

Community Security Trust

Annual report and consolidated accounts

31 December 2021

Scottish Charity Registration Number
SC043812

Charity Registration Number
1042391 (England and Wales)

Contents

Reports

Reference and administrative details	1
Trustee's report	2
Independent auditor's report	23

Financial statements

Consolidated statement of financial activities	27
Balance sheets	28
Consolidated statement of cash flows	29
Principal accounting policies	30
Notes to the accounts	35

Reference and administrative information

Principal office	Shield House Harmony Way London NW4 2BZ
Charity registration number	1042391 (England and Wales)
Scottish Charity registration number	SC043612
Independent Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE

The Trustee presents its annual report together with the audited accounts of Community Security Trust (referred to in this report as "the charity" or "CST") and its subsidiary company CST Promotions Limited (together the 'Group' or 'consolidated') for the year ended 31 December 2021. Comparative information is provided for the nine-month period ended commencing 1 April 2020 and ended on 31 December 2020.

CST is a registered charity in England and Wales, charity number 1042391, and in Scotland, charity number SC043612.

The accounts have been prepared in accordance with the accounting policies set out on pages 30 to 34 of the accounts and comply with the trust deed, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102), Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

1. REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown on page 1 of the accounts.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustee is a Corporate Trustee. Dispensation has been granted by the Charity Commission from disclosing the name of the Corporate Trustee and its directors within these accounts.

The charity was established by a charitable trust deed on 21 November 1994 as amended by deeds of variation on 12 November 1996, 31 December 2002, 16 March 2012 and 12 March 2018 and 22 December 2020.

2.1. Trustee recruitment and appointment

The power to appoint directors rests with the current Trustee. The Trustee Board of directors may appoint new directors at their regular board meetings following recommendations by the Remuneration & Nomination Committee. The directors regularly review which areas may require more guidance and support. Appointments are made so as to enhance CST by supplementing the skill sets of existing directors through new appointments.

2.2. Induction and Training

In line with the Charity Commission's recommended best practice, the charity will continue to update its induction procedure for future appointments. Prospective new directors will be invited to detailed briefings and meetings with the Chair of the Board of Directors, the Chief Executive Officer (CEO), and key staff so as they fully understand the history, aims and operations of CST. New directors will receive an induction pack including recent copies of the CST *Annual Report* and *Annual Antisemitic Incidents*

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

2.2. Induction and Training (continued)

Report, three years of accounts, details of the organisation, a copy of the governing trust deeds, Trustee board and committee minutes, and a copy of the Charity Commission's *Guidance on being a Trustee*, and *Public Benefit: Running a Charity*.

Upon appointment, new directors will sign a model trustee declaration statement committing them to give their time and expertise. New directors may then be appointed to a committee(s) which assists in the governance of various aspects of CST's work.

Existing directors are encouraged by the CEO to attend trustee training events.

2.3. Board committees

During the year, 7 separate committees supported the Board with its responsibilities. Each committee has specific terms of reference. Under these terms of reference, the Board has delegated certain authorities to these committees, and these allow the committees to provide advice, guidance and expertise within their relevant areas of responsibility. The membership of each committee is drawn from the Board and other supporters of CST. The committees are: Finance & Investment, Audit & Risk, Fundraising, Operations, Investment, Remuneration & Nomination, and Public Affairs & Media.

2.4. Group companies

Community Security Trust wholly owns the £100 issued share capital CST Promotions Limited, which carries out the charity's commercial operations.

3. PUBLIC BENEFIT

The Trustee confirms that it has complied with its duty under the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 to have due regard to the English Charity Commission's general guidance on public benefit.

4. KEY STAFF

The Trustee Board of Directors meets on a regular basis, to agree the strategy and areas of activity for CST, including consideration of grants, investments, reserves, risk management and the charity's performance. The day-to-day administration of CST operations is delegated to the CEO who is supported by the senior management team as detailed in Note 9.

The remuneration of the CEO and staff earning over £75,000 per annum is set by the Remuneration & Nomination committee. The remuneration of other staff is mainly delegated to the CEO. Remuneration agreed is based upon the market rate for the post, with previous experience and length of service also considered as relevant factors. The Trustee Board of Directors are not remunerated, nor do they receive any reimbursement of expenses.

5. OBJECTIVES AND ACTIVITIES

During the year, CST focused upon its key objective of promoting good relations in the UK between the Jewish community and all other members of society. This was achieved by following the objects of the charity:

- ◆ To promote good race relations between the Jewish community and other members of society by working towards the elimination of racism in the form of antisemitism.
- ◆ To relieve the victims of racial or religious prejudice and especially antisemitism who are in need or who have suffered hardship or distress.
- ◆ To promote research into racism, antisemitism and extremism and to publish the results of such research and otherwise to promote public education about racism, antisemitism and extremism.
- ◆ To provide assistance to the Police within the community at large and the promotion of good citizenship and greater public participation in the prevention of crime with particular reference to:
 - ◇ The provision of security assistance to the Jewish community;
 - ◇ The maintenance of public order, safety and security;
 - ◇ The mitigation, security and protection against antisemitism and terrorism;
 - ◇ The promotion of safety and the safeguarding of human life in the event of an emergency; and
 - ◇ The combatting of racially motivated crime, especially antisemitic crime.

CST also promotes and supports other charitable purposes or institutions as the Trustee may from time to time think fit.

CST was not immune to the considerable impact of Coronavirus on wider British society throughout 2020 and 2021.

As was the case with many charities and businesses, CST had to enact significant changes to working patterns and practices of staff and volunteers, including ensuring that work areas were compliant and Covid-safe for the small number of operational staff who needed to work from offices, and that staff had the means, support and flexibility necessary to work from home. CST also used the Government's Job Retention Scheme ('furlough') at times, and where appropriate, for staff across the charity as detailed in Note 4 to the accounts.

6. ACHIEVEMENTS AND ACTIVITIES

6.1. Antisemitic Incidents: Reporting and Analysis

CST is widely recognised as the UK's leading authority on antisemitic incidents (i.e. hate crimes against Jews). These incidents include reports received directly from members of the public and also those shared by various Police forces.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.1. Antisemitic Incidents: Reporting and Analysis (continued)

CST publishes detailed annual studies of antisemitic incidents, for use with Government, Police forces, civil servants, media and others. In 2021 CST recorded a record total of Antisemitic Incidents. The principal driving factor for this was the extreme spike in antisemitic reactions in the UK due to the escalation of the conflict between Israel and Hamas in May 2021, exacerbating already sustained high levels of antisemitic incidents over several years.

CST also publishes reports on specific aspects of antisemitism. All such publications are publicly available on CST's website and social media platforms.

6.2. Working with the Government, Civil Servants and Police

The official UK terror threat level fluctuated between "substantial" (meaning an attack is "likely") and "severe" (meaning an attack is "highly likely") throughout 2021. CST is keenly aware of the importance of antisemitism within many terrorist groups' ideologies, and this is central to all CST's work and relationships, including the support and partnership received from Government and Police.

CST is regarded by leading politicians and the Police as a unique example of best practice in the charity's key areas of hate crime; working with Police, Government, politicians and the civil service; and community cohesion and counter-extremism initiatives.

CST is a key stakeholder for national and local government and Police, regarding Jewish communal security issues and also how this expertise can help benefit policy consultations, other minority groups and society as a whole.

Most advisory interactions with Government occur with the Home Office, the Department for Levelling Up, Housing and Communities (DLUHC), and the Department for Education (DfE). In particular, CST works closely with the Home Office Hate Crime Unit; the Homeland Security-Analysis and Insight Unit, the Research, Information and Communications Unit, Prevent, other units across the Homeland Security Group; and appropriate Ministers and Ministerial teams across Government.

CST works with the independent Commission for Countering Extremism, which advises the Home Office, diverse communities and Government. CST also works with Independent Government Advisers on issues pertinent to antisemitism, extremism, community cohesion and communal security. This includes the Government's Independent Adviser on Antisemitism, Lord Mann and the UK Special Envoy on post-Holocaust issues, Lord Pickles.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.2. Working with the Government, Civil Servants and Police (continued)

CST has been a key representative on the Government taskforce on combatting antisemitism, known as the Cross Government Working Group on Antisemitism, hosted by DLUHC but on hiatus throughout the pandemic. This is the central mechanism by which the Government, civil servants, the Police and others work with the Jewish community to reduce antisemitism and its harms. In these meetings, CST provides the statistical evidence and summaries of communal perception. The taskforce also serves as a template for Government and civil servant interaction with other groups and minorities.

CST is both the key expert and principal stakeholder in Jewish communal relations with government on matters of security, antisemitism and extremism. CST provides insights, updates and detailed research briefings across government. There is engagement with parliamentary committees (including presenting written and oral evidence) and relevant All Party Parliamentary Groups. CST briefs MPs from all parties and works directly with MPs of all backgrounds who are facing threats from racists and extremists. All of this work is undertaken throughout the year, but it intensifies at times of high tension and need, such as when there are spikes of antisemitism in the UK or when terrorist attacks occur.

