

England & Wales Charity number: 1042391  
Scottish Charity number: SC043612

**COMMUNITY SECURITY TRUST**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

**LUBBOCK FINE**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**

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**COMMUNITY SECURITY TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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<b>Principal office</b>	Shield House Harmony Way London NW4 2BZ
<b>England &amp; Wales charity number</b>	1042391
<b>Scottish charity number</b>	SC043612
<b>Independent auditors</b>	Lubbock Fine Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Bankers</b>	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
<b>Solicitors</b>	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE

**COMMUNITY SECURITY TRUST**  
**TRUSTEE'S REPORT**  
**YEAR ENDED 31 DECEMBER 2015**

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The Trustee presents its annual report together with the audited financial statements of Community Security Trust (referred to in this report as "the Charity" or "CST") for the year ended 31 December 2015. CST is a registered charity in England and Wales, charity number 1042391 and is a registered charity in Scotland, charity number SC043612.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to 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 (FRS 102) issued on 16 July 2014 and 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 financial statements.

## **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. The Charity's objectives are:

1. 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.
2. To promote the efficiency of the Police within the community at large and the promotion of good citizenship and greater public participation in the prevention of crime with particular reference to the maintenance of public order and prevention of racially motivated, especially antisemitic, crime.
3. To support the victims of racial or religious harassment, and especially antisemitic harassment, who are in need or who have suffered hardship or distress.
4. To promote research into racism and antisemitism, and to publish the useful results of such research and otherwise to promote public education about racism and antisemitism.
5. To promote and support other charitable purposes or institutions as the Trustee may from time to time think fit.

### **2.1. Trustee Recruitment and Appointment**

The power to appoint trustees rests with the current Trustee. The Trustee's directors may appoint new directors at their regular Board Meetings. The directors regularly review areas in which more guidance and support is needed. Appointments are made in order to continue enhancing the activities and effectiveness of 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 be instituting a new 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

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Officer (CEO), and key staff to further their understanding of the history, aims and operations of CST. New directors will receive an induction pack including three years of accounts, details of the organisation, a copy of the governing trust deed, Trustee board and sub-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 subcommittee(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.

### **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 respective English and Scottish Charity Commissions' general guidance on public benefit.

### **4. KEY STAFF**

The Trustee board of directors meet 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 David Delew, who is supported by the senior management team of key staff.

The remuneration of the CEO is set by the Trustee. The remuneration of staff is recommended by the CEO and submitted to the Trustee for approval. Remuneration 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**

In 2015, CST focussed upon its key objective of promoting good relations in the UK between the Jewish community and all other members of society. This was achieved primarily by:

- working towards the elimination, or minimisation, of racism in the form of antisemitism
- providing security personnel for Jewish communities and Jewish communal events
- providing security advice and equipment for Jewish communal locations and events
- enabling the reporting of antisemitic hate crimes and related incidents
- working with Police forces and Jewish communities throughout the UK
- working with politicians and civil servants, in particular the Department for Communities & Local Government (DCLG) and the Home Office
- working with Jewish youth group Maccabi GB to enhance personal safety and self-confidence
- using CST's experience and expertise for the benefit of other groups and minority communities

### **6. ACHIEVEMENTS AND ACTIVITIES**

#### **6.1. Antisemitic Incidents: Reporting and Analysis**

CST records and publishes reports on antisemitic incidents (mainly hate crimes against Jews) nationwide and is widely recognised as the UK's leading authority on such matters. These incidents include reports received directly from members of the public and also those shared by various Police forces. In 2015 there were 924 incidents recorded as being antisemitic by CST – the third highest total in a single year.

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Unlike in 2014, when that summer's conflict in the Middle East drove up the number of incidents in the UK to their highest ever total (1,179 incidents), no single "trigger event" lay behind the relatively high number of incidents in 2015. The highest monthly total occurred in January 2015, when 109 incidents were recorded. August 2015 saw the lowest monthly total, with 59 incidents recorded. The 2015 total included 86 incidents that were classified as violent, compared to 81 violent incidents in 2014.

During 2015, a further 686 incidents were reported to CST but were not found to be antisemitic in nature. They included examples of criminal (but not antisemitic) behaviour and 380 cases of people behaving suspiciously at Jewish locations. These suspicious behaviour incidents may denote terrorist surveillance of Jewish locations and some such cases are urgently followed up by the Police after their notification by CST. These latter 380 reports compare with 161 such reports to CST in 2014, suggesting greater communal sensitivity to potential acts of hostile reconnaissance; and perhaps also an actual rise in the number of real hostile reconnaissance acts.

In total there were 1,610 incidents during 2015, including antisemitic incidents and those of a non-antisemitic nature, which required a response from CST staff and volunteers. This compares to 1,666 such reports during 2014.

CST's 2015 annual report detailing antisemitic incident levels was published in February 2016 and was shared with the Government, parliamentarians, the Police, the Jewish communal leadership and the media.

Criminological analysis of antisemitic incidents enables CST to work with Jewish communities, the Police and the Government to better understand antisemitism and develop policies to curb it. CST meets regularly with specialist crime units and analysts from various Police forces. Incidents are categorised by type (extreme violence, assault, damage / desecration to property, threats, abusive behaviour and literature), by location, by perpetrator and by victim.

## **6.2. Working with the Government, Civil Servants and the Police**

CST continues its central role in the Government Taskforce on Combating Antisemitism, working with the Government, civil servants, the Police and others in helping to work towards the elimination of antisemitism.

