New Israel Fund
Audited accounts and annual report
2023

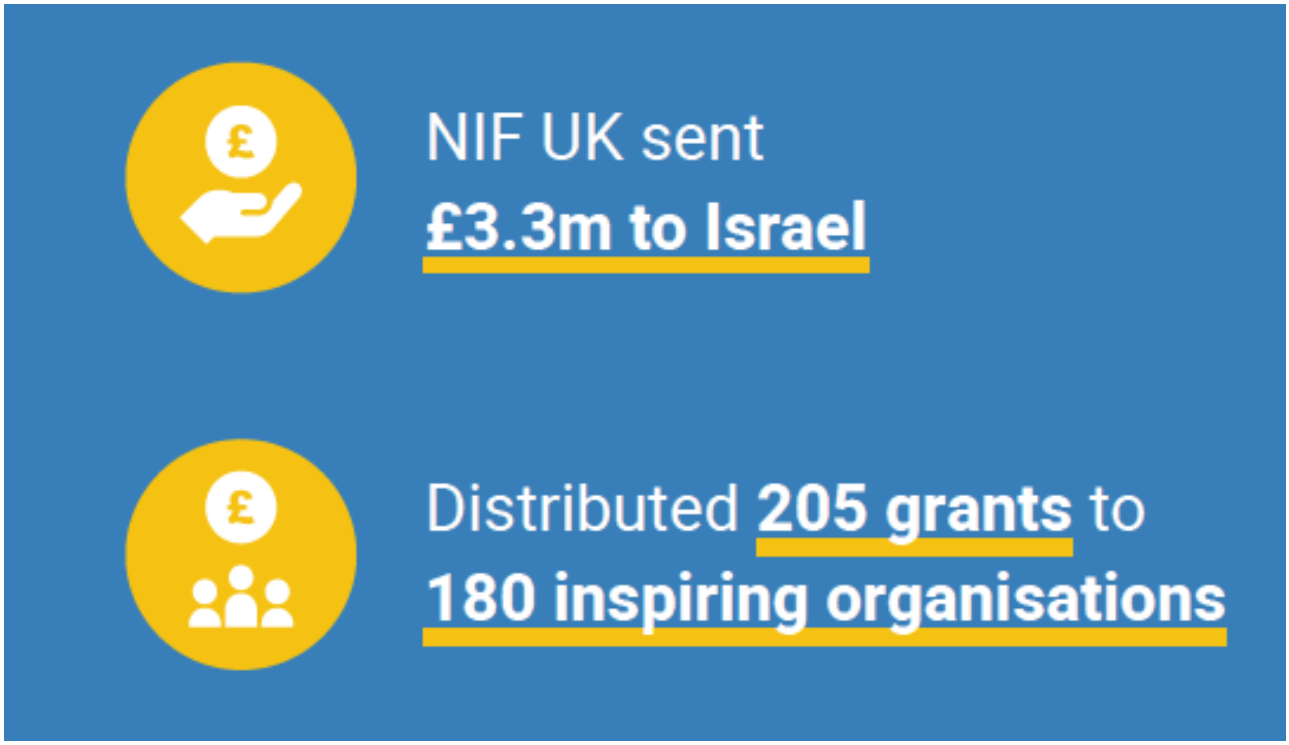
This past year was one of the most difficult and distressing years for everyone in Israel and Palestine, and for those deeply connected to the people there. At the New Israel Fund, we continue to mourn the people murdered on 7 October and all lives lost since, to long for the return of all hostages, and to hope for calmer, safer times for all affected by the Israel-Hamas war.

Throughout the government's attempts to undermine the rule of law and protection for minorities in Israel, and then in the aftermath of the attacks by Hamas, the New Israel Fund responded swiftly and effectively, striving for **a just, safe and equal Israel.**

With the support of many generous people, the New Israel Fund protected democracy and human rights, strengthened shared society and built an alternative vision for Israel's future. Since 7 October, the New Israel Fund has played a critical role in upholding civil society and assisting tens of thousands of people impacted by the Israel-Hamas war.

On pages five to eight of this report, we provide information on our work responding to two unprecedented crises in Israel: the crisis of democracy throughout the year, and then the crisis that erupted on and after 7 October. Our full 2023 impact report can be read here.

At a time of ongoing and deep trauma in Israel and of devastating loss of life in Gaza, the New Israel Fund and our supporters continue to play a vital role. **Together we are leading the fight for equality**, building a resilient democracy and **growing a community of leaders working towards sustainable security – and, one day, a lasting peace**.



Shatil invested **4,000+ hours of consultancy** to more than 175 organisations

4,245 donations from **1,340 supporters**

The New Israel Fund stands for a just, safe and equal Israel.

We partner with and fund Israeli organisations that deliver a fairer society.

