

Community Security Trust

Annual report and consolidated accounts

31 December 2020

Scottish Charity Registration Number
SC043812

Charity Registration Number
1042391 (England and Wales)

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Reference and administrative information

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| 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 Period to 31 December 2020

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 period of 1 April 2020 to 31 December 2020. Previous annual reports have run according to the year end date of 31 March. Future reports will cover the calendar year, ending 31 December.

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 28 to 33 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.

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

2.4. Group companies

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

3. PUBLIC BENEFIT

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

4. KEY STAFF

The Trustee board of directors meets on a regular basis, to agree the strategy and areas of activity for CST, including consideration of grants, investments, reserves, risk management and the charity's performance. The day-to-day administration of CST operations is delegated to the CEO who is supported by the senior management team as detailed in Note 9. There was a change of CEO in September 2020, with the role being taken by the then Deputy CEO.

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

5. OBJECTIVES AND ACTIVITIES

From 1 April 2020 to 31 December 2020, CST focused upon its key objective of promoting good relations in the UK between the Jewish community and all other members of society. This was achieved by following the objects of the charity:

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

5. OBJECTIVES AND ACTIVITIES

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

CST was not immune to the considerable impact of Coronavirus on wider British society throughout 2020. As was the case with many charities and businesses, CST had to enact significant changes to working patterns and practices of staff and volunteers, including ensuring that work areas were compliant and Covid-safe for the small number of operational staff who needed to work from offices, and that staff had the means, support and flexibility necessary to work from home. CST also used the Government's job retention scheme ('furlough') at times, and where appropriate, for staff across the charity as detailed in Note 4 to the accounts.

6. ACHIEVEMENTS AND ACTIVITIES

6.1. Antisemitic Incidents: Reporting and Analysis

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

CST publishes detailed annual studies of antisemitic incidents, for use with Government, police forces, civil servants, media and others. CST also publishes reports on specific aspects of antisemitism. For example, CST published the first detailed UK study of antisemitic reactions to the coronavirus pandemic. All such publications are publicly available on CST's website and social media platforms.

6.2. Working with the Government, Civil Servants and Police

The official UK terror threat level remained throughout 2020 as "substantial", meaning an attack is "likely". CST is keenly aware of the importance of antisemitism within many terrorist groups' ideologies, and this is central to all CST's work and relationships, including the support and partnership received from Government and police.

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

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

Most advisory interactions occur with the Home Office and MHCLG (Ministry of Housing, Communities and Local Government). In particular, CST works closely with the Home Office Hate Crime Unit; the Extremism Analysis Unit (EAU), which is part of the Counter Extremism-Analysis and Insight Unit (CEAI); the Research, Information and Communications Unit (RICU); the Office for Security and Counter Terrorism (OSCT – known as 'Homeland Security' as of 2021); and appropriate Ministers and Ministerial teams within the Home Office and across government.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

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

CST is also a leading ally of the independent Commission for Countering Extremism, which works with the Home Office, and advises communities and government. In addition, CST engages closely with several Independent Government Advisers on issues pertinent to antisemitism, extremism, community cohesion and communal security. This includes the Government's Independent Adviser on Antisemitism Lord Mann; the UK Special Envoy on post-Holocaust issues Lord Pickles; and the Government's Independent Adviser on political violence and disruption Lord Walney.

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

CST's joint role as being both the key expert and main stakeholder, means that it frequently communicates with government on issues pertinent to community security, antisemitism and extremism. This includes providing updates and assessments for Government at times of high tension, such as when there are spikes of antisemitism in the UK. This informs government's understanding and helps optimise responses to Jewish communal concerns and needs. Proactively, CST provides insights, updates and detailed research briefings across government on a regular basis.

CST is a leading member of the Home Office Independent Advisory Group on Hate Crime and is a leading participant in various advisory groups across national and local policing.

CST is non-party political. CST briefs many MPs each year, from all parties, and works directly with MPs facing threats from racists and extremists. CST engages with parliamentary committees (including presenting written and oral evidence) and relevant All Party Parliamentary Groups.

CST was the lead Jewish communal partner for the important MHCLG/Home Office Hate Crime Action Plan 2018-2020, which updated the national 2016 Hate Crime Action Plan. CST was consulted extensively in both instances and is assisting with the development of the next Hate Crime strategy (due in 2021). CST's role was acknowledged in the Action Plan, fittingly alongside that of Tell MAMA, the Muslim anti-hate crime group that CST helped establish and develop and is now regarded as an expert in its own right. The report stated:

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

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

6. ACHIEVEMENTS AND ACTIVITIES (continued)

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

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

CST-Police interactions vary depending on the security operation, threat levels, reports of crimes, investigations and exchanges of information on antisemitism or other crimes. This occurs at varying levels of policing, from local stations to national oversight. In 2020 CST information to police covered many issues, ranging from terrorism to theft.

CST reports antisemites and extremists, including potential terrorists, to police. In 2020, CST reported over 20 antisemitic and extremist networks or individuals to counter terrorism police, thereby helping to protect both the Jewish community and the wider public.

Since 2017, CST has published and distributed its Hate Crime: A Guide for Those Affected, co-authored with the Crown Prosecution Service and the anti-Muslim hate crime group Tell MAMA. This has been distributed to hate crime liaison officers, victim support services, courts, the CPS and to victims and witnesses of antisemitism and other forms of hate crime. It is referenced as an example of best practice in the 2018-20 Home Office Hate Crime Action Plan.

Police and the Government have asked for CST's continuing assistance in advising other faith communities on counter-terror security requests, and CST's fulfilment of them, intensified significantly after the mass casualty terror attacks against Muslims in New Zealand (March 2019) and against Christians in Sri Lanka (April 2019), and has developed to CST establishing the SAFE (Security Advice For Everyone) programme, as detailed below in Section 6.5.

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

6. ACHIEVEMENTS AND ACTIVITIES (continued)

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

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

The funding was then renewed annually in March 2017 and March 2018, before being increased to £14 million for the fiscal year 2019-2020 by the then Home Secretary, Sajid Javid MP, when he spoke at CST's Annual Dinner in February 2019. The £14 million was renewed for the fiscal year 2020-2021 (i.e. the year ending 31 March 2021) by the incumbent Home Secretary Priti Patel MP. CST is, again, the grant recipient, responsible for administration, management, and distribution by means of sub-grants to approved locations. CST recognised this income once eligible grant expenditure has been identified, of the total £14 million grant awarded for the year to 31 March 2021, £7.6 million has been recognised as expenditure in the period ended 31 December 2020.

