

THE CAMBRIDGE SECURITY INITIATIVE 2017
A CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

REGISTERED CHARITY No 1175201
REGISTERED COMPANY No 10776032

THE CAMBRIDGE SECURITY INITIATIVE 2017
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

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**THE CAMBRIDGE SECURITY INITIATIVE 2017
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2020**

The Directors (also referred to as Trustees for the purpose of charity law) present their report with the financial statements of the charitable company for the period ended 31 May 2020. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" 2019 and the Companies Act 2006.

Reference and Administrative Details

The Company was incorporated on 17 May 2017 and registered with the Charity Commission for England and Wales on 17 October 2017.

Structure, Governance and Management

The operation of the Charity is governed by its Memorandum and Articles of Association. It is a company limited by guarantee and a charity registered with the Charity Commission of England and Wales. HM Revenue Customs have recognised the charity for tax purposes. Since the charity only uses its funds for charitable purposes no taxation is then payable on the income or gains. The overall responsibility for the operations of the Charity and its finances is with the Directors.

Directors

The Directors who have served during the year were:
Dr A M Dawson. Sir R B Dearlove. Prof S A Halper. Dr S P Martland.

Appointment and Training of Directors

The power to appoint and remove Directors is vested with the Directors.
On appointment each Director receives copies of the principal constitutional and policy documents of the Company, with current and forward financial planning information. Directors are provided with regular updates of relevant information from the Charity Commission and other relevant sources.

Charitable objects

The objects of the charity are to advance education in relation to international security and intelligence issues through research, provision of educational programmes and collaborations in intelligence studies, teaching and research with national and international universities, the government of the UK and other nations.

Public Benefit

In determining activities of the organisation, The Cambridge Security Initiative 2017 trustees have paid due regard to Charity Commission guidance on public benefit.

Achievements

Since 17 October 2017 CSi 2017 has offered the 'International Security and Intelligence Programme' (ISI), a four-week university-level programme aimed at those with an academic or professional interest in intelligence and contemporary security threats. ISI offers a unique opportunity to work with leading practitioners and academics from the security and intelligence worlds. Chaired by Sir Richard Dearlove (formerly head of MI6, Britain's Secret Intelligence Service), the Programme was housed in Magdalene College, Cambridge in July/August 2018 and, similarly, 2019. The Programme has a capacity of 60 and attracts well-qualified undergraduate students, graduate students and practitioners from a wide range of countries. In 2018 ten applicants and in 2019 nine applicants were awarded full or partial scholarship funding on a needs/academic basis.

In mid-July 2018 and 2019 CSi 2017 ran its second and third conferences under the heading; Intelligence and National Security Policy in a Changing World. These are two-day events held which all ISI students attend (gratis). Open to a wider audience and featuring contributions from senior figures from government, the agencies and academia, the Conference is regularly oversubscribed (capacity 150). Students wishing to attend who were in full-time education were generously subsidised. In 2018 c. twenty and in 2019 ten ISI Alumni were given free places.

CSi 2017 continues to undertake commissioned research and analysis all surpluses from which are used to support the Charity's educational objectives as outlined.

Since early during 2019/20, CSi has commissioned from experts brief analytical reports and interviews on a range of contemporary security and intelligence issues. These reports are open-access and published on the CSi website. These have been welcomed particularly by the growing CSi/ISI 'community'.

Unfortunately, the 2020 ISI Programme scheduled for July/August had, like so much else, to be cancelled.

**THE CAMBRIDGE SECURITY INITIATIVE 2017
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2020**

Plans for future periods

The Charity will continue to develop its educational and consultancy portfolios building on the success of the International Security and Intelligence (ISI) programme and Conference and up-to-the-minute, commissioned analyses of security and intelligence issues both for private clients and to place in the public domain. These activities will generate the funds necessary to;

- continue to fund full and partial scholarships for students in full-time higher education wishing to attend future ISI programmes and/or Conferences (2019, total value, c. £60,000);
- continue to provide significant funding (2018 and 2019 £10,000 per annum) for a graduate student studying at the University of Cambridge in fields related to Security and Intelligence;
- to provide (2020/21) similar funding for a graduate student studying at the Department of War Studies, King's College London.