Through our work, we:

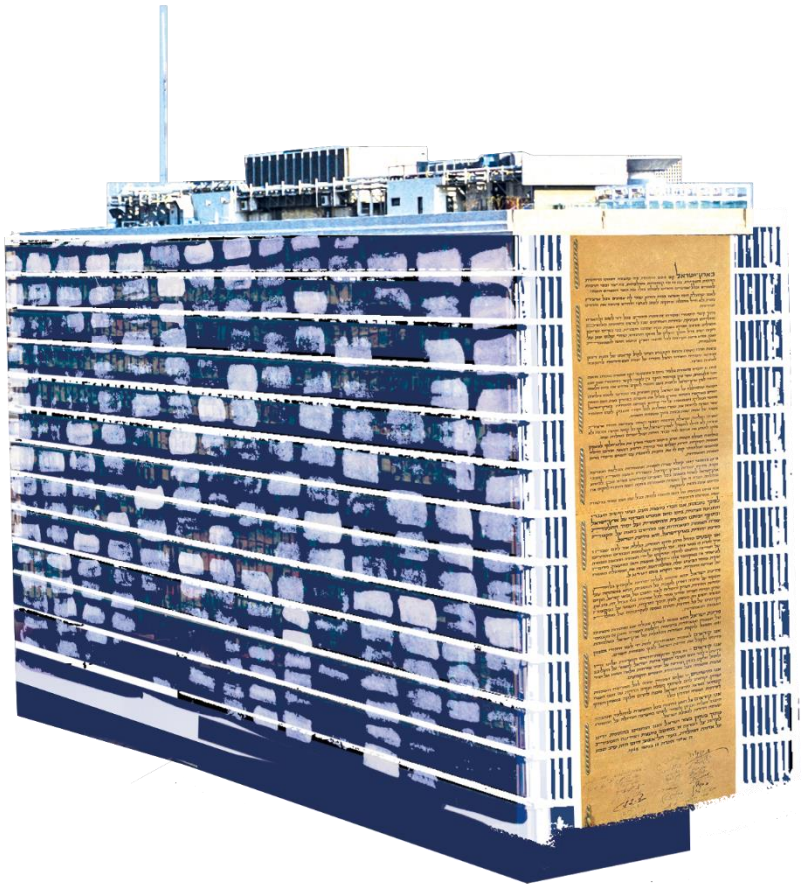
- Empower minorities and marginalised groups
- Defend democracy and human rights for Israelis and Palestinians
- Advance partnership between Arab and Jewish leaders and communities.

We are more than a funder.

NIF has created, developed and nurtured hundreds of impactful organisations. Our action arm, Shatil, provides thousands of hours of training and support to hundreds of organisations each year.

"The State of Israel will uphold the full social and political equality of all its citizens."
- Israel's Declaration of Independence, 1948

December 2022: Tel Aviv municipality building with a giant Declaration of Independence on its side wall, reminding Israeli society and national leaders of the country's founding vision and values



NEW ISRAEL FUND

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Company Number: 03296825 (England and Wales)
Registered Charity Number: 1060081

Contents	Pages
Trustees' report	1 - 13
Independent auditor's report	13 – 16
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19 – 20
Notes to the financial statements	21 – 32
Reference and administrative information	33

Board of trustees

The board of trustees (whose appointees are also individually members of the company) is required to conduct the affairs and the general business of the New Israel Fund, and meets regularly. Persons being appointed or reappointed must be recommended to the board or proposed by a company member not fewer than 14 or more than 35 days before the date of the AGM, together with a notice of willingness to be appointed or reappointed, signed by the proposed trustee.

During the year, the board comprised:

Noeleen Cohen (Chair)
Paul Amit
Paul Burger, OBE
Hannah Brady (Resigned February 2023)
Jane Grabiner
Suzanne Jacobs
Andrew Leek (Appointed February 2023)
Alex Marcuson (Appointed February 2023)
Edward Millett (Appointed September 2023)
Martin Paisner, CBE
Sarah Peters
Anna Roiser (Appointed February 2023)
Dana Segal
Dr Juliet Stevens

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee recruitment, induction and training

New board members are appointed by trustees through an open recruitment process, to maintain or augment the range of skills and experience appropriate to the needs and activities of the charity. They are subsequently proposed for election by existing members at the AGM or quarterly board meetings.

On appointment, new trustees undertake an induction process. They receive Charity Commission guides, a copy of the Memorandum and Articles of Association, the charity's policies, including the trustee terms of reference, the current strategic plan, the latest statutory accounts and an outline of their duties and responsibilities. New trustees meet with the chair and chief executive, and where possible chairs of subcommittees, to undertake the induction process.

Organisation

The board delegates responsibility for the day-to-day management of the charity to the chief executive and professional team, who report to the board on the performance of the charity. Trustees review financial and operational trends measured against the annually approved budget. Key performance indicators and work plans have been developed to assist with this process, and the board has an active committee structure to ensure full oversight of all areas of operation.

Remuneration of key management personnel

The pay and remuneration of the charity's chief executive and senior directors is reviewed annually as part of the budget-planning process, alongside changes to overall salaries. Specific changes to the remuneration for key management personnel are discussed between the chair and select committee chairs concurrently with the full budget's being reviewed by the finance committee and then recommended to and approved by the board of trustees.

Principal risks and uncertainties

The events of 2023, including unprecedented social upheaval surrounding proposed changes to the judiciary, and then the Hamas attacks on 7 October and the ensuing war between Israel and Hamas, have highlighted particular risks related to the context of our work. Operating for much of 2023 in response to unprecedented crises, we have developed a clearer focus on the main risks facing a charity of our size and type of operation.

