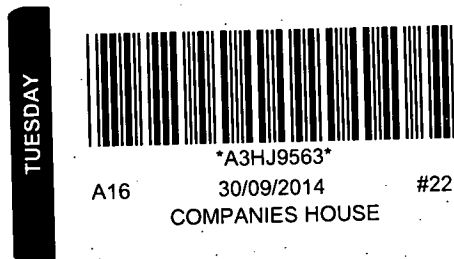


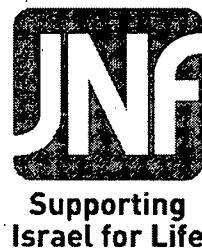
ANNUAL REPORT & ACCOUNTS 2013

SUPPORTING ISRAEL FOR LIFE This Year & Every Year



**The leading UK
charity for Israel**

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



“It is in the Negev that the creativity and pioneer vigour of Israel shall be tested.”

David Ben-Gurion, first Prime Minister of the State of Israel

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Chairman's Review

Samuel Hayek, JNF UK Chairman

2013 has been yet another successful year for JNF UK. We have continued to make a substantive impact on Israel's Negev communities by developing, sustaining and improving both the vulnerable southern front-line towns and new flourishing communities through numerous projects and partnerships with Israel's truly inspiring new-generation pioneers and remarkable grass- roots organisations.

Israel's development and future has and always will be of paramount importance. Our vision for the Negev is for it to be a place where communities thrive and make significant contributions to the country. With expanding opportunities we continue to envisage a Negev which is safe, secure and flourishing for families and communities to live the Zionist dream and make it a viable place for them to settle.

Theodor Herzl, the father of modern Zionism and founder of JNF pronounced "If you will it, it is no dream".

As Chairman of JNF UK for the past six years I am inspired daily by the spirit of the Negev's modern pioneers and overwhelmed by the continuous support from British Jewry to help JNF UK by developing and strengthening the state of Israel.

By increasing our remittances to Israel in 2013 we have been able to provide vital support to the communities such as; the Rehabilitation Centre for autistic infants and toddlers in Kiryat Gat that delivers paramedical therapies and provides access to specialist paediatric psychiatrists; by establishing a new state-of-the-arts Music School in Eshkol that will give talented young teenagers in the Negev the opportunity to be housed, trained and mentored to cultivate their talent and abilities. ; develop an Early Childhood Centre in Arad which imparts comprehensive therapies in cognitive, functional and social development. All of which are fundamental as the children of the Negev are the future of Israel.

This year we have also focused our efforts on tackling high unemployment and poor local infrastructure in the Negev by facilitating skilled programmes which promote and provide opportunities for professional innovation and growth. One of the projects is 'The Hive' in Ashdod, offering mentoring programmes by experienced entrepreneurs and investors in a variety of fields. Another of these projects is the exciting 'Mitzpe Ramon Business & Technology Hub' that is encouraging companies to establish offices in the Negev creating new job opportunities. All with a vision for the Negev to become a leading hub for high-tech innovation and development, for venture capital investment.

With the continuous support and generosity of our donors, we can continue to be the glue that binds Anglo- Jewry to the State of Israel.

I would like to take this opportunity to thank our generous donors for their continuous support, along with our committed staff and legion of volunteers for their dedication.

Sincerely,

Samuel Hayek,
Chairman

Who we are

History and Heritage

In July 1939, JNF Charitable Trust was registered as a charity in England and Wales. JNF Charitable Trust is also known as JNF UK which it uses in order to avoid confusion. 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 Basle, 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 for the benefit of Jewish people.

JNF's iconic 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, we have been 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 and planted more than 240 million trees, built more than 210 reservoirs and dams, developed over 250,000 acres of land and created 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 the help of our supporters, 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. In 2013 KKL Charity Accounts Limited was rebranded as SmartGiving, an online charity accounts and fundraising platform. In total there are some 24 staff and contractors covering all of these activities.

Our Vision

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

Our vision for the Negev is for it to become a place where communities thrive and make a significant contribution to Israel's economy. A Negev 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 pioneer 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 to the mid-1990s. 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 by 2020.

Strategy: Project Negev

Developing the Negev requires JNF UK to confront a variety of issues – from social to economic, and from integrating immigrants and supporting the vulnerable. Moreover, as our efforts bear fruit and local communities flourish, we must ensure that the region's infrastructure grows in parallel with its population.

JNF UK's current projects are classified under the following headings:

- **Education / Training**
- **Advancement of Health/Saving of Lives**
- **Accommodation/Housing**
- **Youth**
- **Arts/Culture/Recreation**
- **Economic/Community/Development/Employment**

Expanded details of many of our Projects are included in the section "Selected Completed and Current Projects" from pages 10 to 15.

Education/Training

We believe that every child should have the right to a quality education and the opportunity to realise their full academic and creative potential. JNF UK is committed to ensuring that the children of the Negev have access to quality education – no matter how isolated their community or disadvantaged their background. By providing a plethora of education and childcare facilities in the region, we are helping to provide a sustainable framework that will engender future growth and encourage young families and students to make the Negev their home.