Should the public health environment prevent CSI running the ISI Programme as a residential course, it will offer a carefully planned on-line alternative which, it is hoped, will include an on-line Conference.

Financial Review

Income for the year was £322,084 (2019: £285,916) and Expenditure was £311,266 (2019: £252,745) resulting in a Net income for the year of £10,818 (2019: £33,170). 'ISI 2019 summer programme; non-payment of promised named scholarship funding covering five full scholarships; Totalling £23,280.

Risk Management

The Directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to identify the appropriate action to be taken to manage those risks.

Reserves Policy

It is the intention of the Directors to establish a reserve, firstly to provide income to support the purposes of the Charity and secondly, as a fund from which capital can be withdrawn to cover budgeted expenditure not covered by current income. Free reserves at 31 May 2020 were £44,069.

Registered Office

24 Millington Road. Cambridge. CB3 9PH

Solicitors

Ashtons Legal. 77 Newmarket Road. Cambridge. CB5 8EE.

Statement of Directors' responsibilities

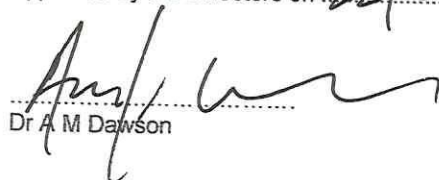
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial period, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on 22/3/21 and signed on their behalf by:


Dr A M Dawson

THE CAMBRIDGE SECURITY INITIATIVE 2017
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the charity trustees on my examination of the accounts of the for the period ended 31 May 2020 which are set out on pages 4 to 9.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Paul Chubbock FCCA
Chater Allan LLP
Beech House
4A Newmarket Road
Cambridge
CB5 8DT

Date: 23 March 2021

THE CAMBRIDGE SECURITY INITIATIVE 2017
STATEMENT OF FINANCIAL ACTIVITIES including Income and Expenditure Account
FOR THE YEAR ENDED 31 MAY 2020

		Unrestricted Funds General Fund	Total Funds 2020	Total Funds 2019
	Note		£	£
Income from:				
Donations and legacies		30,373	30,373	30,293
Charitable activity				
Advancement of International Security		291,397	291,397	255,597
Investment income		314	314	26
Total Income		322,084	322,084	285,916
Expenditure on:				
Charitable activity				
Advancement of International Security	2	311,266	311,266	252,745
Total Expenditure		311,266	311,266	252,745
Net income/(Expenditure) and net movement in funds for the year		10,818	10,818	33,170
Total funds brought forward		34,779	34,779	1,609
Total funds carried forward		45,597	45,597	34,779

THE CAMBRIDGE SECURITY INITIATIVE 2017
BALANCE SHEET
AS AT 31 MAY 2020

(REGISTERED COMPANY NUMBER 10776032)

		2020	2019
	Note	£	£
FIXED ASSETS			
Tangible assets	4	1,528	-
CURRENT ASSETS			
Debtors	5	33,915	33,809
Cash at bank		<u>54,983</u>	<u>212,366</u>
		88,898	246,175
CURRENT LIABILITIES			
Creditors due within one year	6	<u>44,829</u>	<u>211,396</u>
NET CURRENT ASSETS		45,597	34,779
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>45,597</u>	<u>34,779</u>
FUNDS OF THE CHARITY:			
Unrestricted funds	7	45,597	34,779
TOTAL FUNDS		<u>45,597</u>	<u>34,779</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

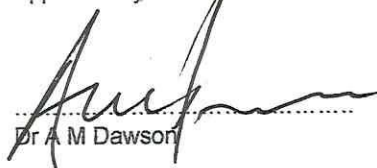
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year end 31 May 2020.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 May 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Approved by the Board of Trustees and signed on their behalf by:


 Dr A M Dawson

22/3/21
 Date

1 ACCOUNTING POLICIES

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

1.2 Going concern basis

The Trustees consider that the going concern basis is appropriate as they consider the reserves levels and expected investment income to be at sufficient levels to ensure that the Trustees can meet their financial obligations for the next 12 to 18 months and on that basis the Charity is a going concern. The Trustees have considered the potential impact on the charity of the current global pandemic known as COVID-19. In the opinion of the Trustees there will be no material adverse effect on the charity's ability to continue as a going concern.