Risks have been identified in four key areas: finance, leadership, reputation, and IT security. Risks are assessed and managed through a risk register, which was reviewed by the finance committee and board in tandem with our audit. Sample information from the more comprehensive risk register:

Risk	Mitigation
Failure to meet income targets	Quarterly review Expanded fundraising capacity and greater efforts to recruit new donors and uplift existing donors Mid-year reforecast Strong reserves
Disruption/multiple changes to team members	Succession and handover plans Notice periods between one and three months Increased team, with greater sharing of senior responsibility Expanded network of temporary and consultant support available
Adverse events in Israel, including threats to our partners	Positioning and messaging frameworks Updates and support from Israeli and global colleagues Contingency planning to ensure we can continue to support our partners
Breach of IT systems or data protection	IT security and staff training Working closely with external providers and reviewing their performance Reviewing and monitoring implementation of GDPR policy Data backup checks

Across all areas of risk management and mitigation, we have invested more time in planning, processes, training and, where needed, specific additional resources, such as enhanced IT security, to better protect the organisation against identified risks. The steps we have taken to increase the capacity of the team are central to our being better resourced and better prepared to meet challenges such as those we faced this year.

Following guidance from our IT provider, and as part of our plan to meet the needs of a growing organisation, we have taken steps to heighten our IT security and are receiving continual security training with our IT provider.

We continue to have more frequent detailed fundraising and financial reporting to allow for better monitoring. The board regularly reviews areas of risk across the range of the charity's activities. The annual budget and business-planning processes include reviews and assessment of the possible risks to the charity and the consequences of those risks, as well as plans to mitigate their effects on

the delivery of charitable services. This framework of risk is then monitored across the organisation. The board is notified of any significant changes in the risks to the organisation.

PRINCIPAL GOALS AND ACTIVITIES OF THE NEW ISRAEL FUND

The New Israel Fund stands for a just, safe and equal Israel.

We partner with and fund Israeli organisations strengthening democracy to deliver a fairer society.

Through our work, we:

- Empower minorities and marginalised people
- Defend democracy and human rights for Israelis and Palestinians
- Advance partnership between Arab and Jewish leaders and communities.

New Israel Fund is an independent charity registered in England and Wales, working in coordination with New Israel Funds based in Israel, the USA, Canda, Australia, Germany and Switzerland. We raise funds to make grants to Israeli civil society and we educate people in the UK about our work and vision.

NIF is more than a funder. NIF in Israel has created, developed and nurtured hundreds of impactful organisations. Our action arm, Shatil, provides thousands of hours of training and support to hundreds of organisations each year.

We engage a growing community of supporters in the UK with our work and our shared vision and values. We offer much-needed space for passionate yet respectful discussion of the changes and challenges affecting Israel, Israelis and Palestinians. Through our funding of dozens of grantees, development of hundreds of leaders and engagement of thousands of supporters, NIF directly works with more than 20,000 people in the UK and Israel. Working through our partners in Israel, our crisis-response work in the aftermath of 7 October assisted tens of thousands of displaced and injured residents from towns, kibbutzim and Bedouin villages across the south of Israel. The work we fund impacts on and improves the lives of hundreds of thousands of Israelis and Palestinians.

Public benefit

In setting the New Israel Fund's objectives, the trustees have paid due regard to the public-benefit guidance published by the Charity Commission. Further information on the public benefit delivered during the year is included on pages four to nine, covering our work and impact in the UK and Israel.

Aims and objectives

Our current strategic objectives are:

1. **Income**: Increase, broaden and diversify our income
2. **Engagement**: Deepen engagement with our supporters and reach new audiences
3. **Compelling communications**: Become a storytelling organisation, maximising digital tools and content.

Since NIF's inception in the UK in 1996, our grant-making in Israel has provided £45 million to hundreds of inspiring, innovative and vital organisations and projects. We also support NIF Israel's leadership- and capacity-building programme, Shatil, which works to increase the impact of organisations and leaders building a just, democratic and shared society. Shatil provides consultancy and training for social-change organisations, builds coalitions and networks, and advocates for policy change.

Shatil is a leading player in the creation and growth of Israel's vibrant civil society. Over the last decade, Shatil has annually provided more than 10,000 hours of capacity-building, consultation and organising services to more than 400 organisations, movements and coalitions. It has also trained some 1,500 people.

NIF's work and impact in 2023

2023 was an unprecedently difficult and distressing year for everyone in Israel and Palestine and for those deeply connected to people there.

Our work from January to October 2023 was mainly to support those defending democracy. Since 7 October, we have been protecting and providing for communities across the South that were devastated and displaced. We were one of the first and generous supporters of the Hostages and Missing Families Forum. In 2023, **we sent more than £3 million to support our Israeli partners** in their vital and inspiring work.

We were also leaders of broader UK Jewish community efforts to support democracy in Israel and to offer compassionate responses to the Israel-Hamas war:
Choose Democracy
Our Jewish Values

And we have been supporting Israeli responses to the humanitarian crisis in Gaza, as well as expanding our longer-term work towards a safer shared future for Israelis and Palestinians, Arabs and Jews.