Taskforce meetings are attended by CST and representatives of other UK Jewish communal bodies. These meetings set the framework for the Government's actions against antisemitism. The meetings review progress across departments, discuss new developments and suggest further actions. The meetings also provide an excellent example of cross communal cooperation and communication with the Government, to be reproduced for the benefit of other groups and minorities.

Since late August 2014, the national UK terror threat level has been categorised by the Government and security services at its second highest level, "Severe", meaning an attack is "highly likely". CST is keenly aware of the importance of antisemitism within some terrorist groups' ideologies, and this continuing threat is central to all of CST's work and relationships.

CST provides constant security support for Jewish communities nationwide. Security personnel, drawn from CST staff and volunteers, helped protect over 650 Jewish communal buildings and over 1,000 Jewish events during 2015. Terrorist attacks against Jews in Paris (January 2015) and Copenhagen (February 2015) led to widespread concern across UK Jewish communities and highlighted the need for CST's work. CST shared our communities' concerns and discussed them with numerous departments within the Government, Civil Service and Police. As a consequence, CST's own activities increased significantly, with considerably

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increased security provision of personnel, training and equipment. The Government and the Police also responded with public expressions of support and practical measures to enhance security and policing of Jewish communities.

A proposed neo-Nazi demonstration on 4 July 2015 in Golders Green, one of the UK's largest and most vibrant Jewish communities, was moved by the Police to Westminster. This followed the intervention of CST, working with many other Jewish and non-Jewish partners, including local politicians.

CST worked several thousand man-hours during the Jewish festivals of Rosh Hashanah and Yom Kippur. Wherever possible, CST increased its patrols from previous years. This included joint CST and Police patrols in areas with large Jewish communities, including London, Manchester and Hertfordshire; and briefings of Police personnel so they understood the threat and the reasons for heightened security at this time. The visibility of CST-Police patrols provides a considerable comfort to Jewish communities, reassuring them that they may conduct their lawful Jewish lives as they see fit.

CST now shares anonymised antisemitic incidents data with several Police forces throughout the UK.

**6.3. Administration and Distribution of the Government Grant for School Security Guards and Other Security Assistance**

In March 2015, the Prime Minister the Rt Hon David Cameron MP announced, that in the fiscal year 2015-16, the Government would provide £10.9 million of funding for UK Jewish community security measures. The primary expenditure for this funding would be for the provision of commercial security guards at all privately funded Jewish faith schools, with the remaining money to be spent at other community venues. The new £10.9 million grant was in addition to the £2.5 million of Government grants that had been made for security guards at all Government maintained Jewish faith schools.

CST was given responsibility for the planning, supervision and distribution of the Government funding for UK Jewish community security measures. This was a considerable task, involving the administration of in excess of £13 million of Government money, to be spent on security guards and equipment at hundreds of Jewish schools, synagogues and other sensitive locations. The Financial Review, within this report, provides further details of the administration and utilisation of this grant in the year ended 31 December 2015.

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. That CST is entrusted with this task shows the continuing close cooperation with the Government and civil servants.

**6.4. CST Security Project Funding**

During 2015, CST continued its "Protective Windows Project" and "Security Enhancement Project". Launched in 2006 and 2008 respectively, these projects have seen CST provide security upgrades, equipment and installations at many hundreds of Jewish buildings throughout the UK, at a cost to date of over £7 million.

The success of these projects lies in the security that they provide and also in the working partnerships that they foster between CST and these Jewish locations. During 2015, CST installed 736 CCTV cameras, 122 CCTV monitors, 1,839 metres of perimeter fencing, 79 digital video recorders, 87 security grilles, 60 access control systems, 41 intruder alarm systems, 55 pedestrian gates, 38 vehicle gates and 43 anti-ram bollards.

#### **6.5. Interfaith Work and Sharing Expertise**

CST actively cooperated with other faith and minority groups; and encouraged other Jewish communal groups and activists in similar work. CST regularly shares its expertise through its leading role in many Police and other community forums.

In 2015, CST continued to work closely with the "Tell MAMA" project (Measuring Anti-Muslim Attacks) on its collection and analysis of hate crimes against British Muslims.

CST staff continued their advisory and participatory roles in numerous official 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 also continued to play a leading role in the European Union funded "Facing Facts" project, helping to train other minority groups throughout Europe in the collection, analysis and presentation of hate crimes data. CST has a leading involvement in the "train the trainer" stage of the project, with Jewish, Roma, Muslim and LGBT groups all participating. This project takes CST's expertise and makes it available for the benefit of others in the UK and throughout the EU. Similarly, CST continued its advisory role within the Fundamental Rights Agency of the European Union.

CST's International Director continued his role representing the entire UK on the Council of Europe's anti-racism body, ECRI (European Commission against Racism and Intolerance). This is a striking example of CST's expertise now being utilised on behalf of the UK as a whole, playing a leading role in the development and monitoring of government, policing and judicial actions against antisemitism and other forms of prejudice.

CST's Director of Communications gave the keynote speech in Brussels at the founding meeting of the European Commission Colloquium on Antisemitism and Anti-Muslim Hatred.

The importance of this work lies in utilising CST's expertise and experience to build working alliances against racism and extremism, specifically with other communities, leading to the improvement of relations across communities, and the reduction of divisions and hostilities.

