

Company Registration No. 08747913 (England and Wales)
Charity Registration No. 1156248

JW3 Development

Annual Report and Financial Statements for the Year Ended 31 December 2022

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COMPANIES HOUSE

JW3 Development

Legal and administrative information

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| Trustees | Amy Dorfman Denise Joseph Graham Harris Jonathan Barnett David Kershaw |
| Charity Number | 1156248 |
| Company Number | 08747913 |
| Principal Address and Registered Office | 341-351 Finchley Road London NW3 6ET |
| Independent Auditor | Saffery Champness 71 Queen Victoria Street London EC4V 4BE |
| Bankers | Lloyds Bank plc 39 Threadneedle Street London EC2R 8AU |

JW3 Développement

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Trustees' Report

For the year ended 31 December 2022

The Trustees present their report and accounts for the period ended 31 December 2022. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and the 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).

AIMS AND OBJECTIVES OF THE CHARITY

The objectives of JW3 Development are to support the aims and objectives of JW3 Trust Ltd (Company Registration Number 5679146; Charity Registration Number 1117644), specifically to further those aims by raising funds in support of the work of JW3 Trust. JW3 Trust operates JW3, the Jewish Community Centre London, based on Finchley Road in Northwest London. Funds raised by JW3 Development are granted to JW3 Trust and it is through this grant making that JW3 Development undertakes its charitable activities. JW3 Development's charitable objects also permit the Trustees to exercise absolute discretion to carry out other charitable purposes.

BACKGROUND TO JW3

JW3, Jewish Community Centre London, opened its doors to the public in October 2013. It is the UK's flagship Jewish Community Centre, the only such public venue for Jewish arts, culture, learning and community of its kind in the country.

JW3's Vision: A vibrant, diverse, unified British-Jewish community, inspired by and engaged with Jewish arts, culture, learning and life.

JW3's Mission: To increase the quality, variety and volume of Jewish conversation in London and beyond.

JW3 will achieve this by:

- Creating outstanding events, activities, classes and courses – the diversity of which reflects the diversity of our community
- Offering multiple entry points into Jewish life, culture and community for the widest possible range of people regardless of age, background or belief.

"I feel totally uplifted when I leave – I feel like I've been amongst a very warm crowd of people – all willing to learn, all willing to listen, all willing to discuss and I leave with a feeling that I feel I've really had a worthwhile day here."

JW3 Member

CHALLENGES AND ACHIEVEMENTS OF JW3 DEVELOPMENT IN 2022

Following the unique circumstances of 2021, the second year of the global pandemic, 2022 continued to be a challenging year for all and it continued to be challenging for JW3 including JW3 Development's fundraising efforts. Audience and visitor numbers attending the JW3 community centre in person slowly

JW3 Development

Trustees' Report (continued) For the year ended 31 December 2022

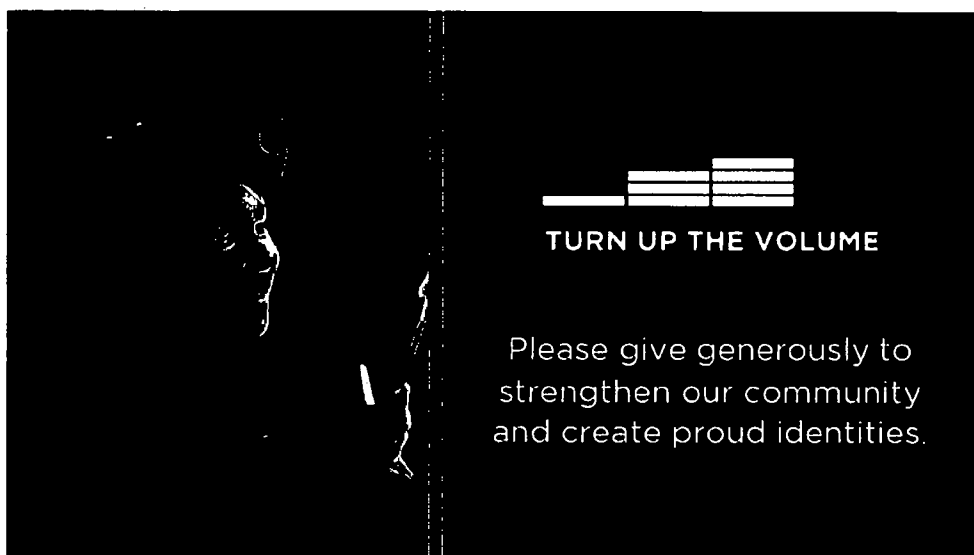
increased but, overall, there were fewer opportunities than hoped at the start of the year to meet with donors and prospects in person and to show them JW3's charitable work in action, meaning ongoing limited opportunities for traditional cultivation, canvassing and stewardship.

