

# **Community Security Trust**

## **Annual report and consolidated accounts**

31 December 2023

Scottish Charity Registration Number  
SC043612

Charity Registration Number  
1042391 (England and Wales)

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Reference and administrative information

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

## **Trustee's report Year to 31 December 2023**

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 2023.

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.

## 2.3 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.

## 2.4 Group Companies

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

## 3. PUBLIC BENEFIT

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

#### 4. KEY STAFF

The Trustee Board of Directors meets on a regular basis, to agree the strategy and areas of activity for CST, including consideration 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 principal objectives 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 assist 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 2023, 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*".

The focal point of 2023 was the Hamas terror attack against Israel on 7 October and the significant impact on Jewish communities around the world, including the British Jewish community. The terror attack, and subsequent war between Israel and Hamas, triggered an unprecedented wave of anti-Jewish hatred across the UK; increased Jewish communal security concerns; and intensified Jewish communal vulnerability; and damaged community cohesion initiatives.

CST responded across all elements of its operation and mission including reassuring and protecting British Jews; intensifying Jewish communal security; protecting Jewish communal demonstrations; increasing CST funding for Jewish communal security measures; engaging extensively with Police and Government; and working to improve wider community relations. In order to meet these demands, CST increased the CST staffing capacity with both short term and permanent hires.

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

CST has over 100 full and part-time staff based in offices in London, Manchester and Leeds. CST also has over 2,000 volunteers who carry out security duties at Jewish communities and events throughout the UK.

Under the terms of a formal agreement with the Home Office, CST managed a £15 million Government Grant. CST is not the primary beneficiary of the Grant. Rather, the role of CST is to administer the distribution of the Grant to third parties, those being the hundreds of schools, synagogues and other Jewish communal locations that receive the Grant that contributes towards their security guarding costs. The Grant was increased to £18 million by the Home Office in response to the increase in antisemitism and security concerns following the 7 October attacks in Israel and subsequent Israel-Hamas war. The continuation of the Grant at £18 million was announced by the Prime Minister in 2024 alongside a multi-year commitment – for four further years - and is 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 thousands of reports (by telephone, email, social media etc). These are received from members of the public and also as part of sharing agreements

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

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, 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 it can best be combatted.

CST's *Annual Antisemitic Incidents Report 2023* recorded 4,103 antisemitic incidents in the UK which is the highest total ever reported to CST in a single calendar year. It was over double the 1,662 incidents recorded in 2022 and 81% higher than the previous annual record high of 2,261 incidents, reported in 2021.

The record total in 2023 was due to the sheer volume of antisemitism perpetrated across the UK following Hamas' attack on Israel on 7 October 2023. Of the 4,103 instances of anti-Jewish hate reported, 2,699 (i.e. 66%) came on or after 7 October. This total, in three months from October to December, exceeds any previous high for an entire year. It is nearly six times higher than the 392 incidents reported to CST over the same period in 2022.

The worst single week of antisemitism was immediately after the Hamas outrage of 7 October, before any meaningful Israeli response had occurred. In this first week, 416 incidents were reported to CST, an average of 59 incidents per day: compared to five incidents a day from January to October. By the end of 2023, CST's daily average was 31 incidents.

The rise in antisemitism is not only due to the war that began on 7 October. CST recorded over 100 incidents in every month of 2023. Indeed, prior to October, CST was averaging 152 incidents per month. This was higher than the monthly average of 139 incidents reported in 2022 and indicates that antisemitic incidents were already increasing compared to the previous year.

In the longer term, the monthly totals in 2023 continue the pattern of historically high antisemitic incident totals recorded in the last eight years. Since April 2016, monthly totals have only dipped below 100 on four occasions, whereas they exceeded 100 just six times between January 2006 and March 2016.

In 2023, 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

Throughout 2023, as in previous years, CST has continued to work with Government, politicians and civil servants to ensure that Jewish communal concerns regarding terrorism, antisemitism, policing and security are properly understood and tackled. CST has always worked across the political spectrum regarding Jewish communal security and defence needs.

CST's cross communal model, its security expertise, research and analysis, are all repeatedly cited by national and local government as an example of best practice. CST is proud and keen to share its example for the benefit of all parts of British society.

CST is often the first contact for Government when it seeks to understand the impact upon British Jews of local or international crises. As the key Jewish communal interlocutor on antisemitism and extremism, CST maintained constant engagement at all levels of Government, and across all political parties, providing expert briefings and insight following the post 7 October crisis. This included numerous engagements with the Prime Minister, two Home Secretaries, a host of relevant Ministers and their shadows; and at senior levels across regional Government structures, including with leading UK mayors.

Throughout 2023, CST was consulted on Government policies, including the Online Safety Bill before becoming law in September; and the development of the 'Protect Duty' (or 'Martyn's Law') which seeks a coherent and proportionate approach to protective security following the Manchester Arena terror attack in 2017.

CST works closely with the Government's Counter Extremism strategy (Prevent), helping support counter-extremism measures and improve community cohesion. Similarly, CST continues to work closely with the Commission for Countering Extremism, and with specialist units within the Home Office that research and monitor extremism in the UK.