NIF's work and impact in Israel in 2023

Last year there were two unprecedented crises in Israel: one was the attempt to undermine the rule of law and protections for minorities – often referred to as a "judicial coup" – and the other was the traumatic effect and aftermath of the Hamas atrocities on 7 October and the ensuing war between Israel and Hamas. Throughout 2023, our partners – and Israeli civil society more broadly – responded with courage and compassion, providing for and protecting all communities in Israel.

March

With your generous support, we:

- **Distributed £1.2 million** in emergency grants – tripling our rapid-response pool.
- **72%** of these grants directly countered the government's anti-democratic plans.
- **20% of donors** to our global defending democracy appeal were Israeli.

April

Our Civil Society Protection Hub offered services and support to organisations and activists to counter government measures to silence them. It also:

- **Trained 2,250 activists and charity professionals** in 50 workshops such as crisis and media management.
- Handled **40 cases against delegitimisation** and harassment of activists and charities.
- **Brought together 200+ organisations** and grassroots movements in 14 Shatil led forums to collaborate and drive change.

October

32,000 evacuees from Southern towns have been housed and supported by NIF and our grantees.

Services we provided:

- Housing
- School and nursery
- Therapy
- Medical treatment
- Clothing, toiletries and baby essentials
- Employment support
- Transport
- Support to access benefits and compensation
- Rights awareness

NIF helped **seed fund the Jewish-Arab relief centre** in the Bedouin town of Rahat. Every week since the war started, volunteers have provided immediate aid, such as food packages, to hundreds of Jewish and Arab families.

"They looked after us in every aspect: education, physical and mental wellbeing — all crucial during this period."

Sisters Avia (14) and Shilat (16), hosted by Givat Haviva and the Tzedek Centres.

OCTOBER – DECEMBER

Multiple grants have been given to set-up **joint Jewish and Arab community patrols across the country to keep the streets calm**. Volunteers are accompanying fearful residents, documenting incidents, and maintaining public shelters.

Our impact

- Distributed **60+ emergency grants** totalling more than **£2,000,000**
- **24,000 mental-health support** calls answered
- **10,000 food packages** and cooking utensils distributed to displaced families
- **500 vulnerable families assisted** with accessing emergency entitlements

November

A lack of adequate shelter and exclusion from Iron Dome coverage left Bedouin communities incredibly vulnerable and exposed, causing multiple civilian casualties at the beginning of the war.

Shatil and NIF grantees secured recognition of these areas as populated, providing them with sirens, **coverage under the Iron Dome and 52 new bomb shelters.**

For a more from our 2023 impact report, please click here.

NIF's work and impact in the UK in 2023

We continue to grow our reach across various parts of the UK Jewish community, inspiring thoughtful conversations about Israel through engagement with the impressive people and projects we support. Our work raised awareness of the challenges across Israeli society until 7 October, and then engaged people with compassionate and complex responses to the Israel-Hamas war.

Our work included the following:

We joined with partners in the UK to launch and run Choose Democracy, in support of Israelis from every sector of society resisting autocratic, ultranationalist and theocratic forces. More than 300 people joined Choose Democracy for a conversation with Tzipi Livni, former Israeli foreign-affairs and justice minister.

On 16 October, we hosted a community vigil for more than 500 people. This allowed people space to come together to commemorate the gravest murder of Jewish people since the Holocaust, to honour the Arab and Jewish victims of the attack and to mourn the loss of all innocent life in Israel and Palestine. This vigil was organised together with Yachad, Liberal Judaism, Reform Judaism, Masorti Judaism and Habonim Dror, supported by the Jewish News and hosted by JW3.

On 5 November, NIF UK again brought together more than 500 people, this time for an evening of reflection, action and hope. We learned about our crisis work, providing for and protecting tens of thousands of people from communities devastated by Hamas's attacks. And we heard from Jewish and Palestinian citizens of Israel striving for a shared and safe future.

Our chief executive was one of the authors and lead signatories of a statement of principles in response to the Hamas attacks and the initial weeks of war. Our Jewish Values has been signed and supported by thousands of members of the community, from all affiliations, and hundreds of rabbis and senior communal leaders.

As well as our longer-running campaigns and larger events, we partnered with UK Jewish Film Festival, Limmud, the Jewish Care Holocaust Survivors' Centre and a range of diverse congregations, to discuss the work of our partners and grantees. We continued to connect people in the UK with passionate and talented leaders across Israeli civil society. In 2023, these leaders included:

- Noa Sattath, executive director of the Association for Civil Rights in Israel
- Yael Yechieli, founder of the 5050 – Partnership for Gender Equality project, working towards 50 per cent representation of women in every Israeli institution responsible for making decisions affecting the public.
- Rula Daood, national co-director, and Uri Weltmann, national field organiser, from Standing Together, the largest Jewish-Palestinian grassroots movement in Israel.

We continue to convene quarterly conversations with younger and senior communal leaders, exploring how we navigate crises in Israel and differing views on Israel and the conflict.

NIF's performance and financial outcome in 2023

Fundraising

In 2023, we raised more funds than we have in any year since we were founded in the UK. Our income generated from fundraising (donations and legacies) was £4.06 million (compared with £3.76 million in 2022).