The disruptive impact of Coronavirus on the regular functioning of Jewish schools, synagogues and sensitive locations, led to unusual phasing challenges for CST in administering the Jewish Community Protective Security Grant in 2020. As a consequence, CST maintained even closer contact than usual with the Home Office in order to ensure successful disbursement of the grant to as many sites as possible.

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

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

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

6.4. CST Security Enhancement Project Funding

From April 2020 to December 2020 CST continued its Protective Windows Project and Security Enhancement Project (SEP). These projects have seen CST provide security upgrades, equipment and installations at many hundreds of Jewish buildings throughout the UK, at a cost to CST of over £14.5 million since the project's inception in 2006. Over 127 Jewish locations completed such works with CST grants in 2019-2020.

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.

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

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

6. ACHIEVEMENTS AND ACTIVITIES (continued)

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

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

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

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

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

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

This has developed into establishing the CST staffed and funded SAFE (Security Advice for Everyone) programme, which proactively engages and benefits British faith and minority groups with tailored security advice based on the experience of CST and the British Jewish community. This work is done via in person talks, or via webinars. In the period 1 April 2020 - 31 December 2020 SAFE gave 21 public talks, attended by 441 people representing 333 places of worship. From inception in 2019 to 31 December 2020 SAFE has delivered 85 public talks that were attended by 2,370 people representing 1,129 places of worship and many police forces.

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

In April 2020, antisemitism and other forms of hate moved into video conferencing platforms as Britain and the world entered Covid lockdown. In response to increasing numbers of so-called 'Zoom bombing' attacks, CST and SAFE issued 'guidance for secure livestreaming' against such disruptions. 'True Vision', the online police portal for reporting hate crime, hosted the guidance as a public resource on its website where it received over 6,000 downloads.

6. ACHIEVEMENTS AND ACTIVITIES (continued)

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

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

CST continues to build on its strong links with the Muslim community, in particular the close working relationship with Tell MAMA, the organisation that monitors anti-Muslim hate in the UK.

CST's relationship with Tell MAMA enabled Streetwise (see section 6.6 below) to establish and successfully deliver, in partnership with Maccabi GB, its Stand Up! Education Against Discrimination programme. Stand Up! was established in 2017 to provide anti-discrimination education, with a focus on antisemitism and anti-Muslim hate, to young people in mainstream schools.. In the first four years, the project has reached over 32,000 students across 80 local authorities in the UK.

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

One of the greatest assets of Stand Up! is its strong networks with government departments, civil society organisations and other anti-discrimination and community projects. Many of these partnerships have been enabled by CST. Core partners include True Vision, Hope not Hate, the Anne Frank Trust UK and Solutions Not Sides.

COVID-19 caused a 50% reduction in Stand Up! sessions held physically within schools. Nevertheless, Stand Up! developed its educational output, migrated services online, developed specific expertise in current trends and boosted its national profile. Schools remained very keen to continue engaging with Stand Up! scheduling virtual and in-person workshops where possible. During 2020, Stand Up! engaged over 6,500 young people and had over 400,000 online impressions through its website and social media accounts.

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

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

6.6. Streetwise - Helping Jewish Youth

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

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.7 Engagement with Social Media Platforms

The Streetwise project engaged over 13,000 young people through virtual and in-person sessions during the COVID-19 pandemic. It developed a broad range of online resources, videos, infographics as well as a social media presence that supported young people throughout the pandemic.

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

CST holds social media platforms to account for their actions by monitoring and reporting upon 'take down' performance. For example, CST is one of the founding organisations and participants in several rounds of monitoring exercises under the aegis of the European Commission. The 'EU Code of Conduct on countering illegal hate speech' is evaluated by periods of testing whereby CST, and other organisations across Europe, monitor the performance of Social Media platforms in responding to illegal hate speech on their platforms, with the results published.

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

CST researchers also monitor websites and social media platforms that deliberately host extremist and antisemitic material. In June 2020, CST issued a detailed report entitled 'Hate Fuel' that exposed the hosting of neo-Nazi terrorism incitement across various platforms. Due to its unusually extreme and graphic content, the full report was only shared in private with police, government, think tanks and academic partner groups.

6.8 Activities in Scotland

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

6.9 Volunteers and Training

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

6. ACHIEVEMENTS AND ACTIVITIES (continued)

6.9 Volunteers and Training (continued)

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

CST regards training as a vital component in both the general development of staff and volunteers, and specifically to ensure the best possible response to security threats.

CST employs a Human Resources Manager who identifies training requirements and helps implement them for CST staff and volunteers. This is in addition to the work of CST's own security trainers, who are drawn from staff and senior volunteers, with courses occurring throughout the country.

The training of CST's security staff and volunteers was adapted and moved online throughout 2020 to meet the restrictions of lockdown, without minimising the number of sessions available or their effectiveness. Using various online methods of training, CST was able to train more volunteers and commercial guards throughout 2020 than in any previous year in CST's history.

7. MEASURES OF SUCCESS

CST's progress towards its objectives are the criteria by which the Trustee gauges the success, or otherwise, of CST's work, reputation and impact. The charity's performance against its objectives from April to December 2020 repeatedly demonstrated the continuing successful reach and influence of CST, both with Jewish communities across the UK as well as with government, police and other faith communities.

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

Coronavirus posed numerous challenges across CST, but these were rapidly overcome, with staff, directors, volunteers and donors all speedily adapting to new ways of working. In the spring and summer of 2020, staff were provided with sufficient secure IT resource to work from home wherever and whenever required, with little or no adverse impact upon the charity's ability to meet its core objectives, including responses to antisemitism.

As public and religious life was severely curtailed between April and December 2020 due to the Covid pandemic and ensuing restrictions on movement and worship, there was a significant reduction in the overall number of physical events secured by CST staff and volunteers.

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

CST ensured that the Government's £14million grant for guarding at Jewish schools and other locations was managed to the highest standard, as overseen and agreed by the Home Office.

7. MEASURES OF SUCCESS (continued)

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

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

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

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

CST's annual antisemitic incident reports and statistics were referenced as the evidence of rising antisemitism in the key October 2020 investigative report into Labour Party antisemitism by the Equality and Human Rights Commission. This followed CST's participation in April 2018 in the unsuccessful Jewish communal leadership meeting with the leadership of the Labour Party.

8. PRIMARY FACTOR AFFECTING CST: THE THREAT OF TERRORISM

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

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

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

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

CST manages the £14 million Government Grant for Jewish community security guards. (JCPSG). This is a grant from government that pays for commercial security companies to provide guarding at Jewish communal sites. The JCPSG is renewed on an annual basis. If the JCPSG was not to be renewed, CST would not be able to fund a comparable scheme.