CST submitted expert opinion to various inquiries and consultations, including the Independent Review of Prevent (the Government's counter extremism and radicalisation strategy) that recognised antisemitism as a key element across all forms of extremism.

Senior CST staff also briefed the Home Affairs Select Committee, both privately and during public oral evidence sessions on various occasions throughout 2023.

### Working with Police

CST's close working partnership with police forces across the UK is widely regarded as the best example of its type, both nationally and internationally. This helps to reinforce the close relationship between Jewish communities and their local police services.

CST's work with the police includes sharing of expertise and intelligence regarding threats to the Jewish community and other parts of society. This work has contributed to investigations, arrests and convictions for terrorism-related activity. It has helped to prevent terrorist attacks.

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

Regarding physical security protection, CST and the police work closely on joint security operations for Jewish community events, joint patrols on Shabbat and Jewish festivals, shared training exercises, information exchanges, and regular consultations on community policing and security operations.

During times of heightened alert, such as during the period following 7 October or special operations, police officers have been posted to CST's National Security Control Centre. This ensures immediate intelligence sharing and a close partnership approach to joint operations.

In addition, CST and police jointly deployed on many operations throughout 2023, both for regular communal activities (such as weekly synagogue services) and for special events, including public demonstrations. When needed, police attended regular flashpoints, such as nearby schools and transport hubs.

CST participates in numerous advisory groups, whereby the police consult with a range of local representative bodies from all communities.

CST is proud to assist the police in understanding and tackling hate crime, preventing terrorism against the Jewish community, and providing practical solutions and reassurance to Jewish communities, which may also contain valuable suggestions for police relations with other communities. CST is grateful for the support and encouragement that it receives from police officers of all ranks in its work.

CST runs regular virtual and in-person seminars for police officers and staff covering topics such as 'understanding the threat', 'CST's role and expertise', 'Jewish customs and traditions' together with 'practical policing tips'. CST's booklet, A Police Officer's Guide to Judaism, is now in its sixth edition and explains Jewish practice and custom, relevant to those working with Jews and Jewish communities.

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

In March 2023, the Jewish Community Protective Security Grant for 2023/24 was increased to £15 million, an increase of £1 million from the previous grant year. Following the events of the 7 October, the Government pledged a further £3 million Emergency fund to add extra security provision to existing and new grant recipients.

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 administrator and distributor of the Grant from the Home Office and acts as the conduit providing funding from the Government to approved Jewish locations by means of sub-grants. In 2023, Home Office Protective Security Grant income was £17,368,546 (2022: £13,924,650) and expenditure relating to the Grant amounted to £17,208,622 (2022: £13,871,820), of which £290,893 (2022: £129,709) was allocated to the Security Enhancement Project detailed below.

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

The importance of this project lies in both the security that it provides, and also in the reassurance that it gives to Jewish communities. CST manages the Grant because of its reach, infrastructure and trusted relationship with the Government, civil servants and Jewish communal recipients.

In 2023, over 200 Jewish schools, over 270 synagogues and 47 other Jewish communal locations benefitted directly from the Grant, as well as youth summer and winter camps. In addition, a further 150 community locations were covered by multi-site operations funded by the Grant.

CST staff visit schools, synagogues and other community locations 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 2023, CST continued its Protective Windows Project and Security Enhancement Project. These are the projects by which CST makes a financial contribution to help provide physical security equipment at many hundreds of UK Jewish communal buildings. Since the projects began in 2006, CST has donated over £18.6 million for such works. In 2023, over 94 Jewish locations received CST donations, with over 160 measures undertaken, such as reinforced doors, windows, gates and CCTV systems. The project aims constantly to 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.

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 is shared with other faith 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. It provides 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 faith 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 seminars cover many 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', 'Online security' and 'Hate crime'.

In 2023, SAFE delivered 202 in-person security talks and online webinars to 4,181 people representing 514 different places of worship. From its inception to the end of 2023, SAFE has delivered 515 in-person security talks and webinars to 11,183 people representing 3,276 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 practice intercommunal relationships. In 2023, Stand Up! reached over 22,000 young people, through 540 sessions held at 84 mainstream schools.

Streetwise is another long-term programme 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.

## **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.

In 2023, CST recruited, trained and managed many more people than in any previous year. This was especially the case after 7 October. This led to the largest ever CST training courses taking place simultaneously across London, Manchester, and Leeds, resulting in a huge boost to the number of volunteers assisting in the protection of the Jewish community, from synagogues to communal demonstrations.

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 to its volunteer base.

Safeguarding is a key priority for CST. As such, the charity has an organised and methodical approach to ensuring compliance with applicable safeguarding legislation. This includes (but is not limited to) the assessment of risk, the provision of training, the regular review of all policies, practices and procedures, the use of DBS checks for all relevant positions, and clear instructions regarding the reporting and recording of any safeguarding incidents, concerns or occurrences.

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

CST's dedicated Campus Team supports 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 2023 the team visited Jewish students at more than twenty-five different campuses around the country.

CST strengthened this campus work throughout 2023, but especially after 7 October, when the ensuing war between Hamas and Israel saw a surge of antisemitism against Jewish students and academics. CST's job is to help protect and support these students and academics who find themselves subject to antisemitic vitriol and exclusion.

