

Registered number: 06414570

Charity number: 1121671



Charity Fund

Helping Public Service Communities

CSIS Charity Fund

(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2021

CSIS Charity Fund
(A company limited by guarantee)

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CSIS Charity Fund
(A company limited by guarantee)

**Reference and administrative details of the charity, its Trustees and advisers
for the year ended 31 December 2021**

Trustees

Ian Albert
Colin Birch
Sally Bundock
Charles Cochrane
Michael Duggan
Ray Flanigan, Grants Trustee
Gaby Glasener-Cipollone
Rebecca Gooch, Chair
Mary Jeffrey
Tunde Ojetola, Treasurer
Angelos Pamos
Sun-Hee Park
Deborah Terry, Deputy Chair

Company registered number

06414570

Charity registered number

1121671

Registered office

First floor
Gail House
Maidstone
Kent
ME15 6NB

Website

www.csischarityfund.org

Company secretary

Kevin Holliday

Independent auditors

Kreston Reeves LLP
Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

CSIS Charity Fund
(A company limited by guarantee)

Reference and administrative details of the charity, its Trustees and advisers (continued)
for the year ended 31 December 2021

Bankers

Handelsbanken
9th Floor
Colman House
King Street
Maidstone
Kent
ME14 1DN

Solicitors

Gill, Turner, & Tucker
Colman House
Maidstone
Kent
ME14 1JE

Investment Managers

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London
EC2N 2DL

Savills Investment Management (UK) Limited
33 Margaret Street
London
W1G 0JD

CSIS Charity Fund
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Chair's statement
for the year ended 31 December 2021



Welcome to our annual report for 2021.

Like 2020, 2021 has been a year of continued unusual circumstances. The second year of the pandemic has meant that we have continued to operate virtually, however this hasn't impacted our ability to deliver for the benefit of serving and past civil and public servants and their dependants. The modernisation of the charity operation via its two non-executive committees: the Finance, Audit and Risk committee and the Grants committee, in combination with the task and finish group approach we trialled in 2020, has enabled us to handle the challenges of the last year in a professional and agile way. I would like to thank all of the trustees for their continued effort and dedication.

During the year we have embedded the changes in key office holders agreed in 2020 and welcomed Debbie Terry to the post of deputy chair. Debbie has a wealth of experience from her time at BT Benevolent Fund and she has been invaluable in keeping our business plan on track.

Some of the key deliverables of the year include:

- safeguarding the future operation of the charity through developing a succession plan for the diversity of our board and key roles, as well as developing a long-term plan for the role of charity secretary.
- Implementing new grant conditions - to give our beneficiary partners clarity, without additional administrative burdens and to protect the Charity Fund from legal challenge
- Implemented new risk management processes, completing a review of procedure that began in 2020 and undertaking a zero-based review of the risks the charity faces
- Improved and updated our website to ensure that our role and signposting is clear and to showcase the good work we are able to do with the income we receive from CSIS

Our income comes entirely from the annual donations of the profits of the CSIS and investment income from our reserves, and the pandemic resulted in the income of the charity being lower than in previous years. We had to respond swiftly, making some difficult decisions to draw on our reserves, to deliver as generous a programme of grant giving as we were able to, ensuring our funds were able to reach those who needed them more than ever.

Despite these challenges, I am proud to say we were able to honour the relationships we have with our beneficiary organisations and make grants totalling £493,049. This is in no small part due to the excellent efforts of our grants chairman, the robust relationships he has fostered and the resulting understanding of our partner organisations, and the efforts of our grants committee.

Our response, supported by our strong reserves position, has put us in a good position as we move into what will hopefully be a recovery year and has meant we are feeling optimistic and excited for 2022.

A handwritten signature in black ink, appearing to read 'Rebecca Gooch', written in a cursive style.