CST was the lead Jewish communal partner for the important MHCLG/ Home Office Hate Crime Action Plan 2018-2020, which updated the national 2016 Hate Crime Action Plan. CST is assisting with the development of the next Hate Crime strategy. CST's role was acknowledged in the Action Plan, fittingly alongside that of Tell MAMA, the Muslim anti-hate crime group that CST helped establish and develop and is now regarded as an expert in its own right. The report stated:

"We deeply value the work of community-based organisations such as the Community Security Trust, Tell MAMA and others across all strands of hate crime. Through their expert work, we remain alive to the concerns of communities and able to respond effectively. Their work is invaluable to the progress we make under the key themes of the Hate Crime Action Plan, and in ensuring that this progress is always rooted in communities."

The Action Plan was the basis for the Home Office's Places of Worship security grant scheme, which CST helped advise upon, although this is not available to Jewish communal locations (which have a separate Government grant managed by CST).

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.2. Working with the Government, Civil Servants and Police (continued)

Two CST staff members sit on the Home Office' Faith Security Training Working Group, which started meeting in 2021 to advise the Home Office on the development of faith specific security training.

CST works with local government, mayors and Police and crime commissioners, especially the Greater Manchester Police and Crime Commission (GMPCC) and the London Mayor's Office for Policing and Crime (MOPAC), which bear responsibility for Britain's two largest Jewish communities. CST also regularly meets with local authority community cohesion coordinators.

CST-Police interactions vary depending on the security operation, threat levels, reports of crimes, investigations and exchanges of information on antisemitism or other crimes. This occurs at varying levels of policing, from local stations to national oversight. In 2021 CST information to Police covered many issues, ranging from terrorism to theft.

CST is a leading participant in various advisory groups across national and local policing.

CST reports antisemites and extremists, including potential terrorists, to Police. In 2021, CST reported over 30 antisemitic and extremist networks or individuals to counter terrorism Police, thereby helping to protect both the Jewish community and the wider public.

Police and Government have asked for CST's continuing assistance in advising other faith communities on counter-terror security. Requests, and CST's fulfilment of them, rose after the mass casualty terror attacks against Muslim communities in New Zealand (March 2019) and against Christian communities in Sri Lanka (April 2019). This led to CST establishing the successful SAFE (Security Advice For Everyone) programme, as detailed below in Section 6.5.

CST and Maccabi GB (a sports and youth leadership charity) jointly run Streetwise, a personal development and well-being project for Jewish youth. Streetwise also runs a project called Stand Up! which delivers anti-discrimination education, especially on antisemitism and anti-Muslim hate, to children of all backgrounds in schools of all types. CST helped obtain £160,000 of government support for Stand Up!. The funding began in November 2016 and continued until April 2019, after which date alternate sources of funding have been obtained to fund and grow the project.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.3. Administration, Management and Distribution of the Jewish Community Protective Security Grant and Other Security Assistance

In her address to the CST Annual Dinner in March 2016, the then Home Secretary, Theresa May MP, announced that, in the fiscal year 2016-17, the Government would provide £13.4 million of funding for UK Jewish community security measures. This Home Office grant combined two previous sums that were managed by CST in 2015, one of £3 million, the other of £10.4 million.

The funding was then renewed annually in March 2017 and March 2018, before being increased to £14 million for the fiscal year 2019-2020 by the then Home Secretary, Sajid Javid MP, when he spoke at CST's Annual Dinner in February 2019. The £14 million was renewed for the fiscal year 2020-2021 (i.e. the year ending 31 March 2021) and the fiscal year 2021-2022 by Home Secretary Priti Patel MP. CST is again the grant recipient, responsible for administration, management, and distribution by means of sub-grants to approved locations for fiscal year 2022-2023. The financial statements show a grant expenditure amount of £16 million for the year to 31 December 2021. This is due to timing differences between the grant year and CST financial year end; a disproportionate amount of the grant was expensed and claimed during the last 3 months of the 2020-21 grant year, which were the first 3 months of the 2021 CST financial year.

The importance of this project lies in both the security that it provides, and also in the reassurance that it gives to Jewish communities, demonstrating the Government's commitment to oppose antisemitism. CST manages the grant because of its reach, infrastructure and trusted relationship with the Government and civil servants. In announcing the grant, Home Secretary Priti Patel stated:

"Antisemitic incidents are not just an attack on the Jewish community, but on everyone who believes in a free and open society."

"This funding will help Jewish people practice their religion and way of life without fear of attack or persecution".

It should be noted that the grant is not guaranteed and is reviewed by the Government on an annual basis.

6.4. CST Security Enhancement Project Funding

During 2021, CST continued its Protective Windows Project and Security Enhancement Project (SEP). These projects have seen CST provide security upgrades, equipment and installations at many hundreds of Jewish buildings throughout the UK, at a cost to CST of over £16.7 million since the project's inception in 2006. Over 95 Jewish locations completed such works with CST grants in 2021 (2020: 127).

The success of these projects lies in the security that they provide, and in the working partnerships that they foster between CST and these Jewish locations.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.4. CST Security Enhancement Project Funding (continued)

The goal of these projects is for all Jewish premises to meet the recommendations of Government counterterrorism guidance, which may be summarised as deterring, detecting and delaying intruders.

The SEP team develop ideas and concepts with manufacturers of security products, so that measures deployed can best mitigate against the current threats facing the Jewish community.

6.5. Interfaith Work and Sharing Expertise: SAFE (Security Advice for Everyone)

CST shares its expertise with other communities and groups through its leading role in many Police and other community forums. Since June 2017, this has extended beyond hate crime advice to counter-terrorism security advice, following the deadly vehicle ramming attack upon worshippers exiting from Finsbury Park Mosque in north London. At the request of the Police, CST provided security guidance for distribution to mosques by the Tell Mama and Faith Associates groups.

2018 and 2019 saw further terrorist attacks against religious targets, most notably American synagogues, two New Zealand mosques and a Sri Lankan church. After these attacks, CST's 2017 written security advice for mosques was updated and re-published on CST's website as Security Procedures for Places of Worship. The advice was then promoted with the assistance of Government and Police.

Attacks and plots against places of worship continued into the second half of 2019 and throughout 2020, including a gun and explosives attack against a synagogue in Halle, Germany on Yom Kippur 2019: the holiest day in the Jewish calendar. On 2 November 2020, four people were killed in a shooting attack that began outside a synagogue in Vienna, Austria.

SAFE's programme of webinars, open to all and delivered at least once every week, covers a range of topics including basic security, event security, online security, organising security, hate crime, conflict management, personal, women's safety and lessons learned from past terror attacks.

CST receives requests from different faith groups for security advice. A number of churches, mosques, Sikh gurdwaras and Hindu temples have made contact with CST, either directly or through Police referral, to request advice on their communal security needs. In many instances, the Police, local authority, the Mayor's Office and Government are engaging CST, as the prime example of communal security, to speak on working panels and share best practice with other faith groups.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.5. Interfaith Work and Sharing Expertise: SAFE (Security Advice for Everyone) (continued)

This has developed into establishing the CST staffed and funded SAFE (Security Advice for Everyone) programme, which proactively engages and benefits British faith and minority groups with tailored security advice based on the experience of CST and the British Jewish community. This work is done via in-person talks, or via webinars.

During 2021 SAFE received 194 requests for help, and in response it gave 92 public talks and webinars (2020: 21), attended by 1,309 people representing 594 places of worship. From inception in 2019 to 31 December 2021, SAFE has received 503 requests for help and has delivered 190 public talks that were attended by 3,679 people representing 1,723 places of worship and many Police forces.

At 31 December 2021, SAFE had a full webinar programme scheduled for the new year. It had committed to deliver 29 face-to-face talks, was arranging talks with a further 35 communities and in addition had a 'pipeline' of 100 communities who had asked for a talk but with whom SAFE had yet to open discussions.

SAFE works on numerous initiatives in conjunction with Police forces, interfaith groups and local authorities around the country. For example, at a quarterly event held with MOPAC at which it gives security advice to leaders of London-based places of worship.

SAFE also gives tailored advice to individual places of worship. For example, in March 2021 SAFE assisted a London church that had suffered an extensive cemetery desecration. SAFE worked with the church to assist it creating its own security measures.

There has been excellent feedback for SAFE, both regarding its delivery of security advice and its benefit to the overall relations between Jews and others. CST views SAFE as a unique model of how communities can work together to mutual benefit.

CST continues to build on its strong links with the Muslim community. CST, in partnership with Maccabi GB, established the Stand Up! Education Against Discrimination programme in 2017, to provide anti-discrimination education, with a focus on antisemitism and anti-Muslim hate, to young people in mainstream schools. The project has reached over 52,000 students across 80 local authorities in the UK.

Stand Up! employs young Jewish and Muslim educators who, through interactive workshops and utilising knowledge from partners in the hate crime field, empower young people to learn to tackle discrimination of all kinds, including by identifying and reporting hate crime.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.5. Interfaith Work and Sharing Expertise: SAFE (Security Advice for Everyone) (continued)

Facilitated by CST, Stand Up! has developed good relationships with Government departments, civil society organisations and other anti-discrimination and community projects. Other Stand Up! associates include True Vision, Hope Not Hate and the Anne Frank Trust UK.