CST also helps educate university staff on matters relating to antisemitism and what they should do in order to help protect their Jewish students and staff. This includes working with campus staff who are responsible for Equality, Diversity and Inclusion policies. CST

### **6.7. Campus Security and Campus Antisemitism (continued)**

also works with campus heads and university security officials regarding their responses to complaints of antisemitism.

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.

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

CST has general oversight for the UK Jewish community's crisis planning and response, especially in the event of a major terrorist incident. This includes 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, as was the case after 7 October.

### **6.9. Policy and Defence**

In 2023, 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 2023, the UK suffered 20 terrorist attacks, whilst at least 39 late-stage plots were foiled by police and security agencies. 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.

For many years, CST has also emphasised the persistent threat of Iranian and Hizbollah terrorism. Since January 2022, UK authorities have foiled at least 15 plots to kidnap or kill UK-based individuals considered enemies of the regime, primarily aimed at Persian-language media outlets and Iranian journalists.

#### 6.9. Policy and Defence (continued)

Since the Hamas mass murders in Israel on 7 October 2023, threats against British Jews have increased significantly. Within days of the attacks, the head of MI5 said that security services are "absolutely alert" to the possibility that the conflict in Gaza could inspire individuals in the UK to plan attacks. Similarly, Metropolitan Police Assistant Commissioner Matt Jukes, the head of UK Counter Terrorism Policing, warned that the Middle East conflict could galvanise individuals to plan acts of violence.

In response to the growing threat posed by antisemitic extremists, including would-be terrorists, in 2023 CST continued investing in staff equipment and training to identify and disrupt such illegal activities, most importantly by alerting police.

CST's expertise in 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

CST's future plans are dictated by its needing to respond to the reality of heightened antisemitism in a post 7 October world. Above all, CST must sustain its heightened levels of work across the organisation.

The sharp increase in antisemitic incidents means CST has employed more staff members in the Incidents team, to give a good service to every victim of antisemitism who contacts CST.

The rise in threat level means CST must provide more security in both additional security personnel and further security equipment.

More members of staff are now employed in community security liaison roles, dealing with schools, synagogues and other communal buildings, and in the specialist security equipment team, providing advice and funding for continual equipment upgrades at communal buildings.

Volunteers are the key to CST being able to keep meeting the extra workload imposed by post 7 October conditions. The retention, motivation and training of volunteers is paramount. With many hundreds of new volunteers having joined CST since 7 October, internal restructuring has also been required, with new levels of team leaders and management being instituted.

The expanded workload, additional staff and purchasing of specialist equipment for many hundreds of new volunteers, will cost CST an extra £2 million in 2024.

## **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 2023 of £3,508,342 (2022: £258,531). The main reasons for this surplus were (1) the increase in donations following the 7 October terrorist attack on Israel (which came late in the year, so CST was not yet able to extend fully its operations) and (2) net gains on investments this year of £1,074,239 compared to the net loss of £918,674 in 2022. The net income for the year before investment gains and losses, was £2,434,103 (2022: £1,177,205).

### **8.2. Income**

The Statement of Financial Activities reports incoming resources during the year of £11,128,774 (2022: £8,327,535) from fundraising and investments, and £17,368,546 (2022: £13,924,650) Home Office Grant administered and distributed by CST for professional security guarding at community buildings. This was higher than in the previous year because of an additional emergency grant of £3,000,000 that was made available in the last 3 months of the year.

### **8.3 Expenditure**

Total expenditure amounted to £26,063,217 (2022: £21,074,980), of which £17,208,622 related to the Home Office Grant (2022: £13,871,820).

Expenditure on raising funds in the year totalled £991,926 (2022: £632,139) as this was the first year since 2019 that a full programme of in-person events was scheduled.

Charitable activities in promoting race relations, combatting antisemitism and providing security, including head office costs, was £7,862,869 (2022: £6,571,021).

### **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 £11,000,000 to £16,500,000. 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, the Charity will be able to continue its current activities whilst consideration is given to ways in which additional funds may be raised and costs reduced.

Free reserves at 31 December 2023 amounted to £12,257,228 (2022: £10,161,054), which in 2023 was in line with the reserves policy as set out above.



#### **8.4. Reserves and reserves policy (continued)**

Funds designated for purposes as detailed in note 19 to the accounts amounted to £12,604,875 (2022: £12,305,016).

Total restricted funds of £1,468,418 (2022: 356,109) were made up of non-government restricted funds of £1,142,640 (2022: £190,255 ) and restricted government funds £325,778 (2022: £165,854).

Total funds and net assets at 31 December 2023 amounted to £26,330,521 (2022: £22,822,179).

#### **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, and this was more than achieved this year.

### **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 predominantly from the UK's Jewish community. Should a large pledge be received from a new donor, appropriate compliance checks are undertaken in accordance with CST policies. CST also seeks to secure funding from legacies from the UK Jewish Community.

Methods of fundraising 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 its work. CST does not cold call. For the first time since the pandemic began, in 2023 a full programme of in-person events was possible, beginning in March with CST's first Annual Dinner since 2019.

## **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 areas such as marketing and information technology.

## **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 2023, CST had no complaints to its Fundraising Department or in relation to its 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 CST's 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**

A well-attended Annual Dinner in March constituted a strong start to the year, and this was followed by other events including lunches in London and Manchester.