In 2013 JNF UK continued to develop educational infrastructure throughout the Negev - building and supporting schools, childcare and special education centres. We also provided funds for a sports hall in Beer Sheva, an early childhood centre in Arad, Derech Eretz programmes, the Sapir Music School in Sderot and the Eshkol Music School.

Advancement of Health/Saving of Lives

The provision of health facilities is of fundamental importance as the Negev develops its infrastructure. The alleviation of human suffering is one of the cornerstones of JNF UK's work.

In 2013 JNF UK approved funds for Ezra le'Marpe and a medical research project at Soroka Hospital, in Sderot.

JNF UK is helping Ruach Dromit (Southern Wind) to establish a new outpatient centre for cancer patients and their families, based at Beer Sheva's Soroka Hospital. Ruach Dromit provides additional care for cancer patients and their families, offering treatments, workshops and counselling services; easing the psychological burden of battling cancer and increasing the chances of recovery. The Negev is home to 18,000 cancer patients, 2,000 of whom were diagnosed in the past year. Until now those affected by cancer have been unable to access additional care of the kind offered by Ruach Dromit.

The Ruach Dromit Treatment Centre will be the only one of its kind in the Negev. 30 professionally-trained volunteers will provide cancer patients and their families with palliative treatments designed to ease the burden of living with cancer.

Accommodation/Housing

As the Negev develops and the population grows, the provision of affordable housing to attract newcomers to the area is crucial. JNF UK is assisting in this aspect by helping support the preparation of land that can then be used for housing. JNF UK is also playing a significant role in supporting the Israeli government's efforts in this area, including our recently completed dormitory building for a high school in Halutzit, in the north-western Negev. We are also partnering with the Ayalim Association, which brings motivated young students to live, study and volunteer in socially and economically struggling Negev communities. Together with Ayalim, we have helped to build student villages in the development towns of Yerucham and Ofakim.

Youth

In sharp contrast to the central regions, where communities live more securely, there is a distinct lack of basic infrastructure and extracurricular activities for the Negev's youth. This aspect of life is as important as other aspects of infrastructure in the Negev to ensure that the Negev is an attractive location for families as they move and stay in the area.

Thousands of children in communities throughout the Negev continue to suffer from the emotional and psychological trauma of more than a decade under rocket-fire. A staggering number suffer from Post-Traumatic Stress Disorder (PTSD), exhibiting symptoms ranging from severe anxiety and insomnia to depression. Communities are struggling to cope and residents are in desperate need of counselling and professional support.

JNF UK continues to fund a variety of projects that provide a safe, friendly and healthy environment for local youth, and a reason to stay off the streets. There is also counselling, support and vocational training for victims of trauma. Most recently, we have approved funds for a much needed young adult centre in Kiryat Gat, a city with a population of over 52,000 and with one of Israel's highest unemployment rates, as well as similar projects in Sderot and Yerucham.

Arts/Culture/Recreation

Building communities is about more than just bricks and mortar. Israel is rich in heritage, arts and culture, but the Negev's cultural and artistic infrastructure currently lags behind the rest of the country. JNF UK is working towards enhancing cultural and heritage related activities and centres in the Negev as part of our commitment towards improving the lives of local residents, as well as attracting new ones.

JNF UK is improving the quality of life for residents in the Negev by funding parks, playgrounds, picnic areas, and other recreational projects that provide families and children with a safe and clean environment in which to relax, socialise and play.

Economic/Community

The Negev is a melting-pot for immigrants from regions as diverse as North Africa, the Former Soviet Union and Ethiopia. More recently, government initiatives have provided incentives for native Israelis and new immigrants to "go south" and make the Negev their home. This has helped add to the diversity of the region, posing both new challenges and fresh opportunities.

Historically little effort has been directed towards integrating the various communities of the Negev, leading to a range of social problems, particularly among the younger generation. Today, JNF UK is strengthening the social fabric of the Negev through a wide range of projects. We are helping new immigrants to integrate and find employment, and promoting social cohesion through youth work and social action, as well as by funding "community gardens" in several Negev cities, which encourage cooperation and harmony between communities.

Development/Employment

The most essential factor in reducing poverty and providing opportunities in the Negev is tackling unemployment. Unemployment levels in much of the region are higher than the Israeli national average and JNF UK is working with our partners to help increase prospects and provide a better future for the residents of the Negev.

JNF UK is taking a two-pronged approach toward tackling unemployment:

1. Encouraging **businesses** to set up or move facilities to the Negev.
2. Providing **individuals** with essential and vocational training as well as networking and job opportunities to benefit the local population.

In 2013, JNF UK approved funding for further Gvachim "Accelerator Programs" which bring together well educated and well paid professionals to these towns.

The Hive (Gvachim) is a non-profit hub dedicated to the professional success of international talents in Israel. Training and connecting highly-skilled Olim and returning citizens, The Hive leverage a community of thousands of professionals from Israel's leading companies and major actors in the start-up world.

In Mitzpe Ramon JNF UK is in the process of constructing office-space for McCann Erickson, one

of the world's foremost advertising and digital marketing firms. The office complex, known as the Hub, will provide not merely a home for McCann but other firms active in the digital arena. It is hoped that this initiative will draw other start-ups to the region, reversing the Negev's brain-drain.