We are very grateful to: existing donors, for continuing and at times increasing their levels of support; new major donors; and the people in the UK who responded overwhelmingly to the turbulent and traumatic events in Israel and the Occupied Palestinian Territories.

These amounts allowed us to make grants totalling £3.32 million (2022: £2.49 million) to projects in Israel.

A further £409,000 was sent to projects in Israel in the first months of 2024, from funds received at the end of 2023.

The New Israel Fund does not use any external or third-party fundraisers. No complaints were received about our fundraising activities.

Leadership and strategy

Alongside the challenging external environment, 2023 was another year that highlighted the changes, challenges and opportunities of being a growing organisation with a relatively small team. Before the events of 7 October, we had plans to expand the capacity and skills of the professional team to better sustain our growth. In response to our work supporting people through the war, we had a 30 per cent increase in donors, compared with our average in recent years. This underscored the need to move forwards with our strategy to reach more people and raise more funds to support work towards a just, safe and equal Israel. More information on these plans can be found under "Future plans", on page 10.

At the end of 2022, we recruited three new trustees, who were formally appointed at the start of 2023. In September, a further new trustee was appointed, who was previously a lay volunteer and committee member, to replace a trustee who resigned.

Finances

With total income received in 2023 of £4.08 million and total expenditure of £4.05 million, our finances were balanced and managed prudently. It is important to note that included among the funds expended in 2023 were £314,000 as grants to Israeli organisations from funds received at the end of 2022.

Charitable expenditure was £3.8 million (2022: £2.84 million). Our grants payable of £3.32 million (2022: £2.49 million) enabled NIF UK to support more than 100 grantees and programmes in Israel. The cost of raising funds was £228,000 (2022: £239,000).

Reserves policy

The board's reserves policy, reviewed annually, is to maintain a minimum level of six months' fixed operating costs. The minimum unrestricted reserve goal for 2023 was set at £320,000.

At the December 2023 board meeting, an updated reserves level was set at £372,000 to reflect the planned changes to our team and expenditure in 2024.

At the end of 2023, there were £504,321 of unrestricted cash funds available. Together with £530,853 restricted cash funds, our total cash balance at the end of 2023 was £1,035,000.

As stated previously, in the first months of 2024 we sent £409,000 as grants to Israel from funds raised towards the end of 2023, reducing the total cash balance significantly, while ensuring that we maintain more unrestricted cash than our minimum reserves level.

Future plans

The situation in Israel in the first part of 2023 and the response in the UK, alongside internal NIF staff changes, prompted the chief executive and board to reflect on the staffing, capacity and means needed to achieve our ambition to be raising at least £4 million annually (compared with £2.5 million in 2021).

In summer and autumn 2023, we considered options for how we would resource our organisation in 2024 and beyond, all while continuing to raise funds in support of core and responsive work to defend democracy for a just, safe and equal Israel.

After 7 October, there was a humbling and generous response from current and new supporters – including more than 300 first-time donors to the New Israel Fund. The earlier strategy work was based on a need for more capacity to steward existing supporters and engage new audiences. By the end of the year, this need had significantly increased. At our December 2023 board meeting, the board approved a proposal that included changing responsibilities within the existing team and recruiting three roles: a fundraising manager (new role), a community-engagement manager (new role) and a communications manager (to replace a vacancy).

As of June 2024, we have recruited to all three roles. Later in the year, with team members returning from maternity leave, we will have 10 members of our team, compared with eight in 2022 (the increase in FTE is from 6 to 7.3). Our board understands that this an investment in our team and operation to strategically and sustainably engage many more people and raise substantially more funds for the vital work we support in Israel.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of New Israel Fund for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and the application of resources, including the income and expenditure of the company for that period. In preparing these financial statements, the trustees are required to:

- Select the most suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records, which are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and for ensuring their proper application under charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RELEVANT AUDIT INFORMATION

Insofar as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all the steps necessary to make themselves aware of the relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board of trustees on 23 July 2024, and signed on its behalf by:

Noeleen Cohen
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE NEW ISRAEL FUND

Opinion

We have audited the financial statements of the New Israel Fund for the year ended 31 December 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial-reporting framework that has been applied in their preparation is applicable under 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 charitable company's affairs as of 31 December 2023 and of the charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, on page 21. 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 Financial Reporting Council'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 preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from the date that the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether the other information is materially inconsistent with the financial statements, or whether 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 there is a material misstatement in the financial statements or a material misstatement in the other information. If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees' annual report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report (which incorporates the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE NEW ISRAEL FUND

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

- Adequate accounting records have not been kept by the charitable company
- The charitable company's financial statements are not in agreement with the accounting records and returns
- Certain disclosures of trustees' remuneration specified by law are not made
- We have not received all the information and explanations we require for our audit
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether owing to fraud or to error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud
- Reviewing the controls and procedures of the charity to ensure these were in place throughout the year, including during the Covid remote-working period
- Evaluating management's controls designed to prevent and detect irregularities
- Reviewing and testing journal entries made during the year, particularly those made as part of the year-end financial-reporting process
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 owing to fraud rather than to error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of audit report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.