Immediately following the 7 October terrorist attack on Israel, and in anticipation of a surge of antisemitism in the UK, it was clear that there would be a need for CST to ramp up its services and thus incur a high level of previously unforeseen costs.

From the day of the attack itself and for the rest of the year, many hundreds of unsolicited donations were received, including a large number from new donors as well as from outside the Jewish community. That, and an already-planned direct mail campaign at the end of November, led to a level of charitable income far above any previously experienced by CST.

## 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; fall in investments; increase in debtors; fraud; cyber-attack and pandemic.

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

Four of the primary risks identified by CST as being amongst the key risks during 2023, 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; 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.

## 10. RISK MANAGEMENT (continued)

### **Risk 2: Cyber-hacking**

Details of risk: A cyber-attack against CST's IT system, motivated by either criminal or antisemitic intent 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: Serious injury or death to volunteer or staff in the line of duty and/or community members or general members of the public.**

Details of risk: This could be as the result of a successful terror attack against an event or venue that CST is protecting. Consequences could include significant loss of confidence in CST by the community, partner organisations and supporters, leading to a lack of funding and a refusal to work with CST. Also, CST would likely become the subject of multiple investigations, and it could face civil action by the victims. Possible sanctions or restrictions could be placed on CST activities, and there could be a significant loss of morale amongst staff and volunteers.

Key controls: Planning and preparation including risk assessments and relevant management experience is used to guide the appropriate level of security required for each event. Operational plans are developed for each event or community location to direct the use of security personnel or other security measures. Information, training and supervision are provided to all volunteers to ensure preparedness and readiness to respond to preattack indicators, to mitigate or prevent the risk of an attack being successful. First Aid provisions are in place for each event to help minimise injuries. CST maintains and develops an operational partnership with police, which includes information and intelligence sharing and joint operations where necessary. Trauma First Aid care training programme is regularly delivered to volunteers.

### **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  
by:

and signed on their behalf

Trustee

16/09/24.

## 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 2023 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 2023 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: 17 September 2024

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 2023

	Notes	Year ended 31 December 2023			Year ended 31 December 2022		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income from:</b>							
Donations, legacies and gift aid	1	8,935,725	1,145,630	10,081,355	7,315,301	442,529	7,757,830
Charitable activities	2						
· Home Office Protective Security Grant income		—	17,368,546	17,368,546	—	13,924,650	13,924,650
Other trading activities	3	272,750	—	272,750	—	—	—
Investment income		269,402	613	270,015	107,650	312	107,962
Other income	4	504,654	—	504,654	461,743	—	461,743
<b>Total income</b>		<b>9,982,532</b>	<b>18,514,789</b>	<b>28,497,320</b>	<b>7,884,694</b>	<b>14,367,491</b>	<b>22,252,185</b>
<b>Expenditure on:</b>							
Raising funds	5	991,926	—	991,926	632,139	—	632,139
Charitable activities	6,7						
· Promote race relations, combat antisemitism and provide security		7,168,811	693,858	7,862,669	6,184,510	386,511	6,571,021
· Home Office Protective Security Grant expenditure		—	17,208,622	17,208,622	—	13,871,820	13,871,820
<b>Total expenditure</b>		<b>8,160,737</b>	<b>17,902,480</b>	<b>26,063,217</b>	<b>6,816,649</b>	<b>14,258,331</b>	<b>21,074,980</b>
<b>Net gains/(loss) on investments</b>		<b>1,074,239</b>	<b>—</b>	<b>1,074,239</b>	<b>(918,674)</b>	<b>—</b>	<b>(918,674)</b>
<b>Net income</b>		<b>2,896,033</b>	<b>612,309</b>	<b>3,508,342</b>	<b>149,371</b>	<b>109,160</b>	<b>258,531</b>
<b>Transfers between funds</b>	19	<b>(500,000)</b>	<b>500,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net income before other recognised gains and losses</b>		<b>2,396,033</b>	<b>1,112,309</b>	<b>3,508,342</b>	<b>149,371</b>	<b>109,160</b>	<b>258,531</b>
<b>Other recognised gains</b>							
Gains on revaluation of fixed assets	12	—	—	—	—	—	—
<b>Net movement in funds</b>		<b>2,396,033</b>	<b>1,112,309</b>	<b>3,508,342</b>	<b>149,371</b>	<b>109,160</b>	<b>258,531</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		22,466,070	356,109	22,822,179	22,316,699	246,949	22,563,648
Net movement in funds		2,396,033	1,112,309	3,508,342	149,371	109,160	258,531
<b>Total funds carried forward</b>		<b>24,862,103</b>	<b>1,468,418</b>	<b>26,330,521</b>	<b>22,466,070</b>	<b>356,109</b>	<b>22,822,179</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 2023