Despite school closures between January and March 2021 and the continued effects of the pandemic on education, Stand Up! engaged over 15,300 young people through 450 sessions in 65 schools both online and through in-person delivery in 2021. This was an increase of 130% on 2020, and 40% on the pre-pandemic year of 2019.

The significant spike of antisemitic incidents in May and June, and in particular the surge within school settings, presented acute demands for Stand Up! CST referred fifty cases of school-based antisemitism to Stand Up! which required the delivery of specialist intervention sessions. These were subsequently praised by school staff and students, and assisted schools in navigating their communities through this challenging period.

In addition to working in schools, Stand Up! delivered bespoke adult training sessions on antisemitism and anti-Muslim hatred to a wide range of organisations, which aim to equip attendees with the tools and understanding to create respectful and inclusive environments for all.

CST staff continued their advisory and participatory roles in numerous official cross faith and cross community forums, including the Crown Prosecution Service Hate Crime Panel, the Ministry of Justice Independent Advisory Group on Hate Crime and the London Mayor's Office for Policing and Crime (MOPAC) Hate Crime Strategy Delivery Panel.

CST supports further cross-communal anti-hate crime initiatives, including National Hate Crime Awareness Week and the MOPAC-supported Community Alliance to Combat Hate Crime (CATCH).

6.6. Streetwise - Helping Jewish Youth

CST's Streetwise programme, run with Maccabi GB, reaches over 25,000 young Jewish people on average each year. Streetwise programmes focus upon the PSHE National Curriculum and a broad provision of personal safety in support of young people's physical and emotional well-being. Streetwise works in over 65 primary and secondary schools nationwide. This is a key project for CST, helping Jewish youth to feel confident and avoid becoming victims of crime, and educating them on anti-bullying, online safety, relationships & sex education, antisemitism & discrimination as well as the theory and practical application of street awareness and personal safety.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.7 Engagement with Social Media Platforms

CST has authored and contributed to several research reports into the role that mainstream Social Media platforms play in spreading antisemitism. These have played an important role in exposing the extent of this issue, which affects all of society, and in influencing policy initiatives aimed at curtailing online harms and in holding Social Media platforms to account. This work is continuing.

Leading social media platforms consider CST to be an expert organisation of best practice. CST engages with the various social media companies' policy and monitoring teams, regarding their community standards, to make their platforms safer and more welcoming spaces for all users. In 2020, Facebook/Instagram, Twitter and TikTok all improved their policies, often citing the work of CST in supporting this process. For example, Facebook removed Holocaust Denial from the platform in October 2020 and in January 2021 introduced a tool to direct users who search for Holocaust related terms to a trusted and legitimate educational website – both updates note CST's advisory role in this. Also, on Holocaust Memorial Day in January 2021, Tik Tok, CST and others undertook a joint antisemitism awareness and Holocaust education campaign and established a permanent resource, seen by tens of thousands of users.

6.8 Activities in Scotland

CST has been a registered charity in Scotland (SC043612) since 29 November 2012. CST's activities in Scotland are broadly the same as those undertaken in the rest of the UK. CST records antisemitic incidents against Scottish Jews and these are included in the annual report of antisemitic incidents throughout the UK. CST works with Scottish Jewish leaders, communal bodies and the Police, providing advice on security, antisemitism and related matters. Where appropriate, CST joins representatives of Scottish Jewry at meetings with the Scottish Government, civil servants and Police Scotland.

6.9 Volunteers and Training

CST security volunteers are fundamental to the ability of the charity to fulfil its security duties on behalf of Jewish communities throughout the UK.

CST provides constant security support for Jewish communities nationwide. Security personnel, drawn from CST staff and volunteers, help protect Jewish communal buildings and Jewish events. CST would not be able to provide the current high levels of sustained security support to the Jewish communities without its volunteers and the levels of training they undertake.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.9 Volunteers and Training (continued)

CST regards training as a vital component in both the general development of staff and volunteers, and specifically to ensure the best possible response to security threats. CST employs a Human Resources Manager who identifies training requirements and helps implement them for CST staff and volunteers. This is in addition to the work of CST's own security trainers, who are drawn from staff and senior volunteers, with courses occurring throughout the country.

The training of CST's security staff and volunteers was adapted and moved to a hybrid platform which integrated online training with face-to-face sessions. Throughout 2021, volunteers were able to train both in person and from home, without minimising the number of sessions available or their effectiveness. Using various online methods of training combined with in person sessions, CST was able to train more volunteers and commercial guards throughout 2021 than in any previous year in CST's history.

7. MEASURES OF SUCCESS

CST's progress towards its objectives is the criterion by which the Trustee gauges the success, or otherwise, of CST's work, reputation and impact. The charity's performance against its objectives in 2021 repeatedly demonstrated the continuing successful reach and influence of CST, both with Jewish communities across the UK as well as with Government, Police and other faith communities.

Pre-pandemic, CST staff and volunteers, reacting to both the terror threat and increasing levels of concern across the Jewish community about antisemitism in general, would secure around 1,000 events and venues across Britain. The continuing dedication of existing volunteers is a strong measure of the success of CST in galvanising the Jewish community to participate actively and responsibly in its own protection.

In May and June 2021, CST staff and volunteers dealt with an unprecedented number of antisemitic incidents and provided security measures and assistance for Jewish communities throughout the UK. CST worked intensively throughout this period and delivered the security and reassurance that our Jewish community required. CST also gave Government and Police the information required at this challenging time, so as they could best assist Jewish communities. In many cases, information was passed, in confidence, to Police that led directly to investigations, arrests and convictions. These cases varied from online antisemitism to counterterrorism.

In 2020 and then again in 2021, the CST Trustee board and managers ensured that CST's front-line capabilities were not diminished during the pandemic. This included decisions on staff retention, investment in IT to enable remote working and remote training, and continuing development of CST's 24/7 National Security Control Centre, linking CST with guards, radio networks and CCTV systems at hundreds of Jewish communal sites. The May and June 2021 surge of antisemitism highlighted the importance of these decisions.

Coronavirus continued to pose numerous challenges across CST during 2021, and recruitment and training of new volunteers was not possible under these circumstances.

7. MEASURES OF SUCCESS (continued)

Existing volunteers continued to provide security. Throughout 2021, staff continued to work from home wherever and whenever required, with little or no adverse impact upon the charity's ability to meet its core objectives, including responses to antisemitism. Security operational and National Security Control Centre staff worked from the CST offices where necessary to ensure quick response to incidents.

As public and religious life was severely curtailed for significant periods in 2021 due to the Covid pandemic and ensuing restrictions on movement and worship, there was a significant reduction in the overall number of physical events secured by CST staff and volunteers.

Nevertheless, where religious services and other expressions of Jewish life did occur, there was no reduction in the security provided by CST volunteers and staff for communal events and locations, with rigorous implementation of meticulously planned coronavirus mitigation procedures, including distancing at briefings and on patrols, and cleaning processes for equipment such as radios and protective vests.

CST ensured that the Government's £14 million Jewish Community Protective Security Grant for the protection of Jewish schools and other locations was managed to the highest standard, as overseen and agreed by the Home Office.

One of the single most important developments in CST's resources was the continued growth in the number of Jewish sites across the UK with direct links to CST's 24/7 National Security Control Centre (NSCC); and the further development of the NSCC's technical capabilities.

CST's National Security Control Centre was manned 24/7 throughout the pandemic, following the early installation of improved Health and Safety measures, including better air circulation.

The NSCC has also become a resource often used by Police forces across the UK for assistance with general crime, with several requests per month for support received.

CST's understanding of antisemitism, including levels of antisemitic hate crimes, continues to be the key reference point for Police, Government, responsible media outlets as well as Jewish community leaders and representative groups.

8. PRIMARY FACTOR AFFECTING CST: THE THREAT OF TERRORISM

All of society is at threat from extreme Jihadist and extreme right-wing terrorism. The Jewish community, however, remains amongst the primary ideological and physical targets for such extremists, including proscribed terrorist groups including, but not limited to, National Action, subsequent proscribed XRW groups, ISIS, al-Qaeda, Hizbollah and those individuals or small groups who are inspired to act in support of them.

8. PRIMARY FACTOR AFFECTING CST: THE THREAT OF TERRORISM (continued)

CST's discussions with the Police and Government leave the charity in no doubt that the overall current threat will persist for the foreseeable future. CST's provision of security must therefore be proactive and widespread throughout British Jewish communities and relies upon their continued support for the charity.

9. SIGNIFICANT EVENTS THAT COULD AFFECT THE FINANCIAL PERFORMANCE OF THE CHARITY

Potentially significant events that could affect the financial performance of CST are not significantly different to those facing any charity, such as a reputational or functional failure on the part of the charity or a material change in the circumstance of CST donors.

CST manages the Government's £14 million Jewish Community Protective Security Grant, which is renewed on an annual basis. If the JCPSPG were not to be renewed by the Government, CST would not be able to fund a comparable scheme.

In December 2020 CST cancelled its Annual Dinner, scheduled for March 2021. This decision was due to increasing concerns regarding Coronavirus and in order to comply with Government lockdown instructions. Having also cancelled the previous year's Annual Dinner for the same reasons, CST's Trustee took the decision that the dinner would not go ahead, regardless of whether the lockdown was still in place at the time, as it wished to prioritise the safety of attendees above the significant decline in donations that would ensue from the cancellation.