On 11 March 2020 CST cancelled its Annual Dinner, scheduled for 1 April 2020. This decision was due to increasing concerns regarding Coronavirus and was taken prior to the issuing of Government lockdown instructions. This was one of the first charity event cancellations of its type, but the decision to cancel was taken by CST's Trustee who wished to prioritise the safety of attendees above the significant decline in donations that would ensue from the cancellation.

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

CST's fundraising events occur throughout the year. They are an important source of income to the charity and also help promote a deeper level of Jewish public awareness of CST's work. Potential cancellation of planned fundraising events, due to the continuing impact of Coronavirus would have an important and potentially adverse impact upon CST's income, requiring new fundraising and public awareness techniques: the efficacy of which is not known.

With Coronavirus problems persisting throughout 2020, CST undertook serious research into how to fundraise online, so as to proceed with this in early 2021 at the time when CST's Annual Dinner would otherwise have occurred.

10. FUTURE PLANS

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

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

11. FINANCIAL REVIEW

11.1 Results for the Year

The Statement of Financial Activities reports net increase in funds for the period ended 31 December 2020 of £826,157 (year ended 31 March 2020 net increase in funds of £848,895) before investment movements, the net expenditure for the period was £533,758 (year ended 31 March 2020: net income of £60,477).

11.2 Income

The Statement of Financial Activities reports incoming resources during the 9-month period amounting to £11,313,954 (year ended 31 March 2020: £20,528,501), including £7,568,121 (year ended 31 March 2020: £14,000,000) of Home Office Grant funding. CST also raised donations of £2,959,637 (year ended 31 March 2020: £5,995,613) to fund its activities (see note 2).

11. FINANCIAL REVIEW (continued)

11.3 Expenditure

Total expenditure amounted to £11,847,712 (year ended 31 March 2020: £20,468,024), including £7,456,833 of expenditure relating to the Home Office Grant (year ended 31 March 2020: £14,000,000).

Expenditure on raising funds in the period totalled £246,410 (year ended 31 March 2020: £553,416). The decrease is due to costs relating to events incurred in the year ended 31 March 2020 which were not borne in the period ended 31 December 2020.

Charitable activities in promoting race relations, combating antisemitism and providing security, including head office costs, was £4,144,469 (year ended 31 March 2020: £5,914,608). This area of expenditure reflects CST's continuing support for existing programmes.

11.4 Reserves and reserves policy

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

Total funds and net assets at the 31 December 2020 amounted to £19,293,793 (31 March 2020: £18,467,636). Of these, total unrestricted funds were £18,883,504 (31 March 2020: £18,200,455) of which £11,446,294 (31 March 2020: £10,230,047) were designated for purposes as detailed in Note 19 to the accounts. Free reserves, amounting to the general funds, at the period-end totalled £7,437,210 (31 March 2020: £7,970,408), which is in line with the reserves policy as set out above.

At the year-end, total restricted funds were made up of non-government restricted funds of £299,001 (31 March 2020: £267,181) and restricted government funds £111,289 (31 March 2020: £nil).

11.5 Property revaluation

The charity owns a freehold property, a mixed-use freehold property, partly self-occupied and partly let to third parties and also an investment property let to a third party. The income generating part of the mixed-use property has been transferred from fixed assets to investment properties. The Trustee has undertaken a fair value review at the balance sheet date based on available market data of the mixed-use property and also of the investment property let to a third party. The revaluation of the investment and of the mixed use property has generated a combined gain of £1,093,188 (period ended 31 March 2020: combined gain of £978,676).

11.6 Investment policy and performance

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

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

12. FUNDRAISING

12.1 Approach to fundraising

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

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

Methods of fundraising in a non-pandemic year include dinners, lunches and mailing campaigns, as well as direct approaches by directors of the Trustee and staff. CST also makes applications for funding to selected charitable trusts who might be sympathetic to our work. CST does not cold call. In this financial year, all in-person fundraising events were cancelled due to the pandemic. Consequently, a strong focus on individual approaches to known donors and charitable trusts was adopted.

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

CST does not work with third party fundraisers.

12.3 Fundraising conforming to recognised standards

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

12.4 Fundraising conforming to recognised standards

CST has a documented complaints procedure, and all staff have received appropriate training. Complaints are logged on an internal system and for the period ending 31 December 2020, CST has had no complaints to its Fundraising Department or in relation to our fundraising activities.

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

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

12.6 Fundraising performance

This short period excluded the months of January to March which is when CST's main Annual Dinner normally occurs and is when most of CST donors' multi-year commitments fall due. Income was therefore expected to be moderate. In addition, the inability to hold conventional in-person fundraising events had a negative impact. Throughout the year, a strong focus was maintained on securing the support of our regular donors and this was partially successful, although the economic depression due to the effects of the pandemic did influence some donors to reduce or withhold their contributions.

In June, CST printed and distributed the annual advertising brochure that would normally have been published in time for the cancelled Annual Dinner. The income from sales of adverts generated through the trading subsidiary, at over £300,000, is recognised within other trading activities (year ended 31 March 2020 - £nil).

12. FUNDRAISING (continued)

12.7 Home Office Grant for Protective Security of the Jewish Community

In December 2010, the Department for Education (DfE) announced an annual grant of up to £2 million to cover the costs of paid security guards at government-maintained and voluntary-aided Jewish schools in England. This continued until June 2015, when the DfE raised the annual grant to £3 million, again intended to cover the costs of paid security guards at all government-maintained and voluntary-aided Jewish schools in England.

In March 2015, the Government announced that it would also pay for security guard costs at private and independent Jewish schools and other sensitive locations. As with the continuing DfE funding, this new £10.4 million funding was also to be administered on behalf of the Government by CST but would come from a new Home Office grant for Protective Security of the Jewish Community.

As of 1 April 2016, the two government grants (DfE and Home Office) were combined into a single Home Office grant for the Protective Security of the Jewish Community of £13.4 million. This now stands at £14 million.

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

13 RISK MANAGEMENT

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

The following are amongst the risk areas identified within the Risk Register: loss of charitable status; conflict of interest for individual directors of the corporate trustee; loss of directors of the corporate trustee or key CST staff; libel; data protection; reputational damage; financial reporting failure; health and safety compliance; employment law compliance; volunteer recruitment; staff and volunteer training; security provision failure; fundraising failure; I.T. failure; loss of key buildings; exceeding budget expenditure; poor funding investment; increase in debtors; fraud; 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 Operations and Risk Committee; and the Finance and Audit Committee and is reviewed by the Board.

