

# **Community Security Trust**

## **Annual report and consolidated accounts**

31 December 2022

Scottish Charity Registration Number  
SC043612

Charity Registration Number  
1042391 (England and Wales)

## Contents

### Reports

Reference and administrative details	1
Trustee's report	2
Independent auditor's report	20

### Financial statements

Consolidated statement of financial activities	24
Balance sheets	25
Consolidated statement of cash flows	26
Principal accounting policies	27
Notes to the accounts	32

## Reference and administrative information

<b>Principal office</b>	Shield House Harmony Way London NW4 2BZ
<b>Charity registration number</b>	1042391 (England and Wales)
<b>Scottish Charity registration number</b>	SC043612
<b>Independent Auditors</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
<b>Solicitors</b>	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.

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 27 to 31 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 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.

## **2.2. Board committees**

During the year, 6 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: Investment, Audit & Risk, Fundraising, Operations, Remuneration & Nomination, and Public Affairs & Media.

## **2.3. 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 and approval 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 of the financial statements.

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**

During the year, CST focused upon its key objective of protecting British Jews from antisemitism, including anti-Jewish terrorism. 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 promote the efficiency of 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 combating of racially motivated crime, especially antisemitic crime.

#### **6. WHAT WE DO**

Community Security Trust (CST) is a national charity that protects British Jews from antisemitism and related threats.

CST protects British Jews, so they may lead the lives of their choice.

## **6. WHAT WE DO (continued)**

Throughout 2022, CST Trustees, staff and volunteers continued working towards CST's objectives as summarised in this report. CST trustees, staff and volunteers are guided by the principles embodied in CST's name: "*Community*", "*Security*" and "*Trust*".

CST received charitable status in 1994 and is recognised by police and Government as a unique model of best practice.

CST has over 95 full and part-time staff based in offices in London, Manchester and Leeds. CST also has over 2,000 volunteer security officers who carry out guarding duties at Jewish communities and events throughout the UK.

Under the terms of a formal agreement with the Home Office, CST managed a £14 million government grant that pays towards security guarding costs incurred by Jewish schools, synagogues and other Jewish communal organisations. (The grant was increased to £15m in 2023 and is still managed by CST.)

### **6.1. Reports and Antisemitic Incidents**

CST is widely recognised as the UK's leading authority on antisemitic incidents (i.e. hate crimes against Jews). CST assists those who have fallen victim to antisemitism and helps ensure justice.

Each year, CST receives over 2,000 reports (by telephone, email, social media etc). These are received from members of the public and also as part of sharing agreements with police forces throughout the country. CST staff assist the victims and analyse the reports, which broadly fit three categories: antisemitic crime, non-antisemitic crime, and suspicious behaviour. There will often be follow up with police (and subsequently with prosecutors). Cases of suspicious behaviour are also shared with specialist police units as they may denote terrorist planning activity. CST publishes detailed annual studies of antisemitic incidents for use with the Government, police forces, civil servants, the media, our partner groups, and Jewish communal leadership. The purpose of collecting and publishing this data, is to provide the best possible understanding of contemporary Jew-hatred: so as it can best be combatted.

CST's *Annual Antisemitic Incidents Report 2022* showed a welcome fall in the number of incidents from 2021, which had been the highest recorded level since CST began its annual report in 1984. There were 1,652 antisemitic incidents reported to CST in 2022 (compared to 2,261 in 2021). A further 615 reports to CST in 2022 were deemed not to be antisemitic.

The 2022 total was the fifth-highest reported to CST in a calendar year. It was lower than the years 2018 to 2022 inclusive, but notably came without a recognisable 'trigger event', such as the antisemitic reaction to the Israel-Gaza conflict in May 2021 that caused a record high that year.

### **6.1. Reports and Antisemitic Incidents (continued)**

A significant concern to CST in 2022 is the continuing trend for minors to be an increasingly high percentage of antisemitic incident perpetrators and victims, at 20% and 15% respectively. These figures are very slightly higher than in 2021 but are double the 2020 totals.

In 2022, CST's Incidents Department worked tirelessly to assist everyone who engaged with the service, providing emotional and logistical support to all who needed it. It also provided antisemitism awareness training to various organisations including law enforcement organisations, as well as delivering cultural awareness seminars to police forces, helping them to better understand and support the communities they serve.

### **6.2. External Relations**

#### Working with Government, Parliamentarians and Civil Servants

In 2022, as in previous years, CST was regularly consulted on relevant government policies, submitting expert opinion to various inquiries and consultations. This including being asked as a key stakeholder to consult on the Government's review of its CONTEST counter-terrorism strategy

CST is a key contact for government when it seeks to understand the impact upon British Jews of local or international crises. CST provides regular, detailed and reliable briefings and updates to government and political partners.

CST is non-party political and CST staff meet regularly with politicians across the main political parties represented in Parliament and local government, ranging from senior cabinet and shadow cabinet members to MP's and local councillors. Much of CST's political engagement is undertaken in close cooperation with other trusted Jewish communal bodies, providing a cohesive communal response.

At the request of the Labour Party, CST continued to support the Labour Party's internal efforts towards addressing antisemitism and developing more robust reporting and complaint processes as mandated by the Equality and Human Rights Commission's 2020 investigation into the party.

CST monitors hatred against MPs who face threats from antisemites and extremists. CST shares this information with MPs, provides security advice and frequently interacts on their behalf with social media companies and the police. This is undertaken without publicity, but two cases in 2022 were made public by the MPs whom CST had supported, Ian Byrne MP (Labour) and Johnny Mercer MP (Conservative).