Rebecca Gooch, CSIS Charity Fund Chair
Date: 18 May 2022

CSIS Charity Fund
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Trustees' report
for the year ended 31 December 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CSIS Charity Fund (the charity) for the year ended 31 December 2021. The Trustees confirm that the Annual Report and Financial Statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

What the Charity Does, its Purpose and its Aims

CSIS Charity Fund is an independent charity linked to the Civil Service Insurance Society (CSIS), a "not for profit" insurance intermediary which markets good quality, competitively priced insurance products exclusively to civil and public servants. The charity's income comes almost entirely from the annual trading surplus of the CSIS, plus the investment of its reserves. Virtually all of CSIS's annual trading surplus is paid into the charity under a Deed of Covenant. The money is then distributed by the charity's Trustees to a wide range of organisations, mainly, but not exclusively, civil and public service charities, putting the money back into the community from which it originated.

The charity achieves its purpose of relieving need, hardship and distress amongst serving, former and retired civil and public servants and their families by giving grants. Some of these are made directly to individuals. In particular, the charity supports directly a small number of widows and other dependants of deceased policy holders of CSIS with annual grants and help with specific costs such as one off grants to clear debts.

In addition we make grants to a wide range of other charities and not for profit organisations who can help us achieve our aims, either by giving individual welfare support to needy serving, former and retired civil and public servants and their families, or by funding projects which will be of more general benefit to our target client group.

Our grant giving in 2021

In 2021, we made grants totalling £493,049 of which £21,049 was paid to the widows of CSIS policyholders and £472,000 to twenty four different charities around the UK.

The largest grant went to support the work of the Charity for Civil Servants to fund their welfare grants and initiatives such as their "carers passports" which helps civil servants with caring responsibilities secure the support they need in their workplaces.

What we Know About the Impact of our Grants

As a matter of principle and procedure, we ask the organisations to whom we give grants to tell us how they intend to use the money, who will benefit and what they expect the impact to be, so we can satisfy ourselves that the project or activity is consistent with our aims. We ask organisations when they bid for funds how or what would be their own measures of success for the grant and how the impact on the ultimate beneficiaries be monitored and assessed, and we ask the organisations to report back to us after they have spent the money. Copies of their annual report and accounts are received from all recipient charities.

CSIS Charity Fund
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Trustees' report (continued)
for the year ended 31 December 2021

Our Grant Giving Policies and Priorities

As the Chair's opening statement suggests, a Grants Committee was established in 2019, in order to assist the Grants Chair with the relatively onerous task of preparing for the Annual Grants Meeting, the highlight of the charity's annual cycle. This new Committee, initially comprising just three Trustees and the Secretary, operated extremely well in its first year, helping to inform our grant-making activities. It certainly helped considerably in making the whole process operate smoothly, efficiently and transparently. Since then, our experience has enabled us to further refine our processes, despite all the issues we've been presented with during this past year. For the coming year, the Committee is now larger, augmented by three further Trustees. The Committee has now become well-established as the means by which we deal with both day-to-day grant issues, and all the preparation for, and dealing with all the issues associated with, our annual grants round.

The current Grant Giving Policy Statement includes information about the Trustees' priorities, funds available, type of projects sought, type of grants we will pay, conditions we generally set on grants, and our procedures and timetable for considering and authorising grants. It reaffirms that, in addition to providing support for the widows and widowers of deceased CSIS policyholders, and potentially 'vulnerable customers' of the insurance business, our primary focus will be on supporting charities and not-for-profit organisations which have a clear and direct link with the public services. However, we will also continue to provide grants to other organisations where Trustees can be satisfied that the beneficiaries will include former, serving and retired civil and public servants and their dependants and which are very clearly and directly relieving need, hardship and distress amongst those they support. The intent remains clear, but we do recognise that the Policy could benefit from some updating, and we plan to conduct a review of its content in the coming year.

