

THE JERUSALEM TRUST

England & Wales · Charity number 285696

Details

Status Registered

Legal form Trust

Registered 1982-12-13

Register [View on the Charity Commission register](#)

Contact

Address The Sainsbury Family Charitable Tru
The Peak
5 Wilton Road
London
SW1V 1AP

Phone 02074100330

Email info@sfct.org.uk

Website www.sfct.org.uk

Activities

Objects: I) TO OR FOR THE ADVANCEMENT OF THE CHRISTIAN RELIGION AND THE PROMOTION FOR CHARITABLE PURPOSES ONLY OF ANY CHRISTIAN BODY OR ORGANISATION. II) TO OR FOR THE ADVANCEMENT OF CHRISTIAN EDUCATION AND LEARNING. III) TO OR TOWARDS OR FOR THE BENEFIT OF SUCH ONE OR MORE CHARITABLE PURPOSES OR CHARITABLE INSTITUTIONS SUPPORTED UNDERTAKEN OR AFFECTED BY ANY CHRISTIAN BODY OR ORGANISATION.

Activities: Makes grants to other institutions

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training, Overseas Aid/famine Relief, Religious Activities, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Ethiopia
- India
- Iraq
- Ireland
- Jordan
- Kenya
- Netherlands
- Syria
- Tanzania
- Uganda
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£2,432,000	£5,431,000	£108,444,000	8
2024-04-05	£3,209,000	£5,638,000	£114,378,000	8
2023-04-05	£3,240,000	£4,163,000	£108,563,000	7
2022-04-05	£2,776,000	£4,121,000	£116,346,000	10
2021-04-05	£3,079,000	£3,118,000	£114,758,000	8

Trustees

Name	Role	Appointed
LADY SUSAN SAINSBURY	Chair	1982-09-28
DAVID NATHANAEL BERESFORD WRIGHT		2016-12-01
Louisa Elder		2025-09-10
MARK DAVID BROWNING		2019-03-21
MELANIE KAREN TOWNSEND		2013-01-25
Peter Toby Hartley Booth		2023-03-01
Professor PETER FRANKOPAN		2005-09-12

THE JERUSALEM TRUST

England & Wales - Charity number 285696

Accounts

THE JERUSALEM TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2025

The Peak
5 Wilton Road
London SW1V 1AP

THE JERUSALEM TRUST

5 April 2025

CONTENTS

		PAGE
1	Legal and Administrative	1
2	The Report of the Trustees	2-7
3	Statement of Trustees' Responsibilities	8
4	Independent Auditor's Report	9-12
5	Statement of Financial Activities	13
6	Balance Sheet	14
7	Cash Flow Statement	15
8	Notes to the Accounts	16-27

Legal and Administrative

The Jerusalem Trust (No. 285696) was established under a Trust Deed dated 28 September 1982 and became a registered charity on 13 December 1982.

Trustees	Lady Susan Sainsbury Mr Mark Browning Prof Peter Frankopan Mrs Melanie Townsend Mr David Wright Mr Peter Toby Hartley Booth	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Ms V McLachlan Ms R Tiley	Chief Executive Officer Executive Executive
Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB	
Solicitors	Broadfield Law UK LLP One Bartholomew Close London EC1A 7BL	
Auditor	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG	
Investment Advisers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	

The Report of the Trustees

The Trustees present their report and the audited financial statements for the year ended 5 April 2025.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objects

The objects of the Trust as given in the Trust Deed are:

- i) to or for the advancement of the Christian religion and the promotion for charitable purposes only of any Christian body or organisation;
- ii) to or for the advancement of Christian education and learning;
- iii) to or towards or for the benefit of such one or more charitable purposes or charitable institutions as shall be supported, undertaken or effected by any Christian body or organisation at such time or times in such manner and in such proportions as the Trustees may from time to time at their discretion determine.

Achievements and Performance

During the period the Trustees considered proposals under the following categories:

Christian Education
Christian Evangelism and Relief Work Overseas
Christian Media
Evangelism and Christian Mission in the UK

Proposals are generally invited by the Trustees or initiated at their request. Trustees do not normally make grants towards building or repair work for churches and grants are not normally made to individuals.

There have been no significant changes in the grant making policies of the Trust over the period under review. Trustees will regularly consider support for Resource Churches.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Review of the Past Period

The Trustees met four times during the year to make grants and a further twice to review investment activity.

The asset value of the Trust decreased by 5% from £114.4 million at 5 April 2024 to £108.4 million at 5 April 2025. The net unrestricted income of the Trust for the year after charging grant related support costs was £2.0 million compared to £2.8 million for the year to 5 April 2024.

Trustees have decided that the best way of benchmarking the expenses incurred in running the charity is to measure these costs relative to its day to day activity of grant-making, as income alone is an unsuitable benchmark for charitable activity. On that basis, grant related support costs represented 11.9% (2024: 7.7%) of the value of grants paid, which totalled £4.5 million (2024: £4.8 million)

Reserves Policy and Going Concern

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 4 to the accounts and amount to £1.9 million (2024: £2 million). They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available resources is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible, it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. In the event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on the expendable endowment in order to meet those commitments as they see fit.

As at 5 April 2025, the Trust held total funds of £108.4 million (2024: £114.4 million), comprising of an expendable endowment fund of £108.3 million (2024: £114.2 million) and unrestricted reserves of £193K (2024: £210k).

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

Investment Policy and Performance

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term and look principally to income for their grant making, supplemented by the use of capital where required.

The Trust's main portfolio generated a total return net of all costs of -0.9% (1 year to 5th April 2025). This was behind the composite benchmark return of +0.4% and the ARC Steady Growth Charity peer group index return of +2.7%.

As at 5 April 2025, J Sainsbury shares represented 5.3% of the Trust's net asset value.

The Trust received £2.4 million of income over the 12-month period. For the same period, £1.3 of capital was withdrawn.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees normally restrict grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

One Trustee may be nominated by the Bishop of Winchester. All Trustees are appointed by the Settlor. All Trustees are provided with relevant information relating to their responsibilities as Trustees.

Trustees are aware of the Charity Governance Code updated in 2020 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Chairman on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under s162A of the Charities Act 2011.

The Trust does not undertake fundraising from the general public and does not use professional fundraisers or commercial participators.

The income of the Trust is not bound by any regulatory scheme, and the Trust does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

THE JERUSALEM TRUST

5 April 2025

The Trustees are responsible for the overall direction and supervision of the Jerusalem Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Lead Executive, Victoria McLachlan.

Grants Approved

The grants approved may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Christian Education	11	£583,000
Christian Evangelism and Relief Work Overseas	22	£342,250
Christian Media	9	£850,500
Evangelism and Christian Mission in the UK	56	£2,568,500
	98	£4,344,250

CHRISTIAN EDUCATION - £583,000

Trustees' priority areas in this category are as follows:

- The development of Christian education and curriculum materials for schools in RE and other subjects;
- The support of RE as a subject, both curriculum development and support for RE teachers and teacher training;
- Adult and lay education.

Grants approved in this category were to:

24-7 Prayer - £60,000

Culham St Gabriel's Trust - Culham College Institute - £150,000

Festive - £45,000

London School of Theology - £50,000

RE Grants - £200,000

SU Scotland (SUS) - £10,000

Walk Through the Bible - £10,000

Wintershall Charitable Trust – 2 grants totalling £54,000

A further two smaller grants were awarded totalling: **£4,000**

CHRISTIAN EVANGELISM AND RELIEF WORK OVERSEAS - £342,250

Trustees' priority areas in this category are as follows:

- Christian relief and development work overseas;
- The support of persecuted Christians;
- Support for theological training colleges;
- Capacity building of local churches;
- The translation of Christian literature.

The Trust's geographical focus areas are Anglophone sub-Saharan Africa and Ethiopia, Jordan, Syria, Lebanon, Egypt, Iraq and Iran. The Trustees regularly review their geographical priority areas.

Report and Accounts – 5 April 2025

Grants approved in this category were to:

Anglican International Development - £20,000

Bible Society - £40,000

Christian Solidarity Worldwide - £45,000

Dignity - £10,000

Embrace the Middle East - £40,000

Open Doors with Brother Andrew - £80,000

Pioneers UK Ministries - £10,000

Release International - £9,000

Christian Evangelism and Relief Work Overseas emergency grants:

Innovista International - £5,000

Medecins Sans Frontieres - Doctors without Borders - £10,000

Tearfund - £50,000

A further 11 grants were awarded totalling: **£23,250**

CHRISTIAN MEDIA - £850,500

Trustees' priority areas in this category are as follows:

- The use of digital media and the internet for creative ways to promote Christianity;
- Media projects that promote Christianity in the UK, North Africa and the Middle East.

Grants approved in this category were to:

Christ Church Leamington - £14,000

Jerusalem Productions Ltd - £520,000

SAT 7 Trust Ltd – Oxford - £160,000

Speak Life - £80,000

Theos - £50,000

Wintershall Charitable Trust - £20,000

A further 3 grants were awarded totalling: **£6,500**

EVANGELISM AND CHRISTIAN MISSION IN THE UK - £2,568,500

The trustees' priority areas in this category are as follows:

- Support for Resource Churches;
- Christian projects that work with children and young people, in particular those working with children who have little or no contact with the church;
- Support for youth work and projects with young adults;
- Evangelistic projects, especially new and emerging evangelists;
- Work with prisoners, ex-prisoners and their families.

Grants approved in this category were to:

Alpha International - £60,000
Ambassadors Football - £30,000
Bible Reading Fellowship - £150,000
Christians in Sport - £90,000
Eastbourne Foodbank - £10,000
Eternal Wall of Answered Prayer - £1,000,000
Evangelical Council for the Manchester Area Trust - £25,000
Faith in Later Life - £10,000
Hope 08 - £20,000
Liberty Choir - £10,000
London City Mission - £40,000
London Institute for Contemporary Christianity - £40,000
Orchards - £10,000
Prison Advice & Care Trust (Pact) – 2 grants totalling £135,000
Safe Families for Children - £150,000
St John's Southend - £120,000
St Michael's Church, Wimbledon - £120,000
The Welcome Directory - £30,000
There is Hope - £10,000
Transforming Lives for Good - £240,000
Wycliffe Bible Translators - £50,000
Yeldall Christian Centres - £10,000
Youthscape - £150,000

A further 32 grants were awarded totalling **£58,500**

GRANTS CANCELLED

One grant totalling £2,000 was cancelled during the period.

Future Plans

The Trust will continue to support the activities set out on page 2 by the award of grants. Trustees will continue support for long-standing grantees within the current challenging fundraising landscape.

Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees on 2 October 2025 and signed on their behalf by

Lady Susan Sainsbury

TRUSTEE

Independent Auditor's Report to the Trustees of Jerusalem Trust

Opinion

We have audited the financial statements of the Jerusalem Trust (the 'charity') for the year ended 5 April 2025 which comprise the statement of financial activities, balance sheet, 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 charity's affairs as at 5 April 2025 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 Jerusalem Trust'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; 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 set out in the trustees' annual report, the trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 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 charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date 15 October 2025

Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2025**

	Notes	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
Income					
Income from investments	2	2,432	-	2,432	3,209
Total income		2,432	-	2,432	3,209
Expenditure					
Cost of raising funds					
Investment management costs	3	-	482	482	460
Charitable activities					
Grant-making:					
Grant expenditure	4	4,507	-	4,507	4,803
Grant related support costs	5	442	-	442	375
Cost of grant-making		4,949	-	4,949	5,178
Total expenditure		4,949	482	5,431	5,638
Net expenditure before net gains/(losses) on investments		(2,517)	(482)	(2,999)	(2,429)
Exchange gains		-	866	866	177
Net gains on investments	8	-	(3,801)	(3,801)	8,067
Transfers between funds	11	2,500	(2,500)	-	-
Net movement in funds		(17)	(5,917)	(5,934)	5,815
Reconciliation of funds					
Total funds brought forward		210	114,168	114,378	108,563
Total funds carried forward		193	108,251	108,444	114,378

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

THE JERUSALEM TRUST

5 April 2025

BALANCE SHEET AS AT 5 APRIL 2025

	<i>Notes</i>	2025	2024
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	7	6	9
Investments	8	111,494	116,335
		<u>111,500</u>	<u>116,344</u>
CURRENT ASSETS			
Debtors	9	52	201
Cash at bank and in hand		<u>566</u>	<u>733</u>
		618	934
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>3,674</u>	<u>2,900</u>
NET CURRENT LIABILITIES		(3,056)	(1,966)
NET ASSETS		<u>108,444</u>	<u>114,378</u>
CAPITAL FUNDS			
Expendable endowment	11	108,251	114,168
INCOME FUNDS			
Unrestricted funds	11	193	210
		<u>108,444</u>	<u>114,378</u>

The financial statements were approved and authorised for issue by the Trustees on 2 October 2025 and were signed on their behalf by :

TRUSTEE

Lady Susan Sainsbury

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 5 APRIL 2025

	2025	2024
	£'000	£'000
Cash flows from operating activities		
Net cash (used in) operating activities	<u>(3,734)</u>	<u>(5,328)</u>
Cash flows from investing activities		
Dividends and interest	2,432	3,209
Purchase of investments	(47,672)	(44,347)
Sale of investments	56,593	38,446
Net cash generated by/(used in) investing activities	<u>11,353</u>	<u>(2,692)</u>
Change in cash and cash equivalents in the year	7,619	(8,020)
Cash and cash equivalents at the beginning of the year	<u>3,770</u>	<u>11,790</u>
Cash and cash equivalents at the end of the year	<u><u>11,389</u></u>	<u><u>3,770</u></u>

Reconciliation of net expenditure to net cash flow from operating activities	2025	2024
	£'000	£'000
Net movement in funds (as per the statement of financial activities)	(5,934)	5,815
Losses/(gains) on investments	3,801	(8,067)
Dividends and interest	(2,432)	(3,209)
(Decrease)/increase in forward exchange contracts	(95)	231
Depreciation charge	3	3
Decrease in debtors	150	28
Increase/(decrease) in creditors	773	(129)
Net cash (used in) operating activities	<u><u>(3,734)</u></u>	<u><u>(5,328)</u></u>

Analysis of the balance of cash as shown in the balance sheet

	2025	2024	Change in year
	£'000	£'000	£'000
Cash at bank and in hand	566	733	(167)
Cash balances held by investment manager for reinvestment	10,823	3,037	7,786
	<u><u>11,389</u></u>	<u><u>3,770</u></u>	<u><u>7,619</u></u>

NOTES TO THE FINANCIAL STATEMENTS

CHARITY INFORMATION

The charity is unincorporated and registered in England and Wales with the Charity Commission (registration number 285696).

The address of the registered office is:

The Peak
5 Wilton Road
London
SW1V 1AP

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income

Income is shown gross, including the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is recorded when it has been received.

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES continued

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

The view of the trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

Contributions to defined contribution pension plans are charged to the statement of financial activities in the period to which they relate.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

NOTES TO THE FINANCIAL STATEMENTS**1. PRINCIPAL ACCOUNTING POLICIES continued****d) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net (losses)/gains on investments" in the statement of financial activities.

e) Financial instruments

The Trust 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

f) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short-term deposits.

g) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Pensions

Contributions to defined contribution plans are charged to the statement of financial activities in the period to which they relate.

k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

2. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2025		2024	
	£'000	%	£'000	%
Fixed Interest	303	12	181	6
Equities	1,448	60	1,991	62
Property	158	7	229	7
Alternative investments	349	14	317	10
Multi Assets	17	1	57	2
	2,275	94	2,775	87
Interest	157	6	434	13
	2,432	100	3,209	100

3. COST OF RAISING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

4. GRANTS EXPENDED

	2025		2024	
	£'000	£'000	£'000	£'000
Reconciliation of grants expended:				
Commitments at 6 April 2024		2,725		2,769
Grants not accrued at 6 April 2024	2,020		441	
Grants approved in the year	4,344		6,395	
Grants cancelled, refunded or amended	(2)		(13)	
Grants not accrued at 5 April 2025	(1,855)		(2,020)	
Grants payable for the year		4,507		4,803
Grants paid during the year		(3,733)		(4,847)
Commitments at 5 April 2025		<u>3,499</u>		<u>2,725</u>

Commitments at 5 April 2025 are payable as follows:

	2025	2024
	£'000	£'000
Within one year (note 10)	<u>3,499</u>	<u>2,725</u>

Contingent Liabilities

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2025 was £1,855,000 (2024: £2,020,000).