## **6.2. External Relations (continued)**

CST works closely with PREVENT, the Government's counter-extremism strategy. (Prevent), CST also works closely with the Commission for Countering Extremism; with Home Office units that research and monitor extremism, and support the protections of vulnerable communities; with relevant units at the Department of Levelling Up, Housing and Communities; and other government departments.

### Working with Police

CST is a trusted partner with police forces across the UK. In general, this makes for good and constructive relations between Jewish communities and their local police services.

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 2022, CST reported many antisemitic and extremist networks or individuals to counter terrorism police, thereby helping to protect both the Jewish community and the wider public in the UK and overseas.

Police and the Government continue to ask CST for assistance in advising other faith communities on counter-terror security.

CST runs regular virtual and in-person seminars for police officers and staff covering a wide range of topics to support police officers in understanding antisemitism, the terrorist threat to the Jewish community and also basic practical matters for policing areas with significant Jewish communities. This includes regular visits to CST offices of Police trainees and also training sessions for police officers and staff at the Jewish museums in London and Manchester.

## **6.3. Administration, Management and Distribution of the Jewish Community Protective Security Grant (JCPSPG)**

In December 2010, the Department for Education (DfE) announced an annual grant of up to £2 million to cover the costs of paid security guards at government-maintained and voluntary-aided Jewish schools. This continued until June 2015, when the DfE raised the annual grant to £3 million. These grants were managed by CST and have continued to be managed by CST, each year, until now.

In March 2015, the Government announced that it would also pay for security guard costs at private and independent Jewish schools and other sensitive locations. This new fund of £10.4 million was the Home Office Grant for Protective Security of the Jewish Community. It was also to be managed by CST.

### **6.3. Administration, Management and Distribution of the Jewish Community Protective Security Grant (JCPSG) (continued)**

In April 2016, the two government grants (DfE and Home Office) were combined into a single Home Office grant for the Protective Security of the Jewish Community, totalling £13.4 million. In 2019 it increased to £14 million, before being annually renewed at £14m through to the 2022-2023 grant period. 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 the grant from the Home Office as an administrator and facilitator, and acts as the conduit providing funding from the Government to approved Jewish locations by means of sub-grants. In 2022, Home Office Protective Security Grant income was £13,924,650 (2021: £15,991,996) and expenditure relating to the Grant amounted to £13,871,820 (2021: £15,990,260).

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, civil servants and Jewish communal recipients.

In 2022, over 190 Jewish schools, over 270 synagogues and other Jewish communal locations benefitted from the grant.

CST staff visit schools, synagogues to monitor the work of the guards. Feedback is then shared with the sites and with guarding company managers, so as to keep improving the performance of the guards.

### **6.4. CST Security Enhancement Project**

In 2022, CST continued its Protective Windows Project and Security Enhancement Project (SEP). These are the projects by which CST gives financial donations to help provide physical security equipment at many hundreds of UK Jewish communal buildings. Since the projects began in 2006, CST has donated over £17.5 million for such works. In 2022, over 60 Jewish locations received CST donations, with over 100 measures undertaken, such as reinforced doors, windows, gates and CCTV's. The project aims to constantly improve protective security of Jewish locations, ensuring that all premises meet or surpass the recommendations of government counterterrorism guidance.

CST's project team continuously develops ideas and concepts with manufacturers of security products, so that measures deployed can best mitigate against current threats facing the Jewish community.

In recent years the primary focus has been to create extra layers of security for locations by installing new or additional perimeter fencing, gates, security doors and airlocks, along with advanced CCTV and radio systems that link to CST's 24/7 National Security Control Centre.

#### **6.4. CST Security Enhancement Project (continued)**

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.

#### **6.5. Working with other communities**

##### Security Advice for Everyone – SAFE

CST has amassed a substantial body of security knowledge that can and should be shared with other communities that face violence, extremism and hate crimes. This is something that CST has done since it received charitable status in 1994, but the mass casualty terror attacks in 2019 against Christians in Sri Lanka and against Muslims in New Zealand, prompted CST to launch a dedicated programme of support for other communities. This programme is entitled SAFE, meaning Security Advice For Everyone. This has three dedicated employees. They give other UK faith communities practical advice on how to make themselves safe, particularly at places of worship.

SAFE has been highly successful, enabling CST to share practical security expertise, supporting other minority communities in establishing security processes and to build a network of contacts and allies in the process. SAFE seminars are delivered free of charge to attendees; and are often held in partnership with local councils or police. SAFE seminars have been delivered in single and multi-faith settings to diverse communities including at churches, mosques, Hindu temples, Sikh gurdwaras and other places of worship across the UK.

SAFE talks and webinars cover a wide range of topics, including 'An introduction to communal security', 'Basic security for your place of worship', 'Organising security', 'Event security', 'Hostile reconnaissance', 'Lessons learned from past terror attacks', 'Conflict management', 'Personal safety', 'Women's safety', 'Online security', 'Hate crime', 'Countering radicalisation' and 'the Far Right'.

In 2022, SAFE delivered 137 in-person security talks and online webinars to 3,060 people representing 960 different places of worship.

##### Stand Up and Streetwise

Stand Up! Education Against Discrimination is a youth focussed programme run jointly by CST and Maccabi GB, and other anti-hate crime partners including Tell MAMA (monitoring and countering anti-Muslim hate), Kick it Out (football) and Galop (monitoring and countering LGBTQI+ hate).

Stand Up! Predominately visits non-Jewish schools. It employs Jewish and Muslim facilitators to deliver anti-discrimination (centred around antisemitism and anti-Muslim hatred) education across the UK, encouraging students to take social responsibility against prejudice, and modelling best practise intercommunal relationships. In 2022, Stand Up! Reached over 18,500 young people, through 517 sessions held at 67 secondary schools

### **6.5. Working with other communities (continued)**

(two of them Jewish). Since its launch in 2017, Stand Up! Has worked with 65,000 young people.