Selected Completed and Current Projects

SAPIR MUSIC COLLEGE, SDEROT

JNF UK is working closely with Sapir College, an institute for further education in the western Negev near Sderot, and establishing a new music academy for students passionate about music and eager to study and pursue a career in it. The project will allow young people from Sderot and other nearby development towns to fulfil their musical potential - affording them opportunities similar to those available to young people in central Israel.

Sapir College is a thriving campus with some 7,000 students, and has close ties with local communities. It offers an array of innovative learning programmes in disciplines such as communications, cinema, computers and management.

Social and youth workers in Sderot have highlighted the presence of a large number of young people in the town with musical abilities and a natural affinity with music. Clinical evidence demonstrates the power of music to promote healing, help development and enhance mental functioning. The project will give young people a focal point and an ability to fulfil their musical potential, in a region that has been rocked by decades of conflict.

The music school will offer a diverse multi-disciplinary academic programme and will be a standard-bearer for the teaching of music in Israel.

AYALIM STUDENT VILLAGES

JNF UK is helping to change the lives of thousands of young Israelis across the Negev through our dynamic partnership with the Ayalim Association.

Established in 2002, Ayalim brings university students from all over Israel to live, study and volunteer in disadvantaged communities throughout the Negev and the Galilee, with the aim of breathing life into Israel's "forgotten" frontier communities. The work of Ayalim's student volunteers relies largely upon purpose-built community centres, which serve the local population and host a wide range of interesting programmes and extracurricular activities. This includes one-to-one tutoring for local "at risk" youth, Hebrew classes for new immigrants and women's empowerment programmes.

Ayalim's volunteers each dedicate 500 hours of community work (particularly youth work) every year. Upon completing their studies, as many as 85% choose to remain in their adopted towns - bringing many long-term benefits, as highly motivated, well-educated community members with a strong sense of civic responsibility.

JNF UK is playing a crucial role in this exciting initiative, by building the community centres at the heart of Ayalim student villages. We have already completed two "Ayalim - JNF UK Community Centres" in the towns of Yerucham and Ofakim. With thanks to our supporters we are currently building a similar centre in Arad.

KIRYAT GAT SPORTS CLUB AND ENRICHMENT CENTRE

Kiryat Gat is a city of 52,000 in the northern Negev. It has high unemployment and poor local infrastructure, the product of decades of underinvestment. Many of the local population are first or second generation refugees from the Middle East, Africa and the Former Soviet Union.

JNF UK is converting a section of a football stadium into a state-of-the-art youth club where children can go after school to socialise and enjoy an array of fun activities. The project is a sustainable way for local youth to enhance their lives, giving the young people of Kiryat Gat a place of safety, support and personal enrichment.

DERECH ERETZ PRE & POST ARMY PROGRAMMES

Derech Eretz is a pre-military programme, preparing young Israelis from working-class and lower-middle class backgrounds for their army service and enabling them to excel in their respective military fields. The post-military programme is a new, ground-breaking scheme which aims to raise a new generation of socially-aware Israeli leaders, whilst simultaneously helping to develop the Negev region. The programme advises on options available to people post-army service, and helps with university applications. With JNF UK's support, youngsters experience personal development, social awareness, volunteering and leadership training. In 2013 we are supporting programmes in Nitzana and Yerucham; in 2012 we supported a programme in Halutzit.

GVAHIM, THE HIVE (ACCELERATOR PROGRAM)

'Gvachim' is a non-profit organization whose goal is to provide highly-skilled Olim with opportunities to pursue careers. Launched in 2006 by the Rashi Foundation and a group of Israelis employed in the industrial sector, Gvachim offers Olim and returning citizens from all over the world the proper tools, guidance, support and community to make a successful Aliyah.

JNF UK is partnering with Gvachim and is supporting "The Hive" programme to train and connect highly-skilled international talents in Israel, leveraging all possible opportunities for professional success. The Hive Programme consists of a 6-month program including lessons in Office Space, mentoring given by experienced entrepreneurs and investors, workshops with top experts, one-to-one meetings with legal and tax specialists, office-time with marketing, finance and strategy experts, networking events and exposure to investors.

MITZPE RAMON BUSINESS AND TECHNOLOGY HUB

JNF UK is working with McCann Erickson with a shared goal of creating employment opportunities and empowering others to succeed in business. JNF UK is in the process of setting up a state-of-the-art Advertising, Media and Digital Centre in the desert town of Mitzpe Ramon.

Founded in 1951, Mitzpe Ramon has endured its share of economic hardship over the years. Located in the deep south of the Negev and enduring a harsh climate, many of the town's 5,000 residents work in tourism, work that is seasonal and poorly paid. This project will boost employment and have a positive indirect impact on existing local businesses. It will also encourage other professionals to make Mitzpe Ramon their home.

ESHKOL MUSIC SCHOOL

JNF UK is developing a music and performing arts school for gifted youth in Eshkol. The school will provide a top-class musical curriculum; offering residential places to talented high-school students from disadvantaged homes; particularly disadvantaged homes in the south of Israel. Located in Eshkol, the school will provide an environment of professional excellence and achievement among youth who have previously felt marginalised.