	Notes	Consolidated		Charity	
		2023 £	2022 £	2023 £	2022 £
<b>Fixed assets</b>					
Tangible assets	12	648,391	716,632	648,391	716,632
Investment property	13	4,637,645	4,637,645	4,637,645	4,637,645
Investments	14	15,466,487	11,685,635	15,466,587	11,685,735
		<u>20,752,523</u>	<u>17,039,912</u>	<u>20,752,623</u>	<u>17,040,012</u>
<b>Current assets</b>					
Debtors	15	6,152,574	3,426,301	6,135,383	3,395,837
Short term deposits	16	3,472,609	3,555,919	3,472,609	3,555,919
Cash at bank and in hand		2,204,403	2,377,829	1,966,947	2,174,588
		<u>11,829,586</u>	<u>9,360,049</u>	<u>11,574,939</u>	<u>9,126,344</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(6,251,588)</u>	<u>(3,577,782)</u>	<u>(5,997,041)</u>	<u>(3,337,461)</u>
<b>Net current assets</b>		<u>5,527,998</u>	<u>5,782,267</u>	<u>5,577,898</u>	<u>5,788,883</u>
<b>Total net assets</b>		<u>26,330,521</u>	<u>22,822,179</u>	<u>26,330,521</u>	<u>22,828,895</u>
<b>Charity funds</b>					
Restricted funds	19	1,468,418	356,109	1,468,418	362,825
Unrestricted funds					
. Designated funds		12,604,875	12,305,016	12,604,875	12,305,016
. General funds	19	12,257,228	10,161,054	12,257,228	10,161,054
<b>Total funds</b>		<u>26,330,521</u>	<u>22,822,179</u>	<u>26,330,521</u>	<u>22,828,895</u>

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

Trustee

Date: 16/09/24

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

## Consolidated statement of cash flows 31 December 2023

	Notes	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	1,701,046	1,385,753
<b>Cash flows from investing activities:</b>			
Dividends, interests and rents from investments		774,669	569,705
Purchase of tangible fixed assets		(156,328)	(132,605)
Purchase of investments		(7,037,470)	(6,902,920)
Proceeds from sale of investments		4,828,178	1,734,392
<b>Net cash (used in) investing activities</b>		<b>(1,590,951)</b>	<b>(4,731,429)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>110,095</b>	<b>(3,345,676)</b>
<b>Cash and cash equivalents brought forward</b>	B	<b>6,162,342</b>	<b>9,508,018</b>
<b>Cash and cash equivalents carried forward</b>	B	<b>6,272,437</b>	<b>6,162,342</b>

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

	2023 £	2022 £
<b>Net income (as per the statement of financial activities)</b>	<b>3,508,342</b>	<b>258,531</b>
<b>Adjustments for:</b>		
Depreciation charge	224,568	278,433
(Gain)/loss on investments	(1,074,239)	918,674
Donation of unlisted investments	(130,489)	—
Loss on disposal of fixed assets	—	10,985
Dividends, rents and interest from investments	(774,669)	(569,705)
(Increase) in debtors	(2,726,273)	(12,248)
Increase in creditors	2,673,806	501,083
<b>Net cash provided by operating activities</b>	<b>1,701,046</b>	<b>1,385,753</b>

### B Analysis of changes in net debt

	1 January 2023 £	Movement in year £	31 December 2023 £
Cash at bank and in hand	2,377,829	(173,426)	2,204,403
Short term deposits	3,555,919	(83,310)	3,472,609
Cash held by investment manager	228,594	366,831	595,425
<b>Total cash and cash equivalents</b>	<b>6,162,342</b>	<b>110,095</b>	<b>6,272,437</b>

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

## Principal accounting policies 31 December 2023

### 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 2023 and rounded to the nearest pound, with comparative information presented for the year ended 31 December 2022.

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.

## Principal accounting policies 31 December 2023

### **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 Enhancement 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.

## Principal accounting policies 31 December 2023

### **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.

## Principal accounting policies 31 December 2023

### **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 held to generate income or for their investment potential.

Listed fixed asset investments are initially recognised at their transaction cost and subsequently measured at market value at the Balance Sheet date.

Unlisted fixed asset investments are initially measured at cost, unless they are donated investments, in which case they are measured at fair value, which is the Charity's share of the net assets less an appropriate discount. Subsequently, they are measured at fair value at the Balance Sheet date, unless fair value cannot be reliably measured, in which case they are 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.



## **Principal accounting policies 31 December 2023**

### **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.

## Notes to the accounts 31 December 2023

### 1 Donations, legacies and gift aid

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
<b>Donations</b>						
Gift Aid recovered	342,530	—	342,530	321,813	—	321,813
Donations and legacies from individuals & trusts	8,593,195	—	8,593,195	6,993,488	—	6,993,488
Campus fund	—	10,000	10,000	—	10,000	10,000
Volunteer support fund	—	9,630	9,630	—	5,400	5,400
Stand Up!	—	200,000	200,000	—	100,000	100,000
Streetwise	—	—	—	—	10,929	10,929
Volunteer awards fund	—	5,000	5,000	—	500	500
Research fund	—	—	—	—	50,000	50,000
Volunteer training fund	—	—	—	—	500	500
Non security expenditure fund	—	50,000	50,000	—	50,000	50,000
AV systems fund	—	15,000	15,000	—	—	—
Countering digital hatred fund	—	106,000	106,000	—	65,200	65,200
OSINT Fund	—	600,000	600,000	—	—	—
CCTV Trust fund	—	150,000	150,000	—	150,000	150,000
<b>Total funds</b>	<b>8,935,725</b>	<b>1,145,630</b>	<b>10,081,355</b>	<b>7,315,301</b>	<b>442,529</b>	<b>7,757,830</b>