It was clear that not only the Annual Dinner, but the entire year's schedule of fundraising events was potentially subject to cancellation. This would have severe consequences for the charity's income unless an alternative and equally effective method of fundraising could be identified. Towards the end of 2020, CST's leadership had researched alternative fundraising methods and chose to hold an online crowdfunding event in 2021 at the time when the Dinner would have taken place.

10. FUTURE PLANS

The Trustee anticipates that acts of terrorism and antisemitism are unlikely to diminish in the foreseeable future. CST's objectives are unlikely to change during this time, and there will be no significant alterations to CST's strategy and overall work priorities.

The Trustee believes that the current level of terrorism and antisemitism has increased since the early 2000s, requiring CST to keep developing its staffing levels, its professionalism, its volunteer base, and its provision of security equipment, personnel, training and advice. The UK Jewish community rightly makes more demands of CST's services than ever before, but this requires CST to meet those challenges, including increased funding for CST's core budget and provision of the Security Enhancement Project assistance to community locations. The Trustee will continue seeking to expand

10. FUTURE PLANS (continued)

CST's donor base, for example, through fundraising activities in partnership with synagogue bodies. The Trustee will also continue seeking to increase the development of staff and volunteers through training.

11. FINANCIAL REVIEW

11.1 Results for the Year

The Statement of Financial Activities reports net increase in funds for the year ended 31 December 2021 of £3,269,855 (9 months ended 31 December 2020 net increase in funds of £826,157). Due to the success of fundraising activities, particularly with a crowdfunding event, the net income for the year before investment gains and losses, was £1,669,474 (9 months ended 31 December 2020: net expenditure of £533,758).

11.2 Income

The Statement of Financial Activities reports incoming resources during the year amounting to £23,533,547 (9 months ended 31 December 2020: £11,313,954), including £15,991,996 (9 months ended 31 December 2020: £7,568,121) of Home Office Grant funding. This is much higher than the annual grant, because a disproportionate amount of income for the grant year 2020/21 was received in relation to activities performed in the first 3 months of 2021. CST also raised donations of £7,029,211 (9 months ended 31 December 2020: £2,959,637) to fund its activities (see note 2).

11.3 Expenditure

Total expenditure amounted to £21,889,073 (9 months ended 31 December 2020: £11,847,712), including £15,990,260 of expenditure relating to the Home Office Grant (9 months ended 31 December 2020: £7,456,833).

Expenditure on raising funds in the year totalled £582,408 (9 months ended 31 December 2020: £246,410).

Charitable activities in promoting race relations, combatting antisemitism and providing security, including head office costs, was £5,316,405 (9 months ended 31 December 2020: £4,144,469). This area of expenditure reflects CST's continuing support for existing programmes.

11.4 Reserves and reserves policy

It is the policy of the Trustee that unrestricted funds, i.e. free reserves, which have not been designated for a specific use, should be maintained at a level equivalent to at least the next 12 months anticipated unrestricted expenditure, with a target of achieving 18 months, this equates to a range of £7,000,000 to £10,500,000. The Trustee considers that reserves at this level will ensure that, in the event of a sudden emergency and / or a significant drop in funding, it will be able to continue the charity's current activities whilst consideration is given to ways in which additional funds may be raised and costs reduced.

Total funds and net assets at the 31 December 2021 amounted to £22,563,648 (at 31 December 2020: £19,293,793).

11. FINANCIAL REVIEW (continued)

11.4 Reserves and reserves policy (continued)

Of these, total unrestricted funds were £22,316,699 (at 31 December 2020: £18,883,504) of which £12,670,397 (31 December 2020: £11,446,294) were designated for purposes as detailed in Note 19 to the accounts. Free reserves, amounting to the general funds, at the period-end totalled £9,546,302 (31 December 2020: £7,437,210), which is in line with the reserves policy as set out above.

At the year-end, total restricted funds were made up of non-government restricted funds of £133,925 (31 December 2020: £299,001) and restricted government funds £113,024 (31 December 2020: £111,289).

11.5 Investment policy and performance

The Trustee's aim is to achieve an investment return in excess of inflation over the long term. Sufficient funds are retained in cash or readily accessible investments to meet current and anticipated expenditure requirements. The Trustee's policy is that its funds should be invested to produce a balance of both income and capital growth, investing in UK equities, cash deposits and property. The Trustee accepts a medium degree of risk. Details of CST's fixed asset investments and revaluations are included in note 14 to the accounts.

The Trustee targets an average return on listed investments of 3% – 5% over a three-to-five-year period and, in light of this, is satisfied with the performance of the investment portfolio in the period.

12. FUNDRAISING

12.1 Approach to fundraising

CST seeks to raise an annual amount of money equivalent to the needs of the organisation's budget, with a 10% surplus to be added to reserves.

Funds are raised almost entirely from the UK's Jewish community. Should a large pledge be received from a new donor, checks are made to ensure that the donor is known to CST or its existing supporters before the donation can be accepted. CST also seeks to secure funding from legacies from the UK Jewish Community.

Methods of fundraising in a non-pandemic year include dinners, lunches and mailing campaigns, as well as direct approaches by Directors of the Trustee and staff. CST also makes applications for funding to selected charitable trusts who might be sympathetic to our work. CST does not cold call. In this financial year, the March Annual Dinner and other events planned for the first half of the year were cancelled due to Government restrictions and concerns for the health of our supporters. In their place, a relatively new crowdfunding methodology was adopted for an event at the end of February. In parallel, a strong focus on individual approaches to known donors and charitable trusts was maintained.

12. FUNDRAISING (continued)

12.1 Approach to fundraising (continued)

As the pandemic faded later in the year, a Business Lunch was organised and held towards the end of November.

12.2 Work with, and oversight of, any commercial participators/professional fundraisers

CST does not work with third party fundraisers, other than using the professional services of unconnected parties on commercial terms in relation to online crowdfunding.

12.3 Fundraising conforming to recognised standards

CST is registered with the Fundraising Regulator and is in full compliance with their current Code of Fundraising Practice.

12.4 Fundraising conforming to recognised standards

CST has a documented complaints procedure, and all staff have received appropriate training. Complaints are logged on an internal system and for the year ending 31 December 2021, CST has had no complaints to its Fundraising Department or in relation to our fundraising activities.

12.5 Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate

Section 12.3 above contains confirmation of CST's registration with the Fundraising Regulator and compliance with their current Code of Fundraising Practice. This includes CST avoiding intrusive behaviour, undue influence and respecting the well-being of vulnerable persons. The majority of our donors are known to the charity. Maintaining good relations with donors and potential donors remains an important part of CST's strategy.

12.6 Fundraising performance

Despite the inability to hold conventional in-person fundraising events for much of the year, a similar level of charitable income to pre-pandemic years was achieved. This was largely due to a strong focus on securing the support of our regular donors and a successful crowdfunding event.

Not only did the crowdfunding event raise more money than would have been expected from the Annual Dinner that it replaced, but it attracted over 7,500 donations, more than four times the usual annual figure. Almost 6,000 of these were from new donors across the entire UK, showing the broad-based support from the Jewish Community for CST across the UK.

In July, CST printed and distributed the annual advertising brochure that would normally have been published in time for the cancelled Annual Dinner. The income from sales of adverts generated through the trading subsidiary was over £200,000.

12. FUNDRAISING (continued)

12.7 Home Office Grant for Protective Security of the Jewish Community

As of 1 April 2016, two Government grants (from the DfE and Home Office) were combined into a single Home Office grant for the Protective Security of the Jewish Community of £13.4 million. This now stands at £14 million, with the grant period running up to 31 March of each year. Due to timing differences between the grant year (to 31 March) and the financial year (to 31 December), grant income and expenditure stated within the accounts may differ from the grant award.

CST is the recipient of a £14 million grant from the Home Office and, as an administrator and facilitator, acts as the conduit providing funding from the Government to Jewish locations by means of sub-grants. For the most recent twelve-month grant period, CST was granted £350,000 to cover the administration of the grant. The grant money is disbursed in arrears to the Jewish community to cover costs of security guarding at hundreds of Jewish schools (DfE approved), synagogues and other Home Office approved community sites.

13 RISK MANAGEMENT

The Trustee continues to assess the major risks to which the charity is exposed. The Trustee keeps under continual review the systems that are in place to mitigate exposure to major risks and makes such changes as are necessary to ensure the continued adequacy of such systems. This work is overseen by the Audit and Risk Committee which supervises a comprehensive Risk Register, prepared for the committee by CST's CEO and CST's Director of Operations.

The following are amongst the risk areas identified within the Risk Register: loss of charitable status; conflict of interest for individual Directors of the Corporate Trustee; loss of Directors of the Corporate Trustee or key CST staff; libel; data protection; reputational damage; financial reporting failure; health and safety compliance; employment law compliance; volunteer recruitment; staff and volunteer training; security provision failure; fundraising failure; I.T. failure; loss of key buildings; exceeding budget expenditure; poor funding investment; increase in debtors; fraud; cyber-attack and pandemic.