JNF UK feels that the new school has the potential to spark a cultural revolution in the south of Israel. We are confident that the four years of training at the residential Youth Village, and the formal music matriculation program we plan to establish at the adjacent Nofei Habesor Regional High School, will create a generation of outstanding musicians from Israel's geographic and socio-economic periphery.

ARAD EARLY CHILDHOOD CENTRE

The Arad Early Childhood Centre is being developed in order to provide comprehensive support services for a wide spectrum of the population. The therapeutic services offer solutions for the cognitive, functional and social development needs of residents from birth to adulthood. The Centre will be comprised of several buildings for treating children, youth and adults.

The Early Childhood Centre will provide paediatric care, speech therapy, physiotherapy, Gymboree, art therapy, healing with animals, occupational and physical therapy, psychological evaluations and parental treatment and advice.

HASHOMER HACHADASH

Over the last decades, farmers, kibbutz and moshav workers have successfully built flourishing communities, raised livestock and turned infertile land into agricultural achievements in the Negev. A lack of adequate law-enforcement in some of the more isolated areas has left communities vulnerable to attack from criminal gangs.

Since 2007, HaShomer HaChadash has helped these communities by training and equipping volunteers to work with local police to ensure the safety of local residents. Today, what started as one man's mission has expanded into an organisation of 2,000 volunteers and 250 regular guardsmen and has led to a significant drop in crime levels. Volunteers also support farmers by repairing damage to their property and helping out with day-to-day activities.

JNF UK is proud to be partnering with HaShomer HaChadash and has provided essential support to them, including vital equipment for training volunteers, all-terrain vehicles and mobile caravans. 2013's support includes providing support for post army young people with a program that offers employment and training in the agricultural sector, in-depth study into their Jewish-Zionist identity

and history, and the chance to engage in meaningful volunteer work to help farmers and ranchers in outlying areas.

OFAKIM COMMUNITY PLAYGROUNDS

Ofakim, located in the northern Negev region, was established in 1955 by 400 families from North Africa, Persia, Egypt, India and Romania. In the early 1990's an influx of immigrants from the Former Soviet Union and Ethiopia boosted the town's population and today nearly 27,000 people live in Ofakim (40% are veteran Israelis, 32% immigrants and 28% ultra-orthodox Jews).

Ofakim has been labelled as a 'Designated City' for the Israel Defence Forces' move to the Negev. JNFUK is supporting a project renewing and installing 10 playgrounds in two areas of Ofakim, Mishor HaGefen and Ben-Gurion, whose residents are from low socio-economic backgrounds.

EZRA LE'MARPE

For over 30 years, the Ezra Le'Marpeh Organization has alleviated the suffering of sick people through a wide range of targeted activities and services, allowing their speedy recovery and ultimate return to a healthy, normal life. Some 150,000 people benefit from their services annually. Every person approaching the organization is eligible to receive these services and activities, completely free of charge.

Ezra Le'Marpeh provides services such as: specialist medical referrals, ambulance services, advanced rehabilitation treatment with the aim of restoring healthy lives. For over 10 years, the residents of Sderot and surrounding areas have been under persistent attack, enduring the constant threat of rocket attacks on their home towns, with many of the residents suffering from physical injury and Post-Traumatic Stress Disorder.

Ezra Le'Marpeh will establish services for residents and victims in Israel's south and will include a state-of-the-art rehabilitation day centre, including a hydrotherapy swimming pool. The centre will also include a Medical Counselling and Referral Service, a Medical Equipment Lending Centre, an Ambulance Service and a day care centre for autistic adults.

The project has been designed to the highest architectural standards taking into account the special security demands, to ensure the protection of the patients who will undergo treatment within the Centre.

SDEROT- NACHSHON

Nachshon operates a social leadership project in Sderot for high school graduates, male and female, who have voluntarily postponed their military draft by one year, to take part in the 10-month program on campus at Sderot, where they volunteer in the community, study and reside. They actively take part in - and initiate - voluntary community actions, despite the complexity and difficulties of the area. These activities take place in the city's various neighbourhoods and in the educational system of Sderot for the youth and the adult residents within the underprivileged communities.

SENSORY GARDEN FOR THE BLIND

The Noor Association was established in 2007 in order to promote the needs of blind members of the Bedouin community in the Negev. The Noor Association works with 300 blind people and their families. Noor are establishing a centre to provide services for the blind. JNF-UK is helping to advance this plan, working with Noor to complete construction of the outdoor courtyard areas.

The Centre will provide services for blind adults during the morning and in the afternoon blind children that study in the area will come to spend time in the centre and to improve their abilities in various fields and to participate in rehabilitation programmes.

The garden has been professionally designed to suit the needs of the blind consistent with the special accessibility requirements of the blind. The garden will provide a safe place for children and adults in which to walk and play; have suitable flora, according to the plants' unique attributes, and will be designed to stimulate, develop and enhance all the blind person's other senses, furthering their independence.