FINANCIAL REVIEW

Overview

Most of the charity's annual income comes from the trading activities of CSIS, which, is a small, but highly successful not for profit insurance intermediary, authorised and regulated by the Financial Conduct Authority, which markets good quality, competitively priced insurance products to a wide range of civil and public servants. The two companies are legally and constitutionally separate, but they are linked by a Deed of Covenant put in place under the Gift Aid provisions introduced into the UK tax regime in April 2000 and confirmed when the charity was reconstituted in 2007, under which all but a small amount of the annual trading surplus of CSIS is covenanted irrevocably to the charity.

There was a donation of £204,400 from CSIS in respect of their 2021 trading. The charity received income from investing its cash, bringing in a further £34,671 in 2021. The charity liquidated £210,000 of the investments to fund its grant giving in 2021, but saw an increase in value of £39,585.

Unrestricted funds at the end of the year were £1,352,209.

Reserves Policy

As explained above, most of the charity's income comes from the trading activities of CSIS. With the exception of the abnormally high donation in 2018 which resulted from a one-off profit share from past trading, this has averaged around £0.5 to £0.7 million a year for the past 10 years. However, due to the impact of Coronavirus on travel insurance, it would not be prudent for the charity to depend on that level of income continuing in 2022. Nor is it prudent to depend on investment income, as events in the financial markets during recent years have demonstrated all too vividly.

In setting a reserves policy, we need to allow for the fact that almost all of our income comes from CSIS just before the end of the year and most of our grant payments are made in March. The reserves figure shown in the annual accounts is therefore inflated by a large, temporary injection of cash, which can give a misleading impression of the underlying position.

CSIS Charity Fund
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Trustees' report (continued)
for the year ended 31 December 2021

Reserves Policy (continued)

We conduct regular reviews of our reserves policy, including carrying out some financial modelling to explore the risks presented by a number of alternative scenarios. In light of this, we judged that we only need to hold reserves of around one year's expenditure. Our reserves at the end of 2021 were £1.1 million, excluding the average donation from CSIS.

The Trustees are working towards reducing the reserves held in the long term to £0.8 million.

COVID-19

While the impact of the COVID-19 pandemic has been assessed by the Trustees as far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate the potential outcomes on the charity's future activities with certainty. The full impact of the pandemic on the UK economy is yet to be seen, but it has already had a significant and detrimental impact on our reserves and hence our ability, during 2021, to make additional grants beyond those agreed at the annual grants meeting in March. This strategy will enable the charity to continue with its operations for at least the next 12 months.

Investment Policy

The Trustees' investment policy, which is kept under regular review, is to invest long term money in Charishare (equities), Charinco (fixed interest) and The Charities Property Fund. The investments are held for the charity by BlackRock Investment Managers and Savills Investment Managers. Sufficient cash for short term needs is held on deposit at our bank, Handelsbanken.

MEETING THE PUBLIC BENEFIT TEST

As noted above, the formal Objects of the charity are the relief of need, hardship and distress, including (but not exclusively) by the provision of financial and other assistance to serving, former and retired civil and public servants and their dependants either directly or by making grants to other organisations which can provide financial or other support to them. Our Memorandum and Articles of Association enable us to interpret the term "civil and public servants" quite widely to include, for example, the civil service, the NHS, teachers and other local authority employees, government agencies and privatised bodies which were formerly part of the civil service, such as BT and the Post Office.

As will be seen from our grant giving policy above, the Trustees are prepared to consider supporting any appropriate organisation which approaches the charity for help, providing the proposal falls within the charity's Objects. Furthermore, we have been taking active steps to expand the range of projects and activities we support and to improve the geographical spread of our direct grant giving, for example, by ensuring that the hospice projects we support are spread around the country, as well as being in places where we know large numbers of civil and public servants live and work. The major civil and public sector charities we support already have national coverage and so our grant giving helps to support individuals throughout the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

CSIS Charity Fund is a company limited by guarantee. Its governing document is the Memorandum and Articles of Association agreed by special resolution of the Members on 19 May 2009, and amended by the Members in a General Meeting held on 14 May 2015. This incorporates a number of provisions of the Companies Act 2006 which had not been included in the original constitution, agreed by the Charity Commission on the 23rd November 2007 when the charity was first incorporated. Using the provisions of the new constitution, the name of the charity was changed from the Civil Service Windows and Orphans Fund to CSIS Charity Fund by resolution of the Trustees on the 15th of June 2009.