JW3 Development's co-chairs, Amy Dorfman and Denise Joseph, continued to support the wider JW3 Development team during 2022, re-energising and enhancing the diversity of the JW3 Development Committee.

The JW3 Development trustees are delighted that the professional team has been augmented with the recruitment of Gemma Kirk (previously Head of Fundraising at Chickenshed, a theatrical charity for young people) as Development Director and Dr Roy Graham joining as Trusts & Foundations Manager during 2022. Both have already started to make an important impact.

Momentum began to pick up with the Business Breakfast fundraising events in March and May 2022, which were attended by 300 supporters and raised over £85,000.

The highlight of the fundraising calendar was our second 36-hour online crowdfunding Charity Extra campaign. We are grateful to all our supporters for their generous support, including donors who provided matched funding of £325,000 for the campaign and over 25 JW3 Champions who promoted the campaign to their friends, family and community, encouraging as many people as possible to donate to the campaign. Over the whole campaign, we raised a total **£507,000 from approximately 700 donors**, making it our most successful fundraising campaign since JW3 opened in 2013. This was in no small part due to the leadership and hard work of the JW3 Development Team and JW3 Development Committee, supported by the JW3 Trust Board, other JW3 staff and many in our community of support.



We are grateful to the individual and family donors, and the trusts and foundations that have generously supported JW3's ongoing efforts and successes in continuing to deliver innovative, engaging, wide-ranging, inclusive programming to tens of thousands of people of all ages, from all backgrounds. We also

JW3 Development

Trustees' Report (continued)

For the year ended 31 December 2022

appreciate the generous grants and donations received to support JW3 Trust's inspiring work responding to the dire effects of food poverty around the London Borough of Camden.

By the end of 2022, JW3's foodbank had provided over 114,000 meals as either hot food or care packages. Since it began in April 2020 until 31 December 2022, our staff and volunteers have:

- cooked over 16,000 fresh meals which have been distributed from our demonstration kitchen to local people in need.
- sourced, packed, and distributed food parcels with over 286,000 meals' worth of food.

A full report on JW3's activities and achievements in 2022 can be found in JW3 Trust's Annual Report.

The trustees of JW3 Development particularly acknowledge the support of key benefactors during 2022: Dame Vivien Duffield and the Clore Duffield Foundation, Sir Lloyd Dorfman and the Dorfman Foundation, Sir Trevor Pears and the Pears family, through the Pears Foundation.

FINANCIAL REVIEW

In the period under review a total of £2,408,336 (2021: 2,494,860) was raised, of which £265,919 (2021: £322,621) was restricted income. The trustees consider this to be a satisfactory level of performance and thank all the staff for their work during the year.

A grant of £2,197,976 (2021: £2,303,186) was made to JW3 Trust in the period to support its charitable activities carried out in the advancement of its mission.

Financial systems appropriate to an operation of this nature have been implemented. We continue to update these to ensure compliance with relevant legislation and ensure the assets of the organisation are safeguarded.

FUTURE OBJECTIVES AND PLANS

JW3 Development's overall objective for 2023 is to raise over £2.4m. Specific objectives include:

- Increasing multi-annual funding from Trusts and Foundations.
- Increasing regular and multi-annual funding from regular givers and philanthropists.
- Growing income from advertising and sponsorship opportunities.
- A new legacy campaign, seeking to encourage people to consider leaving a gift in their will or to leave a Living Legacy.
- Utilising innovative communications and bespoke stewardship to foster a closer sense of connection and loyalty between donors and JW3.
- Improving the articulation and clarity of impact.