MEDICAL RESEARCH – SOROKA HOSPITAL BEER SHEVA

The Soroka JNF UK Clinical Research Scholars Program (SJNF Program) is a joint project of the Soroka Clinical Research Centre and JNF UK Clinical Research Scholars Program. The Hospital will provide medical staff with career-development in clinical research and rigorous training in a supportive work environment.

The SJNF Program supports the professional development of individuals dedicated to a career in clinical investigation, and who aspire to develop into independent, established, and ethical leaders in clinical research. The Program will create professionals skilled in clinical research design and methods, and able to work creatively and collaboratively with colleagues in other disciplines to generate knowledge to improve health.

These awards provide support for clinical research and career development of doctors (post residency, junior faculty) working in Soroka University Medical Centre. Clinical research includes patient-oriented research, epidemiological research and outcomes research and health services research.

Fundamental elements of the training and career development in this program include: structured coursework; practical training, conduct, and analysis of clinical research in team settings, "hands on" conduct of a research project under the supervision of mentors and engagement in related career development activities.

YERUCHAM YOUTH LEADERSHIP CENTRE

Yerucham is a small development town in the central Negev, about 30 minutes south east of Beer Sheva. It has a population of 9,000 residents. In Yerucham there are approximately 1,100 youth between the ages of 10-18 and many of them are active in various youth movements.

The Youth Leadership Centre will be home to 200 - 250 young people. They will attend educational leadership activities on a weekly basis. Among these activities are: Israeli Scouts, the Diller Leadership Group, IDF preparation and the Yerucham Youth Council, etc. The centre will be open daily and will be staffed with 2 paid staff members and around 20 volunteers. The Centre will have 4 activity rooms, 3 offices and active outdoor space.

COMMUNITY GARDENS PROJECT

This project aims to educate families about nutrition, whilst providing a green haven for the distressed neighbourhoods of the South of Israel, and developing self-esteem and healthy life skills for children and educating them about the environment.

The population of the Negev includes a mix of immigrants from Ethiopia and the former Soviet Union as well as veteran Israelis, many subsisting on insufficient incomes. Part of the problem caused by these demographics is that the children are not eating healthy food or taught about nutrition in a way that they can help themselves. The neighbourhoods tend to be rundown and social problems are exacerbated by the combination of diversity, poverty, lack of opportunity and the lack of self-esteem associated with these conditions.

Children thrive when they have access to the right tools and space. School-based Edible Gardens are an outstanding example: they are living, breathing classrooms that serve as creative locations for learning about proper nutrition while teaching life skills, addressing behavioural issues and heightening environmental awareness. This approach holds special promise for improving the lives of young Israeli children from disadvantaged or immigrant backgrounds.

Gardens have already been established successfully in three schools in the Galilee region, and now JNF UK is helping to build new gardens in neighbourhoods of Dimona, Ashkelon and Kiryat Gat. These pockets of green will enhance the quality of life of disadvantaged children in the Negev and help steer them out of the cycle of poverty and risk and in doing so, help children in these distressed neighbourhoods to feel valued and able to help themselves to build a better future.

OR MOVEMENT PROJECTS

The OR Movement was founded in 2002 by a group of young, idealistic Israelis dedicated to populating Israel's Negev. Driven by Israel's founding spirit and the need for lasting change, the OR Movement combines the pursuit of meaningful life with the most promising opportunities for investment, innovation, and economic growth. Through intensive efforts to turn Israel's Negev & Galilee regions into an attractive place to live, they hope to increase the population in these regions by 600,000 individuals by 2020.

The OR Movement has established 7 new towns, facilitated over 50 community and public building projects including planning, construction and operation and forged fruitful government

relationships, helping pass 17 government initiatives and decisions that provide incentives, benefits, and assistance for the Negev.

JNF UK has supported and continues to support the OR Movement. Specific projects that have seen JNF UK contributions are Synagogues in Sansana and Retamim and a playground in Sansana.

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 President, 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 M.Sinclair, B.Pearl and G.Mond who, being eligible, offer themselves for re-election.

Trustee induction and training

New Trustees undergo an orientation day 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 process 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 Financial Controller, 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 and be consistent with Zionist principles
- the contribution and support of JNF UK will make a significant difference to the success of the project
- 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

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.

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 2013 are shown in the attached Financial Statements.

The Consolidated Statement of Financial Activities set out on page 20 reflects all incoming resources.

Our total income decreased by 21% in 2013 to £13,855,000, compared to £17,537,000 for the previous

year. Legacies decreased by £892,000 to £4,491,000 and KKL Charity Accounts income reduced by £2,210,000 as a result of some large clients making large additions to their accounts in 2012 which were not repeated in 2013.

Remittances to Israel increased marginally to £4,978,000 in line with funds being available to support our projects.

Fundraising activity during 2013 remained challenging given the general economic environment however. In 2014 the charity intends to continue to build on the regular fundraising opportunities such as Green Sunday, Rosh Hashanah and Yom Ha'atzmaut which are an established part of the community's calendar. 2014's Green Sunday appeal has exceeded the previous year's income.