The Trustees are confident that these authorised amounts will be met from future income.

A list of grants payable is included in Appendix A.

NOTES TO THE FINANCIAL STATEMENTS

5. GRANT RELATED SUPPORT COSTS

	Grant-making	Governance	2025 Total	2024 Total
	£'000	£'000	£'000	£'000
Staff costs	312	6	318	270
Share of joint office costs	104	-	104	84
Direct costs including travel	5	-	5	5
Depreciation	3	-	3	3
	424	6	430	362
Legal and professional fees	-	-	-	1
Auditor's remuneration	-	12	12	12
	424	18	442	375

The auditor's remuneration excluding VAT is £10,100 (2024: £9,650 excluding VAT). During the year no Trustee received any remuneration or reimbursement of expenses (2024: NIL). Included in the support costs for 2025 are governance costs of £17,193 (2004: £14,301) which was comprised of staff costs of £5,793 (2004: £3,921) and auditor's remuneration of £12,120 (2004: £10,380).

6. ANALYSIS OF STAFF COSTS

	2025	2024
	£'000	£'000
Wages and salaries	259	219
Social security costs	30	26
Other pension costs	29	25
	318	270

As mentioned in the Report of the Trustees, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.6% (2023/24: 2.7%) of the total support and administration costs of these trusts have been allocated to the Jerusalem Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2024/25.

The average number of staff employed during the year was 8, all on a part-time basis (2023/24: 8). This equates to 3 full-time employees (2023/24: 2.7)

Having regard to the small number of employees, the Trust considers its key management personnel to comprise of 3 part-time staff (2023/24: 3). The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £169,349 (2023/24: £146,422). One employee earned between £60,000 - £70,000 during the year (2024: no employee earned more than £60,000).

No trustee received any remuneration for their services during the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS

7. TANGIBLE FIXED ASSETS
Leasehold Improvements

	2025
	£'000
Cost	
At 6 April 2024	20
Disposals	-
At 5 April 2025	<u>20</u>
Depreciation	
At 6 April 2024	11
Charge for the year	3
Disposals	-
At 5 April 2025	<u>14</u>
Net Book Value	
Carried Forward	<u>6</u>
Brought Forward	<u>9</u>

NOTES TO THE FINANCIAL STATEMENTS

8. FIXED ASSET INVESTMENTS

	2025	2024
	£'000	£'000
Market value Brought Forward	113,393	99,425
Less: Disposals at proceeds	(56,593)	(38,446)
Add: Acquisitions at cost	47,672	44,347
Net (losses)/gains on investments	(3,801)	8,067
Market value Carried Forward	100,671	113,393
Forward exchange contracts	0	(95)
Investment cash	10,823	3,037
Total investments	111,494	116,335

The investments held were as follows:

	2025		2024	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
Fixed Income	6,346	5,720	11,486	9,792
Equities	69,767	71,239	68,889	81,546
Property	4,054	3,696	4,054	3,649
Alternative Investments	13,417	14,095	17,581	11,394
Other	5,888	5,921	1,640	7,011
	99,472	100,671	103,650	113,393

Investments include the following holding at market value:

U.K. Equities - J Sainsbury PLC - £5,766,018 (2024; £6,452,101).

As part of the overall management of funds, the investment managers have entered into commitments to sell EUR 5,563,262; JPY 98,054,000; CHF 1,860,000; and USD 25,316,827 and buy USD 1,370,000 under forward rate contracts as at 5 April 2025. (2024: to sell a total of EUR 5,976,151; JPY 98,054,000; CHF 660,000; NOK 22,840,000 and USD 25,181,201).

All contracts matured on 12 June 2024 and are included within investments as forward exchange contracts.

9. DEBTORS

	2025	2024
	£'000	£'000
Accrued income	45	199
Income tax recoverable	4	3
Prepayments	3	-
	52	201

NOTES TO THE FINANCIAL STATEMENTS

10. CREDITORS - amounts falling due within one year

	2025	2024
	£'000	£'000
Grants payable within one year	3,499	2,725
Professional charges	8	8
Other creditors	167	167
	3,674	2,900

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2025
	£'000	£'000	£'000
Fund balances at 5 April 2025 are represented by:			
Tangible fixed assets	-	6	6
Investments	-	111,494	111,494
Current assets	3,737	(3,126)	611
Current liabilities	(3,544)	(123)	(3,667)
Total net assets	193	108,251	108,444

Movement in the year

Opening balance as at 5 April 2024	210	114,168	114,378
Total income and endowments	2,432	-	2,432
Cost of raising funds	-	(482)	(482)
Cost of grant-making	(4,949)	-	(4,949)
Net gains on investments	-	(3,801)	(3,801)
Currency exchange gains	-	866	866
Transfers between funds	2,500	(2,500)	-
Closing balance as at 5 April 2025	193	108,251	108,444

Comparative

	Unrestricted Funds	Expendable Endowment	Totals 2024
	£'000	£'000	£'000
Fund balances at 5 April 2024 are represented by:			
Tangible fixed assets	-	9	9
Investments	-	116,335	116,335
Current assets	2,992	(2,058)	934
Current liabilities	(2,782)	(118)	(2,900)
Total net assets	210	114,168	114,378

Movement in the year

Opening balance as at 5 April 2023	179	108,384	108,563
Total income and endowments	3,209	-	3,209
Cost of raising funds	-	(460)	(460)
Cost of grant-making	(5,178)	-	(5,178)
Net gains on investments	-	8,067	8,067
Currency exchange (losses)	-	177	177
Transfers between funds	2,000	(2,000)	-
Closing balance as at 5 April 2024	210	114,168	114,378

NOTES TO THE FINANCIAL STATEMENTS

12. RELATED PARTY TRANSACTIONS

Two Trustees of the Jerusalem Trust, Lady Susan Sainsbury and Mr. Mark Browning, are also Directors of Jerusalem Productions Limited. The Settlor and one Trustee of Jerusalem Trust hold one share each in Jerusalem Productions Limited, a company incorporated and registered in England (no. 02461543). The Trustees hold the shares of JPL in trust for the Trustees for its charitable purposes.

At the year end, an amount of £350,000 (2024: £350,000) was payable to Jerusalem Productions Limited. Grants totalling £520,000 (2024: £1,934,500) were awarded by the Jerusalem Trust to Jerusalem Productions Ltd during the year. There are no donations from related parties which are outside the normal course of business.

**13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2024**

	Unrestricted Funds	Expendable Endowment	2024
	£'000	£'000	£'000
Income			
Income from investments	3,209	-	3,209
Total income	3,209	-	3,209
Expenditure			
Cost of raising funds			
Investment management costs	-	460	460
Charitable activities			
Grant-making:			
Grant expenditure	4,803	-	4,803
Grant related support costs	375	-	375
Cost of grant-making	5,178	-	5,178
Total expenditure	5,178	460	5,638
Net expenditure before net losses on investments	(1,969)	(460)	(2,429)
Exchange losses	-	177	177
Net losses on investments	-	8,067	8,067
Transfers between funds	2,000	(2,000)	-
Net movement in funds	31	5,784	5,815
Reconciliation of funds			
Total funds brought forward	179	108,384	108,563
Total funds carried forward	210	114,168	114,378

NOTES TO THE FINANCIAL STATEMENTS

Appendix A

The amount payable in the year ended 5 April 2025 consisted of the following:

Christian Education

24-7 Prayer	40,000
Culham St Gabriel's Trust - Culham College Institute	100,000
Festive	30,000
London School of Theology	50,000
RE Grants	200,000
Wintershall Charitable Trust	54,000
Net grants payable/cancelled up to £20,000	24,000

Christian Evangelism & Relief

Bible Society	40,000
Catholic Agency for Overseas Development (CAFOD)	25,000
Christian Solidarity Worldwide	45,000
Embrace the Middle East	40,000
Five Talents	25,000
Open Doors with Brother Andrew	80,000
Tearfund	50,000
Net grants payable/cancelled up to £20,000	87,250

Christian Media

Jerusalem Productions Ltd	870,000
SAT 7 Trust Ltd - Oxford	80,000
Speak Life	80,000
Theos	50,000
Net grants payable/cancelled up to £20,000	40,500

Evangelism & Christian Mission

Alpha International	60,000
Bible Reading Fellowship	100,000
Christians in Sport	62,000
Church Revitalisation Trust	250,000
Eternal Wall of Answered Prayer	500,000
Hope Into Action	50,000
Prison Advice & Care Trust (Pact)	95,000
Safe Families for Children	100,000
St John's Southend	120,000
St Mary's Andover	60,000
St Michael's Church, Wimbledon	120,000
St Werburgh's Derby	60,000
Tearfund	200,000
Transforming Lives for Good	160,000
Wycliffe Bible Translators	50,000
Youthscape	100,000
Net grants payable/cancelled up to £50,000	409,500

Total grants payable per Statement of Financial Activities

4,507,250

NOTES TO THE FINANCIAL STATEMENTS**Appendix A continued**

The amount payable in the year ended 5 April 2024 consisted of the following:

Christian Education

Bible Society	60,000
Christian Education Movement	50,000
RE Grants	150,000
Net grants payable/cancelled up to £20,000	12,000

Christian Evangelism & Relief

Catholic Agency for Overseas Development (CAFOD)	25,000
Christian Solidarity Worldwide	50,000
Five Talents	25,000
Flame International	60,000
Middle East Media	35,000
Mosaic Middle East (Foundation for Reconciliation in the Middle East)	21,000
One for Israel	70,000
Open Doors with Brother Andrew	100,000
Wycliffe Bible Translators	20,350
Net grants payable/cancelled up to £20,000	69,650

Christian Media

Centre for Cultural Witness	24,000
Jerusalem Productions Ltd	1,234,500
Passion Trust	40,000
Premier Christian Media Trust	100,000
SAT 7 Trust Ltd - Oxford	60,000
Net grants payable/cancelled up to £20,000	44,000

Evangelism & Christian Mission in the UK

A ROCHA UK	60,000
Beyond the Streets	60,000
Bible Reading Fellowship	52,000
Bringing Hope	50,000
Church Revitalisation Trust	500,000
Harbour Church Portsmouth	120,000
Home for Good	254,000
Hope Into Action	126,000
Luis Palau Evangelistic Association - Europe	114,000
Nehemiah Project - London	52,000
St Mary's Andover	72,000
St Werburgh's Derby	60,000
Tearfund	200,000
Urban Expression	89,000
Net grants payable/cancelled up to £50,000	698,968

Christian Art

Zurbaran Trust	40,000
Net grants payable/cancelled up to £15,000	4,400

Total grants payable per Statement of Financial Activities	4,802,868
--	------------------

THE JERUSALEM TRUST

England & Wales - Charity number 285696

Accounts

THE JERUSALEM TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2024

The Peak
5 Wilton Road
London SW1V 1AP

CONTENTS

		PAGE
1	Legal and Administrative	1
2	The Report of the Trustees	2-7
3	Statement of Trustees' Responsibilities	8
4	Independent Auditor's Report	9-12
5	Statement of Financial Activities	13
6	Balance Sheet	14
7	Cash Flow Statement	15
8	Notes to the Accounts	16-26

Legal and Administrative

The Jerusalem Trust (No. 285696) was established under a Trust Deed dated 28 September 1982 and became a registered charity on 13 December 1982.

Trustees	Lady Susan Sainsbury Mr Mark Browning Prof Peter Frankopan Mrs Melanie Townsend Mr David Wright Mr Peter Toby Hartley Booth	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Ms V McLachlan Ms R Tiley	Chief Executive Officer Executive Executive
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA	
Solicitors	BDB PITMANS One Bartholomew Close London EC1A 7BL	
Auditor	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG	
Investment Advisers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	

The Report of the Trustees

The Trustees present their report and the audited financial statements for the year ended 5 April 2024.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objects

The objects of the Trust as given in the Trust Deed are:

- i) to or for the advancement of the Christian religion and the promotion for charitable purposes only of any Christian body or organisation;
- ii) to or for the advancement of Christian education and learning;
- iii) to or towards or for the benefit of such one or more charitable purposes or charitable institutions as shall be supported, undertaken or effected by any Christian body or organisation at such time or times in such manner and in such proportions as the Trustees may from time to time at their discretion determine.

Achievements and Performance

During the period the Trustees considered proposals under the following categories:

Christian Education
Christian Evangelism and Relief Work Overseas
Christian Media
Evangelism and Christian Mission in the UK
Christian Art

Proposals are generally invited by the Trustees or initiated at their request. Trustees do not normally make grants towards building or repair work for churches and grants are not normally made to individuals.

There have been no significant changes in the grant making policies of the Trust over the period under review. Trustees will regularly consider support for Resource Churches.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Review of the Past Period

The Trustees met four times during the year to make grants and a further twice to review investment activity.

The asset value of the Trust increased by 5% from £108.6 million at 5 April 2023 to £114.4 million at 5 April 2024. The net unrestricted income of the Trust for the year after charging grant related support costs was £2.8 million compared to £2.9 million for the year to 5 April 2023.

Trustees have decided that the best way of benchmarking the expenses incurred in running the charity is to measure these costs relative to its day to day activity of grant-making, as income alone is an unsuitable benchmark for charitable activity. On that basis, grant related support costs represented 7.7% (2023: 8.5%) of the value of grants paid, which totalled £4.8 million (2023: £4.0 million)

Reserves Policy and Going Concern

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 4 to the accounts and amount to £2 million (2023: £0.4 million). They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available resources is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible, it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. In the event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments as they see fit.

As at 5 April 2024, the Trust held total funds of £114.4 million (2023: £108.6 million), comprising of an expendable endowment fund of £114.2 million (2023: £108.4 million) and unrestricted reserves of £209k (2023: £179k).

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

Investment Policy and Performance

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term and look principally to income for their grant making, supplemented by the use of capital where required.

The Trust's main portfolio generated a total return net of all costs of +11.3%. Whilst this was behind the composite benchmark return of +16.2%, it was ahead of both the ARC Steady Growth Charity peer group index and the long-term CPI +4% target.

As at 5 April 2024, J Sainsbury shares represented 5.6% of the Trust's net asset value.

The Trust received £3.2 million of income over the 12-month period. For the same period, £2m of capital was withdrawn.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees normally restrict grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

Trustees are appointed by the Settlor, with the exception of one Trustee who is nominated by the Bishop of Winchester. All Trustees are provided with relevant information relating to their responsibilities as Trustees.

Trustees are aware of the Charity Governance Code updated in 2020 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Chairman on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under s162A of the Charities Act 2011.

The Trust does not undertake fundraising from the general public and does not use professional fundraisers or commercial participators.

The income of the Trust is not bound by any regulatory scheme, and the Trust does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

The Trustees are responsible for the overall direction and supervision of the Jerusalem Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Lead Executive, Victoria McLachlan.

Grants Approved

The grants approved may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Christian Education	4	£222,000
Christian Evangelism and Relief Work Overseas	24	£491,000
Christian Media	12	£2,142,500
Evangelism and Christian Mission in the UK	93	£3,488,100
Christian Art	4	£51,400
	137	£6,395,000

CHRISTIAN EDUCATION - £222,000

Trustees' priority areas in this category are as follows:

- The development of Christian education and curriculum materials for schools in RE and other subjects;
- The support of RE as a subject, both curriculum development and support for RE teachers and teacher training;
- Adult and lay education.

Grants approved in this category were to:

Bible Society - £60,000

The Centre for Chaplaincy in Education - £10,000

Small Grants Scheme - £150,000 (262)

A further smaller grant was awarded totalling: **£2,000**

CHRISTIAN EVANGELISM AND RELIEF WORK OVERSEAS - £491,000

Trustees' priority areas in this category are as follows:

- Christian relief and development work overseas;
- Support for theological training colleges;
- Capacity building of local churches;
- The translation of Christian literature;
- The support of persecuted Christians.

The Trust's geographical focus areas are Anglophone sub-Saharan Africa and Ethiopia, Jordan, Syria, Lebanon, Egypt, Iraq and Iran. The Trustees regularly review their geographical priority areas.