Streetwise is another long-term project jointly run by CST and Maccabi GB. It visits Jewish schools, giving informal education to Jewish schoolchildren, giving them the skills necessary to prevent, tackle and report antisemitism, and overall to lead a more aware, safe and confident life.

In 2022, Streetwise reached over 30,000 young people, its highest ever figure. This was achieved through 961 separate sessions, held at 43 Jewish schools, community organisations and youth groups.

### **6.6. Security: Volunteers and Training**

CST provides constant security support for Jewish communities across the country. 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.

CST security volunteers are fundamental to the ability of the charity to fulfil its security duties on behalf of Jewish communities throughout the UK. With the Covid pandemic having receded and restrictions ending for public gatherings, the demand for security at Jewish communal events significantly increased in 2022. CST continues to meet those security needs by recruiting, training and helping organise more volunteers across the UK. In 2022, there were 12 new security volunteer intakes, with over 200 new volunteers joining CST's nationwide cohort.

CST regards training as being vital in both the general development of staff and volunteers, and specifically to ensure the best possible response to security threats. Through a hybrid model of online and in-person training, CST provides a comprehensive training programme for its volunteer base to develop the requisite knowledge and skills, and maintain and raise high standards. In 2022 CST introduced training of trauma first aid to assist casualties of a terror attack and has integrated these skills into security procedures and training.

In 2022, CST also engaged with the wider Jewish community (i.e. non CST personnel) through security and training initiatives. For example, CST ran a series of women's only self-defence classes for the Manchester and Leeds Jewish communities with over 70 attendees, which followed similar highly successful online classes. CST also held self-defence classes for members of the large visibly orthodox Jewish community of Stamford Hill.

### **6.7. Campus Security and Campus Antisemitism**

CST's dedicated Campus Team has three student coordinators who support staff and students in Higher Education settings. This involves giving advice to Jewish students and Jewish student societies regarding both their personal safety, and that of their events, as well as working with different campus organisations to educate students about topics relating to antisemitism and extremism on campus. In 2022 the team visited Jewish students at over twenty different campuses around the country.

CST submitted evidence to the Independent Investigation into allegations of Antisemitism within the National Union of Students (NUS) in July 2022. The Independent Investigation published its report in January 2023 detailing what NUS termed a 'shocking account of antisemitism within the student movement'. In response, the NUS developed an action plan to 'act with confidence to tackle antisemitism head on'.

In December 2022 CST published its second report on campus antisemitism. The report drew upon data collected over the 2020/2021 and 2021/2022 academic years and showed a 22% increase in the total number of antisemitic incidents reported to CST from the previous two-year study period (2018/19 and 2019/20). A total of 150 university-related antisemitic incidents were reported to CST, many of which required the charity to support student victims of antisemitism.

The increase in the number of campus antisemitic incidents largely coincides with the Israel-Gaza conflict of May 2021, when Jewish students and staff suffered a serious escalation of antisemitic incidents.

Throughout 2022 CST worked to strengthen its engagement with university staff, so as to encourage reporting and to advise on university complaints processes. Following CST engagement with a higher education roundtable in January 2022, the vice chancellors of universities around the country contacted CST resulting in the successful delivery of antisemitism awareness training to staff on several campuses.

CST works closely with the Union of Jewish Students (UJS), the representative body of Jewish students and societies, to support active participation of Jewish life on campus.

### **6.8. Crisis and Control**

A key development in CST's resources and security cover is 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.

Physical security measures at Jewish locations are supplemented by an extensive CCTV network of over 5,000 CCTV cameras, operating across the country. These feed into CST's 24/7 NSCC, where analytics and advanced technologies help CST to best secure the Jewish community.

The NSCC is frequently used by police forces across the UK for assistance with general crime, with several requests per month for support received.

## **6.8. Crisis and Control (continued)**

CST has general oversight for the UK Jewish community's crisis planning and response, especially in the event of a major terrorist incident. This consists of developing a comprehensive crisis plan; ensuring engagement and collaboration with community stakeholders; briefing and training CST staff and appropriate Jewish communal figures and organisations; and establishing the NSCC and CST office as an information and decision hub. At times of high tension, police will be stationed in the CST office, including within the NSCC.

## **6.9. Policy and Defence**

In 2022, CST's Policy and Defence Department continued to research and investigate antisemitism; to monitor the threat of antisemitic extremism and terrorism to the Jewish community; to analyse antisemitic incidents and provide support to victims of antisemitism; and to represent CST and the Jewish community on related issues to a wide range of stakeholders.

The UK terrorism threat level currently stands at "SUBSTANTIAL", meaning an attack is "likely". Between 2017 and 2022, the UK has seen some 19 terrorist attacks and at least 37 foiled plots.

Terrorism threats in the UK primarily come from Islamist terrorism, extreme right-wing terrorism, single-issue extremism and individuals with a mix of extremist ideologies, personal grievances and, at times, mental ill-health.

Although UK authorities regularly provide figures on foiled attack plots, they do not publish detailed lists of these plots. In the absence of this record, keeping track of these plots is challenging. To overcome this, in 2022 CST launched its unique Terrorism and Hate Crime Database, that details terror attacks and foiled plots in the UK, from 2013 to the present. This resource is publicly available on CST's website, for the education and benefit of wider society.