#### **6.6. Streetwise – Helping Jewish Youth**

CST's "Streetwise" programme, run in conjunction with Maccabi GB, saw 20,000 young people taught personal safety and personal development in support of their physical and emotional well-being. This was the most successful year yet for the project. The courses ran in 58 schools, of which 47 are Jewish. This is a key project for CST, helping Jewish youth to feel confident, avoid becoming victims of crime, and educating against drug and alcohol abuse.

#### **6.7. 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.



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**6.8. Volunteers**

In 2015, CST trained record numbers of both new security volunteer recruits and members of the wider Jewish community at synagogues throughout the UK. This placed considerable demands on CST's training department, which was increased from two to four full time members of staff to meet the demand. The much expanded recruitment and demand for training resulted from the anti-Jewish terror attacks in Paris and Copenhagen in January and February 2015.

Volunteers are essential to CST's delivery of security for Jewish communal venues and events. During 2015, CST's training department increased its number of instructors to enhance the training levels attained by existing volunteers; and to ensure new volunteers met the Charity's requisite training standards for active volunteering.

Each Jewish Sabbath, CST-trained volunteers work at hundreds of synagogues throughout the UK. Collectively, CST volunteers work thousands of hours during the main Jewish festivals.

During the course of 2015, CST's staff and volunteers provided security at over 1,000 communal events throughout the UK.

**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 in 2015 repeatedly demonstrated the continuing successful reach and influence of CST both within Jewish communities across the UK and with the Government and the Police.

For example, after the terrorist attack against a Jewish supermarket in Paris, in January 2015, CST was immediately consulted by the Government, the Police, and the media and across the UK by the Jewish community for guidance regarding what more could be done to oppose antisemitic terrorism. Following this, the Police reassessed the threat level regarding the UK Jewish community and the Government announced £10.9 million of new expenditure on security measures for British Jews, to be administered by CST. By the end of 2015, CST had enabled the delivery of the Government's assistance to over 350 Jewish venues across the country.

In February 2015, a Danish Jewish community security volunteer was murdered by a Jihadi terrorist in Copenhagen. CST's own staff and volunteers reacted by increasing their efforts to protect British Jews. This commitment was also reflected throughout the wider Jewish community, with CST receiving its highest ever influx of new volunteer recruits, as over 500 people (30 per cent of them female) joined CST to assist in its protective duties. This demonstrated the support for CST and its work from across the Jewish community, with whom partnership is essential for CST to successfully carry out its duties.

The terror attacks in Paris and Copenhagen caused much concern to Jewish communities across the UK, with unprecedented demands being made upon CST for security advice and protection. CST was able to meet this demand, thanks to the continuing dedication of existing volunteers and the influx of new volunteers who joined CST in light of the situation. This was a strong measure of the success of CST in galvanising the Jewish community to actively participate in its own protection under very testing circumstances.

**8. PRIMARY FACTOR AFFECTING CST: THE THREAT OF TERRORISM**

All of society remains at threat from extreme Jihadist terrorism. The Jewish community, however, remains amongst the primary ideological and physical targets for such extremists, including ISIS, al-Qaeda and those individuals or small groups who are inspired to act in support of them.

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CST's discussions with the Police and the Government leave the Charity in no doubt that the overall current threat will endure for the foreseeable future. CST's provisions of security must therefore be proactive and widespread throughout British Jewish communities. This requires these Jewish communities to be consistent in their support for the Charity.

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

There are potentially significant events that could affect the financial performance of CST. These fall into two categories. There are events that are not significantly different to those facing any charity: such as a reputational or operational failure on the part of the charity or those associated with it; or a material change in the circumstance of CST donors. Then, there are events that may be termed as being unique or specific to CST.

CST's funding largely depends upon the Jewish community's understanding of the need for CST's work. CST protects the UK Jewish community from antisemitism; firstly, from antisemitic terrorism, secondly, from antisemitic hate crimes, and thirdly, from an overall atmosphere of wider anti-Jewish hostility in general social and political discourse. If events connected to these conditions worsen, then CST will generally receive more support, including funding. The problem of antisemitism is well over 2,000 years old and it - like other forms of racism - is unlikely to be extinguished in the near future.

Government Grant funding has become a large portion of CST's income, expenditure and workload on behalf of Jewish communal security measures. As of 2015, the funding is renewed on an annual basis by Government. Changes in this funding will affect CST and Jewish communal security measures.

To minimise reputational or operational failures, CST maintains close supervision of the activities of its staff and volunteers. For example, each security operation is subject to a full debrief upon completion of the event and any accidents or injuries during training must be logged, and are reported by the CEO at the next Trustee meeting, in accordance with Health and Safety legislation.

**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 understands that the current problem of terrorism and antisemitism has endured from 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 the challenges, including increased funding for CST's core budget and provision of Security Enhancement Project assistance to community locations. The Trustee will continue seeking to expand CST's donor base, through fundraising activities, for example, in partnership with synagogue bodies. The Trustee will continue seeking to increase the number of CST volunteers and the development of existing staff and volunteers through training.

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**11. FINANCIAL REVIEW**

**11.1. Income**

The Statement of Financial Activities reflects incoming resources during the year amounting to £16,363,018 (2014 £8,343,181). The significant increase in incoming resources has been largely driven by Government Grant funding which has risen from £2,206,580 in 2014 to £9,225,249 in 2015. This grant is received and administered by CST.

During the year, CST raised donations of £6,801,875 (2014 £5,781,289) to fund its core activities. Income from donations is analysed in notes 2 and 3 of the Accounts. The growth in donation income was a reflection of heightened communal concerns with its safety.