PUBLIC BENEFIT STATEMENT

The trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance on public benefit published by the Charity Commission. Although focused largely on Jewish arts,

JW3 Development

Trustees' Report (continued) For the year ended 31 December 2022

culture and community, the Centre is open to all who wish to visit. There is no admission charge to enter the Centre and, over the course of a year, thousands of visitors from the local community and beyond have enjoyed a range of both free and paid-for activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 25 October 2013 and was registered as a charity with the Charity Commission on 18 March 2014. The trustees (who are also directors of JW3 Development for the purposes of company law) have ultimate legal responsibility for JW3 Development and work to ensure good governance. They agree the overall strategic direction and work alongside the executive leadership team, who are responsible for implementation of policy and for the management of the day-to-day running of the organisation. The trustees who served during the period, and following the period-end, were:

| | |
|------------------|----------------------------------|
| Amy Dorfman | (Co-Chair, trustee of JW3 Trust) |
| Denise Joseph | (Co-Chair, trustee of JW3 Trust) |
| Graham Harris | |
| David Kershaw | (trustee of JW3 Trust) |
| Jonathan Barnett | (appointed November 2022) |

The Board of Trustees has the power to appoint additional trustees as it considers appropriate. Potential trustees are identified as part of an ongoing review by the Board and senior management of the charity's needs, with particular reference to enriching skills and increasing representation from different sections of the Jewish community.

Trustees maintain a good working knowledge of charity and company law and best practice. New trustees are provided with full details of board minutes, financial reports and the charitable company's Memorandum and Articles of Association, which are the company's governing documents. There are also informal procedures in place for their induction and training.

The trustees are supported by an advisory Development Committee which comprising the following members in addition to the trustees as at the date of this report:

Marlena Hellebo
Dan Sommer
Joanna Riley

The day-to-day management of JW3 Development is delegated to a management team which comprises the Development Director, Gemma Kirk, who is employed by JW3 Development, together with the following members of JW3's Senior Leadership Team employed by the JW3 Trust group as at the date of this report:

| | |
|------------------|-------------------------------------|
| Raymond Simonson | Chief Executive |
| Tracy Cooper | Chief Revenue Officer |
| Neil Harris | Director of Finance & Operations |
| Oliver Marcus | Marketing & Communications Director |
| Eszter Bobvos | Head of People & Culture |

JW3 Development

Trustees' Report (continued)

For the year ended 31 December 2022

The management were supported during 2022 by a small team of 2.0 (2021: 2.1) FTE when fully resourced:

- Trusts & Foundations Manager (f/t) – researching, writing and submitting grant proposals; reporting on received grants to trusts and foundations; planning, developing and implementing a legacy campaign.
- Fundraising Assistant (f/t) – fundraising event support and logistics; administrative support to Director of Development.

FUNDRAISING

Fundraising approach

We rely on several different fundraising approaches in order to raise funds cost-effectively from a range of sources, raising awareness of our work and allowing supporters to contribute in ways that are most appropriate for them. This includes fundraising through letters, emails and online; from legacies, events and community fundraising; from philanthropists, trusts and foundations.

Fundraising standards

We fundraise from our database of customers and only approach those who have consented to be contacted. Our database is refreshed on a continual basis, ensuring that only those who have engaged with JW3 and consented within the last 36 months will be contacted.

Monitoring of fundraising activities and protecting people in vulnerable circumstances

Our fundraising activities are overseen by our Development Board and our wider Trustee Board and our fundraising team receive professional training and mentoring from industry specialists. JW3 Development does not work directly with commercial sponsors or engage external professional fundraisers. It is registered with the Fundraising Regulator and operates in compliance with their current Code of Fundraising Practice.