The Trustee is satisfied that sufficient procedures are in place to identify and manage key risks faced by the Charity which are kept under review. This is undertaken by the Audit and Risk Committee and is reviewed by the Board.

Four of the primary risks identified by CST as being amongst the key risks during 2021, and the controls and mitigations in place are:

Risk 1: Inability to hold fundraising events in person

Details of risk: This risk relates to the organisation's inability to hold any traditional fundraising events (in person) throughout the year (for reasons such as a pandemic or war). This significantly impacts the organisation's ability to fundraise.

13.RISK MANAGEMENT (continued)

Key controls: CST has a dedicated fundraising committee and fundraising is a permanent agenda point for full meetings of the CST Board of Trustees, and in the regular meetings held by the CST Chairman with the CST Chief Executive and also with the CST Director of Fundraising. There is detailed analysis of donation patterns, so as shortfalls and changes in funding practise are identified and tackled. For example, in November 2020, the Board requested that the fundraising committee and the Director of Fundraising should undertake detailed research in how to best conduct online fundraising activities, to be held in early 2021, due to the absence of physical fundraising events during the continuing impact of the global Covid pandemic. This was a timely and successful initiative that caused the charity to significantly expand its donor base and increased its ability to communicate with both existing and potential donors.

Risk 2: Breach of Data Protection laws (including GDPR)

Detail of risk: This risk relates to the failure to comply with any and all relevant UK or European data protection laws, including the EU's General Data Protection Regulations.

Key controls: CST has introduced numerous data protection policies and communicated to all staff, each dealing with a different aspect of the requirements set out in new legislation. A clear data protection implementation plan was put into place to ensure compliance with the principles of Data Protection Act since before GDPR came into force. CST's Operations and Risk Committee provides governance and oversight on CST's data protection strategy development and implementation. CST's Data Protection Strategy focuses on the following key areas of policy and practices: Data collection and processing; Data sharing; Internal policies and practices (such as dealing with Data Subject Access Requests); Internal data management (data mapping, data storage, retention policies, data deletion); Training for staff and volunteers; Security and integrity of data; Marketing communications and consent; CCTV network; and Data Protection Impact Assessments (DPIAs). All staff and senior volunteers have undergone online data protection and/or data and information security training.

Risk 3: Impact of a global pandemic on staffing

Details of risk: A significant outbreak of a serious health concern (such as a regionally or nationally circulating epidemic or global pandemic) affects a significant number of staff, as a result of widespread transmission within one of CST's offices. This then leads to the closure of the building, a lack of senior staff being able to fulfil their functions, and/or a lack of overall staff number able to fulfil the functions of the organisation.

Key controls: Risk assessments have been completed for safe functioning of CST offices during a global pandemic, with appropriate control measures having been adopted. CST's COVID-19 Action and Response Plans have been completed, circulated and tested (in real-life scenario). Procedures are in place for the reporting of any health and safety incidents, including RIDDOR. Regular updates on global pandemic developments, risk assessments, control measures, actions and responses are given to staff, tenants, CST Board and other relevant stakeholders (such as visitors to CST buildings and volunteers). Remote Working capability has been rolled out throughout the organisation and business continuity plans initiated for as long as Government advice requires extensive homeworking. Regular

13. RISK MANAGEMENT (continued)

reviews of the control measures, risk assessments, home-working instructions, action and response plans are carried out.

Risk 4: Cyber-hacking

Details of risk: A cyber-attack against CST's IT system, inspired by either criminality or antisemitism and perpetrated by a hostile individual, organisation, or state actor.

Key controls: Professional internal CST IT Department prioritising CST's own cyber-security measures, both physical and human. Repeat usage of external consultancy expertise and advice. Regular self-testing and external testing of CST IT systems and users. Regular reporting of such testing to CST Audit and Risk Committee, including progress reports on any recommendations identified in previous testing, or advised by external consultants. Regular compulsory training modules for all staff, including e-training that shows individual staff performance and progress. The Trustee continues to review the risks to ensure that the measures taken are proportionate with the risk, which is broadly increasing, but notes that this is a constantly changing situation that depends upon both advances in physical IT resource and user behaviours.

Since the year end, two emerging key risks to CST have been identified. Meanwhile, the overall risk posted by Risks 1 and 2 above are considered to have reduced relative to other risks. The two further risks identified, and mitigations in place are:

Risk 5: Inflationary pressures – costs will increase, and charity income may not keep up with inflation

Details of risk: Costs incurred by the charity may rise, especially in areas such as the cost of equipment and of building works for Security Enhancement Projects. The Government Grant is also not inflation-proofed, and so is likely cover an increasingly smaller proportion of guarding costs. Donations could fall due to cost-of-living increases in an inflationary environment.

Key controls: Management monitors cashflow and creates budgets to assess financial expenditure against targets. All expenditure is undertaken with a high level of approval involving written authorisation procedures, monthly management reporting and monitoring of expenditure.

Risk 6: Investment values may fall

Details of risk: In the current economic climate, the Charity can lose capital and/or income as the value of investments fall.

Key controls: The Board through a committee approves all investments against agreed criteria. Investments are made with approved investment managers who invest in a diversified portfolio of assets. Monthly reports from the investment managers are scrutinised and Directors meet with investment managers regularly.

14 TRUSTEE'S RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the Trustee's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales and Scotland requires the Trustee to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and the group of the incoming resources and application of resources of the group for that period. In preparing these accounts, the Trustee is required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgments and accounting 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 accounts;
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in operation.

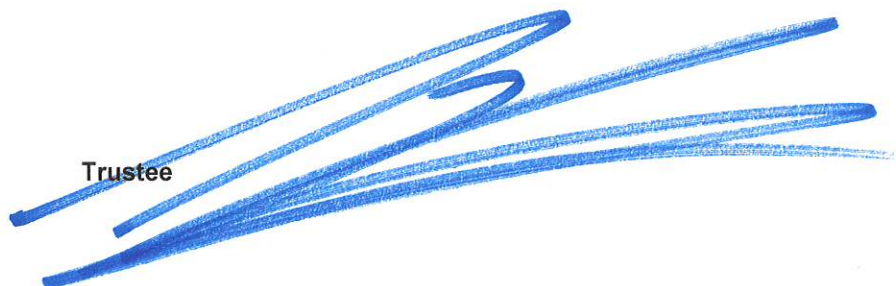
The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group, and enable it to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. The Trustee is 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.

15 AUDITOR

Buzzacott LLP have expressed their willingness to continue as the CST's auditor. A resolution proposing that they are reappointed as auditors will be put to the Trustee.

This report was approved by the Trustee on 14/09/22 and signed on their behalf by:

Trustee



Independent auditor's report to the Trustee of Community Security Trust

Opinion

We have audited the accounts of Community Security (the 'parent charity') and its subsidiary (collectively referred to as the 'group') for the year ended 31 December 2021 which comprise the group statement of financial activities, group and parent charity balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ♦ give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of their income and expenditure for the period 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the accounts 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 group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Trustee's annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper accounting records have not been kept by the group and the parent charity; or
- ◆ the group and parent charity accounts 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 the Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustee is responsible for assessing the group's and the parent 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 Trustee either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts, 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

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and Trustee and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the group and the charity. These included but were not limited to the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), taxation legislation and data protection, anti-bribery, employment, and health and safety legislation and Safeguarding Regulations; and
- ◆ We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the Trustee and review of the minutes of Trustee meetings.

We assessed the susceptibility of the group and the charity's accounts to material misstatement, including how fraud might occur by:

- ◆ Making enquiries of management and representatives of the Trustee as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Tested the implementation of financial controls;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

Auditor's responsibilities for the audit of the accounts (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of the Trustee; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act, and in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Trustee 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 20 September 2022

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

Consolidated statement of financial activities Year to 31 December 2021

	Notes	Year ended 31 December 2021			9 months ended 31 December 2020		
		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£	£	£	£	£	£
Income from:							
Donations, legacies and gift aid	1	6,800,751	228,460	7,029,211	2,819,637	140,000	2,959,637
Charitable activities	2	—	15,991,996	15,991,996	—	7,568,121	7,568,121
Other trading activities	3	286,083	—	286,083	302,590	—	302,590
Other income	4	251,257	—	251,257	483,606	—	483,606
Total income		7,338,091	16,220,456	23,558,547	3,605,833	7,708,121	11,313,954
Expenditure on:							
Raising funds	5	582,408	—	582,408	246,410	—	246,410
Charitable activities	6,7						
. Promote race relations, combat antisemitism and provide security		4,922,869	393,536	5,316,405	4,036,289	108,180	4,144,469
. Home Office Protective Security Grant expenditure		—	15,990,260	15,990,260	—	7,456,833	7,456,833
Total expenditure		5,505,277	16,383,796	21,889,073	4,282,699	7,565,013	11,847,712
Net gains on investments		1,600,381	—	1,600,381	729,603	—	729,603
Net income		3,433,195	(163,340)	3,269,855	52,737	143,108	195,845
Transfers between funds		—	—	—	—	—	—
Net income before other recognised gains and losses		3,433,195	(163,340)	3,269,855	52,737	143,108	195,845
Other recognised gains							
Gains on revaluation of fixed assets	12	—	—	—	630,312	—	630,312
Net movement in funds		3,433,195	(163,340)	3,269,855	683,049	143,108	826,157
Reconciliation of funds:							
Total funds brought forward		18,883,504	410,289	19,293,793	18,200,455	267,181	18,467,636
Net movement in funds		3,433,195	(163,340)	3,269,855	683,049	143,108	826,157
Total funds carried forward		22,316,699	246,949	22,563,648	18,883,504	410,289	19,293,793

The statement of financial activities includes all gains and losses recognised in the period.