CST's open-source intelligence team uses advanced techniques to continually monitor and analyse the ever-present threat posed by antisemitic extremists, including would-be terrorists. This intelligence work is undertaken to inform CST's security responses and to identify and disrupt terrorist plots against Jews. In 2022 CST's work actively contributed to law enforcement disruption of antisemitic threats and possible terror attacks in the UK and overseas. For security reasons, this work remains overwhelmingly confidential, between CST and police. In November 2022, local police and Jewish communal security officials publicised CST's role in the thwarting of an imminent terror attack in New York, when two US Nazis were arrested due to CST intelligence.

CST's expertise on antisemitism and community safety is increasingly sought by external stakeholders. In addition to external advice and support provided by several CST departments, Policy and Defence staff often provide antisemitism awareness sessions, on request, for a wide range of companies, organisations and sectors.

## **7. FUTURE PLANS**

The biggest change in CST's structure is the growth in financing and staffing of open-source intelligence work, which successfully identifies antisemites, including potential terrorists: and passes information to law enforcement for investigation, and, if appropriate, arrest and prosecution.

CST's security personnel, whether staff or volunteers, must learn emergency trauma first aid and carry personal first aid kits when undertaking security duty. Large scale CST security operations now also include a trauma team, comprised of professional medics, paid for by CST.

With Covid now having receded and communal life returning to normal, the motivation, retention, recruitment, training and upskilling of CST security officer volunteers is a key priority. This is underpinned by enhanced oversight from trustees and staff managers, including standing agenda items within the trustees' Operations sub-committee.

## **8. FINANCIAL REVIEW**

### **8.1. Results for the Year**

The Statement of Financial Activities reports net increase in funds for the year ended 31 December 2022 of £258,531 (2021: £3,269,855). The largest part of the reason for this fall in net movement of funds was the net loss on investments this year of £918,674 compared to the net gain of £1,600,381 in 2021. Due to the success of fundraising activities, particularly with a crowdfunding event, the net income for the year before investment gains and losses, was £1,177,205 (2021: £1,669,474).

### **8.2. Income**

The Statement of Financial Activities reports incoming resources during the year amounting to £22,252,185 (2021: £23,558,547), including £13,924,650 (2021: £15,991,996) of Home Office Grant funding. In the prior year, this was much higher than the annual grant, because a disproportionate amount of income for the grant year April 2020 to March 2021 was received in relation to activities performed in the first 3 months of 2021. CST also raised donations of £7,757,830 (2021: £7,029,211) to fund its activities (see note 2).

### **8.3 Expenditure**

Total expenditure amounted to £21,074,980 (2021: £21,889,073), including £13,813,760 of expenditure relating to the Home Office Grant (2021: £15,990,260).

Expenditure on raising funds in the year totalled £632,139 (2021: £582,408).

### **8.3 Expenditure (continued)**

Charitable activities in promoting race relations, combatting antisemitism and providing security, including head office costs, was £6,571,021 (2021: £5,316,405). This area of expenditure reflects CST's continuing support for existing programmes.

### **8.4. Reserves and reserves policy**

It is the policy of the Trustee that general 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 2022 amounted to £22,819,179 (2021: £22,563,648).

Of these, total unrestricted funds were £22,466,070 (2021: £22,316,699) of which £12,305,016 (2021: £12,670,397) were designated for purposes as detailed in Note 19 to the accounts. Free reserves, amounting to the general funds, at the period-end totalled £10,016,054 (2021: £9,646,302), 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 £190,255 (2021: £133,925) and restricted government funds £165,854 (2021: £113,024).

### **8.5. 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 five-year period. The investment return in 2022 was disappointing, due to volatile market conditions.



## **9. FUNDRAISING**

### **9.1. 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 in-person events 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 are regular donors or who might be sympathetic to our work. CST does not cold call. In 2022, the 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, an online crowdfunding methodology was adopted as was the case in 2021. In parallel, a strong focus on individual approaches to known donors and charitable trusts was maintained.

As in 2021, as the pandemic receded later in the year, a Business Lunch took place in September.

### **9.2 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.

### **9.3 Fundraising conforming to recognised standards**

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

### **9.4 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 2022, CST had no complaints to its Fundraising Department or in relation to our fundraising activities. All CST Fundraising staff are trained to identify potential money laundering situations, and to follow the organisation's documented procedures.

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

Section 9.3 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.

### **9.6 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 over a weekend at the beginning of March.

Not only did the crowdfunding event raise more money than would have been expected from the Annual Dinner that it replaced, but it attracted almost 5,000 donations, compared to around 1,500 in an entire pre-pandemic year. Almost 1,800 of these were from new donors across the entire UK, enhancing the broad-based support from the Jewish Community for CST across the UK.

With almost 350 attendees, the September Business lunch set CST records for event attendance and income.

## **10. 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.

## 10. RISK MANAGEMENT (continued)

Four of the primary risks identified by CST as being amongst the key risks during 2022, and the controls and mitigations in place are:

### **Risk 1: 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 2: 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.

### **Risk 3: 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.

## 10. RISK MANAGEMENT (continued)

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 4: 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.

## 11. 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.

## 12. AUDITOR

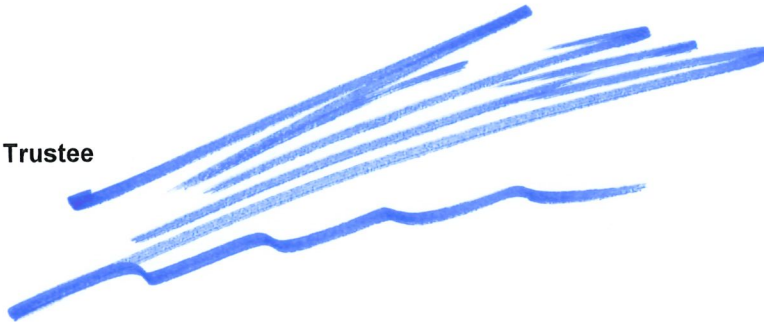
Buzzacott LLP have expressed their willingness to continue as the CST's auditor. A resolution proposing that they are reappointed as auditors will be put to the Trustee.