Catholic Agency for Overseas Development (CAFOD) - £50,000

Christian Solidarity Worldwide - £50,000

Five Talents - £50,000
Flame International - £60,000
Life Bridging Works - £10,000
Mosaic Middle East - £21,000
Open Doors with Brother Andrew - £100,000
PAK7 International £15,000
Starfish Asia - £10,000
Wycliffe Bible Translators - £20,350

A further 14 grants were awarded totalling: **£104,650**

CHRISTIAN MEDIA - £2,142,500

Trustees' priority areas in this category are as follows:

- Media projects that promote Christianity in the UK, North Africa and the Middle East;
- Supporting training and networking projects for Christians working professionally in all areas of the media and for those considering media careers;
- The use of digital media and the internet for creative ways to promote Christianity.

Passion for Sport - £10,000
Biblical Frameworks - £10,000
Burning Heart - £10,000
Centre for Cultural Witness - £24,000
Christ Church Leamington - £14,000
Jerusalem Productions Ltd - 5 grants totalling £1,934,500
Passion Trust - £40,000
Premier Christian Media Trust - £100,000

EVANGELISM AND CHRISTIAN MISSION IN THE UK - £3,488,100

The trustees' priority areas in this category are as follows:

- Support for Resource Churches
- Christian projects that work with children and young people, in particular those working with children who have little or no contact with the church;
- Support for youth work and projects with young adults;
- Evangelistic projects, especially new and emerging evangelists;
- Work with prisoners, ex-prisoners and their families.

A ROCHA UK - £90,000
Beyond the Streets - £60,000
Bringing Hope – £120,000
Church Revitalisation Trust - £1,250,000
Evangelical Council for the Manchester Area Trust - £10,000
Explore Relationships - £10,000
Gregory Centre for Church Multiplication - £48,000
Harbour Church Portsmouth - £120,000
Home for Good – £150,000
Hope Into Action – £170,000
Linking Lives UK - £40,000
Luis Palau Evangelistic Association – 2 grants totalling £110,000
Oxford Centre for Christians Apologetics - £30,000

St Martin in the Fields Trust - £10,000

St Mary's Andover – £120,000

St Werburgh's Derby - £120,000

Tearfund - £400,000

Urban Expression – £120,000

Welcome Churches - £10,000

36 grantees received non-Cost of Living grant payments of less than £10,000 totalling £79,000

37 grantees received Cost of Living grant payments totalling £421,100

CHRISTIAN ART - £51,400

Art & Christianity Enquiry Trust – 2 grants totalling £11,400

Zurbaran Trust – 2 grants totalling £40,000

Future Plans

The Trust will continue to support the activities set out on page 2 by the award of grants. Trustees will continue support for long-standing grantees within the current challenging fundraising landscape.

Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees on 15 October 2024 and signed on their behalf by

: TRUSTEE

Lady Susan Sainsbury

Independent Auditor's Report to the Trustees of Jerusalem Trust

Opinion

We have audited the financial statements of the Jerusalem Trust (the 'charity') for the year ended 5 April 2024 which comprise the statement of financial activities, balance sheet, 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 charity's affairs as at 5 April 2024 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 Jerusalem Trust'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; 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 set out in the trustees' annual report, the trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 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 charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date 1 November 2024
Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
Income					
Income from investments	2	3,209	-	3,209	3,240
Total income		3,209	-	3,209	3,240
Expenditure					
Cost of raising funds					
Investment management costs	3	-	460	460	461
Charitable activities					
Grant-making:					
Grant expenditure	4	4,803	-	4,803	3,364
Grant related support costs	5	375	-	375	338
Cost of grant-making		5,178	-	5,178	3,702
Total expenditure		5,178	460	5,638	4,163
Net expenditure before net gains/(losses) on investments		(1,969)	(460)	(2,429)	(923)
Exchange gains/(losses)		-	177	177	(1,526)
Net gains/(losses) on investments	8	-	8,067	8,067	(5,334)
Transfers between funds	11	2,000	(2,000)	-	-
Net movement in funds		31	5,784	5,815	(7,783)
Reconciliation of funds					
Total funds brought forward		179	108,384	108,563	116,346
Total funds carried forward		210	114,168	114,378	108,563

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

THE JERUSALEM TRUST

5 April 2024

BALANCE SHEET AS AT 5 APRIL 2024

	<i>Notes</i>	2024	2023
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	7	9	12
Investments	8	116,335	110,595
		<u>116,344</u>	<u>110,607</u>
CURRENT ASSETS			
Debtors	9	201	229
Cash at bank and in hand		<u>733</u>	<u>756</u>
		934	985
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>2,900</u>	<u>3,029</u>
NET CURRENT LIABILITIES		(1,966)	(2,044)
NET ASSETS		<u>114,378</u>	<u>108,563</u>
CAPITAL FUNDS			
Expendable endowment	11	114,168	108,384
INCOME FUNDS			
Unrestricted funds	11	210	179
		<u>114,378</u>	<u>108,563</u>

The financial statements were approved and authorised for issue by the Trustees on 15 October 2024 and were signed on their behalf by :

TRUSTEE: Lady Susan Sainsbury

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 5 APRIL 2024

	2024	2023
	£'000	£'000
Cash flows from operating activities		
Net cash (used in) operating activities	<u>(5,328)</u>	<u>(6,327)</u>
Cash flows from investing activities		
Dividends and interest	3,209	3,240
Purchase of investments	(44,347)	(56,108)
Sale of investments	38,446	62,965
Net cash (used in)/generated by investing activities	<u>(2,692)</u>	<u>10,097</u>
Change in cash and cash equivalents in the year	(8,020)	3,770
Cash and cash equivalents at the beginning of the year	<u>11,790</u>	<u>8,020</u>
Cash and cash equivalents at the end of the year	<u><u>3,770</u></u>	<u><u>11,790</u></u>

Reconciliation of net expenditure to net cash flow from operating activities	2024	2023
	£'000	£'000
Net movement in funds (as per the statement of financial activities)	5,815	(7,783)
(Gains)/Losses on investments	(8,067)	5,334
Dividends and interest	(3,209)	(3,240)
Decrease/(increase) in forward exchange contracts	231	(66)
Depreciation charge	3	3
Decrease in debtors	28	25
Decrease in creditors	(129)	(600)
Net cash (used in) operating activities	<u><u>(5,328)</u></u>	<u><u>(6,327)</u></u>

Analysis of the balance of cash as shown in the balance sheet

	2024	2023	Change in year
	£'000	£'000	£'000
Cash at bank and in hand	733	756	(23)
Cash balances held by investment manager for reinvestment	<u>3,037</u>	<u>11,034</u>	<u>(7,997)</u>
	<u><u>3,770</u></u>	<u><u>11,790</u></u>	<u><u>(8,020)</u></u>

NOTES TO THE ACCOUNTS

CHARITY INFORMATION

The charity is unincorporated and registered in England and Wales with the Charity Commission (registration number 285696).

The address of the registered office is:

The Peak
5 Wilton Road
London
SW1V 1AP

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income

Income is shown gross, including the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is recorded when it has been received.

NOTES TO THE ACCOUNTS

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

The view of the trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

Contributions to defined contribution pension plans are charged to the statement of financial activities in the period to which they relate.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

d) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

e) Financial instruments

The Trust 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE ACCOUNTS

f) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

g) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

(2021) Leasehold improvements - 14.28% per annum

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Pensions

Contributions to defined contribution plans are charged to the statement of financial activities in the period to which they relate.

k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE ACCOUNTS

2. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2024		2023	
	£'000	%	£'000	%
Fixed Interest	181	6	288	9
Equities	1,991	62	2,086	64
Alternatives	317	10	451	14
Property	229	7	236	7
Multi Assets	57	2	37	1
Interest	434	13	142	4
	3,209	100	3,240	100

3. COST OF RAISING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

4. GRANTS PAYABLE

	2024		2023	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2023		2,769		3,401
Grants not accrued at 6 April 2023	441		1,339	
Grants approved in the year	6,395		2,466	
Grants cancelled, refunded or amended	(13)		-	
Grants not accrued at 5 April 2024	(2,020)		(441)	
Grants payable for the year		4,803		3,364
Grants paid during the year		(4,847)		(3,996)
Commitments at 5 April 2024		<u>2,725</u>		<u>2,769</u>
Commitments at 5 April 2024 are payable as follows:				
		2024		2023
		£'000		£'000
Within one year (note 10)		<u>2,725</u>		<u>2,769</u>

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities. The total amount authorised but not accrued as expenditure at 5 April 2024 was £2,020,000 (2023: £441,000).

The Trustees are confident that these authorised amounts will be met from future income.

A list of grants payable is included in Appendix A.

NOTES TO THE ACCOUNTS

5. GRANT RELATED SUPPORT COSTS

	Grant-making	Governance	2024 Total	2023 Total
	£'000	£'000	£'000	£'000
Staff costs	265	5	270	246
Share of joint office costs	84	-	84	69
Direct costs including travel	5	-	5	4
Depreciation	3	-	3	3
	357	5	362	322
Legal and professional fees	1	-	1	6
Auditor's remuneration	-	12	12	10
	358	17	375	338

The auditor's remuneration excluding VAT is £9,650 (2023: £7,800 excluding VAT). During the year no Trustee received any remuneration or reimbursement of expenses (2023: NIL). Included in the support costs for 2023 are governance costs of £14,301 which was comprised of staff costs of £3,921 and auditor's remuneration of £10,380.

6. ANALYSIS OF STAFF COSTS

	2024	2023
	£'000	£'000
Wages and salaries	219	202
Social security costs	26	25
Other pension costs	25	19
	270	246

As mentioned in the Report of the Trustees, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.7% (2022/23: 2.6%) of the total support and administration costs of these trusts have been allocated to the Jerusalem Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2023/24.

The average number of staff employed during the year was 8, all on a part-time basis (2022/23: 7). This equates to 2.7 full-time employees (2022/23: 2.1).

Having regard to the small number of employees, the Trust considers its key management personnel to comprise of 3 part-time staff (2022/23: 4). The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £146,422 (2022/23: £152,537). No employee earned more than £60,000 during the year (2023: nil).

No trustee received any remuneration for their services during the current or prior year.

NOTES TO THE ACCOUNTS

7. TANGIBLE FIXED ASSETS Leasehold Improvements

	2024	2023
	£'000	£'000
Cost		
At 6 April 2023	20	72
Disposals	-	(52)
At 5 April 2024	20	20
Depreciation		
At 6 April 2023	8	57
Charge for the year	3	3
Disposals	-	(52)
At 5 April 2024	11	8
Net Book Value		
At 5 April 2024	9	12
At 5 April 2023	12	15

NOTES TO THE ACCOUNTS

NOTES TO THE ACCOUNTS

8. FIXED ASSET INVESTMENTS

	2024	2023
	£'000	£'000
Market value 5 April 2023	99,425	111,616
Less: Disposals at proceeds	(38,446)	(62,965)
Add: Acquisitions at cost	44,347	56,108
Net gains/(losses) on investments	8,067	(5,334)
Market value 5 April 2024	113,393	99,425
Forward exchange contracts	(95)	136
Investment cash	3,037	11,034
Total investments	116,335	110,595

The investments held as at 5 April 2024 were as follows:

	2024		2023	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
Fixed Income	11,486	9,792	12,416	10,784
Equities	68,889	81,546	63,027	67,054
Property	4,054	3,649	4,387	4,181
Alternative Investments	17,581	11,394	16,082	16,013
Multi Assets	1,640	7,011	1,490	1,393
	103,650	113,393	97,402	99,425

Investments include the following holding at market value:

U.K. Equities - J Sainsbury Plc - £6,452,101 (2022/23; £7,452,670)

As part of the overall management of funds, the investment managers have entered into commitments to sell EUR 5,976,151; JPY 98,054,000; CHF 660,000; NOK 22,840,000 and USD 25,181,201 under forward rate contracts as at 5 April 2024. (2023: to sell a total of EUR 5,871,000 and USD 9,766,000 and buy EUR 4,686,849 and USD 2,174,000).

All contracts matured on 20 June 2024 and are included within investments as forward exchange contracts.

9. DEBTORS

	2024	2023
	£'000	£'000
Other debtors	201	229
	201	229

10. CREDITORS - amounts falling due within one year

	2024	2023
	£'000	£'000
Grants payable within one year	2,725	2,769
Professional charges	8	15
Other creditors	167	245
	2,900	3,029

NOTES TO THE ACCOUNTS

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 5 April 2024 are represented by:

Tangible fixed assets

Investments

Current assets

Current liabilities

Total net assets

Movement in the year

Opening balance as at 5 April 2023

Total income and endowments

Cost of raising funds

Cost of grant-making

Net gains on investments

Currency exchange gains

Transfers between funds

Closing balance as at 5 April 2024

Unrestricted Funds	Expendable Endowment	Totals 2024
£'000	£'000	£'000
-	9	9
-	116,335	116,335
2,992	(2,058)	934
(2,782)	(118)	(2,900)
210	114,168	114,378
179	108,384	108,563
3,209	-	3,209
-	(460)	(460)
(5,178)	-	(5,178)
-	8,067	8,067
-	177	177
2,000	(2,000)	-
210	114,168	114,378

Comparative

Fund balances at 5 April 2023 are represented by:

Tangible fixed assets

Investments

Current assets

Current liabilities

Total net assets

Movement in the year

Opening balance as at 5 April 2022

Total income and endowments

Cost of raising funds

Cost of grant-making

Net gains on investments

Currency exchange (losses)

Transfers between funds

Closing balance as at 5 April 2023

Unrestricted Funds	Expendable Endowment	Totals 2023
£'000	£'000	£'000
-	12	12
-	110,595	110,595
3,694	(2,709)	985
(3,515)	486	(3,029)
179	108,384	108,563
641	115,705	116,346
3,240	-	3,240
-	(461)	(461)
(3,702)	-	(3,702)
-	(5,334)	(5,334)
-	(1,526)	(1,526)
-	-	-
179	108,384	108,563

12. RELATED PARTY TRANSACTIONS

Two Trustees of the Jerusalem Trust, Lady Susan Sainsbury and Mr. Mark Browning, are also Directors of Jerusalem Productions Limited. Two Trustees of Jerusalem Trust hold one share each in the Jerusalem Productions Limited, a company incorporated and registered in England (no. 02461543.) The Trustees hold the shares of JPL in trust for the Trustees for its charitable purposes.

At the year end, an amount of £350,000 (2022/23: £340,000) was payable to Jerusalem Productions Limited. Grants totaling £1,934,500 (2022/23: £91,000) were awarded by the Jerusalem Trust to the Jerusalem Productions Ltd during the year. There are no donations from related parties which are outside the normal course of business.