Four of the primary risks identified by CST, and the controls and mitigations in place are:

Risk 1: Inability to hold fundraising events in person

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

Key controls: CST has a dedicated fundraising committee and fundraising is a permanent agenda point for full

13 RISK MANAGEMENT

Risk 1: Inability to hold fundraising events in person (continued)

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

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

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

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

Risk 3: Impact of a global pandemic on staffing

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

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

Risk 4: Cyber-hacking

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

Key controls: Professional internal CST IT Department prioritising CST's own cyber-security measures, both physical and human. Repeat usage of external consultancy expertise and advice. Regular self-testing and

13 RISK MANAGEMENT (continued)

Risk 4: Cyber-hacking (continued)

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 is satisfied that these measures are proportionate with the risk, but notes that this is a constantly changing situation that depends upon both advances in physical IT resource and user behaviours.

14 TRUSTEE'S RESPONSIBILITIES STATEMENT

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgments and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in operation.

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

Trustee's report Period to 31 December 2020

15 AUDITOR

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

This report was approved by the Trustee on 24 September 2021.

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 period ended 31 December 2020 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 2020 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.

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

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.

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

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 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.

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

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

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.

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

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

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

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

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

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

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.

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

28 September 2021

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

Consolidated statement of financial activities Period to 31 December 2020

| | Notes | Period ended 31 December 2020 | | | Year ended 31 March 2020 (Restated) | | |
|--|-------|-------------------------------|-----------------------|-------------------|-------------------------------------|-----------------------|--------------------|
| | | Unrestricted funds £ | Restricted funds £ | Total funds £ | Unrestricted funds £ | Restricted funds £ | Total funds £ |
| Income from: | | | | | | | |
| Donations, legacies and gift aid | 1 | 2,819,637 | 140,000 | 2,959,637 | 5,505,533 | 490,080 | 5,995,613 |
| Charitable activities | 2 | — | 7,568,121 | 7,568,121 | — | 14,000,000 | 14,000,000 |
| Other trading activities | 3 | 302,590 | — | 302,590 | — | — | — |
| Other income | 4 | 483,606 | — | 483,606 | 532,888 | — | 532,888 |
| Total income | | 3,605,833 | 7,708,121 | 11,313,954 | 6,038,421 | 14,490,080 | 20,528,501 |
| Expenditure on: | | | | | | | |
| Raising funds | 5 | 246,410 | — | 246,410 | 553,416 | — | 553,416 |
| Charitable activities | 6 | | | | | | |
| . Promote race relations, combat antisemitism and provide security | | 4,036,289 | 108,180 | 4,144,469 | 5,436,917 | 477,691 | 5,914,608 |
| . Home Office Protective Security | | — | 7,456,833 | 7,456,833 | — | 14,000,000 | 14,000,000 |
| Grant expenditure | | — | 7,456,833 | 7,456,833 | — | 14,000,000 | 14,000,000 |
| Total expenditure | | 4,282,699 | 7,565,013 | 11,847,712 | 5,990,333 | 14,477,691 | 20,468,024 |
| Net gains (losses) on investments | | 729,603 | — | 729,603 | (1,195,460) | — | (1,195,460) |
| Net income (expenditure) | | 52,737 | 143,108 | 195,845 | (1,147,372) | 12,389 | (1,134,983) |
| Transfers between funds | | — | — | — | (143,950) | 143,950 | — |
| Net income (expenditure) before other recognised gains and losses | | 52,737 | 143,108 | 195,845 | (1,291,322) | 156,339 | (1,134,983) |
| Other recognised gains | | | | | | | |
| Gains on revaluation of fixed assets | 12 | 630,312 | — | 630,312 | 1,983,878 | — | 1,983,878 |
| Net movement in funds | | 683,049 | 143,108 | 826,157 | 692,556 | 156,339 | 848,895 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward (as restated) | | 18,200,455 | 267,181 | 18,467,636 | 17,507,889 | 110,842 | 17,618,741 |
| Net movement in funds | | 683,049 | 143,108 | 826,157 | 692,556 | 156,339 | 848,895 |
| Total funds carried forward | | 18,885,504 | 410,289 | 19,293,793 | 18,200,455 | 267,181 | 18,467,636 |

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

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Balance sheets 31 December 2020

| | Notes | Consolidated | | Charity | |
|---|-------|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | | 31 December 2020 £ | 31 March 2020 Restated £ | 31 December 2020 £ | 31 March 2020 Restated £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | 4,857,449 | 3,439,278 | 4,793,449 | 3,439,278 |
| Investment property | 13 | 4,788,845 | 4,990,769 | 4,788,845 | 4,990,769 |
| Investments | 14 | 2,021,537 | 3,232,479 | 2,021,637 | 3,232,579 |
| | | 11,667,831 | 11,662,526 | 11,667,931 | 11,662,626 |
| Current assets | | | | | |
| Debtors | 15 | 3,099,287 | 5,500,540 | 3,081,712 | 5,458,749 |
| Short term deposits | 16 | 3,034,469 | 3,074,759 | 3,034,469 | 3,074,759 |
| Cash at bank and in hand | | 4,820,166 | 2,521,175 | 4,682,189 | 2,346,879 |
| | | 10,953,922 | 11,096,474 | 10,798,370 | 10,880,387 |
| Creditors: amounts falling due within one year | 17 | (3,327,960) | (4,291,364) | (3,172,508) | (4,070,520) |
| Net current assets | | 7,625,963 | 6,805,110 | 7,625,863 | 6,809,867 |
| Total net assets less current liabilities | | 19,293,793 | 18,467,636 | 19,293,793 | 18,472,493 |
| Total net assets | | 19,293,793 | 18,467,636 | 19,293,793 | 18,472,493 |
| Charity funds | | | | | |
| Restricted funds | 19 | 410,289 | 267,181 | 410,289 | 267,181 |
| Unrestricted funds | | | | | |
| . Designated funds | | 11,446,294 | 10,230,047 | 11,446,294 | 10,230,047 |
| . General funds | 19 | 7,437,210 | 7,970,408 | 7,437,210 | 7,975,265 |
| Total funds | | 19,293,793 | 18,467,636 | 19,293,793 | 18,472,493 |

The accounts were approved and authorised for issue by the Trustee.