CSIS Charity Fund
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Trustees' report (continued)
for the year ended 31 December 2021

The Trustees and Management of the Charity

The charity currently has thirteen Trustees who meet regularly. From March 2020 these meetings took place remotely using Teams, Zoom and conference calls, which enabled us to continue operating effectively.

The Trustees have put in place a basic set of policies and procedures which an up to date charity is now expected to have, including a grant giving policy, a reserves policy, investment policy, conflicts of interest policy, procedure for handling complaints, a risk management strategy and risk register, a data protection policy and job descriptions for the Trustees and all office holders. These are kept under regular on-going review and updated as necessary. The conflicts of interest policy includes guidance on the acceptance of gifts and hospitality.

The Trustees have formally adopted the principles of the new Charity Governance Code for Small Charities, published in July 2017, on the basis that it allows charities to depart from the recommended practice on any particular item providing the reasons for doing so are explained. The charity does not undertake any direct fundraising and is therefore not a member of the Fundraising Standards Board.

The Finance, Audit and Risk Committee is a formally constituted committee of the Trustee Board, accountable to the Board, to work with and support the Treasurer in the exercise of his or her role and to provide a forum where matters relating to finance can be discussed in detail with a small group of Trustees. A Grants Committee was established in late 2019 to assist the work of the new Grants Chair. The full Trustee Board remains responsible for all decisions relating to finance and grants, but they can delegate authority to the Committees to take decisions on their behalf on matters where they judge that to be useful and appropriate. The Charity has no other formal committees, although ad hoc sub-groups of Trustees are used regularly to carry out specific pieces of work. However, all substantial matters are considered by all of the Trustees.

The main decisions on grants are taken at an annual Grants Meeting which all Trustees attend. However, procedures are in place to allow grant decisions to be taken at other times and these include delegated authority for a Trustee nominated as the Grants Trustee to approve emergency grants for widows and other dependents of former CSIS policy holders and small additions to grants already awarded. The Grants Trustee chairs the annual Grants Meeting.

The Trustees keep under regular review the diversity, skills and experience needed on the board. Our aim is to recruit new Trustees, either by open competition or directly, as and when the opportunity arises to maintain a board with an appropriate balance of the desired skills and experience, with staggered terms of appointment which will provide for continuity and stability while allowing for some potential turnover of Trustees over the medium term. Given the size and nature of the charity, our aim is to recruit Trustees, if possible, without the expense of advertising in national newspapers.

We have an induction procedure for new Trustees which includes a list of documents to be provided, people to meet, and training to be offered. This is kept under regular review and updated as necessary. It is used flexibly. New Trustees come from different backgrounds with differing levels of experience and degrees of knowledge about the duties of a charity Trustee, and some Trustees will have more time than others to devote to optional training. Trustees are encouraged to attend training events and financial briefings from our Investment Managers.

CSIS Charity Fund
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Trustees' report (continued)
for the year ended 31 December 2021

Risk Management

The Trustees have a risk management strategy in place which details how we assess, analyse, classify and manage our risks. Where appropriate, systems or procedures have been established to manage the risks to which the charity is exposed or to mitigate the possible consequences, and we keep our risk register under regular review and update it as necessary. We have a rolling programme of reviews in which we aim to discuss one of our key risks in depth at successive Trustee meetings.

