charity also owns the following dormant subsidiaries:

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

16. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £'000	2014 £'000
Net income/expenditure for the reporting period (as per the statement of financial activities)	704	(960)
Adjustments for:		
Investment Income	(348)	(396)
Depreciation charges	26	59
Fair value (credit)/charge	(336)	(335)
Increase in creditors	1,520	2,876
Increase in debtors	(968)	3,450
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>598</u>	<u>4,694</u>

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 2015 - continued

17. CONNECTED CHARITY

KKL Charity Accounts Limited is a connected charity (Charity No 1105998) which operates from the same address as the company. The majority of the Trustees of KKL Charity Accounts are also Trustees of this charity and it is therefore treated as a subsidiary of the company. A summary of its results are shown below.

Income Statement

	Restricted Funds £'000	Unrestricted Funds £'000	Totals 2015 £'000	Totals 2014 £'000
Total Income	7,872	385	8,257	10,178
Total Expenses	(8,747)	(218)	(8,966)	(9,068)
Net Results	(875)	167	(709)	1,110

The aggregate of the assets, liabilities and funds were:

	2015 £'000	2014 £'000
Assets	7,060	7,735
Liabilities	(692)	(658)
Net Assets	6,368	7,077
Unrestricted Funds	316	150
Restricted Funds	6,052	6,927
Total Funds	6,368	7,077

18. FINANCIAL ASSETS AND LIABILITIES

	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Financial assets measured at fair value through Statement of Financial Activities	20,067	18,799	12,954	11,301
Financial assets measured at amortised cost	3,973	2,742	3,973	2,732
	24,040	21,541	16,927	14,032
Financial liabilities measured at amortised cost	(11,913)	(10,394)	(11,655)	(10,145)

19. FIRST TIME ADOPTION OF FRS 102

JNF UK has adopted FRS 102 from 1 January 2014. There has been no major effect on the charity's results and therefore the comparative prior year amounts have not been restated.

REFERENCE & ADMINISTRATIVE DETAILS

Company No.	355248
Registered Charity No.	225910
Registered Office	JNF House, Spring Villa Park, Spring Villa Road Edgware, Middlesex HA8 7ED
Directors and Trustees	S. Hayek - Chairman Dr M. Sinclair - Vice Chairman D. Berens Rabbi A. Kimche E. Gorji M. Lee G. Mond B. Perl MBE D.Seal M. Waisman M Mansour G. Avshalom (appointed 10 August 2015) S. Aaron (appointed 18 November 2015)
Company Secretary	D. Berens
Auditors	RPG Crouch Chapman LLP 62 Wilson Street, London, EC2A 2BU
Solicitors	Mishcon de Reya Summit House, 12 Red Lion Square, London, WC1R 4QD
Bankers	Barclays Bank plc 1 Churchill Place, London E14 5HP

**JNF Charitable Trust
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