Date: 24 September 2021

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Consolidated statement of cash flows Period to 31 December 2020

| | Notes | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|--|-------|------------------------------------|-------------------------------|
| Cash flows from operating activities: | | | |
| Net cash provided by (used in) operating activities | A | 917,570 | (2,122,202) |
| Cash flows from investing activities: | | | |
| Dividends, interests and rents from investments | | 152,919 | 532,888 |
| Purchase of tangible fixed assets | | (289,458) | (364,579) |
| Proceeds from sale of investments | | 1,477,670 | — |
| Net cash provided by (used in) investing activities | | 1,341,131 | (168,309) |
| Change in cash and cash equivalents in the year | | 2,258,701 | (1,953,893) |
| Cash and cash equivalents brought forward | B | 5,595,934 | 7,549,827 |
| Cash and cash equivalents carried forward | B | 7,854,635 | 5,595,934 |

Notes to the statement of cash flows for the period to 31 December

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

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|--|------------------------------------|-------------------------------|
| Net income (expenditure) (as per the statement of financial activities) | 234,096 | (1,134,983) |
| Adjustments for: | | |
| Depreciation charge | 166,399 | 147,717 |
| (Gains) losses on investments | (767,854) | 1,195,460 |
| Dividends, rents and interest from investments | (152,919) | (532,888) |
| Decrease (increase) in debtors | 2,401,253 | (1,166,508) |
| Decrease in creditors | (963,405) | (631,000) |
| Net cash provided by (used in) operating activities | 917,570 | (2,122,202) |

B Analysis of changes in net debt

| | 1 April 2020 £ | Movement in year £ | 31 December 2020 £ |
|--|-------------------|-----------------------|-----------------------|
| Cash at bank and in hand | 2,521,175 | 2,298,991 | 4,820,166 |
| Short term deposits | 3,074,759 | (40,290) | 3,034,469 |
| Total cash and cash equivalents | 5,595,934 | 2,258,701 | 7,854,635 |

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Principal accounting policies 31 December 2020

General information

Community Security Trust is a registered charity. The registered office address and principal place of business is Shield House, Harmony Way, London, NW4 2BZ

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) issued on 28 March 2018 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 nine month period ended 31 December 2020 and rounded to the nearest pound, with comparative information presented for the year ended 31 March 2020.

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

The Trustee considers that there is no material uncertainty about the Charity's ability to continue as a going concern. In forming this assessment, the Trustee has considered the impact of Covid-19.

Basis of consolidation

The consolidated financial statements 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;
- ◆ provision for bad and doubtful debts;

Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

- ◆ estimating the cost of grant which will be paid to Security Enhancement Project grant beneficiaries for grants committed to at the year end, for which the related work has not yet been contracted; and
- ◆ estimating future cash flows for the purpose of determining the going concern status of the group.

Restatement of comparative information

Until 31 March 2020, the parent Charity (Community Security Trust) adopted an accounting policy of not consolidating the financial results of its trading subsidiary (CST Promotions Limited) on the basis that the results and financial position of the trading subsidiary were immaterial to the financial results and position of the group.

The results of the subsidiary for the current reporting period have been assessed as being material to the group, and as such consolidated financial statements have been prepared for the first time this period. For comparative purposes, the prior period figures have been restated on a like-for-like basis.

The restatement also includes an adjustment to the result for the years ended 31 March 2020 and 31 March 2019 and year end balances as at 31 March 2020 and 31 March 2019. Details of the adjustments made are outlined below.

| | As previously reported £ | Impact of restatements £ | As restated £ |
|--|-----------------------------|-----------------------------|---------------------|
| Statement of Financial Activities | | | |
| Income | 20,528,501 | — | 20,528,501 |
| Expenditure | (21,161,719) | (693,695) | (20,468,024) |
| Gains on revaluation of fixed assets | 1,660,730 | 323,148 | 1,983,878 |
| Balance Sheet | | | |
| Fixed assets | 11,662,626 | (100) | 11,662,526 |
| Current assets | 10,880,387 | 216,087 | 11,096,474 |
| Creditors | (4,769,072) | 477,708 | (4,291,364) |
| Funds as at 1 April 2019 | 17,941,889 | (323,148) | 17,618,741 |
| Funds as at 31 March 2020 | 17,773,941 | 693,695 | 18,467,636 |

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.

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.

Fund accounting (continued)

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

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

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

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

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

Expenditure

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

The charge relating to the security enhancements project comprises the cost of new commitments approved and communicated to the beneficiary organisation at the Balance Sheet date. Outstanding commitments are shown within creditors within one year as these are payable on presentation of invoices for the cost of works by the beneficiary organisation.

All donations made are charged in full to the income and expenditure accounts in the year in which they are payable.

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

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 auditors remuneration detailed in note 9 of these accounts.

Expenditure (continued)

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.

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.

Tangible fixed assets and depreciation (continued)

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

*As at the year end, the revaluation model was adopted for freehold property and improvements.

Fixed asset investments

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

Investment properties

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

Foreign currencies

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

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

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

Debtors

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

Cash at bank and in hand

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

Current asset investments

Current asset investments 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 financial statements 31 December 2020

1 Donations, legacies and gift aid

| | Period ended 31 December 2020 | | | Year ended 31 March 2020 | | |
|---|-------------------------------|-----------------------|------------------|--------------------------|-----------------------|------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds £ | Unrestricted funds £ | Restricted funds £ | Total funds £ |
| Donations | | | | | | |
| Gift Aid recovered | 129,275 | — | 129,275 | 156,468 | — | 156,468 |
| Donations and legacies from individuals & trusts | 2,690,362 | — | 2,690,362 | 5,349,065 | — | 5,349,065 |
| Campus fund | — | 10,000 | 10,000 | — | 10,000 | 10,000 |
| Inter communal project | — | 30,000 | 30,000 | — | 30,000 | 30,000 |
| Standup | — | 100,000 | 100,000 | — | 100,000 | 100,000 |
| Social media project | — | — | — | — | 161,000 | 161,000 |
| Mishon volunteer awards fund | — | — | — | — | 2,500 | 2,500 |
| Victim and witness support fund (Mayor of London) | — | — | — | — | 23,752 | 23,752 |
| Volunteer Training fund | — | — | — | — | 5,400 | 5,400 |
| Residential training course | — | — | — | — | 5,428 | 5,428 |
| CCTV Trust fund | — | — | — | — | 150,000 | 150,000 |
| Northern SEP Project | — | — | — | — | 2,000 | 2,000 |
| Total funds | 2,819,637 | 140,000 | 2,959,637 | 5,505,533 | 490,080 | 5,995,613 |

2 Income from charitable activities

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|---------------------------------------|------------------------------------|-------------------------------|
| Restricted funds | | |
| Home Office Protective Security Grant | 7,568,121 | 14,000,000 |

3 Other trading income

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|---|------------------------------------|-------------------------------|
| Unrestricted funds | | |
| Brochure advertising income of CST Promotions Limited | 302,590 | — |