NOTES TO THE ACCOUNTS

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	Unrestricted	Expendable	Total
	Funds	Endowment	Funds
	£'000	£'000	2023 £'000
Income			
Income from investments	3,240	-	3,240
Total income	3,240	-	3,240
Expenditure			
Cost of raising funds			
Investment management costs	-	461	461
Charitable activities			
Grant-making:			
Grant expenditure	3,364	-	3,364
Grant related support costs	338	-	338
Cost of grant-making	3,702	-	3,702
Total expenditure	3,702	461	4,163
Net expenditure before net losses on investments	(462)	(461)	(923)
Exchange losses	-	(1,526)	(1,526)
Net losses on investments	-	(5,334)	(5,334)
Net movement in funds	(462)	(7,321)	(7,783)
Reconciliation of funds			
Total funds brought forward	641	115,705	116,346
Total funds carried forward	179	108,384	108,563

NOTES TO THE ACCOUNTS

Appendix A

The amount payable in the year ended 5 April 2024 consisted of the following:

Christian Education

Bible Society	60,000
Christian Education Movement	50,000
Small Grants Scheme	150,000
Net grants payable/cancelled up to £20,000	12,000

Christian Evangelism & Relief Overseas

Catholic Agency for Overseas Development (CAFOD)	25,000
Christian Solidarity Worldwide	50,000
Five Talents	25,000
Flame International	60,000
Middle East Media	35,000
Mosaic Middle East (previously Foundation for Reconciliation in the Middle East)	21,000
One for Israel	70,000
Open Doors with Brother Andrew	100,000
Wycliffe Bible Translators	20,350
Net grants payable/cancelled up to £20,000	69,650

Christian Media

Centre for Cultural Witness	24,000
Jerusalem Productions Ltd	1,234,500
Passion Trust	40,000
Premier Christian Media Trust	100,000
SAT 7 Trust Ltd - Oxford	60,000
Net grants payable/cancelled up to £20,000	44,000

Evangelism & Christian Mission in the UK

A ROCHA UK	60,000
Beyond the Streets	60,000
Bible Reading Fellowship	52,000
Bringing Hope	50,000
Church Revitalisation Trust	500,000
Harbour Church Portsmouth	120,000
Home for Good	254,000
Hope Into Action	126,000
Luis Palau Evangelistic Association - Europe	114,000
Nehemiah Project - London	52,000
St Mary's Andover	72,000
St Werburgh's Derby	60,000
Tearfund	200,000
Urban Expression	89,000
Net grants payable/cancelled up to £50,000	698,968

Christian Art

Zurbaran Trust	40,000
Net grants payable/cancelled up to £15,000	4,400

Total grants payable per Statement of Financial Activities

4,802,868

NOTES TO THE ACCOUNTS

Appendix A (continued)

The amount payable in the year ended 5 April 2023 consisted of the following:

Christian Education

ACET	80,000
Christian Education Movement	120,000
Culham St Gabriel's Trust - Culham College Institute	120,000
Evangelical Alliance	30,000
Wintershall Charitable Trust	44,000
Net grants payable/cancelled up to £20,000	52,500

Christian Evangelism & Relief Overseas

Catholic Agency for Overseas Development	27,000
Christian Solidarity Worldwide	83,000
Embrace the Middle East	35,000
Middle East Media	70,000
Mosaic Middle East	40,000
Open Doors with Brother Andrew	25,000
Tearfund	245,000
Net grants payable/cancelled up to £20,000	65,500

Christian Media

Jerusalem Productions Ltd	431,000
SAT 7 Trust Ltd - Oxford	60,000
Theos	45,000
Net grants payable/cancelled up to £20,000	35,000

Evangelism & Christian Mission in the UK

Alpha International	160,000
Bethany Christian Trust	80,000
Church Army	100,000
Holy Trinity Combe Down	120,000
Home for Good	160,000
Hope 08	50,000
London City Mission	52,600
River Church Ipswich	120,000
Safe Families for Children	50,000
Spurgeons	50,000
St Barnabas Penny Lane Church, Liverpool	120,000
Transforming Lives for Good	150,000
Youthscape	50,000
Net grants payable/cancelled up to £50,000	478,500

Christian Art

All Hallows by the Tower	2,000
All Saints Church, Child's Hill	2,000
All Saints Church, Wandsworth	10,000

Total grants payable per Statement of Financial Activities

3,363,100

THE JERUSALEM TRUST

England & Wales - Charity number 285696

Accounts

THE JERUSALEM TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2023

The Peak
5 Wilton Road
London SW1V 1AP

CONTENTS

		PAGE
1	Legal and Administrative	1
2	The Report of the Trustees	2-7
3	Statement of Trustees' Responsibilities	8
4	Independent Auditor's Report	9-12
5	Statement of Financial Activities	13
6	Balance Sheet	14
7	Cash Flow Statement	15
8	Notes to the Accounts	16-24

Legal and Administrative

The Jerusalem Trust (No. 285696) was established under a Trust Deed dated 28 September 1982 and became a registered charity on 13 December 1982.

Trustees	Lady Susan Sainsbury The Rt Hon Sir Timothy Sainsbury – Retired 9 September 2022 Mr Mark Browning Prof Peter Frankopan Mr Colin Harbidge – Retired 9 September 2022 Mrs Melanie Townsend Mr David Wright Mr Peter Toby Hartley Booth	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Ms V McLachlan Mr B M Woodruff Ms R Tiley	Chief Executive Officer Executive Executive Executive
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA	
Solicitors	BDB PITMANS One Bartholomew Close London EC1A 7BL	
Auditor	Sayer Vincent LLP Invicta House 108 - 114 Golden Lane London EC1Y 0TL	
Investment Advisers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	

The Report of the Trustees

The Trustees present their report and the audited financial statements for the year ended 5 April 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objects

The objects of the Trust as given in the Trust Deed are:

- i) to or for the advancement of the Christian religion and the promotion for charitable purposes only of any Christian body or organisation;
- ii) to or for the advancement of Christian education and learning;
- iii) to or towards or for the benefit of such one or more charitable purposes or charitable institutions as shall be supported, undertaken or effected by any Christian body or organisation at such time or times in such manner and in such proportions as the Trustees may from time to time at their discretion determine.

Achievements and Performance

During the period the Trustees considered proposals under the following categories:

Christian Education
Christian Evangelism and Relief Work Overseas
Christian Media
Evangelism and Christian Mission in the UK
Christian Art

Proposals are generally invited by the Trustees or initiated at their request. Trustees do not normally make grants towards building or repair work for churches and grants are not normally made to individuals.

There have been no significant changes in the grant making policies of the Trust over the period under review. Trustees will regularly consider support for Resource Churches. Trustees will continue to consider extra support grants for current grantees in particular need due to the Covid-19 pandemic and cost-of-living crisis. Trustees agreed to release an extra £1.5 million from capital in 2022/23 towards this.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Review of the Past Period

The Trustees met four times during the year to make grants and a further twice to review investment activity.

The asset value of the Trust decreased by 7% from £116.3 million at 5 April 2022 to £108.6 million at 5 April 2023. The net unrestricted income of the Trust for the year after charging grant related support costs was £2.9 million compared to £2.5 million for the year to 5 April 2022.

Trustees have decided that the best way of benchmarking the expenses incurred in running the charity is to measure these costs relative to its day to day activity of grant-making, as income alone is an unsuitable benchmark for charitable activity. On that basis, grant related support costs represented 8.5% (2022: 11%) of the value of grants paid, which totalled £4.0 million (2022: £2.6 million)

Reserves Policy and Going Concern

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 4 to the accounts and amount to £0.4 million (2022: £1.3 million). They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available resources is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible, it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. In the event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments as they see fit.

As at 5 April 2023, the Trust held total funds of £108.6 million (2022: £116.3 million), comprising of an expendable endowment fund of £108.4 million (2022: £115.7 million) and unrestricted reserves of £179k (2022: £641k).

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

Investment Policy and Performance

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term and look principally to income for their grant making, supplemented by the use of capital where required.

The Trust's main portfolio fell in value over the past 12 months. Within the equities, the lack of commodities (oil & gas) exposure, was unhelpful to returns. However, the momentum of the final quarter of 2022 continued into 2023. This has largely been due to market optimism that the central

banks may be drawing nearer to the end of their interest rate hiking cycle and an expectation of a slowdown in global inflation.

Whilst the past 12-month performance has been relatively weak, performance over the 5-year period remain comfortably ahead of the peer group, as measured by the ARC Charity Steady Growth index.

No J Sainsbury shares were sold as the shares are enjoying a strong run currently, benefiting from food price inflation. As at 5 April 2023, J Sainsbury shares represented 6.9% of the Trust's value.

The Trust received £3.2 million of income over the 12-month period. There was one capital withdrawal of £600,000 in April 2022 and £500,000 in March 2023.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees normally restrict grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

Trustees are appointed by the Settlor, with the exception of one Trustee who is appointed by the Bishop of Winchester. All Trustees are provided with relevant information relating to their responsibilities as Trustees.

Trustees are aware of the Charity Governance Code updated in 2020 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Chairman on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under s162A of the Charities Act 2011.

The Trust does not undertake fundraising from the general public and does not use professional fundraisers or commercial participants.

The income of the Trust is not bound by any regulatory scheme, and the Trust does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

The Trustees are responsible for the overall direction and supervision of the Jerusalem Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Lead Executive, Victoria McLachlan.

Grants Approved

The grants approved may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Christian Education	10	466,500
Christian Evangelism and Relief Work Overseas	20	350,500
Christian Media	8	156,000
Evangelism and Christian Mission in the UK	43	1,478,600
Christian Art	3	14,000
	84	2,465,600

CHRISTIAN EDUCATION - £466,500

Trustees' priority areas in this category are as follows:

- The development of Christian education and curriculum materials for schools in RE and other subjects;
- The support of RE as a subject, both curriculum development and support for RE teachers and teacher training;
- The support, training and retention of Christian teachers in all subjects and lay training.
- Projects which encourage Christians in leadership in schools;
- Adult and lay education.

Grants approved in this category were to:

ACET - £80,000

Alpha Ireland - £10,000

Christian Education Movement - £170,000

Culham St Gabriel's Trust - Culham College Institute - £120,000

Institute for Children, Youth and Mission - £10,000

Liverpool Cathedral - £10,000

Portsmouth Cathedral Development Trust - £20,000

Wintershall Charitable Trust – 2 grants totalling £44,000

A further smaller grant was awarded totalling: **£2,500**

CHRISTIAN EVANGELISM AND RELIEF WORK OVERSEAS - £350,500

Trustees' priority areas in this category are as follows:

- Christian relief and development work overseas;
- Support for theological training colleges;
- Capacity building of local churches;
- The translation of Christian literature;
- The support of persecuted Christians.

The Trust's geographical focus areas are Anglophone sub-Saharan Africa and Ethiopia, Jordan, Syria, Lebanon, Egypt, Iraq and Iran. The Trustees regularly review their geographical priority areas.

Biblical Understanding for In-Service Leadership Development (BUILD) - £10,000

Christian Solidarity Worldwide - £83,000

Langham Partnership UK & Ireland - £10,000

Middle East Media - £105,000

Samaritan's Purse International - £10,000

TESO Development Trust - £10,000

Christian Evangelism and Relief Work Overseas emergency grants:

Bible Society - £10,000

Catholic Agency for Overseas Development (CAFOD) - £25,000

Open Doors with Brother Andrew - £25,000

Tearfund – 2 grants totalling £45,000

A further **nine** smaller grants were awarded totalling: **£17,500**

CHRISTIAN MEDIA - £156,000

Trustees' priority areas in this category are as follows:

- Media projects that promote Christianity in the UK, North Africa and the Middle East;
- Supporting training and networking projects for Christians working professionally in all areas of the media and for those considering media careers;
- The use of digital media and the internet for creative ways to promote Christianity.

Faith in Kids - £10,000

Jerusalem Productions Ltd –£91,000

Theos- £45,000

A further five smaller grants were awarded totalling: **£10,000**

EVANGELISM AND CHRISTIAN MISSION IN THE UK - £1,478,600

The trustees' priority areas in this category are as follows:

- Support for Resource Churches
- Christian projects that work with children and young people, in particular those working with children who have little or no contact with the church;
- Support for youth work and projects with young adults;
- Evangelistic projects, especially new and emerging evangelists;
- Work with prisoners, ex-prisoners and their families.

Alpha International - £160,000

Ascension Trust - £45,000

Bethany Christian Trust - £120,000

Holy Trinity Combe Down - £120,000

Home for Good - £240,000

Hope 08 - £50,000

Kintsugi Hope - £60,000

London City Mission - £52,600

River Church Ipswich - £120,000

Spurgeons - £50,000

St Barnabas Penny Lane Church, Liverpool - £120,000

Steps to Active Recovery (STAR) - £10,000

SWYM - £48,000

Transforming Lives for Good - £150,000

Evangelism and Christian Mission in the UK emergency winter support grants:

Baby Basics - £10,000

Christians Against Poverty - £20,000

Good Faith Foundation - £10,000

Message Trust - £20,000

Trussell Trust - £20,000

A further twenty-four smaller grants were awarded totalling: **£53,000**

CHRISTIAN ART - £14,000

All Saints Church, Wandsworth - £10,000

A further two smaller grants were awarded totalling: **£4,000**

Future Plans

The Trust will continue to support the activities set out on page 2 by the award of grants. Trustees will continue support for long standing beneficiaries to help them overcome the challenges of the Covid-19 pandemic and the cost-of-living crisis.

Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees on 10 October 2023 and signed on their behalf by

.....TRUSTEE
Lady Susan Sainsbury

Independent Auditor's Report to the Trustees of Jerusalem Trust

Opinion

We have audited the financial statements of the Jerusalem Trust (the 'charity') for the year ended 5 April 2023 which comprise the statement of financial activities, balance sheet, 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 charity's affairs as at 5 April 2023 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 Jerusalem Trust'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; 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 set out in the trustees' annual report, the trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 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 charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 9 January 2024

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2023

	Notes	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Income					
Income from investments	2	3,240	-	3,240	2,776
Total income		3,240	-	3,240	2,776
Expenditure					
Cost of raising funds					
Investment management costs	3	-	461	461	476
Charitable activities					
Grant-making:					
Grant expenditure	4	3,364	-	3,364	3,354
Grant related support costs	5	338	-	338	291
Cost of grant-making		3,702	-	3,702	3,645
Total expenditure		3,702	461	4,163	4,121
Net expenditure before net (losses)/gains on investments		(462)	(461)	(923)	(1,345)
Exchange losses		-	(1,526)	(1,526)	(847)
Net (losses)/gains on investments	8	-	(5,334)	(5,334)	3,780
Net movement in funds		(462)	(7,321)	(7,783)	1,588
Reconciliation of funds					
Total funds brought forward		641	115,705	116,346	114,758
Total funds carried forward		179	108,384	108,563	116,346

All of the above results are derived from continuing activities. There were no other recognized gains or losses other than those stated above.

BALANCE SHEET
AS AT 5 APRIL 2023

	<i>Notes</i>	2023	2022
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	7	12	15
Investments	8	<u>110,595</u>	<u>118,947</u>
		<u>110,607</u>	<u>118,962</u>
CURRENT ASSETS			
Debtors	9	229	252
Cash at bank and in hand		<u>756</u>	<u>759</u>
		985	1,011
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>3,029</u>	<u>3,627</u>
NET CURRENT LIABILITIES		(2,044)	(2,616)
NET ASSETS		<u>108,563</u>	<u>116,346</u>
CAPITAL FUNDS			
Expendable endowment	11	108,384	115,705
INCOME FUNDS			
Unrestricted funds	11	179	641
		<u>108,563</u>	<u>116,346</u>

The financial statements were approved and authorised for issue by the Trustees on 10 October 2023 and were signed on their behalf by :

..... TRUSTEE
Lady Susan Sainsbury

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 5 APRIL 2023

	2023	2022
	<u>£'000</u>	<u>£'000</u>
Cash flows from operating activities		
Net cash (used in) operating activities	<u>(6,327)</u>	<u>(4,393)</u>
Cash flows from investing activities		
Dividends and interest	3,240	2,776
Purchase of investments	(56,108)	(37,566)
Sale of investments	62,965	42,106
Net cash generated by investing activities	<u>10,097</u>	<u>7,316</u>
Change in cash and cash equivalents in the year	3,770	2,923
Cash and cash equivalents at the beginning of the year	<u>8,020</u>	<u>5,097</u>
Cash and cash equivalents at the end of the year	<u><u>11,790</u></u>	<u><u>8,020</u></u>

Reconciliation of net expenditure to net cash flow from operating activities	2023	2022
	<u>£'000</u>	<u>£'000</u>
Net movement in funds (as per the statement of financial activities)	(7,783)	1,588
Losses/(gains) on investments	5,334	(3,780)
Dividends and interest	(3,240)	(2,776)
(Increase) in forward exchange contracts	(66)	(62)
Depreciation charge	3	8
Decrease/(increase) in debtors	25	(90)
(Decrease)/increase in creditors	(600)	719
Net cash (used in) operating activities	<u><u>(6,327)</u></u>	<u><u>(4,393)</u></u>

Analysis of the balance of cash as shown in the balance sheet

	2023	2022	Change in year
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cash at bank and in hand	756	759	(3)
Cash balances held by investment manager for reinvestment	11,034	7,261	3,773
	<u><u>11,790</u></u>	<u><u>8,020</u></u>	<u><u>3,770</u></u>

NOTES TO THE ACCOUNTS

CHARITY INFORMATION

The charity is unincorporated and registered in England and Wales with the Charity Commission (registration number 285696).

The address of the registered office is:

The Peak
5 Wilton Road
London
SW1V 1AP

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income

Income is shown gross, including the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is recorded when it has been received.