The Trustees judge that the most important risks to the charity are: overdependence on key individuals; failure to have the impact we intend with our grant giving; reputational risk from the actions of others outside our control; poor investment performance given the current volatility in the financial markets; and the charity's dependence on CSIS for its annual income, given that CSIS operates in a very highly competitive market. Our reserves policy (see above) is therefore designed, in particular, to protect the work of the charity against the possibility that CSIS may not be able to maintain its present level of profitability indefinitely. Internal systems of control and contingency plans are in place to protect the charity against other risks such as fraud, fire or disruption to the IT systems. These include arrangements for an independent internal auditor to carry out a programme of regular checks, in particular of payments made, and to report twice a year to the Trustees.

OUR PLANS FOR THE FUTURE

Our ambitions are:

- To be seen by both the organisations we work with, and by existing and potential CSIS policyholders, as caring, supportive, flexible, and responsive to new ideas.
- Through close working with and monitoring of our partner organisations, to know that our grant giving is making a genuine difference to the lives of individuals in need, hardship and distress, in particular for the client groups we see as our priority.
- To ensure that the impact of our grant giving is spread throughout the UK and its diverse communities by working with as wide a range of civil and public service charities and other not-for-profit organisations as we can.
- To have a good story to tell in our publicity material about the sort of impact our grant giving is having on individuals in hardship and distress, which will support CSIS's marketing efforts.

CSIS Charity Fund
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Trustees' report (continued)
for the year ended 31 December 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Rebecca Gooch
Chair

Date: 18 May 2022

CSIS Charity Fund
(A company limited by guarantee)

Independent auditors' report to the Members of CSIS Charity Fund

Opinion

We have audited the financial statements of CSIS Charity Fund (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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 financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

CSIS Charity Fund
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Independent auditors' report to the Members of CSIS Charity Fund (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CSIS Charity Fund
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Independent auditors' report to the Members of CSIS Charity Fund (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 financial statements.

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:

Based on our understanding of the charity and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

CSIS Charity Fund
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Independent auditors' report to the Members of CSIS Charity Fund (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Canterbury

19 May 2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CSIS Charity Fund
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 December 2021

| | Note | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | |
| Donations and legacies | 3 | 291,279 | 291,279 | 269,778 |
| Investments | 4 | 34,671 | 34,671 | 41,986 |
| Total income | | <u>325,950</u> | <u>325,950</u> | <u>311,764</u> |
| Expenditure on: | | | | |
| Charitable activities | 7 | 531,023 | 531,023 | 779,236 |
| Total expenditure | | <u>531,023</u> | <u>531,023</u> | <u>779,236</u> |
| Net expenditure before net gains/(losses) on investments | | | | |
| | | (205,073) | (205,073) | (467,472) |
| Net gains/(losses) on investments | | 39,585 | 39,585 | (119,917) |
| Net movement in funds | | <u>(165,488)</u> | <u>(165,488)</u> | <u>(587,389)</u> |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 1,517,697 | 1,517,697 | 2,105,086 |
| Net movement in funds | | (165,488) | (165,488) | (587,389) |
| Total funds carried forward | | <u>1,352,209</u> | <u>1,352,209</u> | <u>1,517,697</u> |

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

The notes on pages 16 to 27 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)
Registered number: 06414570

Balance sheet
as at 31 December 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Investments | 12 | 1,032,638 | 1,203,053 |
| | | <u>1,032,638</u> | <u>1,203,053</u> |
| Current assets | | | |
| Debtors | 14 | 211,492 | 265,855 |
| Cash at bank and in hand | | 112,669 | 53,169 |
| | | <u>324,161</u> | <u>319,024</u> |
| Creditors: amounts falling due within one year | 15 | (4,590) | (4,380) |
| | | <u>319,571</u> | <u>314,644</u> |
| Net current assets | | 319,571 | 314,644 |
| Total net assets | | 1,352,209 | 1,517,697 |
| | | <u><u>1,352,209</u></u> | <u><u>1,517,697</u></u> |
| Charity funds | | | |
| Restricted funds | 16 | - | - |
| Unrestricted funds | 16 | 1,352,209 | 1,517,697 |
| Total funds | | 1,352,209 | 1,517,697 |
| | | <u><u>1,352,209</u></u> | <u><u>1,517,697</u></u> |