4 Other income

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|----------------------------------|------------------------------------|-------------------------------|
| Unrestricted funds | | |
| Rental income | 55,098 | 437,287 |
| Investment income | 97,821 | 95,601 |
| Coronavirus Job Retention Scheme | 330,687 | — |
| | 483,606 | 532,888 |

5 Expenditure on fundraising

| | Period ended 31 December 2020 | Year ended 31 March 2020 (Restated) |
|--------------------|--|---|
| | £ | £ |
| Unrestricted funds | | |
| Support costs | 5,825 | 4,857 |
| Other costs | 6,295 | 214,337 |
| Staff costs | 234,290 | 334,222 |
| | 246,410 | 553,416 |

6 Analysis of expenditure on charitable activities

Summary by fund type

| | Period ended 31 December 2020 | | | Year ended 31 March 2020 (Restated) | | |
|--|-------------------------------|---------------------|-------------------|-------------------------------------|---------------------|-------------------|
| | Unrestricted funds | Restricted funds | Total funds | Unrestricted funds | Restricted funds | Total funds |
| | £ | £ | £ | £ | £ | £ |
| Promote race relations, combat antisemitism and provide security | 4,036,289 | 108,180 | 4,144,469 | 5,436,917 | 477,691 | 5,914,608 |
| Home Office Protective Security Grant expenditure | — | 7,456,832 | 7,456,832 | — | 14,000,000 | 14,000,000 |
| | 4,036,289 | 7,565,012 | 11,601,301 | 5,436,917 | 14,477,691 | 19,914,608 |

7 Analysis of expenditure by activities

| | Activities undertaken directly | Grant funding of activities | Support costs | Period ended 31 December 2020 |
|--|--------------------------------------|-----------------------------------|------------------|--|
| | £ | £ | £ | £ |
| Promote race relations, combat antisemitism and provide security | 3,463,127 | — | 681,343 | 4,144,469 |
| Home Office Protective Security Grant | 337,500 | 7,119,333 | — | 7,456,833 |
| | 3,800,627 | 7,119,333 | 681,343 | 11,601,302 |

All grants issued were made to institutions and not individuals. No support costs have been included within the total grants made of £7,119,333 (year ended 31 March 2020 - £12,951,448).

| | Activities undertaken directly | Grant funding of activities | Support costs | Year ended 31 March 2020 |
|--|--------------------------------------|-----------------------------------|------------------|-----------------------------------|
| | £ | £ | £ | £ |
| Promote race relations, combat antisemitism and provide security | 4,858,676 | — | 1,055,932 | 5,914,608 |
| Home Office Protective Security Grant | 1,048,552 | 12,951,448 | — | 14,000,000 |
| | 5,907,228 | 12,951,448 | 1,055,932 | 19,914,608 |

7 Analysis of expenditure by activities (continued)

Analysis of support costs

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

| | Year ended 31 December 2020 (Restated) | | |
|-------------------------|--|--|---------------------|
| | Raising funds £ | Promote race relations, combat antisemitism and provide security £ | Total funds £ |
| Rent and rates | — | 100,063 | 100,063 |
| Travel and motor | — | 144,978 | 144,978 |
| Repairs and maintenance | — | 58,753 | 58,753 |
| Insurance | — | 113,057 | 113,057 |
| Marketing | — | 161,055 | 161,055 |
| Staff training | — | 109,849 | 109,849 |
| Other support costs | — | 349,427 | 349,427 |
| Governance costs | 4,500 | 18,750 | 23,250 |
| | 4,500 | 1,055,932 | 1,060,432 |

8 Auditors' remuneration

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|--|---|--|
| Fees payable to the Charity's auditor in respect of: | | |
| Audit (December 2020) | 20,250 | — |
| Audit (March 2020) | 11,000 | 18,750 |
| Audit (2019) | — | 3,720 |
| Grant audit | 3,000 | 3,900 |
| All other non audit services not included above | 2,500 | 3,444 |

9 Staff costs

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 (Restated) £ |
|-----------------------|---|--|
| Wages and salaries | 2,717,540 | 3,705,074 |
| Termination payments | 160,151 | 194,765 |
| Social security costs | 324,849 | 421,144 |
| Pension costs | 194,894 | 265,480 |
| | 3,397,434 | 4,586,463 |

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

| | Period ended 31 December 2020 No. | Year ended 31 March 2020 No. |
|-----------------------|---|--|
| Charitable activities | 85 | 86 |
| Fundraising | 8 | 8 |
| | 93 | 94 |

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

| | Period ended 31 December 2020 No. | Year ended 31 March 2020 No. |
|---------------------------------|---|--|
| In the band £60,000 - £69,999 | 2 | 5 |
| In the band £70,000 - £79,999 | 1 | 3 |
| In the band £80,000 - £89,999 | — | 2 |
| In the band £90,000 - £99,999 | 1 | 1 |
| In the band £120,000 - £129,999 | 1 | 2 |
| In the band £130,000 - £140,000 | — | 1 |

Benefits included in the above bandings exclude termination payments totalling £128,932 (year ended 31 March 2020 - £194,765) which were made to individuals who received other employee benefits in excess of £60,000.

During the period key management remuneration including employers national insurance totalled £753,197 (year ended 31 March 2020 - £1,301,662), comprising the CEO and a management team of 9 staff members.

10 Trustee remuneration and expenses

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

11 Taxation

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

12 Tangible fixed assets

| | Freehold property and improvement £ | Fixtures fittings and equipment £ | Total £ |
|------------------------------------|--|--|-------------------------|
| Cost or valuation | | | |
| At 1 April 2020 (as restated) | 3,076,691 | 1,884,563 | 4,961,254 |
| Additions | 105,248 | 184,210 | 289,458 |
| Revaluations | 592,061 | — | 592,061 |
| Transfers from investment property | 664,800 | — | 664,800 |
| At 31 December 2020 | <u>4,438,800</u> | <u>2,068,773</u> | <u>6,507,573</u> |
| Depreciation | | | |
| At 1 April 2020 (as restated) | — | 1,521,976 | 1,521,976 |
| Charge for year | 38,251 | 128,148 | 166,399 |
| Revaluations | (38,251) | — | (38,251) |
| At 31 December 2020 | <u>—</u> | <u>1,650,124</u> | <u>1,650,124</u> |
| Net book values | | | |
| At 31 December 2020 | <u>4,438,800</u> | <u>418,649</u> | <u>4,857,449</u> |
| At 31 March 2020 | <u>3,076,691</u> | <u>362,587</u> | <u>3,439,278</u> |

Included in the net book value of freehold property and improvement above is a mixed-use freehold property with net book value of £3,988,800. This property was sold and leased back following the period end 31 December 2020 (see note 25) and the revaluation at that date is based on the sales price received. The transfer element relates to the mixed use of the property. An adjustment was made in the period for change in the apportioned use of the property between the space used by the charity for its own use versus the space leased out to generate rental income.