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

The view of the trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

Contributions to defined contribution pension plans are charged to the statement of financial activities in the period to which they relate.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES continued

d) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

e) Financial instruments

The Trust 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

f) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

g) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

(2021) Leasehold improvements - 14.28% per annum

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Pensions

Contributions to defined contribution plans are charged to the statement of financial activities in the period to which they relate.

k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE ACCOUNTS

2. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2023		2022	
	£'000	%	£'000	%
Government fixed interest	107	3	9	-
Other Fixed Interest	181	6	257	9
UK equities	856	26	981	35
Overseas equities	1,230	39	1,011	37
Alternatives	451	14	265	10
Property	236	7	205	7
Multi Assets	37	1	35	1
Interest	142	4	13	1
	3,240	100	2,776	100

3. COST OF RAISING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

4. GRANTS PAYABLE

	2023		2022	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2022		3,401		2,683
Grants not accrued at 6 April 2022	1,339		1,012	
Grants approved in the year	2,466		3,684	
Grants cancelled, refunded or amended	-		(3)	
Grants not accrued at 5 April 2023	(441)		(1,339)	
Grants payable for the year		3,364		3,354
Grants paid during the year		(3,996)		(2,636)
Commitments at 5 April 2023		2,769		3,401
Commitments at 5 April 2023 are payable as follows:				
		2023		2022
		£'000		£'000
Within one year (note 10)		2,769		3,401

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities. The total amount authorised but not accrued as expenditure at 5 April 2023 was £441,000 (2022: £1,338,500). This total will all be payable during 2024/25. The Trustees are confident that these authorised amounts will be met from future income.

A list of grants payable is included in Appendix A.

NOTES TO THE ACCOUNTS

5. GRANT RELATED SUPPORT COSTS

	Grant-making	Governance	2023 Total	2022 Total
	£'000	£'000	£'000	£'000
Staff costs	242	4	246	188
Share of joint office costs	69	-	69	73
Direct costs including travel	4	-	4	4
Depreciation	3	-	3	8
	318	4	322	273
Legal and professional fees	6	-	6	9
Auditor's remuneration	-	10	10	9
	324	14	338	291

The auditor's remuneration excluding VAT is £8,650. During the year no Trustee received any remuneration or reimbursement of expenses (2022: NIL). Included in the support costs for 2022 are governance costs of £12,578 which was comprised of staff costs of £3,218 and auditor's remuneration of £9,360.

6. ANALYSIS OF STAFF COSTS

	2023 £'000	2022 £'000
Wages and salaries	202	155
Social security costs	25	17
Other pension costs	19	16
	246	188

As mentioned in the Report of the Trustees, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.6% (2021/22: 2.4%) of the total support and administration costs of these trusts have been allocated to the Jerusalem Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2022/23.

The average number of staff employed during the year was 7, all on a part-time basis (2021/22: 10). This equates to 2.1 full-time employees (2021/22: 1.9).

Having regard to the small number of employees, the Trust considers its key management personnel to comprise of 4 part-time staff (2021/22: 4). The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £152,537 (2021/22: £122,435). The number of employees whose total employee benefits (excluding employer pension costs) for services provided to the Trust exceeded £60,000 was as follows: 2023: No employee earned in excess of £60,000 in either year.

No trustee received any remuneration for their services during the current or prior year.

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2023 £'000	2022 £'000
Cost		
At 5 April 2022	72	72
Disposals	(52)	-
At 5 April 2023	20	72
Depreciation		
At 6 April 2021	57	49
Charge for the year	3	8
Disposals	(52)	-
At 5 April 2023	8	57
Net Book Value		
At 5 April 2023	12	15
At 5 April 2022	15	23

NOTES TO THE ACCOUNTS

8. FIXED ASSET INVESTMENTS

	2023	2022
	£'000	£'000
Market value 5 April 2022	111,616	112,376
Less: Disposals at proceeds	(62,965)	(42,106)
Add: Acquisitions at cost	56,108	37,566
Net (losses)/gains on investments	(5,334)	3,780
Market value 5 April 2023	99,425	111,616
Forward exchange contracts	136	70
Investment cash	11,034	7,261
Total investments	110,595	118,947

The investments held as at 5 April 2023 were as follows:

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
Fixed Income	12,416	10,784	11,251	10,573
UK Equities	9,589	7,453	25,002	24,258
Global Equities	53,438	59,601	38,919	52,766
Property	4,387	4,181	5,700	6,441
Alternative Investments	16,082	16,013	13,644	16,052
Multi Assets	1,490	1,393	1,490	1,526
	97,402	99,425	96,006	111,616

Investments include the following holding at market value:

U.K. Equities - J Sainsbury Plc - £7,452,670 (2021/22; £6,739,378)

As part of the overall management of funds, the investment managers have entered into commitments to sell a total EUR 5,871,000, USD 9,766,000 and buy EUR 4,686,849 and USD 2,174,000 under forward rate contracts at 5 April 2023. (2022: to sell EUR 4,357,000 and USD 23,131,600 and buy USD 1,970,000).

All contracts matured on 15 June 2023 and are included within investments as forward exchange contracts.

9. DEBTORS

	2023	2022
	£'000	£'000
Other debtors	229	252
	229	252

10. CREDITORS - amounts falling due within one year

	2023	2022
	£'000	£'000
Grants payable within one year	2,769	3,401
Professional charges	15	6
Other creditors	245	220
	3,029	3,627

NOTES TO THE ACCOUNTS

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2023
	£'000	£'000	£'000
Fund balances at 5 April 2023 are represented by:			
Tangible fixed assets	-	12	12
Investments	-	110,595	110,595
Current assets	3,694	(2,709)	985
Current liabilities	(3,515)	486	(3,029)
Total net assets	179	108,384	108,563
Movement in the year			
Opening balance as at 5 April 2022	641	115,705	116,346
Total income and endowments	3,240	-	3,240
Cost of raising funds	-	(461)	(461)
Cost of grant-making	(3,702)	-	(3,702)
Net gains on investments	-	(5,334)	(5,334)
Currency exchange (losses)	-	(1,526)	(1,526)
Transfers between funds	-	-	-
Closing balance as at 5 April 2023	179	108,384	108,563

Comparative

	Unrestricted Funds	Expendable Endowment	Totals 2022
	£'000	£'000	£'000
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	15	15
Investments	-	118,947	118,947
Current assets	3,301	(2,290)	1,011
Current liabilities	(2,660)	(967)	(3,627)
Total net assets	641	115,705	116,346
Movement in the year			
Opening balance as at 5 April 2021	510	114,248	114,758
Total income and endowments	2,776	-	2,776
Cost of raising funds	-	(476)	(476)
Cost of grant-making	(3,645)	-	(3,645)
Net gains on investments	-	3,780	3,780
Currency exchange gains	-	(847)	(847)
Transfers between funds	1,000	(1,000)	-
Closing balance as at 5 April 2022	641	115,705	116,346

12. RELATED PARTY TRANSACTIONS

Two Trustees of the Jerusalem Trust, Lady Susan Sainsbury and Mr. Mark Browning, are also Directors of Jerusalem Productions Limited. Two Trustees of Jerusalem Trust hold one share each in the Jerusalem Productions Limited, a company incorporated and registered in England (no. 02461543.) The Trustees hold the shares of JPL in trust for the Trustees of the time being of the charity for its charitable purposes.

At the year end, an amount of £340,000 (2021/22: £485,000) was payable to Jerusalem Productions Limited. Grants totaling £91,000 (2021/22: £145,000) were awarded by the Jerusalem Trust to the Jerusalem Productions Ltd during the year. There are no donations from related parties which are outside the normal course of business.

NOTES TO THE ACCOUNTS

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	Unrestricted Funds	Expendable Endowment	Total Funds 2022
	£'000	£'000	£'000
Income			
Income from investments	2,776	-	2,776
Total income	<u>2,776</u>	<u>-</u>	<u>2,776</u>
Expenditure			
Cost of raising funds			
Investment management costs	-	476	476
Charitable activities			
Grant-making:			
Grant expenditure	3,354	-	3,354
Grant related support costs	291	-	291
Cost of grant-making	<u>3,645</u>	<u>-</u>	<u>3,645</u>
Total expenditure	<u>3,645</u>	<u>476</u>	<u>4,121</u>
Net income/(expenditure) before net gains on investments	(869)	(476)	(1,345)
Exchange gains	-	(847)	(847)
Net gains on investments	-	3,780	3,780
Transfers between funds	1,000	(1,000)	-
Net movement in funds	<u>131</u>	<u>1,457</u>	<u>1,588</u>
Reconciliation of funds			
Total funds brought forward	510	114,248	114,758
Total funds carried forward	<u>641</u>	<u>115,705</u>	<u>116,346</u>

NOTES TO THE ACCOUNTS

Appendix A

The amount payable in the year ended 5 April 2023 consisted of the following:

Christian Education

ACET	80,000
Christian Education Movement	120,000
Culham St Gabriel's Trust - Culham College Institute	120,000
Evangelical Alliance	30,000
Wintershall Charitable Trust	44,000
Net grants payable/cancelled up to £20,000	52,500

Christian Evang. & Relief O/s

Catholic Agency for Overseas Development	27,000
Christian Solidarity Worldwide	83,000
Embrace the Middle East	35,000
Middle East Media	70,000
Mosaic Middle East	40,000
Open Doors with Brother Andrew	25,000
Tearfund	245,000
Net grants payable/cancelled up to £20,000	65,500

Christian Media

Jerusalem Productions Ltd	431,000
SAT 7 Trust Ltd - Oxford	60,000
Theos	45,000
Net grants payable/cancelled up to £20,000	35,000

Evangelism & Christian Mission

Alpha International	160,000
Bethany Christian Trust	80,000
Church Army	100,000
Holy Trinity Combe Down	120,000
Home for Good	160,000
Hope 08	50,000
London City Mission	52,600
River Church Ipswich	120,000
Safe Families for Children	50,000
Spurgeons	50,000
St Barnabas Penny Lane Church, Liverpool	120,000
Transforming Lives for Good	150,000
Youthscape	50,000
Net grants payable/cancelled up to £50,000	478,500

Christian Art

All Hallows by the Tower	2,000
All Saints Church, Child's Hill	2,000
All Saints Church, Wandsworth	10,000

Total grants payable per Statement of Financial Activities	3,363,100
--	------------------

NOTES TO THE ACCOUNTS

Appendix A (continued)

The amount payable in the year ended 5 April 2022 consisted of the following:

Christian Education

Evangelical Alliance	60,000
RE Small grants Programme to School	200,000
Net grants payable/cancelled up to £10,000	35,849

Christian Evangelism and Relief Work Overseas

Bible Society	57,000
Catholic Agency for Overseas Development	56,000
Embrace the Middle East	35,000
Open Doors with Brother Andrew	100,000
Tearfund	295,000
Net grants payable/cancelled up to £20,000	97,260

Christian Media

Biblica	10,000
Jerusalem Productions Ltd	485,000
SAT 7 Trust Ltd - Oxford	60,000
University of Durham - St John's College	21,000
Net grants payable/cancelled up to £10,000	27,800

Evangelism and Christian Mission in the UK

Bringing Hope	100,000
Bristol CCRC Trust	120,000
Christians in Sport	62,000
Church Army	202,500
Eternal Wall of Answered Prayer	100,000
Luis Palau Evangelistic Association	50,000
Nehemiah Project - London	40,000
Mercy UK	55,000
Safe Families for Children	100,000
Salmon Youth Centre	50,000
Swindon CCRC Trust	120,000
Transforming Lives for Good	50,000
Youthscape	100,000
Net grants payable/cancelled up to £50,000	624,740

Christian Art

Art in the Churches	20,000
HMP Bronzefield	20,000

Total grants payable per Statement of Financial Activities	<u>3,354,149</u>
--	-------------------------

THE JERUSALEM TRUST

England & Wales - Charity number 285696

Accounts

THE JERUSALEM TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2022

The Peak
5 Wilton Road
London SW1V 1AP

CONTENTS

		PAGE
1	Legal and Administrative	1
2	The Report of the Trustees	2-8
3	Statement of Trustees' Responsibilities	9
4	Independent Auditor's Report	10-13
5	Statement of Financial Activities	14
6	Balance Sheet	15
7	Cash Flow Statement	16
8	Notes to the Accounts	17-25

Legal and Administrative

The Jerusalem Trust (No. 285696) was established under a Trust Deed dated 28 September 1982 and became a registered charity on 13 December 1982.

Trustees	Lady Susan Sainsbury The Rt Hon Sir Timothy Sainsbury Mr Mark Browning Prof Peter Frankopan Mr Colin Harbidge Mrs Melanie Townsend Mr David Wright	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Ms V McLachlan Mr BM Woodruff Ms R Tiley	Chief Operating Officer Executive Executive Executive
Bankers	Royal Bank of Scotland 119 - 121 Victoria Street London SW1E 6RA	
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ	
Auditor	Sayer Vincent LLP Invicta House 108 - 114 Golden Lane London EC1Y 0TL	
Investment Advisers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	

The Report of the Trustees

The Trustees present their report and the audited financial statements for the year ended 5 April 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Trust deed, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objects

The objects of the Trust as given in the Trust Deed are:

- i) to or for the advancement of the Christian religion and the promotion for charitable purposes only of any Christian body or organisation;
- ii) to or for the advancement of Christian education and learning;
- iii) to or towards or for the benefit of such one or more charitable purposes or charitable institutions as shall be supported, undertaken or effected by any Christian body or organisation at such time or times in such manner and in such proportions as the Trustees may from time to time at their discretion determine.

Achievements and Performance

During the period the Trustees considered proposals under the following categories:

Christian Education
Christian Evangelism and Relief Work Overseas
Christian Media
Evangelism and Christian Mission in the UK
Christian Art

Proposals are generally invited by the Trustees or initiated at their request. Trustees do not normally make grants towards building or repair work for churches and grants are not normally made to individuals.

There have been no significant changes in the grant making policies of the Trust over the period under review. Trustees will continue to consider extra support grants for current grantees in particular need due to the Covid-19 pandemic. Trustees agreed to release an extra £500,000 from capital in 2021/22 towards this.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Review of the Past Period

The Trustees met four times during the year to make grants and a further twice to review investment activity.

The asset value of the Trust increased by 1% from £114.8 million at 5 April 2021 to £116.3 million at 5 April 2022. The net unrestricted income of the Trust for the year after charging grant related support costs was £2.5 million compared to £2.8 million for the year to 5 April 2021.

Trustees have decided that the best way of benchmarking the expenses incurred in running the charity is to measure these costs relative to its day to day activity of grant-making, as income alone is an unsuitable benchmark for charitable activity. On that basis, grant related support costs represented 11% (2021: 9%) of the value of grants paid, which totalled £2.6 million (2021: £2.9 million)

Reserves Policy and Going Concern

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 4 to the accounts and amount to £1.339 million (2021: £1.012 million). They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available resources is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. In the event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments as they see fit.

As at 5 April 2022, the Trust held total funds of £116.3 million (2021: £114.8 million), comprising of an expendable endowment fund of £115.7 million (2021: £114.3 million) and unrestricted reserves of £640k (2021: £510k).

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

Investment Policy and Performance

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term and look principally to income for their grant making, supplemented by the use of capital where required.

The Trust's main portfolio rose in value over the past 12 months, producing a total return net of all costs of +4.9% which was behind the composite benchmark of +8.7%. This has largely been because of the sharp market rotation out of favoured growth stocks into lower quality cyclical

companies and the lack of oil and gas exposure in the portfolio, which we do not consider to be long-term investments. Whilst the past 12-month performance has been relatively weaker, performance over the 3 and 5 year period remain comfortably ahead of the long-term CPI +4% target and the peer group, as measured by the ARC Charity Steady Growth Index.

A total of 75,000 J Sainsbury shares were sold in August of 2021 at a price of £3.24. The shares generated a total shareholder return of +8.6% for the year, behind the wider UK equity market return of +15.5%. As at 5 April 2022, J Sainsbury shares represented 5.7% of the Trust's investment value.

The Trust received £2.8 million of income over the 12-month period. No capital was withdrawn.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees normally restrict grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

Trustees are appointed by the Settlor, with the exception of one Trustee who is appointed by the Bishop of Winchester. All Trustees are provided with relevant information relating to their responsibilities as Trustees.

Trustees are aware of the Charity Governance Code updated in 2020 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Chairman on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under s162A of the Charities Act 2011.

The Trust does not undertake fundraising from the general public and does not use professional fundraisers or commercial participants.