**11.2. Expenditure**

Resources expended were £14,180,793 (2014 £7,141,383). The significant increase in expenditure has in turn arisen due to the application of the new Home Office grant funding of which £5,477,084 was used to support the security arrangements at private and independent Jewish schools and other communal locations, primarily via grants to these locations.

In 2015, CST utilised government grant funding of £9,225,249 (2014 £2,206,580). The majority of such expenditure represents grants to Jewish locations administered by CST, with some funding allocated to existing CST projects as disclosed in this report.

Expenditure on raising funds in the year totalled £698,304 (2014 £612,379). The increase in fundraising costs is outweighed by the increase in donations generated from fundraising events.

Charitable activities in promoting race relations, combating antisemitism and providing security was £4,257,250 (2014 £4,322,424). This area of expenditure has remained constant as CST continues to support existing programmes at a similar level to previous years.

**Movement in Funds and Total Net Assets**

After other recognised net gains of £326,833 (2014 £333,939) the net movement in funds for the year was an increase of £2,509,058 (2014 £1,535,737). Total funds and net assets at the year-end amounted to £12,333,057 (2014 £9,823,999). This is explained further in Note 19 of this report.

**11.3. Fundraising Targets and Achievements**

Fundraising in 2015 exceeded the initial expectations of the Trustee and the target originally set for the year.

The primary reason for the over 40% growth in fundraising income from 2013 to 2015 was the increased level of concern about safety within the community. This was heavily influenced by the surge in antisemitism in the UK related to the Middle East conflict in the summer of 2014, followed by terrorist incidents later that year and early in 2015 against Jewish targets in Belgium, Denmark and France. This led to many new donors coming forward and increased donations from existing donors.

Further factors that helped the growth of charitable income over this period included the ongoing recovery from recession in some sectors of the UK, and improvements in fundraising processes within the Charity.

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A report of fundraising targets and progress against budget is given at each Trustee meeting.

**11.4. Government Grants for Jewish School Security Guards and Protective Security**

In December 2010, the Department for Education (DfE) announced an annual grant of up to £2,000,000 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 £3,000,000, again intended to cover the costs of paid security guards at all Government maintained and voluntary aided Jewish schools in England.

CST administered payments in 2015 of £2,748,165 from the DfE's Jewish Community school security guard grant. As CST is eligible to draw down costs from the DfE at the point funding is committed to locations, income for the period is exactly in line with expenditure, which was also £2,748,165 for the year.

CST is the administrator of the DfE grant at its own cost. All of the grant money is distributed to the schools to cover costs in arrears of security guarding.

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 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. From April 2015 to December 2015, £5,477,084 from the Home Office's Jewish Community protective security grant was committed to projects. As with the DfE grant, entitlement to income for the project at the point a commitment to spend the funding is made, means income will always match eligible expenditure in a given financial period.

CST is the administrator of the Home Office grant, and is therefore primarily a conduit to convey funding from the Government to Jewish locations. CST received grants from the Home Office of £717,219 to support existing Security Enhancement Projects, and was granted £187,500 to cover the administration of the grant, an amount considerably below the actual cost to the Charity of such work. The majority of grant money was distributed to the Jewish community to cover costs in arrears of security guarding and equipment at hundreds of Jewish private and independent schools (DfE approved), and community sites.

**12. INVESTMENT POLICY**

The Trustee's aim is to achieve an investment return in excess of inflation. 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 fixed interest securities, cash deposits and property. The Trustee accepts a medium degree of risk.

**13. RESERVES POLICY**

It is the policy that unrestricted funds, which have not been designated for a specific use, should be maintained at a level equivalent to at least the next twelve months' anticipated unrestricted expenditure. The Trustee considers that reserves at this level will ensure that, in the event of 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.

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At 31 December 2015, total unrestricted funds were £12,246,159 (2014 £9,489,636). Of these funds £1,800,000 (2014 £1,300,000) were designated to meet 18 months of security enhancement expenditure, £891,986 in relation to fixed assets, and the Charity has designated its investment property asset of £4,800,000 as a separate fund, to represent more clearly the fact that this is an asset held for income generation. Free reserves at the year-end totalled £4,754,173, 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 £86,898 (2014 £63,720) and Restricted Government Funds £nil (2014 £270,643).

#### **14. 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.

The Trustee has a risk management strategy which comprises:

- regular reviews of the principal risks and uncertainties that the Charity faces;
- the establishment of policies, systems and procedures to mitigate risks identified from such reviews; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

A comprehensive Risk Register is managed by the CEO, with relevant matters brought to the regular Trustees meetings. This is divided into operational risk and financial risk.

Operational risk is considered at regular meetings of the Operations and Risk Committee, comprising the CEO, the Deputy CEO, the Finance Director, representatives of the Trustee (including the Deputy Chairman); and senior supporters of CST with relevant expertise who sit on the committee for the purpose of assessing risk and advising upon mitigation.

Financial risk is considered by the Finance and Audit Committee, which meets regularly during the year to consider financial risks. It comprises the CEO, the Finance Director; representatives of the Trustee, including the Treasurer and senior supporters of CST with relevant experience.

Risks are assessed by the likelihood of their occurring and the severity of their impact upon the Charity, giving an overall or "gross" risk. Where a major risk is identified, actions are immediately taken to mitigate this.

The following are amongst the risk areas identified within the Risk Register: Loss of charitable status; conflict of interest for individual trustees; loss of trustees 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.

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.