This report was approved by the Trustee on

12/09/23.

and signed on their behalf by:

Trustee

A large, stylized handwritten signature in blue ink, consisting of several overlapping horizontal strokes with a wavy, undulating bottom line.

## **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 2022 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 2022 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](http://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: 25 September 2023

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 2022

	Notes	Year ended 31 December 2022			Year ended 31 December 2021		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income from:</b>							
Donations, legacies and gift aid	1	7,315,301	442,529	7,757,830	6,800,751	228,460	7,029,211
Charitable activities	2						
. Home Office Protective Security Grant income		—	13,924,650	13,924,650	—	15,991,996	15,991,996
Other trading activities	3	—	—	—	286,083	—	286,083
Other income	4	569,393	312	569,705	251,257	—	251,257
<b>Total income</b>		<b>7,884,694</b>	<b>14,367,491</b>	<b>22,252,185</b>	<b>7,338,091</b>	<b>16,220,456</b>	<b>23,558,547</b>
<b>Expenditure on:</b>							
Raising funds	5	632,139	—	632,139	582,408	—	582,408
<b>Charitable activities</b>	6,7						
. Promote race relations, combat antisemitism and provide security		6,184,510	386,511	6,571,021	4,922,869	393,536	5,316,405
. Home Office Protective Security Grant expenditure		—	13,871,820	13,871,820	—	15,990,260	15,990,260
<b>Total expenditure</b>		<b>6,816,649</b>	<b>14,258,331</b>	<b>21,074,980</b>	<b>5,505,277</b>	<b>16,383,796</b>	<b>21,889,073</b>
<b>Net (loss)/gains on investments</b>		<b>(918,674)</b>	<b>—</b>	<b>(918,674)</b>	<b>1,600,381</b>	<b>—</b>	<b>1,600,381</b>
<b>Net income/(expenditure)</b>		<b>149,371</b>	<b>109,160</b>	<b>258,531</b>	<b>3,433,195</b>	<b>(163,340)</b>	<b>3,269,855</b>
<b>Transfers between funds</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net income/(expenditure) before other recognised gains and losses</b>		<b>149,371</b>	<b>109,160</b>	<b>258,531</b>	<b>3,433,195</b>	<b>(163,340)</b>	<b>3,269,855</b>
<b>Other recognised gains</b>							
Gains on revaluation of fixed assets	12	—	—	—	—	—	—
<b>Net movement in funds</b>		<b>149,371</b>	<b>109,160</b>	<b>258,531</b>	<b>3,433,195</b>	<b>(163,340)</b>	<b>3,269,855</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		22,316,699	246,949	22,563,648	18,883,504	410,289	19,293,793
Net movement in funds		149,371	109,160	258,531	3,433,195	(163,340)	3,269,855
<b>Total funds carried forward</b>		<b>22,466,070</b>	<b>356,109</b>	<b>22,822,179</b>	<b>22,316,699</b>	<b>246,949</b>	<b>22,563,648</b>

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

The accounting policies and notes on pages 27 to 44 form part of these financial statements.

# Balance sheets 31 December 2022

		Consolidated		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
<b>Fixed assets</b>					
Tangible assets	12	716,632	873,445	716,632	873,445
Investment property	13	4,637,645	4,637,645	4,637,645	4,637,645
Investments	14	11,685,635	7,566,202	11,685,735	7,566,302
		<u>17,039,912</u>	<u>13,077,292</u>	<u>17,040,012</u>	<u>13,077,392</u>
<b>Current assets</b>					
Debtors	15	3,426,301	3,373,637	3,395,837	3,379,223
Short term deposits	16	3,555,919	540,323	3,555,919	540,323
Cash at bank and in hand		2,377,829	8,608,680	2,174,588	8,549,380
		<u>9,360,049</u>	<u>12,522,640</u>	<u>9,126,344</u>	<u>12,468,926</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(3,577,782)</u>	<u>(3,036,284)</u>	<u>(3,337,461)</u>	<u>(2,982,670)</u>
<b>Net current assets</b>		<u>5,782,267</u>	<u>9,486,356</u>	<u>5,788,883</u>	<u>9,486,256</u>
<b>Total net assets</b>		<u>22,822,179</u>	<u>22,563,648</u>	<u>22,828,895</u>	<u>22,563,648</u>
<b>Charity funds</b>					
Restricted funds	19	356,109	246,949	362,825	246,949
Unrestricted funds					
. Designated funds		12,305,016	12,670,397	12,305,016	12,670,397
. General funds	19	10,161,054	9,646,302	10,161,054	9,646,302
<b>Total funds</b>		<u>22,822,179</u>	<u>22,563,648</u>	<u>22,828,895</u>	<u>22,563,648</u>

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

Trustee

Date:

12/09/23

The accounting policies and notes on pages 27 to 44 form part of these financial statements.