The income of the Trust is not bound by any regulatory scheme, and the Trust does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

The Trustees are responsible for the overall direction and supervision of the Jerusalem Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Lead Executive, Victoria McLachlan.

Grants Approved

The grants approved may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Christian Education	8	325,849
Christian Evangelism and Relief Work Overseas	22	915,260
Christian Media	10	399,800
Evangelism and Christian Mission in the UK	71	2,002,740
Christian Art	2	40,000
	113	3,683,649

CHRISTIAN EDUCATION - £325,849

Trustees' priority areas in this category are as follows:

- The development of Christian education and curriculum materials for schools in RE and other subjects;
- The support of RE as a subject, both curriculum development and support for RE teachers and teacher training;
- The support, training and retention of Christian teachers in all subjects and lay training.
- Projects which encourage Christians in leadership in schools;
- Adult and lay education.

Grants approved in this category were to:

Cambridge Theological Federation (CTF) - £10,000

Evangelical Alliance - £90,000

Humanitarian Aid Relief Trust – HART - £10,000

Small grants to Schools for Christian RE materials - £200,000

A further four smaller grants were awarded totalling: **£15,849**

CHRISTIAN EVANGELISM AND RELIEF WORK OVERSEAS - £915,260

Trustees' priority areas in this category are as follows:

- Christian relief and development work overseas;
- Support for theological training colleges;
- Capacity building of local churches;
- The translation of Christian literature;
- The support of persecuted Christians.

The Trust's geographical focus areas are Anglophone sub-Saharan Africa and Ethiopia, Jordan, Syria, Lebanon, Egypt, Iraq and Iran. The Trustees regularly review their geographical priority areas.

Bible Society - £57,000

Caritas Poland - £10,000

Catholic Agency for Overseas Development (CAFOD) - £20,000

Embrace the Middle East - £70,000

Innovista International - £10,000

Medecins Sans Frontieres - Doctors without Borders - £10,000

Mosaic Middle East (previously Foundation for Reconciliation in the Middle East) £50,000

Open Doors with Brother Andrew - £100,000

Tearfund - 2 grants totalling £440,000

Christian Evangelism and Relief Work Overseas CV-19 emergency grants:

Catholic Agency for Overseas Development (CAFOD) – £35,000

Mission Aviation Fellowship– £20,000

Mission Without Borders - £20,000

Tearfund – 2 grants totalling £55,000

A further seven smaller grants were awarded totalling: **£18,260**

CHRISTIAN MEDIA - £399,800

Trustees' priority areas in this category are as follows:

- Media projects that promote Christianity in the UK, North Africa and the Middle East;
- Supporting training and networking projects for Christians working professionally in all areas of the media and for those considering media careers;
- The use of digital media and the internet for creative ways to promote Christianity.

Biblica - £10,000

Jerusalem Productions Ltd - £145,000

SAT 7 Trust Ltd – Oxford - £180,000

United Christian Broadcasters Ltd - £30,000

University of Durham - St John's College - £21,000

A further five smaller grants were awarded totalling: **£13,800**

EVANGELISM AND CHRISTIAN MISSION IN THE UK - £2,002,740

The trustees' priority areas in this category are as follows:

- Christian projects that work with children and young people, in particular those working with children who have little or no contact with the church;
- Support for youth work and projects with young adults;
- Evangelistic projects, especially new and emerging evangelists;
- Work with prisoners, ex-prisoners and their families.

Bible Reading Fellowship - £120,000

Bradford Cathedral - £30,000

Bringing Hope - £100,000

Bristol CCRC Trust - £120,000

Changing Tunes - £30,000

Christians in Sport - £90,000

Church Army - £300,000

Creation Fest - £30,000

Crosslinks - £45,000

Eternal Wall of Answered Prayer - £100,000

Greater Manchester Community Chaplaincy - £10,000

Imago Dei Prison Ministry - £60,000

Luis Palau Evangelistic Association - £50,000

Nehemiah Project – London - £120,000

Mercy UK - £55,000

Oriel Ministries - £10,000

Safe Families for Children - £150,000

St Peter's in the City - £10,000

Swindon CCRC Trust - £120,000

The Welcome Directory - £10,000

Transforming Lives for Good - £50,000

Youthscape - £150,000

Evangelism and Christian Mission in the UK CV-19 emergency grants:

Baby Basics - £20,000

Housing Justice – £20,000

Inn Churches - £20,000

Message Trust - £20,000

New Life Community Church - £10,000

Salmon Youth Centre - £50,000

Stella Maris (previously Apostleship of the Sea) - £20,000

A further forty-two smaller grants were awarded totalling: **£82,740**

CHRISTIAN ART - £40,000

Art in the Churches - £20,000

HMP Bronzefield - £20,000

GRANTS CANCELLED

Grants totalling £3,000 were cancelled, refunded or amended during the period

Future Plans

The Trust will continue to support the activities set out on page 2 by the award of grants. Trustees will continue to support for long standing beneficiaries to help them overcome the challenges of the Covid-19 pandemic.

Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Board of Trustees on 6 October 2022 and signed on their behalf by

.....
Lady Susan Sainsbury

TRUSTEE

Independent Auditor's Report to the Trustees of Jerusalem Trust

Opinion

We have audited the financial statements of the Jerusalem Trust (the 'charity') for the year ended 5 April 2022 which comprise the statement of financial activities, balance sheet, 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 charity's affairs as at 5 April 2022 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 Jerusalem Trust'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

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

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; 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 set out in the trustees' annual report, the trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 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 charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

29 November 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	Notes	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Income					
Income from investments	2	2,776	-	2,776	3,079
Total income		2,776	-	2,776	3,079
Expenditure					
Cost of raising funds					
Investment management costs	3	-	476	476	444
Charitable activities					
Grant-making:					
Grant expenditure	4	3,354	-	3,354	2,409
Grant related support costs	5	291	-	291	265
Cost of grant-making		3,645	-	3,645	2,674
Total expenditure		3,645	476	4,121	3,118
Net expenditure before net gains on investments		(869)	(476)	(1,345)	(39)
Exchange (losses)/gains		-	(847)	(847)	1,554
Net gains on investments	8	-	3,780	3,780	20,635
Transfers between funds	11	1,000	(1,000)	-	-
Net movement in funds		131	1,457	1,588	22,150
Reconciliation of funds					
Total funds brought forward		510	114,248	114,758	92,608
Total funds carried forward		641	115,705	116,346	114,758

All of the above results are derived from continuing activities. There were no other recognized gains or losses other than those stated above.

BALANCE SHEET
AS AT 5 APRIL 2022

	<i>Notes</i>	2022	2021
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	7	15	23
Investments	8	118,947	116,476
		<u>118,962</u>	<u>116,499</u>
CURRENT ASSETS			
Debtors	9	252	162
Cash at bank and in hand		759	1,005
		<u>1,011</u>	<u>1,167</u>
CURRENT LIABILITIES			
Creditors - amounts falling due within 1 year	10	<u>3,627</u>	<u>2,908</u>
NET CURRENT LIABILITIES		(2,616)	(1,741)
NET ASSETS		<u>116,346</u>	<u>114,758</u>
CAPITAL FUNDS			
Expendable endowment	11	115,705	114,248
INCOME FUNDS			
Unrestricted funds	11	641	510
		<u>116,346</u>	<u>114,758</u>

The financial statements were approved and authorised for issue by the Trustees on 6 October 2022 and were signed on their behalf by :

.....
Lady Susan Sainsbury

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 5 APRIL 2022

	2022	2021
	£'000	£'000
Cash flows from operating activities		
Net cash (used in) operating activities	(4,393)	(1,653)
Cash flows from investing activities		
Dividends and interest	2,776	3,060
Purchase of investments	(37,566)	(32,506)
Sale of investments	42,106	33,439
Net cash generated by investing activities	7,316	3,993
Change in cash and cash equivalents in the year	2,923	2,340
Cash and cash equivalents at the beginning of the year	5,097	2,757
Cash and cash equivalents at the end of the year	8,020	5,097

Reconciliation of net expenditure to net cash flow from operating activities	2022	2021
	£'000	£'000
Net movement in funds (as per the statement of financial activities)	1,588	22,150
(Gains) on investments	(3,780)	(20,635)
Dividends and interest	(2,776)	(3,060)
(Increase)/decrease in forward exchange contracts	(62)	228
Depreciation charge	8	8
(Increase)/decrease in debtors	(90)	570
Increase/(decrease) in creditors	719	(894)
Fixed assets additions	0	(20)
Net cash (used in) operating activities	(4,393)	(1,653)

Analysis of the balance of cash as shown in the balance sheet

	2022	2021	Change in year
	£'000	£'000	£'000
Cash at bank and in hand	759	1,005	(246)
Cash balances held by investment manager for reinvestment	7,261	4,092	3,169
	8,020	5,097	2,923

NOTES TO THE ACCOUNTS

CHARITY INFORMATION

The charity is unincorporated and registered in England and Wales with the Charity Commission (registration number 285696).

The address of the registered office is:

The Peak
5 Wilton Road
London
SW1V 1AP

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The endowment assets of the Trust remain significant, and the Trust will continue to pay out to its beneficiaries in accordance with the Trust's objects.

b) Income

Income is shown gross, including the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is recorded when it has been received.

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

The view of the trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme. They include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

Contributions to defined contribution pension plans are charged to the statement of financial activities in the period to which they relate.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES continued

d) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

e) Financial instruments

The Trust 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

f) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

g) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leasehold improvements are depreciated over the outstanding life of the lease at the time the work was completed. The following rates have been used:

(2012) Leasehold improvements - 10% per annum
(2021) Leasehold improvements - 14.28% per annum

h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE ACCOUNTS

2. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2022		2021	
	£'000	%	£'000	%
Government fixed interest	9	0	173	6
Other Fixed Interest	257	9	250	8
UK equities	981	35	742	24
Overseas equities	1,011	37	1,535	50
Alternatives	265	10	204	7
Property	205	7	137	4
Multi Assets	35	1	34	1
Interest	13	1	4	0
	2,776	100	3,079	100

3. COST OF RAISING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

4. GRANTS PAYABLE

	2022		2021	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2021		2,683		3,129
Grants not accrued at 6 April 2021	1,012		148	
Grants approved in the year	3,684		3,393	
Grants cancelled, refunded or amended	(3)		(120)	
Grants not accrued at 5 April 2022	(1,339)		(1,012)	
Grants payable for the year		3,354		2,409
Grants paid during the year		(2,636)		(2,855)
Commitments at 5 April 2022		3,401		2,683

Commitments at 5 April 2022 are payable as follows:

	2022	2021
	£'000	£'000
Within one year (note 10)	3,401	2,683

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2022 was £1,338,500 (2021: £1,012,000). This total will all be payable during 2023/24 and 2024/25.

The Trustees are confident that these authorised amounts will be met from future income.

A list of grants payable is included in Appendix A.

NOTES TO THE ACCOUNTS

5. GRANT RELATED SUPPORT COSTS

	Grant-making	Governance	2022 Total	2021 Total
	£'000	£'000	£'000	£'000
Staff costs	185	3	188	164
Share of joint office costs	73	-	73	62
Direct costs including travel	4	-	4	2
Depreciation	8	-	8	8
	270	3	273	236
Legal and professional fees	9	-	9	9
Consultancy	-	-	-	6
Auditor's remuneration	-	9	9	14
	279	12	291	265

The auditor's remuneration excluding VAT is £7,800. During the year no Trustee received any remuneration or reimbursement of expenses (2021: NIL). Included in the support costs for 2021 are governance costs of £17,312 which was comprised of staff costs of £3,560 and auditor's remuneration of £13,750.

6. ANALYSIS OF STAFF COSTS

	2022 £'000	2021 £'000
Wages and salaries	155	134
Social security costs	17	14
Other pension costs	16	15
	188	163

As mentioned in the Report of the Trustees, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.4% (2020/21: 2.3%) of the total support and administration costs of these trusts have been allocated to the Jerusalem Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2021/22.

The average number of staff employed during the year was 10, all on a part-time basis (2020/21: 8). This equates to 1.9 full-time employees (2020/21: 1.7).

Having regard to the small number of employees, the Trust considers its key management personnel to comprise of 4 part-time staff (2020/21: 4). The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £122,435 (2020/21: £104,246). No employee earned in excess of £60,000 in either year.

No trustee received any remuneration for their services during the current or prior year.

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2022 £'000	2021 £'000
Cost		
At 5 April 2021	72	52
Additions	-	20
At 5 April 2022	72	72
Depreciation		
At 6 April 2021	49	41
Charge for the year	8	8
At 5 April 2022	57	49
Net Book Value		
At 5 April 2022	15	23
At 5 April 2021	23	11

NOTES TO THE ACCOUNTS

8. FIXED ASSET INVESTMENTS

	2022	2021
	£'000	£'000
Market value 5 April 2021	112,376	92,674
Less: Disposals at proceeds	(42,106)	(33,439)
Add: Acquisitions at cost	37,566	32,506
Net gains on investments	3,780	20,635
Market value 5 April 2022	111,616	112,376
Forward exchange contracts	70	8
Investment cash	7,261	4,092
Total investments	118,947	116,476

The investments held as at 5 April 2022 were as follows:

	2022		2021	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
Fixed Income	11,251	10,573	12,311	12,629
UK Equities	25,002	24,258	18,919	23,574
Global Equities	38,919	52,766	38,982	57,808
Property	5,700	6,441	3,469	3,641
Alternative Investments	13,644	16,052	11,240	13,148
Multi Assets	1,490	1,526	1,490	1,575
	96,006	111,616	86,411	112,376

Investments include the following holding at market value:

U.K. Equities - J Sainsbury Plc - £6,739,378 (2020/21; £7,111,700)

As part of the overall management of funds, the investment managers have entered into commitments to sell a total EUR 4,357,000, USD 23,131,600 and buy a total of USD 1,970,000 under forward rate contracts at 5 April 2022. (2021: to sell CHF 1,361,000, EUR 4,217,000 and USD 20,234,600).

All contracts mature on 16 June 2022 and are included within investments as forward exchange contracts.

9. DEBTORS

	2022	2021
	£'000	£'000
Other debtors	252	162
	252	162

10. CREDITORS - amounts falling due within one year

	2022	2021
	£'000	£'000
Grants payable within one year	3,401	2,683
Professional charges	6	17
Other creditors	220	208
	3,627	2,908

NOTES TO THE ACCOUNTS

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Expendable Endowment £'000	Totals 2022 £'000
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	15	15
Investments	-	118,947	118,947
Current assets	3,301	(2,290)	1,011
Current liabilities	(2,660)	(967)	(3,627)
Total net assets	641	115,705	116,346
Movement in the year			
Opening balance as at 5 April 2021	510	114,248	114,758
Total income and endowments	2,776	-	2,776
Cost of raising funds	-	(476)	(476)
Cost of grant-making	(3,645)	-	(3,645)
Net gains on investments	-	3,780	3,780
Currency exchange (losses)	-	(847)	(847)
Transfers between funds	1,000	(1,000)	-
Closing balance as at 5 April 2022	641	115,705	116,346

Comparative

	Unrestricted Funds £'000	Expendable Endowment £'000	Totals 2021 £'000
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	23	23
Investments	-	116,476	116,476
Current assets	2,302	(1,135)	1,167
Current liabilities	(1,792)	(1,116)	(2,908)
Total net assets	510	114,248	114,758
Movement in the year			
Opening balance as at 5 April 2020	105	92,503	92,608
Total income and endowments	3,079	-	3,079
Cost of raising funds	-	(444)	(444)
Cost of grant-making	(2,674)	-	(2,674)
Net gains on investments	-	20,635	20,635
Currency exchange gains	-	1,554	1,554
Closing balance as at 5 April 2021	510	114,248	114,758

12. RELATED PARTY TRANSACTIONS

Two Trustees of the Jerusalem Trust, Lady Susan Sainsbury and Mr. Mark Browning, are also Directors of Jerusalem Productions Limited. Two Trustees of Jerusalem Trust hold one share each in the Jerusalem Productions Limited, a company incorporated and registered in England (no. 02461543.) The Trustees hold the shares of JPL in trust for the Trustees of the time being of the charity for its charitable purposes.