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Rebecca Gooch
Chair



Tunde Ojetola
Treasurer

Date: 18 May 2022

The notes on pages 16 to 27 form part of these financial statements.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

1. General information

CSIS Charity Fund is a charity, limited by guarantee, domiciled in England and Wales, with the registration number 06414570. The registered office is First floor Gail House, Lower Stone Street, Maidstone, Kent, ME15 6NB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

CSIS Charity Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity's functional currency is Pounds Sterling.

The charity's financial statements are presented to the nearest Pound.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1, together with seven members comprising six former Trustees and The Civil Service Insurance Society. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2.3 Fund accounting

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

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

2.4 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.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Notes to the financial statements
for the year ended 31 December 2021

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Charitable activities costs are costs incurred on the charity's educational operations, including support costs of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

2.6 Going concern

The charity's main source of income is the usually the receipt of a donation from The Civil Service Insurance Society.

In order to meet its day to day working capital requirements the charity is usually dependent upon this donation, the nature of which are primarily awarded on an annual basis and the significant reserves the charity has accumulated.

While the impact of the COVID-19 pandemic has been assessed by the trustees so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the charities activities, its members and suppliers. However, taking into consideration the UK Government's response, its range of measures to support businesses and the charity's own reserves and planning, the trustees have reasonable expectation that the charity will continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

2.7 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 'Gains/(Losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

2.8 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.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 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.

2.13 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

3. Income from donations and legacies

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|--|---------------------------------------|-----------------------------|
| Donations from The Civil Service Insurance Society | 204,400 | 204,400 | 257,051 |
| Donated services | 26,747 | 26,747 | 12,377 |
| Other donations | 60,132 | 60,132 | 350 |
| Total donations and legacies | <u>291,279</u> | <u>291,279</u> | <u>269,778</u> |
| Total 2020 | <u>269,778</u> | <u>269,778</u> | |

4. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------|--|---------------------------------------|-----------------------------|
| Investment income | 34,671 | 34,671 | 41,986 |
| Total 2020 | <u>41,986</u> | <u>41,986</u> | |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

5. Grants paid to other charities in 2021 and approved for payment in 2022

| | Paid out in 2021 £ | Approved In March 2022 £ |
|--|--------------------------|--------------------------------|
| The Charity for Civil Servants | | |
| Contribution to welfare grants to serving and retired civil servants in need | 150,000 | - |
| Civil Service Retirement Fellowship (CSRF) | | |
| Support for the development of befriending services to combat loneliness | 5,000 | - |
| BT Benevolent Fund | | |
| Support for welfare payments to BT pensioners and current and ex-employees | 40,000 | - |
| Post office Orphans Benevolent Institution | | |
| Support for University Bursaries and the "Rising Stars" scheme | 20,000 | - |
| Rowland Hill Fund | | |
| For welfare grants for Royal mail and Post Office employees and pensioners | 40,000 | - |
| Civil Service Sports Council | | |
| women | 2,000 | - |
| Railway Benefit Fund | | |
| Support for welfare grants for serving and retired railway workers in need. | 20,000 | - |
| MHS Retirement Fellowship | | |
| Support for welfare grants and the development of a range of future services | 2,000 | - |
| Education Support Partnership | | |
| Support for welfare grants for lectures, teachers and teaching assistants | 20,000 | - |
| Cavell Nurses' Trust | | |
| Support for nurses, midwives and healthcare assistants in hardship and need | 25,000 | - |
| The Ambulance Services Charity | | |
| Welfare support for members of the ambulance services and their families | 10,000 | - |
| Social Workers Benevolent Fund | | |
| Welfare support for social workers and their families | 18,000 | - |
| The Care Workers Charity | | |
| Welfare support for care workers and their families | 25,000 | - |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