13 Investment property

| | Freehold investment properties £ |
|-----------------------------------|---|
| Valuations | |
| At 1 April 2020 | 4,990,769 |
| Gain on revaluation | 462,876 |
| Transfer to tangible fixed assets | (664,800) |
| At 31 December 2020 | <u>4,788,845</u> |

The mixed-use property was sold following the end of the financial year as detailed in note 25. The value of the remaining investment property was based on expected future cash flows and on market research to establish an appropriate investment yield

14 Fixed asset investments

| | Listed securities £ | Unlisted securities £ | Shares in subsidiary companies £ | Total £ |
|----------------------------------|---------------------------|-----------------------------|---|-------------------------|
| Cost or valuations | | | | |
| At 1 April 2020 | 1,655,032 | 1,577,447 | 100 | 3,232,579 |
| Additions | 68,720 | — | — | 68,720 |
| Disposals | (9,837) | (1,536,553) | — | (1,546,390) |
| Revaluations | 307,622 | (40,894) | — | 266,728 |
| At 31 December 2020 | <u>2,021,537</u> | <u>—</u> | <u>100</u> | <u>2,021,637</u> |
| Represented by | | | | |
| Investment holdings | 1,222,140 | — | 100 | 1,222,240 |
| Cash held by investment managers | 799,497 | — | — | 799,497 |
| | <u>2,021,537</u> | <u>—</u> | <u>100</u> | <u>2,021,637</u> |
| Net book values | | | | |
| At 31 December 2020 | <u>2,021,537</u> | <u>—</u> | <u>100</u> | <u>2,021,637</u> |
| At 31 March 2020 | <u>1,655,032</u> | <u>1,577,447</u> | <u>100</u> | <u>3,232,579</u> |

At 31 December 2020, the Charity's investment portfolio included the following individual holdings which represented a material proportion of the total value of the fixed asset investment portfolio at that date.

| | 31 December 2020 £ |
|---|-----------------------------|
| Artemis Income Fund (Class 1) | 91,479 |
| Columbia Thread UK Fund (Class Z) | 117,001 |
| J O Hambro Capital UK Equity Fund (Acc) | 122,989 |
| Morgan Stanley US Advantage Fund | 76,365 |
| UBS Investment Funds S&P500 Index | <u>113,999</u> |

14 Fixed asset investments (continued)

Principal subsidiaries

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

| | 31 December 2020 £ | 31 March 2020 £ |
|-------------------|-----------------------------|--------------------------|
| Debtors | 22,708 | 166,098 |
| Cash at bank | 137,977 | 174,296 |
| Creditors | (160,585) | (345,151) |
| Net assets | 100 | (4,757) |

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

| | Period ended 31 December 2020 £ | Year ended 31 March 2020 £ |
|----------------------|---|--|
| Income | 302,590 | — |
| Cost of sales | (3,225) | — |
| Administrative costs | (5,875) | (4,857) |
| | 293,490 | (4,857) |

15 Debtors

| | Group | | Charity | |
|-----------------------------------|-----------------------------|--|-----------------------------|--|
| | 31 December 2020 £ | 31 March 2020 (Restated) £ | 31 December 2020 £ | 31 March 2020 (Restated) £ |
| Due within one year | | | | |
| Donations receivable | 589,505 | 1,969,255 | 589,505 | 1,969,255 |
| Amounts owed by group undertaking | — | — | 5,133 | — |
| Other debtors | 45,924 | 149,697 | 23,216 | 107,906 |
| Prepayments and accrued income | 377,149 | 339,945 | 377,149 | 339,945 |
| Home Office grant commitments | 2,086,709 | 3,041,643 | 2,086,709 | 3,041,643 |
| | 3,099,287 | 5,500,540 | 3,081,712 | 5,458,749 |

16 Short term deposits

| | Group | | Charity | |
|-----------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------|
| | 31 December 2020 £ | 31 March 2020 £ | 31 December 2020 £ | 31 March 2020 £ |
| Cash equivalents on deposit | 3,034,469 | 3,074,759 | 3,034,469 | 3,074,759 |

17 Creditors: Amounts falling due within one year

| | Group | | Charity | |
|--|-----------------------------|--|-----------------------------|--|
| | 31 December 2020 £ | 31 March 2020 (Restated) £ | 31 December 2020 £ | 31 March 2020 (Restated) £ |
| Security enhancement project creditors | 251,143 | 773,668 | 251,143 | 773,668 |
| Trade creditors | 75,517 | 102,383 | 75,517 | 101,483 |
| Amounts owed to group undertakings | — | — | — | 124,307 |
| Other taxation and social security | 137,853 | 163,738 | 122,136 | 157,238 |
| Home Office grant commitments | 2,557,017 | 2,626,026 | 2,557,017 | 2,626,026 |
| Accruals and deferred income | 306,430 | 625,549 | 166,695 | 287,798 |
| | 3,327,960 | 4,291,364 | 3,172,508 | 4,070,520 |

18 Financial instruments

Financial assets

| | Group | | Charity | |
|--|-----------------------------|--------------------------|-----------------------------|--------------------------|
| | 31 December 2020 £ | 31 March 2020 £ | 31 December 2020 £ | 31 March 2020 £ |
| Financial assets measured at amortised costs | 2,132,633 | 3,191,340 | 3,191,340 | 3,149,549 |

Financial liabilities

| | Group | | Charity | |
|---|-----------------------------|--------------------------|-----------------------------|--------------------------|
| | 31 December 2020 £ | 31 March 2020 £ | 31 December 2020 £ | 31 March 2020 £ |
| Financial liabilities measured at amortised costs | 3,060,856 | 3,794,126 | 3,050,371 | 3,788,975 |

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

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

19 Statement of funds

Statement of funds – current year

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

19 Statement of funds (continued)

Statement of funds – prior year (as restated)