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**15. TRUSTEE'S RESPONSIBILITIES STATEMENT**

The Trustee is responsible for preparing the Trustee's Report and the financial statements 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 financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

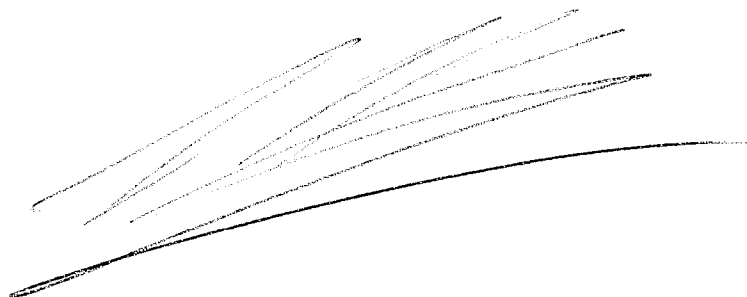
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements 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.

**16. AUDITOR**

Lubbock Fine have expressed their willingness to continue as the CST auditor. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they are reappointed as auditors will be put to the Trustee.

This report was approved by the Trustee on 11 SEP 2016 and signed on their behalf by:

A large, stylized handwritten signature in black ink, consisting of several sweeping, overlapping strokes.

## **COMMUNITY SECURITY TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF COMMUNITY SECURITY TRUST FOR THE YEAR ENDED 31 DECEMBER 2015**

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We have audited the financial statements of Community Security Trust for the year ended 31 December 2015 set out on pages 15 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustee, in accordance with section 144 of the Charities Act 2011 and 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 regulations made under that Act. 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 Auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEE AND AUDITORS**

As explained more fully in the Trustee's Responsibilities Statement, the Trustee is responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2015 and of its incoming resources and application of resources for the year 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).

**COMMUNITY SECURITY TRUST**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF COMMUNITY SECURITY TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.



**Russell Rich** (Senior Statutory Auditor)

For and on behalf of

**Lubbock Fine**

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 28/9/16



**COMMUNITY SECURITY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>INCOME FROM:</b>					
Donations	2	6,181,995	257,183	6,439,178	5,585,371
Donations under Gift Aid from CST					
Promotions Limited	3	362,697	-	362,697	195,918
Grant income:	4				
Department for Education School Security Grant		-	2,748,165	2,748,165	2,206,580
Home Office Protective Security Grant		-	5,477,084	5,477,084	-
Department for Communities and Local Government Security Enhancement Grant		-	1,000,000	1,000,000	-
Other income	5	335,894	-	335,894	355,312
<b>TOTAL INCOME</b>		<u>6,880,586</u>	<u>9,482,432</u>	<u>16,363,018</u>	<u>8,343,181</u>
<b>EXPENDITURE ON:</b>					
Raising funds		698,304	-	698,304	612,379
Charitable activities:					
Promote race relations, combat antisemitism and provide security		3,752,592	504,648	4,257,240	4,322,424
Department for Education School Security Grant		-	2,748,165	2,748,165	2,206,580
Home Office Protective Security Grant		-	5,477,084	5,477,084	-
Department for Communities and Local Government Security Enhancement Grant		-	1,000,000	1,000,000	-
<b>TOTAL EXPENDITURE</b>	6	<u>4,450,896</u>	<u>9,729,897</u>	<u>14,180,793</u>	<u>7,141,383</u>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>		2,429,690	(247,465)	2,182,225	1,201,798
Net gains on investments	14,15	326,833	-	326,833	333,939
<b>NET INCOME / (EXPENDITURE)</b>		<u>2,756,523</u>	<u>(247,465)</u>	<u>2,509,058</u>	<u>1,535,737</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>2,756,523</u>	<u>(247,465)</u>	<u>2,509,058</u>	<u>1,535,737</u>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds at 1 January 2015		9,489,636	334,363	9,823,999	8,288,262
<b>TOTAL FUNDS AT 31 DECEMBER 2015</b>	20	<u>12,246,159</u>	<u>86,898</u>	<u>12,333,057</u>	<u>9,823,999</u>

All activities relate to continuing operations.

The notes on pages 18 to 31 form part of these financial statements.

**COMMUNITY SECURITY TRUST**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2015**

	Note	£	2015 £	As restated 2014 £
<b>FIXED ASSETS</b>				
Tangible assets	13	891,986	849,048	
Investment property	14	4,800,000	4,464,785	
Total tangible assets			5,691,986	5,313,833
Investments	15		1,491,718	100
			7,183,704	5,313,933
<b>CURRENT ASSETS</b>				
Debtors	16	4,883,766	1,553,365	
Investments	17	4,545,682	4,334,059	
Cash at bank and in hand		910,322	582,379	
		10,339,770	6,469,803	
<b>CREDITORS:</b> amounts falling due within one year	18	(5,190,417)	(1,959,737)	
<b>NET CURRENT ASSETS</b>			5,149,353	4,510,066
<b>NET ASSETS</b>			12,333,057	9,823,999
<b>CHARITY FUNDS</b>				
Unrestricted designated funds	19		7,491,986	2,149,048
Unrestricted general funds	19		4,754,173	7,340,588
Restricted funds	19		86,898	334,363
<b>TOTAL FUNDS</b>			12,333,057	9,823,999

The financial statements were approved by the Trustee on 11 SEP 2016

Trustee

The notes on pages 18 to 31 form part of these financial statements.