Adam Halsey (Senior Statutory Auditor), For and on behalf of Haysmacintyre LLP,
Statutory Auditors, 10 Queen Street Place, London EC4R 1AG

17/09/2024

Haysmacintyre LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

INCOME AND EXPENDITURE

	Notes	Unrestricted funds £	Restricted funds £	Total funds, 2023 £	Total funds, 2022 £
Income from:					
Donations and legacies	2	893,498	3,167,184	4,060,682	3,759,177
Investments	4	9,854	-	9,854	1,389
Other sources		17,244	-	17,244	13,779
Total income		920,596	3,167,184	4,087,780	3,774,345
Expenditure on:					
Raising funds	6	(228,331)	-	(228,331)	(239,248)
Charitable activities:					
- Israel projects	5,6	(84,071)	(3,321,732)	(3,405,803)	(2,491,250)
- UK programme	6	(420,675)	-	(420,675)	(346,399)
		(504,746)	(3,321,732)	(3,826,478)	(2,837,649)
Total expenditure		(733,077)	(3,321,732)	(4,054,809)	(3,076,897)
Net income/(expenditure)		187,519	(154,548)	32,971	697,448
Transfer between funds	12	(269,230)	269,230	-	-
Net movement in funds		(81,711)	114,682	32,971	697,448
Fund balances brought forward at 1 January 2023		863,166	416,171	1,279,337	581,889
Fund balances carried forward at 31 December 2023		**781,455**	**530,853**	**1,312,308**	**1,279,337**

All the results above were derived from continuing activities. The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

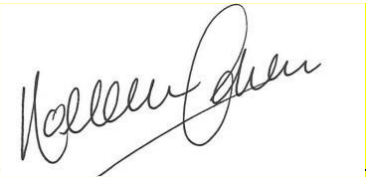
The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible assets	8		1,694		8,766
CURRENT ASSETS					
Debtors	9	329,933		419,945	
Cash at bank and in hand		1,035,174		884,866	
	11	1,365,107		1,304,811	
CREDITORS: amounts falling due within one year	10	(54,493)		(34,240)	
NET CURRENT ASSETS			1,310,614		1,270,571
NET ASSETS			1,312,308		1,279,337
Unrestricted funds	11		781,455		863,166
Restricted funds	12		530,853		416,171
	11		1,312,308		1,279,337

The financial statements were approved and authorised for issue by the trustees on 23 July 2024 and signed on their behalf by:



Noeleen Cohen
Chair

The accompanying notes on pages 21 to 31 form part of these financial statements.

NEW ISRAEL FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities:				

Net cash provided by operating activities		142,186		358,408
Cash flows from investing activities:				
Bank interest received	9,854		1,389	
Purchase of property, plant and equipment	(1,731)		(1,620)	
Net cash provided by/(used) in investing activities		8,123		(231)
Change in cash and cash equivalents in the reporting period		150,308		358,176
Cash and cash equivalents at the beginning of the reporting period		884,866		526,690
Cash and cash equivalents at the end of the reporting period		1,035,174		884,866

Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023 £	2022 £
Net(expenditure)/income for the reporting period (as per the statement of financial activities)	32,971	697,448
Adjustments for:		
Depreciation charges	8,803	11,037
Interest from investments	(9,854)	(1,389)
Decrease/(increase) in debtors	90,013	(358,867)
Decrease/(increase) in creditors	20,253	(10,179)
Net cash provided by operating activities	142,186	358,408

Analysis of cash and cash equivalents	2023 £	2022 £
Cash in hand	1,035,174 *	884,866
Total cash and cash equivalents	1,035,174	884,866

Movement in net debt:

	2022	Cashflows	2023
Cash at bank	884,866	150,308	1,035,174 *

*This £1,035,000 included £530,853 restricted cash funds and, as stated on pages 10 and 11, a further £409,000 was released in the first months of 2024 as grants to Israel from funds raised towards the end of 2023. This significantly reduced the total cash balance, ensuring that funds were distributed as grants in a timely manner, while ensuring that we maintained more unrestricted cash than our minimum reserves level (£372,000).

1. ACCOUNTING POLICIES

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

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 – (Charities SORP FRS 102) (second edition, effective 1 January 2021), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public-benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The accounts have been prepared on the assumption that the charity is able to carry on its activities as a going concern and that there are no material uncertainties regarding the going-concern assumption. In assessing the charity's ability to continue as a going concern, the trustees have considered the charity's liquidity position and reviewed cashflow forecasts for the foreseeable future. In addition to its cash reserves, it has no external debt or security.

For this reason, the trustees continue to adopt the going-concern basis in preparing the accounts.

Incoming resources

Donations and legacies are recognised when the charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The date of entitlement is either when the charity is notified of an impending distribution or when the legacy is received – whichever is earlier. Where donors impose conditions that have to be fulfilled before the charity becomes entitled to such income, the income is deferred and is not included in incoming resources until the preconditions for use have been met.

Charitable income is recognised on an accruals basis. Investment income is recognised on a receivable basis.

Resources expended

Expenditure is charged to the statement of financial activities on an accruals basis and has been classified under headings that aggregate costs related to each particular charitable activity. Grants are included in the financial statements when approved by the trustees and notified to recipients. The value of committed grants unpaid at the year end is accrued. Support costs that relate to the delivery of our charitable activities, including IT, payroll, administration, health and

safety, human resources, print, communications and management, have been allocated to activities on a basis consistent with the use of the resources.