Unrestricted Fund balances carried forward at year end showed an increase of £1,803,000 to £7,012,000 and remain at a level which the trustees consider acceptable.

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 2013 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

30 September 2014

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 2013 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 1, 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 2013 and of its incoming resources and application resources, including its income and expenditure, for the year 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.

Opinion on other matter 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.

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

Senior Statutory Auditor

30 September 2014
62 Wilson Street
London
EC2A 2BU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any

time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware, there is no relevant audit information of which the charitable company's auditors are unaware. Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself / herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED DECEMBER 2013

	NOTE	Restricted Funds £'000	Unrestricted Funds £'000	Total 2013 £'000	Total 2012 £'000
Incoming Resources					
Donations		310	1,100	1,410	1,705
Legacies		13	4,478	4,491	5,383
Investment Income and Interest Receivable		-	307	307	592
KKL Charity Accounts Income		7,360	287	7,647	9,857
Total Incoming Resources		7,683	6,172	13,855	17,537
Resources Expended					
Fundraising Costs of Donations and Legacies		-	692	692	710
Charitable Activities					
Remittances to Israel	2	1,493	3,485	4,978	4,973
Remittances to UK Charities	3	7,473	248	7,721	6,820
Legal Expenses		-	29	29	87
Governance Costs	4	-	65	65	64
Total Resources Expended	5,6	8,966	4,519	13,485	12,654
Net Incoming /(Outgoing) Resources		(1,283)	1,653	370	4,883
Impairment Credit/(Charge) on Assets for Charity's own use		-	150	150	(100)
Net Movement In Funds		(1,283)	1,803	520	4,783
Fund Balances Brought Forward		8,507	5,209	13,716	8,933
Fund Balances at Year End		7,224	7,012	14,236	13,716

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 25 to 34 form an integral part of these accounts.

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST DECEMBER 2013

(COMPANY NUMBER 355248)
(CHARITY NUMBER 225910)

	NOTE	2013 GROUP £'000	2012 GROUP £'000	2013 CHARITY £'000	2012 CHARITY £'000
Fixed Assets					
Tangible Assets	8	1,277	1,146	1,250	1,141
Investments	9	891	887	976	976
		2,168	2,033	2,226	2,117
Current Assets					
Debtors: amounts due in less than one year	10	6,587	5,138	6,695	4,948
Debtors: amounts due in greater than one year	10	235	315	235	315
Investments	11	-	250	-	250
Cash at Bank and in Hand		12,832	11,462	6,613	4,241
		19,654	17,165	13,543	9,754
Creditors less than One Year	12	(7,586)	(5,482)	(7,480)	(5,455)
Net Current Assets		12,068	11,683	6,063	4,299
Total Assets Less Current Liabilities		14,236	13,716	8,289	6,416
NET ASSETS		14,236	13,716	8,289	6,416
FUNDS Represented By					
Unrestricted Funds		7,012	5,209	7,016	4,945
Restricted Funds	13,14	7,224	8,507	1,273	1,471
TOTAL CHARITY FUNDS		14,236	13,716	8,289	6,416

Approved and authorised for issue by the Trustees on the 30 of September 2014 and signed on their behalf by


Samuel Hayek
Trustee


Elan Gorji
Trustee

The notes on pages 24 to 33 form an integral part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st DECEMBER 2013

	NOTE	2013 GROUP £'000	2012 GROUP £'000
NET CASH INFLOW FROM OPERATING ACTIVITIES		916	4,776
Return on Investments and servicing of Finance			
- Investment Income		307	592
Capital Expenditure and Financial Investment			
- Disposal of Shorter Term Investments		250	-
- Acquisition of Tangible Assets		(40)	(27)
- Acquisition of Longer Term Investments		(4)	-
Financing			
- Decrease in Debt		(59)	(58)
NET CASH INFLOW/(OUTFLOW) FOR YEAR	16	1,370	5,283
RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES			
Statement of financial activities			
- Net Movement in Funds		520	4,783
Investment Income		(307)	(592)
Depreciation		59	43
Impairment (Credit)/Charge		(150)	100
Increase in Creditors		2,163	2,490
Increase in Debtors		(1,369)	(2,048)
NET CASH INFLOW FROM OPERATING ACTIVITIES		916	4,776
Cash at Bank and in hand at the end of the year		12,832	11,462
Cash at Bank and in hand at the beginning of the year		(11,462)	(6,179)
CHANGE IN CASH BALANCES FOR THE YEAR		1,370	5,283
Cash outflow from the decrease in debt	16	59	58
Change in Net funds resulting from cash flows		1,429	5,341
Net Funds as at 1st January		11,403	6,062
Net Funds as at 31st December	16	12,832	11,403

JNF CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31st DECEMBER 2013

I. ACCOUNTING CONVENTION AND POLICIES

a) Accounting Conventions

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) and applicable accounting standards.

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 2005. The Charity had incoming resources of £6,228,000 (2012: £7,762,000) and expenditure of £4,616,000 (2012: £5,674,000) and net incoming resources of £1,762,000 for the year (2012: Net incoming resources of £2,088,000).

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 subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Remittances to Israel includes all funds remitted to Israel by the charity in direct pursuit of its charitable objectives.