**COMMUNITY SECURITY TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	2,173,510	706,313
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		23,384	(3,367)
Proceeds from the sale of fixed assets		5,850	-
Purchase of fixed assets		(163,178)	(35,031)
Purchase of investments		(1,500,000)	-
<b>Net cash used in investing activities</b>		<b>(1,633,944)</b>	<b>(38,398)</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings		-	(2,075,000)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(2,075,000)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>539,566</b>	<b>(1,407,085)</b>
Cash and cash equivalents brought forward		4,916,438	6,323,523
<b>Cash and cash equivalents carried forward</b>	23	<b>5,456,004</b>	<b>4,916,438</b>

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical 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 16 July 2014 and Financial Reporting Standard 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 Trust constitutes a public benefit entity as defined by FRS 102.

The accounts of the Charity's trading subsidiary, CST Promotions Limited, are not consolidated with these accounts. The trading Company's balance sheet comprises primarily of gift aid owed to the Charity and cash at bank. The Charity has dispensed with preparing consolidated accounts by including on the SoFA the income received from the trading subsidiary.

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

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the Trustee has considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. It was concluded that investments previously held as fixed asset investments should be reclassified as current asset investments.

**1.3 Judgements in applying accounting policies and key sources of estimation uncertainty**

There are no significant areas of judgement or key sources of estimation uncertainty arising from the preparation of the financial statements.

**1.4 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.

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 material restricted fund is set out in the notes to the financial statements.

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

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

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 when receivable. 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.

**1.6 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 year-end 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.

Fundraising costs 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 10 of these accounts.

**1.7 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 Bank.

**1.8 Pensions**

The pension costs charged in the accounts represent the contributions payable by the Charity during the year.

**1.9 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**1.11 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.

**1.12 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.

**1.13 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.

**1.14 Cash at Bank and in hand**

Cash at bank and in hand represents cash at bank held for working capital purposes.

**1.15 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.

**1.16 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 amount 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.

**1.17 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.

**1.18 Lease commitments**

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

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**2. INCOME FROM DONATIONS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations from individuals and trusts	5,927,437	-	5,927,437	4,914,350
Gift Aid recovered	254,558	-	254,558	177,186
Streetwise	-	60,100	60,100	50,000
Campus	-	10,000	10,000	10,000
Security enhancement	-	3,000	3,000	2,500
Security equipment project	-	76,550	76,550	-
Inter communal project	-	30,000	30,000	-
Social media project	-	25,000	25,000	-
Mishon volunteer awards	-	5,000	5,000	5,000
JESS income	-	29	29	709
Victim and witness support fund	-	47,504	47,504	46,626
Volunteer training	-	-	-	10,000
CCTV for schools	-	-	-	369,000
<b>Total donations</b>	<b>6,181,995</b>	<b>257,183</b>	<b>6,439,178</b>	<b>5,585,371</b>

In 2014, of the total income from donations, £5,091,536 was to unrestricted funds and £493,835 to restricted funds

**3. GIFT AID DONATION FROM CST PROMOTIONS LIMITED**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Gift Aid donation from CST Promotions Limited	362,697	-	362,697	195,918
	<b>362,697</b>	<b>-</b>	<b>362,697</b>	<b>195,918</b>

The above donation represents the net profit generated by CST Promotions Limited, a subsidiary undertaking of the Charity. The gross turnover and costs of sales of CST Promotions Limited in the current and prior year were:

	2015 £	2014 £
Turnover	402,689	226,350
Cost of Sales	(39,992)	(30,432)
<b>Profit transferred to CST</b>	<b>362,697</b>	<b>195,918</b>

The 2014 donation was unrestricted.

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. GRANT INCOME**

	<b>Restricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Home Office Protective Security Grant	5,477,084	5,477,084	-
Department for Education School Security Grant	2,748,165	2,748,165	2,206,580
Department for Communities and Local Government Security Enhancement Grant	1,000,000	1,000,000	-
	<u>9,225,249</u>	<u>9,225,249</u>	<u>2,206,580</u>

In 2014 all income from charitable activities was to restricted funds.

**5. OTHER INCOME**

	<b>Unrestricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Rental income	306,660	306,660	306,660
Interest receivable	23,384	23,384	48,652
Profit on disposal of fixed assets	5,850	5,850	-
	<u>335,894</u>	<u>335,894</u>	<u>355,312</u>

In 2014 all other income was unrestricted.

**6. ANALYSIS OF EXPENDITURE BY TYPE**

	<b>Staff costs 2015 £</b>	<b>Other costs 2015 £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Expenditure on fundraising	211,191	487,113	698,304	612,379
<b>Costs of generating funds</b>	<u>211,191</u>	<u>487,113</u>	<u>698,304</u>	<u>612,379</u>
Promote race relations, combat antisemitism and provide security	2,605,072	1,652,168	4,257,240	4,322,424
Department for Education School Security Grant	-	2,748,165	2,748,165	2,206,580
Home Office Protective Security Grant	187,500	5,289,584	5,477,084	-
Department for Communities and Local Government Security Enhancement Grant	-	1,000,000	1,000,000	-
<b>Charitable activities</b>	<u>2,792,572</u>	<u>10,689,917</u>	<u>13,482,489</u>	<u>6,529,004</u>
	<u>3,003,763</u>	<u>11,177,030</u>	<u>14,180,793</u>	<u>7,141,383</u>