Complaints

We did not receive any complaints in 2022.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 (FRS 102);

Trustees' Report (continued)
For the year ended 31 December 2022

- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RESERVES POLICY

Given that JW3 Development's activities only comprise fundraising in order to transfer funds raised to JW3 Trust, the trustees consider that reserves should be maintained at a level conducive to maintaining those fundraising activities. Accordingly, trustees aim to maintain unrestricted reserves of around three months of salary costs for those employed by JW3 Development.

The reserves of the charitable company as at 31 December 2022 at the end of the period amounted to £36,000 (2021: £36,000) in unrestricted funds. The trustees consider this to be an adequate level of reserves for this company.

RISK FACTORS

The trustees acknowledge their responsibility to manage the risks faced by the charity as a prime responsibility. The trustees have procedures in place to manage risk. These procedures are periodically reviewed to ensure they continue to meet the needs of the charity. Key controls include:

- Formal agendas for, and minutes of, JW3 Development Board meetings, which are held at least four times a year.
- Comprehensive budgeting, management accounts, cash flow projections and reforecasting processes.

The principal risks have been identified as:

- The impact uncertain economic environment will have on future fundraising.
- Reputational risk caused by JW3 Development or JW3 Trust action that make it hard to fundraise.

JW3 Development

Trustees' Report (continued)

For the year ended 31 December 2022

- Inadequate cultivation/stewardship of key donors, resulting in the reduction in or cessation of ongoing funding.
- Staff turnover - both losing key staff and the challenge of recruiting excellent staff within this sector.

The trustees and the management team have established controls and measures to mitigate the impact of these risks. These include monthly income probability forecasting with upscaling of activities that are likely to generate the most income, a revised stewardship plan for key donors, the creation of a new Head of People and Culture role and an increased focus on best practice communication with trustees and other key stakeholders.

Management time is devoted to supporting the trust, foundation, and "major donor" relationships, which have been developed over recent years, and to working closely with the JW3 Development Board and JW3 Development Committee to identify and maximise new sources of funding. The charity has reviewed and refined its fundraising strategy to ensure the fundraising base is as diversified as possible.

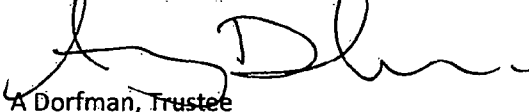
Detailed consideration of risks is undertaken by the JW3 CEO and Director of Finance & Operations, who operate and refine the risk management policy.

AUDITOR

The auditor, Saffery Champness, is deemed appointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the Board of Trustees:



A Dorfman, Trustee

Dated: 21 August 2023

JW3 Development

Independent Auditor's report to the members of JW3 Development For the year ended 31 December 2022

Opinion

We have audited the financial statements of JW3 Development for the year ended 31 December 2022 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2022 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's report to the members of JW3 Development (continued)
For the year ended 31 December 2022

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report, which includes the Directors' Report for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the Trustees' Annual Report, which includes the Directors' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemptions in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 5 to 6, the trustees (who are also 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.

JW3 Development

Independent Auditor's report to the members of JW3 Development (continued) For the year ended 31 December 2022

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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as Auditor under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include the Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

JW3 Development

Independent Auditor's report to the members of JW3 Development (continued) For the year ended 31 December 2022

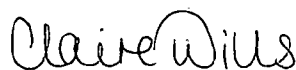
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



.....
Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: 15 September 2023

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

JW3 Development

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 December 2022

| | | Unrestricted Funds General | Restricted Funds | Total 2022 | Total 2021 |
|--|------|----------------------------------|---------------------|------------------|------------------|
| | Note | £ | £ | £ | £ |
| Income from: | | | | | |
| Donations and legacies | 2 | 2,141,769 | 265,919 | 2,407,688 | 2,494,855 |
| Other trading activities | | 600 | - | 600 | - |
| Investments – interest receivable | | 48 | - | 48 | 5 |
| Total income | | <u>2,142,417</u> | <u>265,919</u> | <u>2,408,336</u> | <u>2,494,860</u> |
| Expenditure on: | | | | | |
| Raising funds | 3 | 206,186 | - | 206,186 | 191,674 |
| Charitable activities | 4 | <u>1,936,231</u> | <u>265,919</u> | <u>2,202,150</u> | <u>2,303,186</u> |
| Total expenditure | | <u>2,142,417</u> | <u>265,919</u> | <u>2,408,336</u> | <u>2,494,860</u> |
| Net income for the year/net movement in funds | | - | - | - | - |
| Fund balances at 1 January | | <u>36,000</u> | - | <u>36,000</u> | <u>36,000</u> |
| Fund balances at 31 December | | <u>36,000</u> | - | <u>36,000</u> | <u>36,000</u> |