### 2 Income from charitable activities

	2023 £	2022 £
<b>Restricted funds</b>		
Home Office Protective Security Grant	17,368,546	13,924,650

### 3 Other trading income

	2023 £	2022 £
<b>Unrestricted funds</b>		
Brochure advertising income of CST Promotions Limited	272,750	—

### 4 Other income

	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Rental income	504,654	—	504,654	461,743
	<b>504,654</b>	<b>—</b>	<b>504,654</b>	<b>461,743</b>

## Notes to the accounts 31 December 2023

### 5 Expenditure on fundraising

	2023 £	2022 £
Unrestricted funds		
Support costs	8,688	6,675
Other costs	516,958	239,360
Staff costs	466,280	386,104
	<u>991,926</u>	<u>632,139</u>

### 6 Analysis of expenditure on charitable activities

#### Summary by fund type

	2023			2022		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Promote race relations, combat antisemitism and provide security	7,168,811	693,858	7,862,669	6,184,510	386,511	6,571,021
Home Office Protective Security Grant expenditure	—	17,208,622	17,208,622	—	13,871,820	13,871,820
	<u>7,168,811</u>	<u>17,902,480</u>	<u>25,071,291</u>	<u>6,184,510</u>	<u>14,258,331</u>	<u>20,442,841</u>

### 7 Analysis of expenditure by activities

	Activities undertaken directly £	Grant funding of activities £	Support costs £	2023 £
Promote race relations, combat antisemitism and provide security	6,279,277	—	1,583,392	7,862,669
Home Office Protective Security Grant	497,917	16,710,705	—	17,208,622
	<u>6,777,194</u>	<u>16,710,705</u>	<u>1,583,392</u>	<u>25,071,291</u>

All grants issued were made to institutions and not individuals. No support costs have been included within the total grants made of £16,710,705 (2022 - £13,281,970).

	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	—	13,871,820
	<u>5,764,890</u>	<u>13,281,970</u>	<u>1,395,981</u>	<u>20,442,841</u>

Notes to the accounts 31 December 2023

7 Analysis of expenditure by activities (continued)

Analysis of support costs

	2023		
	Raising funds £	Promote race relations, combat antisemitism and provide security £	Total funds £
Rent and rates	—	457,515	457,515
Travel and motor	—	103,103	103,103
Repairs and maintenance	—	60,048	60,048
Insurance	—	249,064	249,064
Marketing	—	163,401	163,401
Staff training	—	54,491	54,491
Other support costs (mostly office costs)	—	420,590	420,590
Governance costs	8,688	75,180	83,868
	<b>8,688</b>	<b>1,583,392</b>	<b>1,592,080</b>

	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 (mostly office 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>

8 Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor in respect of:		
Audit	33,186	29,286
Grant audit	4,800	4,176
All other non-audit services not included above	2,700	2,115

## Notes to the accounts 31 December 2023

### 9 Staff costs

	2023 £	2022 £
Wages and salaries	4,418,474	3,906,935
Social security costs	482,576	444,980
Pension costs	286,492	251,629
	<b>5,187,542</b>	<b>4,603,544</b>

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

	2023 No.	2022 No.
Charitable activities	92	88
Fundraising	9	8
	<b>101</b>	<b>96</b>

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 2023 No.	Year ended 31 December 2022 No.
In the band £60,000 - £69,999	5	6
In the band £70,000 - £79,999	9	5
In the band £80,000 - £89,999	2	1
In the band £90,000 - £99,999	—	2
In the band £100,000 - 109,999	3	1
In the band £190,000 - £199,999	—	1
In the band £200,000 - £209,999	1	—

Benefits included in the above bandings exclude termination payments totalling £nil (2022 - £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 £1,128,317 (2022 - £1,047,626), comprising the CEO and a management team of 9 staff members.

## Notes to the accounts 31 December 2023

### 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 2023	450,000	906,959	1,356,959
Additions	—	156,328	156,328
Disposals	—	—	—
At 31 December 2023	450,000	1,063,287	1,513,287
<b>Depreciation</b>			
At 1 January 2023	28,380	611,947	640,327
Charge for year	14,191	210,378	224,569
On disposals	—	—	—
At 31 December 2023	42,571	822,325	864,896
<b>Net book values</b>			
At 31 December 2023	407,429	240,962	648,391
At 31 December 2022	421,620	295,012	716,632

### 13 Investment property

	Freehold investment properties £
<b>Valuations</b>	
At 1 January 2023	4,637,645
Gain on revaluation	—
At 31 December 2023	4,637,645