Pension costs

The charity operates a defined contribution pension scheme into which staff are automatically enrolled once they have completed three months of employment. These costs are accounted for on an accruals basis.

Funds

Restricted funds: Where a donor has specified a particular purpose for a donation, the income is recognised in the statement of financial activities, and it is held in a separate restricted fund, which can only be used for the purposes originally specified by the donor.

Unrestricted funds: These are funds available for use at the discretion of the trustees in furtherance of the objectives of the charity.

1. ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the date on the balance sheet. All differences are taken to the statement of financial activities.

Tangible fixed assets

Depreciation is calculated by the straight-line method to write off the cost/value, less anticipated residual value, over the expected useful lives of assets as follows:

- Computers and equipment: three years
- Fixtures and fittings: three years

Debtors

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.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or from the opening of the deposit or similar account.

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 where 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.

2. DONATIONS AND LEGACIES

	2023 £	2022 £
Individual donors	1,382,273	905,687
Trusts and corporate donors	2,678,409	2,853,491
	4,060,682	3,759,178

3. NET INCOME FOR THE YEAR

	2023 £	2022 £
The net income for the year is stated after charging:		
Depreciation	8,803	11,037
Auditor's remuneration:		
- Audit	15,500	15,000
- Other	2,500	2,740
- Operating lease per-annum charge	20,400	20,400

4. INCOME FROM INVESTMENTS

	2023 £	2022 £
Bank interest receivable	9,854	1,389

5. ISRAEL PROJECTS EXPENDITURE

	2023	2022
Advancing Arab-Jewish partnership	676,314	362,291
Defending democracy and human rights*	1,167,026	1,293,578
Empowering minorities and marginalised groups	966,738	768,655
Grants as part of our post-7 October crisis response	511,654	-
Total grants payable	3,321,732	2,424,524
Grant support costs	84,071	66,726
	3,405,803	2,491,250

*Some of the significant increases in funding for work advancing Arab-Jewish partnership and empowering minorities and marginalised groups were also part of our response to attempts to undermine the rule of law and protections for minorities during the democracy crisis in Israel.

6. TOTAL EXPENDITURE: 2023

	Direct costs £	Support costs £	Total, 2023 £
Raising funds	54,255	174,076	228,331
Charitable activities:			
Israel projects	3,321,732	84,071	3,405,803
UK programme	230,062	190,613	420,675
	3,606,049	448,760	4,054,809

=

TOTAL EXPENDITURE: 2022

	Direct costs £	Support costs £	Total, 2022 £
Raising funds	40,952	198,296	239,248
Charitable activities:			
Israel projects	2,424,524	66,726	2,491,250
UK programme	182,182	164,217	346,399
	2,647,658	429,239	3,076,898

Total governance costs were £18,246 (2022: £18,777).

SUPPORT COSTS	2023 £	2022 £
Office costs	3,931	3,360
IT costs	21,326	15,461
Insurance	8,973	8,502
Support staff costs	348,059	328,601
Staff welfare and recruitment	8,383	9,869
Professional and legal costs	31,923	38,808
Depreciation	8,803	11,037
Governance costs	246	1,037
Other support costs	17,116	12,564
	448,760	429,239

7. STAFF COSTS

	2023 £	2022 £
Wages and salaries	311,529	292,444
Social-security costs	29,242	29,587
Pension costs	7,289	6,570

	348,059	291,846

Staff costs are divided as follows: £65,206 (2022: £51,082) are charged to Israel projects; £147,840 (2022: £125,715) are charged to the UK programme; and £135,014 (2022: £151,804) are charged to costs of generating funds.

On average, there were seven employees engaged in the activities of the charity during the year (2022: seven). One employee received emoluments (including benefits in kind) of more than £60,000 in the year, and one between £100,000 and £110,000 (2022: one between £90,000 and £100,000).

8. TANGIBLE FIXED ASSETS

	Computers and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	31,327	15,896	47,223
Additions	1,732	-	1,732
At 31 December 2023	33,059	15,896	48,955
Depreciation			
At 1 January 2023	27,860	10,598	38,458
Charge for the year	3,505	5,298	8,803
At 31 December 2023	31,365	15,896	47,261
Net book value			
At 31 December 2023	1,694	-	1,694
At 31 December 2022	3,467	5,298	8,765

9. DEBTORS

	2023 £	2022 £
Accrued income	314,579	403,360
Other debtors and prepayments	15,354	16,585
	329,933	419,945

10. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	10,791	7,871
Other creditors	10,929	3,400
Other taxes and social security	7,631	7,969
Accruals	25,142	15,000
	54,493	34,240

11. NET ASSETS BY FUNDS:

2023	Unrestricted £	Restricted £	2023 £
Balance at 1 January 2023	863,166	416,171	1,279,337
Net movement in funds	(81,711)	114,682	32,971
Balance at 31 December 2023	781,455	530,853	1,312,308
Represented by:			
Tangible fixed assets	1,694	-	1,694
Debtors	329,933	-	329,933
Cash	504,321	530,853	1,035,174
Creditors	(54,493)	-	(54,493)
Total funds	781,455	530,853	1,312,308