| | Paid out in 2021 £ | Approved In March 2022 £ |
|--|--------------------------|--------------------------------|
| Fire Fighters Charity | | |
| Support for the charity's "Living Well" groups for retired fire and rescue workers | 5,000 | - |
| Police Treatment Centres | | |
| To help expand the Psychological Wellbeing programme for emergency workers | 8,000 | - |
| National Association of Probation Officers (The Edridge Fund) | | |
| Contribution to welfare grants | 5,000 | - |
| National Federation of Occupational Pensioner NFOP | | |
| Contribution to welfare fund | 5,000 | - |
| Public and Commercial Services Union (PCS) | | |
| Contribution to the union's Benevolent fund | 5,000 | - |
| Prison Officers Association Welfare Fund | | |
| Support for stress helpline, welfare grants and rehabilitation of injured officers | 10,000 | - |
| UNISON | | |
| Contribution to the union's Benevolent fund | 5,000 | - |
| Relatives and Residents Association | | |
| Support for a guidance for care workers on the importance of diagnosing and treating hearing problems in care settings and on handling medication. | 12,000 | - |
| Association of Air Ambulance Trusts | | |
| Establish and update the patient information and enquiry line | 10,000 | - |
| Lucy Air Ambulance for Children | | |
| Fixed Wing Ambulance Service for Children | 5,000 | - |
| Hospice UK | | |
| Funding to help develop "Compassionate Neighbour" schemes in more hospices | 25,000 | - |
| Total Grants to other charities | 472,000 | - |
| Provision for additional grants during 2022 | - | - |
| Total budget for grants to other charities | 472,000 | - |

At the date of approving the financial statements, CSIS Charity Fund has not committed to any grant payments in 2022.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

6. Analysis of grants

| | Grants to Institutions 2021 £ | Grants to Individuals 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|--|---|---------------------------------------|-----------------------------|
| Grants to individuals | - | 21,049 | 21,049 | 18,786 |
| Grants to other charities | 472,000 | - | 472,000 | 736,000 |
| | <u>472,000</u> | <u>21,049</u> | <u>493,049</u> | <u>754,786</u> |
| Total 2020 | <u>736,000</u> | <u>18,786</u> | <u>754,786</u> | |

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|--|---------------------------------------|-----------------------------|
| Grants to individuals | 24,329 | 24,329 | 20,009 |
| Grants to other charities | 506,694 | 506,694 | 759,227 |
| | <u>531,023</u> | <u>531,023</u> | <u>779,236</u> |
| Total 2020 | <u>779,236</u> | <u>779,236</u> | |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

8. Support costs

| | Grants to individuals 2021 £ | Grants to other charities 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------------|---|---|---------------------------------------|---------------------------------------|
| Auditors' remuneration | 196 | 3,734 | 3,930 | 3,750 |
| Accountancy | 34 | 627 | 661 | 673 |
| Insurance | 85 | 1,606 | 1,691 | 2,364 |
| Office expenses | 247 | 4,700 | 4,947 | 5,286 |
| Recharged staff costs | 1,338 | 25,409 | 26,747 | 12,377 |
| | <u>1,900</u> | <u>36,076</u> | <u>37,976</u> | <u>24,450</u> |
| | <u>1,223</u> | <u>23,227</u> | <u>24,450</u> | |
| Total 2020 | <u>1,223</u> | <u>23,227</u> | <u>24,450</u> | |

9. Analysis of expenditure by activities

| | Grant funding of activities 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|---|---|---------------------------------------|---------------------------------------|
| Grants to individuals | 21,049 | 3,280 | 24,329 | 20,009 |
| Grants to other charities | 472,000 | 34,694 | 506,694 | 759,227 |
| | <u>493,049</u> | <u>37,974</u> | <u>531,023</u> | <u>779,236</u> |
| Total 2020 | <u>754,786</u> | <u>24,450</u> | <u>779,236</u> | |

10. Auditors' remuneration

| | 2021 £ | 2020 £ |
|--|---------------------|-------------------|
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | <u>3,825</u> | <u>3,750</u> |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, expenses totaling £111 were reimbursed or paid directly to 2 Trustees (2020 - £1,272 to 6 Trustees).

