

JFS CHARITABLE TRUST
(formerly JFS Development Charitable Trust)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2023

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Board of Trustees

Mr R Kafton
Mr I Novick
Dr David Moody
Mr J Cooper (Resigned 30 March 2023)
Andrew Moss
Stephen Pack
Robert Gershon (Appointed 31 March 2023)

Company Secretary

Ms Manpreet Bal

Principal Office

JFS School
The Mall
Kenton
Harrow
Middlesex HA3 9TE

Statutory Auditors

PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London E14 4HD

Bankers

Barclays Bank plc
PO Box 3474
London NW1 7NQ

Company Number

3942126

Charity Number

1114730

Introduction

The Trustees (who are also the Directors of the charitable company) submit the Report and audited Financial Statements of the JFS Charitable Trust (the Trust) for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice "Accounting and Reporting by Charities".

Legal and Administrative Information

The charity is incorporated as a company limited by guarantee, registration number 3942126. The governing instrument is the Memorandum and Articles of Association dated 2 March 2000, as amended on 17 February 2006. The charity was considered to be an exempt charity under the Charities Act 2011 on incorporation as it was under the control of the Governing Body of the JFS School, itself an exempt charity. Following the decision of the Governing Body to relinquish control of the Trustee Body, the charity registered with the Charity Commission on 17 June 2006.

The governance of the charity is vested in the Trustees. The Trustees who served during the year are listed on page 2 and 50% were Governors of the JFS School for most of the time during the year. The Trustees are selected to ensure that there is an appropriate balance of skills and experience within the Trustee Board. New Trustees are appointed by the existing Trustee Board.

Structure, governance and management

The day to day running of the Trust is delegated to an administrator and overseen by the Trustees who meet quarterly.

Trust Objects and Public Benefit

The objects of the Trust are to advance the education of pupils at the JFS School (the School) by the acquisition of land for the School and the provision of resources, equipment, teaching and facilities for education in addition to those provided out of public funds. The Trustees confirm that they have paid due regard to the Charity Commission's guidance on Charities and Public Benefit when reviewing the activities of the Trust.

Activities and Achievements

During the year the charity has supported developments in the school including curriculum development as well as investment in the physical and academic structure of the school.

Review of the Business and Future Plans

The financial results for the year are set out on page 9.

The Trust will continue to support the development of JFS School. Further support will be provided to curriculum development and the School infrastructure.

Reserves

Funds at 31 March 2023 amounted to £444,052 (2022- £855,123) of which all was unrestricted (2022 - all). Following the completion of the new School project, the primary purpose of the Trust is to raise funds for JFS School and to transfer these to the School when requested by the School for purposes in accordance with the objects of the Trust. It is the intention of the Trustees to maintain a significant level of unrestricted reserves to enable the settlement of expenses associated with the continuing expansion of the School and to provide for its future development needs.

Investment Policy

The policy of the charity is to combine security with higher than average income in a managed portfolio of investments.

The Trustees have decided the portfolio should be reviewed against two benchmarks; in the short to medium term against appropriate indices and in the longer term, CPI plus 4% per annum.

Post year end the Trustees moved the investment portfolio into cash management funds.

Risk Management

The Trustees have examined, with the Governors of JFS School, the principal areas of the Trust's operations and considered the major risks faced in each of these areas.

In the opinion of the Trustees, the Trust has an effective review system and has allocated sufficient resources to ensure that those risks identified will be mitigated to a level acceptable for the Trust's day to day operations.

Disclosure of Information to Auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are individually aware, there is no relevant audit information of which the charity's auditors are unaware; and each Trustee has taken all reasonable steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Auditors

Our independent auditor PKF Littlejohn LLP has signified its willingness to continue in office.

By Order of the Board of Trustees and signed on its behalf by:

Ishai Novick
Chairman of the Trustees

The Trustees (who are also directors of JFS Charitable Trust 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 and Charity law requires the Trustees to prepare Financial Statements for each financial year under law, that 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) has been followed, disclosing and explaining any departures there from in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 and 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.