## Consolidated statement of cash flows 31 December 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	<b>1,385,753</b>	1,181,226
<b>Cash flows from investing activities:</b>			
Dividends, interests and rents from investments		<b>569,705</b>	191,014
Purchase of tangible fixed assets		<b>(132,605)</b>	(280,222)
Purchase of investments		<b>(6,902,920)</b>	(7,439,092)
Proceed from sale of fixed assets		—	5,546,634
Proceeds from sale of investments		<b>1,734,392</b>	1,597,433
<b>Net cash (used in) investing activities</b>		<b>(4,731,429)</b>	(384,233)
<b>Change in cash and cash equivalents in the year</b>		<b>(3,345,676)</b>	796,993
<b>Cash and cash equivalents brought forward</b>	B	<b>9,508,018</b>	8,711,025
<b>Cash and cash equivalents carried forward</b>	B	<b>6,162,342</b>	9,508,018

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

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

	2022 £	2021 £
<b>Net income (as per the statement of financial activities)</b>	<b>258,531</b>	3,269,857
<b>Adjustments for:</b>		
Depreciation charge	<b>278,433</b>	268,791
Loss/(gain) on investments	<b>918,674</b>	(1,600,381)
Loss on disposal of fixed assets	<b>10,985</b>	—
Dividends, rents and interest from investments	<b>(569,705)</b>	(191,014)
(Increase) in debtors	<b>(12,248)</b>	(274,352)
Increase (decrease) in creditors	<b>501,083</b>	(291,675)
<b>Net cash provided by operating activities</b>	<b>1,385,753</b>	1,181,226

### B Analysis of changes in net debt

	1 January 2022 £	Movement in year £	31 December 2022 £
Cash at bank and in hand	8,608,680	(6,230,851)	<b>2,377,829</b>
Short term deposits	540,323	3,015,596	<b>3,555,919</b>
Cash held by investment manager	359,015	(130,421)	<b>228,594</b>
<b>Total cash and cash equivalents</b>	<b>9,508,018</b>	<b>(3,345,676)</b>	<b>6,162,342</b>

The accounting policies and notes on pages 27 to 44 form part of these financial statements.

**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 2022 and rounded to the nearest pound, with comparative information presented for the year ended 31 December 2021.

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 8 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.



**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.

## 1 Donations, legacies and gift aid

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
<b>Donations</b>						
Gift Aid recovered	321,813	—	321,813	361,317	—	361,317
Donations and legacies from individuals & trusts	6,993,488	—	6,993,488	6,439,434	—	6,439,434
Campus fund	—	10,000	10,000	—	10,000	10,000
Volunteer support fund	—	5,400	5,400	—	—	—
Stand Up	—	100,000	100,000	—	—	—
Streetwise	—	10,929	10,929	—	9,860	9,860
Volunteer awards fund	—	500	500	—	5,100	5,100
Research fund	—	50,000	50,000	—	50,000	50,000
Volunteer training fund	—	500	500	—	500	500
Non security expenditure fund	—	50,000	50,000	—	—	—
Countering digital hatred fund	—	65,200	65,200	—	—	—
Conference fund	—	—	—	—	3,000	3,000
CCTV Trust fund	—	150,000	150,000	—	150,000	150,000
<b>Total funds</b>	<b>7,315,301</b>	<b>442,529</b>	<b>7,757,830</b>	<b>6,800,751</b>	<b>228,460</b>	<b>7,029,211</b>

## 2 Income from charitable activities

	2022 £	2021 £
<b>Restricted funds</b>		
Home Office Protective Security Grant	13,924,650	15,991,996

## 3 Other trading income

	2022 £	2021 £
<b>Unrestricted funds</b>		
Brochure advertising income of CST Promotions Limited	—	286,083

## 4 Other income

	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Rental income	461,743	—	461,743	140,344
Investment income	107,650	312	107,962	50,670
Coronavirus Job Retention Scheme	—	—	—	60,243
	<b>569,393</b>	<b>312</b>	<b>569,705</b>	<b>251,257</b>

All other income in 2021 was unrestricted.

## 5 Expenditure on fundraising

	2022 £	2021 £
Unrestricted funds		
Support costs	6,675	5,615
Other costs	239,360	226,598
Staff costs	386,104	341,051
	<b>632,139</b>	<b>573,264</b>

## 6 Analysis of expenditure on charitable activities

### Summary by fund type

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Promote race relations, combat antisemitism and provide security	6,184,510	386,511	6,571,021	4,922,869	393,536	5,316,405
Home Office Protective Security Grant expenditure	—	13,871,820	13,871,820	—	15,990,260	15,990,260
	<b>6,184,510</b>	<b>14,258,331</b>	<b>20,442,841</b>	<b>4,922,869</b>	<b>16,383,796</b>	<b>21,306,665</b>

## 7 Analysis of expenditure by activities

	Activities undertaken directly £	Grant funding of activities £	Support costs £	2022 £
Promote race relations, combat antisemitism and provide security	5,175,040	—	1,395,981	6,571,021
Home Office Protective Security Grant	589,850	13,281,970	—	13,813,760
	<b>5,764,890</b>	<b>13,281,970</b>	<b>1,395,981</b>	<b>20,442,841</b>

All grants issued were made to institutions and not individuals. No support costs have been included within the total grants made of £13,337,513 (2021 - £15,540,260).