## Notes to the accounts 31 December 2023

### 14 Fixed asset investments

	Listed securities £	Unlisted securities £	Shares in subsidiary companies £	Total £
<b>Valuations</b>				
<b>At 1 January 2023</b>	11,457,041	—	100	11,457,141
Additions	7,037,470	130,489	—	7,167,959
Disposals at book value (proceeds £4,828,178 and realised gains £127,785)	(4,700,393)	—	—	(4,700,393)
Revaluations	946,455	—	—	946,455
<b>At 31 December 2023</b>	<b>14,740,573</b>	<b>130,489</b>	<b>100</b>	<b>14,871,162</b>
<b>Carrying value at 31 December 2023</b>				
Investment holdings	14,740,573	130,489	100	14,871,162
Cash held by investment managers	595,425	—	—	595,425
	<b>15,335,998</b>	<b>130,489</b>	<b>100</b>	<b>15,466,587</b>
<b>Carrying value at 31 December 2022</b>				
Investment holdings	11,457,041	—	100	11,457,141
Cash held by investment managers	228,594	—	—	228,594
	<b>11,685,635</b>	<b>—</b>	<b>100</b>	<b>11,685,735</b>
<b>Cost</b>				
<b>At 31 December 2023</b>	<b>14,228,056</b>	<b>—</b>	<b>100</b>	<b>14,228,156</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, 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.

	2023 £
Cazenove Responsible Multi-Asset Fund	4,756,739
UK Government 5% Treasury Bill 17/6/24	2,002,001
Microsoft Corp	285,563
Robeco Capital Growth Funds	264,291
1.5% United Kingdom Gilt Snr Reg-S 31 Jul 53	256,372
Apple Inc	215,986
0.875% United Kingdom Gilt Snr Reg-S 31 Jul 22	207,580
Marks & Spencer 4.75% SNR EMTN 12/06/25	201,132

### Principal subsidiaries

The Charity owns 100% of the ordinary share capital of CST Promotions Limited, a trading company (company number: 03010390). At the balance sheet date, CST Promotions Limited had aggregate capital and reserves of £100 (2022: £(6,616)), represented by:

## Notes to the accounts 31 December 2023

### 14 Fixed asset investments (continued)

	2023 £	2022 £
Debtors	21,193	31,208
Cash at bank	237,456	203,241
Creditors	(258,549)	(241,065)
<b>Net assets/ (liabilities)</b>	<b>100</b>	<b>(6,616)</b>

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

	2023 £	2022 £
Income	272,750	—
Cost of sales	(3,980)	—
Administrative costs	(8,796)	(6,716)
	<b>259,974</b>	<b>(6,716)</b>

### 15 Debtors

	Group		Charity	
	31 December 2023 £	31 December 2022 £	31 December 2023 £	31 December 2022 £
<b>Due within one year</b>				
Donations receivable	568,156	511,181	568,156	511,181
Amounts owed by group undertaking	—	—	4,002	744
Other debtors	100,368	96,716	79,175	65,508
Prepayments and accrued income	801,963	449,671	801,963	449,671
Home Office Grant commitments	4,682,087	2,368,733	4,682,087	2,368,733
	<b>6,152,574</b>	<b>3,426,301</b>	<b>6,135,383</b>	<b>3,395,837</b>

### 16 Short term deposits

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Cash equivalents on deposit	3,472,609	3,555,919	3,472,609	3,555,919



Notes to the accounts 31 December 2023

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

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Security Enhancement Project creditors	230,486	280,016	230,486	280,016
Trade creditors	1,343,048	121,811	1,343,048	121,811
Other taxation and social security	189,946	136,272	159,079	134,551
Home Office Grant commitments	3,958,662	2,503,187	3,958,662	2,503,187
Accruals and deferred income	529,446	536,496	305,766	297,896
	<b>6,251,588</b>	<b>3,577,782</b>	<b>5,997,041</b>	<b>3,337,451</b>

**18 Financial instruments**

***Financial assets***

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Financial assets measured at amortised costs	<b>4,782,455</b>	2,465,450	<b>4,761,264</b>	2,434,242

***Financial liabilities***

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Financial liabilities measured at amortised costs	<b>4,692,723</b>	3,182,805	<b>4,665,993</b>	2,942,484

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.

## Notes to the accounts 31 December 2023

### 19 Statement of funds

#### Statement of funds – current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfer in/out £	Gains/ (losses) £	Balance at 31 December 2023 £
<b>Endowment fund</b>	5,150,739	59,154	(291,055)	—	—	<b>4,918,838</b>
<b>Designated funds</b>						
Security Enhancement	1,800,000	—	—	600,000	—	<b>2,400,000</b>
Fixed asset fund	716,632	—	(224,568)	156,328	—	<b>648,392</b>
Investment property fund	4,637,645	—	—	—	—	<b>4,637,645</b>
	<u>12,305,016</u>	<u>59,154</u>	<u>(515,623)</u>	<u>756,328</u>	<u>—</u>	<u><b>12,604,875</b></u>
<b>General funds</b>	<u>10,161,054</u>	<u>9,923,376</u>	<u>(7,645,113)</u>	<u>(1,256,328)</u>	<u>1,074,239</u>	<u><b>12,257,228</b></u>
<b>Total unrestricted funds</b>	<u>22,466,070</u>	<u>9,982,530</u>	<u>(8,160,736)</u>	<u>(500,000)</u>	<u>1,074,239</u>	<u><b>24,862,103</b></u>
<b>Restricted funds</b>						
Home Office Protective Security Grant	165,854	17,368,546	(17,208,622)	—	—	<b>325,778</b>
Aggregated other restricted grants	<u>190,255</u>	<u>1,146,243</u>	<u>(693,858)</u>	<u>500,000</u>	<u>—</u>	<u><b>1,142,640</b></u>
<b>Total restricted funds</b>	<u>356,109</u>	<u>18,514,789</u>	<u>(17,902,480)</u>	<u>500,000</u>	<u>—</u>	<u><b>1,468,418</b></u>
<b>Total of funds</b>	<u>22,822,179</u>	<u>28,497,319</u>	<u>(26,063,216)</u>	<u>—</u>	<u>1,074,239</u>	<u><b>26,330,521</b></u>