Opinion

We have audited the financial statements of JFS Charitable Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from Charities (Accounts and Reports) Regulations 2008, Charities Act 2011 and Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of applicable management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We do not consider there to be any further areas of risk in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

| -29 December 2023

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

JFS CHARITABLE TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
Incorporating an Income and Expenditure Account
Year ended 31 March 2023

	Note	Total 2023	Total 2022
Incoming from:			
Donations		1,435,244	1,547,349
Investment income	1	50,862	62,951
		<hr/>	<hr/>
Total Income		1,486,106	1,610,300
		<hr/>	<hr/>
Expenditure on:			
Activities for generating voluntary income	2	5,909	7,108
Charitable Activities	3	1,757,640	2,618,633
Support costs	4	13,819	7,671
		<hr/>	<hr/>
Total Expenditure		1,777,368	2,633,412
		<hr/>	<hr/>
Net gains on investments	5	(119,809)	122,815
		<hr/>	<hr/>
Net Movement in Funds		(411,071)	(900,297)
		<hr/>	<hr/>
Balances at beginning of year		855,123	1,755,420
		<hr/>	<hr/>
Balances at end of year		£444,052	£855,123
		<hr/>	<hr/>

The funds of the Trust derive from continuing activities. The Trust had no recognised gains or losses other than those included above.

The Accounting Policies and Notes on pages 12 to 15 form part of these Financial Statements.

	Note	2023	2022
Fixed Assets			
Investments	5	1,047,144	2,171,689
Current Assets			
Debtors	6	55,174	60,016
Cash at bank and in hand		42,662	118,195
		<u>97,836</u>	<u>178,211</u>
Creditors: amounts falling due within one year	7	<u>(700,928)</u>	<u>(1,494,777)</u>
Net current liabilities		(603,092)	(1,316,566)
Net Assets		<u>£444,052</u>	<u>£855,123</u>
Funds			
Unrestricted		<u>444,052</u>	<u>855,123</u>
		<u>£444,052</u>	<u>£855,123</u>

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

The financial statements have been approved by the Board of Trustees on 22 December 2023 and signed on its behalf by:

Ishai Novick
Chairman of the Trustees

JFS CHARITABLE TRUST**STATEMENT OF CASH FLOWS**
Year ended 31 March 2023

	Notes	2023	2022
Net cash outflow from operating activities	8	(1,131,131)	(664,093)
Returns on investment and servicing of finance	9	50,862	62,951
Capital expenditure and financial investment:	5		
Purchases of investments		-	(2,032,638)
Sales proceeds		681,191	2,955,542
		<hr/>	<hr/>
Increase in cash in the year		£(399,078)	£321,762
		<hr/>	<hr/>
Cash Balances			
Current account		42,662	118,195
Investment account	5	63,976	387,521
		<hr/>	<hr/>
		106,638	505,716
		<hr/>	<hr/>
Movement in year		£(399,078)	£321,762
		<hr/>	<hr/>

The Accounting Policies and Notes on pages 12 to 15 form part of these Financial Statements.

Basis of Accounting

The JFS Charitable Trust is a charity in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income

Voluntary income arising from donations and gifts, the existence of which is not known until it is received by the charity, is credited to the Statement of Financial Activities (SOFA) on a receipts basis.

Grant income, investment income and all other income is credited to the SOFA on an accruals basis.

Expenditure

Expenditure on charitable activities comprises payments made for the defined charitable purposes of the charity and is accounted for on an accruals basis.

Governance costs are those costs associated with constitutional and statutory requirements, and the governance arrangements of the charity.

Investments

Investments are shown at their mid-market value at the year end. Realised and unrealised gains and losses are accounted for through unrestricted funds as appropriate.

Fund Accounting

Unrestricted funds comprise those monies which may be used towards meeting the general charitable objectives of the charity at the discretion of the Trustees. Restricted funds are donations subject to conditions imposed by donors.

Taxation

The Trust as a registered charity is not liable to income tax or corporation tax on income derived from its charitable activities. Income arising from non-charitable activities may be subject to taxation. The Trust is not registered for VAT. All amounts in the Financial Statements are shown inclusive of VAT, where relevant.