**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**7. ANALYSIS OF EXPENDITURE BY ACTIVITY**

	Activities undertaken directly 2015 £	Grant funding of activities 2015 £	Support and governance costs 2015 £	Total 2015 £	Total 2014 £
Promote race relations, combat antisemitism and provide security	3,777,675	205,000	972,869	4,955,544	4,934,804
Department for Education School Security Grant	-	2,748,165	-	2,748,165	2,206,580
Home Office Protective Security Grant	1,013,784	4,463,300	-	5,477,084	-
Department for Communities and Local Government Security Enhancement Grant	1,000,000	-	-	1,000,000	-
<b>Total</b>	<b>5,791,459</b>	<b>7,416,465</b>	<b>972,869</b>	<b>14,180,793</b>	<b>7,141,384</b>

**8. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

	2015 £	2014 £
Rent and rates	204,040	193,866
Travel and motor	141,228	113,907
Repairs and maintenance	128,647	120,756
Insurance	102,550	83,901
Marketing	95,915	96,662
Staff training	92,364	60,527
Other support costs	196,985	135,305
Governance costs - auditors remuneration	11,140	8,710
<b>Total</b>	<b>972,869</b>	<b>813,634</b>

**9. NET MOVEMENT IN FUNDS**

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	120,240	89,724
Auditors' remuneration, audit of the financial statements	11,140	8,710
Auditors' remuneration - other professional services	2,000	-

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**10. STAFF COSTS**

Staff costs were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,510,877	2,102,866
Social security costs	263,775	235,954
Pension costs	229,111	187,804
	<u>3,003,763</u>	<u>2,526,624</u>

The average monthly number of employees and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Charitable activities	62	54
Fundraising	6	6
	<u>68</u>	<u>60</u>

The number of higher paid employees was:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
In the band £60,000 - £69,999	2	3
In the band £70,000 - £79,999	4	2
In the band £80,000 - £89,999	2	3
In the band £90,000 - £99,999	2	1
In the band £130,000 - £139,999	1	1
	<u>11</u>	<u>10</u>

During the year key management remuneration totalled £698,787 (2014 - £619,076), comprising the CEO and a management team of 8 staff members.

**11. TAXATION**

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

**12. TRUSTEE**

The Trustee who served during the year (or any persons connected with it) did not receive any remuneration or have any expenses reimbursed. This was also the case in the prior year.

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Leasehold improv' £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>					
At 1 January 2015	501,159	529,449	73,919	530,231	1,634,758
Additions	-	-	-	163,178	163,178
Disposals	-	-	(28,525)	-	(28,525)
At 31 December 2015	501,159	529,449	45,394	693,409	1,769,411
<b>Depreciation</b>					
At 1 January 2015	113,418	125,200	73,919	473,173	785,710
Charge for the year	10,023	10,589	-	99,628	120,240
On disposals	-	-	(28,525)	-	(28,525)
At 31 December 2015	123,441	135,789	45,394	572,801	877,425
<b>Net book value</b>					
At 31 December 2015	377,718	393,660	-	120,608	891,986
At 31 December 2014	387,741	404,249	-	57,058	849,048

**14. INVESTMENT PROPERTY**

	Freehold investment property £
<b>Valuation</b>	
At 1 January 2015	4,464,785
Surplus on revaluation	335,215
At 31 December 2015	4,800,000

The year end valuation was made by the board of directors of the Trustee and represents the board's best estimate of the property's value.

**COMMUNITY SECURITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**15. FIXED ASSET INVESTMENTS**

	<b>Listed Investments £</b>	<b>Shares in subsidiary undertaking £</b>	<b>Total £</b>
<b>Market value</b>			
At 1 January 2015	-	100	100
Additions	1,500,000	-	1,500,000
Revaluations	(8,382)	-	(8,382)
	<u>1,491,618</u>	<u>100</u>	<u>1,491,718</u>
At 31 December 2015	<u>1,491,618</u>	<u>100</u>	<u>1,491,718</u>
<b>Historical cost</b>	<u>1,500,000</u>	<u>100</u>	<u>1,500,100</u>

The Charity owns 100% of the ordinary share capital of CST Promotions Limited, a trading company (Company number: 3010390). The subsidiary pays its taxable profits to the Charity each year under Gift Aid, see note 3 for further details.

At the year end CST Promotions Limited had an aggregate capital and reserve deficit of £4,125 (2014 - £4,125) represented by:

	<b>2015 £</b>	<b>2014 £</b>
Debtors	84,654	77,875
Cash at bank	39,769	70,308
Creditors	(128,548)	(152,308)
	<u>(4,125)</u>	<u>(4,125)</u>
Net liability	<u>(4,125)</u>	<u>(4,125)</u>

**16. DEBTORS**

	<b>2015 £</b>	<b>2014 £</b>
Donations receivable	501,396	521,662
Home Office grant commitments	2,994,298	-
Amounts owed by group undertakings	124,786	149,650
Other debtors	32,144	62,374
Prepayments and accrued income	1,231,142	819,679
	<u>4,883,766</u>	<u>1,553,365</u>

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**17. CURRENT ASSET INVESTMENTS**

	<b>2015</b>	<b>As restated</b>
	<b>£</b>	<b>2014</b>
		<b>£</b>
Investments	4,545,682	4,334,059
	<u>4,545,682</u>	<u>4,334,059</u>

As a result of the transition to FRS102 the 2014 investments held as fixed asset investments have been reclassified as current asset investments.