	Activities undertaken directly £	Grant funding of activities £	Support costs £	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
	<b>4,523,464</b>	<b>15,540,260</b>	<b>1,242,941</b>	<b>21,306,665</b>

## 7 Analysis of expenditure by activities (continued)

### Analysis of support costs

	2022		
	Raising funds £	Promote race relations, combat antisemitism and provide security £	Total funds £
Rent and rates	—	417,677	417,677
Travel and motor	—	91,041	91,041
Repairs and maintenance	—	37,723	37,723
Insurance	—	246,328	246,328
Marketing	—	160,666	160,666
Staff training	—	36,798	36,798
Other support costs	—	329,446	329,446
Governance costs	6,675	76,302	82,977
	<b>6,675</b>	<b>1,395,981</b>	<b>1,402,656</b>

	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
	<b>5,615</b>	<b>1,242,941</b>	<b>1,248,556</b>

## 8 Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor in respect of:		
Audit	29,286	24,258
Grant audit	4,176	3,798
All other non-audit services not included above	2,115	1,925

## 9 Staff costs

	2022 £	2021 £
Wages and salaries	<b>3,906,935</b>	3,764,001
Termination payments	—	56,399
Social security costs	<b>444,980</b>	403,260
Pension costs	<b>251,629</b>	238,228
	<b>4,603,544</b>	4,461,888

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

	2022 No.	2021 No.
Charitable activities	<b>88</b>	86
Fundraising	<b>8</b>	7
	<b>96</b>	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 2022 No.	Year ended 31 December 2021 No.
In the band £60,000 - £69,999	<b>6</b>	8
In the band £70,000 - £79,999	<b>5</b>	3
In the band £80,000 - £89,999	<b>1</b>	1
In the band £90,000 - £99,999	<b>2</b>	2
In the band £100,000-109,999	<b>1</b>	—
In the band £120,000 - £129,999	—	1
In the band £190,000 - £199,999	<b>1</b>	1

Benefits included in the above bandings exclude termination payments totalling £nil (2021 - £nil) 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 £1,047,626 (2021 - £941,223), comprising the CEO and a management team of 9 staff members.

## 10 Trustee remuneration and expenses

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

## 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 £
<b>Cost or valuation</b>			
At 1 January 2022	450,000	2,326,769	<b>2,776,769</b>
Additions	—	132,605	<b>132,605</b>
Disposals	—	(1,552,415)	<b>(1,552,415)</b>
At 31 December 2022	<u>450,000</u>	<u>906,959</u>	<u><b>1,356,959</b></u>
<b>Depreciation</b>			
At 1 January 2022	14,190	1,889,134	<b>1,903,324</b>
Charge for year	14,190	264,242	<b>278,432</b>
On disposals	—	(1,541,429)	<b>(1,541,429)</b>
At 31 December 2022	<u>28,380</u>	<u>611,947</u>	<u><b>640,327</b></u>
<b>Net book values</b>			
At 31 December 2022	<u>421,620</u>	<u>295,012</u>	<u><b>716,632</b></u>
At 31 December 2021	<u>435,810</u>	<u>437,635</u>	<u><b>873,445</b></u>

## 13 Investment property

	Freehold investment properties £
<b>Valuations</b>	
At 1 January 2022	<b>4,637,645</b>
Gain on revaluation	—
At 31 December 2022	<u><b>4,637,645</b></u>

**14 Fixed asset investments**

	Listed securities £	Unlisted securities £	Shares in subsidiary companies £	Total £
<b>Valuations</b>				
<b>At 1 January 2022</b>	7,207,187	—	100	<b>7,207,287</b>
Additions	6,902,920	—	—	<b>6,902,920</b>
Disposals at book value (proceeds £1,734,393 and realised losses £74,364)	(1,808,757)	—	—	<b>(1,808,757)</b>
Revaluations	(844,309)	—	—	<b>(844,309)</b>
<b>At 31 December 2022</b>	<b>11,457,041</b>	<b>—</b>	<b>100</b>	<b>11,457,041</b>
<b>Carrying value at 31 December 2022</b>				
Investment holdings	11,457,041	—	100	<b>11,457,141</b>
Cash held by investment managers	228,594	—	—	<b>228,594</b>
	<b>11,685,635</b>	<b>—</b>	<b>100</b>	<b>11,685,735</b>
<b>Carrying value at 31 December 2021</b>				
Investment holdings	7,207,187	—	100	<b>7,207,287</b>
Cash held by investment managers	359,015	—	—	<b>359,015</b>
	<b>7,566,202</b>	<b>—</b>	<b>100</b>	<b>7,566,302</b>
<b>Cost</b>				
<b>At 31 December 2022</b>	<b>12,154,249</b>	<b>—</b>	<b>100</b>	<b>12,154,349</b>
At 31 December 2021	7,172,202	—	100	<b>7,172,302</b>

At 31 December, 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.

	2022 £
Cazenove Responsible Multi-Asset Fund	<b>4,966,828</b>
1% European Investment Bank Snr Reg	<b>213,540</b>
Microsoft Corp	<b>227,678</b>
Robeco Capital Growth Funds	<b>276,215</b>
Royal Mint Physical Gold ETC Securities	<b>273,295</b>
Stewart Investors Asia Pacific Leaders Sustainability Fund B	<b>233,477</b>
Columbia Threadneedle Opportunity Inv UK Social Bond Fund 2	<b>339,066</b>

**Principal subsidiaries**

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

#### 14 Fixed asset investments (continued)

	2022 £	2021 £
Debtors	31,208	34,958
Cash at bank	203,241	59,300
Creditors	(241,065)	(94,158)
<b>Net (liabilities) assets</b>	<b>(6,616)</b>	<b>100</b>

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

	2022 £	2021 £
Income	—	286,083
Cost of sales	—	(3,155)
Administrative costs	(6,716)	(8,628)
	<b>(6,716)</b>	<b>274,300</b>

#### 15 Debtors

	Group		Charity	
	31 December 2022 £	31 December 2021 £	31 December 2022 £	31 December 2021 £
<b>Due within one year</b>				
Donations receivable	511,181	362,353	511,181	362,353
Amounts owed by group undertaking	—	—	744	40,544
Other debtors	96,716	243,451	65,508	208,493
Prepayments and accrued income	449,671	408,723	449,671	408,723
Home Office grant commitments	2,368,733	2,359,110	2,368,733	2,359,110
	<b>3,426,301</b>	<b>3,373,637</b>	<b>3,395,837</b>	<b>3,379,223</b>