The accounting policies and notes on pages 30 to 46 form part of these financial statements.

Balance sheets 31 December 2021

	Notes	Consolidated		Charity	
		31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £
Fixed assets					
Tangible assets	12	873,445	4,857,449	873,445	4,857,449
Investment property	13	4,637,645	4,788,845	4,637,645	4,788,845
Investments	14	7,566,202	2,021,537	7,566,302	2,021,637
		<u>13,077,292</u>	<u>11,667,831</u>	<u>13,077,392</u>	<u>11,667,931</u>
Current assets					
Debtors	15	3,373,637	3,099,287	3,379,223	3,081,712
Short term deposits	16	540,323	3,034,469	540,323	3,034,469
Cash at bank and in hand		8,608,680	4,820,166	8,549,380	4,682,190
		<u>12,522,640</u>	<u>10,953,922</u>	<u>12,468,926</u>	<u>10,798,370</u>
Creditors: amounts falling due within one year	17	<u>(3,036,284)</u>	<u>(3,327,960)</u>	<u>(2,982,670)</u>	<u>(3,172,508)</u>
Net current assets		<u>9,486,356</u>	<u>7,625,963</u>	<u>9,486,256</u>	<u>7,625,863</u>
Total net assets		<u>22,563,648</u>	<u>19,293,793</u>	<u>22,563,648</u>	<u>19,293,793</u>
Charity funds					
Restricted funds	19	246,949	410,289	246,949	410,289
Unrestricted funds					
Designated funds		12,670,397	11,446,294	12,670,397	11,446,294
General funds	19	9,646,302	7,437,210	9,646,302	7,437,210
Total funds		<u>22,563,648</u>	<u>19,293,793</u>	<u>22,563,648</u>	<u>19,293,793</u>

The accounts were approved and authorised for issue by the Trustee and signed on their behalf by:

Trustee

Date:

14/09/22

The accounting policies and notes on pages 30 to 46 form part of these financial statements.

Consolidated statement of cash flows 31 December 2021

	Notes	Year ended 31 December 2021 £	9 months ended 31 December 2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	1,181,226	955,821
Cash flows from investing activities:			
Dividends, interests and rents from investments		191,014	152,919
Purchase of tangible fixed assets		(280,222)	(289,458)
Purchase of investments		(7,439,092)	(68,720)
Proceed from sale of fixed assets		5,546,634	—
Proceeds from sale of investments		1,597,433	2,352,664
Net cash (used in) / provided by investing activities		(384,233)	2,147,405
Change in cash and cash equivalents in the year		796,993	3,103,226
Cash and cash equivalents brought forward	B	8,711,025	5,607,799
Cash and cash equivalents carried forward	B	9,508,018	8,711,025

Notes to the statement of cash flows for the year to 31 December 2021

A Reconciliation of net movement in funds to net cash flow from operating activities

	Year ended 31 December 2021 £	Period ended 31 December 2020 £
Net income (as per the statement of financial activities)	3,269,857	234,096
Adjustments for:		
Depreciation charge	268,791	166,399
Gains on investments	(1,600,381)	(729,603)
Dividends, rents and interest from investments	(191,014)	(152,919)
(Increase)/decrease in debtors	(274,352)	2,401,253
Decrease in creditors	(291,675)	(963,405)
Net cash provided by operating activities	1,181,226	955,821

B Analysis of changes in net debt

	1 January 2021 £	Movement in year £	31 December 2021 £
Cash at bank and in hand	4,820,166	3,788,514	8,608,680
Short term deposits	3,034,469	(2,494,146)	540,323
Cash held by investment manager	856,390	(497,375)	359,015
Total cash and cash equivalents	8,711,025	796,993	9,508,018

The accounting policies and notes on pages 30 to 46 form part of these financial statements.

Principal accounting policies 31 December 2021

Basis of preparation

The accounts have been prepared under the historic cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts are presented in sterling for the year ended 31 December 2021 and rounded to the nearest pound, with comparative information presented for the 9-month period ended 31 December 2020.

Community Security Trust constitutes a public benefit entity as defined by FRS 102.

Going concern assessment

The Trustee considers that there is no material uncertainty about the Charity's ability to continue as a going concern.

Basis of consolidation

The consolidated accounts of the Group incorporate the financial statements of the Charity and its subsidiary CST Promotions Limited. These have been consolidated on a line-by-line basis. The statement of financial activities represents the consolidation of charitable activities of the Charity and its subsidiary.

No separate statement of financial activities has been presented for the Charity alone.

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires the Trustee and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ♦ the assumptions applied in determining the valuation of the investment property and the mixed use property;
- ♦ estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Fund accounting (continued)

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income is accounted for on a receivable basis and comprises donations, net surpluses from functions, and receipts under Gift Aid. Pledges are accounted for when made less any provision for pledges that are considered irrecoverable. Grants are accounted for once the Charity has entitlement to the income. Entitlement to Government grant income arises when a corresponding eligible expenditure commitment is made.

Deferred income represents amounts received for future periods and is released to income in the period for which it has been received. Such income is only deferred when either the donor specifies that the grant or donation must only be used in a future accounting period or has imposed conditions which must be met before the Charity has unconditional entitlement.

Expenditure

Expenditure is accounted for on an accruals basis. Grants are included in the year they are awarded. The Charity does not publish the names of the organisations to which it has made an award.

The charge relating to the security enhancements project comprises the cost of new commitments approved and communicated to the beneficiary organisation at the Balance Sheet date. Outstanding commitments are shown within creditors within one year as these are payable on presentation of invoices for the cost of works by the beneficiary organisation. All donations made are charged in full to the income and expenditure accounts in the year in which they are payable.

Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Expenditure (continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs comprise the costs of statutory compliance and relate exclusively to the auditor's remuneration detailed in note 9 of these accounts.

Termination payments are recognised as an expense in the Statement of Financial Activities and liability on the Balance Sheet immediately at the point the Charity is demonstrably committed to provide termination benefits as a result of an offer made.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Pensions

The pension costs charged in the accounts represent the contributions payable by the Charity to defined contribution schemes during the year. The pension expense is allocated between funds in accordance with the wages allocation. The creditor is unrestricted.

Tangible fixed assets and depreciation

Freehold property and improvements are initially recognised at cost. After recognition, under the revaluation model, freehold property and improvements whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of Financial Activities, with a separate revaluation reserve being shown in the Statement of funds note.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Tangible fixed assets and depreciation (continued)

All other classes of tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

- | | |
|--------------------------------------|----------------------|
| ♦ Freehold property and improvements | 2% straight line |
| ♦ Fixtures, fittings and equipment | 33.33% straight line |
| ♦ Motor vehicles | 25% straight line |

Fixed asset investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are presented as 'Net gains/(losses) on investments' in the Statement of Financial Activities.

Investment properties

Investment properties must be measured initially at cost and subsequently at fair value at the reporting date. Fair value is considered to represent the property's open market value at the reporting date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

Debtors

Donations receivable are recognised at their recoverable amount. Prepayments are valued at the fair value of the future services to be rendered. Accrued income is valued at the fair value of consideration receivable.

Cash at bank and in hand

Cash at bank and 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 opening of the deposit or similar account.

Short-term deposits

Short term deposits represent cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes.

Principal accounting policies 31 December 2021

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 amounts 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.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Lease commitments

Operating lease and rental costs, where substantially all the benefit and risks of ownership remain with the lessor, are charged to revenue expenditure over the lease term.