The notes on pages 15 to 22 form part of these financial statements.

JW3 Development**Balance Sheet****For the year ended 31 December 2022**

| | Note | 2022 | 2021 |
|---|------|--------------------|--------------------|
| | | £ | £ |
| Current Assets | | | |
| Debtors | 8 | 99,708 | 110,812 |
| Cash at bank and in hand | | <u>1,718,916</u> | <u>1,564,347</u> |
| | | 1,818,624 | 1,675,159 |
| Creditors: amounts falling due within one year | 9 | <u>(1,782,624)</u> | <u>(1,639,159)</u> |
| Total assets less current liabilities | | <u>36,000</u> | <u>36,000</u> |
| Unrestricted Funds | 11 | <u>36,000</u> | <u>36,000</u> |
| | | <u>36,000</u> | <u>36,000</u> |

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

The notes on pages 15 to 22 form part of these financial statements.

The accounts were approved by the Trustees on

9 August 2023 and are signed on their behalf by:


A Dorfman
Trustee

Date: 21 August 2023

Company Registration No. 0874715

JW3 Development**Statement of Cash Flows
For the year ended 31 December 2022**

| | | 2022 | | 2021 | |
|--|-------------|-------------|------------------|-------------|------------------|
| | Note | £ | £ | £ | £ |
| Cash flows from operating activities | | | | | |
| Cash provided by operating activities | 12 | | 154,521 | | 446,667 |
| Cash flows from investing activities | | | | | |
| Interest received | | <u>48</u> | | <u>5</u> | |
| Net cash provided by investing activities | | | <u>48</u> | | <u>5</u> |
| Net increase in cash and cash equivalents | | | 154,569 | | 446,672 |
| Cash and cash equivalents at beginning of year | | | <u>1,564,347</u> | | <u>1,117,675</u> |
| Cash and cash equivalents at end of year | | | <u>1,718,916</u> | | <u>1,564,347</u> |

The notes on pages 15 to 22 form part of these financial statements.

1 Accounting policies

Company information

JW3 Development is a company limited by guarantee incorporated in England and Wales. The registered office is 341-351 Finchley Road, London NW3 6ET.

1.1 Accounting convention

The financial statements have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities, the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The charity meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

In addition to annual budgets, the trustees have reviewed a new multi-year strategy and associated financial roadmap through December 2028. The trustees scrutinised the key assumptions within the budgets and financial roadmap.

We continue to benefit from a significant 10-year pledge made in 2017 and multi-year pledges from other donors.

Accordingly, at the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approving these accounts and therefore continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated by the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, including government grant income, is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Notes to the financial statements (continued)
For the year ended 31 December 2022

1.5 Expenditure

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the objectives including any irrecoverable VAT.

Fundraising and publicity costs are costs directly relating to fundraising activity and events.

Support costs consist of governance costs relating to compliance with constitutional, regulatory and statutory requirements.

Staff and support costs are allocated to expenditure on raising funds. This is the key area of focus for the charity and the majority of staff time is spent supporting this area

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities.

1.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

1.10 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The trustees do not consider there to be any significant accounting estimates or areas of judgement in these financial statements.

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2022

1.11 Reclassification of income and expenditure

In prior years, income and expenditure relating to fundraising events has been classified as income from and expenditure on charitable activities. Following review by the Trustees, the relevant income has been reclassified to Income from Donations (2021: £517,823) and the relevant expenditure has been reclassified to Expenditure on Raising Funds (2021: £146,036). The Trustees consider that the revised classification more appropriately reflects the charity's activities.