At the year end, an amount of £485,000 (2020/21: £465,000) was payable to Jerusalem Productions Limited. Grants totaling £145,000 (2020/21: £1,020,000) were awarded by the Jerusalem Trust to the Jerusalem Productions Ltd during the year. There are no donations from related parties which are outside the normal course of business.

NOTES TO THE ACCOUNTS

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	Unrestricted Funds	Expendable Endowment	Total Funds 2021
	£'000	£'000	£'000
Income			
Income from investments	3,079	-	3,079
Total income	3,079	-	3,079
Expenditure			
<i>Cost of raising funds</i>			
Investment management costs	-	444	444
<i>Charitable activities</i>			
Grant-making:			
Grant expenditure	2,409	-	2,409
Grant related support costs	265	-	265
Cost of grant-making	2,674	-	2,674
Total expenditure	2,674	444	3,118
Net expenditure before net gains on investments	405	(444)	(39)
Exchange gains	-	1,554	1,554
Net gains on investments	-	20,635	20,635
Transfers between funds	-	-	-
Net movement in funds	405	21,745	22,150
Reconciliation of funds			
Total funds brought forward	105	92,503	92,608
Total funds carried forward	510	114,248	114,758

NOTES TO THE ACCOUNTS

Appendix A

The amount payable in the year ended 5 April 2022 consisted of the following:

Christian Education

Evangelical Alliance	60,000
RE Small grants Programme to School	200,000
Net grants payable/cancelled up to £10,000	35,849

Christian Evangelism and Relief Work Overseas

Bible Society	57,000
Catholic Agency for Overseas Development (CAFOD)	56,000
Embrace the Middle East	35,000
Open Doors with Brother Andrew	100,000
Tearfund	295,000
Net grants payable/cancelled up to £20,000	97,260

Christian Media

Biblica	10,000
Jerusalem Productions Ltd	485,000
SAT 7 Trust Ltd - Oxford	60,000
University of Durham - St John's College	21,000
Net grants payable/cancelled up to £10,000	27,800

Evangelism and Christian Mission in the UK

Bringing Hope	100,000
Bristol CCRC Trust	120,000
Christians in Sport	62,000
Church Army	202,500
Eternal Wall of Answered Prayer	100,000
Luis Palau Evangelistic Association	50,000
Nehemiah Project - London	40,000
Mercy UK	55,000
Safe Families for Children	100,000
Salmon Youth Centre	50,000
Swindon CCRC Trust	120,000
Transforming Lives for Good	50,000
Youthscape	100,000
Net grants payable/cancelled up to £50,000	624,740

Christian Art

Art in the Churches	20,000
HMP Bronzefield	20,000

Total grants payable per Statement of Financial Activities

3,354,149

NOTES TO THE ACCOUNTS

Appendix A (continued)

The amount payable in the year ended 5 April 2021 consisted of the following:

Christian Education

RE Small grants Programme	217,000
---------------------------	---------

Christian Evangelism and Relief Work Overseas

CAFOD	85,000
Christian Solidarity Worldwide	31,500
Mission Aviation Fellowship	15,000
Mosaic Middle East	40,000
Tearfund	175,000
Net grants payable/cancelled up to £60,000	(28,900)

Christian Media

Middle East Media	50,000
Passion Trust	40,000
Premier Christian Media Trust	40,000
Saltmine Trust	20,000
Net grants payable/cancelled up to £15,000	40,500

Evangelism and Christian Mission in the UK

Alpha International	160,000
Christians Against Poverty	70,000
Evangelical Alliance	60,000
Hope Into Action	70,000
Prison Advice & Care Trust	90,000
St Mary's Andover	82,500
Urban Expression	60,000
Youth for Christ in Britain - British Youth for Christ	115,000
Net grants payable/cancelled up to £50,000	636,500

Jerusalem Productions Limited	340,000
-------------------------------	---------

Total grants payable per Statement of Financial Activities

2,409,100

THE JERUSALEM TRUST

England & Wales - Charity number 285696

Accounts

THE JERUSALEM TRUST

ANNUAL REPORT

5 APRIL 2021

The Peak
5 Wilton Road
London SW1V 1AP

CONTENTS

	PAGE
1 The Report of the Trustees	2 – 10
2 Statement of Trustees' Responsibilities	11
3 Independent Auditors' Report	12-14
4 Statement of Financial Activities	15
5 Balance Sheet	16
6 Cash Flow Statement	17
7 Notes to the Accounts	18-25

THE JERUSALEM TRUST

5 April 2021

Legal and Administrative

The Jerusalem Trust (No. 285696) was established under a Trust Deed dated 28 September 1982 and became a registered charity on 13 December 1982.

Trustees	Lady Susan Sainsbury The Rt Hon Sir Timothy Sainsbury Mr Mark Browning Prof Peter Frankopan Mr Colin Harbidge Mrs Melanie Townsend Mr David Wright	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Principal Officers	Mrs K Everett Ms V McLachlan Mr BM Woodruff Ms R Tiley	Chief Operating Officer Executive Executive Executive
Bankers	Child & Co 1 Fleet Street London EC4Y 1BD	
Solicitors	Portrait Solicitors 21, Whitefriars Street London EC4Y 8JJ	
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Advisers	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU	

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

Objects

The objects of the Trust as given in the Trust Deed are:

- i) to or for the advancement of the Christian religion and the promotion for charitable purposes only of any Christian body or organisation;
- ii) to or for the advancement of Christian education and learning;
- iii) to or towards or for the benefit of such one or more charitable purposes or charitable institutions as shall be supported, undertaken or effected by any Christian body or organisation at such time or times in such manner and in such proportions as the Trustees may from time to time at their discretion determine.

Organisation

The Trust is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

Trustees are appointed by the Settlor, with the exception of one Trustee who is appointed by the Bishop of Winchester. All Trustees are provided with relevant information relating to their responsibilities as Trustees.

Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The remuneration of the senior staff (including key management personnel) is reviewed by the Chairman on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

The Trust and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

The Trustees are responsible for the overall direction and supervision of the Jerusalem Trust; they set the Trust's strategy, review proposals and approve grants. The Trustees delegate day-to-day operations to the Trust's Lead Executive, Victoria McLachlan.

Policies

During the period the Trustees considered proposals under the following categories:

Christian Education
Christian Evangelism and Relief Work Overseas
Christian Media
Evangelism and Christian Mission in the UK
Christian Art

Proposals are generally invited by the Trustees or initiated at their request. Trustees do not normally make grants towards building or repair work for churches and grants are not normally made to individuals.

There have been no significant changes in the grant making policies of the Trust over the period under review. However, their Education and Media categories have been under review. The Covid-19 pandemic also elicited a temporary emergency support grant programme for current grantees in particular need.

Reserves Policy

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts, whilst those due to be paid later than this are not accrued. These are referred to in note 4 to the accounts and amount to £1,012,000. They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available resources is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. In the unlikely event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments as they see fit.

As at 5 April 2021, the Trust held total funds of £114.76 million, comprising of an expendable endowment fund of £114.25 million and unrestricted reserves of £510k.

Investment Policy and Performance

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met, and that long term capital growth is in line with relevant indices. The Trustees normally hold investments for the long term and look principally to income for their grant making, supplemented by the use of capital where required.

The Trust's main portfolio rose in value over the past 12 months, producing a total return net of all costs of +27.7% as markets rebounded from their March 2020 nadir on the back of supportive monetary and fiscal policy provided by governments and central banks globally. Performance was well ahead of the portfolio's long-term UK CPI +4% target, which rose +4.5% over the period. Having outperformed its composite benchmark in recent years, the portfolio's relative performance this year was more challenging despite the strong absolute return, with the composite benchmark rising +29.8%. This is attributed to the market leadership of cyclical sectors catalysed in November 2020 by positive vaccine announcements, presenting a challenge for our thematic investment process which naturally leads us to invest in higher quality, sustainable growth opportunities than those favoured by the market in the second half of the year. Elsewhere in the portfolio, bonds, alternative investments and commercial property all generated positive returns.

THE JERUSALEM TRUST

5 April 2021

A total of 300,000 J Sainsbury shares were sold in December 2020 and January 2021 at an average price of £2.36. The shares generated a total shareholder return of +22% for the year, behind the wider UK equity market return of +32%. As at 5 April 2021, J Sainsbury shares represented 6.1% of the Trust's value.

The Trust received £3,076,424 of income over the twelve-month period. No capital was withdrawn.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

The Trustees identified the uncertainty of financial returns to constitute the charity's major financial risk. This is mitigated by having a diversified financial portfolio under the management of a major investment house. The Trustees regularly review investment strategy and monitor financial performance. They also operate a grant distribution formula which helps to ensure the stability of resources available for grant awards in any given year.

Another major risk is a misuse of funds by a grantee charity. To mitigate this risk the Trustees normally restrict grants to charities registered with the Charity Commission or equivalent bodies. The awards are made following a thorough assessment and grants are regularly monitored; multi-year grants are paid only on receipt of satisfactory progress reports.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

Review of the Past Period

The Trustees met four times during the year to make grants and a further twice to review investment activity.

The asset value of the Trust increased by 24% from £92.6 million at 5 April 2020 to £114.8 million at 5 April 2021. The net unrestricted income of the Trust for the year after charging grant related support costs was £2.8 million compared to £2.8 million for the year to 5 April 2020.

Trustees have decided that the best way of benchmarking the expenses incurred in running the charity is to measure these costs relative to its day to day activity of grant-making, as income alone is an unsuitable benchmark for charitable activity. On that basis, grant related support costs represented 11% of the value of grants paid, which totalled £2.4 million.

The grants approved may be analysed by number and by value in the categories set out below:

	Grants Approved	Value £
Christian Education	1	200,000
Christian Evangelism and Relief Work Overseas	24	437,600
Christian Media	10	1,195,500
Evangelism and Christian Mission in the UK	105	1,560,000
	140	3,393,100

GRANTS APPROVED

CHRISTIAN EDUCATION - £200,000

Trustees' priority areas in this category are as follows:

- The development of Christian education and curriculum materials for schools in RE and other subjects;
- The support of RE as a subject, both curriculum development and support for RE teachers and teacher training;
- The support, training and retention of Christian teachers in all subjects and lay training.
- Projects which encourage Christians in leadership in schools;
- Adult and lay education.

In 2020/21, Trustees initially committed 32% of their budget to Christian Education. However, as this category was under review, they agreed to suspend the majority of grant-making in this area until a new strategy is approved.

Small grants to Schools for Christian RE materials - £200,000

Towards the Jerusalem Trust RE Small Grants Scheme.

CHRISTIAN EVANGELISM AND RELIEF WORK OVERSEAS - £437,600

Trustees' priority areas in this category are as follows:

- Christian relief and development work overseas;
- Support for theological training colleges;
- Capacity building of local churches;
- The translation of Christian literature;
- The support of persecuted Christians.

The Trust's geographical focus areas are Anglophone sub-Saharan Africa and Ethiopia, Jordan, Syria, Lebanon, Egypt, Iraq and Iran. The Trustees regularly review their geographical priority areas.

In 2020/21, Trustees committed 10% of their budget to Christian Evangelism and Relief Work Overseas.

THE JERUSALEM TRUST

5 April 2021

Arab World Ministry of Pioneers - £10,000

Towards Christian health and nutrition project in Jordan

Catholic Agency for Overseas Development (CAFOD) - £25,000

Towards resilient community building in Sierra Leone

Christian Solidarity Worldwide - £21,500

£21,500 towards supporting persecuted Christians

Dignity - £9,750

Towards digitising discipleship resources

Iraqi Christians in Need - £9,350

Towards education support project in Baghdad

Mosaic Middle East - £20,000

Towards the Olive Tree Centre, Amman

Reach Beyond - £10,000

Towards VOX Radio HQ

Saint's Projects Trust - £10,000

Towards House of Hope Church

Starfish Asia - £10,000

Towards Scholarship Fund, Pakistan

Tearfund - £140,000

Towards four projects in Ethiopia, Malawi, Zimbabwe and East and Central Africa with the split to be determined by Tearfund

Christian Evangelism and Relief Work Overseas CV-19 emergency grants:

Catholic Agency for Overseas Development (CAFOD) – 2 grants totalling £60,000

Christian Solidarity Worldwide – £10,000

Foundation for Relief & Reconciliation in the Middle East - £10,000

Mission Aviation Fellowship - £15,000

Mosaic Middle East - £20,000

Open Doors with Brother Andrew - £10,000

Tearfund - £35,000

A further six smaller grants were awarded totalling £12,000.

CHRISTIAN MEDIA - £1,195,500

Trustees' priority areas in this category are as follows:

- Media projects that promote Christianity in the UK, North Africa and the Middle East;
- Supporting training and networking projects for Christians working professionally in all areas of the media and for those considering media careers;
- The use of digital media and the internet for creative ways to promote Christianity.

Trustees committed 14% of their budget to Christian Media.

Crown Jesus Ministries - £10,000

Towards digital project and equipment for online resource hub

Jerusalem Productions – £1,020,000 over three years

Towards the core staffing and resourcing of JPL Ltd/Four8Media

Middle East Media - £50,000 over two years

Towards three media projects in the Middle East

Passion Trust - £40,000 over two years

Towards Easter 2021 and 2022 Passion plays

Premier Christian Media Trust - £40,000 over two years

Towards Leap of Faith digital literacy Project

Saltmine Trust - £20,000

Towards The Liberator theatre production

Christian Media CV-19 emergency grants:

SAT 7 Trust Ltd – Oxford - £10,000

A further three smaller grants were awarded totalling £5,500.

EVANGELISM AND CHRISTIAN MISSION IN THE UK - £1,560,000

The trustees' priority areas in this category are as follows:

- Christian projects that work with children and young people, in particular those working with children who have little or no contact with the church;
- Support for youth work and projects with young adults;
- Evangelistic projects, especially new and emerging evangelists;
- Work with prisoners, ex-prisoners and their families.

In 2020/21, Trustees committed 41% of their budget to Evangelism and Christian Mission in the UK.

Alpha International - £160,000 over two years

Towards Alpha core costs, and the Alpha evangelism course in the UK.

THE JERUSALEM TRUST

5 April 2021

Bethany Christian Trust - £10,000

Towards women prisoners' project

Christians Against Poverty - £90,000 over three years

Towards core costs and expansion

Evangelical Alliance - £60,000 over two years

Towards EA Gospel: Young Adult Conversation

Fusion - £30,000 over two years

Towards core costs

Hope Into Action - £60,000 over two years

Towards core costs

London Institute for Contemporary Christianity- £60,000 over three years

Towards the Sustaining Transformative Disciples Project

Luis Palau Evangelistic Association – Europe - £40,000

Towards core costs

Orchards - £10,000

Towards counselling and casework

Parliamentary Christian Fellowship Trust - £5,000

Towards Senior Parliamentary Officer Salary

Prison Advice & Care Trust (PACT) - £135,000

Towards the Just People project

Sandes Soldiers' and Airmen's Centre - £40,000 over two years

Towards core costs

St Luke's Healthcare for the Clergy - £10,000

Towards mental health support and resilience resources

St Mary's Andover - £120,000 over three years.

Towards core costs

Urban Expression - £90,000 over three years

Towards core costs

Urban Saints – Crusaders - £40,000

Towards core costs and expansion

Youth for Christ in Britain – British Youth for Christ - £150,000 over three years

Towards the delivery of the urban strategy

Evangelism and Christian Mission in the UK CV-19 emergency grants:

Andover Foodbank – 2 grants totalling £5,000

Baby Basics - £10,000

Basingstoke Foodbank – 2 grants totalling £10,000

Beyond the Streets - £10,000

Bible Reading Fellowship - £10,000

Changing Tunes- £10,000

Church Action on Poverty - £20,000

Church Army - £20,000

Church Revitalisation Trust - £20,000

Churches in Reading Drop-in Centre - £5,000

Clapham Park Foodbank - £5,000

Emmaus – Oxford - £1,000

Faithworks Wessex - £2,000

Fegans - £10,000

Good Neighbours Network - £1,000

Hereford Foodbank – 2 grants totalling £5,000

Holy Trinity Church, Brompton - £5,000

Home for Good - £10,000

Hope Into Action - £10,000

Kintsugi Hope - £10,000

Leeds City Mission - £5,000

Linking Lives UK - £5,000

Message Trust - £15,000

One Church, Brighton - £5,000

THE JERUSALEM TRUST

5 April 2021

Oxford Food Hub - £1,000

Readifood - £5,000

Safe Families for Children - £10,000

Salvation Army - £25,000

SCRATCH - Southampton City and Region Action to Combat Hardship - £2,000

St Andrew's Church, Oxford - £1,000

St Mary's Southampton - £15,000

St Michael's Church, Wimbledon - £5,000

St Swithun's, Bournemouth - £15,000

Swindon Food Collective - £5,000

Transforming Lives for Good - £10,000

Trussell Trust - £25,000

Wandsworth Foodbank - £5,000

West Berks Foodbank - £5,000

Witney & West Oxfordshire Foodbank - £2,000

XLP - £10,000

Youth for Christ in Britain - British Youth for Christ - £10,000

Youthscape - £10,000

A further forty-three smaller grants were awarded totalling £80,000.