Remittances to UK Charities - in accordance with instructions received for donors' individual accounts within KKL Charity Accounts Limited.

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.

Irrecoverable VAT is included under the relevant expense headings.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st DECEMBER 2013 (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

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) Pension Scheme

Payments to defined contributions schemes are written off as incurred.

g) 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.

h) 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.

2. REMITTANCES TO ISRAEL

	2013 £'000	2012 £'000
DONATIONS TO CHARITIES/PROJECTS MORE THAN £25,000		
Education / Training		
Halutzit/Nitzana/Yerucham Derech Eretz programmes	87	329
Eshkol Music School	-	82
Arava pre-school education centre	-	60
Yerucham early childhood centre	-	280
Arad Early Childhood Centre*	349	-
BeerSheva Sports Hall & Empowerment Centre	35	-
Jewish Scouts	-	299
Sapir Music College, Sderot	-	1,030
HaShomer HaChadash	114	137
	585	2,217
Advancement of Health/Saving of Lives		
Ezra le'Marpe – Sderot	1,848	-
Beit Uri	35	58
Medical Research - Soroka Hospital BeerSheva	70	-
	1,953	58
Youth		
Kiryat Gat Sports Club and Enrichment Centre	-	58
Yerucham Youth Leadership Centre	38	-
Sderot Young Adult Centre	35	-
Kiryat Gat Young Adult Centre	44	-
	117	58
Economic/Community		
Ayalim Student Villages	35	132
Community Gardens Project	-	74
Benji Hillman	32	53
Sderot - Nachshon	97	-
Ofakim Community Playgrounds	78	-
	242	259
Environment		
Carmel & Chiran Forests	-	53
Jerusalem Botanical Gardens	-	105
Sensory Garden for the Blind	32	-
	32	158
Development/Employment		
Mitzpe Ramon Business and Technology Hub	-	824
Gvachim accelerator programs	30	61
	30	885
DONATIONS LESS THAN £25,000	204	101
Release of prior year project commitments *	(366)	(35)
Currency exchange adjustments	115	31
TOTAL DONATIONS TO CHARITIES/PROJECTS	2,912	3,732
PAYMENTS ON BEHALF OF SMARTGIVING CLIENTS	1,149	417
SUPPORT COSTS - Direct	815	734
SUPPORT COSTS – Indirect	102	92
	4,978	4,973

*The majority of the amount released was re-allocated to the Arad early childhood centre

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST DECEMBER 2013 (continued)

3. REMITTANCES TO UK CHARITIES

Remittances 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:

	2013 £'000	2012 £'000
Depreciation	59	43
Impairment (credit)/charge	(150)	100
Payment to auditors for audit services	11	11
Payment to auditors for non-audit services	1	1

6. SUPPORT COSTS

	Fundraising & Publicity £'000	Remittances to Israel £'000	Remittances to UK Charities £'000	Governance Costs £'000	Total 2013 £'000	Total 2012 £'000
Staff & Contractor Costs	106	40	26	15	187	148
General Overheads	164	62	41	42	309	301
	270	102	67	57	496	449

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st DECEMBER 2013 (continued)

7. STAFF COSTS AND TRUSTEE REMUNERATION

Trustees are not remunerated. No reimbursements were made to Trustees in 2013 or 2012 for expenses.

	2013 £'000	2012 £'000
Staff Costs		
Wages & Salaries	717	664
Social Security	77	73
Pension Costs	22	19
	816	756

Number of Employees

The average number of employees during the year was

Fundraising	3	5
Bequest Department	3	2
Charity Accounts	2	2
Finance	3	3
Marketing	2	1
Management, HR & Administration	3	2
	16	15

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

Contributions were made to defined contribution schemes for 4 higher paid employees (2012: two employees) and contributions amounted to £13,000 (2012: £4,000). The total is disclosed above.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st DECEMBER 2013 (continued)

8. FIXED ASSETS

	Freehold Property £'000	Furniture, Computer & Equipment £'000	Motor Vehicles £'000	Total £'000
GROUP				
Costs				
At 1 st January 2013	1,554	375	25	1,954
Additions	-	40	-	40
At 31 st December 2013	1,554	415	25	1,994
Depreciation				
At 1 st January 2013	477	325	6	808
Charge for Year	31	23	5	59
Impairment charge/ (credit)	(150)	-	-	(150)
At 31 st December 2013	358	348	11	717
Net Book Values				
At 31 st December 2012	1,077	50	19	1,146
At 31st December 2013	1,196	67	14	1,277
CHARITY				
Costs				
At 1 st January 2013	1,554	278	25	1,857
Additions	-	6	-	6
At 31 st December 2013	1,554	284	25	1,863
Depreciation				
At 1 st January 2013	477	233	6	716
Charge for Year	31	11	5	47
Impairment charge/ (credit)	(150)	-	-	(150)
At 31 st December 2013	358	244	11	613
Net Book Values				
At 31 st December 2012	1,077	45	19	1,141
At 31st December 2013	1,196	40	14	1,250