#### 16 Short term deposits

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Cash equivalents on deposit	3,555,919	540,323	3,555,919	540,323



**17 Creditors: Amounts falling due within one year**

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Security enhancement project creditors	<b>280,016</b>	118,323	<b>280,016</b>	118,323
Trade creditors	<b>121,811</b>	137,161	<b>121,811</b>	134,971
Other taxation and social security	<b>136,272</b>	117,885	<b>134,551</b>	114,251
Home Office grant commitments	<b>2,503,187</b>	2,393,996	<b>2,503,187</b>	2,393,996
Accruals and deferred income	<b>536,496</b>	268,919	<b>297,896</b>	221,129
	<b>3,577,782</b>	3,036,284	<b>3,337,451</b>	2,982,670

**18 Financial instruments**

***Financial assets***

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Financial assets measured at amortised costs	<b>2,465,450</b>	2,602,561	<b>2,434,242</b>	2,608,147

***Financial liabilities***

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Financial liabilities measured at amortised costs	<b>3,182,805</b>	2,856,560	<b>2,942,484</b>	2,868,419

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 2022 £	Income £	Expenditure £	Transfer in/out £	Gains/ (losses) £	Balance at 31 December 2022 £
<b>Endowment fund</b>	5,359,307	76,425	(284,993)	—	—	<b>5,150,739</b>
<b>Designated funds</b>						
Security enhancements	1,800,000	—	—	—	—	<b>1,800,000</b>
Fixed asset fund	873,445	—	(278,433)	121,620	—	<b>716,632</b>
Investment property fund	4,637,645	—	—	—	—	<b>4,637,645</b>
	<u>12,670,397</u>	<u>76,425</u>	<u>(563,426)</u>	<u>121,620</u>	<u>—</u>	<u><b>12,305,016</b></u>
<b>General funds</b>	<u>9,646,302</u>	<u>7,808,268</u>	<u>(6,253,222)</u>	<u>(121,620)</u>	<u>(918,674)</u>	<u><b>10,161,054</b></u>
<b>Total unrestricted funds</b>	<u>22,316,699</u>	<u>7,884,694</u>	<u>(6,816,648)</u>	<u>—</u>	<u>(918,674)</u>	<u><b>22,466,070</b></u>
<b>Restricted funds</b>						
Home Office Protective Security Grant	113,024	13,924,650	(13,871,820)	—	—	<b>165,854</b>
Aggregated smaller restricted grants	<u>133,925</u>	<u>442,841</u>	<u>(386,511)</u>	<u>—</u>	<u>—</u>	<u><b>190,255</b></u>
<b>Total restricted funds</b>	<u>246,949</u>	<u>14,367,491</u>	<u>(14,258,331)</u>	<u>—</u>	<u>—</u>	<u><b>356,109</b></u>
<b>Total of funds</b>	<u>22,563,648</u>	<u>22,252,184</u>	<u>(21,074,979)</u>	<u>—</u>	<u>(918,674)</u>	<u><b>22,822,179</b></u>

**19 Statement of funds (continued)**

## Statement of funds – prior year

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

<b>Group</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	716,632	—	716,632	873,445	—	873,445
Fixed asset investments	11,685,635	—	11,685,635	7,566,202	—	7,566,202
Investment property	4,637,645	—	4,637,645	4,637,645	—	4,637,645
Current assets	6,460,338	2,859,295	9,319,633	8,867,931	3,654,709	12,522,640
Creditors due within one year	(1,034,180)	(2,503,186)	(3,537,366)	(567,288)	(2,468,996)	(3,036,284)
<b>Total</b>	<b>22,466,070</b>	<b>356,109</b>	<b>22,822,179</b>	<b>21,377,935</b>	<b>1,185,713</b>	<b>22,563,648</b>

<b>Charity</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2022</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	716,632	—	716,632	873,445	—	873,445
Fixed asset investments	11,685,735	—	11,685,735	7,566,302	—	7,566,302
Investment property	4,637,645	—	4,637,645	4,637,645	—	4,637,645
Current assets	6,226,633	2,859,295	9,085,928	8,814,217	3,654,709	12,468,926
Creditors due within one year	(793,859)	(2,503,186)	(3,297,045)	(513,674)	(2,468,996)	(2,982,670)
<b>Total</b>	<b>22,472,786</b>	<b>356,109</b>	<b>22,828,895</b>	<b>21,377,935</b>	<b>1,185,713</b>	<b>22,563,648</b>

**21 Pension commitments**

The pension charge per the accounts represents contributions paid by the Charity for the year and amounted to £251,629 (2021 - £238,228) 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:

	2022 £	2021 £
Less than 1 year	356,538	308,477
1-5 years	1,303,657	1,207,681
More than 5 years	4,871,889	5,186,964
	<b>6,532,084</b>	<b>6,703,122</b>

The Group sold its main office in the prior year and entered into a 20-year lease. Total operating lease payments recognised as an expense in the year was £366,961 (2021 - £294,617).

## 23 Operating lease – lessor

	2022 £	2021 £
Within 1 year	426,645	456,085
Between 1 and 5 years	1,603,345	1,626,325
After 5 years	3,521,385	3,912,650
	<b>5,551,375</b>	<b>5,995,060</b>

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.

**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 £nil (2021 - £274,300). As at 31 December 2022 the trading subsidiary CST Promotions Limited owed £744 to the Charity, (2021- the subsidiary owed £40,544 to the Charity).

During the year, the Charity received donations totalling £512,650 (2021 - £509,300) from 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 (2021 - £18,500), The terms of the lease are consistent with leases made to unconnected entities.