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Transfer in/out £ | Gains/ (losses) £ | Balance at 31 March 2020 £ |
|---|------------------------------------|-------------------|---------------------|-------------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Security enhancements | 1,800,000 | — | — | — | — | 1,800,000 |
| Fixed asset fund | 1,884,510 | — | (147,717) | (281,393) | — | 1,455,400 |
| Fixed asset fund - Revaluation reserve | — | — | — | — | 1,983,878 | 1,983,878 |
| Investment property fund | 5,350,000 | — | — | 645,971 | (1,005,202) | 4,990,769 |
| | <u>9,034,510</u> | <u>—</u> | <u>(147,717)</u> | <u>364,578</u> | <u>978,676</u> | 10,230,047 |
| General funds | <u>8,473,389</u> | <u>6,038,421</u> | <u>(5,842,616)</u> | <u>(508,528)</u> | <u>(190,258)</u> | 7,970,408 |
| Total unrestricted funds | <u>17,507,899</u> | <u>6,038,421</u> | <u>(5,990,333)</u> | <u>(143,950)</u> | <u>788,418</u> | 18,200,455 |
| Restricted funds | | | | | | |
| Home Office Protective Security grant | — | 14,000,000 | (14,000,000) | — | — | — |
| Aggregated smaller restricted grants | <u>110,842</u> | <u>490,080</u> | <u>(477,691)</u> | <u>143,950</u> | <u>—</u> | 267,181 |
| Total restricted funds | <u>110,842</u> | <u>14,490,080</u> | <u>(14,477,691)</u> | <u>143,950</u> | <u>—</u> | 267,181 |
| Total of funds | <u>17,618,741</u> | <u>20,528,501</u> | <u>(20,468,024)</u> | <u>—</u> | <u>788,418</u> | 18,467,636 |

Designated funds

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

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

The revaluation reserve represents the revaluation of freehold property held as a tangible fixed asset. The combined total of the fixed asset fund and the revaluation reserve totals the net book value of tangible fixed assets shown in note 13.

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

19 Statement of funds (continued)

Restricted funds:

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

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

Fund transfers

Transfers from general funds to the designated fixed asset fund represent net fixed asset additions during the year. Transfers between the fixed asset fund and the Investment property fund to represent the transfer of the investment property component of a mixed use property as detailed in note 13. The carried forward balance on the fixed asset fund represents the value of the operational fixed assets used to further the Charity's objectives.

20 Analysis of net assets between funds

Analysis of net assets between funds

| <i>Group</i> | Total funds 31 December 2020 | | | Total funds 31 March 2020 | | |
|-------------------------------|-------------------------------------|-------------------------|----------------------|----------------------------------|-------------------------|-------------------|
| | Unrestricted funds | Restricted funds | December 2020 | Unrestricted funds | Restricted funds | March 2020 |
| | £ | £ | £ | £ | £ | £ |
| Tangible fixed assets | 4,857,449 | — | 4,857,449 | 3,439,278 | — | 3,439,278 |
| Fixed asset investments | 2,021,537 | — | 2,021,537 | 3,232,479 | — | 3,232,479 |
| Investment property | 4,788,845 | — | 4,788,845 | 4,990,769 | — | 4,990,769 |
| Current assets | 7,986,616 | 2,967,306 | 10,953,922 | 8,203,267 | 2,893,207 | 11,096,474 |
| Creditors due within one year | (770,943) | (2,557,017) | (3,327,960) | (1,665,338) | (2,626,026) | (4,291,364) |
| Total | 18,883,504 | 410,289 | 19,293,793 | 18,200,455 | 267,181 | 18,467,636 |

| <i>Charity</i> | Total funds 31 December 2020 | | | Total funds 31 March 2020 | | |
|-------------------------------|-------------------------------------|-------------------------|----------------------|----------------------------------|-------------------------|-------------------|
| | Unrestricted funds | Restricted funds | December 2020 | Unrestricted funds | Restricted funds | March 2020 |
| | £ | £ | £ | £ | £ | £ |
| Tangible fixed assets | 4,857,449 | — | 4,857,449 | 3,439,278 | — | 3,439,278 |
| Fixed asset investments | 2,021,637 | — | 2,021,637 | 3,232,479 | — | 3,232,479 |
| Investment property | 4,788,845 | — | 4,788,845 | 4,990,769 | — | 4,990,769 |
| Current assets | 7,831,064 | 2,967,306 | 10,798,370 | 7,987,180 | 2,893,207 | 10,880,387 |
| Creditors due within one year | (615,491) | (2,557,017) | (3,172,508) | (1,444,494) | (2,626,026) | (4,070,520) |
| Total | 18,883,504 | 410,289 | 19,293,793 | 18,205,212 | 267,181 | 18,472,493 |

21 Pension commitments

The pension charge per the accounts represents contributions paid by the Charity for the year and amounted to £194,894 (2020 - £265,480) in respect of defined contribution schemes.

22 Operating lease commitments

At 31 December 2020 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 31 December 2020 £ | 31 March 2020 £ |
|--|---------------------------------------|--------------------------|
| Not later than 1 year | 58,227 | 83,630 |
| Later than 1 year and not later than 5 years | 14,244 | 71,409 |
| | 72,471 | 155,039 |

Total operating lease payments recognised as an expense in the period was £83,630 (year ended 31 March 2020 - £101,180).

23 Operating lease – lessor

| | 31 December 2020 £ | 31 March 2020 £ |
|-----------------------|---------------------------------------|--------------------------|
| Within 1 year | 29,673 | 108,528 |
| Between 1 and 5 years | 1,299,600 | 1,725,164 |
| After 5 years | 3,357,300 | 3,577,941 |
| | 4,686,573 | 5,411,633 |

The Charity receives rent from leasing out some of the floors of its main office and from the investment property held. During the year, a tenant of the investment property was granted a rent free period until the end of 2021 as a result of the tenant's Company Voluntary Arrangement (CVA).

Following the year end, the mixed use property of the Charity was sold, the amounts receivable as a lessor above includes amounts receivable up to the transfer date.

24 Related party transactions

During the period, CST Promotions Limited, a subsidiary of the Charity, made a donation under gift aid to the Charity totalling £288,633 (year ended 31 March 2020 - £nil). As at 31 December 2020 the trading subsidiary CST Promotions Limited owed £5,133 to the Charity, (31 March 2020 the Charity owed £124,307 to its trading subsidiary).

During the period the Charity received donations totalling £548,000 (2020 - £354,560) from the directors of the Corporate Trustee, and parties over which the directors had control or significant influence.

During the prior year, ended 31 March 2020, the Charity was provided professional services by Rosenblatt Group Plc totalling £3,540, until 5 March 2020 Rosenblatt Group Plc had a mutual director with the Corporate Trustee.

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

25 Post balance sheet events

Following the balance sheet date, the Trustee of the Charity agreed the sale and leaseback of its main office (a mixed-use property within these financial statements) which was completed on 27 April 2021. The value of the property as at 31 December 2020 is considered by the trustee to be equal to the proceeds realised on this sale, and this is reflected in the revaluation at the year end.