1.3 Financial Reporting Standard 102 - Reduced disclosure exemptions

The trustees have taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102:

- the requirement of Section 7 Statement of Cash Flows.

1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.5 Tangible fixed assets

Individual fixed assets are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Computer Equipment	3 years
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1.6 Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Income related to future years is treated as deferred income.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure in relation to the administration of the charity are allocated to governance costs.

1.8 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

THE CAMBRIDGE SECURITY INITIATIVE 2017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

2 EXPENDITURE ON CHARITABLE ACTIVITY

Advancement of International Security

	Unrestricted Funds General Fund	Total 2020	Total 2019
	£	£	£
Direct costs			
Programme events	195,043	195,043	184,792
Salaries (note 3)	26,727	26,727	19,431
Consultancy fees	19,460	19,460	19,348
Analytical report fees	10,300	10,300	-
Printing and stationery	1,506	1,506	1,100
Travel and subsistence	1,814	1,814	4,435
Insurance	649	649	479
Donations	-	-	1,000
Grants	10,000	10,000	10,000
Marketing	18,098	18,098	5,747
Bank charges	80	80	43
Paypal charges	2,407	2,407	5,451
Sundry expenses	13	13	13
Interest charges	-	-	6
Professional fees	480	480	-
Bad debts	23,280	23,280	-
Depreciation	246	246	-
Support costs			
Governance			
Independent examination	1,164	1,164	900
Total	311,266	311,266	252,745

3 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	26,554	19,354
Pensions	173	77
	26,727	19,431
	2020	2019
The average number of staff during the year was:	6	5

The trustees received no remuneration or expenses during the year.

THE CAMBRIDGE SECURITY INITIATIVE 2017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020

4 TANGIBLE FIXED ASSETS

	Computer Equipment £	Total £
Cost		
Additions	1,774	1,774
At 31 May 2020	<u>1,774</u>	<u>1,774</u>
Depreciation		
Charge for year	246	246
At 31 May 2020	<u>246</u>	<u>246</u>
Net book value		
At 31 May 2020	<u>1,528</u>	<u>1,528</u>
At 31 May 2019	<u>-</u>	<u>-</u>

5 DEBTORS

	2020	2019
	£	£
Prepayments	29,150	29,303
Due from Cambridge Security Initiative LLP	4,766	4,506
	<u>33,915</u>	<u>33,809</u>

6 CREDITORS

	2020	2019
	£	£
Wages, PAYE and pensions	933	3,656
Accrued expenses	1,980	3,095
Deferred income	41,916	204,645
	<u>44,829</u>	<u>211,396</u>

Deferred income - Fees are received in advance and accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the conference takes place.

	2020	2019
	£	£
Balance at start of the reporting period	204,645	180,045
Amounts added in current periods	41,916	204,645
Amounts released to income from previous periods	<u>(204,645)</u>	<u>(180,045)</u>
Balance at end of the reporting period	<u>41,916</u>	<u>204,645</u>

7 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds General Fund	Total Funds 2020	Total Funds 2019
	£	£	£
Net assets/(liabilities)	45,597	45,597	34,779
Total net assets	<u>45,597</u>	<u>45,597</u>	<u>34,779</u>

8 RELATED PARTY DISCLOSURES

During the year the charitable company had the following related party transactions:

Consultancy fees of £19,460 paid to the trustee, Dr A M Dawson.
 Marketing fees of £3,750 paid to the trustee, Dr S P Martland.