**18. CREDITORS:**  
**Amounts falling due within one year**

	<b>2015</b>	<b>As restated</b>
	<b>£</b>	<b>2014</b>
		<b>£</b>
Trade creditors	119,029	101,690
Other taxation and social security	86,116	84,920
Home Office grant commitments	2,168,761	-
Security enhancement project commitments	1,396,378	724,796
Other creditors	1,420,133	1,048,331
	<u>5,190,417</u>	<u>1,959,737</u>

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**19. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried Forward £
<b>Designated funds</b>						
Security enhancements	1,300,000	-	-	500,000	-	1,800,000
Fixed asset fund	849,048	-	(120,240)	163,178	-	891,986
Investment property fund	-	-	-	4,800,000	-	4,800,000
	<u>2,149,048</u>	<u>-</u>	<u>(120,240)</u>	<u>5,463,178</u>	<u>-</u>	<u>7,491,986</u>
<b>General funds</b>						
General funds	7,340,588	6,880,586	(4,330,656)	(5,463,178)	326,833	4,754,173
Total Unrestricted funds	<u>9,489,636</u>	<u>6,880,586</u>	<u>(4,450,896)</u>	<u>-</u>	<u>326,833</u>	<u>12,246,159</u>
<b>Restricted funds</b>						
Home Office Protective Security Grant	-	5,477,084	(5,477,084)	-	-	-
Department for Education School Security Grant	-	2,748,165	(2,748,165)	-	-	-
Department for Communities and Local Government Security Enhancement Grant	-	1,000,000	(1,000,000)	-	-	-
CCTV for Schools	270,643	-	(270,643)	-	-	-
Aggregate smaller restricted grants	63,720	257,183	(234,005)	-	-	86,898
	<u>334,363</u>	<u>9,482,432</u>	<u>(9,729,897)</u>	<u>-</u>	<u>-</u>	<u>86,898</u>
Total Restricted funds	<u>334,363</u>	<u>9,482,432</u>	<u>(9,729,897)</u>	<u>-</u>	<u>-</u>	<u>86,898</u>
Total funds	<u>9,823,999</u>	<u>16,363,018</u>	<u>(14,180,793)</u>	<u>-</u>	<u>326,833</u>	<u>12,333,057</u>

**Designated funds:**

The security enhancements fund provides for 18 months of security enhancement expenditure.

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

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**19. STATEMENT OF FUNDS (continued)**

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

**Restricted funds:**

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

The Department for Education School Security Grant is used to reimburse state aided Jewish schools for their security costs.

The Department for Communities and Local Government Security Enhancement Fund is a grant specifically given for use towards the Security Enhancement Project.

The CCTV for schools fund was a donation given for the purchase and installation of CCTV systems in Jewish schools.

All remaining restricted funds with income or expenditure below £100,000 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.

**20. FUND TRANSFERS**

Transfers represent the adjustment of the fixed asset and security enhancements designated funds, and the designation of the Charity's investment property as a separate fund.

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2015 £</b>	<b>Restricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Tangible fixed assets	891,986	-	891,986	849,048
Fixed asset investments	1,491,718	-	1,491,718	100
Investment property	4,800,000	-	4,800,000	4,464,785
Current assets	10,252,873	86,898	10,339,771	6,469,805
Creditors due within one year	(5,190,418)	-	(5,190,418)	(1,959,737)
	<u>12,246,159</u>	<u>86,898</u>	<u>12,333,057</u>	<u>9,823,999</u>

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**22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Net income for the year (as per Statement of Financial Activities)	2,509,058	1,535,737
<b>Adjustment for:</b>		
Depreciation charges	120,240	89,724
Gains on investments	(326,833)	(333,939)
Dividends, interest and rents from investments	(23,385)	3,367
(Profit)/loss on the sale of fixed assets	(5,850)	23,938
(Increase)/decrease in debtors	(3,142,152)	318,628
Increase/(decrease) in creditors	3,042,432	(931,142)
<b>Net cash provided by operating activities</b>	<u>2,173,510</u>	<u>706,313</u>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2015 £	2014 £
Cash in hand	910,322	582,379
Current investments	4,545,682	4,334,059
<b>Total</b>	<u>5,456,004</u>	<u>4,916,438</u>

**24. PENSION COMMITMENTS**

The pension charge per the accounts represents contributions paid by the Charity for the year and amounted to £229,111 (2014 - £187,805) in respect of defined contribution schemes.

**25. OPERATING LEASE COMMITMENTS**

At 31 December 2015 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>			<b>Other</b>
	2015 £	2014 £	2015 £	2014 £
Within 1 year	23,853	88,799	74,279	43,318
Between 2 and 5 years	-	23,853	132,687	5,948
<b>Total</b>	<u>23,853</u>	<u>112,652</u>	<u>206,966</u>	<u>49,266</u>

**26. RELATED PARTY TRANSACTIONS**

As at 31 December 2015, the Charity was owed £124,786 (2014 - £149,650) by its trading subsidiary, CST Promotions Limited.

During the year the Charity received donations totalling £370,000 (2014 - £298,000) from the directors of the corporate trustee, and parties over which the directors had control or significant influence.



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**27. POST BALANCE SHEET EVENTS**

On 1 April 2016 the Charity merged with The Group Relations Educational Trust (charity number 275284). GRET and CST have worked closely together for many years and for at least the last ten years have been run with a combined management structure. The Trustees of both charities consider that the Charitable Objects of both entities would be best achieved through a merger effected by a transfer of the Charitable Undertaking from GRET to CST. It is agreed that this will streamline the governance and administration of the two charities;