Notes to the accounts 31 December 2021

1 Donations, legacies and gift aid

	Year ended 31 December 2021			9 months ended 31 December 2020		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Donations						
Gift Aid recovered	361,317	—	361,317	129,275	—	129,275
Donations and legacies from individuals & trusts	6,439,434	—	6,439,434	2,690,362	—	2,690,362
Campus fund	—	10,000	10,000	—	10,000	10,000
Inter communal project	—	—	—	—	30,000	30,000
Stand Up	—	—	—	—	100,000	100,000
Streetwise	—	9,860	9,860	—	—	—
Volunteer awards fund	—	5,100	5,100	—	—	—
Research fund	—	50,000	50,000	—	—	—
Volunteer training fund	—	500	500	—	—	—
Conference fund	—	3,000	3,000	—	—	—
CCTV Trust fund	—	150,000	150,000	—	—	—
Total funds	6,800,751	228,460	7,029,211	2,819,637	140,000	2,959,637

2 Income from charitable activities

	Year ended 31 December 2021	9 months ended 31 December 2020
	£	£
Restricted funds		
Home Office Protective Security Grant	15,991,996	7,568,121

3 Other trading income

	Year ended 31 December 2021	9 months ended 31 December 2020
	£	£
Unrestricted funds		
Brochure advertising income of CST Promotions Limited	286,083	302,590

4 Other income

	Year ended 31 December 2021	9 months ended 31 December 2020
	£	£
Unrestricted funds		
Rental income	140,344	55,098
Investment income	50,670	97,821
Coronavirus Job Retention Scheme	60,243	330,687
	251,257	483,606

Notes to the accounts 31 December 2021

5 Expenditure on fundraising

	Year ended 31 December 2021 £	9 months ended 31 December 2020 £
Unrestricted funds		
Support costs	5,615	5,825
Other costs	226,598	6,295
Staff costs	341,051	234,290
	573,264	246,410

6 Analysis of expenditure on charitable activities

Summary by fund type

	Year ended 31 December 2021			9 months ended 31 December 2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Promote race relations, combat antisemitism and provide security	4,922,869	393,536	5,316,405	4,036,289	108,180	4,144,469
Home Office Protective Security Grant expenditure	—	15,990,260	15,990,260	—	7,456,833	7,456,833
	4,922,869	16,383,796	21,306,665	4,036,289	7,565,013	11,601,302

7 Analysis of expenditure by activities

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Year ended 31 December 2021 £
Promote race relations, combat antisemitism and provide security	4,073,464	—	1,242,941	5,316,405
Home Office Protective Security Grant	450,000	15,540,260	—	15,990,260
	4,523,464	15,540,260	1,242,941	21,306,665

All grants issued were made to institutions and not individuals. No support costs have been included within the total grants made of £15,540,260 (9 months ended 31 December 2020 - £7,119,333).

	Activities undertaken directly £	Grant funding of activities £	Support costs £	9 months ended 31 December 2020 £
Promote race relations, combat antisemitism and provide security	3,463,127	—	681,342	4,144,469
Home Office Protective Security Grant	337,500	7,119,333	—	7,456,833
	3,800,627	7,119,333	681,342	11,601,302

7 Analysis of expenditure by activities (continued)
Analysis of support costs

	Year ended 31 December 2021		
	Raising funds £	Promote race relations, combat antisemitism and provide security £	Total funds £
Rent and rates	—	292,398	292,398
Travel and motor	—	59,976	59,976
Repairs and maintenance	—	151,687	151,687
Insurance	—	186,953	186,953
Marketing	—	123,580	123,580
Staff training	—	12,128	12,128
Other support costs	—	355,103	355,103
Governance costs	5,615	61,116	66,731
	5,615	1,242,941	1,248,556

	9 months ended 31 December 2020		
	Raising funds £	Promote race relations, combat antisemitism and provide security £	Total funds £
Rent and rates	—	92,209	92,209
Travel and motor	—	60,313	60,313
Repairs and maintenance	—	66,251	66,251
Insurance	—	94,325	94,325
Marketing	—	55,021	55,021
Staff training	—	18,100	18,100
Other support costs	—	243,524	243,524
Governance costs	5,825	51,600	57,425
	5,825	681,343	687,168

8 Auditors' remuneration

	Year ended 31 December 2021 £	9 months ended 31 December 2020 £
Fees payable to the Charity's auditor in respect of:		
Audit	24,258	23,000
Grant audit	3,798	3,600
All other non-audit services not included above	1,925	11,925

9 Staff costs

	Year ended 31 December 2021 £	9 months ended 31 December 2020 £
Wages and salaries	3,764,001	2,717,540
Termination payments	56,399	160,151
Social security costs	403,260	324,849
Pension costs	238,228	194,894
	4,461,888	3,397,434

The average number of persons employed by the group during the year was as follows:

	Year ended 31 December 2021 No.	9 months ended 31 December 2020 No.
Charitable activities	86	85
Fundraising	7	8
	93	93

The number of employees whose employee benefits (including benefits in kind such as car allowances but excluding employer pension costs and national insurance contributions) exceeded £60,000 was:

	Year ended 31 December 2021 No.	9 months ended 31 December 2020 No.
In the band £60,000 - £69,999	8	2
In the band £70,000 - £79,999	3	1
In the band £80,000 - £89,999	1	-
In the band £90,000 - £99,999	2	1
In the band £120,000 - £129,999	1	1
In the band £190,000 - £199,999	1	-

Benefits included in the above bandings exclude termination payments totalling £nil (9 months ended 31 December 2020 - £128,932) which were made to individuals who received other employee benefits in excess of £60,000.

During the year, key management remuneration including employer's national insurance totalled £941,223 (9 months ended 31 December 2020 - £753,197), comprising the CEO and a management team of 9 staff members.

10 Trustee remuneration and expenses

The Trustee who served during the year (including Directors of the Corporate Trustee) did not receive any remuneration or have any expenses reimbursed. This was also the case in the prior year.

11 Taxation

No liability arises as Community Security Trust is a registered charity and is therefore exempt from taxation on the income arising from its charitable activities.

12 Tangible fixed assets

	Freehold property and improvement £	Fixtures fittings and equipment £	Total £
Cost or valuation			
At 1 January 2021	4,438,800	2,068,773	6,507,573
Additions	—	280,221	280,221
Disposals	(3,988,800)	(22,225)	(4,011,025)
At 31 December 2021	<u>450,000</u>	<u>2,326,769</u>	<u>2,776,769</u>
Depreciation			
At 1 January 2021	—	1,650,124	1,650,124
Charge for year	14,190	254,601	268,791
On disposals	—	(15,591)	(15,591)
At 31 December 2021	<u>14,190</u>	<u>1,889,134</u>	<u>1,903,324</u>
Net book values			
At 31 December 2021	<u>435,810</u>	<u>437,635</u>	<u>873,445</u>
At 31 December 2020	<u>4,438,800</u>	<u>418,649</u>	<u>4,857,449</u>

The disposal of freehold property in the year and the disposal of property in note 13 below related to the sale of the primary offices of the charity during the year ended 31 December 2021 under a sale and leaseback agreement.

13 Investment property

	Freehold investment properties £
Valuations	
At 1 January 2021	4,788,845
Gain on revaluation	1,400,000
Disposal of property	(1,551,200)
At 31 December 2021	<u>4,637,645</u>

14 Fixed asset investments

	Listed securities £	Unlisted securities £	Shares in subsidiary companies £	Total £
Valuations				
At 1 January 2021	1,165,147	—	100	1,165,247
Additions	7,439,092	—	—	7,439,092
Disposals at book value (proceeds £1,597,433 and realised gains £165,396)	(1,432,037)	—	—	(1,432,037)
Revaluations	34,985	—	—	34,985
At 31 December 2021	7,207,187	—	100	7,207,287
Carrying value at 31 December 2021				
Investment holdings	7,207,187	—	100	7,207,287
Cash held by investment managers	359,015	—	—	359,015
	7,566,202	—	100	7,566,302
Carrying value at 31 December 2020				
Investment holdings	1,165,147	—	100	1,165,247
Cash held by investment managers	856,390	—	—	856,390
	2,021,627	—	100	2,021,637
Cost				
At 31 December 2021	7,172,202	—	100	7,172,302
At 31 December 2020	955,671	—	100	955,771

At 31 December 2021, the Charity's investment portfolio included the following individual holdings which represented a material proportion of the total value of the fixed asset investment portfolio at that date.

	31 December 2021 £
Alphabet Inc (Class A)	192,480
Apple Inc	190,993
Microsoft Corp	297,191
ASML Holding NV	208,239
Fidelity Investment Funds – Asia Fund W	196,000
Stewart Investors Asia Pacific Leaders Sustainability Fund B	237,230
Ishares Physical Gold ETC	298,570

Principal subsidiaries

The Charity owns 100% of the ordinary share capital of CST Promotions Limited, a trading company (company number: 03010390).

	31 December 2021 £	31 December 2020 £
Debtors	34,958	22,708
Cash at bank	59,300	137,977
Creditors	(94,158)	(160,585)
Net assets	100	100

14 Fixed asset investments (continued)

CST Promotions Limited donates its taxable profits to Community Security Trust. Income and expenditure for the year is shown below:

	Year ended 31 December 2021 £	Period ended 31 December 2020 £
Income	286,083	302,590
Cost of sales	(3,155)	(3,225)
Administrative costs	(8,628)	(5,875)
	274,300	293,490

15 Debtors

	Group		Charity	
	31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £
Due within one year				
Donations receivable	362,353	589,505	362,353	589,505
Amounts owed by group undertaking	—	—	40,544	5,133
Other debtors	243,451	45,924	208,493	23,216
Prepayments and accrued income	408,723	377,149	408,723	377,149
Home Office grant commitments	2,359,110	2,086,709	2,359,110	2,086,709
	3,373,637	3,099,287	3,379,223	3,081,712

16 Short term deposits

	Group		Charity	
	31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £
Cash equivalents on deposit	540,323	3,034,469	540,323	3,034,469