1. Investment Income	2023	2022
Bank interest	358	32
Investment income	50,504	62,919
	<hr/>	<hr/>
	£50,862	£62,951
	<hr/>	<hr/>
2. Activities for generating voluntary income		
Alumni Costs	3,300	3,225
Other costs	2,609	3,883
	<hr/>	<hr/>
	£5,909	£7,108
	<hr/>	<hr/>
3. Resources Expended on Charitable Activities		
	Total 2023	Total 2022
Payments for additional equipment Outside the PFI contract	4,924	4,924
Other Donations	299,200	985,000
Capital Projects	25,948	44,874
Other	568	8,835
Transfers to JFS School	1,427,000	1,575,000
	<hr/>	<hr/>
	£1,757,640	£2,618,633
	<hr/>	<hr/>

Staff Costs

No staff costs are met directly from the funds of the Trust; recharges are made for the costs of those members of staff who work on behalf of the Trust, but they remain employed by the JFS School. None of the Trustees received remuneration directly or indirectly from the Trust. No Trustees' expenses have been incurred in 2023 or 2022.

4. Support costs	2023	2022
Auditors' remuneration – current year charge	6,000	6,000
Auditors' over accrued previous year	565	(3,314)
Bank charges	5,454	4,441
Professional fees	1,800	544
	<hr/>	<hr/>
	£13,819	£7,671
	<hr/>	<hr/>

5. Investments**2023****2022**

Market value at beginning of year	1,784,168	2,584,258
Additions at cost	-	2,032,638
Disposal proceeds	(681,191)	(2,955,543)
Unrealised (losses)/gains	(76,322)	(381,829)
Realised gains/(losses)	(43,487)	504,644

Market value at end of year	£983,168	£1,784,168
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Historical cost	£1,058,514	£1,783,345
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Portfolio

Equities	637,733	1,251,501
Bonds	126,426	141,932
Portfolio Funds	8,105	15,375
Alternative Funds	162,238	330,188
Other	48,666	45,172

983,168	1,784,168
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Cash at stockbrokers	63,976	387,521
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£1,047,144	£2,171,689
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6. Debtors

Gift Aid tax refund receivable	50,889	55,827
Prepayments	4,285	4,189

£55,174	£60,016
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7. Creditors: amounts falling due within one year

Accruals	6,730	6,731
Amounts owed to JFS Student Fund	294,348	264,235
Amounts owed to the JFS School	399,850	1,223,811

£700,928	£1,494,777
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8. Reconciliation of Net Outgoing Resources to Net Cash Outflow from Operating Activities

	2023	2022
Net movement in funds	(411,071)	(900,297)
Losses /(gains) on investments	119,809	(122,815)
Decrease/(increase) in debtors	4,842	(14,165)
Increase in creditors	(793,849)	436,135
Investment income received	(50,862)	(62,951)
	<hr/>	<hr/>
Net cash outflow from operating activities	£(1,131,131)	£664,093
	<hr/>	<hr/>

9. Returns on investments and servicing of Finance

Investment income	£50,862	£62,951
	<hr/>	<hr/>

10. Contingent Liabilities

There were no contingent liabilities at 31 March 2023 or 31 March 2022.

11. Connected Charities and related party transactions

The JFS Charitable Trust was set up in order to raise funds to acquire land on behalf of and to support other activities of the JFS School, an exempt charity and voluntary aided school. At 31 March 2023, the Charity owed JFS School £399,850 (2022 - £1,223,811).

12. Limitation of Liability and Distribution of Assets

The Company is limited by guarantee having no share capital. If the Charity is dissolved, every member remaining or who was a member within 12 months of the winding up has agreed to contribute up to £1 towards the costs of dissolution and the liabilities incurred by the Charity whilst the contributor was a member.

If the Charity is dissolved the assets remaining (if any, after provision has been made for all its liabilities) shall be transferred to the JFS School or in the event of the closure of the School, applied either by transfer to one or more bodies established for charitable purposes similar to the objects nominated by the body or organisation that at the time has the power to appoint the foundation governors of the School or in such other manner consistent with charitable status as the Charity Commission shall approve in writing in advance.

13. Ultimate Controlling Party

The Trustees do not consider that there is an Ultimate Controlling Party.