The freehold property is the Charity's Head Office based in Edgware, Middlesex. The property was valued in 2014 by local estate agents and the previous impairment provision has been reduced.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31st DECEMBER 2013 (continued)

9. LONGER TERM INVESTMENTS

	Group 2013 £'000	Group 2012 £'000	Charity 2013 £'000	Charity 2012 £'000
Property Investments	397	397	397	397
Investment in Subsidiary Undertakings	-	-	89	89
Quoted Investments	490	490	490	490
Investment held for SG clients	4	-	-	-
	891	887	976	976

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 2013 £'000	Group 2012 £'000	Charity 2013 £'000	Charity 2012 £'000
Donations and Legacies Receivable	5,732	2,395	5,732	2,395
Prepayments and Accrued Income	571	595	464	400
Keren Kayemet Lelsrael	519	2,463	519	2,463
Due from Group Undertakings	-	-	215	5
	6,822	5,453	6,930	5,263

Prepayments and accrued income includes an amount greater than 1 year of £235,000 (2012: £315,000)

11. SHORTER TERM INVESTMENTS

	Group 2013 £'000	Group 2012 £'000	Charity 2013 £'000	Charity 2012 £'000
Unquoted Securities	-	1	-	1
State of Israel Bonds	-	249	-	249
	-	250	-	250

The unquoted investments are shown in the financial statements at cost.

12. CREDITORS LESS THAN ONE YEAR

	Group 2013 £'000	Group 2012 £'000	Charity 2013 £'000	Charity 2012 £'000
Trade Creditors	195	117	89	90
Mortgage Payable within One Year	-	59	-	59
Taxation and Social Security	34	19	34	19
Project Commitments	7,357	5,287	7,357	5,287
	7,586	5,482	7,480	5,455

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st DECEMBER 2013 (continued)

13. RESTRICTED FUNDS

	Brought Forward 1 st January 2013 £'000	Incoming resources £'000	Resources expended £'000	Carried Forward 31 st December 2013 £'000
KKL Charity Accounts	7,213	7,360	(8,622)	5,951
Yerucham	-	56	-	56
Environmental Reservoirs	178	3	-	181
Soroka Medical Research	629	-	-	629
Arava pre-school	83	6	-	89
OR Movement	74	6	(64)	16
Ayalim	186	-	(35)	151
Holocaust Centre	-	52	(52)	-
Benji Hillman	3	20	(23)	-
Tel Sheva playground	13	17	(21)	9
Alpha Project	35	50	(70)	15
Other	31	-	-	31
	62	113	(79)	96
	8,507	7,683	(8,966)	7,224

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	Total 2012 £'000
Fixed Assets	2,168	-	2,168	2,033
Current Assets	12,430	7,224	19,654	17,165
Current Liabilities	(7,586)	-	(7,586)	(5,482)
Net Assets	7,012	7,224	14,236	13,716

NOTES TO THE FINANCIAL STATEMENTS AS AT 31st DECEMBER 2013 (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

	2013 £'000	2012 £'000
Total Income	465	483
Total Expenditure	(454)	(466)
Net Results	11	17

The aggregate of the assets, liabilities and funds were:

	2013 £'000	2012 £'000
Assets	105	79
Liabilities	(35)	(21)
Funds	70	58

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

16. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 st January 2013 £'000	Cash Flows £'000	At 31 st December 2013 £'000
Cash at Bank in hand	11,462	1,370	12,832
Debt Due within One Year	(59)	59	-
	(59)	59	-
Net funds	11,403	1,429	12,832

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31st DECEMBER 2013 (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 2013 £'000	Totals 2012 £'000
Total Income	7,360	376	7,736	9,932
Total Expenses	(8,622)	(366)	(8,988)	(7,366)
Net Results	(1,262)	10	(1,252)	2,566

The aggregate of the assets, liabilities and funds were:

	2013 £'000	2012 £'000
Assets	6,318	7,269
Liabilities	(352)	(51)
Net Assets	5,966	7,218
Unrestricted Funds	16	6
Restricted Funds	5,950	7,212
Total Funds	5,966	7,218

18. RELATED PARTIES

£21,600 was paid for legal advisory services in 2013 (2012: £34,025) to CH. Hausmann & Co, in which Mr Gordon Hausmann, the former Company Secretary of JNF Charitable Trust, a former Trustee of KKL Charity Accounts and a former Director of KKL Executor & Trust Ltd, is a partner. This amount does not relate to work carried out as Company Secretary, Trustee and / or Director for which no charge is made, but instead only covers specific instructions. The Trustees undertook this action after considering the cost of getting other firms to undertake the work involved.

The charity has taken advantage of the exemption in FRS8 and has not disclosed transactions with wholly owned subsidiaries.

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 Dr D. Coleman (died 18 June 2013) Baroness Ruth Deech (resigned 6 March 2013) Rabbi A. Kimche (appointed 27 th January 2014) E. Gorji M. Lee M. Mansour (appointed 31 st October 2013) G. Mond B. Perl MBE D. Seal (appointed 27 th January 2014) M. Waisman
Company Secretary	G. Hausmann (resigned 16 October 2013) D. Berens (appointed 16 October 2013)
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