2 Income from donations and legacies

| | 2022 | 2021 |
|-------------------|------------------|------------------|
| | £ | £ |
| Donations | 2,397,545 | 2,493,035 |
| Government grants | 10,143 | 1,820 |
| | <u>2,407,688</u> | <u>2,494,855</u> |

3 Expenditure on Raising Funds

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Direct costs of staging fundraising events | 64,139 | 45,638 |
| Staff costs | 111,694 | 132,273 |
| Other costs | 14,578 | (411) |
| Support costs (note 5) | 15,775 | 14,174 |
| | <u>206,186</u> | <u>191,674</u> |

4 Charitable Expenditure

| | 2022 | 2021 |
|----------------------------|------------------|------------------|
| | £ | £ |
| Grant payable to JW3 Trust | 2,197,976 | 2,303,186 |
| Other grants payable | 4,174 | - |
| | <u>2,202,150</u> | <u>2,303,186</u> |

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2022

5 Support costs

| | 2022 | 2021 |
|---|--------|--------|
| | £ | £ |
| Audit fees | 11,940 | 10,380 |
| Accountancy | 3,835 | 3,794 |
| Allocated to expenditure on raising funds | 15,775 | 14,174 |

Governance costs of £11,940 are included in the above (2021: £10,380).

6 Trustees

None of the trustees (nor any persons connected with them) received any remuneration, benefits or expenses from the charity during the year. £41,000 of unrestricted funds were donated by JW3 Development trustees in the year (2021: £15,600).

7 Employees

| | 2022 | 2021 |
|--|---------|---------|
| | Number | Number |
| Number of employees | | |
| The average number of employees during the year was: | | |
| - Administration | 3 | 3 |
| | | |
| | 2022 | 2021 |
| | £ | £ |
| Employment costs | | |
| Wages and salaries | 98,774 | 115,955 |
| Social security costs | 11,383 | 12,336 |
| Other pension costs | 1,537 | 3,982 |
| | 111,694 | 132,273 |

The charge to the statement of financial activities in respect of defined contribution schemes was £1,537 (2021: £3,982).

The Charity's key management personnel comprise the Board of Trustees, and the Development Director who is employed by the Charity, together with the following who are employed by the JW3 Trust group: Chief Executive Officer, Chief Revenue Officer, Director of Finance & Operations, Marketing & Communications Director, and Head of People & Culture.

Total benefits received by the key management personnel employed by the Charity in the year amounted to £58,403 (2021: £65,731).

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2022

The trustees received no remuneration during the year (2021: £Nil).

There were no employees whose annual remuneration for services to the charity was £60,000 or more. (2021: one employee had total remuneration and benefits between £60,000 and £70,000).

| | | | |
|----------|---|------------------|------------------|
| 8 | Debtors: amounts falling due within one year | 2022 | 2021 |
| | | £ | £ |
| | Trade debtors | 38,808 | 22,155 |
| | Prepayments and accrued income | 60,900 | 88,657 |
| | | <u>99,708</u> | <u>110,812</u> |
| | | | |
| 9 | Creditors: amounts falling due within one year | 2022 | 2021 |
| | | £ | £ |
| | Other taxation and social security | 3,133 | 2,473 |
| | Trade creditors | 347 | 495 |
| | Other creditors | 330 | 549 |
| | Amounts due to connected parties | 1,663,376 | 1,540,363 |
| | Accruals and deferred income | 115,438 | 95,279 |
| | | <u>1,782,624</u> | <u>1,639,159</u> |

Deferred income relates to donations received in advance where the donor specifies the amount is for expenditure in the following year or where there are performance conditions that have not yet been met.