NET ASSETS BY FUNDS: 2022

	Unrestricted £	Restricted £	2022 £
Balance at 1 January 2022	419,156	162,733	581,889
Net movement in funds	444,009	253,438	697,448
Balance at 31 December 2022	863,165	416,171	1,279,337
Represented by:			
Tangible fixed assets	8,765	-	8,765
Debtors	419,945	-	419,945
Cash	478,696	406,171	884,867
Creditors	(34,240)	-	(34,240)
Total funds	873,166	406,171	1,279,337

12. TOTAL FUNDS: 2023

	As at 1 January 2023 £	Income £	Expenditure £	Transfers £	As at 31 December 2023 £
Unrestricted					
General	863,166	920,596	(733,077)	(269,230)	781,455
Balance at 31 December 2023	863,166	920,596	(733,077)	(269,230)	781,455
Restricted					
Donor-advised grants fund	416,171	1,958,325	(1,843,643)	-	530,853
Special-projects fund	-	1,208,859	(1,478,089)	269,230	-
Balance at 31 December 2023	416,171	3,167,184	(3,321,732)	269,230	530,853

The donor-advised grants represent funds where the donor stipulates the project to which the monies should be applied in Israel. The special-projects fund represents funds received to implement specific one-off projects. We also receive general support funds that are transferred to support these projects and specific NIF Israel work once reviewed and approved by our grants committee and board, reflected above by the transfer between funds.

TOTAL FUNDS: 2022

	As at 1 January 2022 £	Income £	Expenditure £	Transfers £	As at 31 December 2022 £
Unrestricted					
General	419,156	1,439,932	(652,373)	(343,549)	863,166
Balance at 31 December 2022	419,156	1,439,932	(652,373)	(343,549)	863,166
Restricted					
Donor-advised grants fund	162,733	2,046,009	(1,792,571)	-	416,171
Special-projects fund	-	288,404	(631,953)	343,549	-
Balance at 31 December 2022	162,733	2,334,413	(2,424,524)	343,549	416,171

13. STATUS

The New Israel Fund is a registered charity constituted as a company limited by guarantee, and does not have a share capital. The liability of each member is limited to £1.

14. OPERATING LEASES

A five-year operating lease in respect of land and buildings was entered into during November 2020. At the end of the year, total commitments payable were:

Amounts due:	2023 £	2022 £
Within one year	20,400	20,400
Between two and five years	15,300	35,700
	35,700	56,100

15. RELATED PARTIES

Total remuneration of key management personnel for the year was £105,890 (2022: £97,358).

None of the trustees received any emoluments during the year (2022: none).

No expenses were reimbursed to trustees while on the charity's business during the year (2022: none).

Trustee indemnity insurance paid in the year was £2,652 (2022: £4,740).

Total donations received from trustees and other persons considered to have significant influence, including those trusts and foundations where the trustees and key management personnel can be considered to have significant influence on the donations, was £111,516 (2022: £31,613).

Additionally, we received donations from trusts and foundations where our trustees are also persons who have significant influence on donations, as below:

£60,000: The Sybil Shine Memorial Trust – Martin Paisner

There were no other related party transactions requiring disclosure in the year.

16. GRANTS

Grants totalling £1,328,794 (2022: £674,614) were made to the New Israel Fund Israel to contribute to its activities, including its grants to Israeli not-for profit organisations in furtherance of its mission and to the work and projects of its action arm, Shatil. This is the work reported in the trustees' report above. The grant to NIF Israel included support for:

The Association for Civil Rights in Israel
Standing Together

HaMigdalor (leadership training programme)	Berl Katznelson Foundation
Have You Seen the Horizon Lately?	I'lam
Sikkuy-Aufoq	The Alliance Fellowship
Regional Council for Unrecognized Villages	Physicians for Human Rights Israel
Israel Women's Network	Women Against Violence
Joint Lobbyist for Refugees and Asylum Seekers	Kick It Out Israel
Shatil – building capacity in Arab civil society	Sheli Fund

In addition, in 2023, 77 projects were funded through our donor-advised initiative. The following (in alphabetical order) received grants of more than £25,000:

Alliance for Middle East Peace (ALLMEP)

Arava Institute for Environmental Studies

The Association for Civil Rights in Israel (ACRI)

Aviv for Holocaust Survivors

Breaking the Silence

Givat Haviva

Habait Le Shira and Moran Choir

HaMoked: Center for Defence of the Individual

Sikkuy-Aufoq

B'Tselem – The Israeli Information Center for Human Rights in the Occupied Territories

Jerusalem Business Development Center (MATI)

MEET: Middle East Education through Technology

Physicians for Human Rights Israel

SHEKEL – Inclusion for People with Disabilities

Standing Together

Towards the Horizon

Tsofen

15 Minutes – Public Transportation Alliance

Registered office	Third Floor Star House 104-108 Grafton Road London NW5 4BA
Registered charity number	1060081
Company registration number	03296825
Bankers	Coutts & Co 440 Strand London WC2R OQS
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors	BCLP Adelaide House London Bridge London EC4R 9HA