12. Fixed asset investments

| | Listed investments £ |
|---------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 January 2021 | 1,203,053 |
| Disposals | (210,000) |
| Revaluations | 39,585 |
| | <hr/> |
| At 31 December 2021 | 1,032,638 <hr/> <hr/> |
| Net book value | |
| At 31 December 2021 | 1,032,638 |
| At 31 December 2020 | <hr/> 1,203,053 <hr/> <hr/> |

13. Investments at market value comprise:

| | | |
|-------------------------|------------------------------------|-----------------------------|
| Fixed asset investments | 1,032,638 | 1,203,053 |
| | <hr/> 1,032,638 <hr/> <hr/> | <hr/> 1,203,053 <hr/> <hr/> |

All fixed asset investments are held in the UK.

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

14. Debtors

| | 2021 | 2020 |
|--------------------------------|-----------------------|----------------|
| | £ | £ |
| Due within one year | | |
| Prepayments and accrued income | 211,492 | 265,855 |
| | <u>211,492</u> | <u>265,855</u> |

15. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|------------------------------|---------------------|--------------|
| | £ | £ |
| Accruals and deferred income | 4,590 | 4,380 |
| | <u>4,590</u> | <u>4,380</u> |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

16. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|---|
| Unrestricted funds | | | | | |
| General Funds - all funds | <u>1,517,697</u> | <u>325,950</u> | <u>(531,023)</u> | <u>39,585</u> | <u>1,352,209</u> |

Statement of funds - prior year

| | Balance at 1 January 2020 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2020 £ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|---|
| Unrestricted funds | | | | | |
| General funds | <u>2,105,086</u> | <u>311,764</u> | <u>(779,236)</u> | <u>(119,917)</u> | <u>1,517,697</u> |

17. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|---------------|--------------------------------------|----------------|------------------|-------------------------|---|
| General funds | <u>1,517,697</u> | <u>325,950</u> | <u>(531,023)</u> | <u>39,585</u> | <u>1,352,209</u> |

Summary of funds - prior year

| | Balance at 1 January 2020 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2020 £ |
|---------------|--------------------------------------|----------------|------------------|-------------------------|---|
| General funds | <u>2,105,086</u> | <u>311,764</u> | <u>(779,236)</u> | <u>(119,917)</u> | <u>1,517,697</u> |

CSIS Charity Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 December 2021

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|--|---------------------------------------|
| Fixed asset investments | 1,032,638 | 1,032,638 |
| Current assets | 324,161 | 324,161 |
| Creditors due within one year | (4,590) | (4,590) |
| Total | 1,352,209 | 1,352,209 |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|--|---------------------------------------|
| Fixed asset investments | 1,203,053 | 1,203,053 |
| Current assets | 319,024 | 319,024 |
| Creditors due within one year | (4,380) | (4,380) |
| Total | 1,517,697 | 1,517,697 |

19. Related party transactions

During the year, the charity received donations of £204,400 (2020: £257,051) from The Civil Service Insurance Society, who is a corporate member of the charity.

During the year ended 31 December 2021, the Civil Service Insurance Society incurred costs on behalf of the charity in the sum of £26,747 (2020: £12,377) but did not recharge these. Consequently, the costs and the associated donation have been included within the financial statements as a donated service.

At 31 December 2021, the charity was owed £204,400 (2020: £257,051) by the Civil Service Insurance Society.

20. Controlling party

The charity is controlled by its Board of Trustees.