GRANTS CANCELLED

Grants totalling £120,000 were cancelled, refunded or amended during the period.

Future Plans

The Trust will continue to support the activities set out on page 4 by the award of grants. However, the Trustees are committed to considering a new grant-making strategy in 2021-22 which will not restrict the work of the Trust to the current budgets by category. Trustees will also consider supporting long standing beneficiaries to help them overcome the challenges of the Covid-19 pandemic.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

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

Charity 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 charity 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 charity and of its net outgoing 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 charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 14 October 2021 and signed on their behalf by



.....TRUSTEE

Lady Susan Sainsbury

Independent Auditor's Report to the Trustees of The Jerusalem Trust**Opinion**

We have audited the financial statements of The Headley Trust ('the charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 state of the charity's affairs as at 5 April 2021 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustee's 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 charity'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 contained within the annual report. 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.

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 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 requires 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
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 11, the trustees 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 charity'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 charity 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 151 of the Charities Act 2011 and report in accordance with the Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

THE JERUSALEM TRUST

5 April 2021

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

London

Date 13 December 2021

Crowe U.K. 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.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds	
				2021 £'000	2020 £'000
Income					
Income from investments	2	3,079	-	3,079	2,996
Donations and gifts			-	-	27
Total income and endowments		3,079	-	3,079	3,023
Expenditure					
Cost of raising funds					
Investment management costs	3	-	444	444	403
Charitable activities					
Grant-making:					
Grant expenditure	4	2,409	-	2,409	2,939
Grant related support costs	5	265	-	265	265
Cost of grant-making		2,674	-	2,674	3,204
Total expenditure		2,674	444	3,118	3,607
Net operating (deficit)		405	(444)	(39)	(584)
Exchange gains/(losses)			1,554	1,554	(720)
Net gains/(losses) on investments	8	-	20,635	20,635	(6,165)
Net movement in funds		405	21,745	22,150	(7,469)
Reconciliation of funds					
Total funds brought forward		105	92,503	92,608	100,077
Total funds carried forward		510	114,248	114,758	92,608

The notes on pages 17 to 24 form part of these accounts.

THE JERUSALEM TRUST

5 April 2021

BALANCE SHEET AS AT 5 APRIL 2021

	Notes	£'000	2021 £'000	2020 £'000
FIXED ASSETS				
Tangible fixed assets	7		23	11
Investments	8		116,476	94,641
			<u>116,499</u>	<u>94,652</u>
CURRENT ASSETS				
Debtors	9	162		731
Cash at bank and in hand		<u>1,005</u>		<u>1,026</u>
		1,167		1,757
CURRENT LIABILITIES				
Creditors - amounts falling due within 1 year	10	<u>2,908</u>		3,801
NET CURRENT LIABILITIES			(1,741)	(2,044)
NET ASSETS			<u>114,758</u>	<u>92,608</u>
CAPITAL FUNDS				
Expendable endowment	11		114,248	92,503
INCOME FUNDS				
Unrestricted funds	11		510	105
			<u>114,758</u>	<u>92,608</u>

The financial statements were approved and authorised for issue by the Trustees on 14 October 2021 and were signed on their behalf by :

 TRUSTEE
Lady Susan Sainsbury

The notes on pages 17 to 24 form part of these accounts.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2021

	2021	2020
	£'000	£'000
Cash flows from operating activities		
Net cash (used in) operating activities	(1,653)	(4,378)
Cash flows from investing activities		
Dividends and interest	3,060	3,072
Purchase of investments	(32,506)	(29,516)
Sale of investments	33,439	30,005
Net cash generated by investing activities	3,993	3,561
Change in cash and cash equivalents in the year	2,340	(817)
Cash and cash equivalents at the beginning of the year	2,757	3,574
Cash and cash equivalents at the end of the year	5,097	2,757

Reconciliation of net expenditure to net cash flow from operating activities	2021	2020
	£'000	£'000
Net movement in funds (as per the statement of financial activities)	22,150	(7,469)
(Gains)/losses on investments	(20,635)	6,165
Dividends and interest	(3,060)	(3,072)
Exchange gains/(losses)	228	(473)
Depreciation charge	8	5
Decrease in debtors	570	273
(Decrease)/increase in creditors	(894)	193
Fixed assets additions	(20)	-
Net cash (used in) operating activities	(1,653)	(4,378)

Analysis of the balance of cash as shown in the balance sheet

	2021	2020	Change in year
	£'000	£'000	£'000
Cash at bank and in hand	1,005	1,026	(21)
Cash balances held by investment manager for reinvestment	4,092	1,731	2,361
	5,097	2,757	2,340

NOTES TO THE ACCOUNTS

CHARITY INFORMATION

The charity is unincorporated and registered in England and Wales with the Charity Commission (registration number 285696).

The address of the registered office is:

The Peak
5 Wilton Road
London
SW1V 1AP

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102.

Having assessed the Trust's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

The investment portfolios have performed strongly during the year and have recovered the reduction in value, caused by the impact of the Covid-19 pandemic, reported for last year. The endowment assets of the Trust remain significant, and these will continue to return income to the Trust. The level of income generated by the portfolios has now stabilised and the Trust will continue to pay out to its beneficiaries in accordance with the provisions of the Trust Deed.

b) Income

Income is shown gross, including the associated tax credit unless the tax so deducted is considered irrecoverable.

Dividends are included by reference to their due dates.

Interest is recorded only when it has been received.

c) Expenditure

Costs of generating funds represent amounts paid to the Trust's external investment advisors.

Charitable activities expenditure comprises grants and donations awarded by the Trustees in accordance with the criteria set out in the Trust Deed, together with grant related support costs.

Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities. Payments that are due within one year of the period-end date are included within grants payable in the Statement of Financial Activities. Other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled.

Grant related support costs represent staff, office and governance costs incurred in managing the grant award programme.

d) Cost of administration

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Family Charitable Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit and legal fees where relevant.

NOTES TO THE ACCOUNTS**1. PRINCIPAL ACCOUNTING POLICIES continued****f) Investments**

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

Investments are shown at mid market value.

Partial disposals are accounted for using average book value.

g) Financial instruments

The Trust 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals.

Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the charity held financial assets at fair value of £112,384k (2020: £92,910k).

h) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

i) Fixed assets

Fixed assets are depreciated at rates which reflect their useful life to the Trust. Leashold improvements are depreciated over the life of the lease.

j) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE ACCOUNTS

2. INCOME FROM INVESTMENTS

Income received on investments may be analysed as follows:

	2021		2020	
	£'000	%	£'000	%
Government fixed interest	173	6	161	5
Other fixed interest	250	8	218	7
UK equities	742	24	879	30
Overseas equities	1,535	50	1,299	44
Alternatives	204	7	157	5
Property	137	4	220	7
Multi Assets	34	1	41	1
Interest	4	0	21	1
	3,079	100	2,996	100

3. COST OF RAISING FUNDS

These costs relate to the investment manager's fees. The Trustees are of the opinion that these relate to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

4. GRANTS PAYABLE

	2021		2020	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2020		3,129		3,119
Grants not accrued at 6 April 2020	148		372	
Grants approved in the year	3,393		2,810	
Grants cancelled, refunded or amended	(120)		(95)	
Grants not accrued at 5 April 2021	(1,012)		(148)	
Grants payable for the year		2,409		2,939
Grants paid during the year		(2,855)		(2,929)
Commitments at 5 April 2021		2,683		3,129
Commitments at 5 April 2021 are payable as follows:				
		2021		2020
		£'000		£'000
Within one year (note 10)		2,683		3,129

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2021 was £1,012,000 (2020: £148,000). This total will all be payable during 2022/23 and 2023/24.

The Trustees are confident that these authorised amounts will be met from future income.

NOTES TO THE ACCOUNTS

4. GRANTS PAYABLE continued

The amounts payable in the year consisted of the following:

Christian Education

RE Small grants Programme	217,000
---------------------------	---------

Christian Evangelism and Relief Work Overseas

CAFOD	85,000
Christian Solidarity Worldwide	31,500
Mission Aviation Fellowship	15,000
Mosaic Middle East	40,000
Tearfund	175,000
Net grants payable/cancelled up to £60,000	(28,900)

Christian Media

Middle East Media	50,000
Passion Trust	40,000
Premier Christian Media Trust	40,000
Saltmine Trust	20,000
Net grants payable/cancelled up to £15,000	40,500

Evangelism and Christian Mission in the UK

Alpha International	160,000
Christians Against Poverty	70,000
Evangelical Alliance	60,000
Hope Into Action	70,000
Prison Advice & Care Trust	90,000
St Mary's Andover	82,500
Urban Expression	60,000
Youth for Christ in Britain - British Youth for Christ	115,000
Net grants payable/cancelled up to £50,000	636,500

Jerusalem Productions Limited	340,000
-------------------------------	---------

Total grants payable per Statement of Financial Activities	<u>2,409,100</u>
--	-------------------------

5. GRANT RELATED SUPPORT COSTS

	Grant-making	Governance	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
Staff costs	160	4	164	164
Share of joint office costs	62	-	62	65
Direct costs including travel	2	-	2	9
Depreciation	8	-	8	5
	232	4	236	243
Legal and professional fees	9	-	9	9
Consultancy	6	-	6	-
Auditors' remuneration	-	14	14	13
	247	18	265	265

NOTES TO THE ACCOUNTS

6. ANALYSIS OF STAFF COSTS

	2021	2020
	£'000	£'000
Wages and salaries	134	134
Social security costs	14	14
Other pension costs	15	16
	163	164

As mentioned in Note 1a, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 2.3% (2019/20:2.4%) of the total support and administration costs of these trusts have been allocated to the Jerusalem Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2020/21.

The average number of staff employed during the year was 8, all on a part-time basis (2019/20: 14). This equates to 1.7 full-time employees (2019/20: 2.8).

Having regard to the small number of employees, the Trust considers its key management personnel to comprise of 4 part-time staff (2019/20: 5). The total employment benefits, including employer contributions to group personal pensions, of these key management personnel, were £104,246 (2019/20: £93,015). No employee earned in excess of £60,000 in either year.

No trustee received any remuneration for their services during the current or prior year. No trustee received any reimbursement for their travel expenses during the year (2019/20:£139).

7. TANGIBLE FIXED ASSETS

Leasehold Improvements

	2021	2020
	£'000	£'000
Cost		
At 6 April 2020	52	52
Additions	20	-
At 5 April 2021	72	52
Depreciation		
At 6 April 2020	41	36
Charge for the year	8	5
At 5 April 2021	49	41
Net Book Value		
At 5 April 2021	23	11
At 5 April 2020	11	16

NOTES TO THE ACCOUNTS

8. FIXED ASSET INVESTMENTS

	2021	2020
	£'000	£'000
Market value 5 April 2020	92,674	99,328
Less: Disposals at proceeds	(33,439)	(30,005)
Add: Acquisitions at cost	32,506	29,516
Net gains/(losses) on investments	20,635	(6,165)
Market value 5 April 2021	112,376	92,674
Forward exchange contracts	8	236
Investment cash	4,092	1,731
Total investments	116,476	94,641

The investments held as at 5 April 2021 were as follows:

	2021		2020	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
Fixed Income	12,311	12,629	11,307	12,029
UK Equities	18,919	23,575	16,794	16,729
Global Equities	38,982	57,808	34,952	42,290
Property	3,469	3,641	3,469	3,695
Alternative Investments	11,240	13,148	11,003	12,418
Multi Assets	1,490	1,575	5,490	5,513
	86,411	112,376	83,015	92,674

Investments include the following holding at market value:

U.K. Equities - J Sainsbury Plc - £7,111,700 (2019/20; £6,997,509)

As part of the overall management of funds, the investment managers have entered into commitments to sell a total of CHF 1,361,000, EUR 4,217,000 and USD 20,234,600 under forward rate contracts at 5 April 2021.

(2020: to sell CHF 1,861,000, EUR 2,117,000 and USD 17,023,600 and buy CHF 500,000 and USD 1,000,000).

All contracts mature on 17 June 2021 and are included within investments as forward exchange contracts.

9. DEBTORS

	2021	2020
	£'000	£'000
Investment sales	-	575
Other debtors	162	156
	162	731

10. CREDITORS - amounts falling due within one year

	2021	2020
	£'000	£'000
Grants payable within one year	2,683	3,129
Investment purchases	-	493
Professional charges	17	16
Other creditors	208	163
	2,908	3,801

NOTES TO THE ACCOUNTS

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 5 April 2021 are represented by:

Tangible fixed assets

Investments

Current assets

Current liabilities

Total net assets

Movement in the year

Opening balance as at 5 April 2020

Total income and endowments

Cost of raising funds

Cost of grant-making

Net gains on investments

Currency exchange gains

Closing balance as at 5 April 2021

Unrestricted Funds	Expendable Endowment	Totals 2021
£'000	£'000	£'000
-	23	23
-	116,476	116,476
2,302	(1,137)	1,165
(1,792)	(1,114)	(2,906)
510	114,248	114,758
105	92,503	92,608
3,079	-	3,079
-	(444)	(444)
(2,674)	-	(2,674)
-	20,635	20,635
-	1,554	1,554
510	114,248	114,758

Comparative

Fund balances at 5 April 2020 are represented by:

Tangible fixed assets

Investments

Current assets

Current liabilities

Total net assets

Movement in the year

Opening balance as at 5 April 2019

Total income and endowments

Cost of raising funds

Cost of grant-making

Net gains on investments

Currency exchange (losses)/gains

Closing balance as at 5 April 2020

Unrestricted Funds	Expendable Endowment	Totals 2020
£'000	£'000	£'000
-	11	11
-	94,641	94,641
2,306	(549)	1,757
(2,201)	(1,600)	(3,801)
105	92,503	92,608
286	99,791	100,077
3,023	-	3,023
-	(403)	(403)
(3,204)	-	(3,205)
-	(6,165)	(6,165)
-	(720)	(720)
105	92,503	92,608

12. RELATED PARTY TRANSACTIONS

Two Trustees of the Jerusalem Trust are also Directors of Jerusalem Productions Limited.

Two Trustees of Jerusalem Trust hold one share each in the Jerusalem Productions Limited, a company incorporated and registered in England (no. 02461543). The Trustees hold the shares of JPL in trust for the Trustees of the time being of the charity for its charitable purposes.

At the year end, an amount of £465,000 (2019/20: £380,000) was payable to Jerusalem Productions Limited. Grants totalling £1,020,000 (2019/20: £480,000) were awarded by the Jerusalem Trust to the Jerusalem Productions Ltd during the year, of which £680,000 was not accrued as expenditure at 5 April 2021.

NOTES TO THE ACCOUNTS

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	Unrestricted Funds	Expendable Endowment	Total Funds 2020
	£'000	£'000	£'000
Income			
Income from investments	2,996	-	2,996
Other income	27	-	27
Total income and endowments	3,023	-	3,023
Expenditure			
Cost of raising funds			
Investment management costs	-	403	403
Charitable activities			
Grant-making:			
Grant expenditure	2,939	-	2,939
Grant related support costs	265	-	265
Cost of grant-making	3,204	-	3,204
Total expenditure	3,204	403	3,607
Net operating deficit	(181)	(403)	(584)
Exchange (losses)/gains		(720)	(720)
Net gains on investments	-	(6,165)	(6,165)
Transfers between funds	-	-	-
Net movement in funds	(181)	(7,288)	(7,469)
Reconciliation of funds			
Total funds brought forward	286	99,791	100,077
Total funds carried forward	105	92,503	92,608