## Notes to the accounts 31 December 2023

### 19 Statement of funds (continued)

#### Statement of funds – prior 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)	—	—	5,150,739
<b>Designated funds</b>						
Security Enhancement	1,800,000	—	—	—	—	1,800,000
Fixed asset fund	873,445	—	(278,433)	121,620	—	716,632
Investment property fund	4,637,645	—	—	—	—	4,637,645
	<u>12,670,397</u>	<u>76,425</u>	<u>(563,426)</u>	<u>121,620</u>	<u>—</u>	<u>12,305,016</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>10,161,054</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>22,466,070</u>
<b>Restricted funds</b>						
Home Office Protective Security Grant	113,024	13,924,650	(13,871,820)	—	—	165,854
Aggregated other restricted grants	<u>133,925</u>	<u>—</u>	<u>(386,511)</u>	<u>—</u>	<u>—</u>	<u>190,255</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>356,109</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>22,822,179</u>

#### **Endowment and Designated funds**

The Endowment Fund represents the disposal proceeds of the primary offices of the Charity which was sold in 2021 under a sale and leaseback agreement. This is used to fund the rent payable on this property less income from sub-lease arrangements, to ensure the Charity can retain appropriate office space for the foreseeable future.

The Security Enhancement Fund provides for 36 months of security enhancement expenditure at the current budgeted rate of spend. This has been increased to reflect the increase in security enhancement expenditure.

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 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. The combined total of the fixed asset fund and the investment property fund totals the net book value of tangible fixed assets shown in notes 12 and 13.

## 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 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. A £500,000 transfer between restricted and unrestricted funds represents a donation received in 2022, which was not identified as restricted until 2023. No monies were spent against this in 2022.

## 20 Analysis of net assets between funds

Analysis of net assets between funds

<b>Group</b>	Unrestricted funds £	Restricted funds £	2023 £	Unrestricted funds £	Restricted funds £	2022 £
Tangible fixed assets	648,391	—	648,391	716,632	—	716,632
Fixed asset investments	15,466,487	—	15,466,487	11,685,635	—	11,685,635
Investment property	4,637,645	—	4,637,645	4,637,645	—	4,637,645
Current assets	6,402,506	5,427,080	11,829,586	6,460,338	2,859,295	9,319,633
Creditors due within one year	(2,292,926)	(3,958,662)	(6,251,588)	(1,034,180)	(2,503,186)	(3,537,366)
<b>Total</b>	<b>24,862,103</b>	<b>1,468,418</b>	<b>26,330,521</b>	<b>22,466,070</b>	<b>356,109</b>	<b>22,822,179</b>

<b>Charity</b>	Unrestricted funds £	Restricted funds £	2023 £	Unrestricted funds £	Restricted funds £	2022 £
Tangible fixed assets	648,391	—	648,391	716,632	—	716,632
Fixed asset investments	15,466,587	—	15,466,587	11,685,735	—	11,685,735
Investment property	4,637,645	—	4,637,645	4,637,645	—	4,637,645
Current assets	6,147,859	5,427,080	11,574,939	6,226,633	2,859,295	9,085,928
Creditors due within one year	(2,038,379)	(3,958,662)	(5,997,041)	(793,859)	(2,503,186)	(3,297,045)
<b>Total</b>	<b>24,862,103</b>	<b>1,468,418</b>	<b>26,330,521</b>	<b>22,472,786</b>	<b>356,109</b>	<b>22,828,895</b>

## 21 Pension commitments

The pension charge per the accounts represents contributions paid by the Charity for the year and amounted to £286,492 (2022 - £251,629) in respect of defined contribution schemes.

## Notes to the accounts 31 December 2023

### 22 Operating lease commitments

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

	2023 £	2022 £
Less than 1 year	373,532	356,538
1-5 years	1,294,959	1,303,657
More than 5 years	4,550,513	4,871,889
	<u>6,219,004</u>	<u>6,532,084</u>

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 £374,701 (2022 - £366,961).

### 23 Operating lease – lessor

	2023 £	2022 £
Within 1 year	414,245	426,645
Between 1 and 5 years	1,574,165	1,603,345
After 5 years	2,866,016	3,521,385
	<u>4,854,426</u>	<u>5,551,375</u>

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.

## Notes to the accounts 31 December 2023

### 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 £250,000 (2022 - £nil). As at 31 December 2023, the trading subsidiary CST Promotions Limited owed £744 to the Charity, (2022: CST Promotions Limited owed £744 to the Charity).

During the year, the Charity received donations totalling £523,100 (2022 - £512,650) 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 operational property during the period. Rental payment received in the period totalled £18,500 (2022 - £18,500). The terms of the lease are consistent with leases made to unconnected entities.