Notes to the financial statements (continued)
For the year ended 31 December 2022

10 Restricted funds

The income funds of the charity include restricted funds comprising donations and grants held on trust for specific purposes:

| Movement in Funds - 2022 | | | | |
|---------------------------------|----------------------------------|-------------------------------|-------------------------------|---------------------------------------|
| | Balance at 1 Jan 2022 | Incoming Resources | Resources Expended | Balance at 31 Dec 2022 |
| | £ | £ | £ | £ |
| Programming and activities | - | 261,745 | 261,745 | - |
| Ukraine appeal | - | 4,174 | 4,174 | - |
| | <u>-</u> | <u>265,919</u> | <u>265,919</u> | <u>-</u> |

| Movement in Funds - 2021 | | | | |
|---------------------------------|----------------------------------|-------------------------------|-------------------------------|---------------------------------------|
| | Balance at 1 Jan 2021 | Incoming Resources | Resources Expended | Balance at 31 Dec 2021 |
| | £ | £ | £ | £ |
| Programming and activities | - | 290,469 | 290,469 | - |
| Building and operations | - | 32,152 | 32,152 | - |
| | <u>-</u> | <u>322,621</u> | <u>322,621</u> | <u>-</u> |

Programming and Activities includes funds provided by various organisations and individuals to fund the food bank operated by JW3 Trust and to support specific areas of JW3 Trust's programming. Included, for example, is funding to subsidise events for Young Professionals and funding to support Gateways, a project offering skills-based and vocational learning for vulnerable young adults.

Ukraine Appeal was a fundraising event in cooperation with other UK charities raising funds to assist Ukrainian refugees.

Building and Operations includes funds received to purchase production equipment.

Notes to the financial statements (continued)
For the year ended 31 December 2022

11 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|-------------------------|-----------------------|------------------|
| Fund balances at 31 December 2022 are represented by: | | | |
| Current assets/(liabilities) | 36,000 | - | 36,000 |
| | <u>36,000</u> | <u>-</u> | <u>36,000</u> |
| Fund balances at 31 December 2021 are represented by: | | | |
| Current assets/(liabilities) | 36,000 | - | 36,000 |
| | <u>36,000</u> | <u>-</u> | <u>36,000</u> |

12 Cash generated from operations

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Net income for the year | - | - |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (48) | (5) |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 11,104 | (60,227) |
| Increase in creditors | <u>143,465</u> | <u>506,899</u> |
| Cash provided by operating activities | <u>154,521</u> | <u>446,667</u> |

13 Analysis of changes in net debt

| | At 1 Jan 2022 £ | Cash flows £ | At 31 Dec 2022 £ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | <u>1,564,347</u> | <u>154,569</u> | <u>1,718,916</u> |

JW3 Development

Notes to the financial statements (continued) For the year ended 31 December 2022

14 Transactions with Connected Parties

During the year JW3 Development made a grant of £2,197,976 (2021: £2,303,186) to JW3 Trust Limited (charity registration number 05679146), of which £1,936,231 (2021: £1,980,565) was unrestricted and £261,745 (2021: £322,621) was restricted.

At the year end, "amounts due to connected parties" contained amounts of £1,375,235 (2021: £1,540,363) due to JW3 Trust Ltd and £288,141 (2021: £NIL) due to JW3 Trading Ltd (a subsidiary of JW3 Trust), which are limited companies with some directors in common with the trustees of JW3 Development.

15 Comparative Period Statement of Financial Activities

| | Unrestricted funds | Restricted funds | Total 2021 |
|--|-----------------------|---------------------|------------------|
| | £ | £ | £ |
| Income from: | | | |
| Donations and legacies | 2,172,234 | 322,621 | 2,494,855 |
| Investments | 5 | - | 5 |
| Total | <u>2,172,239</u> | <u>322,621</u> | <u>2,494,860</u> |
| Expenditure on: | | | |
| Raising funds | 191,674 | - | 191,674 |
| Charitable activities | 1,980,565 | 322,621 | 2,303,186 |
| Total | <u>2,172,239</u> | <u>322,621</u> | <u>2,494,860</u> |
| Net income/(expenditure) for the year/net movement in funds | - | - | - |
| Funds balances at 1 January 2021 | 36,000 | - | 36,000 |
| Fund balances at 31 December 2021 | <u>36,000</u> | <u>-</u> | <u>36,000</u> |

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.