17 Creditors: Amounts falling due within one year

	Group		Charity	
	31 December 2021 £	31 December 2020 £	31 December 2021 £	31 December 2020 £
Security enhancement project creditors	118,323	251,143	118,323	251,143
Trade creditors	137,161	75,517	134,971	75,517
Other taxation and social security	117,885	137,853	114,251	122,136
Home Office grant commitments	2,393,996	2,557,017	2,393,996	2,557,017
Accruals and deferred income	268,919	306,430	221,129	166,695
	3,036,284	3,327,960	2,982,670	3,172,508

18 Financial instruments**Financial assets**

	Group		Charity	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Financial assets measured at amortised costs	2,602,561	2,132,633	2,608,147	3,191,340

Financial liabilities

	Group		Charity	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Financial liabilities measured at amortised costs	2,856,560	3,060,856	2,868,419	3,050,371

Financial assets measured at amortised cost comprise of the Home Office grant commitments (debtor), amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, the Home Office grant commitments (creditor), security enhancement project commitments and accruals

19 Statement of funds**Statement of funds – current year**

	Balance at 1 January 2021	Income	Expenditure	Transfer in/out	Gains/(losses)	Balance at 31 December 2021
	£	£	£	£	£	£
Endowment fund	—	—	(180,693)	5,540,000	—	5,359,307
Designated funds						
Security enhancements	1,800,000	—	—	—	—	1,800,000
Fixed asset fund	1,578,459	—	(268,791)	(436,223)	—	873,445
Fixed asset fund - Revaluation reserve	3,278,990	—	—	(3,278,990)	—	—
Investment property fund	4,788,845	—	—	(1,551,200)	1,400,000	4,637,645
	<u>11,446,294</u>	—	<u>(449,484)</u>	<u>273,587</u>	<u>1,400,000</u>	12,670,397
General funds	<u>7,437,210</u>	<u>7,338,091</u>	<u>(5,055,793)</u>	<u>(273,587)</u>	<u>200,381</u>	9,646,302
Total unrestricted funds	<u>18,883,504</u>	<u>7,338,091</u>	<u>(5,505,277)</u>	<u>—</u>	<u>1,600,381</u>	22,316,699
Restricted funds						
Home Office Protective Security Grant	111,288	15,991,996	(15,990,260)	—	—	113,024
Aggregated smaller restricted grants	299,001	228,460	(393,536)	—	—	133,925
Total restricted funds	<u>410,289</u>	<u>16,220,456</u>	<u>(16,383,796)</u>	<u>—</u>	<u>—</u>	246,949
Total of funds	<u>19,293,793</u>	<u>23,558,548</u>	<u>(21,889,073)</u>	<u>—</u>	<u>1,600,381</u>	22,563,648

19 Statement of funds (continued)

Statement of funds – prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfer in/out £	Gains/ (losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Security enhancements	1,800,000	—	—	—	—	1,800,000
Fixed asset fund	1,455,400	—	(166,399)	289,458	—	1,578,459
Fixed asset fund - Revaluation reserve	1,983,878	—	—	664,800	630,312	3,278,990
Investment property fund	4,990,769	—	—	(664,600)	462,876	4,788,845
	<u>10,230,047</u>	<u>—</u>	<u>(166,399)</u>	<u>289,458</u>	<u>1,093,188</u>	<u>11,446,294</u>
General funds	<u>7,970,408</u>	<u>3,605,833</u>	<u>(4,116,301)</u>	<u>(289,458)</u>	<u>266,726</u>	<u>7,437,210</u>
Total unrestricted funds	<u>18,200,455</u>	<u>3,605,833</u>	<u>(4,282,699)</u>	<u>—</u>	<u>1,359,915</u>	<u>18,883,504</u>
Restricted funds						
Home Office Protective Security grant	—	7,568,121	(7,456,833)	—	—	111,288
Aggregated smaller restricted grants	<u>267,181</u>	<u>140,000</u>	<u>(108,180)</u>	<u>—</u>	<u>—</u>	<u>299,001</u>
Total restricted funds	<u>267,181</u>	<u>7,708,121</u>	<u>(7,565,013)</u>	<u>—</u>	<u>—</u>	<u>410,289</u>
Total of funds	<u>18,467,636</u>	<u>11,313,954</u>	<u>(11,847,712)</u>	<u>—</u>	<u>1,359,915</u>	<u>19,293,793</u>

Endowment and Designated funds

The Endowment Fund represents the disposal proceeds of the primary offices of the Charity which was sold during the year under a sale and leaseback agreement. This will be used to fund the rent payable on this property. Income from the investment portfolio, and sub-lease arrangements will periodically be applied against this fund, to ensure the Charity can retain appropriate office space for the foreseeable future.

The security enhancements fund provides for 36 months of security enhancement expenditure at the current budgeted rate of spend.

The fixed asset fund represents the funds donated to the Charity for the purchase of fixed assets for its long-term use. Depreciation is charged against the fund and a transfer is made to or from unrestricted funds to adjust for additions and disposals to the fund.

The revaluation reserve represents the revaluation of freehold property held as a tangible fixed asset. The combined total of the fixed asset fund and the revaluation reserve totals the net book value of tangible fixed assets shown in note 12.

The investment property fund represents the value of the Charity's investment properties, which are principally held for income generation to further the Charity's charitable objectives.

19 Statement of funds (continued)

Restricted funds:

The Home Office Protective Security Grant is used to reimburse the Jewish community's state aided schools, independent & private schools, sensitive locations and synagogues for their security costs. This also included income and expenditure to administer the grant.

All remaining restricted funds with income or expenditure below £200,000 have been aggregated for convenience of display. Separate internal records are maintained for reporting and project monitoring purposes, to ensure all grant restrictions are fully complied with.

Fund transfers

Transfers from general funds to the designated fixed asset fund represent net fixed asset additions during the year. The carried forward balance on the fixed asset fund represents the value of the operational fixed assets used to further the Charity's objectives.

20 Analysis of net assets between funds

Analysis of net assets between funds

<i>Group</i>	Total funds 31 December 2021			Total funds 31 December 2020		
	Unrestricted funds £	Restricted funds £	£	Unrestricted funds £	Restricted funds £	£
Tangible fixed assets	873,445	—	873,445	4,857,449	—	4,857,449
Fixed asset investments	7,566,202	—	7,566,202	2,021,537	—	2,021,537
Investment property	4,637,645	—	4,637,645	4,788,845	—	4,788,845
Current assets	8,867,931	3,654,709	12,522,640	7,986,616	2,967,306	10,953,922
Creditors due within one year	(567,288)	(2,468,996)	(3,036,284)	(770,943)	(2,557,017)	(3,327,960)
Total	21,377,935	1,185,713	22,563,648	18,883,504	410,289	19,293,793

<i>Charity</i>	Total funds 31 December 2021			Total funds 31 December 2020		
	Unrestricted funds £	Restricted funds £	£	Unrestricted funds £	Restricted funds £	£
Tangible fixed assets	873,445	—	873,445	4,857,449	—	4,857,449
Fixed asset investments	7,566,302	—	7,566,302	2,021,637	—	2,021,637
Investment property	4,637,645	—	4,637,645	4,788,845	—	4,788,845
Current assets	8,814,217	3,654,709	12,468,926	7,831,064	2,967,306	10,798,370
Creditors due within one year	(513,674)	(2,468,996)	(2,982,670)	(615,491)	(2,557,017)	(3,172,508)
Total	21,377,935	1,185,713	22,563,648	18,883,504	410,289	19,293,793

21 Pension commitments

The pension charge per the accounts represents contributions paid by the Charity for the year and amounted to £238,228 (9 months ended 31 December 2020 - £194,894) in respect of defined contribution schemes.

22 Operating lease commitments

At 31 December, the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	31 December 2021 £	31 December 2020 £
Less than 1 year	308,477	58,227
1-5 years	1,207,681	14,244
More than 5 years	5,186,964	—
	6,703,122	72,471

The Group sold its main office in May 2021 and entered into a 20-year lease. Total operating lease payments recognised as an expense in the year was £294,617 (9 months ended 31 December 2020 - £83,630).

23 Operating lease – lessor

	2021 £	2020 £
Within 1 year	456,085	29,673
Between 1 and 5 years	1,626,325	1,299,600
After 5 years	3,912,650	3,357,300
	5,995,060	4,686,573

The Charity receives rent from leasing out some of its main office occupied under an operating lease, and from rent received from the investment property held.

During the previous year, a tenant of the investment property was granted a rent-free period until the end of 2021 as a result of the tenant's Company Voluntary Arrangement (CVA).

24 Related party transactions

During the year, CST Promotions Limited, a subsidiary of the Charity, made a donation under gift aid to the Charity totalling £274,300 (9 months ended 31 December 2020 - £288,633). As at 31 December 2021 the trading subsidiary CST Promotions Limited owed £40,544 to the Charity, (at 31 December 2020 the Charity owed £5,133 to its trading subsidiary).

During the year, the Charity received donations totalling £509,300 from 15 directors (9 months ended 31 December 2020 - £548,000 from 12 directors) of the Corporate Trustee, and parties over which the directors had control or significant influence.

The Jewish Leadership Council, a company with a mutual Director with the Corporate Trustee, was a tenant of the charity's investment property during the period. Rental payment received in the period totalled £18,500 (period ending 31 December 2020 - £13,875), the terms of the lease are consistent with leases made to unconnected entities.